

# **CVS HEALTH CORPORATION**

A Delaware corporation  
(the “Company”)

## **Patient Safety and Clinical Quality Committee Charter**

Adopted as of May 19, 2016

### **Purpose**

The Patient Safety and Clinical Quality Committee (the “Committee”) has been created by the Board of Directors of the Company to assist the Board in its oversight of the Company’s policies and procedures relating to the delivery of quality pharmacy and medical care to its customers and patients including clinical quality, patient safety and experience, the management of health care claims against the enterprise, and regulatory review by Boards of Pharmacy and Nursing.

### **Membership**

The Committee shall consist of at least three members, comprised solely of independent directors meeting the independence and experience requirements of the New York Stock Exchange. At least one member shall also be a member of the Audit Committee. The Nominating and Corporate Governance Committee shall recommend nominees for appointment to the Committee annually and as vacancies or newly created positions occur. Committee members shall be appointed by the Board and may be removed by the Board at any time. The Nominating and Corporate Governance Committee shall recommend to the Board, and the Board shall designate, the Chairman of the Committee.

### **Authority**

To discharge its oversight responsibilities effectively, the Committee will maintain open lines of communication with the Company’s general counsel, chief financial officer and chief medical officer, each of whom will have free and direct access to the Committee. In addition, the Committee shall have access as it deems appropriate to personnel from pharmacy and clinical operations and other areas of the Company that it deems relevant to the delivery of quality pharmacy and medical care to the Company’s customers and patients including clinical quality, patient safety and experience, the management of health care claims against the enterprise, and regulatory review by Boards of Pharmacy and Nursing, including without limitation members of the Enterprise Patient Safety Council.

The Committee is authorized (without seeking Board approval) to retain special legal or other advisors. The Committee shall have available appropriate funding from the Company as determined by the Committee for payment of:

- compensation to any advisors employed by the Committee; and
- ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee may delegate its authority to subcommittees or the Chairman of the Committee when it deems appropriate and in the best interests of the Company.

### **Procedures**

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter, but not less frequently than three times per year. The Committee may meet jointly with the Audit Committee as determined by the Chairs of those committees or as requested by the Board. The Chairman of the Committee, in consultation with the other committee members, shall determine the frequency and length of the committee meetings and shall set meeting agendas consistent with this charter. The Committee shall maintain minutes of its meetings and make available copies of such minutes to the Board. The Secretary of the Company shall maintain copies of all minutes as permanent records of the Company.

### **Responsibilities**

In addition to any other responsibilities that may be assigned from time to time by the Board, the Committee is responsible for the following matters.

- Review, in conjunction with the relevant Company committees and departments, the development of internal systems and controls to carry out the Company's standards, policies and procedures relating to the delivery of quality pharmacy and medical care to the Company's customers and patients including clinical quality, patient safety and experience, the management of health care claims against the enterprise, and regulatory review by Boards of Pharmacy and Nursing.
- Review matters and receive reports concerning the quality performance of the Company's (1) pharmacy and medical care, such as (a) dispensing, compounding, and infusion services and (b) nursing and medical clinic operations; (2) patient safety and experience; (3) the management of health care claims against the enterprise, including without limitation information regarding significant malpractice or dispensing errors and health care claims; and (4) Boards of Pharmacy and Nursing activity.
- Review matters concerning efforts to (1) improve the quality of pharmacy and medical care, patient safety and experience, (2) reduce health care claims against the enterprise, and (3) enhance Boards of Pharmacy and Nursing activity.
- Take such other actions and perform such services as may be referred to it from time to time by the Board, including the conduct of special reviews as it may deem necessary or appropriate to fulfill its responsibilities.

### *Reporting to the Board*

- The Committee shall report to the Board periodically and at least annually. These reports shall include a review of any issues that arise with respect to the delivery of quality pharmacy and medical care to the Company's customers and patients including clinical quality, patient safety and experience, the management of health care claims against the enterprise, and regulatory review by Boards of Pharmacy and Nursing and any other matters that the Committee deems appropriate or is requested to be included by the Board.
- At least annually, the Committee shall evaluate its own performance and report to the Board on such evaluation.
- The Committee shall annually review and assess the adequacy of this charter and recommend any proposed changes to the Board.