

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended March 31, 2026  
or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-01011



**CVS HEALTH CORPORATION**  
(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

**One CVS Drive, Woonsocket, Rhode Island**

(Address of principal executive offices)

**05-0494040**

(I.R.S. Employer Identification No.)

**02895**

(Zip Code)

Registrant's telephone number, including area code:

**(401) 765-1500**

Former name, former address and former fiscal year, if changed since last report:

N/A

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	CVS	New York Stock Exchange

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

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

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

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

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

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

As of April 29, 2026, the registrant had 1,275,927,307 shares of common stock issued and outstanding.

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**Part I. Financial Information**

**Item 1. Financial Statements**

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**CVS Health Corporation**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**

<i>In millions, except per share amounts</i>	Three Months Ended March 31,	
	2026	2025
Revenues:		
Products	\$ 62,226	\$ 57,669
Premiums	33,791	32,820
Services	3,835	3,579
Net investment income	574	520
Total revenues	100,426	94,588
Operating costs:		
Cost of products sold	55,444	51,057
Health care costs	29,358	29,135
Operating expenses	10,944	11,022
Total operating costs	95,746	91,214
Operating income	4,680	3,374
Interest expense	(774)	(785)
Other income	32	28
Income before income tax provision	3,938	2,617
Income tax provision	981	835
Net income	2,957	1,782
Net income attributable to noncontrolling interests	(14)	(3)
Net income attributable to CVS Health	\$ 2,943	\$ 1,779
Net income per share attributable to CVS Health:		
Basic	\$ 2.31	\$ 1.41
Diluted	\$ 2.30	\$ 1.41
Weighted average shares outstanding:		
Basic	1,273	1,261
Diluted	1,279	1,264

See accompanying notes to condensed consolidated financial statements (unaudited).

**CVS Health Corporation**  
**Condensed Consolidated Statements of Comprehensive Income**  
**(Unaudited)**

<i>In millions</i>	Three Months Ended March 31,	
	2026	2025
Net income	\$ 2,957	\$ 1,782
Other comprehensive income (loss), net of tax:		
Net unrealized investment gains (losses)	(244)	216
Change in discount rate on long-duration insurance reserves	43	(33)
Net cash flow hedges	(4)	(4)
Other comprehensive income (loss)	(205)	179
Comprehensive income	2,752	1,961
Comprehensive income attributable to noncontrolling interests	(14)	(3)
Comprehensive income attributable to CVS Health	\$ 2,738	\$ 1,958

See accompanying notes to condensed consolidated financial statements (unaudited).

**CVS Health Corporation**  
**Condensed Consolidated Balance Sheets**  
**(Unaudited)**

<i>In millions, except per share amounts</i>	March 31, 2026	December 31, 2025
<b>Assets:</b>		
Cash and cash equivalents	\$ 9,542	\$ 8,453
Investments	2,260	2,145
Accounts receivable, net	40,992	39,779
Inventories	17,770	19,246
Other current assets	4,253	5,091
Total current assets	<u>74,817</u>	<u>74,714</u>
Long-term investments	32,407	32,669
Property and equipment, net	13,037	13,083
Operating lease right-of-use assets	14,741	14,973
Goodwill	85,478	85,478
Intangible assets, net	25,070	25,508
Other assets	7,424	7,113
Total assets	<u>\$ 252,974</u>	<u>\$ 253,538</u>
<b>Liabilities:</b>		
Accounts payable	\$ 16,922	\$ 17,641
Pharmacy claims and discounts payable	26,149	26,344
Health care costs payable	15,518	15,399
Accrued expenses and other current liabilities	22,258	22,387
Other insurance liabilities	1,075	1,116
Current portion of operating lease liabilities	1,904	1,737
Current portion of long-term debt	2,580	4,068
Total current liabilities	<u>86,406</u>	<u>88,692</u>
Long-term operating lease liabilities	13,330	13,643
Long-term debt	60,531	60,502
Deferred income taxes	3,771	3,832
Other long-term insurance liabilities	4,592	4,716
Other long-term liabilities	6,707	6,771
Total liabilities	<u>175,337</u>	<u>178,156</u>
<b>Shareholders' equity:</b>		
Preferred stock, par value \$0.01: 0.1 shares authorized; none issued or outstanding	—	—
Common stock, par value \$0.01: 3,200 shares authorized; 1,788 shares issued and 1,273 shares outstanding as of March 31, 2026 and 1,787 shares issued and 1,271 shares outstanding as of December 31, 2025 and capital surplus	50,679	50,402
Treasury stock, at cost: 515 and 516 shares as of March 31, 2026 and December 31, 2025	(36,706)	(36,790)
Retained earnings	63,282	61,196
Accumulated other comprehensive income	201	406
Total CVS Health shareholders' equity	<u>77,456</u>	<u>75,214</u>
Noncontrolling interests	181	168
Total shareholders' equity	<u>77,637</u>	<u>75,382</u>
Total liabilities and shareholders' equity	<u>\$ 252,974</u>	<u>\$ 253,538</u>

See accompanying notes to condensed consolidated financial statements (unaudited).

**CVS Health Corporation**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**

<i>In millions</i>	Three Months Ended March 31,	
	2026	2025
<b>Cash flows from operating activities:</b>		
Cash receipts from customers	\$ 94,201	\$ 90,809
Cash paid for inventory, prescriptions dispensed and health services rendered	(50,551)	(48,433)
Insurance benefits paid	(28,398)	(28,477)
Cash paid to other suppliers and employees	(10,775)	(8,690)
Interest and investment income received	526	497
Interest paid	(1,091)	(1,012)
Income taxes refunded (paid)	337	(138)
<b>Net cash provided by operating activities</b>	<b>4,249</b>	<b>4,556</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sales and maturities of investments	4,159	3,534
Purchases of investments	(4,186)	(3,552)
Purchases of property and equipment	(849)	(743)
Acquisitions	(5)	(20)
Other	7	19
<b>Net cash used in investing activities</b>	<b>(874)</b>	<b>(762)</b>
<b>Cash flows from financing activities:</b>		
Commercial paper borrowings (repayments), net	—	(859)
Repayments of long-term debt	(1,518)	(743)
Dividends paid	(847)	(840)
Proceeds from exercise of stock options	103	144
Payments for taxes related to net share settlement of equity awards	(9)	(11)
Other	(47)	(23)
<b>Net cash used in financing activities</b>	<b>(2,318)</b>	<b>(2,332)</b>
<b>Net increase in cash, cash equivalents and restricted cash</b>	<b>1,057</b>	<b>1,462</b>
Cash, cash equivalents and restricted cash at the beginning of the period	8,712	8,884
<b>Cash, cash equivalents and restricted cash at the end of the period</b>	<b>\$ 9,769</b>	<b>\$ 10,346</b>

**CVS Health Corporation**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**

<i>In millions</i>	Three Months Ended March 31,	
	2026	2025
Reconciliation of net income to net cash provided by operating activities:		
Net income	\$ 2,957	\$ 1,782
Adjustments required to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,115	1,154
Stock-based compensation	266	126
Loss on sale of subsidiary	—	236
Deferred income taxes and other items	(91)	(169)
Change in operating assets and liabilities, net of effects from acquisitions:		
Accounts receivable, net	(1,205)	(3,053)
Inventories	1,476	722
Other assets	479	(1,101)
Accounts payable and pharmacy claims and discounts payable	(562)	2,619
Health care costs payable and other insurance liabilities	10	364
Other liabilities	(196)	1,876
Net cash provided by operating activities	<u>\$ 4,249</u>	<u>\$ 4,556</u>

See accompanying notes to condensed consolidated financial statements (unaudited).

**CVS Health Corporation**  
**Condensed Consolidated Statements of Shareholders' Equity**  
**(Unaudited)**

<i>In millions</i>	Attributable to CVS Health								
	Number of shares outstanding		Common Stock and Capital Surplus <sup>(2)</sup>	Treasury Stock <sup>(1)</sup>	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total CVS Health Shareholders' Equity	Noncontrolling Interests	Total Shareholders' Equity
	Common Shares	Treasury Shares <sup>(1)</sup>							
<b>Balance as of December 31, 2025</b>	1,787	(516)	\$ 50,402	\$ (36,790)	\$ 61,196	\$ 406	\$ 75,214	\$ 168	\$ 75,382
Net income	—	—	—	—	2,943	—	2,943	14	2,957
Other comprehensive loss (Note 6)	—	—	—	—	—	(205)	(205)	—	(205)
Stock option activity, stock awards and other	1	—	277	—	—	—	277	—	277
ESPP issuances, net of purchase of treasury shares	—	1	—	84	—	—	84	—	84
Common stock dividends (\$0.665 per share)	—	—	—	—	(857)	—	(857)	—	(857)
Other decreases in noncontrolling interests	—	—	—	—	—	—	—	(1)	(1)
<b>Balance as of March 31, 2026</b>	<u>1,788</u>	<u>(515)</u>	<u>\$ 50,679</u>	<u>\$ (36,706)</u>	<u>\$ 63,282</u>	<u>\$ 201</u>	<u>\$ 77,456</u>	<u>\$ 181</u>	<u>\$ 77,637</u>
<b>Balance as of December 31, 2024</b>	1,778	(518)	\$ 49,661	\$ (36,818)	\$ 62,837	\$ (120)	\$ 75,560	\$ 170	\$ 75,730
Net income	—	—	—	—	1,779	—	1,779	3	1,782
Other comprehensive income (Note 6)	—	—	—	—	—	179	179	—	179
Stock option activity, stock awards and other	1	—	176	—	—	—	176	—	176
ESPP issuances, net of purchase of treasury shares	—	1	—	83	—	—	83	—	83
Common stock dividends (\$0.665 per share)	—	—	—	—	(848)	—	(848)	—	(848)
Other increases in noncontrolling interests	—	—	—	—	—	—	—	8	8
<b>Balance as of March 31, 2025</b>	<u>1,779</u>	<u>(517)</u>	<u>\$ 49,837</u>	<u>\$ (36,735)</u>	<u>\$ 63,768</u>	<u>\$ 59</u>	<u>\$ 76,929</u>	<u>\$ 181</u>	<u>\$ 77,110</u>

(1) Treasury shares include 1 million shares held in trust and treasury stock includes \$29 million related to shares held in trust as of March 31, 2026 and 2025, and December 31, 2025 and 2024.

(2) Common stock and capital surplus includes the par value of common stock of \$18 million as of March 31, 2026 and 2025, and December 31, 2025 and 2024.

See accompanying notes to condensed consolidated financial statements (unaudited).

## Notes to Condensed Consolidated Financial Statements (Unaudited)

### 1. Significant Accounting Policies

#### *Description of Business*

CVS Health Corporation, together with its subsidiaries (collectively, “CVS Health” or the “Company”), is a leading health solutions company simplifying health care one person, one family and one community at a time. As of March 31, 2026, the Company had approximately 9,000 retail locations, more than 1,000 walk-in and primary care medical clinics and a leading pharmacy benefits manager with approximately 88 million plan members and expanding specialty pharmacy solutions. The Company also serves an estimated more than 37 million people through a broad range of health insurance products and related services. The Company is creating new sources of value through its integrated model, allowing it to expand into personalized, technology driven care delivery and health services, increasing access to quality care, delivering better health outcomes and lowering overall health care costs.

The Company has four reportable segments: Health Care Benefits, Health Services, Pharmacy & Consumer Wellness and Corporate/Other, which are described below.

#### *Health Care Benefits Segment*

The Health Care Benefits segment operates as one of the nation’s leading diversified health care benefits providers through its Aetna® operations. The Health Care Benefits segment has the information and resources to help members, in consultation with their health care professionals, make more informed decisions about their health care. The Health Care Benefits segment offers a broad range of health insurance products and related services, including medical, pharmacy, dental and behavioral health plans, medical management capabilities, Medicare Advantage and Medicare Supplement plans, prescription drug plans (“PDPs”) and Medicaid health care management services. The Health Care Benefits segment’s primary customers, its members, primarily access the segment’s products and services through employer groups, government-sponsored plans or individually. The Health Care Benefits segment also serves customers who purchase products and services that are ancillary to its health insurance products. The Company refers to insurance products (where it assumes all or a majority of the risk for medical and dental care costs) as “Insured” and administrative services contract products (where the plan sponsor assumes all or a majority of the risk for medical and dental care costs) as “ASC.”

#### *Health Services Segment*

The Health Services segment provides a full range of pharmacy benefit management (“PBM”) solutions through its CVS Caremark® operations and delivers health care services in its medical clinics, virtually, and in the home. PBM solutions include plan design offerings and administration, formulary management, retail pharmacy network management services, and specialty and mail order pharmacy services. In addition, the Company provides clinical services, disease management services, medical spend management and pharmacy and/or other administrative services for providers and federal 340B drug pricing program covered entities (“Covered Entities”). The Company operates a group purchasing organization that negotiates pricing for the purchase of pharmaceuticals and rebates with pharmaceutical manufacturers on behalf of its participants and provides various administrative, management and reporting services to pharmaceutical manufacturers. The segment also works directly with pharmaceutical manufacturers to commercialize and/or co-produce high quality biosimilar products through its Cordavis™ subsidiary. The Health Services segment’s health care delivery assets include Signify Health, Inc. (“Signify Health”), a leader in health risk assessments, and Oak Street Health, Inc. (“Oak Street Health”), a leading multi-payor operator of value-based primary care centers serving Medicare eligible patients. The Health Services segment’s clients and customers are primarily employers, insurance companies, unions, government employee groups, health plans, PDPs, Medicaid managed care plans, the U.S. Centers for Medicare & Medicaid Services (“CMS”), plans offered on public and private health insurance exchanges and other sponsors of health benefit plans throughout the U.S., patients who receive care in the Health Services segment’s medical clinics, virtually or in the home, as well as Covered Entities.

#### *Pharmacy & Consumer Wellness Segment*

The Pharmacy & Consumer Wellness segment dispenses prescriptions in its CVS Pharmacy® retail locations and through its infusion operations, provides ancillary pharmacy services including pharmacy patient care programs and vaccination administration, and sells a wide assortment of health and wellness products and general merchandise. The segment also provides pharmacy fulfillment services to support the Health Services segment’s specialty and mail order pharmacy offerings. As of March 31, 2026, the Pharmacy & Consumer Wellness segment operated approximately 9,000 retail locations, as well as online retail pharmacy websites, retail specialty pharmacy stores, compounding pharmacies and branches for infusion and enteral nutrition services.

### *Corporate/Other Segment*

The Company presents the remainder of its financial results in the Corporate/Other segment, which primarily consists of:

- Management and administrative expenses to support the Company's overall operations, which include certain aspects of executive management and the corporate relations, legal, compliance, human resources and finance departments, information technology, digital, data and analytics, as well as acquisition-related integration costs; and
- Products for which the Company no longer solicits or accepts new customers, such as its large case pensions and long-term care insurance products.

### ***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements of CVS Health and its subsidiaries have been prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") regarding interim financial reporting. In accordance with such rules and regulations, certain information and accompanying note disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") have been omitted, although the Company believes the disclosures included herein are adequate to make the information presented not misleading. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto which are included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K").

In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for the interim periods presented. Because of the influence of various factors on the Company's operations, including business combinations, certain holidays and other seasonal influences, net income for any interim period may not be comparable to the same interim period in previous years or necessarily indicative of income for the full year.

### ***Principles of Consolidation***

The unaudited condensed consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries and variable interest entities ("VIEs") for which the Company is the primary beneficiary. All material intercompany balances and transactions have been eliminated.

The Company continually evaluates its investments to determine if they represent variable interests in a VIE. If the Company determines that it has a variable interest in a VIE, the Company then evaluates if it is the primary beneficiary of the VIE. The evaluation is a qualitative assessment as to whether the Company has the ability to direct the activities of a VIE that most significantly impact the entity's economic performance. The Company consolidates a VIE if it is considered to be the primary beneficiary.

Assets and liabilities of VIEs for which the Company is the primary beneficiary were not significant to the Company's unaudited condensed consolidated financial statements. VIE creditors do not have recourse against the general credit of the Company.

### ***Reclassifications***

Certain prior year amounts within the unaudited condensed consolidated balance sheet have been reclassified to conform with the current year presentation.

### ***Restricted Cash***

Restricted cash included in other current assets on the unaudited condensed consolidated balance sheets primarily represents funds held on behalf of members. Restricted cash included in other assets on the unaudited condensed consolidated balance sheets represents amounts held in a trust in one of the Company's captive insurance companies to satisfy collateral requirements associated with the assignment of certain insurance policies. All restricted cash is invested in demand deposits, time deposits and money market funds.

The following is a reconciliation of cash and cash equivalents on the unaudited condensed consolidated balance sheets to total cash, cash equivalents and restricted cash on the unaudited condensed consolidated statements of cash flows:

<i><u>In millions</u></i>	<b>March 31, 2026</b>	<b>December 31, 2025</b>
Cash and cash equivalents	\$ 9,542	\$ 8,453
Restricted cash (included in other current assets)	14	59
Restricted cash (included in other assets)	213	200
Total cash, cash equivalents and restricted cash in the statements of cash flows	<u>\$ 9,769</u>	<u>\$ 8,712</u>

### ***Accounts Receivable***

Accounts receivable are stated net of allowances for credit losses, customer credit allowances, contractual allowances and estimated terminations. Accounts receivable, net as of March 31, 2026 and December 31, 2025 was composed of the following:

<i><u>In millions</u></i>	<b>March 31, 2026</b>	<b>December 31, 2025</b>
Trade receivables	\$ 12,511	\$ 10,563
Vendor and manufacturer receivables	14,144	15,564
Premium receivables	7,633	5,753
Other receivables	6,704	7,899
Total accounts receivable, net	<u>\$ 40,992</u>	<u>\$ 39,779</u>

The Company's allowance for credit losses was \$200 million and \$182 million as of March 31, 2026 and December 31, 2025, respectively. When developing an estimate of the Company's expected credit losses, the Company considers all available relevant information regarding the collectability of cash flows, including historical information, current conditions and reasonable and supportable forecasts of future economic conditions over the contractual life of the receivable. The Company's accounts receivable are short duration in nature and typically settle in less than 30 days.

### ***Premium Deficiency Reserves***

The Company evaluates its short-duration insurance contracts to determine if it is probable that a loss will be incurred. For purposes of determining premium deficiency losses, contracts are grouped consistent with the Company's method of acquiring, servicing and measuring the profitability of such contracts. For each contract grouping, a premium deficiency reserve is recognized when it is probable that expected future incurred claims, including costs to maintain the contract grouping, exceed anticipated future premiums and reinsurance recoveries. Anticipated investment income is not considered in the calculation of premium deficiency reserves. A premium deficiency is first recognized by charging any unamortized acquisition costs to operating expenses, and to the extent the premium deficiency is greater than the unamortized acquisition costs, a premium deficiency reserve liability is established and reflected in health care costs payable on the unaudited condensed consolidated balance sheets. Losses recognized as a premium deficiency reserve result in a beneficial effect in subsequent periods as subsequent costs under these contracts are then charged to this previously established liability.

The Company did not establish any premium deficiency reserves during the three months ended March 31, 2026.

During the first quarter of 2025, the Company determined it had a premium deficiency in its individual exchange product line related to the remainder of the 2025 coverage year and, accordingly, recorded a premium deficiency reserve of \$448 million. The premium deficiency reserve consisted of a \$17 million write-off of unamortized acquisition costs, which was recorded in operating expenses, and \$431 million recorded in health care costs, which was subsequently utilized throughout the remainder of 2025. The Company did not establish a premium deficiency reserve for any other product line during the three months ended March 31, 2025.

## Revenue Recognition

### Disaggregation of Revenue

The following tables disaggregate the Company's revenue by major source in each segment for the three months ended March 31, 2026 and 2025:

<i>In millions</i>	Health Care Benefits	Health Services	Pharmacy & Consumer Wellness	Corporate/Other	Intersegment Eliminations	Consolidated Totals
<b>Three Months Ended March 31, 2026</b>						
Major goods/services lines:						
Pharmacy	\$ —	\$ 45,655	\$ 26,123	\$ —	\$ (14,839)	\$ 56,939
Front Store	—	—	5,259	—	—	5,259
Premiums	33,792	—	—	12	(13)	33,791
Net investment income	462	—	—	112	—	574
Other	1,717	2,582	607	2	(1,045)	3,863
Total	<u>\$ 35,971</u>	<u>\$ 48,237</u>	<u>\$ 31,989</u>	<u>\$ 126</u>	<u>\$ (15,897)</u>	<u>\$ 100,426</u>

#### Health Services distribution channel:

Pharmacy network <sup>(1)</sup>	\$ 25,149
Mail & specialty <sup>(2)</sup>	20,506
Other	2,582
Total	<u>\$ 48,237</u>

#### Three Months Ended March 31, 2025

Major goods/services lines:						
Pharmacy	\$ —	\$ 41,182	\$ 26,076	\$ —	\$ (14,751)	\$ 52,507
Front Store	—	—	5,243	—	—	5,243
Premiums	32,808	—	—	12	—	32,820
Net investment income	387	14	—	119	—	520
Other	1,615	2,266	593	2	(978)	3,498
Total	<u>\$ 34,810</u>	<u>\$ 43,462</u>	<u>\$ 31,912</u>	<u>\$ 133</u>	<u>\$ (15,729)</u>	<u>\$ 94,588</u>

#### Health Services distribution channel:

Pharmacy network <sup>(1)</sup>	\$ 23,114
Mail & specialty <sup>(2)</sup>	18,068
Net investment income	14
Other	2,266
Total	<u>\$ 43,462</u>

<sup>(1)</sup> Health Services pharmacy network is defined as claims filled at retail and specialty retail pharmacies, including pharmacies owned by the Company, as well as activity associated with Maintenance Choice<sup>®</sup>, which permits eligible client plan members to fill their maintenance prescriptions through mail order delivery or at a CVS pharmacy retail store for the same price as mail order.

<sup>(2)</sup> Health Services mail & specialty is defined as specialty mail claims inclusive of Specialty Connect<sup>®</sup> claims picked up at a retail pharmacy, as well as mail order and specialty claims fulfilled by the Pharmacy & Consumer Wellness segment.

### ACO REACH and MSSP Exit

Prior to the first quarter of 2025, the Company's Health Services segment provided enablement services to health systems primarily through two programs administered by CMS: the Accountable Care Organization Realizing Equity, Access and Community Health ("ACO REACH") program and the Medicare Shared Savings Program ("MSSP"). During the first quarter of 2025, the Company determined that it would substantially exit both the ACO REACH program and the MSSP as further

described below. In connection with these actions, during the three months ended March 31, 2025, the Company recorded a loss on Accountable Care assets of \$247 million, which was reflected in operating expenses within the Health Services segment.

#### *ACO REACH*

In February 2025, the Company informed CMS of its plans to voluntarily terminate substantially all of its participation in the ACO REACH program effective March 31, 2025. In connection with the commencement of the wind down of its ACO REACH operations, the Company incurred costs of \$11 million during the three months ended March 31, 2025.

#### *MSSP*

In March 2025, the Company also divested its MSSP operations to Wellvana Health, LLC. The Company recorded a pre-tax loss on the divestiture of \$236 million during the three months ended March 31, 2025, which included the removal of intangible assets and goodwill totaling \$342 million. The consideration received related to this agreement was not material.

#### ***New Accounting Pronouncements Not Yet Adopted***

##### *Disaggregation of Income Statement Expenses*

In November 2024, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The standard requires the Company to provide further disaggregated information of relevant expense captions within its consolidated statements of operations, including the purchases of inventory, employee compensation, depreciation and intangible asset amortization, as well as the inclusion of other specific expenses, gains and losses required by existing GAAP. The new standard also requires the Company to disclose its total selling expenses and, on an annual basis, provide a qualitative description of its selling expenses. The standard is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The standard may be applied prospectively or retrospectively. While the standard will require additional disclosures related to certain expenses included in the consolidated statements of operations, the standard is not expected to have any impact on the Company’s consolidated operating results, financial condition or cash flows.

##### *Internal-Use Software*

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*. This standard is intended to modernize the accounting for internal-use software. Under the new standard, the Company will capitalize eligible costs when (i) management has authorized and committed to funding the software project, and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. The standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2027, with early adoption permitted as of the beginning of a fiscal year. The standard may be applied prospectively, retrospectively or using a modified transition approach. The Company is currently evaluating the impact that this standard will have on the Company’s consolidated operating results, cash flows, financial condition and related disclosures.

## 2. Investments

Total investments as of March 31, 2026 and December 31, 2025 were as follows:

<i>In millions</i>	March 31, 2026			December 31, 2025		
	Current	Long-term	Total	Current	Long-term	Total
Debt securities available for sale	\$ 2,104	\$ 26,287	\$ 28,391	\$ 1,997	\$ 26,721	\$ 28,718
Mortgage loans	156	1,339	1,495	148	1,376	1,524
Other investments	—	4,781	4,781	—	4,572	4,572
Total investments	\$ 2,260	\$ 32,407	\$ 34,667	\$ 2,145	\$ 32,669	\$ 34,814

### Debt Securities

Debt securities available for sale as of March 31, 2026 and December 31, 2025 were as follows:

<i>In millions</i>	Amortized Cost <sup>(1)</sup>	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<b>March 31, 2026</b>				
Debt securities:				
U.S. government securities	\$ 2,725	\$ 20	\$ (10)	\$ 2,735
States, municipalities and political subdivisions	273	2	(7)	268
U.S. corporate securities	15,104	143	(314)	14,933
Foreign securities	3,024	47	(50)	3,021
Residential mortgage-backed securities	1,090	10	(31)	1,069
Commercial mortgage-backed securities	1,889	14	(28)	1,875
Other asset-backed securities	4,474	9	(7)	4,476
Redeemable preferred securities	14	—	—	14
Total debt securities <sup>(2)</sup>	\$ 28,593	\$ 245	\$ (447)	\$ 28,391
<b>December 31, 2025</b>				
Debt securities:				
U.S. government securities	\$ 2,691	\$ 39	\$ (8)	\$ 2,722
States, municipalities and political subdivisions	296	3	(7)	292
U.S. corporate securities	14,657	262	(231)	14,688
Foreign securities	2,981	78	(31)	3,028
Residential mortgage-backed securities	1,065	14	(29)	1,050
Commercial mortgage-backed securities	1,974	28	(23)	1,979
Other asset-backed securities	4,921	25	(2)	4,944
Redeemable preferred securities	15	—	—	15
Total debt securities <sup>(2)</sup>	\$ 28,600	\$ 449	\$ (331)	\$ 28,718

(1) There was no allowance for expected credit losses recorded on available-for-sale debt securities as of March 31, 2026 or December 31, 2025.

(2) Investment risks associated with the Company's experience-rated products generally do not impact the Company's consolidated operating results. As of March 31, 2026, debt securities with a fair value of \$433 million, gross unrealized capital gains of \$6 million and gross unrealized capital losses of \$19 million, and as of December 31, 2025, debt securities with a fair value of \$475 million, gross unrealized capital gains of \$10 million and gross unrealized capital losses of \$16 million were included in total debt securities, but support experience-rated products. Changes in net unrealized capital gains (losses) on these securities are not reflected in accumulated other comprehensive income.

The amortized cost and fair value of debt securities as of March 31, 2026 are shown below by contractual maturity. Actual maturities may differ from contractual maturities because securities may be restructured, called or prepaid, or the Company intends to sell a security prior to maturity.

<i><b>In millions</b></i>	<b>Amortized Cost</b>	<b>Fair Value</b>
Due to mature:		
Less than one year	\$ 850	\$ 852
One year through five years	11,487	11,534
After five years through ten years	5,706	5,685
Greater than ten years	3,097	2,900
Residential mortgage-backed securities	1,090	1,069
Commercial mortgage-backed securities	1,889	1,875
Other asset-backed securities	4,474	4,476
<b>Total</b>	<b>\$ 28,593</b>	<b>\$ 28,391</b>

Summarized below are the debt securities the Company held as of March 31, 2026 and December 31, 2025 that were in an unrealized capital loss position, aggregated by the length of time the investments have been in that position:

<i>In millions, except number of securities</i>	Less than 12 months			Greater than 12 months			Total		
	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses
<b>March 31, 2026</b>									
Debt securities:									
U.S. government securities	151	\$ 597	\$ 5	71	\$ 149	\$ 5	222	\$ 746	\$ 10
States, municipalities and political subdivisions	34	84	1	63	91	6	97	175	7
U.S. corporate securities	3,450	5,547	96	1,287	1,787	218	4,737	7,334	314
Foreign securities	602	1,136	22	220	300	28	822	1,436	50
Residential mortgage-backed securities	150	303	3	281	223	28	431	526	31
Commercial mortgage-backed securities	220	750	9	76	163	19	296	913	28
Other asset-backed securities	657	1,660	6	21	27	1	678	1,687	7
Redeemable preferred securities	4	6	—	—	—	—	4	6	—
<b>Total debt securities</b>	<b>5,268</b>	<b>\$ 10,083</b>	<b>\$ 142</b>	<b>2,019</b>	<b>\$ 2,740</b>	<b>\$ 305</b>	<b>7,287</b>	<b>\$ 12,823</b>	<b>\$ 447</b>
<b>December 31, 2025</b>									
Debt securities:									
U.S. government securities	50	\$ 156	\$ 2	80	\$ 168	\$ 6	130	\$ 324	\$ 8
States, municipalities and political subdivisions	16	28	—	89	136	7	105	164	7
U.S. corporate securities	1,045	1,634	23	1,541	2,149	208	2,586	3,783	231
Foreign securities	180	310	2	303	449	29	483	759	31
Residential mortgage-backed securities	67	124	1	303	272	28	370	396	29
Commercial mortgage-backed securities	84	290	1	126	269	22	210	559	23
Other asset-backed securities	136	314	1	19	27	1	155	341	2
Redeemable preferred securities	—	—	—	4	6	—	4	6	—
<b>Total debt securities</b>	<b>1,578</b>	<b>\$ 2,856</b>	<b>\$ 30</b>	<b>2,465</b>	<b>\$ 3,476</b>	<b>\$ 301</b>	<b>4,043</b>	<b>\$ 6,332</b>	<b>\$ 331</b>

The Company reviewed the securities in the table above and concluded that they are performing assets generating investment income to support the needs of the Company's business. In performing this review, the Company considered factors such as the quality of the investment security based on research performed by the Company's internal credit analysts and external rating agencies and the prospects of realizing the carrying value of the security based on the investment's current prospects for recovery. Unrealized capital losses as of March 31, 2026 were generally caused by interest rate increases and not by unfavorable changes in the credit quality associated with these securities. As of March 31, 2026, the Company did not intend to sell these securities, and did not believe it was more likely than not that it would be required to sell these securities prior to the anticipated recovery of their amortized cost basis.

### Net Investment Income

Sources of net investment income for the three months ended March 31, 2026 and 2025 were as follows:

<i>In millions</i>	Three Months Ended March 31,	
	2026	2025
Debt securities	\$ 351	\$ 323
Mortgage loans	22	21
Other investments	230	209
Gross investment income	603	553
Investment expenses	(13)	(12)
Net investment income (excluding net realized capital losses)	590	541
Net realized capital losses	(16)	(21)
Net investment income	\$ 574	\$ 520

Excluding amounts related to experience-rated products, proceeds from the sale of available-for-sale debt securities and the related gross realized capital gains and losses for the three months ended March 31, 2026 and 2025 were as follows:

<i>In millions</i>	Three Months Ended March 31,	
	2026	2025
Proceeds from sales	\$ 2,950	\$ 2,185
Gross realized capital gains	27	12
Gross realized capital losses	28	39

### 3. Fair Value

The preparation of the Company's unaudited condensed consolidated financial statements in accordance with GAAP requires certain assets and liabilities to be reflected at their fair value and others to be reflected on another basis, such as an adjusted historical cost basis. The Company's assets and liabilities carried at fair value have been classified within one of three levels of a hierarchy established by GAAP. The following are the levels of the hierarchy and a brief description of the type of valuation information ("valuation inputs") that qualifies a financial asset or liability for each level:

- Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 – Valuation inputs other than Level 1 that are based on observable market data. These include: quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets, valuation inputs that are observable that are not prices (such as interest rates and credit risks) and valuation inputs that are derived from or corroborated by observable markets.
- Level 3 – Developed from unobservable data, reflecting the Company's assumptions.

For a description of the methods and assumptions that are used to estimate the fair value and determine the fair value hierarchy classification of each class of financial instrument, see Note 5 "Fair Value" in the 2025 Form 10-K.

There were no financial liabilities measured at fair value on a recurring basis on the unaudited condensed consolidated balance sheets as of March 31, 2026 or December 31, 2025. Financial assets measured at fair value on a recurring basis on the unaudited condensed consolidated balance sheets as of March 31, 2026 and December 31, 2025 were as follows:

<i>In millions</i>	Level 1	Level 2	Level 3	Total
<b>March 31, 2026</b>				
Cash and cash equivalents	\$ 3,188	\$ 6,354	\$ —	\$ 9,542
Debt securities:				
U.S. government securities	2,726	9	—	2,735
States, municipalities and political subdivisions	—	268	—	268
U.S. corporate securities	—	14,929	4	14,933
Foreign securities	—	3,021	—	3,021
Residential mortgage-backed securities	—	1,069	—	1,069
Commercial mortgage-backed securities	—	1,875	—	1,875
Other asset-backed securities	—	4,476	—	4,476
Redeemable preferred securities	—	14	—	14
Total debt securities	2,726	25,661	4	28,391
Equity securities	78	134	198	410
Total	\$ 5,992	\$ 32,149	\$ 202	\$ 38,343
<b>December 31, 2025</b>				
Cash and cash equivalents	\$ 4,030	\$ 4,423	\$ —	\$ 8,453
Debt securities:				
U.S. government securities	2,713	9	—	2,722
States, municipalities and political subdivisions	—	292	—	292
U.S. corporate securities	—	14,682	6	14,688
Foreign securities	—	3,028	—	3,028
Residential mortgage-backed securities	—	1,050	—	1,050
Commercial mortgage-backed securities	—	1,979	—	1,979
Other asset-backed securities	—	4,944	—	4,944
Redeemable preferred securities	—	15	—	15
Total debt securities	2,713	25,999	6	28,718
Equity securities	105	30	198	333
Total	\$ 6,848	\$ 30,452	\$ 204	\$ 37,504

During the three months ended March 31, 2026 and 2025, transfers into or out of Level 3 were not material.

The carrying value and estimated fair value classified by level of fair value hierarchy for financial instruments carried on the unaudited condensed consolidated balance sheets at adjusted cost or contract value as of March 31, 2026 and December 31, 2025 were as follows:

<i>In millions</i>	Carrying Value	Estimated Fair Value			
		Level 1	Level 2	Level 3	Total
<b>March 31, 2026</b>					
Assets:					
Mortgage loans	\$ 1,495	\$ —	\$ —	\$ 1,489	\$ 1,489
Equity securities <sup>(1)</sup>	625	N/A	N/A	N/A	N/A
Liabilities:					
Long-term debt	63,111	59,707	—	—	59,707
<b>December 31, 2025</b>					
Assets:					
Mortgage loans	\$ 1,524	\$ —	\$ —	\$ 1,524	\$ 1,524
Equity securities <sup>(1)</sup>	555	N/A	N/A	N/A	N/A
Liabilities:					
Long-term debt	64,570	62,321	—	—	62,321

(1) It was not practical to estimate the fair value of these investments as they represent shares of unlisted companies.

### Separate Accounts

Separate accounts assets relate to the Company's large case pensions products and represent funds maintained to meet specific objectives of contract holders. Since contract holders bear the investment risk of these assets, a corresponding separate accounts liability has been established equal to the assets. Separate accounts assets and liabilities are carried at fair value and are included in other assets and other long-term liabilities, respectively, on the unaudited condensed consolidated balance sheets. During the three months ended March 31, 2026, changes in separate accounts assets and liabilities were not material. Separate accounts assets as of March 31, 2026 and December 31, 2025 were as follows:

<i>In millions</i>	March 31, 2026				December 31, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 1	\$ 154	\$ —	\$ 155	\$ 1	\$ 155	\$ —	\$ 156
Debt securities	18	353	2	373	30	361	2	393
Common/collective trusts	—	1,374	—	1,374	—	1,445	—	1,445
Total <sup>(1)</sup>	\$ 19	\$ 1,881	\$ 2	\$ 1,902	\$ 31	\$ 1,961	\$ 2	\$ 1,994

(1) Excludes \$77 million of other receivables as of March 31, 2026.

#### 4. Insurance Liabilities

##### Health Care Costs Payable

The following table shows the components of the change in health care costs payable during the three months ended March 31, 2026 and 2025:

<i>In millions</i>	Three Months Ended March 31,	
	2026	2025
Health care costs payable, beginning of the period	\$ 15,399	\$ 15,064
Less: Reinsurance recoverables	90	81
Less: Impact of discount rate on long-duration insurance reserves <sup>(1)</sup>	(20)	(1)
Health care costs payable, beginning of the period, net	15,329	14,984
Add: Components of incurred health care costs		
Current year	30,374	30,293
Prior years	(1,093)	(1,651)
Total incurred health care costs <sup>(2)</sup>	29,281	28,642
Less: Claims paid		
Current year	18,255	19,312
Prior years	10,951	9,749
Total claims paid	29,206	29,061
Health care costs payable, end of the period, net	15,404	14,565
Add: Premium deficiency reserve	—	431
Add: Reinsurance recoverables	132	114
Add: Impact of discount rate on long-duration insurance reserves <sup>(1)</sup>	(18)	2
Health care costs payable, end of the period	\$ 15,518	\$ 15,112

(1) Reflects the difference between the current discount rate and the locked-in discount rate on long-duration insurance reserves which is recorded within accumulated other comprehensive income on the unaudited condensed consolidated balance sheets.

(2) Total incurred health care costs for the three months ended March 31, 2026 and 2025 in the table above exclude \$31 million and \$16 million, respectively, of health care costs recorded in the Health Care Benefits segment that are included in other insurance liabilities on the unaudited condensed consolidated balance sheets, as well as \$46 million of health care costs recorded in the Corporate/Other segment for both the three months ended March 31, 2026 and 2025 that are included in other insurance liabilities on the unaudited condensed consolidated balance sheets. Total incurred health care costs for the three months ended March 31, 2025 also exclude \$431 million for a premium deficiency reserve for the 2025 coverage year related to the Company's individual exchange product line.

The Company's estimates of prior years' health care costs payable decreased by \$1.1 billion and \$1.7 billion, respectively, in the three months ended March 31, 2026 and 2025, because claims were settled for amounts less than originally estimated (i.e., the amount of claims incurred was lower than originally estimated), primarily due to lower health care cost trends as well as the actual claim submission time being faster than originally assumed (i.e., the Company's completion factors were higher than originally assumed) in estimating health care costs payable at the end of the prior year.

As of March 31, 2026, the Company's liabilities for the ultimate cost of (i) services rendered to the Company's Insured members but not yet reported to the Company and (ii) claims which have been reported to the Company but not yet paid (collectively, "IBNR") plus expected development on reported claims totaled approximately \$10.6 billion. The majority of the Company's liabilities for IBNR plus expected development on reported claims as of March 31, 2026 related to the current year.

##### Future Policy Benefits

Future policy benefits consist primarily of reserves for products for which the Company no longer solicits or accepts new customers, including limited payment pension and annuity contracts (referred to as "large case pensions") and long-term care insurance contracts. Contracts are grouped into cohorts by contract type and issue year. The liability for future policy benefits is adjusted for differences between actual and expected experience. During the three months ended March 31, 2026 and 2025, changes in the liability for future policy benefits were not material.

The weighted-average interest rates used in the measurement of the long-duration insurance liabilities as of March 31, 2026 and 2025 were as follows:

	March 31, 2026	March 31, 2025
<b>Large case pensions</b>		
Interest accretion rate	4.21%	4.20%
Current discount rate	5.34%	5.31%
<b>Long-term care</b>		
Interest accretion rate	5.11%	5.11%
Current discount rate	5.68%	5.60%

The weighted-average durations (in years) of the long-duration insurance liabilities as of March 31, 2026 and 2025 were as follows:

	March 31, 2026	March 31, 2025
Large case pensions	7.2	7.3
Long-term care	11.1	11.6

## 5. Shareholders' Equity

### *Share Repurchase Programs*

The following share repurchase programs have been authorized by CVS Health Corporation's Board of Directors (the "Board"):

<u><i>In billions</i></u> <u>Authorization Date</u>	<u>Authorized</u>	<u>Remaining as of</u> <u>March 31, 2026</u>
November 17, 2022 ("2022 Repurchase Program")	\$ 10.0	\$ 10.0
December 9, 2021 ("2021 Repurchase Program")	10.0	1.5

Each of the share repurchase programs was effective immediately and permit the Company to effect repurchases from time to time through a combination of open market repurchases, privately negotiated transactions, accelerated share repurchase ("ASR") transactions, and/or other derivative transactions. Both the 2022 and 2021 Repurchase Programs can be modified or terminated by the Board at any time.

During the three months ended March 31, 2026 and 2025, the Company did not repurchase any shares of its common stock.

### *Dividends*

The quarterly cash dividend declared by the Board was \$0.665 per share in both the three months ended March 31, 2026 and 2025. CVS Health Corporation has paid cash dividends every quarter since becoming a public company. Future dividend payments will depend on the Company's earnings, capital requirements, financial condition and other factors considered relevant by the Board.

## 6. Other Comprehensive Income (Loss)

Shareholders' equity included the following activity in accumulated other comprehensive income (loss) for the three months ended March 31, 2026 and 2025:

<i>In millions</i>	Three Months Ended March 31,	
	2026	2025
<b>Net unrealized investment gains (losses):</b>		
Beginning of period balance	\$ 206	\$ (399)
Other comprehensive income (loss) before reclassifications <i>(\$328 and \$188 pretax)</i>	(254)	187
Amounts reclassified from accumulated other comprehensive income (loss) <i>(\$13 and \$32 pretax)</i> <sup>(1)</sup>	10	29
Other comprehensive income (loss)	(244)	216
End of period balance	(38)	(183)
<b>Change in discount rate on long-duration insurance reserves:</b>		
Beginning of period balance	215	265
Other comprehensive income (loss) before reclassifications <i>(\$54 and \$(41) pretax)</i>	43	(33)
Other comprehensive income (loss)	43	(33)
End of period balance	258	232
<b>Foreign currency translation adjustments:</b>		
Beginning of period balance	7	(4)
Other comprehensive income	—	—
End of period balance	7	(4)
<b>Net cash flow hedges:</b>		
Beginning of period balance	216	229
Amounts reclassified from accumulated other comprehensive income <i>(\$5 and \$(6) pretax)</i> <sup>(2)</sup>	(4)	(4)
Other comprehensive loss	(4)	(4)
End of period balance	212	225
<b>Pension and other postretirement benefits:</b>		
Beginning of period balance	(238)	(211)
Other comprehensive income	—	—
End of period balance	(238)	(211)
Total beginning of period accumulated other comprehensive income (loss)	406	(120)
Total other comprehensive income (loss)	(205)	179
Total end of period accumulated other comprehensive income	\$ 201	\$ 59

(1) Amounts reclassified from accumulated other comprehensive income (loss) for specifically identified debt securities are included in net investment income in the unaudited condensed consolidated statements of operations.

(2) Amounts reclassified from accumulated other comprehensive income for specifically identified cash flow hedges are included in interest expense in the unaudited condensed consolidated statements of operations. The Company expects to reclassify approximately \$16 million, net of tax, in net gains associated with its cash flow hedges into net income within the next 12 months.

## 7. Earnings Per Share

Earnings per share is computed using the treasury stock method. Stock options and stock appreciation rights to purchase 4 million and 10 million shares of common stock were outstanding, but were excluded from the calculation of diluted earnings per share for the three months ended March 31, 2026 and 2025, respectively, because their exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive.

The following is a reconciliation of basic and diluted earnings per share for the three months ended March 31, 2026 and 2025:

<i>In millions, except per share amounts</i>	Three Months Ended March 31,	
	2026	2025
Numerator for earnings per share calculation:		
Net income attributable to CVS Health	\$ 2,943	\$ 1,779
Denominator for earnings per share calculation:		
Weighted average shares, basic	1,273	1,261
Restricted stock units and performance stock units	5	2
Stock options and stock appreciation rights	1	1
Weighted average shares, diluted	1,279	1,264
Earnings per share:		
Basic	\$ 2.31	\$ 1.41
Diluted	\$ 2.30	\$ 1.41

## 8. Commitments and Contingencies

### *Lease Guarantees*

Between 1995 and 1997, the Company sold or spun off a number of subsidiaries, including Linens ‘n Things and Marshalls. In many cases, when a former subsidiary leased a store, the Company provided a guarantee of the former subsidiary’s lease obligations for the initial lease term and any extension thereof pursuant to a renewal option provided for in the lease prior to the time of the disposition. When the subsidiaries were disposed of and accounted for as discontinued operations, the Company’s guarantees remained in place, although each initial purchaser agreed to indemnify the Company for any lease obligations the Company was required to satisfy. If any of the purchasers or any of the former subsidiaries fail to make the required payments under a store lease, the Company could be required to satisfy those obligations. As of March 31, 2026, the Company guaranteed 59 such store leases (excluding the lease guarantees related to Linens ‘n Things, which have been recorded as a liability on the unaudited condensed consolidated balance sheets), with the maximum remaining lease term extending through 2036.

### *Guaranty Fund Assessments, Market Stabilization and Other Non-Voluntary Risk Sharing Pools*

Under guaranty fund laws existing in all states, insurers doing business in those states can be assessed (in most states up to prescribed limits) for certain obligations of insolvent insurance companies to policyholders and claimants. The life and health insurance guaranty associations in which the Company participates that operate under these laws respond to insolvencies of long-term care insurers and life insurers as well as health insurers. The Company’s assessments generally are based on a formula relating to the Company’s health care premiums in the state compared to the premiums of other insurers. Certain states allow assessments to be recovered over time as offsets to premium taxes. Some states have similar laws relating to health maintenance organizations (“HMOs”) and/or other payors such as not-for-profit consumer-governed health plans established under the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010. It is reasonably possible that in the future the Company may record a liability and expense relating to insolvencies which could have a material adverse effect on the Company’s operating results, financial condition and cash flows. While historically the Company has ultimately recovered more than half of guaranty fund assessments through statutorily permitted premium tax offsets, significant increases in assessments could lead to legislative and/or regulatory actions that limit future offsets.

HMOs in certain states in which the Company does business are subject to assessments, including market stabilization and other risk-sharing pools, for which the Company is assessed charges based on incurred claims, demographic membership mix and other factors. The Company establishes liabilities for these assessments based on applicable laws and regulations. In certain

states, the ultimate assessments the Company pays are dependent upon the Company's experience relative to other entities subject to the assessment, and the ultimate liability is not known at the financial statement date. While the ultimate amount of the assessment is dependent upon the experience of all pool participants, the Company believes it has adequate reserves to cover such assessments.

### ***Litigation and Regulatory Proceedings***

The Company has been involved or is currently involved in numerous legal and regulatory proceedings, which may include claims of or relating to bad faith, medical or professional malpractice, breach of fiduciary duty, claims processing and billing, dispensing of medications, the use of medical testing devices in the in-home evaluation setting, non-compliance with state and federal regulatory regimes, marketing misconduct, denial of or failure to timely or appropriately pay or administer claims and benefits, provider network structure (including the use of performance-based networks and termination of provider contracts), rescission of insurance coverage, improper disclosure or use of personal information, anticompetitive practices, including antitrust violations, the Company's participation in the 340B program, general contractual matters, product liability, intellectual property litigation, discrimination and employment litigation. Some of these other legal proceedings are or are purported to be class actions or derivative claims. The Company is defending itself against the claims brought in these matters.

The Company is also a party to government investigations, audits, reviews, claims enforcement actions and litigation. These include routine, regular and special investigations, audits, subpoenas, civil investigative demands ("CIDs") and reviews by CMS, state insurance and health and welfare departments, the U.S. Department of Justice (the "DOJ"), state Attorneys General, the U.S. Drug Enforcement Administration (the "DEA"), the U.S. Federal Trade Commission (the "FTC") and other governmental authorities.

Legal proceedings, in general, and securities, class action and multi-district litigation, in particular, and governmental special investigations, audits, reviews, litigation and enforcement proceedings can be expensive and disruptive. Some of the litigation matters may purport or be determined to be class actions, mass actions and/or involve parties seeking large and/or indeterminate amounts, including punitive or exemplary damages, and may remain unresolved for several years. The Company also may be named from time to time in *qui tam* actions initiated by private third parties that could also be separately pursued by a governmental body. The results of legal proceedings, including government investigations, are often uncertain and difficult to predict, and the costs incurred in these matters can be substantial, regardless of the outcome.

The Company records accruals for outstanding legal matters when it believes it is probable that a loss will be incurred and the amount can be reasonably estimated. The Company evaluates, on a quarterly basis, developments in legal matters that could affect the amount of any accrual and developments that would make a loss contingency both probable and reasonably estimable. If a loss contingency is not both probable and reasonably estimable, the Company does not establish an accrued liability. Other than the controlled substances litigation accruals described below and as otherwise noted, none of the Company's accruals for outstanding legal matters are material individually or in the aggregate to the Company's unaudited condensed consolidated balance sheets. The Company recognizes gain contingencies when the contingency becomes realizable. Contingent gains related to refunds requested from the U.S. Customs and Border Protection for International Emergency Economic Powers Act tariffs paid on imports are not expected to be material to the Company's consolidated operating results, financial condition or cash flows upon recognition.

Except as otherwise noted, the Company cannot predict with certainty the timing or outcome of the legal matters described below, and the Company is unable to reasonably estimate a possible loss or range of possible loss in excess of amounts already accrued for these matters. The Company believes that its defenses and assertions in pending legal proceedings have merit and does not believe that any of these pending matters, after consideration of applicable reserves and rights to indemnification, will have a material adverse effect on the Company's financial position. Substantial unanticipated verdicts, fines and rulings, however, do sometimes occur, which could result in judgments against the Company, entry into settlements or a revision to its expectations regarding the outcome of certain matters, and such developments could have a material adverse effect on its results of operations. In addition, as a result of governmental investigations or proceedings, the Company may be subject to damages, civil or criminal fines or penalties, or other sanctions including possible suspension or loss of licensure and/or exclusion from participating in government programs. The outcome of such governmental investigations or proceedings could be material to the Company.

### **Usual and Customary Pricing Litigation**

The Company is named as a defendant in a number of lawsuits that allege that the Company's retail pharmacies overcharged for prescription drugs by not submitting the correct usual and customary price during the claims adjudication process. These actions are brought by a number of different types of plaintiffs, including private payors and government payors, and are based

on different legal theories. Some of these cases are brought as putative class actions in which classes have been certified, and one of the cases asserts state false claims act claims by several state attorneys general in an intervened complaint filed in April 2025 and unsealed in May 2025. The Company is defending itself against these claims.

#### PBM Litigation and Investigations

The Company is named as a defendant in a number of lawsuits and is subject to a number of investigations concerning its PBM practices.

The Company is facing multiple lawsuits, including by state Attorneys General, governmental subdivisions, private parties and several putative class actions, regarding drug pricing and its rebate arrangements with drug manufacturers. These complaints, brought by a number of different types of plaintiffs under a variety of legal theories, generally allege that rebate agreements between the drug manufacturers and PBMs caused inflated prices for certain drug products. The majority of these cases have now been transferred into a multi-district litigation in the U.S. District Court for the District of New Jersey. The Company is defending itself against these claims. The Company has also received subpoenas, CIDs, and other requests for documents and information from, and is being investigated by, the DOJ, the U.S. Department of Health and Human Services (“HHS”), the FTC and Attorneys General of several states and the District of Columbia regarding its PBM practices, including pharmacy contracting practices and reimbursement, pricing and rebates. The Company has been providing documents and information in response to these subpoenas, CIDs and requests for information. In September 2024, the FTC filed an administrative complaint against the three largest PBMs (the “PBM Group”) and their affiliated group purchasing organizations, including subsidiaries of the Company. The complaint alleged that the PBM Group and their affiliated group purchasing organizations engaged in anti-competitive and unfair practices that “artificially” increased insulin costs. In March 2026, the Company and the FTC staff executed a proposed settlement agreement that, if accepted by the Commission, would resolve its outstanding investigations related to the Company’s PBM and affiliated pharmacy businesses, including rebate, pharmacy network, contract, and vertical integration issues. The proposed settlement is under consideration by the Commission and, if accepted, would be subject to a public comment period after which the Commission would decide whether to issue a final order. The Commission has halted its insulin litigation against the Company pending the outcome of this process.

*United States ex rel. Behnke v. CVS Caremark Corporation, et al.* (U.S. District Court for the Eastern District of Pennsylvania). In April 2018, the Court unsealed a complaint filed in February 2014. The government has declined to intervene in this case. The relator alleges that the Company submitted, or caused to be submitted, to Part D of the Medicare program Prescription Drug Event data and/or Direct and Indirect Remuneration reports that misrepresented true prices paid by the Company’s PBM to pharmacies for drugs dispensed to Part D beneficiaries with prescription benefits administered by the Company’s PBM. Following a two-week trial, the Court issued a split decision and ruled that the Company was liable under the False Claims Act as to certain claims. After trebling damages and assessing penalties, the court entered judgment for \$291 million, for which the Company recorded a litigation reserve in the year ended December 31, 2025. The Company has appealed to the Third Circuit Court of Appeals.

#### Controlled Substances Litigation, Audits and Subpoenas

Forty-five states, the District of Columbia, and all eligible United States territories are participating in a settlement resolving substantially all opioid claims against Company entities by participating states and political subdivisions but not private plaintiffs. A high percentage of eligible subdivisions within the participating states also have elected to join the settlement. The settlement agreement is available at [nationalopioidsettlement.com](http://nationalopioidsettlement.com). The Company has separately entered into settlement agreements with four states – Florida, West Virginia, New Mexico and Nevada – and a high percentage of eligible subdivisions within those states also have elected to participate. The Company has also reached an agreement to resolve claims by third-party payors; that agreement remains subject to a class approval process.

The final settlement agreements contain certain contingencies related to payment obligations. Because these contingencies are inherently unpredictable, the assessment requires judgments about future events. As of March 31, 2026, the Company’s remaining accrual related to these opioid litigation matters was approximately \$4.0 billion. The amount of ultimate loss may differ from the amount accrued by the Company.

The State of Maryland has elected not to participate, and thus subdivisions within the State of Maryland may not participate, in the settlement. The State of Maryland has issued a civil subpoena for information from the Company, and litigation is pending with certain subdivisions within the State of Maryland as well as other non-participating subdivisions in other geographies, including the City of Philadelphia, and private parties such as hospitals. Trial in a case brought by a group of Florida hospitals concluded in December 2025 when the Court declared a mistrial due to a deadlocked jury; a new trial is scheduled to begin in August 2026. The Company is defending itself against the claims made in these cases.

Because of the many uncertainties associated with any settlement arrangement or other resolution of opioid-related litigation matters, and because the Company continues to actively defend ongoing litigation for which it believes it has defenses and assertions that have merit, the Company is not able to reasonably estimate the range of ultimate possible loss for all opioid-related litigation matters at this time. The outcome of these legal matters could have a material effect on the Company's business, financial condition, operating results and/or cash flows.

In December 2024, the DOJ intervened in a previously sealed *qui tam* action and filed an amended complaint in the U.S. District Court for the District of Rhode Island, alleging, among other claims, violations of the federal Controlled Substances Act and the federal False Claims Act based on the filling of opioid and other controlled substance prescriptions at CVS Pharmacy locations nationwide. The Company is defending itself against the claims made in this case. Separately, the Company has been served with subpoenas issued by the U.S. Attorney's Office for the Western District of Virginia, seeking records related to, among other things, commercial arrangements between the Company's PBM and opioid manufacturers.

#### Prescription Processing Litigation and Investigations

The Company is named as a defendant in a number of lawsuits and is subject to a number of investigations concerning its prescription processing practices, including related to billing government payors for prescriptions, and the following:

*U.S. ex rel. Bassan et al. v. Omnicare, Inc. and CVS Health Corp.* (U.S. District Court for the Southern District of New York). In December 2019, the U.S. Attorney's Office for the Southern District of New York filed a complaint-in-intervention in this previously sealed *qui tam* case. The complaint alleges that for certain non-skilled nursing facilities, Omnicare, LLC ("Omnicare") improperly filled prescriptions where a valid prescription did not exist and that these dispensing events violated the federal False Claims Act. In April 2025, the jury found both Omnicare and CVS Health Corporation liable. The jury awarded approximately \$136 million due to Omnicare's conduct. This amount is automatically required to be tripled by statute to approximately \$407 million. Accordingly, a litigation reserve was recorded related to this matter in the three months ended March 31, 2025. The jury found no damages attributable to CVS Health Corporation. In July 2025, the Court awarded penalties against Omnicare for \$542 million, for which the Company recorded an incremental litigation reserve in the three months ended June 30, 2025. The Court also found CVS Health Corporation to be jointly and severally liable for \$165 million of the \$542 million in penalties. The Company has filed an appeal to the Second Circuit. On September 22, 2025, Omnicare initiated a voluntary court-supervised Chapter 11 bankruptcy process and was deconsolidated in the three months ended September 30, 2025. The litigation reserve of \$165 million that CVS Health Corporation was jointly and severally liable for remained as a liability on the unaudited condensed consolidated balance sheet as of March 31, 2026.

*U.S. ex rel. Gill et al. v. CVS Health Corp. et al.* (U.S. District Court for the Northern District of Illinois). In July 2022, the Delaware Attorney General's Office moved for partial intervention as to allegations under the Delaware false claims act related to not escheating alleged overpayments in this previously sealed *qui tam* case. The federal government and the remaining states declined to intervene on other additional theories in the relator's complaint, except that the federal government filed a notice of intervention for the limited purpose of defending the constitutionality of the *qui tam* provisions of the False Claims Act. The Company is defending itself against all of the claims.

#### Provider Proceedings

The Company is named as a defendant in purported class actions and individual lawsuits arising out of its practices related to the payment of claims for services rendered to its members by providers with whom the Company has a contract and with whom the Company does not have a contract ("out-of-network providers"). Among other things, these lawsuits allege that the Company paid too little to its health plan members and/or providers for out-of-network services (including COVID-19 testing) and/or otherwise allege that the Company failed to timely or appropriately pay or administer claims and benefits (including the Company's post payment audit and collection practices).

The Company also has received subpoenas and/or requests for documents and other information from, and been investigated by, the DOJ, state Attorneys General and other state and/or federal regulators, legislators and agencies relating to claims payments, and the Company is involved in other litigation regarding its out-of-network benefit payment and administration practices. It is reasonably possible that others could initiate additional litigation or additional regulatory action against the Company with respect to its out-of-network benefit payment and/or administration practices.

## CMS Actions

CMS regularly audits the Company's performance to determine its compliance with CMS's regulations and its contracts with CMS and to assess the quality of services it provides to Medicare beneficiaries. CMS uses various payment mechanisms to allocate and adjust premium payments to the Company's and other companies' Medicare plans by considering the applicable health status of Medicare members as supported by information prepared, maintained and provided by providers. The Company collects claim and encounter data from providers and generally relies on providers to appropriately code their submissions to the Company and document their medical records, including the diagnosis data submitted to the Company with claims. CMS pays increased premiums to Medicare Advantage plans and Medicare PDP plans for members who have certain medical conditions identified with specific diagnosis codes. Federal regulators review and audit the providers' medical records to determine whether those records support the related diagnosis codes that determine the members' health status and the resulting risk-adjusted premium payments to the Company. In that regard, CMS has instituted risk adjustment data validation ("RADV") audits of various Medicare Advantage plans, including the Company's plans, to validate coding practices and supporting medical record documentation maintained by providers and the resulting risk-adjusted premium payments to the plans. CMS may require the Company to refund premium payments if the Company's risk-adjusted premiums are not properly supported by medical record data. The Office of the Inspector General of the U.S. Department of Health and Human Services (the "OIG") also is auditing the Company's risk adjustment-related data and that of other companies. The Company expects CMS and the OIG to continue these types of audits. CMS has announced its intention to audit all contracts as a standard practice. CMS' auditing methodology is subject to pending litigation, so the Company is not able to determine the methodology, and potential extrapolation, that would be used for future audits.

## Medicare and Medicaid Litigation and Investigations

The Company has received CIDs from the Civil Division of the DOJ in connection with investigations of the Company's identification and/or submission of diagnosis codes related to risk adjustment payments, including patient chart review processes, under Parts C and D of the Medicare program. The Company is cooperating with the government and providing documents and information in response to these CIDs.

In May 2017, the Company received a CID from the U.S. Attorney's Office for the Southern District of New York requesting documents and information concerning possible false claims submitted to Medicare in connection with reimbursements for prescription drugs under the Medicare Part D program. The Company has been cooperating with the government and providing documents and information in response to this CID.

*U.S. ex rel. Andrew Shea v. Aetna Life Insurance Company, et al.* (U.S. District Court for the District of Massachusetts). In May 2025, the U.S. Attorney's Office for the District of Massachusetts filed a complaint-in-intervention in this previously sealed *qui tam* case. The complaint alleges that the Company and two other large health insurance companies, paid kickbacks to insurance brokers to induce them to direct patients to their Medicare Advantage plans and, as a result, claims made to the government in connection with those plans violated the federal False Claims Act and Anti-Kickback Statute. The complaint also alleges that the Company engaged in discriminatory conduct. The Company is defending itself against these claims.

In addition, awards to the Company and others of certain government contracts, particularly Medicaid contracts and other contracts with government customers in the Company's Health Care Benefits segment, frequently are subject to protests by unsuccessful bidders. These protests may result in awards to the Company being reversed, delayed, or modified. The loss or delay in implementation of any government contract could adversely affect the Company's operating results. The Company will continue to defend contract awards it receives.

## Stockholder Matters

The Company has received several demands for inspection of books and records pursuant to Delaware General Corporation Law Section 220 ("Section 220 demands"). Section 220 demands generally relate to potential breaches of fiduciary duties by the Board in relation to its oversight of certain matters, such as opioids and PBM and retail practices. While responding to Section 220 demands may consume Company resources, Section 220 demands themselves are not material to the Company unless they lead to formal complaints or legal actions.

Beginning in February 2019, multiple class action complaints, as well as a derivative complaint, were filed by putative plaintiffs against the Company and certain current and former officers and directors. The plaintiffs in these cases assert a variety of causes of action under federal securities laws that are premised on allegations that the defendants made certain omissions and misrepresentations relating to the performance of the Company's former LTC business unit. Since filing, several of the cases

have been consolidated, and three have resolved. In February 2025, the District of Rhode Island granted the Company's motion to dismiss *In re CVS Health Corp. Securities Act Litigation* (formerly known as *Waterford*) and in March 2025 plaintiffs filed a notice of appeal of that decision to the First Circuit. A derivative case in the District of Rhode Island, *Lovoi v. Aguirre*, had been stayed pending the outcome of the *Waterford* case, and will remain stayed pending the resolution of the appeal. The Company and its current and former officers and directors are defending themselves against remaining claims.

Beginning in July 2024, two purported class action complaints, as well as multiple derivative complaints, were filed by putative plaintiffs against the Company and certain current and former officers and directors. The plaintiffs in these cases assert a variety of causes of action under federal securities laws and state law that are premised on allegations that the defendants made certain omissions and misrepresentations relating to the profitability of the Health Care Benefits segment. Two purported class actions were filed and have been consolidated in the U.S. District Court for the Southern District of New York. In May 2025, the defendants filed a motion to dismiss the amended consolidated class action complaint captioned as *Louisiana Sheriffs' Pension and Relief Fund, et al. v. CVS Health Corp., et al.* Two derivative cases were also filed in the Southern District of New York and have been consolidated as *In re CVS Health Corporation Derivative Litigation*. Two derivative cases filed in the District of Rhode Island have been consolidated as *In re CVS Health Corporation Stockholder Derivative Litigation*. The consolidated derivative actions have been stayed pending the outcome of any motion to dismiss in the consolidated *Louisiana Sheriffs'* securities class action. Three additional derivative cases were filed in Rhode Island Superior Court: two have been consolidated as *In re CVS Health Corporation Stockholder Derivative Litigation* and the third is *Davidow v. Lynch, et al.*, and these cases have also been stayed on similar terms as the other actions. The Company and the individual defendants are defending themselves against these claims. In January 2025, the Board received a stockholder demand containing allegations substantially similar to those made in the class action and derivative matters, and requesting that it take certain actions, including investigating whether any Board members or officers breached their fiduciary duties related to those allegations, and bringing litigation to recover the Company's damages if any such misconduct is found. The Board has determined to defer a decision on the demand pending developments in the related litigation.

## 9. Segment Reporting

The Company has four reportable segments: Health Care Benefits, Health Services, Pharmacy & Consumer Wellness and Corporate/Other. The Company's segments maintain separate financial information, and the Chief Operating Decision Maker (the "CODM"), the Company's Chief Executive Officer, evaluates the segments' operating results on a regular basis in deciding how to allocate resources among the segments and in assessing segment performance. The CODM evaluates the performance of the Company's segments based on adjusted operating income. Total assets by segment are not used by the CODM to assess the performance of, or allocate resources to, the Company's segments, therefore total assets by segment are not disclosed.

Adjusted operating income (loss) is defined as operating income (loss) (GAAP measure) excluding the impact of amortization of intangible assets, net realized capital gains or losses and other items, if any, that neither relate to the ordinary course of the Company's business nor reflect the Company's underlying business performance. The CODM uses adjusted operating income as its principal measure of segment performance as it enhances the CODM's ability to compare past financial performance with current performance and analyze underlying business performance and trends. Non-GAAP financial measures the Company discloses, such as consolidated adjusted operating income, should not be considered a substitute for, or superior to, financial measures determined or calculated in accordance with GAAP.

The following are reconciliations of financial measures of the Company's segments to the consolidated totals:

	<b>Three Months Ended March 31, 2026</b>				
<i>In millions</i>	<b>Health Care Benefits</b>	<b>Health Services <sup>(1)</sup></b>	<b>Pharmacy &amp; Consumer Wellness</b>	<b>Corporate/ Other</b>	<b>Consolidated Totals</b>
Revenues from external customers	\$ 35,477	\$ 42,609	\$ 21,752	\$ 14	\$ 99,852
Intersegment revenues	32	5,628	10,237	—	15,897
Net investment income	462	—	—	112	574
Total revenues	35,971	48,237	31,989	126	116,323
Intersegment eliminations <sup>(2)</sup>					(15,897)
Total consolidated revenues					\$ 100,426
Less: Net realized capital gains (losses)	1	—	—	(17)	
Cost of products sold	—	44,719	25,790	—	
Health care costs	28,579	1,302	—	46	
Operating expenses, excluding other segment items <sup>(3)</sup>	4,350	727	5,002	674	
Adjusted operating income (loss)	\$ 3,041	\$ 1,489	\$ 1,197	\$ (577)	\$ 5,150
Reconciliation of principal measure of segment performance to consolidated operating income:					
Amortization of intangible assets <sup>(4)</sup>					442
Net realized capital losses <sup>(5)</sup>					16
Acquisition-related integration costs <sup>(6)</sup>					12
Operating income (GAAP measure)					4,680
Interest expense					(774)
Other income					32
Income before income tax provision					\$ 3,938
Depreciation and amortization	\$ 340	\$ 258	\$ 406	\$ 111	\$ 1,115

**Three Months Ended March 31, 2025**

<i>In millions</i>	Health Care Benefits	Health Services <sup>(1)</sup>	Pharmacy & Consumer Wellness	Corporate/ Other	Consolidated Totals
Revenues from external customers	\$ 34,405	\$ 38,096	\$ 21,553	\$ 14	\$ 94,068
Intersegment revenues	18	5,352	10,359	—	15,729
Net investment income	387	14	—	119	520
Total revenues	34,810	43,462	31,912	133	110,317
Intersegment eliminations <sup>(2)</sup>					(15,729)
Total consolidated revenues					\$ 94,588
Less: Net realized capital gains (losses)	(21)	15	—	(15)	
Cost of products sold	—	40,115	25,804	—	
Health care costs	28,637	1,047	—	46	
Operating expenses, excluding other segment items <sup>(3)</sup>	4,201	682	4,795	432	
Adjusted operating income (loss)	\$ 1,993	\$ 1,603	\$ 1,313	\$ (330)	\$ 4,579

Reconciliation of principal measure of segment performance to consolidated operating income:

Amortization of intangible assets <sup>(4)</sup>	499
Net realized capital losses <sup>(5)</sup>	21
Acquisition-related integration costs <sup>(6)</sup>	45
Legacy litigation charge <sup>(7)</sup>	387
Loss on Accountable Care assets <sup>(8)</sup>	247
Office real estate optimization charges <sup>(9)</sup>	6
Operating income (GAAP measure)	3,374
Interest expense	(785)
Other income	28
Income before income tax provision	\$ 2,617

Depreciation and amortization	\$ 405	\$ 261	\$ 384	\$ 104	\$ 1,154
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- (1) Total revenues of the Health Services segment include approximately \$3.8 billion and \$3.7 billion of retail co-payments for the three months ended March 31, 2026 and 2025, respectively.
- (2) Intersegment revenue eliminations relate to intersegment revenue generating activities that occur between the Health Care Benefits segment, the Health Services segment, and/or the Pharmacy & Consumer Wellness segment.
- (3) Other segment items for each reportable segment consist of the impact of amortization of intangible assets and other items, if any, that neither relate to the ordinary course of the Company's business nor reflect the Company's underlying business performance.
- (4) The Company's acquisition activities have resulted in the recognition of intangible assets as required under the acquisition method of accounting which consist primarily of trademarks, customer contracts/relationships, covenants not to compete, technology, provider networks and value of business acquired. Definite-lived intangible assets are amortized over their estimated useful lives and are tested for impairment when events indicate that the carrying value may not be recoverable. The amortization of intangible assets is reflected in operating expenses within each segment. Although intangible assets contribute to the Company's revenue generation, the amortization of intangible assets does not directly relate to the underwriting of the Company's insurance products, the services performed for the Company's customers or the sale of the Company's products or services. Additionally, intangible asset amortization expense typically fluctuates based on the size and timing of the Company's acquisition activity. Accordingly, the Company believes excluding the amortization of intangible assets enhances the Company's and investors' ability to compare the Company's past financial performance with its current performance and to analyze underlying business performance and trends. Intangible asset amortization excluded from the related non-GAAP financial measure represents the entire amount recorded within the Company's GAAP financial statements, and the revenue generated by the associated intangible assets has not been excluded from the related non-GAAP financial measure. Intangible asset amortization is excluded from the related non-GAAP financial measure because the amortization, unlike the related revenue, is not affected by operations of any particular period unless an intangible asset becomes impaired or the estimated useful life of an intangible asset is revised.
- (5) The Company's net realized capital gains and losses arise from various types of transactions, primarily in the course of managing a portfolio of assets that support the payment of insurance liabilities. Net realized capital gains and losses are reflected in net investment income within each segment. These capital gains and losses are the result of investment decisions, market conditions and other economic developments that are unrelated to the performance of the Company's business, and the amount and timing of these capital gains and losses do not directly relate to the underwriting of the Company's insurance products, the services performed for the Company's customers or the sale of the Company's products or services. Accordingly, the Company believes excluding net realized capital gains and losses enhances the Company's and investors' ability to compare the Company's past financial performance with its current performance and to analyze underlying business performance and trends.

- (6) During the three months ended March 31, 2026 and 2025, the acquisition-related integration costs relate to the acquisitions of Signify Health and Oak Street Health. The acquisition-related integration costs are reflected in operating expenses within the Corporate/Other segment.
- (7) During the three months ended March 31, 2025, the Company recorded a legacy litigation charge related to a court decision associated with its past business practices. The legacy litigation charge was reflected in operating expenses within the Pharmacy & Consumer Wellness segment.
- (8) During the three months ended March 31, 2025, the loss on the wind down and sale of Accountable Care assets represents the pre-tax loss on the divestiture of the Company's MSSP operations, as well as costs incurred in connection with the wind down of the Company's ACO REACH operations. The loss on Accountable Care assets was reflected in operating expenses within the Health Services segment.
- (9) During the three months ended March 31, 2025, the office real estate optimization charges primarily relate to the abandonment of leased real estate and the related right-of-use assets and property and equipment in connection with the Company's evaluation of corporate office real estate space. The office real estate optimization charges were reflected in operating expenses within each segment.

## Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of CVS Health Corporation

### Results of Review of Interim Financial Statements

We have reviewed the accompanying condensed consolidated balance sheet of CVS Health Corporation (the Company) as of March 31, 2026, the related condensed consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for the three-month periods ended March 31, 2026 and 2025, and the related notes (collectively referred to as the "condensed consolidated interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated interim financial statements for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2025, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for the year then ended, and the related notes (not presented herein); and in our report dated February 10, 2026, we expressed an unqualified audit opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2025, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it was derived.

### Basis for Review Results

These financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the SEC and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ Ernst & Young LLP

Boston, Massachusetts  
May 6, 2026

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”)**

### **Overview of Business**

CVS Health Corporation, together with its subsidiaries (collectively, “CVS Health,” the “Company,” “we,” “our” or “us”), is a leading health solutions company simplifying health care one person, one family and one community at a time. As of March 31, 2026, the Company had approximately 9,000 retail locations, more than 1,000 walk-in and primary care medical clinics and a leading pharmacy benefits manager with approximately 88 million plan members and expanding specialty pharmacy solutions. The Company also serves an estimated more than 37 million people through a broad range of health insurance products and related services. The Company is creating new sources of value through its integrated model, allowing it to expand into personalized, technology driven care delivery and health services, increasing access to quality care, delivering better health outcomes and lowering overall health care costs.

The Company has four reportable segments: Health Care Benefits, Health Services, Pharmacy & Consumer Wellness and Corporate/Other, which are described below.

### **Health Care Benefits Segment**

The Health Care Benefits segment operates as one of the nation’s leading diversified health care benefits providers through its Aetna® operations. The Health Care Benefits segment offers a broad range of health insurance products and related services, including medical, pharmacy, dental and behavioral health plans, medical management capabilities, Medicare Advantage and Medicare Supplement plans, prescription drug plans (“PDPs”) and Medicaid health care management services. The Company refers to insurance products (where it assumes all or a majority of the risk for medical and dental care costs) as “Insured” and administrative services contract products (where the plan sponsor assumes all or a majority of the risk for medical and dental care costs) as “ASC.”

### **Health Services Segment**

The Health Services segment provides a full range of pharmacy benefit management (“PBM”) solutions through its CVS Caremark® operations and delivers health care services in its medical clinics, virtually, and in the home. PBM solutions include plan design offerings and administration, formulary management, retail pharmacy network management services, and specialty and mail order pharmacy services. In addition, the Company provides clinical services, disease management services, medical spend management and pharmacy and/or other administrative services for providers and federal 340B drug pricing program covered entities (“Covered Entities”). The Company operates a group purchasing organization that negotiates pricing for the purchase of pharmaceuticals and rebates with pharmaceutical manufacturers on behalf of its participants and provides various administrative, management and reporting services to pharmaceutical manufacturers. The segment also works directly with pharmaceutical manufacturers to commercialize and/or co-produce high quality biosimilar products through its Cordavis™ subsidiary. The Health Services segment’s health care delivery assets include Signify Health, Inc. (“Signify Health”), a leader in health risk assessments, and Oak Street Health, Inc. (“Oak Street Health”), a leading multi-payor operator of value-based primary care centers serving Medicare eligible patients.

### **Pharmacy & Consumer Wellness Segment**

The Pharmacy & Consumer Wellness segment dispenses prescriptions in its CVS Pharmacy® retail locations and through its infusion operations, provides ancillary pharmacy services including pharmacy patient care programs and vaccination administration, and sells a wide assortment of health and wellness products and general merchandise. The segment also provides pharmacy fulfillment services to support the Health Services segment’s specialty and mail order pharmacy offerings.

### **Corporate/Other Segment**

The Company presents the remainder of its financial results in the Corporate/Other segment, which primarily consists of management and administrative expenses to support the Company’s overall operations and products for which the Company no longer solicits or accepts new customers, such as its large case pensions and long-term care insurance products.

See Note 1 “Significant Accounting Policies” included in Item 1 of this 10-Q and Part 1, Item 1 “Business” included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025 (the “2025 Form 10-K”) for further information on the Company’s reportable segments.

## Operating Results

The following discussion explains the material changes in the Company's operating results for the three months ended March 31, 2026 and 2025, and the significant developments affecting the Company's financial condition since December 31, 2025. We strongly recommend that you read our audited consolidated financial statements and notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations, which are included in the 2025 Form 10-K.

### Summary of Consolidated Financial Results

<i>In millions</i>	Three Months Ended March 31,		Change	
	2026	2025	\$	%
<b>Revenues:</b>				
Products	\$ 62,226	\$ 57,669	\$ 4,557	7.9 %
Premiums	33,791	32,820	971	3.0 %
Services	3,835	3,579	256	7.2 %
Net investment income	574	520	54	10.4 %
<b>Total revenues</b>	<b>100,426</b>	<b>94,588</b>	<b>5,838</b>	<b>6.2 %</b>
<b>Operating costs:</b>				
Cost of products sold	55,444	51,057	4,387	8.6 %
Health care costs	29,358	29,135	223	0.8 %
Operating expenses	10,944	11,022	(78)	(0.7)%
<b>Total operating costs</b>	<b>95,746</b>	<b>91,214</b>	<b>4,532</b>	<b>5.0 %</b>
<b>Operating income</b>	<b>4,680</b>	<b>3,374</b>	<b>1,306</b>	<b>38.7 %</b>
Interest expense	(774)	(785)	11	1.4 %
Other income	32	28	4	14.3 %
<b>Income before income tax provision</b>	<b>3,938</b>	<b>2,617</b>	<b>1,321</b>	<b>50.5 %</b>
Income tax provision	981	835	146	17.5 %
<b>Net income</b>	<b>2,957</b>	<b>1,782</b>	<b>1,175</b>	<b>65.9 %</b>
Net income attributable to noncontrolling interests	(14)	(3)	(11)	(366.7)%
<b>Net income attributable to CVS Health</b>	<b>\$ 2,943</b>	<b>\$ 1,779</b>	<b>\$ 1,164</b>	<b>65.4 %</b>

### Commentary - Three Months Ended March 31, 2026 vs. 2025

#### Revenues

- Total revenues increased \$5.8 billion, or 6.2%, in the three months ended March 31, 2026 compared to the prior year primarily driven by revenue growth across all operating segments.
- Please see "Segment Analysis" later in this report for additional information about the revenues of the Company's segments.

#### Operating expenses

- Operating expenses remained relatively consistent in the three months ended March 31, 2026 compared to the prior year primarily due to the absence of a \$387 million legacy litigation charge and a \$247 million pre-tax loss on the wind down and sale of Accountable Care assets, both recorded in the prior year, largely offset by continued business investments, operating expenses to support increased volume from the Rite Aid asset acquisitions and the retroactive effect of a change in a state law related to non-income taxes.
- Please see "Segment Analysis" later in this report for additional information about the operating expenses of the Company's segments.

#### Operating income

- Operating income increased \$1.3 billion, or 38.7%, in the three months ended March 31, 2026 compared to the prior year primarily due to improved operating performance in the Health Care Benefits segment, as well as the absence of the \$387 million legacy litigation charge and the \$247 million pre-tax loss on the wind down and sale of Accountable Care assets, both recorded in the prior year.

- Please see “Segment Analysis” later in this report for additional information about the operating results of the Company’s segments.

*Income tax provision*

- The effective income tax rate was 24.9% for the three months ended March 31, 2026 compared to 31.9% for the three months ended March 31, 2025. The change in the effective income tax rate was primarily due to the absence of the impact of the non-deductible legacy litigation charge recorded in the prior year.

## Trends and Uncertainties

The Company believes you should consider the following business and regulatory trends and uncertainties:

### *Business Trends and Uncertainties*

- Utilization persisted at elevated levels in the first quarter of 2026. Although the level of utilization is difficult to accurately predict, utilization beyond current elevated levels may pressure the Company's Health Care Benefits segment and its health care delivery assets in its Health Services segment in 2026.
- The Company continues to share with clients a larger portion of rebates, fees and/or discounts received from pharmaceutical manufacturers, and typically offers clients minimum pricing guarantees that cannot always be achieved. The Company also faces increasing pressure from pharmaceutical manufacturers with respect to the calculation and collection of rebates. In addition, marketplace dynamics and regulatory changes have limited the Company's ability to offer plan sponsors pricing that includes retail network "differential" or "spread." The Company expects these trends to continue.
- Changes in the economic environment, including inflation, the implementation of new tariffs or changes in tariffs, including the impact of tariffs on trade relations between the U.S. and foreign countries, and labor and other market dynamics could create exposure for increased costs and supply chain disruptions that can adversely impact consumer demand, the ability to deliver client savings or the Company's financial results.
- Consumer confidence and a decline in consumer discretionary spending, as well as a shift to value, grocery and digital retailers, could drive lower front store sales in the Pharmacy & Consumer Wellness segment.
- Heightened geopolitical tensions could contribute to an increase in likelihood of factors that may negatively impact the Company's financial results, including an economic slowdown, a recession, financial market volatility, increased supply chain costs or supply chain disruptions, fluctuations in interest rates or other monetary and fiscal policy measures and cyberattacks.

### *Regulatory Trends and Uncertainties*

- The Company is exposed to funding and regulation of, and changes in government policy with respect to and/or funding or regulation of, the various Medicare and Medicaid programs in which the Company participates, including changes in the amounts payable to us under those programs and/or new reforms or surcharges on existing programs, including changes to applicable risk adjustment mechanisms.
- Legislation and/or regulations seeking to regulate PBM activities in a comprehensive manner have been proposed or enacted in a majority of states and on the federal level. In addition, some states have recently enacted or are considering legislation related to prohibiting pharmacy licensure for pharmacies affiliated with a PBM. This legislative and regulatory activity could adversely affect the Company's ability to conduct business on commercially reasonable terms and the Company's ability to standardize its PBM products and services across state lines and/or could limit the Company's ability to provide both pharmacy and PBM services within the same state.

For additional information regarding these and other trends and uncertainties, see Item 1A, "Risk Factors" and Part I, Item 1 "Business - Government Regulation" included in the 2025 Form 10-K.

## Segment Analysis

The following discussion of segment operating results is presented based on the Company's reportable segments in accordance with the accounting guidance for segment reporting and is consistent with the segment disclosure in Note 9 "Segment Reporting" to the unaudited condensed consolidated financial statements.

The Company has four reportable segments: Health Care Benefits, Health Services, Pharmacy & Consumer Wellness and Corporate/Other. The Company's segments maintain separate financial information, and the Chief Operating Decision Maker (the "CODM") evaluates the segments' operating results on a regular basis in deciding how to allocate resources among the segments and in assessing segment performance. The Company's CODM is the Chief Executive Officer. The CODM evaluates the performance of the Company's segments based on adjusted operating income. Adjusted operating income (loss) is defined as operating income (loss) as measured by accounting principles generally accepted in the United States of America ("GAAP") excluding the impact of amortization of intangible assets, net realized capital gains or losses and other items, if any, that neither relate to the ordinary course of the Company's business nor reflect the Company's underlying business performance. See the reconciliations of operating income (loss) (GAAP measure) to adjusted operating income (loss) below for further context regarding the items excluded from operating income (loss) in determining adjusted operating income (loss). The CODM uses adjusted operating income as its principal measure of segment performance as it enhances the CODM's ability to compare past financial performance with current performance and analyze underlying business performance and trends. Non-GAAP financial measures the Company discloses, such as consolidated adjusted operating income, should not be considered a substitute for, or superior to, financial measures determined or calculated in accordance with GAAP.

The following are reconciliations of financial measures of the Company's segments to the consolidated totals:

<i>In millions</i>	Health Care Benefits	Health Services <sup>(1)</sup>	Pharmacy & Consumer Wellness	Corporate/Other	Intersegment Eliminations <sup>(2)</sup>	Consolidated Totals
<b>Three Months Ended</b>						
<b>March 31, 2026</b>						
Total revenues	\$ 35,971	\$ 48,237	\$ 31,989	\$ 126	\$ (15,897)	\$ 100,426
Adjusted operating income (loss)	3,041	1,489	1,197	(577)	—	5,150
<b>March 31, 2025</b>						
Total revenues	\$ 34,810	\$ 43,462	\$ 31,912	\$ 133	\$ (15,729)	\$ 94,588
Adjusted operating income (loss)	1,993	1,603	1,313	(330)	—	4,579

(1) Total revenues of the Health Services segment include approximately \$3.8 billion and \$3.7 billion of retail co-payments for the three months ended March 31, 2026 and 2025, respectively.

(2) Intersegment revenue eliminations relate to intersegment revenue generating activities that occur between the Health Care Benefits segment, the Health Services segment, and/or the Pharmacy & Consumer Wellness segment.

The following are reconciliations of consolidated operating income (GAAP measure) to consolidated adjusted operating income, as well as reconciliations of segment GAAP operating income (loss) to segment adjusted operating income (loss):

	<b>Three Months Ended March 31, 2026</b>				
<i>In millions</i>	<b>Health Care Benefits</b>	<b>Health Services</b>	<b>Pharmacy &amp; Consumer Wellness</b>	<b>Corporate/ Other</b>	<b>Consolidated Totals</b>
Operating income (loss) (GAAP measure)	\$ 2,806	\$ 1,347	\$ 1,134	\$ (607)	\$ 4,680
Amortization of intangible assets <sup>(1)</sup>	236	142	63	1	442
Net realized capital (gains) losses <sup>(2)</sup>	(1)	—	—	17	16
Acquisition-related integration costs <sup>(3)</sup>	—	—	—	12	12
Adjusted operating income (loss)	<u>\$ 3,041</u>	<u>\$ 1,489</u>	<u>\$ 1,197</u>	<u>\$ (577)</u>	<u>\$ 5,150</u>

	<b>Three Months Ended March 31, 2025</b>				
<i>In millions</i>	<b>Health Care Benefits</b>	<b>Health Services</b>	<b>Pharmacy &amp; Consumer Wellness</b>	<b>Corporate/ Other</b>	<b>Consolidated Totals</b>
Operating income (loss) (GAAP measure)	\$ 1,674	\$ 1,227	\$ 864	\$ (391)	\$ 3,374
Amortization of intangible assets <sup>(1)</sup>	294	144	60	1	499
Net realized capital (gains) losses <sup>(2)</sup>	21	(15)	—	15	21
Acquisition-related integration costs <sup>(3)</sup>	—	—	—	45	45
Legacy litigation charge <sup>(4)</sup>	—	—	387	—	387
Loss on Accountable Care assets <sup>(5)</sup>	—	247	—	—	247
Office real estate optimization charges <sup>(6)</sup>	4	—	2	—	6
Adjusted operating income (loss)	<u>\$ 1,993</u>	<u>\$ 1,603</u>	<u>\$ 1,313</u>	<u>\$ (330)</u>	<u>\$ 4,579</u>

- (1) The Company's acquisition activities have resulted in the recognition of intangible assets as required under the acquisition method of accounting which consist primarily of trademarks, customer contracts/relationships, covenants not to compete, technology, provider networks and value of business acquired. Definite-lived intangible assets are amortized over their estimated useful lives and are tested for impairment when events indicate that the carrying value may not be recoverable. The amortization of intangible assets is reflected in operating expenses within each segment. Although intangible assets contribute to the Company's revenue generation, the amortization of intangible assets does not directly relate to the underwriting of the Company's insurance products, the services performed for the Company's customers or the sale of the Company's products or services. Additionally, intangible asset amortization expense typically fluctuates based on the size and timing of the Company's acquisition activity. Accordingly, the Company believes excluding the amortization of intangible assets enhances the Company's and investors' ability to compare the Company's past financial performance with its current performance and to analyze underlying business performance and trends. Intangible asset amortization excluded from the related non-GAAP financial measure represents the entire amount recorded within the Company's GAAP financial statements, and the revenue generated by the associated intangible assets has not been excluded from the related non-GAAP financial measure. Intangible asset amortization is excluded from the related non-GAAP financial measure because the amortization, unlike the related revenue, is not affected by operations of any particular period unless an intangible asset becomes impaired or the estimated useful life of an intangible asset is revised.
- (2) The Company's net realized capital gains and losses arise from various types of transactions, primarily in the course of managing a portfolio of assets that support the payment of insurance liabilities. Net realized capital gains and losses are reflected in net investment income within each segment. These capital gains and losses are the result of investment decisions, market conditions and other economic developments that are unrelated to the performance of the Company's business, and the amount and timing of these capital gains and losses do not directly relate to the underwriting of the Company's insurance products, the services performed for the Company's customers or the sale of the Company's products or services. Accordingly, the Company believes excluding net realized capital gains and losses enhances the Company's and investors' ability to compare the Company's past financial performance with its current performance and to analyze underlying business performance and trends.
- (3) During the three months ended March 31, 2026 and 2025, the acquisition-related integration costs relate to the acquisitions of Signify Health and Oak Street Health. The acquisition-related integration costs are reflected in operating expenses within the Corporate/Other segment.
- (4) During the three months ended March 31, 2025, the Company recorded a legacy litigation charge related to a court decision associated with its past business practices. The legacy litigation charge was reflected in operating expenses within the Pharmacy & Consumer Wellness segment.
- (5) During the three months ended March 31, 2025, the loss on the wind down and sale of Accountable Care assets represents the pre-tax loss on the divestiture of the Company's Medicare Shared Savings Program ("MSSP") operations, as well as costs incurred in connection with the wind down of the Company's ACO REACH operations. The loss on Accountable Care assets was reflected in operating expenses within the Health Services segment.
- (6) During the three months ended March 31, 2025, the office real estate optimization charges primarily relate to the abandonment of leased real estate and the related right-of-use assets and property and equipment in connection with the Company's evaluation of corporate office real estate space. The office real estate optimization charges were reflected in operating expenses within each segment.

## Health Care Benefits Segment

The following table summarizes the Health Care Benefits segment's performance for the respective periods:

<i>In millions, except percentages and basis points ("bps")</i>	Three Months Ended March 31,		Change	
	2026	2025	\$	%
<b>Revenues:</b>				
Premiums	\$ 33,792	\$ 32,808	\$ 984	3.0 %
Services	1,717	1,615	102	6.3 %
Net investment income	462	387	75	19.4 %
Total revenues	35,971	34,810	1,161	3.3 %
<b>Health care costs</b>				
MBR (Health care costs as a % of premium revenues)	84.6 %	87.3 %	(270) bps	
<b>Operating expenses</b>				
Operating expenses	\$ 4,586	\$ 4,499	\$ 87	1.9 %
Operating expenses as a % of total revenues	12.7 %	12.9 %		
<b>Operating income</b>				
Operating income	\$ 2,806	\$ 1,674	\$ 1,132	67.6 %
Operating income as a % of total revenues	7.8 %	4.8 %		
<b>Adjusted operating income <sup>(1)</sup></b>				
Adjusted operating income	\$ 3,041	\$ 1,993	\$ 1,048	52.6 %
Adjusted operating income as a % of total revenues	8.5 %	5.7 %		
<b>Premium revenues (by business):</b>				
Government	\$ 27,783	\$ 24,902	\$ 2,881	11.6 %
Commercial	6,009	7,906	(1,897)	(24.0)%

(1) See "Segment Analysis" above in this report for a reconciliation of Health Care Benefits segment operating income (GAAP measure) to adjusted operating income, which represents the Company's principal measure of segment performance.

### Commentary - Three Months Ended March 31, 2026 vs. 2025

#### Revenues

- Total revenues increased \$1.2 billion, or 3.3%, in the three months ended March 31, 2026 compared to the prior year primarily driven by an increase in the Government business, partially offset by a decline as a result of the Company's exit of the individual exchange business in 2026.

#### Medical Benefit Ratio ("MBR")

- Medical benefit ratio is calculated by dividing the Health Care Benefits segment's health care costs by premium revenues and represents the percentage of premium revenues spent on medical benefits for the segment's Insured members. Management uses MBR to assess the underlying business performance and underwriting of its insurance products, understand variances between actual results and expected results and identify trends in period-over-period results. MBR provides management and investors with information useful in assessing the operating results of the Health Care Benefits segment's Insured products.
- The MBR decreased to 84.6% in the three months ended March 31, 2026 compared to 87.3% in the prior year primarily driven by improved underlying performance in the Government business and the absence of the \$448 million premium deficiency reserve recorded within the individual exchange product line in the prior year, partially offset by lower favorable prior-year development.

#### Operating expenses

- Operating expenses in the Health Care Benefits segment include selling, general and administrative expenses and depreciation and amortization expenses.
- Operating expenses remained relatively consistent in the three months ended March 31, 2026 compared to the prior year.

#### Adjusted operating income

- Adjusted operating income increased \$1.0 billion, or 52.6%, for the three months ended March 31, 2026 compared to the prior year primarily driven by improved underlying performance in the Government business and the absence of the premium deficiency reserve recorded in the prior year, partially offset by lower favorable prior-year development.

The following table summarizes the Health Care Benefits segment's medical membership for the respective periods:

<i>In thousands</i>	March 31, 2026			December 31, 2025			March 31, 2025		
	Insured	ASC	Total	Insured	ASC	Total	Insured	ASC	Total
<b>Medical membership:</b>									
Commercial	2,462	15,872	18,334	3,447	15,350	18,797	3,961	15,250	19,211
Medicare Advantage	4,175	—	4,175	4,267	—	4,267	4,220	—	4,220
Medicare Supplement	1,192	—	1,192	1,202	—	1,202	1,253	—	1,253
Medicaid	1,938	366	2,304	1,952	373	2,325	1,983	412	2,395
<b>Total medical membership</b>	<b>9,767</b>	<b>16,238</b>	<b>26,005</b>	<b>10,868</b>	<b>15,723</b>	<b>26,591</b>	<b>11,417</b>	<b>15,662</b>	<b>27,079</b>
<b>Supplemental membership information:</b>									
Medicare Prescription Drug Plan (stand-alone)			3,889			4,041			4,094

#### *Medical Membership*

- Medical membership represents the number of members covered by the Health Care Benefits segment's Insured and ASC medical products and related services at a specified point in time. Management uses this metric to understand variances between actual medical membership and expected amounts as well as trends in period-over-period results. This metric provides management and investors with information useful in understanding the impact of medical membership on the Health Care Benefits segment's total revenues and operating results.
- Medical membership as of March 31, 2026 of 26.0 million decreased approximately 600 thousand members compared with December 31, 2025 reflecting the Company's exit of the individual exchange business in 2026, partially offset by an increase in Commercial ASC membership.

#### *Medicare Update*

On April 6, 2026, the U.S. Centers for Medicare & Medicaid Services ("CMS") issued its final notice detailing final 2027 Medicare Advantage payment rates. Final 2027 Medicare Advantage rates resulted in an expected average increase in revenue for the Medicare Advantage industry of 2.48%, excluding the CMS estimate of Medicare Advantage risk score trend.

## Health Services Segment

The following table summarizes the Health Services segment's performance for the respective periods:

<i>In millions, except percentages</i>	Three Months Ended March 31,		Change	
	2026	2025	\$	%
<b>Revenues:</b>				
Products	\$ 45,726	\$ 41,135	\$ 4,591	11.2 %
Services	2,511	2,313	198	8.6 %
Net investment income	—	14	(14)	(100.0)%
<b>Total revenues</b>	<b>48,237</b>	<b>43,462</b>	<b>4,775</b>	<b>11.0 %</b>
Cost of products sold	44,719	40,115	4,604	11.5 %
Health care costs	1,302	1,047	255	24.4 %
Operating expenses	869	1,073	(204)	(19.0)%
Operating expenses as a % of total revenues	1.8 %	2.5 %		
Operating income	\$ 1,347	\$ 1,227	\$ 120	9.8 %
Operating income as a % of total revenues	2.8 %	2.8 %		
Adjusted operating income <sup>(1)</sup>	\$ 1,489	\$ 1,603	\$ (114)	(7.1)%
Adjusted operating income as a % of total revenues	3.1 %	3.7 %		
<b>Revenues (by distribution channel):</b>				
Pharmacy network <sup>(2)</sup>	\$ 25,149	\$ 23,114	\$ 2,035	8.8 %
Mail & specialty <sup>(3)</sup>	20,506	18,068	2,438	13.5 %
Other	2,582	2,266	316	13.9 %
Net investment income	—	14	(14)	(100.0)%
Pharmacy claims processed <sup>(4)</sup>	464.7	464.2	0.5	0.1 %

- (1) See "Segment Analysis" above in this report for a reconciliation of Health Services segment operating income (GAAP measure) to adjusted operating income, which represents the Company's principal measure of segment performance.
- (2) Pharmacy network revenues relate to claims filled at retail and specialty retail pharmacies, including pharmacies owned by the Company, as well as activity associated with Maintenance Choice, which permits eligible client plan members to fill their maintenance prescriptions through mail order delivery or at a CVS pharmacy retail store for the same price as mail order.
- (3) Mail & specialty revenues relate to specialty mail claims inclusive of Specialty Connect<sup>®</sup> claims picked up at a retail pharmacy, as well as mail order and specialty claims fulfilled by the Pharmacy & Consumer Wellness segment.
- (4) Includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions. This adjustment reflects the fact that these prescriptions include approximately three times the amount of product days supplied compared to a normal prescription.

### Commentary - Three Months Ended March 31, 2026 vs. 2025

#### Revenues

- Total revenues increased \$4.8 billion, or 11.0%, in the three months ended March 31, 2026 compared to the prior year primarily driven by pharmacy drug mix and brand inflation, partially offset by continued pharmacy client price improvements.

#### Operating expenses

- Operating expenses in the Health Services segment include selling, general and administrative expenses, as well as depreciation and amortization expense.
- Operating expenses decreased \$204 million, or 19.0%, in the three months ended March 31, 2026 compared to the prior year. The decrease was primarily driven by the absence of the \$247 million pre-tax loss on the wind down and sale of Accountable Care assets recorded in the prior year.

#### Adjusted operating income

- Adjusted operating income decreased \$114 million, or 7.1%, in the three months ended March 31, 2026 compared to the prior year primarily driven by continued pharmacy client price improvements, partially offset by improved purchasing economics and pharmacy drug mix.

*Pharmacy claims processed*

- Pharmacy claims processed represents the number of prescription claims processed through the Company's pharmacy benefits manager and dispensed by either its retail network pharmacies or the Company's mail and specialty pharmacies. Management uses this metric to understand variances between actual claims processed and expected amounts as well as trends in period-over-period results. This metric provides management and investors with information useful in understanding the impact of pharmacy claim volume on segment total revenues and operating results.
- Pharmacy claims processed remained relatively consistent on a 30-day equivalent basis in the three months ended March 31, 2026 compared to the prior year.

## Pharmacy & Consumer Wellness Segment

The following table summarizes the Pharmacy & Consumer Wellness segment's performance for the respective periods:

<i>In millions, except percentages</i>	Three Months Ended March 31,		Change	
	2026	2025	\$	%
<b>Revenues:</b>				
Products	\$ 31,339	\$ 31,285	\$ 54	0.2 %
Services	650	627	23	3.7 %
Total revenues	31,989	31,912	77	0.2 %
Cost of products sold	25,790	25,804	(14)	(0.1)%
Operating expenses	5,065	5,244	(179)	(3.4)%
Operating expenses as a % of total revenues	15.8 %	16.4 %		
Operating income	\$ 1,134	\$ 864	\$ 270	31.3 %
Operating income as a % of total revenues	3.5 %	2.7 %		
Adjusted operating income <sup>(1)</sup>	\$ 1,197	\$ 1,313	\$ (116)	(8.8)%
Adjusted operating income as a % of total revenues	3.7 %	4.1 %		
<b>Revenues (by major goods/service lines):</b>				
Pharmacy	\$ 26,123	\$ 26,076	\$ 47	0.2 %
Front Store	5,259	5,243	16	0.3 %
Other	607	593	14	2.4 %
Prescriptions filled <sup>(2)</sup>	451.2	435.5	15.7	3.6 %
<b>Same store sales increase (decrease): <sup>(3)</sup></b>				
Total	2.8 %	14.2 %		
Pharmacy	3.1 %	17.7 %		
Front Store	1.2 %	(0.3)%		
Prescription volume <sup>(2)</sup>	6.8 %	6.7 %		

- (1) See "Segment Analysis" above in this report for a reconciliation of Pharmacy & Consumer Wellness segment operating income (GAAP measure) to adjusted operating income, which represents the Company's principal measure of segment performance.
- (2) Includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions. This adjustment reflects the fact that these prescriptions include approximately three times the amount of product days supplied compared to a normal prescription.
- (3) Same store sales and prescription volume represent the change in revenues and prescriptions filled in the Company's retail pharmacy stores that have been operating for greater than one year and digital sales initiated online or through mobile applications and fulfilled through the Company's distribution centers, expressed as a percentage that indicates the increase or decrease relative to the comparable prior period. Same store metrics exclude revenues and prescriptions from infusion services operations and long-term care pharmacies. Management uses these metrics to evaluate the performance of existing stores on a comparable basis and to inform future decisions regarding existing stores and new locations. Same-store metrics provide management and investors with information useful in understanding the portion of current revenues and prescriptions resulting from organic growth in existing locations versus the portion resulting from opening new stores.

### Commentary - Three Months Ended March 31, 2026 vs. 2025

#### Revenues

- Total revenues remained relatively consistent in the three months ended March 31, 2026 compared to the prior year primarily driven by pharmacy drug mix, increased prescription volume, including contributions from the Company's Rite Aid asset acquisitions which were completed during the third quarter of 2025, and brand inflation. These increases were largely offset by regulatory-related price reductions on certain drugs, the impact of recent generic drug introductions and pharmacy reimbursement pressure.
- Pharmacy same store sales increased 3.1% in the three months ended March 31, 2026 compared to the prior year. The increase was primarily driven by pharmacy drug mix, the 6.8% increase in pharmacy same store prescription volume on a 30-day equivalent basis and brand inflation, partially offset by regulatory-related price reductions on certain drugs, the impact of recent generic drug introductions and pharmacy reimbursement pressure.
- Front store same store sales increased 1.2% in the three months ended March 31, 2026 compared to the prior year.

#### *Operating expenses*

- Operating expenses in the Pharmacy & Consumer Wellness segment consist of selling, general and administrative expenses which include payroll, employee benefits and occupancy costs associated with the segment's stores and pharmacy fulfillment operations, advertising expenses, as well as depreciation and amortization expense.
- Operating expenses decreased \$179 million, or 3.4%, in the three months ended March 31, 2026 compared to the prior year primarily due to the absence of the \$387 million legacy litigation charge recorded in the prior year, partially offset by continued business investments and operating expenses to support increased volume from the Rite Aid asset acquisitions.

#### *Adjusted operating income*

- Adjusted operating income decreased \$116 million, or 8.8%, in the three months ended March 31, 2026 compared to the prior year primarily driven by pharmacy reimbursement pressure, continued business investments, lower contributions from seasonal illnesses and greater weather disruption compared to the prior year. These decreases were partially offset by increased prescription volume and contributions from the Company's Rite Aid asset acquisitions.

#### *Prescriptions filled*

- Prescriptions filled represents the number of prescriptions dispensed through the Pharmacy & Consumer Wellness segment's retail pharmacies and infusion services operations, as well as through the Omnicare, LLC ("Omnicare") long-term care pharmacies prior to their deconsolidation during the third quarter of 2025. Management uses this metric to understand variances between actual prescriptions dispensed and expected amounts as well as trends in period-over-period results. This metric provides management and investors with information useful in understanding the impact of prescription volume on segment total revenues and operating results.
- Prescriptions filled increased 3.6% on a 30-day equivalent basis in the three months ended March 31, 2026 compared to the prior year primarily driven by incremental volume resulting from the Company's Rite Aid prescription file acquisitions and increased utilization, partially offset by the absence of long-term care pharmacy prescription volume following the deconsolidation of Omnicare in September 2025.

## Corporate/Other Segment

The following table summarizes the Corporate/Other segment's performance for the respective periods:

<i>In millions, except percentages</i>	Three Months Ended March 31,		Change	
	2026	2025	\$	%
Revenues:				
Premiums	\$ 12	\$ 12	\$ —	— %
Services	2	2	—	— %
Net investment income	112	119	(7)	(5.9)%
Total revenues	126	133	(7)	(5.3)%
Health care costs	46	46	—	— %
Operating expenses	687	478	209	43.7 %
Operating loss	(607)	(391)	(216)	(55.2)%
Adjusted operating loss <sup>(1)</sup>	(577)	(330)	(247)	(74.8)%

(1) See "Segment Analysis" above in this report for a reconciliation of Corporate/Other segment operating loss (GAAP measure) to adjusted operating loss, which represents the Company's principal measure of segment performance.

### Commentary - Three Months Ended March 31, 2026 vs. 2025

#### Revenues

- Revenues primarily relate to products for which the Company no longer solicits or accepts new customers, such as large case pensions and long-term care insurance products.
- Total revenues remained relatively consistent in the three months ended March 31, 2026 compared to the prior year.

#### Adjusted operating loss

- Adjusted operating loss increased \$247 million, or 74.8%, in the three months ended March 31, 2026 compared to the prior year primarily driven by the retroactive effect of a change in a state law related to non-income taxes and increased business investments.

## Liquidity and Capital Resources

### Cash Flows

The Company maintains a level of liquidity sufficient to allow it to meet its cash needs in the short-term. Over the long term, the Company manages its cash and capital structure to maximize shareholder return, maintain its financial condition and maintain flexibility for future strategic initiatives. The Company continuously assesses its regulatory capital requirements, working capital needs, debt and leverage levels, debt maturity schedule, capital expenditure requirements, dividend payouts, potential share repurchases and future investments or acquisitions. The Company believes its operating cash flows, commercial paper program, credit facilities, as well as any potential future borrowings, will be sufficient to fund these future payments and long-term initiatives. As of March 31, 2026, the Company had approximately \$9.5 billion in cash and cash equivalents, approximately \$2.2 billion of which was held by the parent company or nonrestricted subsidiaries.

The net change in cash, cash equivalents and restricted cash during the three months ended March 31, 2026 and 2025 was as follows:

<i>In millions, except percentages</i>	Three Months Ended March 31,		Change	
	2026	2025	\$	%
Net cash provided by operating activities	\$ 4,249	\$ 4,556	\$ (307)	(6.7)%
Net cash used in investing activities	(874)	(762)	(112)	(14.7)%
Net cash used in financing activities	(2,318)	(2,332)	14	0.6 %
Net increase in cash, cash equivalents and restricted cash	\$ 1,057	\$ 1,462	\$ (405)	(27.7)%

### Commentary

- *Net cash provided by operating activities* decreased by \$307 million in the three months ended March 31, 2026 compared to the prior year. The decrease was primarily due to the timing of payments and receipts.
- *Net cash used in investing activities* remained relatively consistent in the three months ended March 31, 2026 compared to the prior year.
- *Net cash used in financing activities* remained relatively consistent in the three months ended March 31, 2026 compared to the prior year as repayments of commercial paper in the prior year were largely offset by higher repayments of long-term debt in the three months ended March 31, 2026.

### Short-term Borrowings

#### Commercial Paper and Back-up Credit Facilities

The Company did not have any commercial paper outstanding as of March 31, 2026. In connection with its commercial paper program, the Company maintains three \$2.5 billion, five-year unsecured back-up revolving credit facilities, which expire in May 2028, 2029 and 2030. The credit facilities allow for borrowings at various rates that are dependent, in part, on the Company's public debt ratings and require the Company to pay a weighted average quarterly facility fee of approximately 0.03%, regardless of usage. As of March 31, 2026, there were no borrowings outstanding under any of the Company's back-up credit facilities.

#### Federal Home Loan Bank of Boston ("FHLBB")

A subsidiary of the Company is a member of the FHLBB. As a member, the subsidiary has the ability to obtain cash advances, subject to certain minimum collateral requirements. The maximum borrowing capacity available from the FHLBB as of March 31, 2026 was approximately \$1.4 billion. As of March 31, 2026, there were no outstanding advances from the FHLBB.

### Debt Covenants

The Company's back-up revolving credit facilities and unsecured senior notes contain customary restrictive financial and operating covenants. These covenants do not include an acceleration of the Company's debt maturities in the event of a downgrade in the Company's credit ratings. The Company does not believe the restrictions contained in these covenants materially affect its financial or operating flexibility. As of March 31, 2026, the Company was in compliance with all of its debt covenants.

## Debt Ratings

As of March 31, 2026, the Company's long-term debt was rated "BBB" by Fitch Ratings, Inc. ("Fitch"), "Baa3" by Moody's Ratings ("Moody's") and "BBB" by Standard & Poor's Financial Services LLC ("S&P"), and its commercial paper program was rated "F2" by Fitch, "P-3" by Moody's and "A-2" by S&P. The outlook on the Company's long-term debt is "Negative" by both Fitch and S&P and "Stable" by Moody's. In assessing the Company's credit strength, the Company believes that Fitch, Moody's and S&P considered, among other things, the Company's capital structure and financial policies, as well as its consolidated balance sheet, its historical acquisition activity and other financial information, including the Company's expectations for future earnings and cash flows. Although the Company currently believes its long-term debt ratings will remain investment grade, it cannot predict the future actions of Moody's, S&P and/or Fitch. The Company's debt ratings have a direct impact on its future borrowing costs, access to capital markets and new store operating lease costs.

## Share Repurchase Programs

The following share repurchase programs have been authorized by CVS Health Corporation's Board of Directors (the "Board"):

<u>In billions</u> <u>Authorization Date</u>	<u>Authorized</u>	<u>Remaining as of</u> <u>March 31, 2026</u>
November 17, 2022 ("2022 Repurchase Program")	\$ 10.0	\$ 10.0
December 9, 2021 ("2021 Repurchase Program")	10.0	1.5

Each of the share repurchase programs was effective immediately and permit the Company to effect repurchases from time to time through a combination of open market repurchases, privately negotiated transactions, accelerated share repurchase ("ASR") transactions, and/or other derivative transactions. Both the 2022 and 2021 Repurchase Programs can be modified or terminated by the Board at any time.

During the three months ended March 31, 2026 and 2025, the Company did not repurchase any shares of its common stock.

## Dividends

The quarterly cash dividend declared by the Board was \$0.665 per share in both the three months ended March 31, 2026 and 2025. CVS Health Corporation has paid cash dividends every quarter since becoming a public company. Future dividend payments will depend on the Company's earnings, capital requirements, financial condition and other factors considered relevant by the Board.

## Critical Accounting Policies

The Company prepares the unaudited condensed consolidated financial statements in conformity with generally accepted accounting principles, which require management to make certain estimates and apply judgment. Estimates and judgments are based on historical experience, current trends and other factors that management believes to be important at the time the unaudited condensed consolidated financial statements are prepared. On a regular basis, the Company reviews its accounting policies and how they are applied and disclosed in the unaudited condensed consolidated financial statements. While the Company believes the historical experience, current trends and other factors considered by management support the preparation of the unaudited condensed consolidated financial statements in conformity with generally accepted accounting principles, actual results could differ from estimates, and such differences could be material.

For a full description of the Company's other critical accounting policies, see "Critical Accounting Policies" in Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" of the 2025 Form 10-K.

## Cautionary Statement Concerning Forward-Looking Statements

*The Private Securities Litigation Reform Act of 1995 (the “Reform Act”) provides a “safe harbor” for forward-looking statements, so long as (1) those statements are identified as forward-looking and (2) the statements are accompanied by meaningful cautionary statements that identify important factors that could cause actual results to differ materially from those discussed in the statement. We want to take advantage of these safe harbor provisions.*

*Certain information contained in this Quarterly Report on Form 10-Q (this “report”) is forward-looking within the meaning of the Reform Act or Securities and Exchange Commission rules. This information includes, but is not limited to the forward-looking information in Management’s Discussion and Analysis of Financial Condition and Results of Operations included in Part I, Item 2 of this report. In addition, throughout this report and our other reports and communications, we use the following words or variations or negatives of these words and similar expressions when we intend to identify forward-looking statements:*

· Anticipates	· Believes	· Can	· Continue	· Could
· Estimates	· Evaluate	· Expects	· Explore	· Forecast
· Guidance	· Intends	· Likely	· May	· Might
· Outlook	· Plans	· Potential	· Predict	· Probable
· Projects	· Seeks	· Should	· View	· Will

*All statements addressing the future operating performance of CVS Health or any segment or any subsidiary and/or future events or developments, including, but not limited to, statements relating to the Company’s investment portfolio, operating results, cash flows and/or financial condition, statements relating to corporate strategy, statements relating to future revenue, operating income or adjusted operating income, earnings per share or adjusted earnings per share, Health Care Benefits segment business, sales results and/or trends, medical cost trends, medical membership, Medicare Part D membership, medical benefit ratios and/or operations, Health Services segment business, sales results and/or trends and/or operations, Pharmacy & Consumer Wellness segment business, sales results and/or trends and/or operations, incremental investment spending, interest expense, effective tax rate, weighted-average share count, cash flow from operations, net capital expenditures, cash available for debt repayment, statements related to possible, proposed, pending or completed acquisitions, joint ventures, investments or combinations that involve, among other things, the timing or likelihood of receipt of regulatory approvals, the timing of completion, integration synergies, net synergies and integration risks and other costs, enterprise modernization, transformation, leverage ratio, cash available for enhancing shareholder value, inventory reduction, turn rate and/or loss rate, debt ratings and actions taken by ratings agencies, the Company’s ability to attract or retain customers and clients, store development and/or relocations, new product development, and the impact of industry and regulatory developments, as well as statements expressing optimism or pessimism about future operating results or events, are forward-looking statements within the meaning of the Reform Act.*

*Forward-looking statements rely on a number of estimates, assumptions and projections concerning future events, and are subject to a number of significant risks and uncertainties and other factors that could cause actual results to differ materially from those statements. Many of these risks and uncertainties and other factors are outside our control.*

*Certain additional risks and uncertainties and other factors are described under “Risk Factors” included in Part I, Item 1A of the 2025 Form 10-K and under “Risk Factors” included in Part II, Item 1A of this report; these are not the only risks and uncertainties we face. There can be no assurance that the Company has identified all the risks that may affect it. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial also may adversely affect the Company’s businesses. If any of those risks or uncertainties develops into actual events, those events or circumstances could have a material adverse effect on the Company’s businesses, operating results, cash flows, financial condition and/or stock price, among other effects.*

*You should not put undue reliance on forward-looking statements. Any forward-looking statement speaks only as of the date of this report, and we disclaim any intention or obligation to update or revise forward-looking statements, whether as a result of new information, future events, uncertainties or otherwise.*

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

The Company has not experienced any material changes in exposures to market risk since December 31, 2025. See the information contained in Part II, Item 7A “Quantitative and Qualitative Disclosures About Market Risk” of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025 for a discussion of the Company’s exposures to market risk.

**Item 4. Controls and Procedures**

**Evaluation of disclosure controls and procedures:** The Company’s Chief Executive Officer and Chief Financial Officer, after evaluating the effectiveness of the design and operation of the Company’s disclosure controls and procedures (as defined in Securities Exchange Act Rules 13a-15(f) and 15d-15(f)) as of March 31, 2026, have concluded that as of such date the Company’s disclosure controls and procedures were adequate and effective and designed to provide reasonable assurance that material information relating to the Company and its subsidiaries would be made known to such officers on a timely basis.

**Changes in internal control over financial reporting:** There has been no change in the Company’s internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 or Rule 15d-15 that occurred in the three months ended March 31, 2026 that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

**Part II. Other Information**

**Item 1. Legal Proceedings**

The information contained in Note 8 “Commitments and Contingencies” contained in “Notes to Condensed Consolidated Financial Statements (Unaudited)” in Part I, Item 1 of this Quarterly Report on Form 10-Q is incorporated by reference herein.

**Item 1A. Risk Factors**

There have been no material changes to the “Risk Factors” disclosed in Part I, Item 1A of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025. Those risk factors could adversely affect the Company’s businesses, operating results, cash flows and/or financial condition as well as the market price of CVS Health Corporation’s common stock.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

(c) Stock Repurchases

The following table presents the total number of shares purchased in the three months ended March 31, 2026, the average price paid per share and the approximate dollar value of shares that still could have been purchased at the end of the applicable fiscal period, pursuant to the share repurchase programs authorized by CVS Health Corporation’s Board of Directors on November 17, 2022 and December 9, 2021. See Note 5 “Shareholders’ Equity” contained in “Notes to Condensed Consolidated Financial Statements (Unaudited)” in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.

<i>Fiscal Period</i>	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
January 1, 2026 through January 31, 2026	—	\$ —	—	\$ 11,500,000,143
February 1, 2026 through February 28, 2026	—	\$ —	—	\$ 11,500,000,143
March 1, 2026 through March 31, 2026	—	\$ —	—	\$ 11,500,000,143
	—	—	—	—

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not Applicable.

**Item 5. Other Information**

Securities Trading Plans of Directors and Executive Officers

During the three months ended March 31, 2026, none of our directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of CVS Health Corporation securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement.”

## Item 6. Exhibits

The exhibits listed in this Item 6 are filed as part of this Quarterly Report on Form 10-Q. Exhibits marked with an asterisk (\*) are management contracts or compensatory plans or arrangements. Exhibits other than those listed are omitted because they are not required to be listed or are not applicable. Pursuant to Item 601(b)(4)(iii) of Regulation S-K, the Registrant hereby agrees to furnish to the U.S. Securities and Exchange Commission a copy of any omitted instrument that is not required to be listed.

### INDEX TO EXHIBITS

<b>10</b>	<b>Material contracts</b>
10.1*	<a href="#">Restrictive Covenant Agreement dated November 15, 2024 between the Registrant and Steven H. Nelson.</a>
10.2*	<a href="#">Change in Control Agreement effective as of November 15, 2024 between the Registrant and Steven H. Nelson.</a>
10.3*	<a href="#">Restrictive Covenant Agreement dated March 29, 2025 between the Registrant and Brian Newman.</a>
10.4*	<a href="#">Change in Control Agreement effective as of April 1, 2025 between the Registrant and Brian Newman.</a>
10.5*†	<a href="#">The Registrant's Severance Plan for Non-Store Employees, Amended and Restated as of March 15, 2026.</a>
10.6*	<a href="#">Form of Restricted Stock Unit Agreement between the Registrant and selected employees of the Registrant.</a>
10.7*	<a href="#">Form of Nonqualified Stock Option Agreement between the Registrant and selected executives of the Registrant.</a>
10.8*	<a href="#">Form of Nonqualified Stock Option Agreement between the Registrant and selected employees of the Registrant.</a>
10.9*†	<a href="#">Form of Performance Stock Unit Agreement between the Registrant and selected employees of the Registrant.</a>
<b>15</b>	<b>Letter re: unaudited interim financial information</b>
15.1	<a href="#">Letter from Ernst &amp; Young LLP acknowledging awareness of the use of a report dated May 6, 2026 related to their reviews of interim financial information.</a>
<b>31</b>	<b>Rule 13a-14(a)/15d-14(a) Certifications</b>
31.1	<a href="#">Certification by the Chief Executive Officer.</a>
31.2	<a href="#">Certification by the Chief Financial Officer.</a>
<b>32</b>	<b>Section 1350 Certifications</b>
32.1	<a href="#">Certification by the Chief Executive Officer.</a>
32.2	<a href="#">Certification by the Chief Financial Officer.</a>
<b>101</b>	
101	The following materials from the CVS Health Corporation Quarterly Report on Form 10-Q for the three months ended March 31, 2026 formatted in Inline XBRL: (i) the Condensed Consolidated Statements of Operations, (ii) the Condensed Consolidated Statements of Comprehensive Income, (iii) the Condensed Consolidated Balance Sheets, (iv) the Condensed Consolidated Statements of Cash Flows, (v) the Condensed Consolidated Statements of Shareholders' Equity and (vi) the related Notes to Condensed Consolidated Financial Statements. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
<b>104</b>	
104	Cover Page Interactive Data File - The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, formatted in Inline XBRL (included as Exhibit 101).

† The appendixes to this exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Registrant agrees to furnish supplementally a copy of all omitted appendixes to the Securities and Exchange Commission upon its request.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**CVS HEALTH CORPORATION**

Date: May 6, 2026

By: /s/ Brian O. Newman

\_\_\_\_\_  
Brian O. Newman

Executive Vice President and Chief Financial Officer

**CVS Pharmacy, Inc.  
Restrictive Covenant Agreement**

**Participant:** Steven H. Nelson

**Employee ID:** N/A

I, Steven H. Nelson

enter into this Restrictive Covenant Agreement (“Agreement”) with CVS Pharmacy, Inc., on its own behalf and on behalf of its subsidiaries and affiliates (“CVS”), which is effective as of the date I sign the Agreement (“Effective Date”).

**1. Consideration for Agreement.** In connection with my duties and responsibilities at CVS Health Corporation or one of its subsidiaries or affiliates, including Aetna Inc. (collectively, the “Corporation”), the Corporation will provide me with Confidential Information and/or access to the Corporation's customers and clients and the opportunity to develop and maintain relationships and goodwill with them. In consideration of the foregoing and the mutual promises in this Agreement and other good and valuable consideration, I hereby agree with CVS to comply with the terms of this Agreement.

**2. Non-Competition.** During my employment by the Corporation and during the Non-Competition Period following the termination of my employment for any reason, I will not directly or indirectly engage in Competition or provide Consulting or Audit Services within the Restricted Area.

a. **Competition.** Engaging in “Competition” means (whether as an employee, contractor, consultant, principal, agent, partner, officer, or director) (i) working on, developing, producing, marketing, selling, servicing, or managing (or assisting in developing, producing, marketing, selling, servicing, or managing) any product or service that is competitive with any existing or planned products or services of the Corporation that I managed, or with which I was involved, at any time during the last twenty-four (24) months of my employment with the Corporation; or (ii) accepting any position or engaging in any activity that will likely result in the disclosure of Confidential Information to a Competitor or the use of Confidential Information on behalf of a Competitor.

b. **Competitor.** A “Competitor” for purposes of this Agreement shall mean any person, corporation or other entity that competes with one or more of the business offerings of the Corporation. As of the Effective Date, the Corporation's business offerings include: (i) pharmacy benefits management (“PBM”), including: (a) the administration of pharmacy benefits for businesses, government agencies and health plans; (b) mail order pharmacy; (c) specialty pharmacy; and (d) the procurement of prescription drugs at a negotiated rate for dispensing; (ii) retail, which includes the sale of prescription drugs, over-the-counter medications, beauty products and cosmetics, digital and traditional photo finishing services, digital and other online offerings, seasonal and other general merchandise, greeting cards, convenience foods and other product lines and services which are sold by the Corporation's retail division (“Retail”); (iii) health care delivery, including primary care, retail health clinics (“MinuteClinic” and in-home evaluations, (iv) the provision of pharmaceutical products and ancillary services, including specialty pharmaceutical products and support services and the provision of related pharmacy consulting, data management services and medical supplies to long-term care facilities, other healthcare service providers and recipients of services from such facilities (“Long-Term Care”); (v) the provision of prescription infusion drugs and related services (“Infusion”); (vi) the provision of kidney care services, including but not limited to caring for patients with end stage renal disease (“Kidney Care”); commercialization and/or co-production or co-manufacturing of biosimilar products; (viii) the provision of insurance (“Insurance”) including: (a) health insurance products and services; (b) managed health care products and services; (c) dental, vision, and employee assistance program products and services; (d) wellness products and services to employers, government agencies, health plans, other businesses or third party payers; (e) Medicare Part

D services; and (f) other voluntary products that are excepted benefits under HIPAA; (ix) the creation and provision of population health management products and services (“Health Management”); (x) services supporting or related to the administration of the business offerings in (i) - (ix) (“Administration”); and (xi) any other business in which the Corporation is engaged or is actively planning to be engaged. For avoidance of doubt, Competitor shall include any business unit, corporate entity, division, affiliate or part of a Competitor which offers other products or services which are or may be combined or offered as part of a suite of products or services with the Competitor's Insurance, Health Management, Health Care Delivery and/or PBM offerings.

For the purpose of assessing whether I am engaging in “Competition” under section 2(a)(i) above, a person, corporation or other entity shall not be considered a Retail Competitor if such entity derives annual gross revenues from its business in an amount which is less than 2% of the Corporation's gross revenues from Retail, during its most recently completed fiscal year. For avoidance of doubt, this exclusion does not apply to a determination of whether I am engaging in “Competition” as set forth in section 2(a)(ii) above.

I and the Corporation acknowledge that both the Corporation's products and services and the entities which compete with the Corporation's products and services evolve over time, and that an entity will be considered a Competitor if it provides products or services competitive with the existing products and services provided by the Corporation, or those planned by the Corporation, within the last two years of my employment with the Corporation.

I agree that the provisions of Section 2 of this Agreement are reasonable to protect and preserve the Corporation's legitimate business interests, including the protection of the Company's Confidential Information and the Company's substantial investment made to develop and retain its Confidential Information, clients, other business relationships, and related goodwill.

c. **Consulting or Audit Services.** “Consulting or Audit Services” shall mean any activity that involves providing audit review or other consulting or advisory services with respect to any relationship or prospective relationship between the Corporation and any third party that is likely to result in the use or disclosure of Confidential Information.

d. **Non-Competition Period.** The “Non-Competition Period” shall be the period of 18 months following the termination of my employment with the Corporation for any reason.

e. **Restricted Area.** “Restricted Area” refers to those states within the United States in which the Corporation conducts its business, as well as the District of Columbia and Puerto Rico. To the extent I worked on international matters involving the Corporation's business in Asia, Europe, or other international locations where the Corporation may conduct business, the Restricted Area includes those countries and those countries where the Corporation is actively planning to conduct business. I understand and agree that the Corporation's business is global in nature and that its clients are located throughout the world; therefore, the Restricted Territory definition is reasonable and necessary to allow the Corporation to adequately protect its legitimate business interests, and the absence of a more restricted limitation would not be reasonable under these circumstances. Nevertheless, the restrictions on my work during the Non-Competition Period shall only extend to those locations within the Restricted Area where such work constitutes engaging in Competition.

**3. Non-Solicitation.** During the Non-Solicitation Period, which shall be during my employment by the Corporation and for 18 months following the termination of my employment with the Corporation for any reason, I will not, unless a duly authorized officer of the Corporation gives me written authorization to do so:

a. interfere with the Corporation's relationship with its Business Partners by soliciting or communicating (regardless of who initiates the communication) with a Business Partner to: (i) induce or encourage the Business Partner to stop doing business or reduce its business with the Corporation, or (ii) buy a product or service that competes with a product or service offered by the Corporation's business. "Business Partner" means: a customer (person or entity), prospective customer (person or entity), healthcare provider, supplier, manufacturer, agency, broker, hospital, hospital system, long-term care facility, Insurance client/customer, and/or pharmaceutical manufacturer with whom the Corporation has a business relationship and with which I had business-related contact or dealings, or about which I received Confidential Information, in the two years prior to the termination of my employment with the Corporation. A Business Partner does not include a customer, supplier, manufacturer, agency, broker, hospital, hospital system, long-term care facility and/or pharmaceutical manufacturer which has fully and finally ceased doing any business with the Corporation independent of any conduct or communications by me or breach of this Agreement and such full cessation of business has been in effect for at least 1 year prior to my separation from employment with the Corporation. Nothing in this Section 3(a) shall prevent me from working as a staff pharmacist or in another retail position wherein I would be providing or selling prescriptions or other products directly to consumers.

b. work on a Corporation account on behalf of a Business Partner or serve as the representative of a Business Partner for the Corporation.

c. interfere with the Corporation's relationship with any employee or contractor of the Corporation by: (i) soliciting or communicating with the employee or contractor to induce or encourage him or her to leave the Corporation's employ or engagement (regardless of who first initiates the communication); (ii) helping another person or entity evaluate such employee or contractor as an employment or contractor candidate; or (iii) otherwise helping any person or entity hire an employee or contractor away from the Corporation.

#### **4. Non-Disclosure of Confidential Information.**

a. Subject to Sections 8 and 9 below, I will not at any time, whether during or after the termination of my employment, disclose to any person or entity any of the Corporation's Confidential Information, except as may be appropriately required in the ordinary course of performing my duties as an employee of the Corporation. The Corporation's Confidential Information includes but is not limited to the following non-public information: trade secrets; computer code generated or developed by the Corporation; software or programs and related documentation; strategic compilations and analysis; strategic processes; business or financial methods, practices and plans; non-public costs and prices; operating margins; marketing, merchandising and selling techniques and information; customer lists; provider lists; details of customer or provider agreements; pricing arrangements with pharmaceutical manufacturers, distributors or suppliers including but not limited to any discounts and/or rebates; pricing arrangements with insurance clients and customers; pharmacy reimbursement rates; premium information; payment rates; contractual forms; expansion strategies; real estate strategies; operating strategies; sources of supply; patient records; business plans; other financial, commercial, business or technical information related to the Corporation, and confidential information of third parties which is given to the Corporation pursuant to an obligation or agreement to keep such information confidential (collectively, "Confidential Information"). I shall not use or attempt to use any Confidential Information on behalf of any person or entity other than the Corporation, or in any manner which may injure or cause loss or may be calculated to injure or cause loss, whether directly or indirectly, to the Corporation. If, at any time over the last two years of my employment at CVS, my position included access to Confidential Information, as described above, specifically related to the Corporation's procurement of prescription drugs, I understand and agree my employment with a pharmaceutical manufacturer, distributor or supplier ("Pharmaceutical Entity") would place a substantial risk of use and/or disclosure of Confidential

Information with which I have been or will be entrusted during my employment with the Corporation. In light of this risk of disclosure, I acknowledge and agree that the Corporation will be entitled to immediate injunctive relief to prevent me from disclosing any such Confidential Information in the course of my employment with any such Pharmaceutical Entity. I agree that the disclosure of such Confidential Information to the Corporation's PBM Competitors with which one may negotiate in the course of employment with such Pharmaceutical Entity, would cause immediate and irreparable harm to the Corporation.

b. During my employment, I shall not make, use, or permit to be used, any materials of any nature relating to any matter within the scope of the business of the Corporation or concerning any of its dealings or affairs other than for the benefit of the Corporation. I shall not, after the termination of my employment, use or permit to be used any such materials and shall return same in accordance with Section 6 below.

c. **NOTICE OF IMMUNITY FROM LIABILITY FOR CONFIDENTIAL DISCLOSURE OF A TRADE SECRET TO THE GOVERNMENT OR IN A COURT FILING.** Pursuant to the United States Defend Trade Secrets Act of 2016 (the "DTSA"), the Company hereby provides the following notice to Employee:

(i) **IMMUNITY:** An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made: (1) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(ii) **USE OF TRADE SECRET INFORMATION IN ANTI-RETALIATION LAWSUIT:** An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret in the court proceeding, if the individual: (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

**5. Non-Disparagement.** I agree that I will not make any statements that libel, slander, or otherwise communicate any information that is reckless or maliciously untrue, and therefore not protected by the National Labor Relations Act, pertaining to the Corporation and/or its officers, directors, employees, shareholders, and agents, in any manner that is in any way harmful to them or their business, or to their business or personal reputations. Notwithstanding the foregoing, nothing in this Agreement shall prohibit me from making truthful statements or disclosures that are required by applicable law, regulation, or legal process; or cooperating, participating, or filing charges with any federal, state or local government agency enforcing discrimination or securities laws, including the EEOC or SEC. Further, nothing in this agreement shall (i) prohibit me from requesting or receiving confidential legal advice; (ii) apply to the disclosure of factual information related to sexual assault, sexual harassment, or workplace harassment or discrimination based on sex, failure to prevent an act of workplace sexual harassment or discrimination, or an act of retaliation against a person for reporting sexual harassment or discrimination; or (iii) prevent me from discussing or disclosing information about conduct that is unlawful, such as harassment or discrimination or any other conduct that I have reason to believe is unlawful, or that is recognized as against a clear mandate of public policy that occurred in the workplace or at work-related events coordinated by or through the Corporation, whether on or off Corporation premises.

**6. Ownership and Return of the Corporation's Property.** On or before my final date of employment with the Corporation, I shall return to the Corporation all property of the Corporation in my possession, custody or control, including but not limited to the originals and copies of any information

provided to or acquired by me in connection with the performance of my duties for the Corporation, such as files, correspondence, communications, memoranda, e-mails, slides, records, and all other documents, no matter how produced or reproduced, all computer equipment, communication devices (including but not limited to any mobile phone or other portable digital assistant or device), computer programs and/or files, and all office keys and access cards. I agree that all the items described in this Section are the sole property of the Corporation.

**7. Rights to Inventions, Works.**

a. **Assignment of Inventions.** All inventions, original works of authorship, developments, concepts, improvements, designs, discoveries, ideas, trademarks or trade secrets, whether patentable or otherwise protectable under similar law, made, conceived or developed by me, whether alone or jointly with others, from the date of my initial employment by the Corporation and continuing until the end of any period during which I am employed by the Corporation, relating or pertaining in any way to my employment with or the business of the Corporation (collectively referred to as "Inventions") shall be promptly disclosed in writing to the Corporation. I hereby assign to the Corporation, or its designee, all of my rights, title and interest to such Inventions. All original works of authorship which are made by me (solely or jointly with others) within the scope of and during the period of my employment with the Corporation and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act and as such are the sole property of the Corporation. The decision whether to commercialize or market any Invention developed by me solely or jointly with others is within the Corporation's sole discretion and for the Corporation's sole benefit and no royalty will be due to me as a result of the Corporation's efforts to commercialize or market any such Invention.

b. **Inventions Retained and Licensed.** I have attached hereto as Exhibit A, a list specifically describing all inventions, original works of authorship, developments, improvements, and trade secrets that were made by me prior to my employment with the Corporation ("Prior Inventions"), which belong to me and are not assigned to the Corporation hereunder. If no such list is attached, I represent that there are no such Prior Inventions. I will not incorporate, or permit to be incorporated, any Prior Invention owned by me or in which I have an interest into a Corporation product, process or machine without the Corporation's prior written consent. Notwithstanding the foregoing sentence, if, in the course of my employment with the Corporation, I incorporate into a Corporation product, process or machine a Prior Invention owned by me or in which I have an interest, the Corporation is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, process or machine.

c. **Patent and Copyright Registrations.** I will assist the Corporation, or its designee, at the Corporation's expense, in every proper way to secure the Corporation's rights in the Inventions and any copyrights, patents, mask work rights or other intellectual property rights relating thereto, including, but not limited to, the disclosure to the Corporation of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments which the Corporation shall deem necessary in order to apply for and obtain such rights and in order to assign and convey to the Corporation, its successors, assigns, and nominees the sole and exclusive rights, title and interest in and to such Inventions, and any copyrights, patents, mask work rights or other intellectual property rights relating thereto. My obligation to execute or cause to be executed, when it is in my power to do so, any such instrument or papers shall continue after my employment ends for any reason and/or after the termination of this Agreement. If the Corporation is unable because of my mental or physical incapacity or for any other reason to secure my signature to apply for or to pursue any application for any United States or foreign patents or copyright registrations covering Inventions or original works of authorship assigned to the Corporation as above, then I hereby irrevocably designate

and appoint the Corporation and its duly authorized officers and agents as my agent and attorney in fact, to act for and in my behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations thereon with the same legal force and effect as if executed by me.

d. **Exception to Assignments.** I understand that if I am an employee in Illinois, Kansas, North Carolina, Utah or Minnesota, I should refer to Exhibit B (incorporated herein for all purposes) for important limitations on the scope of the provisions of this Agreement concerning assignment of Inventions. I will advise the Corporation promptly in writing of any inventions that I believe meet the criteria in Exhibit B and that are not otherwise disclosed on Exhibit A.

## 8. Cooperation.

a. In the event I receive a subpoena, deposition notice, interview request, or other process or order to testify or produce Confidential Information or any other information or property of the Corporation, I shall promptly: (i) notify the Corporation of the item, document, or information sought by such subpoena, deposition notice, interview request, or other process or order; (ii) furnish the Corporation with a copy of said subpoena, deposition notice, interview request, or other process or order; and (iii) provide reasonable cooperation with respect to any procedure that the Corporation may initiate to protect Confidential Information or other interests. If the Corporation objects to the subpoena, deposition notice, interview request, process, or order, I shall cooperate to ensure that there shall be no disclosure until the court or other applicable entity has ruled upon the objection, and then only in accordance with the ruling so made. If no such objection is made despite a reasonable opportunity to do so, I shall be entitled to comply with the subpoena, deposition, notice, interview request, or other process or order, provided that I have fulfilled the above obligations.

b. I will cooperate fully with the Corporation, its affiliates, and their legal counsel in connection with any action, proceeding, or dispute arising out of matters with which I was directly or indirectly involved while serving as an employee of the Corporation, its predecessors, subsidiaries or affiliates. This cooperation shall include, but shall not be limited to, meeting with, and providing information to, the Corporation and its legal counsel, maintaining the confidentiality of any past or future privileged communications with the Corporation's legal counsel (outside and in-house), and making myself available to testify truthfully by affidavit, in depositions, or in any other forum on behalf of the Corporation. The Corporation agrees to reimburse me for any reasonable and necessary out-of-pocket costs associated with my cooperation.

c. **Notice of New Employment.** If a representative of the Corporation, during or following my employment, requests that I identify the company or business to which I will be or am providing services, or with which I will be or am employed, and requests that I provide information about the services that I am or will be providing to such entity, I shall provide the Corporation with a written statement that identifies the entity and describes the nature of the services that I am or will be providing to such entity with sufficient detail to allow the Corporation to independently assess whether I am or will be in violation of this Agreement. Such statement shall be delivered to the Corporation's Chief People Officer or his or her authorized delegate via personal delivery or overnight delivery within five calendar days of my receipt of such request.

9. **Limitation on Restrictions.** Nothing in this Agreement is intended to or shall interfere with my right to file charges or participate in a proceeding with any appropriate federal, state or local government agency, including the Occupational Safety and Health Administration ("OSHA"), National Labor Relations Board ("NLRB") or the Securities and Exchange Commission ("SEC"); to exercise rights under Section 7 of the National Labor Relations Act ("NLRA"); or to file a charge or complaint with or

participate or cooperate in an investigation or proceeding with the US Equal Employment Opportunity Commission (“EEOC”) or comparable state or local agencies. Such agencies have authority to carry out their statutory duties by investigating a charge, issuing a determination, filing a lawsuit, or taking any other action authorized by law. I retain the right to participate in any such action and retain the right to communicate with the NLRB, SEC, EEOC, OSHA and comparable state or local agencies and such communication shall not be limited by any provision in this Agreement. Nothing in this Agreement limits my right to receive an award for information provided to a government agency such as the SEC and OSHA. In addition, nothing in this Agreement is intended to interfere with or restrain the immunity provided under 18 U.S.C. § 1833(b) for confidential disclosures of trade secrets to government officials or lawyers, solely for the purpose of reporting or investigating a suspected violation of law, or in a sealed filing in court or other proceeding.

**10. Eligibility for Severance Pay.** If my employment with the Corporation terminates under circumstances in which I am eligible for severance under the applicable severance plan (the “Severance Plan”), the Corporation will offer me severance in accordance with the Severance Plan. I acknowledge that I must meet certain requirements in order to receive severance, including but not limited to execution of a separation agreement and release of claims in a form acceptable to CVS Health Corporation and any other requirements set forth in the Severance Plan. In the event that the Corporation fails to comply with its obligations to offer me severance according to the Severance Plan, then Section 2 of this Agreement shall be of no further effect. I agree that if I decline the Corporation's offer of severance, I shall continue to be subject to the restrictions in Section 2.

**11. Injunctive Relief and Other Remedies.** Any breach of this Agreement by me will cause irreparable damage to the Corporation and, in the event of such breach, the Corporation shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent the violation of my obligations hereunder, and without providing a bond to the extent permitted by the applicable rules of civil procedure. Nothing contained in this Agreement shall be construed to prohibit the Corporation from pursuing any other remedy available to the Corporation at law or in equity, the parties having agreed that all remedies are cumulative.

**12. No Right of Continued Employment.** This Agreement does not create an obligation on the Corporation or any other person or entity to continue my employment.

**13. No Conflicting Agreements.** I represent that the performance of my job duties with the Corporation and my compliance with all of the terms of this Agreement does not and will not breach or conflict with any other agreement, covenant, obligation or restriction to which I am bound including but not limited to any agreement to keep in confidence proprietary information acquired by me in confidence or in trust prior to my employment by the Corporation.

**14. Entire Agreement/No Reliance/No Modifications.** This Agreement and any compensation, benefit or equity plan or agreement referred to herein or under which equity was granted, to the extent those other agreements apply to me, set forth the entire agreement between the parties hereto and fully supersede any and all prior and/or supplemental understandings, whether written or oral, between the parties concerning the subject matter of this Agreement. This agreement shall not have any effect on any prior existing agreements between Corporation and me regarding the arbitration of workplace legal disputes and any such agreements remain in full force and effect. I agree and acknowledge that I have not relied on any representations, promises or agreements of any kind in connection with my decision to accept the terms of this Agreement, except for the representations, promises and agreements herein. Any modification to this Agreement must be made in writing and signed by me and the Corporation's Chief People Officer or his or her authorized representative.

**15. No Waiver.** Any waiver by the Corporation of a breach of any provision of this Agreement, or of any other similar agreement with any other current or former employee of the Corporation, shall not operate or be construed as a waiver of any subsequent breach of such provision or any other provision hereof.

**16. Severability.** The parties hereby agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses herein. Moreover, if one or more of the provisions of this Agreement are for any reason held to be excessively broad as to scope, activity, duration, subject or otherwise so as to be unenforceable at law, the parties consent to such provision or provisions being modified in any way necessary or limited by the appropriate judicial body (where allowed by applicable law), so as to be enforceable to the maximum extent compatible with the applicable law.

**17. Survival of Employee's Obligations.** My obligations under this Agreement shall survive the termination of my employment regardless of the manner of such termination and shall be binding upon my heirs, personal representatives, executors, administrators and legal representatives.

**18. Corporation's Right to Assign Agreement.** The Corporation has the right to assign this Agreement to its successors and assigns without the need for further agreement or consent by me, and all covenants and agreements hereunder shall inure to the benefit of and be enforceable by said successors or assigns.

**19. Non-Assignment.** I shall not assign my rights and obligations under this Agreement, in whole or in part, whether by operation of law or otherwise, without the prior written consent of the Corporation, and any such assignment contrary to the terms hereof shall be null and void and of no force or effect.

**20. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of Rhode Island excluding its choice of law rules or principles that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

**21. Personal Jurisdiction and Venue.** I agree that any State or Federal court located within the State of Rhode Island shall have personal jurisdiction over me with regard to any claim or dispute arising out of or related to this Agreement or the subject matter of this Agreement. I agree that unless otherwise prohibited by applicable law, any claim or dispute arising out of or related to this Agreement or the subject matter of this Agreement shall be exclusively brought and resolved in a State or Federal court located within the state of Rhode Island.

**22. Consultation with Legal Counsel; Time to Consider Agreement.** I acknowledge that CVS advises me to consult with an attorney before signing this Agreement. I also acknowledge that CVS has given me fourteen (14) days from the date I received this Agreement to consider whether to sign this Agreement. I further acknowledge that if I choose to do so voluntarily, I may sign this Agreement before the expiration of the 14-day consideration period.

**23. Headings.** The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

**24. Attorneys' Fees.** If any party to this Agreement breaches any terms of this Agreement, then that party shall pay to the non-breaching party all of the non-breaching party's costs and expenses, including attorneys' fees, incurred by that party in enforcing the terms of this Agreement.

**25. Tolling.** In the event I violate one of the time-limited restrictions in Sections 2 and/or 3 of this Agreement, I agree that the time period for such violated restriction shall be extended by one day for each day I have violated the restriction, up to a maximum extension equal to the length of the original period of the restricted covenant.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as a sealed instrument as of the date set forth below.

/s/ Steven H. Nelson

\_\_\_\_\_  
Steven H. Nelson

N/A

\_\_\_\_\_  
Employee ID

Date: 11/15/2024

/s/ Sam Khichi

\_\_\_\_\_  
Sam Khichi

Executive Vice President,

Chief Policy Officer, General Counsel

CVS Pharmacy, Inc.

**EXHIBIT A**

**List of Prior Inventions - See Section 7**

## EXHIBIT B

### Notice Regarding Invention Assignment

1. For an employee residing in **Illinois, Kansas, or North Carolina**, you are hereby advised:

**Notice.** No provision in this Agreement requires you to assign any of your rights to an invention for which no equipment, supplies, facility, or trade secret information of the Corporation was used and which was developed entirely on your own time, unless (a) the invention relates (i) to the business of the Corporation or (ii) to the Corporation's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by you for the Corporation. Illinois 765ILCS1060/1-3, "Employees Patent Act"; Kansas Statutes Section 44-130; North Carolina General Statutes Article 10A, Chapter 66, Commerce and Business, Section 66-57.1.

2. For an employee residing in **Utah**, you are hereby advised:

**Notice.** No provision in this Agreement requires you to assign any of your rights to an invention which was created entirely on your own time, and which is not (a) conceived, developed, reduced to practice, or created by you (i) within the scope of your employment with the Corporation, (ii) on the Corporation's time, or (iii) with the aid, assistance, or use of any of the Corporation's property, equipment, facilities, supplies, resources, or patents, trade secrets, know-how, technology, confidential information, ideas, copy rights, trademarks and service marks and any and all rights, applications and registrations relating to them, (b) the results of any work, services, or duties performed by you for the Corporation, (c) related to the industry or trade of the Corporation, or (d) related to the current or demonstrably anticipated business, research, or development of the Corporation. Utah Code Sections 34-39-1 through 34-39-3, "Employee Inventions Act."

3. For an employee residing in **Minnesota**, you are hereby advised:

**Notice.** No provision in this Agreement requires you to assign any of your rights to an invention for which no equipment, supplies, facility, or trade secret information of the Corporation was used, and which was developed entirely on your own time, and (a) which does not relate (i) directly to the business of the Corporation, or (ii) to the Corporation's actual or demonstrably anticipated research or development, or (b) which does not result from any work performed by you for the Corporation. Minnesota Statutes 13A Section 181.78.

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CVS HEALTH CORPORATION

Change in Control Agreement for

**Steven Nelson**

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This Change in Control Agreement ("Agreement") is made and entered into as of the date set forth on the signature page hereto, between CVS Pharmacy, Inc., a wholly owned subsidiary of CVS Health Corporation and Steven H. Nelson (the "Executive").

WHEREAS, the Board of Directors (the "Board") of CVS Health Corporation ("CVS" or the "Company") believes it is necessary and desirable for the Company to be able to rely upon Executive to continue serving in Executive's position with the Company in the event of a pending or actual change in control of CVS;

WHEREAS, Executive is employed by CVS Pharmacy, Inc., a Subsidiary of CVS, and this Agreement shall not alter Executive's status as an employee at will;

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the receipt of which is mutually acknowledged, CVS and the Executive (individually a "Party" and together the "Parties") agree as follows:

1. Definitions.

- a. "Base Salary" shall mean Executive's annual rate of base salary at the time of Executive's termination of employment or, if greater, as in effect immediately prior to a Change in Control.
- b. "Cause" shall exist if:
  - i. Executive willfully and materially breaches Sections 4 or 5 of this Agreement;
  - ii. Executive is convicted of a felony involving moral turpitude; or
  - iii. Executive engages in conduct that constitutes willful gross neglect or willful gross misconduct in carrying out Executive's duties under this Agreement, resulting, in either case, in material harm to the financial condition or reputation of the Company.

For purposes of this Agreement, an act or failure to act on Executive's part shall be considered "willful" if it was done or omitted to be done by Executive not in good faith, and shall not include any act or failure to act resulting from any incapacity of Executive. A termination for Cause shall not take effect absent compliance with the provisions of this paragraph. Executive shall be given written notice by the Company of its intention to terminate Executive's employment for Cause, such notice (A) to state in detail the particular act or acts or failure or failures to act that constitute the grounds on which the proposed termination for Cause is based and (B) to be given within 90 days of the Company's learning of such act or acts or failure or failures to act. Executive shall have 20 days

after the date that such written notice has been given to Executive in which to cure such conduct, to extent such cure is possible. If Executive fails to cure such conduct, Executive shall then be entitled to a hearing before the Committee, or an officer or officers designated by the Committee, at which Executive is entitled to appear. Such hearing shall be held within 25 days of such notice to Executive, provided Executive requests such hearing within 10 days of the written notice from the Company of the intention to terminate Executive for Cause. If, within five days following such hearing, Executive is furnished written notice by the Committee confirming that, in its judgment, grounds for Cause on the basis of the original notice exist, Executive shall thereupon be terminated for Cause. Executive's right to cure in accordance with this provision applies only in the event of a Change in Control as defined in Section 1(c) below and does not alter Executive's "at will" employment status.

- c. A "Change in Control" shall be deemed to have occurred if:
- (i) any Person (other than (a) the Company, (b) any trustee or other fiduciary holding securities under any employee benefit plan of the Company, (c) any company owned, directly or indirectly, by the stockholders of the Company immediately after the occurrence with respect to which the evaluation is being made in substantially the same proportions as their ownership of the common stock of the Company immediately prior to such occurrence or (d) any surviving or resulting entity from a merger or consolidation referred to in clause (iii) below that does not constitute a Change of Control under clause (iii) below) becomes the Beneficial Owner (except that a Person shall be deemed to be the Beneficial Owner of all shares that any such Person has the right to acquire pursuant to any agreement or arrangement or upon exercise of conversion rights, warrants or options or otherwise, without regard to the sixty day period referred to in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company or of any subsidiary owning directly or indirectly all or substantially all of the consolidated assets of the Company (a "Significant Subsidiary"), representing 30% or more of the combined voting power of the Company's or such Significant Subsidiary's then outstanding securities;
  - (ii) during any period of twelve (12) consecutive months, individuals who at the beginning of such period constitute the Board, and any new director whose election by the Board or nomination for election by the Company's stockholders was

approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the twelve (12) month period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the Board;

- (iii) the consummation of a merger or consolidation of the Company or any Significant Subsidiary with any other entity, other than a merger or consolidation which would result in the voting securities of the Company or a Significant Subsidiary outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than 50% of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation; or
  
- (iv) the consummation of a transaction (or series of transactions within a 12 month period) which constitutes the sale or disposition of all or substantially all of the consolidated assets of the Company but in no event assets having a gross fair market value of less than 40% of the total gross fair market value of all of the consolidated assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company immediately prior to such sale or disposition).

For purposes of this definition:

- (A) The term "Beneficial Owner" shall have the meaning ascribed to such term in Rule 13d-3 under the Exchange Act (including any successor to such Rule).
  
- (B) The term "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, or any successor act thereto.

(C) The term "Person" shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including "group" as defined in Section 13(d) thereof.

- d. "Committee" shall mean the Management Planning and Development Committee of the Board, or the corresponding committee of the board of directors of a successor to CVS.
- e. "Company" shall mean, collectively, CVS and any Subsidiary or affiliate of CVS.
- f. "Confidential Information" shall have the meaning set forth in Section 4 below.
- g. "Constructive Termination Without Cause" shall mean a termination of the Executive's employment at Executive's initiative following the occurrence, without the Executive's written consent, of one or more of the following events (except as a result of a prior termination):
  - i. an assignment of any duties to Executive that is materially inconsistent with Executive's status as a member of the senior management of CVS;
  - ii. a material decrease in Executive's annual base salary or target annual incentive award opportunity;
  - iii. any failure to secure the agreement of any successor to CVS to fully assume the Company's material obligations under this Agreement; or
  - iv. a relocation of Executive's principal place of employment more than 35 miles from Executive's place of employment before such relocation.

In all cases, no Constructive Termination Without Cause shall be deemed to have occurred unless (a) the Executive provides written notice to the Company that an event described in subsections i. through iv. has occurred, and such notice identifies such event and is provided within 30 days of the initial occurrence of such event, (b) a cure period of 45 days following the Company's receipt of such notice expires and the Company has not cured such event within such cure period and (c) the Executive actually terminates his/her employment within 30 days of the expiration of the cure period.

- h. "Disability" shall mean disability as that term is defined in the Company's Long- Term Disability Plan.
- i. "Effective Date" shall have the meaning set forth in Section 2 below.

- j. "Original Term" shall have the meaning set forth in Section 2 below.
- k. "Renewal Term" shall have the meaning set forth in Section 2 below.
- l. "Severance Period" shall mean the period of 18 months following the termination of Executive's employment with the Company.
- m. "Subsidiary" shall have the meaning set forth in Section 4 below.
- n. "Term" shall have the meaning set forth in Section 2 below.
- o. "termination of employment", "employment is terminated" and other similar words shall mean with respect to Executive
  - (i) for any plan or arrangement that is subject to the rules of Section 409A of the Internal Revenue Code (the "Code") a "Separation from Service" as such term is defined in the Income Tax Regulations under Section 409A (the "409A Regulations") of the Code as modified by the rules described below:
    - (A) except in the case where Executive is on a bona fide leave of absence pursuant to the Company's policies as provided below, Executive is deemed to have incurred a Separation from Service on a date if the company and Executive reasonably anticipate that the level of services to be performed by Executive after such date would be permanently reduced to 20% or less of the average services rendered by Executive during the immediately preceding 36-month period (or the total period of employment, if less than 36 months), disregarding periods during which Executive was on a bona fide leave of absence;
    - (B) if Executive is absent from work due to military leave, sick leave, or other bona fide leave of absence pursuant to the Company's policies, Executive shall incur a Separation from Service on the first date that the rules of (A), above, are satisfied following the later of (i) the six-month anniversary of the commencement of the leave or (ii) the expiration of Executive's right, if any, to reemployment under statute, contract or Company policy
    - (C) Executive shall be considered to continue employment and to not have a Separation from Service while on a bona fide leave of absence pursuant to the Company's policies if the leave does not exceed 6 consecutive months (12) months for a disability leave

of absence) or, if longer, so long as the Executive retains a right to reemployment with the Company or an Affiliate under an applicable statute, contract or Company policy. For this purpose, a "disability leave of absence" is an absence due to any medically determinable physical or mental impairment of Executive that can be expected to result in death or can be expected to last for a continuous period of not less than 6 months, where such impairment causes Executive to be unable to perform the duties of Executive's job or a substantially similar job;

(D) for purposes of determining whether another organization is an Affiliate of the Company, common ownership of at least 50% shall be determinative;

(E) the Company specifically reserves the right to determine whether a sale or other disposition of substantial assets to an unrelated party constitutes a Separation from Service with respect to Executive providing services to the seller immediately prior to the transaction and providing services to the buyer after the transaction. Such determination shall be made in accordance with the requirements of Section 409A of the Code; or

(ii) for any plan or arrangement that is not subject to the rules of Section 409A of the Code, the complete cessation of providing service to the Company or any Affiliate as an employee.

2. Term of Agreement.

The term of this Agreement shall commence on the date of this Agreement (the "Effective Date") and end on the third anniversary of such date (the "Original Term"). The Original Term shall be automatically renewed for successive one-year terms (the "Renewal Terms") unless at least 180 days prior to the expiration of the Original Term or any Renewal Term, either Party notifies the other Party in writing that he/she or it is electing to terminate this Agreement at the expiration of the then current Term. "Term" shall mean the Original Term and all Renewal Terms. If a Change in Control shall have occurred during the Term, notwithstanding any other provision of this Section 2, the Term shall not expire earlier than two years after such Change in Control.

3. Entitlement to Severance Benefit.

- a. Severance Benefit. In the event Executive's employment with the Company is Terminated Without Cause, other than due to death, or Disability, or in the event there is a Constructive Termination Without Cause, in each case within two years following a Change in Control, Executive shall be entitled to receive:
- i. Base Salary through the date of termination of Executive's employment, which shall be paid in a cash lump sum not later than 15 days following Executive's termination of employment;
  - ii. An amount equal to 1.5 times Executive's Base Salary in effect on the date of termination of Executive's employment (or in the event a reduction in Base Salary is a basis for a Constructive Termination Without Cause, then the Base Salary in effect immediately prior to such reduction), payable in a cash lump sum following Executive's termination of employment;
  - iii. An amount equal to the most recently established target annual cash incentive bonus amount, prorated based on the portion of the performance year that Executive has worked as of the date of Executive's termination. Such payment of a pro rata annual cash incentive bonus will be payable in a cash lump sum following Executive's termination of employment;
  - iv. An amount equal to 1.5 times the most recently established target annual incentive cash bonus amount, payable in a cash lump sum following the Executive's termination of employment;
  - v. Elimination of all restrictions on any restricted stock or restricted stock unit awards outstanding at the time of termination of employment (other than awards under the Company's Partnership Equity Program, which shall be governed by the terms of such awards);
  - vi. Immediate vesting of all outstanding stock options and the right to exercise such stock options for the remainder of the full term of such option (other than awards under the Company's Partnership Equity Program, which shall be governed by the terms of such awards);
  - vii. The balance of any incentive awards earned as of December 31 of the prior year but not yet paid, which shall be paid in a single lump sum not later than 15 days following Executive's termination of employment;
  - viii. Settlement of all deferred compensation arrangements in accordance with any then applicable deferred compensation plan or election form;

- ix. Continued participation in all medical, health and life insurance plans at the same benefit level at which Executive was participating on the date of termination of Executive's employment until the earlier of:
  - 1. the end of the Severance Period; or
  - 2. the date, or dates, Executive receives equivalent coverage and benefits under the plans and programs of a subsequent employer (such coverage and benefits to be determined on a coverage-by-coverage, or benefit-by-benefit, basis);

provided that (1) if Executive is precluded from continuing Executive's participation in any employee benefit plan or program as provided in this clause (ix) of this Section 3.a, Executive shall receive cash payments equal on an after-tax basis to the cost to Executive of obtaining the benefits provided under the plan or program in which Executive is unable to participate for the period specified in this clause (ix) of this Section 3.a, (2) such cost shall be deemed to be the lowest reasonable cost that would be incurred by Executive in obtaining such benefit on an individual basis, and (3) payment of such amounts shall be made quarterly in advance; and

- x. other or additional benefits then due or earned in accordance with applicable plans and programs of the Company.

- b. Change in Control Best Payments Determination. In the event the Severance Benefits described in Section 3(a) are payable to Executive in connection with a Change in Control and, if paid, could subject Executive to an excise tax under Section 4999 of the Internal Revenue Code (the "Excise Tax"), then notwithstanding the provisions of Section 3(a) the Company shall reduce the Severance Benefits (the "Benefit Reduction") under Section 3(a) by the amount necessary to result in the Executive not being subject to the Excise Tax, if such reduction would result in the Executive's "Net After-Tax Amount" attributable to the Severance Benefits described in Section 3(a) being greater than it would be if no Benefit Reduction was effected. For this purpose "Net After-Tax Amount" shall mean the net amount of Severance Benefits Executive is entitled to receive under this Agreement after giving effect to all Federal, state and local taxes which would be applicable to such payments, including, but not limited to, the Excise Tax. The determination of whether any such Benefit Reduction shall be effected shall be made by a nationally recognized public accounting firm selected by the Company (the "Accounting Firm") prior to the occurrence of the Change in Control and such determination shall be binding on both Executive and the Company. In the event it is determined that a Benefit Reduction is required, such reduction of items described in Section 3(a) above shall be done first by reducing cash severance determined in accordance with

Section 3(a)(ii), 3(a)(iii) and 3(a)(iv); to the extent a further Benefit Reduction is necessary, then Severance Benefits will be reduced from the amounts determined in accordance with Section 3(a)(v) and 3(a)(vi), all as determined by the Accounting Firm.

- c. No Mitigation; No Offset. In the event of any termination of employment under this Section 3, Executive shall be under no obligation to seek other employment, and the amounts due Executive under this Agreement shall not be offset by any remuneration attributable to any subsequent employment that Executive may obtain.
  - d. Nature of Payments. Any amounts due under this Section 3 are in the nature of severance payments considered to be reasonable by the Company and are not in the nature of a penalty.
  - e. Exclusivity of Severance Benefit. Upon termination of Executive's employment during the Term, Executive shall not be entitled to any severance payments or severance benefits from the Company, or any other payments by the Company, other than the Severance Benefit provided in this Section 3, except as required by law.
  - f. General Release of Claims. Executive agrees, as a condition of payment of the Severance Benefit provided for in this Section 3, that Executive will execute within 60 days of Executive's termination of employment a separation agreement, in a form reasonably satisfactory to the Company, that includes a general release of any and all claims arising out of Executive's employment or termination of employment with the Company, other than claims for (i) enforcement of this Agreement, (ii) enforcement of Executive's rights under any of the Company's incentive compensation, equity and/or employee benefit plans and programs to which Executive is entitled under this Agreement, and (iii) any tort for personal injury not arising out of or related to Executive's employment or termination of employment.
  - g. Subject to the provisions of Section 12(b), all payments to be made pursuant to this Section 3 upon the termination of employment of Executive shall be made or commence, as the case may be, within 75 days after the Executive's termination of employment provided, however, that if such termination of employment is after October 15 of a year, the payout or first payment, as the case may be, shall be made at the end of such 75 day period.
4. Confidentiality; Cooperation with Regard to Litigation; Non-disparagement.
- a. During the Term and thereafter, Executive shall not, without the prior written consent of the Company, disclose to anyone (except in good faith in the ordinary course of business to a person who will be advised by Executive to

keep such information confidential) or make use of any confidential information except in the performance of Executive's duties hereunder or when required to do so by legal process, by any governmental agency having supervisory authority over the business of the Company or by any administrative or legislative body (including a committee thereof) that requires Executive to divulge, disclose or make accessible such information. In the event that Executive is so ordered, Executive shall give prompt written notice to the Company in order to allow the Company the opportunity to object to or otherwise resist such order.

- b. During the Term and thereafter, Executive shall not disclose the existence or contents of this Agreement beyond what is disclosed in the proxy statement or documents filed with the government unless and to the extent such disclosure is required by law, by a governmental agency, or in a document required by law to be filed with a governmental agency or in connection with enforcement of Executive's rights under this Agreement. In the event that disclosure is so required, Executive shall give prompt written notice to the Company in order to allow the Company the opportunity to object to or otherwise resist such requirement. This restriction shall not apply to such disclosure by Executive to members of Executive's immediate family, Executive's tax, legal or financial advisors, any lender, or tax authorities, or to potential future employers to the extent necessary, each of whom shall be advised not to disclose such information.
- c. "Confidential Information" shall mean all information concerning the business of the Company or any Subsidiary relating to any of their products, product development, trade secrets, customers, suppliers, finances, and business plans and strategies. Excluded from the definition of Confidential Information is information (i) that is or becomes part of the public domain, other than through the breach of this Agreement by Executive or (ii) regarding the Company's business or industry properly acquired by Executive in the course of Executive's career as an Executive in the Company's industry and independent of Executive's employment by the Company. For this purpose, information known or available generally within the trade or industry of the Company or any Subsidiary shall be deemed to be known or available to the public.
- d. "Subsidiary" shall mean any corporation or other business entity owned or controlled directly or indirectly by CVS.
- e. Executive agrees to cooperate with the Company, during the Term and thereafter (including following Executive's termination of employment for any reason), by being reasonably available to testify on behalf of the Company or any Subsidiary in any action, suit, or proceeding, whether civil, criminal,

administrative, or investigative, and to assist the Company, or any Subsidiary, in any such action, suit, or proceeding, by providing information and meeting and consulting with the Board or its representatives or counsel, or representatives or counsel to the Company, or any Subsidiary as requested; provided, however that the same does not materially interfere with Executive's then current professional activities. The Company agrees to reimburse Executive on an after tax basis, for all reasonable expenses actually incurred in connection with Executive's provision of testimony or assistance.

- f. Executive agrees that, during the Term and thereafter (including following Executive's termination of employment for any reason) Executive will not make statements or representations, or otherwise communicate, directly or indirectly, in writing, orally, or otherwise, or take any action which may, directly or indirectly, disparage or be damaging to the Company or any Subsidiary or their respective officers, directors, employees, advisors, businesses or reputations. Notwithstanding the foregoing, nothing in this Agreement shall preclude Executive from making truthful statements or disclosures that are required by applicable law, regulation or legal process.

5. Non-solicitation.

During the period beginning with the Effective Date and ending 18 months following the termination of Executive's employment with the Company, Executive, whether acting on Executive's own behalf or by, through or on behalf of any third party, shall not (a) hire any employees of the Company or any Subsidiary, or recruit or solicit any such employees or encourage them to terminate their employment with the Company or any Subsidiary; (b) accept business from any customers of the Company or any Subsidiary, or solicit or encourage any customers, joint venture partners or investors of the Company or any Subsidiary to terminate or diminish their relationship with the Company or any Subsidiary or to violate any agreement with the Company or any Subsidiary. For purposes of subsection 5(a), an employee of the Company or any Subsidiary means any person who was employed by the Company or any Subsidiary within 180 days of such hiring, recruitment, solicitation or encouragement. Executive agrees to make any employer with whom Executive becomes employed during the 18- month period following Executive's termination with the Company aware of this non-solicitation obligation upon commencing employment with such subsequent entity.

6. Remedies.

In addition to whatever other rights and remedies the Company may have at equity or in law, the Company (a) shall have the right to immediately terminate all payments and benefits due under this Agreement if Executive breaches any of the provisions contained in Sections 4 or 5 above, and (b) shall have the right to seek injunctive relief in any court of competent jurisdiction if Executive breaches or threatens to breach any of the provisions contained in Sections 4 or 5 above. Executive acknowledges that

such a breach would cause irreparable injury and that money damages would not provide an adequate remedy for the Company; provided, however, the foregoing shall not prevent Executive from contesting the issuance of any such injunction on the ground that no violation or threatened violation of Sections 4 or 5 has occurred.

7. Effect of Agreement on Other Benefits.

Except as specifically provided in this Agreement, the existence of this Agreement shall not be interpreted to preclude, prohibit or restrict the Executive's participation in any other employee benefit or other plans or programs in which he /she currently participates.

8. Not an Employment Agreement.

This Agreement is not, and nothing herein shall be deemed to create, a contract of employment between Executive and the Company. The Company may terminate the employment of Executive at any time and for any reason, subject to the terms of any employment agreement between the Company and Executive that may then be in effect.

9. Resolution of Disputes.

Any controversy or claim arising out of or relating to this Agreement or any breach or asserted breach hereof or questioning the validity and binding effect hereof arising under or in connection with this Agreement, other than seeking injunctive relief under Sections 4 or 5, shall be resolved by binding arbitration, to be held at an office closest to the Company's principal offices in accordance with the rules and procedures of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Pending the resolution of any arbitration or court proceeding, the company shall continue payment of all amounts and benefits due Executive under this Agreement. All reasonable costs and expenses of any arbitration or court proceeding (including fees and disbursements of counsel) shall be paid on behalf of or reimbursed to Executive promptly by the Company; provided, however, that no reimbursement shall be made of such expenses if and to the extent the arbitrator(s) determine(s) that any of Executive's litigation assertions or defenses were in bad faith or frivolous.

10. Assignability: Binding Nature.

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, heirs (in the case of Executive) and permitted assigns. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company except that such rights or obligations may be assigned or transferred in connection with the sale or transfer of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or

substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as contained in this agreement, either contractually or as a matter of law. The Company further agrees that, in the event of a sale or transfer of assets as described in the preceding sentence, it shall take whatever action it legally can in order to cause such assignee or transferee to expressly assume the liabilities, obligations and duties of the Company hereunder. No rights or obligations of Executive under this Agreement may be assigned or transferred by Executive other than Executive's rights to compensation and benefits, which may be transferred only by will or operation of law, except as provided in Section 15 below.

11. Representation.

The Company represents and warrants that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this Agreement will not violate any agreement between it and any other person, firm or organization.

12. Amendment or Waiver: Section 409A.

- (a) No provision in this Agreement may be amended unless such amendment is agreed to in writing and signed by Executive and an authorized officer of the Company. No waiver by either Party of any breach by the other Party of any condition or provision contained in this Agreement to be performed by such other Party shall be deemed a waiver of a similar or dissimilar condition or provision at the same or any prior or subsequent time. Any waiver must be in writing and signed by Executive or an authorized officer of the Company, as the case may be.
- (b) Executive and Company agree that it is the intent of the Parties that this Agreement not violate any applicable provision of, or result in any additional tax or penalty under, Section 409A of the Code, as amended, and that to the extent any provisions of this Agreement do not comply with such Code Section 409A the Parties will make such changes as are mutually agreed upon in order to comply with Code Section 409A. In all events, to the extent required to avoid a violation of the applicable rules under all Section 409A by reason of Code Section 409A(a)(2)(B)(i), payment of any amounts subject to Code Section 409A shall be delayed until the relevant date of payment that will result in compliance with the rules of Code Section 409A(a)(2)(B)(i).

13. Severability.

In the event that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions

of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

14. Survivorship.

The respective rights and obligations of the Parties hereunder shall survive any termination of Executive's employment to the extent necessary to the intended preservation of such rights and obligations.

15. Beneficiaries/References.

Executive shall be entitled, to the extent permitted under any applicable law, to select and change a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following Executive's death by giving the Company written notice thereof. In the event of Executive's death or a judicial determination of Executive's incompetence, references in this Agreement to Executive shall be deemed, where appropriate, to refer to Executive's beneficiary, estate or other legal representative.

16. Governing Law/Jurisdiction.

This Agreement shall be governed by and construed and interpreted in accordance with the laws of Rhode Island without reference to principles of conflict of laws. Subject to Section 6, the Company and Executive hereby consent to the jurisdiction of any or all of the following courts for purposes of resolving any dispute under this Agreement: (i) the United States District Court for Rhode Island or (ii) any of the courts of the State of Rhode Island. The Company and Executive further agree that any service of process or notice requirements in such proceeding shall be satisfied if the rules of such court relating thereto have been substantially satisfied. The Company and Executive hereby waive, to the fullest extent permitted by applicable law, any objection which it or he/she may now or hereafter have to such jurisdiction and any defense of inconvenient forum.

17. Notices.

Any notice given to a Party shall be in writing and shall be deemed to have been given when delivered personally or sent by certified or registered mail, postage prepaid, return receipt requested, duly addressed to the Party concerned at the address indicated below or to such changed address as such Party may subsequently give written notice of:

If to CVS:

CVS Pharmacy, Inc.  
One CVS Drive  
Woonsocket, RI 02895  
Attention: Corporate Secretary

If to Executive:

To the Executive's home address as reflected in the Company's records, unless directed otherwise in writing by Executive.

18. Headings.

The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

19. Counterparts.

This Agreement may be executed in two or more counterparts.

In WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

CVS Pharmacy, Inc.

By:

/s/ Susan Medina  
Susan Medina  
Head of Executive Talent Acquisition

Executive:

/s/ Steven H. Nelson  
Signature

Steven H. Nelson  
Print Name

11/15/2024  
Dated

**CVS Pharmacy, Inc.  
Restrictive Covenant Agreement**

**Participant:** Brian Newman

**Employee ID:**

I, Brian Newman

enter into this Restrictive Covenant Agreement (“Agreement”) with CVS Pharmacy, Inc., on its own behalf and on behalf of its subsidiaries and affiliates (“CVS”), which is effective as of the date I sign the Agreement (“Effective Date”).

**1. Consideration for Agreement.** In connection with my duties and responsibilities at CVS Health Corporation or one of its subsidiaries or affiliates, including Aetna Inc. (collectively, the “Corporation”), the Corporation will provide me with Confidential Information and/or access to the Corporation's customers and clients and the opportunity to develop and maintain relationships and goodwill with them. In consideration of the foregoing and the mutual promises in this Agreement and other good and valuable consideration, I hereby agree with CVS to comply with the terms of this Agreement.

**2. Non-Competition.** During my employment by the Corporation and during the Non-Competition Period following the termination of my employment for any reason, I will not directly or indirectly engage in Competition or provide Consulting or Audit Services within the Restricted Area.

a. **Competition.** Engaging in “Competition” means (whether as an employee, contractor, consultant, principal, agent, partner, officer, or director) (i) working on, developing, producing, marketing, selling, servicing, or managing (or assisting in developing, producing, marketing, selling, servicing, or managing) any product or service that is competitive with any existing or planned products or services of the Corporation that I managed, or with which I was involved, at any time during the last twenty-four (24) months of my employment with the Corporation; or (ii) accepting any position or engaging in any activity that will likely result in the disclosure of Confidential Information to a Competitor or the use of Confidential Information on behalf of a Competitor.

b. **Competitor.** A “Competitor” for purposes of this Agreement shall mean any person, corporation or other entity that competes with one or more of the business offerings of the Corporation. As of the Effective Date, the Corporation's business offerings include: (i) pharmacy benefits management (“PBM”), including: (a) the administration of pharmacy benefits for businesses, government agencies and health plans; (b) mail order pharmacy; (c) specialty pharmacy; and (d) the procurement of prescription drugs at a negotiated rate for dispensing; (ii) retail, which includes the sale of prescription drugs, over-the-counter medications, beauty products and cosmetics, digital and traditional photo finishing services, digital and other online offerings, seasonal and other general merchandise, greeting cards, convenience foods and other product lines and services which are sold by the Corporation's retail division (“Retail”); (iii) health care delivery, including primary care, retail health clinics (“MinuteClinic” and in-home evaluations, (iv) the provision of pharmaceutical products and ancillary services, including specialty pharmaceutical products and support services and the provision of related pharmacy consulting, data management services and medical supplies to long-term care facilities, other healthcare service providers and recipients of services from such facilities (“Long-Term Care”); (v) the provision of prescription infusion drugs and related services (“Infusion”); (vi) the provision of kidney care services, including but not limited to caring for patients with end stage renal disease (“Kidney Care”); commercialization and/or co-production or co-manufacturing of biosimilar products; (viii) the provision of insurance (“Insurance”) including: (a) health insurance products and services; (b) managed health care products and services; (c) dental, vision, and employee assistance program products and services; (d) wellness products and services to employers, government agencies, health plans, other businesses or third party payers; (e) Medicare Part

D services; and (f) other voluntary products that are excepted benefits under HIPAA; (ix) the creation and provision of population health management products and services (“Health Management”); (x) services supporting or related to the administration of the business offerings in (i) - (ix) (“Administration”); and (xi) any other business in which the Corporation is engaged or is actively planning to be engaged. For avoidance of doubt, Competitor shall include any business unit, corporate entity, division, affiliate or part of a Competitor which offers other products or services which are or may be combined or offered as part of a suite of products or services with the Competitor's Insurance, Health Management, Health Care Delivery and/or PBM offerings.

For the purpose of assessing whether I am engaging in “Competition” under section 2(a)(i) above, a person, corporation or other entity shall not be considered a Retail Competitor if such entity derives annual gross revenues from its business in an amount which is less than 2% of the Corporation's gross revenues from Retail, during its most recently completed fiscal year. For avoidance of doubt, this exclusion does not apply to a determination of whether I am engaging in “Competition” as set forth in section 2(a)(ii) above.

I and the Corporation acknowledge that both the Corporation's products and services and the entities which compete with the Corporation's products and services evolve over time, and that an entity will be considered a Competitor if it provides products or services competitive with the existing products and services provided by the Corporation, or those planned by the Corporation, within the last two years of my employment with the Corporation.

I agree that the provisions of Section 2 of this Agreement are reasonable to protect and preserve the Corporation's legitimate business interests, including the protection of the Company's Confidential Information and the Company's substantial investment made to develop and retain its Confidential Information, clients, other business relationships, and related goodwill.

c. **Consulting or Audit Services.** “Consulting or Audit Services” shall mean any activity that involves providing audit review or other consulting or advisory services with respect to any relationship or prospective relationship between the Corporation and any third party that is likely to result in the use or disclosure of Confidential Information.

d. **Non-Competition Period.** The “Non-Competition Period” shall be the period of 18 months following the termination of my employment with the Corporation for any reason.

e. **Restricted Area.** “Restricted Area” refers to those states within the United States in which the Corporation conducts its business, as well as the District of Columbia and Puerto Rico. To the extent I worked on international matters involving the Corporation's business in Asia, Europe, or other international locations where the Corporation may conduct business, the Restricted Area includes those countries and those countries where the Corporation is actively planning to conduct business. I understand and agree that the Corporation's business is global in nature and that its clients are located throughout the world; therefore, the Restricted Territory definition is reasonable and necessary to allow the Corporation to adequately protect its legitimate business interests, and the absence of a more restricted limitation would not be reasonable under these circumstances. Nevertheless, the restrictions on my work during the Non-Competition Period shall only extend to those locations within the Restricted Area where such work constitutes engaging in Competition.

**3. Non-Solicitation.** During the Non-Solicitation Period, which shall be during my employment by the Corporation and for 18 months following the termination of my employment with the Corporation for any reason, I will not, unless a duly authorized officer of the Corporation gives me written authorization to do so:

a. interfere with the Corporation's relationship with its Business Partners by soliciting or communicating (regardless of who initiates the communication) with a Business Partner to: (i) induce or encourage the Business Partner to stop doing business or reduce its business with the Corporation, or (ii) buy a product or service that competes with a product or service offered by the Corporation's business. "Business Partner" means: a customer (person or entity), prospective customer (person or entity), healthcare provider, supplier, manufacturer, agency, broker, hospital, hospital system, long-term care facility, Insurance client/customer, and/or pharmaceutical manufacturer with whom the Corporation has a business relationship and with which I had business-related contact or dealings, or about which I received Confidential Information, in the two years prior to the termination of my employment with the Corporation. A Business Partner does not include a customer, supplier, manufacturer, agency, broker, hospital, hospital system, long-term care facility and/or pharmaceutical manufacturer which has fully and finally ceased doing any business with the Corporation independent of any conduct or communications by me or breach of this Agreement and such full cessation of business has been in effect for at least 1 year prior to my separation from employment with the Corporation. Nothing in this Section 3(a) shall prevent me from working as a staff pharmacist or in another retail position wherein I would be providing or selling prescriptions or other products directly to consumers.

b. work on a Corporation account on behalf of a Business Partner or serve as the representative of a Business Partner for the Corporation.

c. interfere with the Corporation's relationship with any employee or contractor of the Corporation by: (i) soliciting or communicating with the employee or contractor to induce or encourage him or her to leave the Corporation's employ or engagement (regardless of who first initiates the communication); (ii) helping another person or entity evaluate such employee or contractor as an employment or contractor candidate; or (iii) otherwise helping any person or entity hire an employee or contractor away from the Corporation.

#### **4. Non-Disclosure of Confidential Information.**

a. Subject to Sections 8 and 9 below, I will not at any time, whether during or after the termination of my employment, disclose to any person or entity any of the Corporation's Confidential Information, except as may be appropriately required in the ordinary course of performing my duties as an employee of the Corporation. The Corporation's Confidential Information includes but is not limited to the following non-public information: trade secrets; computer code generated or developed by the Corporation; software or programs and related documentation; strategic compilations and analysis; strategic processes; business or financial methods, practices and plans; non-public costs and prices; operating margins; marketing, merchandising and selling techniques and information; customer lists; provider lists; details of customer or provider agreements; pricing arrangements with pharmaceutical manufacturers, distributors or suppliers including but not limited to any discounts and/or rebates; pricing arrangements with insurance clients and customers; pharmacy reimbursement rates; premium information; payment rates; contractual forms; expansion strategies; real estate strategies; operating strategies; sources of supply; patient records; business plans; other financial, commercial, business or technical information related to the Corporation, and confidential information of third parties which is given to the Corporation pursuant to an obligation or agreement to keep such information confidential (collectively, "Confidential Information"). I shall not use or attempt to use any Confidential Information on behalf of any person or entity other than the Corporation, or in any manner which may injure or cause loss or may be calculated to injure or cause loss, whether directly or indirectly, to the Corporation. If, at any time over the last two years of my employment at CVS, my position included access to Confidential Information, as described above, specifically related to the Corporation's procurement of prescription drugs, I understand and agree my employment with a pharmaceutical manufacturer, distributor or supplier ("Pharmaceutical Entity") would place a substantial risk of use and/or disclosure of Confidential

Information with which I have been or will be entrusted during my employment with the Corporation. In light of this risk of disclosure, I acknowledge and agree that the Corporation will be entitled to immediate injunctive relief to prevent me from disclosing any such Confidential Information in the course of my employment with any such Pharmaceutical Entity. I agree that the disclosure of such Confidential Information to the Corporation's PBM Competitors with which one may negotiate in the course of employment with such Pharmaceutical Entity, would cause immediate and irreparable harm to the Corporation.

b. During my employment, I shall not make, use, or permit to be used, any materials of any nature relating to any matter within the scope of the business of the Corporation or concerning any of its dealings or affairs other than for the benefit of the Corporation. I shall not, after the termination of my employment, use or permit to be used any such materials and shall return same in accordance with Section 6 below.

c. **NOTICE OF IMMUNITY FROM LIABILITY FOR CONFIDENTIAL DISCLOSURE OF A TRADE SECRET TO THE GOVERNMENT OR IN A COURT FILING.** Pursuant to the United States Defend Trade Secrets Act of 2016 (the "DTSA"), the Company hereby provides the following notice to Employee:

(i) **IMMUNITY:** An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made: (1) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(ii) **USE OF TRADE SECRET INFORMATION IN ANTI-RETALIATION LAWSUIT:** An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret in the court proceeding, if the individual: (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

**5. Non-Disparagement.** I agree that I will not make any statements that libel, slander, or otherwise communicate any information that is reckless or maliciously untrue, and therefore not protected by the National Labor Relations Act, pertaining to the Corporation and/or its officers, directors, employees, shareholders, and agents, in any manner that is in any way harmful to them or their business, or to their business or personal reputations. Notwithstanding the foregoing, nothing in this Agreement shall prohibit me from making truthful statements or disclosures that are required by applicable law, regulation, or legal process; or cooperating, participating, or filing charges with any federal, state or local government agency enforcing discrimination or securities laws, including the EEOC or SEC. Further, nothing in this agreement shall (i) prohibit me from requesting or receiving confidential legal advice; (ii) apply to the disclosure of factual information related to sexual assault, sexual harassment, or workplace harassment or discrimination based on sex, failure to prevent an act of workplace sexual harassment or discrimination, or an act of retaliation against a person for reporting sexual harassment or discrimination; or (iii) prevent me from discussing or disclosing information about conduct that is unlawful, such as harassment or discrimination or any other conduct that I have reason to believe is unlawful, or that is recognized as against a clear mandate of public policy that occurred in the workplace or at work-related events coordinated by or through the Corporation, whether on or off Corporation premises.

**6. Ownership and Return of the Corporation's Property.** On or before my final date of employment with the Corporation, I shall return to the Corporation all property of the Corporation in my possession, custody or control, including but not limited to the originals and copies of any information

provided to or acquired by me in connection with the performance of my duties for the Corporation, such as files, correspondence, communications, memoranda, e-mails, slides, records, and all other documents, no matter how produced or reproduced, all computer equipment, communication devices (including but not limited to any mobile phone or other portable digital assistant or device), computer programs and/or files, and all office keys and access cards. I agree that all the items described in this Section are the sole property of the Corporation.

**7. Rights to Inventions, Works.**

a. **Assignment of Inventions.** All inventions, original works of authorship, developments, concepts, improvements, designs, discoveries, ideas, trademarks or trade secrets, whether patentable or otherwise protectable under similar law, made, conceived or developed by me, whether alone or jointly with others, from the date of my initial employment by the Corporation and continuing until the end of any period during which I am employed by the Corporation, relating or pertaining in any way to my employment with or the business of the Corporation (collectively referred to as "Inventions") shall be promptly disclosed in writing to the Corporation. I hereby assign to the Corporation, or its designee, all of my rights, title and interest to such Inventions. All original works of authorship which are made by me (solely or jointly with others) within the scope of and during the period of my employment with the Corporation and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act and as such are the sole property of the Corporation. The decision whether to commercialize or market any Invention developed by me solely or jointly with others is within the Corporation's sole discretion and for the Corporation's sole benefit and no royalty will be due to me as a result of the Corporation's efforts to commercialize or market any such Invention.

b. **Inventions Retained and Licensed.** I have attached hereto as Exhibit A, a list specifically describing all inventions, original works of authorship, developments, improvements, and trade secrets that were made by me prior to my employment with the Corporation ("Prior Inventions"), which belong to me and are not assigned to the Corporation hereunder. If no such list is attached, I represent that there are no such Prior Inventions. I will not incorporate, or permit to be incorporated, any Prior Invention owned by me or in which I have an interest into a Corporation product, process or machine without the Corporation's prior written consent. Notwithstanding the foregoing sentence, if, in the course of my employment with the Corporation, I incorporate into a Corporation product, process or machine a Prior Invention owned by me or in which I have an interest, the Corporation is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, process or machine.

c. **Patent and Copyright Registrations.** I will assist the Corporation, or its designee, at the Corporation's expense, in every proper way to secure the Corporation's rights in the Inventions and any copyrights, patents, mask work rights or other intellectual property rights relating thereto, including, but not limited to, the disclosure to the Corporation of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments which the Corporation shall deem necessary in order to apply for and obtain such rights and in order to assign and convey to the Corporation, its successors, assigns, and nominees the sole and exclusive rights, title and interest in and to such Inventions, and any copyrights, patents, mask work rights or other intellectual property rights relating thereto. My obligation to execute or cause to be executed, when it is in my power to do so, any such instrument or papers shall continue after my employment ends for any reason and/or after the termination of this Agreement. If the Corporation is unable because of my mental or physical incapacity or for any other reason to secure my signature to apply for or to pursue any application for any United States or foreign patents or copyright registrations covering Inventions or original works of authorship assigned to the Corporation as above, then I hereby irrevocably designate

and appoint the Corporation and its duly authorized officers and agents as my agent and attorney in fact, to act for and in my behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations thereon with the same legal force and effect as if executed by me.

d. **Exception to Assignments.** I understand that if I am an employee in Illinois, Kansas, North Carolina, Utah or Minnesota, I should refer to Exhibit B (incorporated herein for all purposes) for important limitations on the scope of the provisions of this Agreement concerning assignment of Inventions. I will advise the Corporation promptly in writing of any inventions that I believe meet the criteria in Exhibit B and that are not otherwise disclosed on Exhibit A.

## 8. Cooperation.

a. In the event I receive a subpoena, deposition notice, interview request, or other process or order to testify or produce Confidential Information or any other information or property of the Corporation, I shall promptly: (i) notify the Corporation of the item, document, or information sought by such subpoena, deposition notice, interview request, or other process or order; (ii) furnish the Corporation with a copy of said subpoena, deposition notice, interview request, or other process or order; and (iii) provide reasonable cooperation with respect to any procedure that the Corporation may initiate to protect Confidential Information or other interests. If the Corporation objects to the subpoena, deposition notice, interview request, process, or order, I shall cooperate to ensure that there shall be no disclosure until the court or other applicable entity has ruled upon the objection, and then only in accordance with the ruling so made. If no such objection is made despite a reasonable opportunity to do so, I shall be entitled to comply with the subpoena, deposition, notice, interview request, or other process or order, provided that I have fulfilled the above obligations.

b. I will cooperate fully with the Corporation, its affiliates, and their legal counsel in connection with any action, proceeding, or dispute arising out of matters with which I was directly or indirectly involved while serving as an employee of the Corporation, its predecessors, subsidiaries or affiliates. This cooperation shall include, but shall not be limited to, meeting with, and providing information to, the Corporation and its legal counsel, maintaining the confidentiality of any past or future privileged communications with the Corporation's legal counsel (outside and in-house), and making myself available to testify truthfully by affidavit, in depositions, or in any other forum on behalf of the Corporation. The Corporation agrees to reimburse me for any reasonable and necessary out-of-pocket costs associated with my cooperation.

c. **Notice of New Employment.** If a representative of the Corporation, during or following my employment, requests that I identify the company or business to which I will be or am providing services, or with which I will be or am employed, and requests that I provide information about the services that I am or will be providing to such entity, I shall provide the Corporation with a written statement that identifies the entity and describes the nature of the services that I am or will be providing to such entity with sufficient detail to allow the Corporation to independently assess whether I am or will be in violation of this Agreement. Such statement shall be delivered to the Corporation's Chief People Officer or his or her authorized delegate via personal delivery or overnight delivery within five calendar days of my receipt of such request.

9. **Limitation on Restrictions.** Nothing in this Agreement is intended to or shall interfere with my right to file charges or participate in a proceeding with any appropriate federal, state or local government agency, including the Occupational Safety and Health Administration ("OSHA"), National Labor Relations Board ("NLRB") or the Securities and Exchange Commission ("SEC"); to exercise rights under Section 7 of the National Labor Relations Act ("NLRA"); or to file a charge or complaint with or

participate or cooperate in an investigation or proceeding with the US Equal Employment Opportunity Commission (“EEOC”) or comparable state or local agencies. Such agencies have authority to carry out their statutory duties by investigating a charge, issuing a determination, filing a lawsuit, or taking any other action authorized by law. I retain the right to participate in any such action and retain the right to communicate with the NLRB, SEC, EEOC, OSHA and comparable state or local agencies and such communication shall not be limited by any provision in this Agreement. Nothing in this Agreement limits my right to receive an award for information provided to a government agency such as the SEC and OSHA. In addition, nothing in this Agreement is intended to interfere with or restrain the immunity provided under 18 U.S.C. § 1833(b) for confidential disclosures of trade secrets to government officials or lawyers, solely for the purpose of reporting or investigating a suspected violation of law, or in a sealed filing in court or other proceeding.

**10. Eligibility for Severance Pay.** If my employment with the Corporation terminates under circumstances in which I am eligible for severance under the applicable severance plan (the “Severance Plan”), the Corporation will offer me severance in accordance with the Severance Plan. I acknowledge that I must meet certain requirements in order to receive severance, including but not limited to execution of a separation agreement and release of claims in a form acceptable to CVS Health Corporation and any other requirements set forth in the Severance Plan. In the event that the Corporation fails to comply with its obligations to offer me severance according to the Severance Plan, then Section 2 of this Agreement shall be of no further effect. I agree that if I decline the Corporation's offer of severance, I shall continue to be subject to the restrictions in Section 2.

**11. Injunctive Relief and Other Remedies.** Any breach of this Agreement by me will cause irreparable damage to the Corporation and, in the event of such breach, the Corporation shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent the violation of my obligations hereunder, and without providing a bond to the extent permitted by the applicable rules of civil procedure. Nothing contained in this Agreement shall be construed to prohibit the Corporation from pursuing any other remedy available to the Corporation at law or in equity, the parties having agreed that all remedies are cumulative.

**12. No Right of Continued Employment.** This Agreement does not create an obligation on the Corporation or any other person or entity to continue my employment.

**13. No Conflicting Agreements.** I represent that the performance of my job duties with the Corporation and my compliance with all of the terms of this Agreement does not and will not breach or conflict with any other agreement, covenant, obligation or restriction to which I am bound including but not limited to any agreement to keep in confidence proprietary information acquired by me in confidence or in trust prior to my employment by the Corporation.

**14. Entire Agreement/No Reliance/No Modifications.** This Agreement and any compensation, benefit or equity plan or agreement referred to herein or under which equity was granted, to the extent those other agreements apply to me, set forth the entire agreement between the parties hereto and fully supersede any and all prior and/or supplemental understandings, whether written or oral, between the parties concerning the subject matter of this Agreement. This agreement shall not have any effect on any prior existing agreements between Corporation and me regarding the arbitration of workplace legal disputes and any such agreements remain in full force and effect. I agree and acknowledge that I have not relied on any representations, promises or agreements of any kind in connection with my decision to accept the terms of this Agreement, except for the representations, promises and agreements herein. Any modification to this Agreement must be made in writing and signed by me and the Corporation's Chief People Officer or his or her authorized representative.

**15. No Waiver.** Any waiver by the Corporation of a breach of any provision of this Agreement, or of any other similar agreement with any other current or former employee of the Corporation, shall not operate or be construed as a waiver of any subsequent breach of such provision or any other provision hereof.

**16. Severability.** The parties hereby agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses herein. Moreover, if one or more of the provisions of this Agreement are for any reason held to be excessively broad as to scope, activity, duration, subject or otherwise so as to be unenforceable at law, the parties consent to such provision or provisions being modified in any way necessary or limited by the appropriate judicial body (where allowed by applicable law), so as to be enforceable to the maximum extent compatible with the applicable law.

**17. Survival of Employee's Obligations.** My obligations under this Agreement shall survive the termination of my employment regardless of the manner of such termination and shall be binding upon my heirs, personal representatives, executors, administrators and legal representatives.

**18. Corporation's Right to Assign Agreement.** The Corporation has the right to assign this Agreement to its successors and assigns without the need for further agreement or consent by me, and all covenants and agreements hereunder shall inure to the benefit of and be enforceable by said successors or assigns.

**19. Non-Assignment.** I shall not assign my rights and obligations under this Agreement, in whole or in part, whether by operation of law or otherwise, without the prior written consent of the Corporation, and any such assignment contrary to the terms hereof shall be null and void and of no force or effect.

**20. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of Rhode Island excluding its choice of law rules or principles that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

**21. Personal Jurisdiction and Venue.** I agree that any State or Federal court located within the State of Rhode Island shall have personal jurisdiction over me with regard to any claim or dispute arising out of or related to this Agreement or the subject matter of this Agreement. I agree that unless otherwise prohibited by applicable law, any claim or dispute arising out of or related to this Agreement or the subject matter of this Agreement shall be exclusively brought and resolved in a State or Federal court located within the state of Rhode Island.

**22. Consultation with Legal Counsel; Time to Consider Agreement.** I acknowledge that CVS advises me to consult with an attorney before signing this Agreement. I also acknowledge that CVS has given me fourteen (14) days from the date I received this Agreement to consider whether to sign this Agreement. I further acknowledge that if I choose to do so voluntarily, I may sign this Agreement before the expiration of the 14-day consideration period.

**23. Headings.** The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

**24. Attorneys' Fees.** If any party to this Agreement breaches any terms of this Agreement, then that party shall pay to the non-breaching party all of the non-breaching party's costs and expenses, including attorneys' fees, incurred by that party in enforcing the terms of this Agreement.

**25. Tolling.** In the event I violate one of the time-limited restrictions in Sections 2 and/or 3 of this Agreement, I agree that the time period for such violated restriction shall be extended by one day for each day I have violated the restriction, up to a maximum extension equal to the length of the original period of the restricted covenant.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as a sealed instrument as of the date set forth below.

/s/ Brian Newman

Brian Newman

/s/ Sam Khichi

Sam Khichi

Executive Vice President,  
Chief Policy Officer, General Counsel  
CVS Pharmacy, Inc.

Employee ID

Date: 03/29/2025

**EXHIBIT A**

**List of Prior Inventions - See Section 7**

## EXHIBIT B

### Notice Regarding Invention Assignment

1. For an employee residing in **Illinois, Kansas, or North Carolina**, you are hereby advised:

**Notice.** No provision in this Agreement requires you to assign any of your rights to an invention for which no equipment, supplies, facility, or trade secret information of the Corporation was used and which was developed entirely on your own time, unless (a) the invention relates (i) to the business of the Corporation or (ii) to the Corporation's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by you for the Corporation. Illinois 765ILCS1060/1-3, "Employees Patent Act"; Kansas Statutes Section 44-130; North Carolina General Statutes Article 10A, Chapter 66, Commerce and Business, Section 66-57.1.

2. For an employee residing in **Utah**, you are hereby advised:

**Notice.** No provision in this Agreement requires you to assign any of your rights to an invention which was created entirely on your own time, and which is not (a) conceived, developed, reduced to practice, or created by you (i) within the scope of your employment with the Corporation, (ii) on the Corporation's time, or (iii) with the aid, assistance, or use of any of the Corporation's property, equipment, facilities, supplies, resources, or patents, trade secrets, know-how, technology, confidential information, ideas, copy rights, trademarks and service marks and any and all rights, applications and registrations relating to them, (b) the results of any work, services, or duties performed by you for the Corporation, (c) related to the industry or trade of the Corporation, or (d) related to the current or demonstrably anticipated business, research, or development of the Corporation. Utah Code Sections 34-39-1 through 34-39-3, "Employee Inventions Act."

3. For an employee residing in **Minnesota**, you are hereby advised:

**Notice.** No provision in this Agreement requires you to assign any of your rights to an invention for which no equipment, supplies, facility, or trade secret information of the Corporation was used, and which was developed entirely on your own time, and (a) which does not relate (i) directly to the business of the Corporation, or (ii) to the Corporation's actual or demonstrably anticipated research or development, or (b) which does not result from any work performed by you for the Corporation. Minnesota Statutes 13A Section 181.78.

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CVS HEALTH CORPORATION

Change in Control Agreement for

**Brian Newman**

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This Change in Control Agreement ("Agreement") is made and entered into as of the date set forth on the signature page hereto, between CVS Pharmacy, Inc., a wholly owned subsidiary of CVS Health Corporation and Brian Newman (the "Executive").

WHEREAS, the Board of Directors (the "Board") of CVS Health Corporation ("CVS" or the "Company") believes it is necessary and desirable for the Company to be able to rely upon Executive to continue serving in Executive's position with the Company in the event of a pending or actual change in control of CVS;

WHEREAS, Executive is employed by CVS Pharmacy, Inc., a Subsidiary of CVS, and this Agreement shall not alter Executive's status as an employee at will;

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the receipt of which is mutually acknowledged, CVS and the Executive (individually a "Party" and together the "Parties") agree as follows:

1. Definitions.

- a. "Base Salary" shall mean Executive's annual rate of base salary at the time of Executive's termination of employment or, if greater, as in effect immediately prior to a Change in Control.
- b. "Cause" shall exist if:
  - i. Executive willfully and materially breaches Sections 4 or 5 of this Agreement;
  - ii. Executive is convicted of a felony involving moral turpitude; or
  - iii. Executive engages in conduct that constitutes willful gross neglect or willful gross misconduct in carrying out Executive's duties under this Agreement, resulting, in either case, in material harm to the financial condition or reputation of the Company.

For purposes of this Agreement, an act or failure to act on Executive's part shall be considered "willful" if it was done or omitted to be done by Executive not in good faith, and shall not include any act or failure to act resulting from any incapacity of Executive. A termination for Cause shall not take effect absent compliance with the provisions of this paragraph. Executive shall be given written notice by the Company of its intention to terminate Executive's employment for Cause, such notice (A) to state in detail the particular act or acts or failure or failures to act that constitute the grounds on which the proposed termination for Cause is based and (B) to be given within 90 days of the Company's learning of such act or acts or failure or failures to act. Executive shall have 20 days

after the date that such written notice has been given to Executive in which to cure such conduct, to extent such cure is possible. If Executive fails to cure such conduct, Executive shall then be entitled to a hearing before the Committee, or an officer or officers designated by the Committee, at which Executive is entitled to appear. Such hearing shall be held within 25 days of such notice to Executive, provided Executive requests such hearing within 10 days of the written notice from the Company of the intention to terminate Executive for Cause. If, within five days following such hearing, Executive is furnished written notice by the Committee confirming that, in its judgment, grounds for Cause on the basis of the original notice exist, Executive shall thereupon be terminated for Cause. Executive's right to cure in accordance with this provision applies only in the event of a Change in Control as defined in Section 1(c) below and does not alter Executive's "at will" employment status.

- c. A "Change in Control" shall be deemed to have occurred if:
- (i) any Person (other than (a) the Company, (b) any trustee or other fiduciary holding securities under any employee benefit plan of the Company, (c) any company owned, directly or indirectly, by the stockholders of the Company immediately after the occurrence with respect to which the evaluation is being made in substantially the same proportions as their ownership of the common stock of the Company immediately prior to such occurrence or (d) any surviving or resulting entity from a merger or consolidation referred to in clause (iii) below that does not constitute a Change of Control under clause (iii) below) becomes the Beneficial Owner (except that a Person shall be deemed to be the Beneficial Owner of all shares that any such Person has the right to acquire pursuant to any agreement or arrangement or upon exercise of conversion rights, warrants or options or otherwise, without regard to the sixty day period referred to in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company or of any subsidiary owning directly or indirectly all or substantially all of the consolidated assets of the Company (a "Significant Subsidiary"), representing 30% or more of the combined voting power of the Company's or such Significant Subsidiary's then outstanding securities;
  - (ii) during any period of twelve (12) consecutive months, individuals who at the beginning of such period constitute the Board, and any new director whose election by the Board or nomination for election by the Company's stockholders was

approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the twelve (12) month period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the Board;

- (iii) the consummation of a merger or consolidation of the Company or any Significant Subsidiary with any other entity, other than a merger or consolidation which would result in the voting securities of the Company or a Significant Subsidiary outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than 50% of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation; or
  
- (iv) the consummation of a transaction (or series of transactions within a 12 month period) which constitutes the sale or disposition of all or substantially all of the consolidated assets of the Company but in no event assets having a gross fair market value of less than 40% of the total gross fair market value of all of the consolidated assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company immediately prior to such sale or disposition).

For purposes of this definition:

- (A) The term "Beneficial Owner" shall have the meaning ascribed to such term in Rule 13d-3 under the Exchange Act (including any successor to such Rule).
  
- (B) The term "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, or any successor act thereto.

(C) The term "Person" shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including "group" as defined in Section 13(d) thereof.

- d. "Committee" shall mean the Management Planning and Development Committee of the Board, or the corresponding committee of the board of directors of a successor to CVS.
- e. "Company" shall mean, collectively, CVS and any Subsidiary or affiliate of CVS.
- f. "Confidential Information" shall have the meaning set forth in Section 4 below.
- g. "Constructive Termination Without Cause" shall mean a termination of the Executive's employment at Executive's initiative following the occurrence, without the Executive's written consent, of one or more of the following events (except as a result of a prior termination):
  - i. an assignment of any duties to Executive that is materially inconsistent with Executive's status as a member of the senior management of CVS;
  - ii. a material decrease in Executive's annual base salary or target annual incentive award opportunity;
  - iii. any failure to secure the agreement of any successor to CVS to fully assume the Company's material obligations under this Agreement; or
  - iv. a relocation of Executive's principal place of employment more than 35 miles from Executive's place of employment before such relocation.

In all cases, no Constructive Termination Without Cause shall be deemed to have occurred unless (a) the Executive provides written notice to the Company that an event described in subsections i. through iv. has occurred, and such notice identifies such event and is provided within 30 days of the initial occurrence of such event, (b) a cure period of 45 days following the Company's receipt of such notice expires and the Company has not cured such event within such cure period and (c) the Executive actually terminates his/her employment within 30 days of the expiration of the cure period.

- h. "Disability" shall mean disability as that term is defined in the Company's Long- Term Disability Plan.
- i. "Effective Date" shall have the meaning set forth in Section 2 below.

- j. "Original Term" shall have the meaning set forth in Section 2 below.
- k. "Renewal Term" shall have the meaning set forth in Section 2 below.
- l. "Severance Period" shall mean the period of 18 months following the termination of Executive's employment with the Company.
- m. "Subsidiary" shall have the meaning set forth in Section 4 below.
- n. "Term" shall have the meaning set forth in Section 2 below.
- o. "termination of employment", "employment is terminated" and other similar words shall mean with respect to Executive
  - (i) for any plan or arrangement that is subject to the rules of Section 409A of the Internal Revenue Code (the "Code") a "Separation from Service" as such term is defined in the Income Tax Regulations under Section 409A (the "409A Regulations") of the Code as modified by the rules described below:
    - (A) except in the case where Executive is on a bona fide leave of absence pursuant to the Company's policies as provided below, Executive is deemed to have incurred a Separation from Service on a date if the company and Executive reasonably anticipate that the level of services to be performed by Executive after such date would be permanently reduced to 20% or less of the average services rendered by Executive during the immediately preceding 36-month period (or the total period of employment, if less than 36 months), disregarding periods during which Executive was on a bona fide leave of absence;
    - (B) if Executive is absent from work due to military leave, sick leave, or other bona fide leave of absence pursuant to the Company's policies, Executive shall incur a Separation from Service on the first date that the rules of (A), above, are satisfied following the later of (i) the six-month anniversary of the commencement of the leave or (ii) the expiration of Executive's right, if any, to reemployment under statute, contract or Company policy;
    - (C) Executive shall be considered to continue employment and to not have a Separation from Service while on a bona fide leave of absence pursuant to the Company's policies if the leave does not exceed 6 consecutive months (12) months for a disability leave

of absence) or, if longer, so long as the Executive retains a right to reemployment with the Company or an Affiliate under an applicable statute, contract or Company policy. For this purpose, a "disability leave of absence" is an absence due to any medically determinable physical or mental impairment of Executive that can be expected to result in death or can be expected to last for a continuous period of not less than 6 months, where such impairment causes Executive to be unable to perform the duties of Executive's job or a substantially similar job;

(D) for purposes of determining whether another organization is an Affiliate of the Company, common ownership of at least 50% shall be determinative;

(E) the Company specifically reserves the right to determine whether a sale or other disposition of substantial assets to an unrelated party constitutes a Separation from Service with respect to Executive providing services to the seller immediately prior to the transaction and providing services to the buyer after the transaction. Such determination shall be made in accordance with the requirements of Section 409A of the Code; or

(ii) for any plan or arrangement that is not subject to the rules of Section 409A of the Code, the complete cessation of providing service to the Company or any Affiliate as an employee.

2. Term of Agreement.

The term of this Agreement shall commence on the date of this Agreement (the "Effective Date") and end on the third anniversary of such date (the "Original Term"). The Original Term shall be automatically renewed for successive one-year terms (the "Renewal Terms") unless at least 180 days prior to the expiration of the Original Term or any Renewal Term, either Party notifies the other Party in writing that he/she or it is electing to terminate this Agreement at the expiration of the then current Term. "Term" shall mean the Original Term and all Renewal Terms. If a Change in Control shall have occurred during the Term, notwithstanding any other provision of this Section 2, the Term shall not expire earlier than two years after such Change in Control.

3. Entitlement to Severance Benefit.

- a. Severance Benefit. In the event Executive's employment with the Company is Terminated Without Cause, other than due to death, or Disability, or in the event there is a Constructive Termination Without Cause, in each case within two years following a Change in Control, Executive shall be entitled to receive:
- i. Base Salary through the date of termination of Executive's employment, which shall be paid in a cash lump sum not later than 15 days following Executive's termination of employment;
  - ii. An amount equal to 1.5 times Executive's Base Salary in effect on the date of termination of Executive's employment (or in the event a reduction in Base Salary is a basis for a Constructive Termination Without Cause, then the Base Salary in effect immediately prior to such reduction), payable in a cash lump sum following Executive's termination of employment;
  - iii. An amount equal to the most recently established target annual cash incentive bonus amount, prorated based on the portion of the performance year that Executive has worked as of the date of Executive's termination. Such payment of a pro rata annual cash incentive bonus will be payable in a cash lump sum following Executive's termination of employment;
  - iv. An amount equal to 1.5 times the most recently established target annual incentive cash bonus amount, payable in a cash lump sum following the Executive's termination of employment;
  - v. Elimination of all restrictions on any restricted stock or restricted stock unit awards outstanding at the time of termination of employment (other than awards under the Company's Partnership Equity Program, which shall be governed by the terms of such awards);
  - vi. Immediate vesting of all outstanding stock options and the right to exercise such stock options for the remainder of the full term of such option (other than awards under the Company's Partnership Equity Program, which shall be governed by the terms of such awards);
  - vii. The balance of any incentive awards earned as of December 31 of the prior year but not yet paid, which shall be paid in a single lump sum not later than 15 days following Executive's termination of employment;
  - viii. Settlement of all deferred compensation arrangements in accordance with any then applicable deferred compensation plan or election form;

ix. Continued participation in all medical, health and life insurance plans at the same benefit level at which Executive was participating on the date of termination of Executive's employment until the earlier of:

1. the end of the Severance Period; or
2. the date, or dates, Executive receives equivalent coverage and benefits under the plans and programs of a subsequent employer (such coverage and benefits to be determined on a coverage-by-coverage, or benefit-by-benefit, basis);

provided that (1) if Executive is precluded from continuing Executive's participation in any employee benefit plan or program as provided in this clause (ix) of this Section 3.a, Executive shall receive cash payments equal on an after-tax basis to the cost to Executive of obtaining the benefits provided under the plan or program in which Executive is unable to participate for the period specified in this clause (ix) of this Section 3.a, (2) such cost shall be deemed to be the lowest reasonable cost that would be incurred by Executive in obtaining such benefit on an individual basis, and (3) payment of such amounts shall be made quarterly in advance; and

x. other or additional benefits then due or earned in accordance with applicable plans and programs of the Company.

b. Change in Control Best Payments Determination. In the event the Severance Benefits described in Section 3(a) are payable to Executive in connection with a Change in Control and, if paid, could subject Executive to an excise tax under Section 4999 of the Internal Revenue Code (the "Excise Tax"), then notwithstanding the provisions of Section 3(a) the Company shall reduce the Severance Benefits (the "Benefit Reduction") under Section 3(a) by the amount necessary to result in the Executive not being subject to the Excise Tax, if such reduction would result in the Executive's "Net After-Tax Amount" attributable to the Severance Benefits described in Section 3(a) being greater than it would be if no Benefit Reduction was effected. For this purpose "Net After-Tax Amount" shall mean the net amount of Severance Benefits Executive is entitled to receive under this Agreement after giving effect to all Federal, state and local taxes which would be applicable to such payments, including, but not limited to, the Excise Tax. The determination of whether any such Benefit Reduction shall be effected shall be made by a nationally recognized public accounting firm selected by the Company (the "Accounting Firm") prior to the occurrence of the Change in Control and such determination shall be binding on both Executive and the Company. In the event it is determined that a Benefit Reduction is required, such reduction of items described in Section 3(a) above shall be done first by reducing cash severance determined in accordance with

Section 3(a)(ii), 3(a)(iii) and 3(a)(iv); to the extent a further Benefit Reduction is necessary, then Severance Benefits will be reduced from the amounts determined in accordance with Section 3(a)(v) and 3(a)(vi), all as determined by the Accounting Firm.

- c. No Mitigation; No Offset. In the event of any termination of employment under this Section 3, Executive shall be under no obligation to seek other employment, and the amounts due Executive under this Agreement shall not be offset by any remuneration attributable to any subsequent employment that Executive may obtain.
  - d. Nature of Payments. Any amounts due under this Section 3 are in the nature of severance payments considered to be reasonable by the Company and are not in the nature of a penalty.
  - e. Exclusivity of Severance Benefit. Upon termination of Executive's employment during the Term, Executive shall not be entitled to any severance payments or severance benefits from the Company, or any other payments by the Company, other than the Severance Benefit provided in this Section 3, except as required by law.
  - f. General Release of Claims. Executive agrees, as a condition of payment of the Severance Benefit provided for in this Section 3, that Executive will execute within 60 days of Executive's termination of employment a separation agreement, in a form reasonably satisfactory to the Company, that includes a general release of any and all claims arising out of Executive's employment or termination of employment with the Company, other than claims for (i) enforcement of this Agreement, (ii) enforcement of Executive's rights under any of the Company's incentive compensation, equity and/or employee benefit plans and programs to which Executive is entitled under this Agreement, and (iii) any tort for personal injury not arising out of or related to Executive's employment or termination of employment.
  - g. Subject to the provisions of Section 12(b), all payments to be made pursuant to this Section 3 upon the termination of employment of Executive shall be made or commence, as the case may be, within 75 days after the Executive's termination of employment provided, however, that if such termination of employment is after October 15 of a year, the payout or first payment, as the case may be, shall be made at the end of such 75 day period.
4. Confidentiality; Cooperation with Regard to Litigation; Non-disparagement.
- a. During the Term and thereafter, Executive shall not, without the prior written consent of the Company, disclose to anyone (except in good faith in the ordinary course of business to a person who will be advised by Executive to

keep such information confidential) or make use of any confidential information except in the performance of Executive's duties hereunder or when required to do so by legal process, by any governmental agency having supervisory authority over the business of the Company or by any administrative or legislative body (including a committee thereof) that requires Executive to divulge, disclose or make accessible such information. In the event that Executive is so ordered, Executive shall give prompt written notice to the Company in order to allow the Company the opportunity to object to or otherwise resist such order.

- b. During the Term and thereafter, Executive shall not disclose the existence or contents of this Agreement beyond what is disclosed in the proxy statement or documents filed with the government unless and to the extent such disclosure is required by law, by a governmental agency, or in a document required by law to be filed with a governmental agency or in connection with enforcement of Executive's rights under this Agreement. In the event that disclosure is so required, Executive shall give prompt written notice to the Company in order to allow the Company the opportunity to object to or otherwise resist such requirement. This restriction shall not apply to such disclosure by Executive to members of Executive's immediate family, Executive's tax, legal or financial advisors, any lender, or tax authorities, or to potential future employers to the extent necessary, each of whom shall be advised not to disclose such information.
- c. "Confidential Information" shall mean all information concerning the business of the Company or any Subsidiary relating to any of their products, product development, trade secrets, customers, suppliers, finances, and business plans and strategies. Excluded from the definition of Confidential Information is information (i) that is or becomes part of the public domain, other than through the breach of this Agreement by Executive or (ii) regarding the Company's business or industry properly acquired by Executive in the course of Executive's career as an Executive in the Company's industry and independent of Executive's employment by the Company. For this purpose, information known or available generally within the trade or industry of the Company or any Subsidiary shall be deemed to be known or available to the public.
- d. "Subsidiary" shall mean any corporation or other business entity owned or controlled directly or indirectly by CVS.
- e. Executive agrees to cooperate with the Company, during the Term and thereafter (including following Executive's termination of employment for any reason), by being reasonably available to testify on behalf of the Company or any Subsidiary in any action, suit, or proceeding, whether civil, criminal,

administrative, or investigative, and to assist the Company, or any Subsidiary, in any such action, suit, or proceeding, by providing information and meeting and consulting with the Board or its representatives or counsel, or representatives or counsel to the Company, or any Subsidiary as requested; provided, however that the same does not materially interfere with Executive's then current professional activities. The Company agrees to reimburse Executive on an after tax basis, for all reasonable expenses actually incurred in connection with Executive's provision of testimony or assistance.

- f. Executive agrees that, during the Term and thereafter (including following Executive's termination of employment for any reason) Executive will not make statements or representations, or otherwise communicate, directly or indirectly, in writing, orally, or otherwise, or take any action which may, directly or indirectly, disparage or be damaging to the Company or any Subsidiary or their respective officers, directors, employees, advisors, businesses or reputations. Notwithstanding the foregoing, nothing in this Agreement shall preclude Executive from making truthful statements or disclosures that are required by applicable law, regulation or legal process.

5. Non-solicitation.

During the period beginning with the Effective Date and ending 18 months following the termination of Executive's employment with the Company, Executive, whether acting on Executive's own behalf or by, through or on behalf of any third party, shall not (a) hire any employees of the Company or any Subsidiary, or recruit or solicit any such employees or encourage them to terminate their employment with the Company or any Subsidiary; (b) accept business from any customers of the Company or any Subsidiary, or solicit or encourage any customers, joint venture partners or investors of the Company or any Subsidiary to terminate or diminish their relationship with the Company or any Subsidiary or to violate any agreement with the Company or any Subsidiary. For purposes of subsection 5(a), an employee of the Company or any Subsidiary means any person who was employed by the Company or any Subsidiary within 180 days of such hiring, recruitment, solicitation or encouragement. Executive agrees to make any employer with whom Executive becomes employed during the 18- month period following Executive's termination with the Company aware of this non-solicitation obligation upon commencing employment with such subsequent entity.

6. Remedies.

In addition to whatever other rights and remedies the Company may have at equity or in law, the Company (a) shall have the right to immediately terminate all payments and benefits due under this Agreement if Executive breaches any of the provisions contained in Sections 4 or 5 above, and (b) shall have the right to seek injunctive relief in any court of competent jurisdiction if Executive breaches or threatens to breach any of the provisions contained in Sections 4 or 5 above. Executive acknowledges that

such a breach would cause irreparable injury and that money damages would not provide an adequate remedy for the Company; provided, however, the foregoing shall not prevent Executive from contesting the issuance of any such injunction on the ground that no violation or threatened violation of Sections 4 or 5 has occurred.

7. Effect of Agreement on Other Benefits.

Except as specifically provided in this Agreement, the existence of this Agreement shall not be interpreted to preclude, prohibit or restrict the Executive's participation in any other employee benefit or other plans or programs in which he /she currently participates.

8. Not an Employment Agreement.

This Agreement is not, and nothing herein shall be deemed to create, a contract of employment between Executive and the Company. The Company may terminate the employment of Executive at any time and for any reason, subject to the terms of any employment agreement between the Company and Executive that may then be in effect.

9. Resolution of Disputes.

Any controversy or claim arising out of or relating to this Agreement or any breach or asserted breach hereof or questioning the validity and binding effect hereof arising under or in connection with this Agreement, other than seeking injunctive relief under Sections 4 or 5, shall be resolved by binding arbitration, to be held at an office closest to the Company's principal offices in accordance with the rules and procedures of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Pending the resolution of any arbitration or court proceeding, the company shall continue payment of all amounts and benefits due Executive under this Agreement. All reasonable costs and expenses of any arbitration or court proceeding (including fees and disbursements of counsel) shall be paid on behalf of or reimbursed to Executive promptly by the Company; provided, however, that no reimbursement shall be made of such expenses if and to the extent the arbitrator(s) determine(s) that any of Executive's litigation assertions or defenses were in bad faith or frivolous.

10. Assignability: Binding Nature.

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, heirs (in the case of Executive) and permitted assigns. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company except that such rights or obligations may be assigned or transferred in connection with the sale or transfer of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or

substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as contained in this agreement, either contractually or as a matter of law. The Company further agrees that, in the event of a sale or transfer of assets as described in the preceding sentence, it shall take whatever action it legally can in order to cause such assignee or transferee to expressly assume the liabilities, obligations and duties of the Company hereunder. No rights or obligations of Executive under this Agreement may be assigned or transferred by Executive other than Executive's rights to compensation and benefits, which may be transferred only by will or operation of law, except as provided in Section 15 below.

11. Representation.

The Company represents and warrants that it is fully authorized and empowered to enter into this Agreement and that the performance of its obligations under this Agreement will not violate any agreement between it and any other person, firm or organization.

12. Amendment or Waiver: Section 409A.

- (a) No provision in this Agreement may be amended unless such amendment is agreed to in writing and signed by Executive and an authorized officer of the Company. No waiver by either Party of any breach by the other Party of any condition or provision contained in this Agreement to be performed by such other Party shall be deemed a waiver of a similar or dissimilar condition or provision at the same or any prior or subsequent time. Any waiver must be in writing and signed by Executive or an authorized officer of the Company, as the case may be.
- (b) Executive and Company agree that it is the intent of the Parties that this Agreement not violate any applicable provision of, or result in any additional tax or penalty under, Section 409A of the Code, as amended, and that to the extent any provisions of this Agreement do not comply with such Code Section 409A the Parties will make such changes as are mutually agreed upon in order to comply with Code Section 409A. In all events, to the extent required to avoid a violation of the applicable rules under all Section 409A by reason of Code Section 409A(a)(2)(B)(i), payment of any amounts subject to Code Section 409A shall be delayed until the relevant date of payment that will result in compliance with the rules of Code Section 409A(a)(2)(B)(i).

13. Severability.

In the event that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions

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of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

14. Survivorship.

The respective rights and obligations of the Parties hereunder shall survive any termination of Executive's employment to the extent necessary to the intended preservation of such rights and obligations.

15. Beneficiaries/References.

Executive shall be entitled, to the extent permitted under any applicable law, to select and change a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following Executive's death by giving the Company written notice thereof. In the event of Executive's death or a judicial determination of Executive's incompetence, references in this Agreement to Executive shall be deemed, where appropriate, to refer to Executive's beneficiary, estate or other legal representative.

16. Governing Law/Jurisdiction.

This Agreement shall be governed by and construed and interpreted in accordance with the laws of Rhode Island without reference to principles of conflict of laws. Subject to Section 6, the Company and Executive hereby consent to the jurisdiction of any or all of the following courts for purposes of resolving any dispute under this Agreement: (i) the United States District Court for Rhode Island or (ii) any of the courts of the State of Rhode Island. The Company and Executive further agree that any service of process or notice requirements in such proceeding shall be satisfied if the rules of such court relating thereto have been substantially satisfied. The Company and Executive hereby waive, to the fullest extent permitted by applicable law, any objection which it or he/she may now or hereafter have to such jurisdiction and any defense of inconvenient forum.

17. Notices.

Any notice given to a Party shall be in writing and shall be deemed to have been given when delivered personally or sent by certified or registered mail, postage prepaid, return receipt requested, duly addressed to the Party concerned at the address indicated below or to such changed address as such Party may subsequently give written notice of:

If to CVS:

CVS Pharmacy, Inc.  
One CVS Drive  
Woonsocket, RI 02895  
Attention: Corporate Secretary

If to Executive:

To the Executive's home address as reflected in the Company's records, unless directed otherwise in writing by Executive.

18. Headings.

The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement.

19. Counterparts.

This Agreement may be executed in two or more counterparts.

In WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

CVS Pharmacy, Inc.

**By:**

/s/ Heidi Capozzi

\_\_\_\_\_  
Heidi Capozzi

Executive Vice President, Chief People Officer

**Executive:**

/s/ Brian Newman

\_\_\_\_\_  
Signature

**Brian Newman**

\_\_\_\_\_  
Print Name

04/01/2025

\_\_\_\_\_  
Dated

**CVS HEALTH SEVERANCE PLAN FOR  
NON-STORE EMPLOYEES  
(Amended and Restated as of March 15, 2026)**

**CVS HEALTH SEVERANCE PLAN FOR NON-STORE EMPLOYEES**  
**(Amended and Restated as of March 15, 2026)**

WHEREAS, CVS Health Corporation (the “Company”) has established the CVS Health Severance Plan for Non-Store Employees (the “Plan”) to provide financial assistance to employees in non-store positions who are involuntarily terminated and are eligible within the terms and conditions of the Plan;

WHEREAS, it is intended that the Plan constitute an employee welfare benefit plan within the scope of Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), that the Plan constitute a separation pay plan within the scope of Department of Labor (“DOL”) Regulation Section 2510.3- 2(b), and that all payments made under the Plan be deductible by the Company under Section 162(a) of the Internal Revenue Code of 1986, as amended (the “Code”);

WHEREAS, the benefits provided under the Plan are intended to constitute separation pay within the meaning of Treasury Regulation Section 1.409A-1(b)(9)(iii);

WHEREAS, this document is the official plan document; and

WHEREAS, the Company wishes to make certain amendments and clarifications to the Plan, which amendments shall be effective as of March 15, 2026 (the “Effective Date”);

NOW, THEREFORE, as of the Effective Date, the Company does hereby amend and restate the Plan to provide as follows:

**ARTICLE 1**  
**DEFINITIONS**

For purposes of the Plan, the following terms, when used with an initial capital letter, shall have the meaning set forth below unless a different meaning is plainly required by the context.

1.1 “Affiliate” shall mean (a) any corporation which is required to be aggregated with the Company under Code Section 414(b), (c), (m), or (o) and (b) any other entity in which the Company has an ownership interest and which the Company designates as an Affiliate for purposes of the Plan.

1.2 “Cause” shall refer to a termination of an Eligible Employee’s employment because of the Eligible Employee’s (a) failure to satisfactorily perform under a performance improvement plan of the Employer; (b) acts of unethical business activity, including but not limited to fraud, misappropriation, embezzlement, dishonesty, harassment, discrimination in violation of Employer policies, or willful or negligent destruction of property of an Employer or an Affiliate; (c) misconduct that could cause damage (monetary, reputational or otherwise) to the Employer, an Affiliate, or any personnel thereof; (d) conviction of or a plea of guilty or nolo contendere to any felony, whether or not any right to appeal has been or may be exercised; (e) negligence of duty; (f) insubordination; or (g) a violation of the Employer’s policy, procedure, or practice.

1.3 “Code” shall mean the Internal Revenue Code of 1986, as amended.

1.4 “Eligible Employee” shall mean an individual who is employed by the Employer on a regular basis in a non-store position and has been employed by the Employer in any position for a minimum of ninety (90) continuous days prior to the individual’s separation of employment. For purposes of the Plan, distribution warehouse employees, field managers and employees employed by CVS ProCare, Inc. working at Company headquarters, shall be treated as working in a non-store location and therefore not subject to exclusion from eligibility. For purposes of the Plan, individuals in the following categories will not be considered Eligible Employees:

- (a) individuals who are covered by a collective bargaining agreement, provided welfare benefits were the subject of bargaining, unless the terms of the collective bargaining agreement provide for participation in the Plan;
- (b) individuals who are seasonal employees, leased employees, independent contractors, temporary employees, or consultants;
- (c) individuals who work for the Employer or an Affiliate in a store location of the Company or an Affiliate, or whose compensation is paid through or according to a store payroll, including but not limited to: retail pharmacists, store managers, assistant store managers, crew, and retail pharmacy staff;
- (d) individuals employed by MinuteClinic, L.L.C. in a provider role or by any practitioner-owned entity managed by MinuteClinic, L.L.C. or another Employer or Affiliate;
- (e) the President and CEO of CVS Health Corporation;
- (f) individuals employed in Puerto Rico;
- (g) individuals employed outside the United States of America; and
- (h) individuals who may be eligible for another severance plan or arrangement.

The decision of whether an individual falls into one of these categories and whether an individual is employed by an Employer on a regular basis in a non-store position for a minimum of ninety (90) continuous days shall be made by the Employer. Any individual who is excluded from being considered an Eligible Employee under the Plan shall be excluded from the Plan regardless of the individual’s reclassification by a government agency, including a reclassification by the Internal Revenue Service for tax withholding purposes.

1.5 “Employer” shall mean CVS Pharmacy, Inc., Caremark Rx, L.L.C. and Aetna Inc. and any current or future Affiliate thereof that does not maintain its own severance plan for employees of that Affiliate.

1.6 “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

1.7 “Exempt Employee” shall mean an Eligible Employee who is paid on a salaried basis for payroll purposes and classified in the sole discretion of the Employer under its normal classification procedures as an exempt employee under the Fair Labor Standards Act.

1.8 “Involuntary Termination” shall mean an Eligible Employee’s termination of employment with the Employer due to the unilateral action of the Employer, including but not limited to a termination as a result of the elimination of an Eligible Employee’s position due to a reorganization or changes in responsibilities, a reduction in force, or a closing of the business unit in which the Eligible Employee works; provided, however, that a termination of

employment will not be considered an Involuntary Termination unless it constitutes a separation from service under Treasury Regulation Section 1.409A-1(h). Notwithstanding the foregoing, an Eligible Employee will not have an Involuntary Termination if the Eligible Employee: (a) is terminated for Cause, as determined by the Employer in its sole discretion; (b) voluntarily terminates his or her employment at any time or resigns prior to an Involuntary Termination; (c) takes a leave of absence; (d) is administratively terminated for failure to return from a leave of absence upon expiration of his or her leave; (e) terminates employment due to his or her death or disability; (f) transfers to another Employer, an Affiliate or a joint venture in which the Employer or an Affiliate is at least a 25% owner of the outstanding stock; (g) transfers to, or is offered employment with, a new employer in connection with the sale of an Employer, Affiliate, or a related facility, business or segment or (h) fails to accept an offer for a job with the Employer that is comparable to the job that he or she is performing for the Employer at the time of the offer. For purposes of Subsection (h) of this Section 1.8, whether a job is considered “comparable” shall be determined in the sole discretion of the Employer, taking into account whether the new job is located 50 or fewer miles from the Eligible Employee’s job at the time of the offer, whether the compensation offered is materially less than the Eligible Employee’s compensation at the time of the offer, and whether the new job will result in a substantial change of duties from the Eligible Employee’s job at the time of the offer. The determination of whether an Eligible Employee’s termination of employment is an Involuntary Termination shall be made in the sole discretion of the Employer. If an Employer deems an Eligible Employee’s termination of employment to be an Involuntary Termination and, Employer later learns of facts and circumstances that, had the Employer known such facts and circumstances at the time of termination, would have resulted in a termination of employment for Cause, the Eligible Employee’s termination shall be deemed as of the date of termination to not have been an Involuntary Termination.

1.9 “Non-exempt Employee” shall mean an Eligible Employee who is paid on an hourly basis for time worked and classified in the sole discretion of the Employer under its normal classification procedures as a nonexempt employee under the Fair Labor Standards Act.

1.10 “Plan Administrator” shall mean the Senior Vice President of Total Rewards of CVS Pharmacy, Inc., or such other person, designated by the Chief People Officer of the Company to act as the Plan Administrator.

1.11 “Rehire Date” shall mean the date an Eligible Employee accepts reemployment or commences the provision of services for pay with any Employer or a joint venture in which the Employer or an Affiliate is at least a 25% owner of the outstanding stock.

1.12 “Severance Pay” shall mean the pay an Eligible Employee is eligible to receive under Subsection (b) of Section 2.1 of the Plan upon his or her Involuntary Termination.

1.13 “Severance Period” shall mean the period of time during which an Eligible Employee is eligible to receive Severance Pay.

1.14 “Weekly Rate” shall mean, (a) with respect to an Eligible Employee paid on a salaried basis, an Eligible Employee’s annual base salary (as determined by the Employer), as of the date of the Eligible Employee’s Involuntary Termination, expressed on a weekly basis (as determined in the sole discretion of the Employer), and (b) with respect to an Eligible Employee paid on an hourly basis, the hourly wage rate of the Eligible Employee as of the date of the Eligible Employee’s Involuntary Termination multiplied by the Eligible Employee’s regularly scheduled number of hours of service per week (as determined by the Employer), not in excess of 40 hours. Weekly Rate shall exclude any overtime, incentive, and bonus payments, unless otherwise required by law.

1.15 “Year of Service” shall mean each full year of service performed by the Eligible Employee for an Employer as reflected in the records of the Employer and as determined as of the Eligible Employee’s date of termination of employment, based on the Employer’s policies and procedures for determining periods of service, and the applicable law.

ARTICLE 2  
SEVERANCE PAY AND ELIGIBLE EMPLOYEE BENEFITS

- 2.1 (a) Eligibility. Upon his or her Involuntary Termination, an Eligible Employee may, in the discretion of the Plan Administrator, be granted Severance Pay and benefits provided under Subsections (b), (c), and (d) of this Section 2.1, provided the conditions of Section 2.2 are satisfied. The determination of whether Severance Pay is payable under the Plan, and the form and amount of such pay, shall be made in the sole discretion of the Plan Administrator.
- (b) Severance Pay. The Severance Pay payable to an Eligible Employee in the event of Involuntary Termination shall be determined by the Plan Administrator in its, his or her sole discretion, using the guidelines set forth in the applicable Appendix for the Eligible Employee's grade and service, as determined by the Employer. As set forth in the applicable Appendix, Severance Pay payable to "executive officers" within the meaning of Rule 3b-7 of the Securities and Exchange Act of 1934 and other members of the executive leadership team ("ELT") shall comprise seventy-eight (78) weeks of salary, a COBRA subsidy during the same time period, plus six (6) months of executive outplacement services. Notwithstanding such referenced guidelines, the Plan Administrator may increase or decrease (including, to zero) the amount of Severance Pay with respect to any Eligible Employee for reasons it, he or she deems appropriate in its sole discretion at any time, whether before or after payments of Severance Pay have commenced (including, but not limited to, an increase to account for statutory requirements or a decrease to take into account any debts owed to an Employer or a decrease if an Eligible Employee fails to satisfactorily perform his or her duties and is not on or has not completed a performance improvement plan at the time of termination of employment), at any time, whether before or after payments of Severance Pay have commenced.
- (c) COBRA Assistance. In the event an Eligible Employee who has an Involuntary Termination (i) is eligible to elect continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 as amended ("COBRA") in accordance with the terms of the medical and prescription drug plan and/or dental plan of the Employer and (ii) properly and timely elects such continuation coverage, the Employer may pay for a portion of the cost of COBRA coverage equivalent to the contribution which the Employer makes on behalf of similarly situated active employees under such plan for the appropriate tier of coverage selected and in place immediately prior to the date of the Eligible Employee's Involuntary Termination (*e.g.*, employee-only, family coverage), for a period determined in the sole discretion of the Plan Administrator, which generally shall be the Severance Period but in any event no longer than eighteen (18) months from the date of the Involuntary Termination (for purposes of this provision, if the Eligible Employee receives Severance Pay subject to subsection (h) below, the Severance Period shall be deemed to be the period for which Severance Pay would have been paid under the Plan but for the application of such subsection). Any COBRA assistance provided under this Subsection (c) shall be paid by the Employer directly to the insurance carrier, if applicable. The portion of the COBRA premium not covered by the COBRA assistance specified in this Subsection (c) must be paid by the Eligible Employee directly to the insurance carrier or service provider that administers COBRA, as applicable, based on the standard rules under the respective plan for payment of COBRA premiums. This Subsection (c) does not provide COBRA assistance in the event the Eligible Employee fails to properly and timely elect COBRA continuation coverage, regardless of whether his or her covered dependents elect COBRA continuation coverage.
- (d) Outplacement Services. Upon an Involuntary Termination, the outplacement services provided to an Eligible Employee shall be provided in the sole discretion of the Plan Administrator based on the guidelines contained in this Subsection (d).

- (i) If an Eligible Employee so desires, he or she may be eligible for outplacement services for assistance in obtaining new employment, provided through a vendor selected by the Employer, with the Employer directly providing payment to such vendor. The provision of outplacement services is contingent upon the Eligible Employee's cooperation with the outplacement service vendor, upon the active efforts of the Eligible Employee to locate a new position, and upon the Eligible Employee initiating outplacement services during the Severance Period.
  - (ii) Subject to the requirements of Paragraph (i) of this Subsection (d), outplacement services shall be offered for a period of time determined in the sole discretion of the Plan Administrator, based on the guidelines set forth in Appendix A for the applicable Eligible Employee's grade, as determined by the Employer, provided that in no event shall such services extend beyond twelve (12) months following the Involuntary Termination of the Eligible Employee.
- (e) Form and Timing of Payment. In the event an Eligible Employee is awarded Severance Pay under the terms of Subsection (a) of this Section 2.1, such Severance Pay shall be paid following an Eligible Employee's Involuntary Termination (except as provided in Section 2.3, below), as follows: Severance Pay shall be paid in the form of salary continuation unless otherwise determined by the Plan Administrator or required by law. No Severance Pay shall commence (with respect to salary continuation payments) or be paid (with respect to a lump sum) (i) prior to the expiration of the later of a period that is identified in a severance agreement with the Eligible Employee during which he or she may consider the execution of the release of claims form (the "Consideration Period") or a period ending at least seven (7) days following the execution of the release of claims form (the "Revocation Period"), or (ii) later than sixty (60) days following the date of Eligible Employee's Involuntary Termination. Severance Pay that is paid in the form of salary continuation shall commence as soon as feasible following expiration of the later of the Consideration Period or the Revocation Period, which generally shall be the first regularly scheduled payroll date following the expiration of the Consideration Period or the Revocation Period, as the case may be, and shall thereafter be paid in substantially equal installments in accordance with the Employer's regular payroll practice, except as provided in Section 2.3 of the Plan, except that the first installment paid after the expiration of the later of the Consideration Period or the Revocation Period shall include, on a retroactive basis, all installments that would have been paid had they started as soon as administratively feasible after the date of the Eligible Employee's Involuntary Termination. It is the intent of the Plan that the Severance Period in all cases be measured from the date of the Eligible Employee's Involuntary Termination. Further, in the Plan Administrator's sole discretion, Severance Pay may be paid to any Eligible Employees in a single lump sum, in which event Severance Pay shall be paid within the period that satisfies the 409A requirements for short-term deferrals under Section 409A of the Code.
- (f) Withholding. Any payment of Severance Pay to an Eligible Employee shall be subject to normal withholding for state and federal income taxes and Social Security taxes.
- (g) Death. Upon the death of the Eligible Employee who had an Involuntary Termination and who is currently receiving Severance Pay under the Plan but has not received all Severance Pay payable under the Plan, the Severance Pay otherwise payable under Section 2.1(b) of the Plan shall be paid in the form of a lump sum to the Eligible Employee's surviving legal spouse or, if there is no surviving legal spouse, to the Eligible Employee's estate as soon as practicable, but in no event later than 60 days following the Plan Administrator's receipt of notice of the Eligible Employee's death. Any other severance benefits provided under this Section 2.1 (COBRA assistance and outplacement services) shall cease upon the Eligible Employee's death.
- (h) State "WARN" Statute Impact. If an Eligible Employee experiences a termination that is deemed to constitute an Involuntary Termination in connection with a plant closing/layoff event that is covered by a state law requiring a specified amount of severance to be paid to the Eligible Employee (a "State WARN

Event”), the Eligible Employee shall be granted Severance Pay in the amount and form required under the applicable state law and in accordance with the requirements of such state law.

2.2 Conditions on Payment of Severance Pay and Benefits. To the extent allowed by law, payment of the Severance Pay and benefits provided in Section 2.1 of the Plan shall be subject to and conditioned upon the following:

- (a) to the extent an Eligible Employee receives notice of a date selected by the Employer (in its sole discretion) on which the Eligible Employee’s Involuntary Termination shall occur (a “Designated Termination Date”), the Eligible Employee must continue to work in a satisfactory manner until his or her Designated Termination Date;
- (b) the Eligible Employee must cooperate in transitioning all of the Eligible Employee’s work in consultation with the Eligible Employee’s supervisor or other designated employee;
- (c) the Eligible Employee must execute and deliver a severance agreement that includes a release of claims, which agreement shall be in a form specified by the Employer from time to time, which may include restrictive covenants and a waiver as described in Subsection (d) of this Section 2.2) within the time period specified under the terms of the applicable severance offer. Further, in no event will Severance Pay be paid with respect to an Eligible Employee in the event the release of claims form is revoked during the Revocation Period (described in Section 2.1(e) of the Plan); and
- (d) the Eligible Employee must waive the right to receive any other severance payment relating to salary continuation or salary replacement the Eligible Employee may otherwise be eligible to receive upon termination of employment under any employment agreement, severance plan, practice, policy, or program of the Employer or an Affiliate.

2.3 Maximum Severance Pay. Notwithstanding any other provisions to the contrary, benefits paid hereunder (a) shall not exceed two times the lesser of (i) the Eligible Employee’s Compensation (as defined in this Section 2.3) during the calendar year immediately preceding the Eligible Employee’s Involuntary Termination or (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the calendar year in which the Eligible Employee’s Involuntary Termination occurs and (b) shall be paid in full within twenty-four (24) months after the date the Eligible Employee’s Involuntary Termination occurs. In the event that any Severance Pay payable to an Eligible Employee would exceed the twenty-four (24) month period provided in the foregoing sentence if the Severance Pay continued to be paid in accordance with the Employer’s regular payroll practice, any Severance Pay that would otherwise exceed the twenty-four (24) month time period will be paid to the Eligible Employee in a lump sum on the last regular payroll date within the twenty-four (24) month period, provided that the amount of such Severance Pay in no event can exceed the limit set forth above. For purposes of this Section 2.3, “Compensation” shall mean the Eligible Employee’s total annualized compensation, based upon the annual rate of pay for services provided to the Employer for the calendar year preceding the calendar year in which the Eligible Employee’s Involuntary Termination occurs, adjusted for any increase in such preceding calendar year that was expected to continue indefinitely if the Eligible Employee had not had an Involuntary Termination.

2.4 Cessation of Severance Pay Upon Reemployment. If an Eligible Employee who had an Involuntary Termination and who is receiving Severance Pay thereafter accepts reemployment with or otherwise begins to provide services for pay with any Employer or with a joint venture in which the Employer or an Affiliate is at least a 25% owner of the outstanding stock during the Severance Period, such Employee’s Severance Pay shall cease on the Rehire Date and any remaining Severance Pay shall be forfeited.

2.5 Cessation of Severance Pay, Including After Commencement of Payments. If an Eligible Employee is deemed to have an Involuntary Termination and the Employer later finds that the Eligible Employee should have been terminated for Cause, even after the Eligible Employee begins to receive or begins the process of receiving Severance

Pay under the Plan, such as Eligible Employee's Severance Pay shall be suspended, and their eligibility for Severance Pay shall cease, any remaining Severance Pay shall be forfeited and any Severance Pay that has been paid shall be subject to repayment by the Eligible Employee. In addition, if an Eligible Employee is deemed to have an Involuntary Termination and begins to receive Severance Pay under the Plan and the Employer becomes aware of facts and circumstances that, had the Employer known same at the time of the Eligible Employee's termination of employment, could have affected the Employer's determination as to whether such Employee's termination was an Involuntary Termination, the Plan Administrator may suspend Severance Pay payments to the Eligible Employee while the Employer investigates the facts and circumstances and finalizes such investigation, and, if the Employer determines that the Eligible Employee should have been terminated for Cause, such Eligible Employee's Severance Pay shall cease as of the suspension date, any remaining Severance Pay shall be forfeited and any Severance Pay that has been paid shall be subject to repayment by the Eligible Employee; and if the Employer determines that the Eligible Employee should not have been terminated for Cause, the Severance Pay shall recommence and the Eligible Employee will receive payment for any suspended Severance Pay.

2.6 Impact of Debt on Severance Pay. In the event an Eligible Employee is indebted to the Company or Employer (determined in the sole discretion of the Company or Employer, as applicable), the Plan Administrator reserves the right to reduce, offset, withhold, and/or forfeit the Severance Pay otherwise payable under the Plan.

2.7 Employee Benefits. As of the date of an Eligible Employee's Involuntary Termination, the Eligible Employee's active participation in any benefit plan, program, or policy sponsored or subsidized by the Employer shall cease, unless otherwise continued pursuant to the terms of such plan, program or policy.

2.8 Awards. Any award or grant made to the Eligible Employee under any stock option, stock purchase, or stock appreciation rights plan of the Company or Employer shall be administered and interpreted in accordance with the terms of the applicable plan documents.

2.9 Paid Time Off. Any pay for accrued paid time off shall be determined under the terms of the Employer's applicable policies.

2.10 Bonuses. Whether any bonuses or other incentive payments are payable to an Eligible Employee shall be determined based on the terms of any applicable bonus or incentive program, plan, or policy.

2.11 Benefits Not Vested. No one under any circumstance is automatically entitled to Severance Pay or benefits described in Section 2.1 of the Plan. Notwithstanding anything in the Plan to the contrary, the Plan Administrator reserves the right, at its, his or her sole discretion, to increase, decrease, or eliminate Severance Pay and benefits under the Plan.

### ARTICLE 3 ADMINISTRATION OF THE PLAN

3.1 Control and Administration. Notwithstanding any other provision in the Plan, and to the full extent permitted under ERISA and the Internal Revenue Code, the Plan Administrator shall have the exclusive right, power and final authority, in its, his or her sole and absolute discretion, to administer, apply, construe and interpret the terms of the Plan and all related plan documents and all facts surrounding claims for benefits under the Plan and shall determine all questions arising in the administration, interpretation and application of the Plan, including, but not limited to, those concerning eligibility for benefits. Accordingly, benefits under the Plan shall be paid only if the Plan Administrator decides in its, his or her sole discretion that an Eligible Employee is entitled to benefits, and the Plan Administrator shall decide all questions regarding the form, amount, and duration of benefits. The Plan Administrator may consult with attorneys, consultants and other persons for advice, counsel and reports to make determinations under the Plan, and the Plan Administrator may delegate its administrative duties and responsibilities to persons or entities of

its choice, in all cases who may be employees of the Company. All determinations of the Plan Administrator shall be conclusive and binding on all parties. The Plan Administrator shall be the named fiduciary of the Plan for purposes of ERISA.

### 3.2 Claim Procedures.

- (a) Procedure for Granting or Denying Claims. An Eligible Employee, or his or her duly authorized representative, may file a claim for payment of benefits under the Plan within 30 days after termination of employment. Such a claim must be made in writing and be delivered to the Plan Administrator, in person, by mail, postage paid, or by electronic mail. Within 90 days after receipt of such claim, the Plan Administrator shall notify the claimant of the granting or denying, in whole or in part, of such claim, unless special circumstances require an extension of time for processing the claim. In no event may the extension exceed 90 days from the end of the initial 90-day period. If such extension is necessary, the claimant will be given a written notice to this effect prior to the expiration of the initial 90-day period. The Plan Administrator shall have full discretion to deny or grant a claim in whole or in part.
- (b) Requirement for Notice of Claim Denial. The Plan Administrator shall provide to every claimant who is denied a claim for benefits a written or electronic notice setting forth in a manner calculated to be understood by the claimant:
- (i) The specific reason or reasons for the denial;
  - (ii) Specific reference to pertinent Plan provisions on which the denial is based;
  - (iii) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material is necessary; and
  - (iv) An explanation of the Plan's claim review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse determination on review.
- (c) Right to Appeal on Claim Denial. Within 60 days after receipt by the claimant of written or electronic notification of the denial (in whole or in part) of his or her claim, the claimant or his or her duly authorized representative may make a written application to the Plan Administrator, in person, by mail, postage paid or by electronic mail, to be afforded a full and fair review of such denial. The claimant or his or her duly authorized representative may submit written comments, documents, records, and other information relating to the claim for benefits. Moreover, the claimant or his or her duly authorized representative shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits.
- (d) Disposition of Disputed Claims. Upon receipt of a request for review, the Plan Administrator shall make a decision on the claim. The review shall take into account all comments, documents, records, and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. The decision on review shall be made not later than 60 days after the Plan Administrator's receipt of a request for a review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered not later than 120 days after receipt of the request for review. If an extension is necessary, the claimant shall be given written notice of the extension prior to the expiration of the initial 60-day period.

The Plan Administrator shall provide the claimant or his or her duly authorized representative with written or electronic notification of the Plan Administrator's determination on review. In the case of an adverse determination, the notification shall set forth, in a manner calculated to be understood by the claimant, the specific reason or reasons for the decision as well as specific references to the Plan provisions on which the decision was based. The decision shall also include a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits. Moreover, the decision shall contain a statement of the claimant's right to bring an action under Section 502(a) of ERISA.

3.3 Conditions to Legal Action. No legal action may be commenced or maintained against the Plan, the Company or any Employer prior to the claimant's exhaustion of the claims procedures set forth in Section 3.2 of the Plan. In addition, no legal action may be commenced against the Plan more than 180 days after the Plan Administrator's final claim determination on review pursuant to Section 3.2(d) of the Plan. Any legal action must be conducted in the United States District Court for Rhode Island.

3.4 Named Fiduciary. The Plan Administrator of the Plan shall be the Named Fiduciary of the Plan for purposes of ERISA Section 402(a)(1).

#### ARTICLE 4 MISCELLANEOUS

4.1 Amendment or Termination. The Plan may be amended, terminated, withdrawn, or suspended at any time in writing by the Management Planning and Development Committee of the Company or any individual designated by such Committee to take such actions.

4.2 Choice of Law. The validity, interpretation, construction, and performance of the obligations created under the Plan shall be governed by ERISA, and to the extent not preempted by federal law, the laws of the State of Rhode Island without regard to its conflicts of law principles.

4.3 Validity. The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision of the Plan, which shall remain in full force and effect.

4.4 Plan Exclusive Source of Rights. The Plan contains all of the terms and conditions with respect to the benefits provided hereunder, and no employee or former employee of the Company or any Employer may rely on any other communication or representation, whether oral or written, of the Company or any Employer or any of its subsidiaries, or any officer or employee thereof, as creating any right or obligation not expressly provided by the Plan.

4.5 Non-assignability. No benefit which shall be payable under the Plan to any Eligible Employee shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge (except as required by law), and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge a benefit shall be null and void. No benefit shall in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of any Eligible Employee. No benefit shall be subject to legal attachment or legal process for, or against, the Eligible Employee and the same shall not be recognized under the Plan. Notwithstanding the preceding sentence, the Employer retains the discretion, in accordance with federal and/or state laws, to reduce the amount of benefits payable under the Plan to any Eligible Employee to recover any amounts that the Eligible Employee owes to the Employer.

4.6 No Employment Rights. The Plan shall not give any Eligible Employee any right or claim except to the extent that the right is specifically provided under the terms of the Plan. The establishment of the Plan shall not be

construed (a) to give any Eligible Employee a right to continue in the employ of the Employer or (b) to interfere with the right of the Employer to terminate the employment of any Eligible Employee at any time.

4.7 Headings. Article and section headings are for convenience only and the language of the Plan itself will be controlling.

4.8 Gender and Numbers. Masculine pronouns include the feminine as well as the neuter genders, and the singular shall include the plural, unless indicated otherwise by the context.

4.9 Code Section 409A. The benefits provided under the terms of the Plan are intended to fall within the short-term deferral exception, the separation pay exception or another exception to the application of Section 409A of the Code and the applicable guidance issued thereunder. In furtherance of this intent, the Plan shall be interpreted, operated and administered in a manner consistent with this intention. To the extent the benefits provided under the Plan become subject to Code Section 409A and applicable guidance issued thereunder, the Plan shall be construed, and benefits paid hereunder, as necessary to comply with Section 409A of the Code and such guidance. Further, to the extent that an Eligible Employee becomes entitled to receive Severance Pay under the terms of the Plan, and, at the time of the Eligible Employee's Involuntary Termination, he or she is a "specified employee" within the meaning of Treasury Regulation Section 1.409A- 1(i), any portion of Severance Pay payable to such Eligible Employee that is subject to Code Section 409A and applicable guidance thereunder shall be delayed until the date that is the earlier of (i) the Eligible Employee's death or (ii) six months following the date of the Eligible Employee's Involuntary Termination, at which time the payments that were delayed for such six month period shall be paid in a lump sum on the date of the next occurring regular payroll date of the Employer, and any remaining payments shall be paid according to the original schedule provided herein. In addition, each payment of a salary continuation stream of installment payments hereunder shall be a separate payment for purposes of Section 409A of the Code.

4.10 Funding. The Plan is not funded, and Severance Pay and benefits under the Plan are paid from the general assets of the Employer.

4.11 Plan Year. The Plan's records shall be maintained on the basis of the calendar year.

IN WITNESS WHEREOF, the Management Planning and Development Committee of the Company, or its duly authorized delegate, has amended and restated the Plan as of the Effective Date pursuant to the execution hereof on its behalf by a duly authorized officer as of the date set forth below.

CVS HEALTH CORPORATION

By: /s/ Heidi B. Capozzi

\_\_\_\_\_  
Title: EVP and Chief People Officer

Date: 3/26/2026



**CVS HEALTH CORPORATION  
RESTRICTED STOCK UNIT AGREEMENT  
GRANT DATE: %%OPTION\_DATE,'Month DD, YYYY'%%-%**

**1. GRANT OF AWARD.** Pursuant and subject to the provisions of the 2017 Incentive Compensation Plan of CVS Health Corporation (the “Plan”), on the date set forth above (the “Grant Date”), CVS Health Corporation (the “Company”) has granted, and hereby evidences by the Restricted Stock Units (the “RSUs”) awarded herein, to the person named below (the “Participant”), subject to the terms and conditions set forth and incorporated in this RSU agreement (the “Agreement”), the right to a future payment of shares of common stock (\$0.01 par value) of the Company ( the “Shares”), subject to required tax withholding. The fair market value of the Shares on any date is the closing price of the Company’s common stock on such date (the “FMV”). The Plan is hereby made a part hereof and the Participant agrees to be bound by all the provisions of the Plan. Capitalized terms not otherwise defined herein shall have the meaning assigned to such term(s) in the Plan.

**Participant:** %%FIRST\_NAME\_MIDDLE\_NAME\_LAST\_NAME%%-  
%

**Employee ID:** %%EMPLOYEE\_IDENTIFIER%%-%

**RSUs (#):** %%TOTAL\_SHARES\_GRANTED%%-%

**Grant Date FMV:** %%MARKET\_VALUE%%-%

**2. VOTING RIGHTS.** An RSU does not represent an equity interest in the Company and carries no voting rights. The Participant shall have no rights of a shareholder with respect to the RSUs and will have rights of a shareholder only with respect to the Shares that have been delivered to the Participant pursuant to the terms set forth herein.

**3. DIVIDEND EQUIVALENT.**

(a) To the extent dividends are paid on Shares while the RSUs remain outstanding and unvested, subject to Section 6(b), a cash amount equivalent to the dividends paid (such cash amount, a “Dividend Equivalent”) with respect to the number of Shares covered by the RSUs shall accrue. Any accrued Dividend Equivalent shall vest and be payable only upon vesting of the underlying RSUs. To the extent that the underlying RSUs do not vest hereunder, any related accrued Dividend Equivalents shall be forfeited.

(b) The Participant hereby agrees that the Company may withhold from the Dividend Equivalent(s), referred to in Section 3(a) above, amounts sufficient to satisfy the applicable tax withholding in respect of such Dividend Equivalent(s).

**4. VESTING OF RSU AWARD.** Subject to the terms and conditions of the Plan and the Agreement and subject to Participant’s continued employment, on each vest date set forth in Appendix A - Vesting (each, a “Vest Date”) the Participant shall be entitled to receive (and the Company shall deliver to the Participant) (a) the Shares subject to the RSUs vesting on such Vest Date, within thirty (30) days of the Vest Date or as soon as administratively practicable thereafter, unless delivery of the Shares has been deferred in accordance with Section 6 below (the date of such delivery of the Shares

being hereafter referred to as the “**Settlement Date**”) and (b) the Dividend Equivalent(s) related to the RSUs vesting on such Vest Date, within thirty (30) days or as soon as administratively practicable thereafter. The RSUs shall vest, except as otherwise provided in Sections 5 and 8, in accordance with the schedule set forth in Appendix A - Vesting.

**5. REQUIRED ACCEPTANCE OF AWARD.** The Participant is required to accept the award in the manner required by the Company prior to the first anniversary of the Grant Date. The RSUs will not vest and shall be forfeited in full if the Company has not received the Participant’s acceptance of the terms and conditions set forth herein prior to the first anniversary of the Grant Date. Acceptance shall be submitted electronically as required by the Company.

**6. DEFERRED STOCK COMPENSATION PLAN.**

(a) In accordance with rules promulgated by the Management Planning and Development Committee of the Board of Directors (the “**Committee**”), the Participant, to the extent eligible under the CVS Health Deferred Stock Compensation Plan (the “**DSP**”), may elect to defer delivery of the Shares in settlement of RSUs covered by the Agreement. Any such deferred delivery date elected by the Participant shall become the Settlement Date for purposes of the Agreement.

(b) Notwithstanding Section 3(a), to the extent dividends are paid on such deferred Shares prior to the Settlement Date, the Participant shall accrue a number of additional deferred Shares equal to: (x) the amount of the dividend per Share as declared by the Company’s Board of Directors multiplied by (y) the number of deferred Shares held by the Participant on the record date of such dividend, divided by (z) the FMV of a Share on such dividend payment date. To the extent that the underlying RSUs do not vest hereunder, any accrued Shares related to dividends shall be forfeited. Accrued Shares related to dividends will be distributed along with the underlying deferred Shares on the Settlement Date in accordance with the DSP.

**7. TAXES.** On the Settlement Date the number of the Shares to be delivered by the Company to the Participant shall be reduced by the smallest number of the Shares having a FMV at least equal to the dollar amount of Federal, state and local tax withholding required to be withheld by the Company with respect to the related RSUs on such date.

**8. TERMINATION OF EMPLOYMENT.**

(a) Except as provided in Sections 8 (b) – (f) below, if, for any reason, the Participant’s employment with the Company and any subsidiary of the Company terminates, all the RSUs not then vested in accordance with Section 4 above shall be immediately forfeited.

(b) **Termination with Severance.** In the event the Participant’s employment with the Company and any subsidiary of the Company terminates and the Participant receives severance pay following Participant’s employment pursuant to a written agreement approved by the Company, the RSUs shall continue to vest through the end of the specified severance period and shall settle in accordance with the original schedule set forth in Section 4 of the Agreement. Any RSUs that will not vest as of the last day of the Participant’s specified severance period shall be forfeited as of the Participant’s employment termination date. In the event that the Participant returns to comparable employment with the Company or any subsidiary, as determined by the Company in its sole discretion, prior to the expiration of the specified severance period, the Participant shall be treated as if the Participant’s employment with the Company or any subsidiary of the Company had continued through the severance period for purposes of determining eligibility for continued vesting (if this occurs, the Participant is required to notify the Plan administrator by electronic mail to: [equityadministration@cvshealth.com](mailto:equityadministration@cvshealth.com)). In the event that the Participant’s termination of employment also qualifies as a Qualified Retirement, the terms of Section 8(c) shall be applied with respect to determining the vesting of the RSUs that are unvested as of the employment termination date. During the specified severance period, the Participant is eligible to accrue Dividend Equivalent(s) on outstanding RSUs as described in Section 3 above.

(c) **Qualified Retirement.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of a "Qualified Retirement", the RSUs shall continue to vest for a three year period beginning on the employment termination date and shall settle in accordance with the original schedule set forth in Section 4 of the Agreement. A "Qualified Retirement" shall mean a termination of employment on or after attainment of age fifty-five (55) with at least ten (10) years of continuous service or attainment of age sixty (60) with at least five (5) years of continuous service, provided that if the Company terminates the Participant's employment, such termination is without cause, as determined by the Company in its sole discretion ("**Cause**"). The Participant shall also be deemed to have experienced a Qualified Retirement if the Company terminates the Participant's employment without Cause and the Participant shall meet the age and service requirement set forth above during the severance period set forth in a written severance agreement with the Company. In the event the Participant's termination of employment qualifies as a Qualified Retirement and the Participant also enters into a written severance agreement with the Company, the terms of this Section 8(c) shall be applied with respect to determining the vesting of the RSUs that are unvested as of the employment termination date.

(d) **Disability.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of total and permanent disability (as defined in the Company's Long-Term Disability Plan, or, if not defined in such plan, as defined by the Social Security Administration), the RSUs shall vest on a pro rata basis as of the employment termination date and shall settle within thirty (30) days of the employment termination date or as soon as administratively practicable thereafter in an amount equal to the following: (i) the number of RSUs granted on the Grant Date multiplied by the following fraction: (A) the numerator shall be the whole number of months elapsed from the Grant Date as of the employment termination date and (B) the denominator shall be the initial number of full months in the period during which vesting is required under the award *minus* (ii) the number of RSUs granted on the Grant Date that have vested prior to the employment termination date. For purposes of this calculation, the number of months in the numerator in sub-section (A) above shall include any partial month in which Participant has been employed. For example, if the time elapsed between the Grant Date and the employment termination date is eight (8) months and five (5) days and the Participant has been employed for such entire period, the numerator in sub-section (A) above shall be nine (9).

(e) **Death.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of the Participant's death, the RSUs not then vested in accordance with Section 4 shall immediately vest as of the date of death and shall settle within thirty (30) days of death or as soon as administratively practicable thereafter.

(f) **Change in Control.** In the event of a Change in Control, the applicable provisions of the Plan with respect to a Change in Control shall apply.

(g) **Transfer of Employment.** Transfer of the Participant's employment between the Company and a subsidiary of the Company or between subsidiaries of the Company shall not be treated as a termination of employment.

(h) **Taxes.** Participant will be responsible for any applicable withholding or other taxes that become due as a result of RSUs that vest as of the employment termination date or thereafter.

## 9. **NOTICE.**

(a) Any notice required to be provided under Section 8 (b) shall be provided by electronic mail to [equityadministration@cvshealth.com](mailto:equityadministration@cvshealth.com) and shall include "Notice of Reemployment" in the subject line.

(b) Any notice required to be given hereunder to the Participant shall be addressed to the Participant at the address shown on the records of the Company.

(c) Either party may hereafter designate an alternate address in writing, which designation shall be sent to the addresses provided in this section.

**10. RECOUPMENT OF RSU AWARD.** The RSUs shall be subject to the terms of the Company's Recoupment Policy as it exists from time to time, which may require the Participant to immediately repay to the Company the value of any pre-tax economic benefit that the Participant may derive from the grant of RSUs hereunder. By accepting the grant of RSUs hereunder, the Participant acknowledges that the Company's Recoupment Policy has been made available for the Participant's reference. In addition to the Company's Recoupment Policy, the RSUs may be subject to the terms of any Company clawback policy mandated by any regulatory authority, including the New York Stock Exchange.

**11. RESTRICTIVE COVENANT AGREEMENT.**

(a) The grant of RSUs pursuant to the Agreement is expressly subject to and contingent upon the requirement that the Participant shall have fully executed and delivered to the Company the applicable written agreement containing the restrictive covenants required by the Company in connection with the award hereunder (such restricted covenant agreement hereafter, the "**RCA**").

If the Company intends to require the Participant to execute and deliver a new RCA in connection with the award hereunder, the Company shall provide the new RCA to the Participant and the Participant agrees to execute and deliver the new RCA by the deadline set forth by the Company. If the Participant is currently subject to an RCA and the Company does not require the Participant to execute and deliver a new RCA, then, by accepting the RSUs, pursuant to the Agreement, the Participant reaffirms the Participant's intent to comply with all of the provisions in the Participant's current RCA.

The Participant agrees that failure to execute and return the new RCA, if required, by the deadline set forth by the Company, shall result in the immediate and irrevocable forfeiture of the RSUs granted hereunder and any right to receive Dividend Equivalents or Shares with respect thereto.

(b) If the Participant violates any provision of the applicable RCA, as determined by the Company in its sole discretion (an "**RCA Violation**"), (i) the Participant shall immediately and irrevocably forfeit the RSUs, to the extent unvested, and any related accrued Dividend Equivalents, and shall have no right to any payment in connection with such forfeiture; and (ii) with respect to any RSUs that vested within the two (2) year period ending on the earlier of (A) the date, as determined in the sole discretion of the Company, of the Participant's RCA Violation, or (B) the Participant's termination of employment, the Participant shall be required, upon demand, to repay or otherwise reimburse the Company (including by forfeiting any deferred compensation credits in respect of such RSUs under the Company's non-qualified compensation deferral plans) an amount having a value equal to the aggregate FMV of the Shares delivered with respect to the vested RSUs as of the date the RSUs became vested plus any Dividend Equivalents paid on such Shares.

By accepting the grant of RSUs under the Agreement, the Participant acknowledges and agrees that the remedy described above does not constitute the exclusive remedy for the Participant's violation of the RCA and, as the forfeiture and repayment provisions are not adequate remedies at law, the Company may seek any additional legal or equitable remedy, including injunctive relief, for any such violation. The provisions in this section are essential economic conditions to the Company's grant of RSUs to the Participant. By receiving the grant of RSUs hereunder, the Participant agrees that the Company and its subsidiaries and affiliates may make deductions from any amounts they may owe the Participant, individually or collectively, from time to time (such as wages or other compensation, deferred compensation credits, vacation pay, severance or other payments owed following a termination of employment, as well as any other amounts owed to the Participant by the Company or its subsidiaries or affiliates) to the extent of any amounts the Participant owes the Company under this section. The provisions of this section and any amounts repayable or reimbursable by the

Participant hereunder are intended to be in addition to any rights to repayment the Company may have under Section 304 of the Sarbanes-Oxley Act of 2002 and other applicable law.

**12. WHISTLEBLOWER RIGHTS.** Nothing contained in the Agreement or the RCA is intended to, or shall be interpreted in a manner that does, limit or restrict the Participant from exercising any legally protected whistleblower rights (including pursuant to Rule 21F under the Exchange Act) or prohibit the Participant from filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation and/or communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to the Participant's attorney or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding. Nothing in the Agreement or the RCA requires the Participant to waive any monetary award or other payment that the Participant might become entitled to from any governmental agency or entity.

**13. SECTION 409A.** The Company intends that the Agreement not violate any applicable provision of, or result in any additional tax or penalty under, Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the rules and regulations hereunder (collectively, "Section 409A"), and that to the extent any provisions of the Agreement do not comply with Section 409A the Company will make such changes in order to comply with Section 409A to the extent it considers reasonable. In all events, the provisions of CVS Health Corporation's 409A Universal Definitions Document are hereby incorporated by reference and, to the extent required to avoid a violation of Section 409A by reason of Section 409A(a)(2)(B)(i) of the Code, payment of any amounts subject to Section 409A shall be delayed until the first business day of the seventh month immediately following the employment termination date, as of which date any such delayed payments shall be made in a lump sum. For purposes of any provision of the Agreement providing for the payment of any amounts or benefits upon or following a termination of employment, references to a "termination of employment" (and corollary terms) shall be construed to refer to a "separation from service" (within the meaning of Treas. Reg. Section 1.409A-1(h)). Notwithstanding the foregoing, the Company makes no representations as to the tax treatment or consequences of any payment made hereunder, and the Participant, by accepting the RSUs under the Agreement, acknowledges that the Participant shall be solely responsible for such tax treatment or consequences.

**14. LAWS AND POLICIES.**

(a) By accepting the grant of RSUs under the Agreement, (i) the Participant acknowledges that a copy of the Plan has been made available by the Company for the Participant's reference and agrees to be bound by the terms and conditions set forth in the Agreement and the Plan as in effect from time to time, (ii) the Participant further acknowledges that the Federal securities laws and/or the Company's policies regarding trading in its securities may limit or restrict the Participant's right to trade Shares, including without limitation, sales of the Shares acquired in connection with RSUs, and (iii) the Participant agrees to comply with such Federal securities law requirements and Company policies, as such laws and policies may be amended from time to time.

(b) Neither the execution and delivery hereof nor the grant of RSUs evidenced hereby shall constitute or be evidence of any agreement or understanding, express or implied, on the part of the Company or its subsidiaries to employ the Participant for any specific period.

**15. COMMITTEE AUTHORITY.** The Committee shall have the authority, in its sole discretion, to make any interpretations, determinations, and/or take any administrative actions with respect to the Plan

and the Agreement, including without limitation whether any post-termination payments to the Participant shall be deemed severance pay and/or whether a termination was with or without Cause. In the event of any inconsistency between the terms hereof and the provisions of the Plan, the Plan shall govern.

**16. GOVERNING LAW.** The Agreement and the RSUs evidenced hereby shall be governed by the laws of Delaware, without giving effect to principles of conflict of laws.

**17. ACKNOWLEDGEMENT.** The Agreement shall be effective only upon the Participant's formal acceptance of the terms and conditions set forth above as required by the Company.

By: /s/ Heidi B. Capozzi  
Heidi B. Capozzi  
Executive Vice President, Chief People Officer  
CVS Health Corporation

## Appendix A – Vesting

### Vest Date

%%VEST\_DATE\_PERIOD1,'Month DD, YYYY'%%-%

%%VEST\_DATE\_PERIOD2,'Month DD, YYYY'%%-%

%%VEST\_DATE\_PERIOD3,'Month DD, YYYY'%%-%

%%VEST\_DATE\_PERIOD4,'Month DD, YYYY'%%-%

### Units Vesting

%%SHARES\_PERIOD1%%-%

%%SHARES\_PERIOD2%%-%

%%SHARES\_PERIOD3%%-%

%%SHARES\_PERIOD4%%-%



**CVS HEALTH CORPORATION  
NONQUALIFIED STOCK OPTION AGREEMENT**

**GRANT DATE: %%OPTION\_DATE,'Month DD, YYYY'%%-%**

**1. GRANT OF AWARD.** Pursuant and subject to the provisions of the 2017 Incentive Compensation Plan of CVS Health Corporation (the “Plan”), on the date set forth above (the “Grant Date”), CVS Health Corporation (the “Company”) has granted and hereby evidences the award to the person named below (the “Participant”), subject to the terms and conditions set forth or incorporated in this Nonqualified Stock Option Agreement (the “Agreement”), the right, and option, to purchase from the Company the aggregate number of shares of common stock (\$0.01 par value) of the Company (the “Shares”) set forth below, at the purchase price indicated below (the “Option”), such Option to be exercised as hereinafter provided. The fair market value of the Shares on any date is the closing price of the Company’s common stock on such date (the “FMV”). The Plan is hereby made a part hereof and Participant agrees to be bound by all the provisions of the Plan. Capitalized terms not otherwise defined herein shall have the meaning assigned to such term(s) in the Plan. The Option is a nonqualified option as defined in the Plan.

**Participant:** %%FIRST\_NAME\_MIDDLE\_NAME\_LAST\_NAME%%-%  
%

**Employee ID:** %%EMPLOYEE\_IDENTIFIER%%-%

**Shares:** %%TOTAL\_SHARES\_GRANTED%%-%

**Option Price:** %%OPTION\_PRICE,'\$999,999,999.99'%%-%

**2. TERM OF OPTION.** The term of the Option shall be for a period of ten (10) years from the Grant Date, subject to the earlier termination of the Option as set forth in the Plan and in the Agreement, and shall expire on the last day of its term (the “Expiration Date”). No portion of the Option shall be exercisable after the Expiration Date.

**3. VESTING AND EXERCISE OF OPTION.**

(a) The Option, subject to the provisions of the Plan, shall be exercised by submitting a request to exercise to the Company’s stock plan administrator, in accordance with the Company’s current exercise policies and procedures, specifying the number of Shares to be purchased, which number may not be less than one hundred (100) Shares (unless the number of Shares purchased is the total balance). An exercise by the Participant of all or part of the Option shall be effected through the Company’s “cashless exercise” procedures. Otherwise, at the time of exercise, Participant shall tender to the Company cash or cash equivalents for the aggregate option price of the Shares, which is the FMV of the Shares as of the Grant Date (the “Option Price”), that the Participant has elected to purchase or certificates for Shares of common stock of the Company owned by the Participant for at least six (6) months with a FMV at least equal to the aggregate Option Price of the Shares that the Participant has elected to purchase, or a combination of the foregoing.

(b) Prior to its expiration or termination and except as otherwise provided herein, and subject to the terms and conditions of the Plan and the Participant’s continued employment, the Option will become vested in accordance with the vesting schedule set forth in Appendix A - Vesting, each date on which vesting occurs shall be a “Vest Date”, and the Option will be exercisable by the Participant to the extent vested prior to the Expiration Date, in each case so long as the Participant has

maintained continuous employment with the Company or a subsidiary of the Company from the Grant Date through the exercise date.

(c) Notwithstanding anything to the contrary in the Agreement or the Plan, the vested and exercisable portion of the Option that remains outstanding on the last business day prior to the Expiration Date (the "**Automatic Exercise Date**") shall be deemed to have been automatically exercised by the Participant, without any further action or notice by the Company or the Participant, at such time if: (i) (A) the Participant is employed with the Company or any of its subsidiaries on the Automatic Exercise Date or (B) the Expiration Date would occur while the Option remains exercisable pursuant to Sections 8 and 9 of the Agreement, (ii) the Participant has accepted the Option as required by the Company under Section 4, and (iii) the FMV of a Share on the Automatic Exercise Date exceeds the Option Price. The exercise of the Option pursuant to this Section 3(c) shall be effected through the Company's "cashless exercise" procedures. Notwithstanding the foregoing, there is no guarantee that an automatic exercise pursuant to this Section 3(c) will be effected on the Participant's behalf and neither the Company nor any other party will bear any responsibility or liability if such an automatic exercise is not effected and instead the Option expires unexercised. Accordingly, the Participant shall bear sole responsibility for ensuring that the Participant exercises any vested portion of the Option prior to the Expiration Date. For the avoidance of doubt, the Option shall not be deemed automatically exercised pursuant to this Section 3(c) if, on the Automatic Exercise Date, the FMV of a Share is less than or equal to the Option Price.

**4. REQUIRED ACCEPTANCE OF AWARD.** The Participant is required to accept the Option in the manner required by the Company prior to the first anniversary of the Grant Date. The Option will not vest and shall be forfeited in full if the Company has not received the Participant's acceptance of the terms and conditions set forth herein prior to the first anniversary of the Grant Date. Acceptance shall be submitted electronically as required by the Company.

**5. TAXES.** Upon a cashless exercise of the Option the Company shall withhold from the proceeds of the exercise of the Option any required taxes. If the Option is exercised other than through a cashless exercise the Company shall have the right to require the Participant to pay the amount of any withholding taxes immediately, upon notification from the Company, before the proceeds from the exercise of the Option are delivered to the Participant. Furthermore, the Company may elect to deduct such taxes from any other amounts then payable to the Participant by the Company in cash or in Shares or from any other amounts payable any time thereafter to the Participant by the Company to the extent allowed under applicable law.

**6. TRANSFERABILITY.** The Option may be transferred to and may thereafter be exercised by one or more members of the Participant's immediate family, the Participant's former spouse if the transfer is pursuant to a court approved divorce settlement agreement, a trust established by the Participant for the benefit of one or more members of the Participant's immediate family, or a partnership or company of which the only owners are members of the Participant's immediate family (the "**Transferee(s)**"); if, that no portion of the Option may be transferred until such time as it becomes vested and exercisable pursuant to Section 3(b) hereof, and further provided that no more than fifty percent (50%) of the exercisable Option may be transferred by Participant. A "member of the Participant's immediate family" shall mean the Participant's spouse, parents, children, grandchildren and the spouses of such parents, children and grandchildren. A Transferee will be subject to all terms and conditions applicable to the Participant under the Option prior to its transfer, except that Transferee may not transfer the Option. In order to transfer the Option, the Participant must notify the Company in the form of a "Notice of Transfer of Nonqualified Stock Option" (which form may be obtained from the Company's Legal Department) of such transfer and include the name, address and social security number of Transferee, as well as the relationship of Transferee to the Participant. With respect to any transfer of the Option, the Participant and/or Transferee will be subject to tax reporting and be responsible for any tax liability due in accordance with the law in effect at the time of the transfer of the Option or the exercise of the transferred Option by Transferee or otherwise, as the case may be.

**7. FORFEITURE OF OPTION UPON TERMINATION OF EMPLOYMENT.** Unless otherwise provided for in the Plan or in the Agreement, as of the date on which the Participant's employment with the Company and its subsidiaries terminates, the Option, to the extent unexercised, whether vested or unvested, as of the Participant's employment termination date, shall be forfeited immediately in its entirety, provided that, if the Participant's employment with the Company and its subsidiaries terminates without cause, as determined by the Company in its sole discretion ("**Cause**"), the Option, to the extent vested and unexercised as of the employment termination date, shall be exercisable at any time on or before the ninetieth (90<sup>th</sup>) day immediately following the employment termination date and, to the extent the Option is unvested as of the employment termination date, the Option shall be forfeited immediately.

**8. INVOLUNTARY TERMINATION OF EMPLOYMENT WITH SEVERANCE.** In the event that the Participant's employment with the Company and its subsidiaries is terminated by the Company without Cause and Participant receives severance pay following the Participant's employment pursuant to a written agreement approved by the Company, vesting of the Option shall continue through the end of the severance period set forth in the written agreement providing for such severance pay. To the extent vested, the Option shall be exercisable at any time during the severance period and on or before the ninetieth (90<sup>th</sup>) day following the last day of the severance period, as long as no government regulations or rules are violated by such continued vesting or exercise period; provided, however, that in no event will the Option be exercisable beyond its original term. Any portion of the Option not vested as of the last day of the severance period shall be forfeited as of the last day of the severance period. In the event that the Participant returns to comparable employment with the Company or any subsidiary, as determined by the Company in its sole discretion, prior to the expiration of the severance period, the Participant shall be treated as if the Participant's employment with the Company or any subsidiary of the Company had continued through the severance period for purposes of determining eligibility for continued vesting (if this occurs, the Participant is required to notify the Plan administrator by electronic mail to: [equityadministration@cvshealth.com](mailto:equityadministration@cvshealth.com)).

**9. QUALIFIED RETIREMENT.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of a Qualified Retirement, Participant (a) shall continue to vest in the Option for a period of three (3) years following the Participant's retirement date and (b) may exercise the Option, to the extent vested, at any time within the period of three (3) years following the Participant's retirement date, but not beyond the original term of the Option, in both cases as long as no government regulations or rules are violated by such continued vesting or exercise period. To the extent unvested or unexercised at the end of the three (3) year period following the Participant's retirement date, the Option shall be forfeited. In the event the Participant's termination of employment qualifies as a Qualified Retirement and the Participant also enters into a severance agreement with the Company, the terms of this Section 9 shall apply with respect to the vesting and exercise of the Option as of the employment termination date. A "**Qualified Retirement**" shall mean a termination of employment on or after attainment of age fifty-five (55) with at least ten (10) years of continuous service or attainment of age sixty (60) with at least five (5) years of continuous service, provided that if the Company terminates the Participant's employment, such termination is without Cause. The Participant shall also be deemed to have experienced a Qualified Retirement if the Company terminates the Participant's employment without Cause and the Participant shall meet the age and service requirement set forth above during the severance period set forth in a written severance agreement with the Company.

**10. DISABILITY.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of total and permanent disability (as defined in the Company's Long-Term Disability Plan, or, if not defined in such plan, as defined by the Social Security Administration), the Option shall vest as of the employment termination date on a pro-rata basis as follows: the Option shall vest with respect to a total number of the Shares equal to (i) the number of the Shares subject to the Option on the Grant Date *multiplied* by the following fraction: (A) the numerator shall be the whole number of months elapsed from the Grant Date as of the employment termination date and (B) the denominator shall be the initial number of full months in the period during

which vesting is required under the Award , minus (ii) the number of the Shares with respect to which the Option vested prior to the employment termination date (whether or not the Option was previously exercised). For purposes of this calculation, the number of months in the numerator in sub-section (A) above shall include any partial month in which the Participant has been employed. For example, if the time elapsed between the Grant Date and the employment termination date is eight (8) months and five (5) days and the Participant has been employed for such entire period, the numerator in sub-section (A) above shall be nine (9). The Option may be exercised to the extent vested at any time within one (1) year of the employment termination date but in no event beyond the original term of the Option.

**11. DEATH.** In the event of the Participant's employment with the Company and any subsidiary of the Company terminates by reason of the Participant's death, the Option to the extent not then vested in accordance with Section 3 shall immediately vest and the Option shall remain exercisable for a period of one (1) year after the Participant's death, or until the Expiration Date, whichever occurs first, by Participant's Beneficiary. At the end of said one (1) year time period, or as of the Expiration Date if earlier, all rights with respect to the Option shall terminate and the Option shall be cancelled.

**12. CHANGE IN CONTROL.** In the event of a Change in Control, the applicable provisions of the Plan with respect to a Change in Control shall apply.

**13. TRANSFER OF EMPLOYMENT.** Transfer of the Participant's employment between the Company and a subsidiary of the Company or between subsidiaries of the Company shall not be treated as a termination of employment.

**14. NOTICE.**

(a) Any notice required to be provided under Section 8 shall be provided by electronic mail to [equityadministration@cvshealth.com](mailto:equityadministration@cvshealth.com) and shall include "Notice of Reemployment" in the subject line.

(b) Any notice required to be given hereunder to the Participant shall be addressed to the Participant at the address shown on the records of the Company.

(c) Either party may hereafter designate an alternate address in writing, which designation shall be sent to the addresses provided in this section.

**15. RECOUPMENT OF OPTION AWARD.** The Option shall be subject to the terms of the Company's Recoupment Policy as it exists from time to time, which may require the Participant to immediately repay to the Company the value of any pre-tax economic benefit that the Participant may derive from the grant of the Option hereunder. By accepting the grant of the Option hereunder, the Participant acknowledges that a copy of the Company's Recoupment Policy has been made available for the Participant's reference. In addition to the Company's Recoupment Policy, the Option may be subject to the terms of any Company clawback policy mandated by any regulatory authority, including the New York Stock Exchange.

**16. RESTRICTIVE COVENANT AGREEMENT.**

(a) The Option granted pursuant to the Agreement is expressly subject to and contingent upon the requirement that the Participant shall have fully executed and delivered to the Company the applicable written agreement containing the restrictive covenants required by the Company in connection with the award hereunder (such restricted covenant agreement hereafter, the "RCA").

If the Company intends to require the Participant to execute and deliver a new RCA in connection with the grant hereunder, the Company shall provide the new RCA to the Participant and the Participant agrees to execute and deliver the new RCA by the deadline set forth by the Company. If the Participant is currently subject to an RCA and the Company does not require the Participant to execute and deliver a new RCA, then, by accepting the grant of the Option pursuant to the Agreement, the Participant reaffirms the Participant's intent to comply with all of the provisions in the Participant's current RCA.

The Participant agrees that failure to execute and return the new RCA, if required, by the deadline set forth by the Company shall result in the immediate and irrevocable forfeiture of the Option granted hereunder.

(b) If the Participant violates any provision of the applicable RCA, as determined by the Company in its sole discretion (an "**RCA Violation**"), (i) the Participant shall immediately and irrevocably forfeit the Option, to the extent unvested, and shall have no right to any payment in connection with such forfeiture; and (ii) with respect to any portion of the Option that vested within the two (2) year period ending on the earlier of (A) the date, as determined in the sole discretion of the Company, of the Participant's RCA Violation, or (B) the Participant's termination of employment, the Participant shall forfeit the Option to the extent unexercised and shall be required, upon demand, to repay or otherwise reimburse the Company an amount having a value equal to, with respect to each exercise event, the market value of the Shares subject to the exercise of the Option at the time of exercise minus the Option Price with respect to the Shares subject to the exercise of the Option.

By accepting the grant of the Option under the Agreement, the Participant acknowledges and agrees that the remedy described above does not constitute the exclusive remedy for the Participant's violation of the RCA and, as the forfeiture and repayment provisions are not adequate remedies at law, the Company may seek any additional legal or equitable remedy, including injunctive relief, for any such violation. The provisions in this section are essential economic conditions to the Company's grant of the Option to the Participant. By receiving the grant of the Option hereunder, the Participant agrees that the Company and its subsidiaries and affiliates may make deductions from any amounts they may owe the Participant, individually or collectively, from time to time (such as wages or other compensation, deferred compensation credits, vacation pay, severance or other payments owed following a termination of employment, as well as any other amounts owed to the Participant by the Company or its subsidiaries or affiliates) to the extent of any amounts the Participant owes the Company under this section. The provisions of this section and any amounts repayable or reimbursable by the Participant hereunder are intended to be in addition to any rights to repayment the Company may have under Section 304 of the Sarbanes-Oxley Act of 2002 and other applicable law.

**17. WHISTLEBLOWER RIGHTS.** Nothing contained in the Agreement or the RCA is intended to, or shall be interpreted in a manner that does, limit or restrict the Participant from exercising any legally protected whistleblower rights (including pursuant to Rule 21F under the Exchange Act) or prohibit the Participant from filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation and/or communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to the Participant's attorney or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding. Nothing in the Agreement or the RCA requires the Participant to waive any monetary award or other payment that the Participant might become entitled to from any governmental agency or entity.

**18. LAWS AND POLICIES.**

(a) By accepting the grant of the Option under the Agreement, (i) the Participant acknowledges that a copy of the Plan has been made available by the Company for the Participant's reference and agrees to be bound by the terms and conditions set forth in the Agreement and the Plan as in effect from time to time, (ii) the Participant further acknowledges that the Federal securities laws and/or the Company's policies regarding trading in its securities may limit or restrict the Participant's right to trade Shares, including without limitation, sales of the Shares acquired in connection with the

Option, and (iii) the Participant agrees to comply with such Federal securities law requirements and Company policies, as such laws and policies may be amended from time to time.

(b) Neither the execution and delivery hereof nor the grant of the Option evidenced hereby shall constitute or be evidence of any agreement or understanding, express or implied, on the part of the Company or its subsidiaries to employ the Participant for any specific period.

**19. COMMITTEE AUTHORITY.** The Management Planning and Development Committee of the Board of Directors shall have the authority, in its sole discretion, to make any interpretations, determinations, and/or take any administrative actions with respect to the Plan and the Agreement, including without limitation whether any post-termination payments to the Participant shall be deemed severance pay and/or whether a termination was with or without Cause. In the event of any inconsistency between the terms hereof and the provisions of the Plan, the Plan shall govern.

**20. GOVERNING LAW.** The Agreement and the Option evidenced hereby shall be governed by the laws of Delaware, without giving effect to principles of conflict of laws.

**21. ACKNOWLEDGEMENT.** The Agreement shall be effective only upon the Participant's formal acceptance of the terms and conditions set forth above as required by the Company.

By: /s/ Heidi B. Capozzi

Heidi B. Capozzi  
Executive Vice President, Chief  
People Officer  
CVS Health Corporation

## Appendix A – Vesting

### Vest Date

%%VEST\_DATE\_PERIOD1,'Month DD, YYYY'%%-%

%%VEST\_DATE\_PERIOD2,'Month DD, YYYY'%%-%

%%VEST\_DATE\_PERIOD3,'Month DD, YYYY'%%-%

%%VEST\_DATE\_PERIOD4,'Month DD, YYYY'%%-%

### Options Vesting

%%SHARES\_PERIOD1%%-%

%%SHARES\_PERIOD2%%-%

%%SHARES\_PERIOD3%%-%

%%SHARES\_PERIOD4%%-%



**CVS HEALTH CORPORATION  
NONQUALIFIED STOCK OPTION AGREEMENT**

**GRANT DATE:** %%OPTION\_DATE,'Month DD, YYYY'%%-%%

**1. GRANT OF AWARD.** Pursuant and subject to the provisions of the 2017 Incentive Compensation Plan of CVS Health Corporation (the “Plan”), on the date set forth above (the “Grant Date”), CVS Health Corporation (the “Company”) has granted and hereby evidences the award to the person named below (the “Participant”), subject to the terms and conditions set forth or incorporated in this Nonqualified Stock Option Agreement (the “Agreement”), the right, and option, to purchase from the Company the aggregate number of shares of common stock (\$0.01 par value) of the Company (the “Shares”) set forth below, at the purchase price indicated below (the “Option”), such Option to be exercised as hereinafter provided. The fair market value of the Shares on any date is the closing price of the Company’s common stock on such date (the “FMV”). The Plan is hereby made a part hereof and Participant agrees to be bound by all the provisions of the Plan. Capitalized terms not otherwise defined herein shall have the meaning assigned to such term(s) in the Plan. The Option is a nonqualified option as defined in the Plan.

**Participant:** %%FIRST\_NAME\_MIDDLE\_NAME\_LAST\_NAME%%-  
%

**Employee ID:** %%EMPLOYEE\_IDENTIFIER%%-%%

**Shares:** %%TOTAL\_SHARES\_GRANTED%%-%%

**Option Price:** %%OPTION\_PRICE,'\$999,999,999.99'%%-%%

**2. TERM OF OPTION.** The term of the Option shall be for a period of ten (10) years from the Grant Date, subject to the earlier termination of the Option as set forth in the Plan and in the Agreement, and shall expire on the last day of its term (the “Expiration Date”). No portion of the Option shall be exercisable after the Expiration Date.

**3. VESTING AND EXERCISE OF OPTION.**

(a) The Option, subject to the provisions of the Plan, shall be exercised by submitting a request to exercise to the Company’s stock plan administrator, in accordance with the Company’s current exercise policies and procedures, specifying the number of Shares to be purchased, which number may not be less than one hundred (100) Shares (unless the number of Shares purchased is the total balance). An exercise by the Participant of all or part of the Option shall be effected through the Company’s “cashless exercise” procedures. Otherwise, at the time of exercise, Participant shall tender to the Company cash or cash equivalents for the aggregate option price of the Shares, which is the FMV of the Shares as of the Grant Date (the “Option Price”), that the Participant has elected to purchase or certificates for Shares of common stock of the Company owned by the Participant for at least six (6) months with a FMV at least equal to the aggregate Option Price of the Shares that the Participant has elected to purchase, or a combination of the foregoing.

(b) Prior to its expiration or termination and except as otherwise provided herein, and subject to the terms and conditions of the Plan and the Participant’s continued employment, the Option will become vested in accordance with the vesting schedule set forth in Appendix A - Vesting, each date on which vesting occurs shall be a “Vest Date”, and the Option will be exercisable by the Participant to the extent vested prior to the Expiration Date, in each case so long as the Participant has

maintained continuous employment with the Company or a subsidiary of the Company from the Grant Date through the exercise date.

(c) Notwithstanding anything to the contrary in the Agreement or the Plan, the vested and exercisable portion of the Option that remains outstanding on the last business day prior to the Expiration Date (the "**Automatic Exercise Date**") shall be deemed to have been automatically exercised by the Participant, without any further action or notice by the Company or the Participant, at such time if: (i) (A) the Participant is employed with the Company or any of its subsidiaries on the Automatic Exercise Date or (B) the Expiration Date would occur while the Option remains exercisable pursuant to Sections 8 and 9 of the Agreement, (ii) the Participant has accepted the Option as required by the Company under Section 4, and (iii) the FMV of a Share on the Automatic Exercise Date exceeds the Option Price. The exercise of the Option pursuant to this Section 3(c) shall be effected through the Company's "cashless exercise" procedures. Notwithstanding the foregoing, there is no guarantee that an automatic exercise pursuant to this Section 3(c) will be effected on the Participant's behalf and neither the Company nor any other party will bear any responsibility or liability if such an automatic exercise is not effected and instead the Option expires unexercised. Accordingly, the Participant shall bear sole responsibility for ensuring that the Participant exercises any vested portion of the Option prior to the Expiration Date. For the avoidance of doubt, the Option shall not be deemed automatically exercised pursuant to this Section 3(c) if, on the Automatic Exercise Date, the FMV of a Share is less than or equal to the Option Price.

**4. REQUIRED ACCEPTANCE OF AWARD.** The Participant is required to accept the Option in the manner required by the Company prior to the first anniversary of the Grant Date. The Option will not vest and shall be forfeited in full if the Company has not received the Participant's acceptance of the terms and conditions set forth herein prior to the first anniversary of the Grant Date. Acceptance shall be submitted electronically as required by the Company.

**5. TAXES.** Upon a cashless exercise of the Option the Company shall withhold from the proceeds of the exercise of the Option any required taxes. If the Option is exercised other than through a cashless exercise the Company shall have the right to require the Participant to pay the amount of any withholding taxes immediately, upon notification from the Company, before the proceeds from the exercise of the Option are delivered to the Participant. Furthermore, the Company may elect to deduct such taxes from any other amounts then payable to the Participant by the Company in cash or in Shares or from any other amounts payable any time thereafter to the Participant by the Company to the extent allowed under applicable law.

**6. NON-TRANSFERABILITY.** The Option shall not be transferable by the Participant other than by will or by the laws of descent and distribution and during the Participant's lifetime shall be exercised only by the Participant in accordance and subject to the terms and conditions of the Agreement.

**7. FORFEITURE OF OPTION UPON TERMINATION OF EMPLOYMENT.** Unless otherwise provided for in the Plan or in the Agreement, as of the date on which the Participant's employment with the Company and its subsidiaries terminates, the Option, to the extent unexercised, whether vested or unvested, as of the Participant's employment termination date, shall be forfeited immediately in its entirety, provided that, if the Participant's employment with the Company and its subsidiaries terminates without cause, as determined by the Company in its sole discretion ("**Cause**"), the Option, to the extent vested and unexercised as of the employment termination date, shall be exercisable at any time on or before the ninetieth (90<sup>th</sup>) day immediately following the employment termination date and, to the extent the Option is unvested as of the employment termination date, the Option shall be forfeited immediately.

**8. INVOLUNTARY TERMINATION OF EMPLOYMENT WITH SEVERANCE.** In the event that the Participant's employment with the Company and its subsidiaries is terminated by the Company without Cause and Participant receives severance pay following the Participant's employment pursuant to a written agreement approved by the Company, vesting of the Option shall continue through the end of the severance period set forth in the written agreement providing for such

severance pay. To the extent vested, the Option shall be exercisable at any time during the severance period and on or before the ninetieth (90th) day following the last day of the severance period, as long as no government regulations or rules are violated by such continued vesting or exercise period; provided, however, that in no event will the Option be exercisable beyond its original term. Any portion of the Option not vested as of the last day of the severance period shall be forfeited as of the last day of the severance period. In the event that the Participant returns to comparable employment with the Company or any subsidiary, as determined by the Company in its sole discretion, prior to the expiration of the severance period, the Participant shall be treated as if the Participant's employment with the Company or any subsidiary of the Company had continued through the severance period for purposes of determining eligibility for continued vesting (if this occurs, the Participant is required to notify the Plan administrator by electronic mail to: [equityadministration@cvshealth.com](mailto:equityadministration@cvshealth.com)).

**9. QUALIFIED RETIREMENT.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of a Qualified Retirement, Participant (a) shall continue to vest in the Option for a period of three (3) years following the Participant's retirement date and (b) may exercise the Option, to the extent vested, at any time within the period of three (3) years following the Participant's retirement date, but not beyond the original term of the Option, in both cases as long as no government regulations or rules are violated by such continued vesting or exercise period. To the extent unvested or unexercised at the end of the three (3) year period following the Participant's retirement date, the Option shall be forfeited. In the event the Participant's termination of employment qualifies as a Qualified Retirement and the Participant also enters into a severance agreement with the Company, the terms of this Section 9 shall apply with respect to the vesting and exercise of the Option as of the employment termination date. A "Qualified Retirement" shall mean a termination of employment on or after attainment of age fifty-five (55) with at least ten (10) years of continuous service or attainment of age sixty (60) with at least five (5) years of continuous service, provided that if the Company terminates the Participant's employment, such termination is without Cause. The Participant shall also be deemed to have experienced a Qualified Retirement if the Company terminates the Participant's employment without Cause and the Participant shall meet the age and service requirement set forth above during the severance period set forth in a written severance agreement with the Company.

**10. DISABILITY.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of total and permanent disability (as defined in the Company's Long-Term Disability Plan, or, if not defined in such plan, as defined by the Social Security Administration), the Option shall vest as of the employment termination date on a pro-rata basis as follows: the Option shall vest with respect to a total number of the Shares equal to (i) the number of the Shares subject to the Option on the Grant Date *multiplied* by the following fraction: (A) the numerator shall be the whole number of months elapsed from the Grant Date as of the employment termination date and (B) the denominator shall be the initial number of full months in the period during which vesting is required under the Award, minus (ii) the number of the Shares with respect to which the Option vested prior to the employment termination date (whether or not the Option was previously exercised). For purposes of this calculation, the number of months in the numerator in sub-section (A) above shall include any partial month in which the Participant has been employed. For example, if the time elapsed between the Grant Date and the employment termination date is eight (8) months and five (5) days and the Participant has been employed for such entire period, the numerator in sub-section (A) above shall be nine (9). The Option may be exercised to the extent vested at any time within one (1) year of the employment termination date but in no event beyond the original term of the Option.

**11. DEATH.** In the event of the Participant's employment with the Company and any subsidiary of the Company terminates by reason of the Participant's death, the Option to the extent not then vested in accordance with Section 3 shall immediately vest and the Option shall remain exercisable for a period of one (1) year after the Participant's death, or until the Expiration Date, whichever occurs first, by Participant's Beneficiary. At the end of said one (1) year time period, or as of the Expiration Date if earlier, all rights with respect to the Option shall terminate and the Option shall be cancelled.

**12. CHANGE IN CONTROL.** In the event of a Change in Control, the applicable provisions of the Plan with respect to a Change in Control shall apply.

**13. TRANSFER OF EMPLOYMENT.** Transfer of the Participant's employment between the Company and a subsidiary of the Company or between subsidiaries of the Company shall not be treated as a termination of employment.

**14. NOTICE.**

(a) Any notice required to be provided under Section 8 shall be provided by electronic mail to [equityadministration@cvshealth.com](mailto:equityadministration@cvshealth.com) and shall include "Notice of Reemployment" in the subject line.

(b) Any notice required to be given hereunder to the Participant shall be addressed to the Participant at the address shown on the records of the Company.

(c) Either party may hereafter designate an alternate address in writing, which designation shall be sent to the addresses provided in this section.

**15. RECOUPMENT OF OPTION AWARD.** The Option shall be subject to the terms of the Company's Recoupment Policy as it exists from time to time, which may require the Participant to immediately repay to the Company the value of any pre-tax economic benefit that the Participant may derive from the grant of the Option hereunder. By accepting the grant of the Option hereunder, the Participant acknowledges that a copy of the Company's Recoupment Policy has been made available for the Participant's reference. In addition to the Company's Recoupment Policy, the Option may be subject to the terms of any Company clawback policy mandated by any regulatory authority, including the New York Stock Exchange.

**16. RESTRICTIVE COVENANT AGREEMENT.**

(a) The Option granted pursuant to the Agreement is expressly subject to and contingent upon the requirement that the Participant shall have fully executed and delivered to the Company the applicable written agreement containing the restrictive covenants required by the Company in connection with the award hereunder (such restricted covenant agreement hereafter, the "RCA").

If the Company intends to require the Participant to execute and deliver a new RCA in connection with the grant hereunder, the Company shall provide the new RCA to the Participant and the Participant agrees to execute and deliver the new RCA by the deadline set forth by the Company. If the Participant is currently subject to an RCA and the Company does not require the Participant to execute and deliver a new RCA, then, by accepting the grant of the Option pursuant to the Agreement, the Participant reaffirms the Participant's intent to comply with all of the provisions in the Participant's current RCA.

The Participant agrees that failure to execute and return the new RCA, if required, by the deadline set forth by the Company shall result in the immediate and irrevocable forfeiture of the Option granted hereunder.

(b) If the Participant violates any provision of the applicable RCA, as determined by the Company in its sole discretion (an "**RCA Violation**"), (i) the Participant shall immediately and irrevocably forfeit the Option, to the extent unvested, and shall have no right to any payment in connection with such forfeiture; and (ii) with respect to any portion of the Option that vested within the two (2) year period ending on the earlier of (A) the date, as determined in the sole discretion of the Company, of the Participant's RCA Violation, or (B) the Participant's termination of employment, the Participant shall forfeit the Option to the extent unexercised and shall be required, upon demand, to repay or otherwise reimburse the Company an amount having a value equal to, with respect to each exercise event, the market value of the Shares subject to the exercise of the Option at the time of exercise minus the Option Price with respect to the Shares subject to the exercise of the Option.

By accepting the grant of the Option under the Agreement, the Participant acknowledges and agrees that the remedy described above does not constitute the exclusive remedy for the Participant's violation of the RCA and, as the forfeiture and repayment provisions are not adequate remedies at law, the Company may seek any additional legal or equitable remedy, including injunctive relief, for any such violation. The provisions in this section are essential economic conditions to the Company's grant of the Option to the Participant. By receiving the grant of the Option hereunder, the Participant agrees that the Company and its subsidiaries and affiliates may make deductions from any amounts they may owe the Participant, individually or collectively, from time to time (such as wages or other compensation, deferred compensation credits, vacation pay, severance or other payments owed following a termination of employment, as well as any other amounts owed to the Participant by the Company or its subsidiaries or affiliates) to the extent of any amounts the Participant owes the Company under this section. The provisions of this section and any amounts repayable or reimbursable by the Participant hereunder are intended to be in addition to any rights to repayment the Company may have under Section 304 of the Sarbanes-Oxley Act of 2002 and other applicable law.

**17. WHISTLEBLOWER RIGHTS.** Nothing contained in the Agreement or the RCA is intended to, or shall be interpreted in a manner that does, limit or restrict the Participant from exercising any legally protected whistleblower rights (including pursuant to Rule 21F under the Exchange Act) or prohibit the Participant from filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation and/or communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to the Participant's attorney or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding. Nothing in the Agreement or the RCA requires the Participant to waive any monetary award or other payment that the Participant might become entitled to from any governmental agency or entity.

**18. LAWS AND POLICIES.**

(a) By accepting the grant of the Option under the Agreement, (i) the Participant acknowledges that a copy of the Plan has been made available by the Company for the Participant's reference and agrees to be bound by the terms and conditions set forth in the Agreement and the Plan as in effect from time to time, (ii) the Participant further acknowledges that the Federal securities laws and/or the Company's policies regarding trading in its securities may limit or restrict the Participant's right to trade Shares, including without limitation, sales of the Shares acquired in connection with the Option, and (iii) the Participant agrees to comply with such Federal securities law requirements and Company policies, as such laws and policies may be amended from time to time.

(b) Neither the execution and delivery hereof nor the grant of the Option evidenced hereby shall constitute or be evidence of any agreement or understanding, express or implied, on the part of the Company or its subsidiaries to employ the Participant for any specific period.

**19. COMMITTEE AUTHORITY.** The Management Planning and Development Committee of the Board of Directors shall have the authority, in its sole discretion, to make any interpretations, determinations, and/or take any administrative actions with respect to the Plan and the Agreement, including without limitation whether any post-termination payments to the Participant shall be deemed severance pay and/or whether a termination was with or without Cause. In the event of any inconsistency between the terms hereof and the provisions of the Plan, the Plan shall govern.

**20. GOVERNING LAW.** The Agreement and the Option evidenced hereby shall be governed by the laws of Delaware, without giving effect to principles of conflict of laws.

21. **ACKNOWLEDGEMENT.** The Agreement shall be effective only upon the Participant's formal acceptance of the terms and conditions set forth above as required by the Company.

By: /s/ Heidi B. Capozzi \_\_\_\_\_

Heidi B. Capozzi  
Executive Vice President, Chief  
People Officer  
CVS Health Corporation

## Appendix A – Vesting

### Vest Date

%%VEST\_DATE\_PERIOD1,'Month DD, YYYY'%%-%

%%VEST\_DATE\_PERIOD2,'Month DD, YYYY'%%-%

%%VEST\_DATE\_PERIOD3,'Month DD, YYYY'%%-%

%%VEST\_DATE\_PERIOD4,'Month DD, YYYY'%%-%

### Options Vesting

%%SHARES\_PERIOD1%%-%

%%SHARES\_PERIOD2%%-%

%%SHARES\_PERIOD3%%-%

%%SHARES\_PERIOD4%%-%



**CVS HEALTH CORPORATION**  
**PERFORMANCE STOCK UNIT AGREEMENT**  
**GRANT DATE: %%OPTION\_DATE, Month DD, YYYY'%%-%**

1. **GRANT OF AWARD.** Pursuant and subject to the provisions of the 2017 Incentive Compensation Plan of CVS Health Corporation (the "**Plan**"), on the date set forth above (the "**Grant Date**"), CVS Health Corporation (the "**Company**") has granted and hereby evidences by the Performance Stock Units (the "**PSUs**") awarded herein, to the person named below (the "**Participant**"), subject to the terms and conditions set forth and incorporated in this PSU agreement (the "**Agreement**"), the right to a future payment of shares of common stock (\$0.01 par value) of the Company (the "**Shares**"), subject to required tax withholding. The actual number of Shares (if any) that the Participant receives shall be subject to the terms and conditions of the Plan and the Agreement, including, without limitation, the Company's achievement of the performance goals set forth in Appendix A and as determined under Section 15 of the Agreement. The fair market value of the Shares on any date is the closing price of the Company's common stock on such date (the "**FMV**"). The Plan is hereby made a part hereof and the Participant agrees to be bound by all the provisions of the Plan. Capitalized terms not otherwise defined herein shall have the meaning assigned to such term(s) in the Plan. On the Grant Date specified above, the fair value, as determined utilizing the methodology approved by the Management Planning and Development Committee of the Board of Directors (the "**Committee**") or its delegate, of each PSU is as stated below.

**Participant:** %%FIRST\_NAME\_MIDDLE\_NAME\_LAST\_NAME%-%  
 %  
**Employee ID:** %%EMPLOYEE\_IDENTIFIER%-%  
**Target Number of PSUs (#):** %%TOTAL\_SHARES\_GRANTED,'999,999,999'%%-%  
**Grant Date Fair Value:** %%MARKET\_VALUE%-%

2. **VOTING RIGHTS.** A PSU does not represent an equity interest in the Company and carries no voting rights. The Participant shall have no rights of a shareholder with respect to the PSUs and will have rights of a shareholder only with respect to the Shares that have been delivered to the Participant pursuant to the terms set forth herein.

3. **DIVIDEND EQUIVALENT.**

(a) To the extent dividends are paid on Shares while the PSUs remain outstanding and unvested, subject to Section 6(b), a cash or stock amount equivalent to the dividends paid (such cash or stock amount, a "**Dividend Equivalent**") with respect to the number of Shares covered by the PSUs shall accrue. Any accrued Dividend Equivalent shall vest and be payable only upon vesting of the underlying PSUs. To the extent that the underlying PSUs do not vest hereunder, any related accrued Dividend Equivalents shall be forfeited.

(b) The Participant hereby agrees that the Company may withhold from the Dividend Equivalent(s), referred to in Section 3(a) above, amounts sufficient to satisfy the applicable tax withholding in respect of such Dividend Equivalent(s).

4. **VESTING OF PSU AWARD AND HOLDING PERIOD.** Subject to the terms and conditions of the Plan and the Agreement and subject to Participant's continued employment, the PSUs shall vest and become non-forfeitable on March 31, 2029 or such other date as may be provided in Section 8 (the "**Vest Date**"), based on the level of achievement of the performance goals set forth in Appendix A (and as determined by reference to Appendices B and C), and shall

be determined by multiplying the number of PSUs that are subject to the Agreement by the applicable performance adjustment shown in Appendix A for the attained level of the performance goals. The “**Performance Period**” shall be the three-year period commencing on January 1, 2026 and ending on December 31, 2028.

(a) The Participant shall be entitled to receive (and the Company shall deliver to the Participant) the Shares (if any), subject to any applicable withholdings, within thirty (30) days or as soon as administratively practicable thereafter following the Vest Date, unless delivery of the Shares has been deferred in accordance with Section 6 below (the date of such delivery of the Shares being hereafter referred to as the “**Settlement Date**”).

(b) Notwithstanding anything herein to the contrary, if the Participant is a Designated Officer as referenced in the Management Planning and Development Committee Charter or becomes a Designated Officer at any time during the Performance Period, the Participant agrees and covenants that as a condition to the receipt of the grant of PSUs and the payment of the PSUs hereunder, the Participant shall not sell or otherwise transfer any Shares issued and transferred to the Participant pursuant to the Agreement (including with respect to any Shares that are deferred under Section 6(a)) until the first anniversary of the Settlement Date or the first anniversary of the Participant’s date of separation from the Company, if earlier, (such period hereinafter referred to as the “**Holding Period**”), except that the Participant shall be permitted, prior to the end of the Holding Period, (a) to sell or transfer shares to pay applicable tax and social security withholdings, if any, with respect to such settlement (or, alternatively, if the Company withholds such Shares pursuant to Section 6 of the Agreement, the requirements in this Section 4(b) not to sell or otherwise transfer any Shares shall only apply to the number of such Shares delivered to the Participant (i.e., after such withholding of Shares)), (b) to sell or transfer shares upon a Change in Control, or (c) to transfer Shares to the Participant’s personal brokerage account. The Participant’s attempt to assign or transfer Shares subject to the Agreement, either voluntarily or involuntarily, contrary to the provisions hereof, shall be null and void and without effect. The Company may, in its sole discretion, impose restrictions on the assignment or transfer of Shares consistent with the provisions hereof, including, without limitation, by or through the transfer agent for such Shares or by means of legending stock certificates or otherwise.

**5. REQUIRED ACCEPTANCE OF AWARD.** The Participant is required to accept the award in the manner required by the Company prior to the first anniversary of the Grant Date. The PSUs will not vest and shall be forfeited in full if the Company has not received the Participant’s acceptance of the terms and conditions set forth herein prior to the first anniversary of the Grant Date. Acceptance shall be submitted electronically as required by the Company.

**6. DEFERRED STOCK COMPENSATION PLAN.**

(a) In accordance with rules promulgated by the Committee, the Participant, to the extent eligible under the CVS Health Deferred Stock Compensation Plan, may elect to defer delivery of the Shares in settlement of PSUs covered by the Agreement. Any such deferred delivery date elected by the Participant shall become the Settlement Date for purposes of the Agreement.

(b) To the extent dividends are paid on such deferred Shares following the Vest Date and prior to the Settlement Date, the Participant shall be entitled to receive additional deferred Shares equal to: (x) the amount of the dividend per Share as declared by the Company’s Board of Directors multiplied by (y) the number of deferred Shares held by the Participant on the record date of such dividend, divided by (z) the FMV of a Share on such dividend payment date.

**7. WITHHOLDING FOR TAXES.** On the Settlement Date the number of the Shares to be delivered by the Company to the Participant shall be reduced by the number of the Shares having a FMV at least equal to the dollar amount of Federal, state and local tax withholding required to be withheld by the Company with respect to related PSUs on such date.

## **8. TERMINATION OF EMPLOYMENT.**

(a) Except as provided in Section 8 (b) – (f) below, if, for any reason, the Participant's employment with the Company and any subsidiary of the Company terminates, all the PSUs not then vested in accordance with Section 4 above shall be immediately forfeited.

(b) **Involuntary Termination with Severance.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of an involuntary termination and the Participant receives severance pay following the Participant's employment, the PSUs shall vest on a pro rata basis as of the Participant's employment termination date and shall settle in accordance with the original schedule set forth in Section 4 of the Agreement as follows: the total number of PSUs to which the Participant shall be entitled shall be equal to the number of PSUs based upon actual performance as of the end of the Performance Period multiplied by the following fraction: (A) the numerator shall be the whole number of months elapsed as of the employment termination date since the later of (i) the beginning of the Performance Period or (ii) the Participant's hire date and (B) the denominator shall be the number of months in the Performance Period. For purposes of this calculation, the number of months in the numerator in sub-section (A) above shall include any partial month in which the Participant has been employed. For example, if the time elapsed between the beginning of the Performance Period and the Involuntary Termination with Severance date is eight (8) months and five (5) days and the Participant has been employed for such entire period, the numerator in sub-section (A) above shall be nine (9). The pro-rated PSUs that vest upon an involuntary termination with severance shall settle on the Settlement Date that would have applied had the pro-rated PSUs vested under the original schedule set forth in Section 4 of the Agreement.

(c) **Qualified Retirement.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of a "Qualified Retirement", the PSUs shall continue to vest for a three-year period beginning on the employment termination date and shall settle in accordance with the original schedule set forth in Section 4 of the Agreement. A "**Qualified Retirement**" shall mean a termination of employment on or after attainment of age fifty-five (55) with at least ten (10) years of continuous service or attainment of age sixty (60) with at least five (5) years of continuous service, provided that if the Company terminates the Participant's employment, such termination is without cause, as determined by the Company in its sole discretion ("**Cause**"). The Participant shall also be deemed to have experienced a Qualified Retirement if the Company terminates the Participant's employment without Cause and the Participant shall meet the age and service requirement set forth above during the severance period set forth in a written severance agreement with the Company. In the event the Participant's termination of employment qualifies as a Qualified Retirement and the Participant also enters into a written severance agreement with the Company, the terms of this Section 8(c) shall be applied with respect to determining the vesting of the PSUs that are unvested as of the employment termination date.

(d) **Disability.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of total and permanent disability (as defined in the Company's Long-Term Disability Plan, or, if not defined in such Plan, as defined by the Social Security Administration), the PSUs shall vest on a pro rata basis as of the employment termination date and shall settle within thirty (30) days of the employment termination date or as soon as administratively practicable thereafter in an amount equal to the following: the number of PSUs based upon target performance as of the end of the Performance Period multiplied by the following fraction: (A) the numerator shall be the whole number of months elapsed as of the employment termination date, which is the last date that the Participant is employed by the Company and any subsidiary of the Company, since the later of (i) the beginning of the Performance Period or (ii) the Participant's hire date and (B) the denominator shall be the number of months in the Performance Period. For purposes of this calculation, the number of months in the numerator in sub-section (A) above shall include any partial month in which the Participant has been employed. For example, if the time elapsed between the beginning of the Performance Period and the employment termination date is eight (8) months

and five (5) days and the Participant has been employed for such entire period, the numerator in sub-section (A) above shall be nine (9).

(e) **Death.** In the event the Participant's employment with the Company and any subsidiary of the Company terminates by reason of the Participant's death, the PSUs not then vested in accordance with Section 4 shall immediately vest as of the date of death based upon target performance and shall settle within thirty (30) days of death or as soon as administratively practicable thereafter.

(f) **Change in Control.** In the event of a Change in Control, the applicable provisions of the Plan with respect to a Change in Control shall apply.

(g) **Transfer of Employment.** Transfer of the Participant's employment between the Company and a subsidiary of the Company or between subsidiaries of the Company shall not be treated as a termination of employment.

(h) **Taxes.** Participant will be responsible for any applicable withholding or other taxes that become due as a result of PSUs that vest as of the employment termination date or thereafter.

**9. RECOUPMENT OF PSU AWARD.** The PSUs shall be subject to the terms of the Company's Recoupment Policy as it exists from time to time, which may require the Participant to immediately repay to the Company the value of any pre-tax economic benefit that the Participant may derive from the grant of the PSUs hereunder. By accepting the grant of PSUs hereunder, the Participant acknowledges that the Company's Recoupment Policy has been made available for the Participant's reference. In addition to the Company's Recoupment Policy, the PSUs may be subject to the terms of any Company clawback policy mandated by any regulatory authority, including the New York Stock Exchange.

**10. RESTRICTIVE COVENANT AGREEMENT.**

(1) The grant of PSUs pursuant to the Agreement is expressly subject to and contingent upon the requirement that the Participant shall have fully executed and delivered to the Company the applicable written agreement containing the restrictive covenants required by the Company in connection with the award hereunder (such restricted covenant agreement hereafter, the "**RCA**").

If the Company intends to require the Participant to execute and deliver a new RCA in connection with the award hereunder, the Company shall provide the new RCA to the Participant and the Participant agrees to execute and deliver the new RCA by the deadline set forth by the Company. If the Participant is currently subject to an RCA and the Company does not require the Participant to execute and deliver a new RCA, then, by accepting the PSUs, pursuant to the Agreement, the Participant reaffirms the Participant's intent to comply with all of the provisions in the Participant's current RCA.

The Participant agrees that failure to execute and return the new RCA, if required, by the deadline set forth by the Company shall result in the immediate and irrevocable forfeiture of the PSUs granted hereunder and any right to receive Shares or any other payment with respect thereto.

(2) If the Participant violates any provision of the applicable RCA, as determined by the Company in its sole discretion (an "**RCA Violation**"), (i) the Participant shall immediately and irrevocably forfeit the PSUs, to the extent unvested, and shall have no right to any payment in connection with such forfeiture; and (ii) with respect to any PSUs that vested within the two (2) year period ending on the earlier of (A) the date, as determined in the sole discretion of the Company, of the Participant's RCA Violation, or (B) the Participant's termination of employment, the Participant shall be required, upon demand, to repay or otherwise reimburse the Company (including by forfeiting any deferred compensation credits in respect of such PSUs under the Company's non-qualified compensation deferral plans) an amount having a value equal to the aggregate FMV of the Shares delivered with

respect to the vested PSUs as of the date the PSUs became vested plus the value of any Shares provided pursuant to Section 6(b).

By accepting the grant of PSUs under the Agreement, the Participant acknowledges and agrees that the remedy described above does not constitute the exclusive remedy for the Participant's violation of the RCA and, as the forfeiture and repayment provisions are not adequate remedies at law, the Company may seek any additional legal or equitable remedy, including injunctive relief, for any such violation. The provisions in this section are essential economic conditions to the Company's grant of PSUs to the Participant. By receiving the grant of PSUs hereunder, the Participant agrees that the Company and its subsidiaries and affiliates may make deductions from any amounts they may owe the Participant, individually or collectively, from time to time (such as wages or other compensation, deferred compensation credits, vacation pay, severance or other payments owed following a termination of employment, as well as any other amounts owed to the Participant by the Company or its subsidiaries or affiliates) to the extent of any amounts the Participant owes the Company under this section. The provisions of this section and any amounts repayable or reimbursable by the Participant hereunder are intended to be in addition to any rights to repayment the Company may have under Section 304 of the Sarbanes-Oxley Act of 2002 and other applicable law.

**11. WHISTLEBLOWER RIGHTS.** Nothing contained in the Agreement or the RCA is intended to, or shall be interpreted in a manner that does, limit or restrict the Participant from exercising any legally protected whistleblower rights (including pursuant to Rule 21F under the Exchange Act) or prohibit the Participant from filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation and/or communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to the Participant's attorney or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding. Nothing in the Agreement or the RCA requires the Participant to waive any monetary award or other payment that the Participant might become entitled to from any governmental agency or entity.

**12. SECTION 409A.** The Company intends that the Agreement not violate any applicable provision of, or result in any additional tax or penalty under, Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the rules and regulations hereunder (collectively, "Section 409A"), and that to the extent any provisions of the Agreement do not comply with Section 409A the Company will make such changes in order to comply with Section 409A to the extent it considers reasonable. In all events, the provisions of the Company's 409A Universal Definitions Document are hereby incorporated by reference and, to the extent required to avoid a violation of Section 409A by reason of Section 409A(a)(2)(B)(i) of the Code, payment of any amounts subject to Section 409A shall be delayed until the first business day of the seventh month immediately following the employment termination date, as of which date any such delayed payments shall be made in a lump sum. For purposes of any provision of the Agreement providing for the payment of any amounts or benefits upon or following a termination of employment, references to a "termination of employment" (and corollary terms) shall be construed to refer to a "separation from service" (within the meaning of Treas. Reg. Section 1.409A-1(h)). Notwithstanding the foregoing, the Company makes no representations as to the tax treatment or consequences of any payment made hereunder, and the Participant, by accepting the PSUs under the Agreement, acknowledges that the Participant shall be solely responsible for such tax treatment or consequences.

**13. LAWS AND POLICES.**

(a) By accepting the grant of PSUs under the Agreement, (i) the Participant acknowledges that a copy of the Plan has been made available by the Company for the Participant's reference and

agrees to be bound by the terms and conditions set forth in the Agreement and the Plan as in effect from time to time, (ii) the Participant further acknowledges that the Federal securities laws and/or the Company's policies regarding trading in its securities may limit or restrict the Participant's right to trade Shares, including without limitation, sales of the Shares acquired in connection with PSUs, and (iii) the Participant agrees to comply with such Federal securities law requirements and Company policies, as such laws and policies may be amended from time to time.

(b) Neither the execution and delivery hereof nor the grant of PSUs evidenced hereby shall constitute or be evidence of any agreement or understanding, express or implied, on the part of the Company or its subsidiaries to employ the Participant for any specific period.

**14. COMMITTEE AUTHORITY.** The Committee shall have the authority, in its sole discretion, to make any interpretations, determinations, and/or take any administrative actions with respect to the Plan and the Agreement, including without limitation whether any post-termination payments to the Participant shall be deemed severance pay and/or whether a termination was with or without Cause. In the event of any inconsistency between the terms hereof and the provisions of the Plan, the Plan shall govern. Furthermore, the determination of the achievement of any performance goals under the Agreement, and the amounts and calculations used in making such determination, shall be in the Board of Directors' or the Committee's sole discretion and such determination shall be final, binding and conclusive for all purposes and upon all parties. The Committee (or, if applicable, the Chief Executive Officer of the Company) may, in its discretion, reduce or increase the amount of a settlement otherwise to be made in connection with the PSUs to the extent permissible under the Plan.

**15. DETRIMENTAL CONDUCT**

(a) The Participant agrees that the Award covered by the Agreement is subject to the Company's Recoupment Policy and the other terms and conditions set forth in the Agreement. In addition to and without limiting the other terms and conditions of the Agreement, if prior to final settlement and release from the Holding Period the Committee determines that the Participant has engaged in Detrimental Conduct (as defined below), the Committee, in its sole discretion, will be entitled to recover from the Participant some or all of the Shares (and any related dividends) paid to the Participant pursuant to the Agreement. All such determinations by the Committee will be final and binding.

(b) The Participant agrees that during any period in which PSUs (and any related dividends) remain outstanding and payable pursuant to the Agreement, including the Holding Period, the Participant shall not engage in Detrimental Conduct. For purposes of the Agreement, "**Detrimental Conduct**" means any one of the following: (i) any conduct that would constitute Cause; (ii) the commission of a criminal act by the Participant, whether or not performed in the workplace, that subjects, or if generally known, would subject the Company or any of its subsidiaries to public ridicule or embarrassment; (iii) intentional misconduct or conduct not taken in good faith and causing significant reputational harm to the Company or any of its subsidiaries; (iv) intentional violation, or negligent disregard, of the Company's or any of its subsidiaries' policies, rules and procedures, specifically including, but not limited to, any of the Participant's obligations under the Company's Code of Conduct and workplace policies; or (v) any violation of the Participant's RCA.

(c) Payment of PSUs (and any related dividends) on the Settlement Date is specifically conditioned on the requirement that at all times prior to such Settlement Date, the Participant does not engage or has not engaged in Detrimental Conduct. In addition, releasing Shares to the Participant that would be delivered after the Holding Period is also specifically conditioned on the requirement that at all times prior to such release, the Participant does not engage or has not engaged in Detrimental Conduct. If the Committee determines in its reasonable business judgment that the Participant has failed to satisfy such requirements, then all or a portion of the PSUs (and any related dividends) and/or any Shares subject to the Holding Period that would be delivered in settlement thereof, which amount or portion shall be determined by the Committee in its sole

discretion, shall be canceled and forfeited as of the date of such determination. All such determinations by the Committee will be final and binding.

**16. GOVERNING LAW.** The Agreement and the PSUs evidenced hereby shall be governed by the laws of Delaware, without giving effect to principles of conflict of laws.

**17. ACKNOWLEDGEMENT.** The Agreement shall be effective only upon the Participant's formal acceptance of the terms and conditions set forth above as required by the Company.

By: /s/ Heidi B. Capozzi  
Heidi B. Capozzi  
Executive Vice President, Chief People Officer  
CVS Health Corporation

**Letter re: Unaudited Interim Financial Information**

May 6, 2026

To the Shareholders and the Board of Directors of CVS Health Corporation

We are aware of the incorporation by reference in the Registration Statements (Form S-3ASR No. 333-272200 and Form S-8 Nos. 333-279641, 333-273611, 333-271582, 333-270936, 333-238507, 333-230035, 333-228622, 333-167746, 333-217853, 333-208805, 333-141481, 333-139470, 333-63664, 333-91253, 333-49407, 333-34927 and 333-28043) of CVS Health Corporation of our report dated May 6, 2026, relating to the unaudited condensed consolidated interim financial statements of CVS Health Corporation that is included in its Form 10-Q for the quarter ended March 31, 2026.

/s/ Ernst & Young LLP

Boston, Massachusetts

**Certification**

I, J. David Joyner, President, Chief Executive Officer and Chair of the Board of CVS Health Corporation, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CVS Health Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2026

/s/ J. DAVID JOYNER

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**J. David Joyner**  
**President, Chief Executive Officer and Chair of the Board**

**Certification**

I, Brian O. Newman, Executive Vice President and Chief Financial Officer of CVS Health Corporation, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CVS Health Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2026

/s/ BRIAN O. NEWMAN

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**Brian O. Newman**  
**Executive Vice President and Chief Financial Officer**

**CERTIFICATION**

The certification set forth below is being submitted in connection with the Quarterly Report of CVS Health Corporation (the “Company”) on Form 10-Q for the period ended March 31, 2026 (the “Report”) solely for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Section 1350 of Chapter 63 of Title 18 of the United States Code.

I, J. David Joyner, President, Chief Executive Officer and Chair of the Board of the Company, certify that, to the best of my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2026

/s/ J. DAVID JOYNER

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**J. David Joyner**  
**President, Chief Executive Officer and Chair of the Board**

**CERTIFICATION**

The certification set forth below is being submitted in connection with the Quarterly Report of CVS Health Corporation (the “Company”) on Form 10-Q for the period ended March 31, 2026 (the “Report”) solely for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Section 1350 of Chapter 63 of Title 18 of the United States Code.

I, Brian O. Newman, Executive Vice President and Chief Financial Officer of the Company, certify that, to the best of my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2026

/s/ BRIAN O. NEWMAN

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**Brian O. Newman**  
**Executive Vice President and Chief Financial Officer**