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January 22, 2021

VIA E-MAIL (shareholderproposals@sec.gov)

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

**Re: CVS Health Corporation
Stockholder Proposal from Trillium Asset Management, LLC
Securities Exchange Act of 1934 – Rule 14a-8**

Ladies and Gentlemen:

This letter relates to the response letter (the "**Response Letter**") submitted by Trillium Asset Management, LLC on behalf of Persephone LLC and Trillium ESG Global Equity Fund and six co-filers¹ (collectively, the "**Proponent**"), dated January 20, 2021, in response to the no-action request (the "**No-Action Request**") submitted by CVS Health Corporation, a Delaware corporation (the "**Company**"), to the Staff of the Division of Corporation Finance (the "**Staff**") of the U.S. Securities and Exchange Commission (the "**Commission**") on January 11, 2020. The No-Action Request pertains to the Proponent's request to include a stockholder proposal in the Company's 2021 proxy materials (the "**2021 Proxy Materials**") that requests that the board of directors (the "**Board**") of the Company analyze and produce a report on the feasibility of adopting, as a standard policy, the paid sick leave policy adopted by the Company for part-time workers as a result of the COVID-19 pandemic (the proposal and the supporting statement together, the "**Proposal**").

For the reasons set forth below and in the No-Action Request, the Company respectfully requests confirmation that the Staff will not recommend enforcement action if, in reliance on Rule 14a-8 of the Securities Exchange Act of 1934, as amended, the Company omits the Proposal from its 2021 Proxy Materials.

¹ The co-filers include: Portico Benefit Services; Sisters of St. Francis of Philadelphia; Benedictine Sisters, Boerne, Texas; Benedictine Sisters of Mount St. Scholastica; Missionary Oblates of Mary Immaculate; and Vancity Investment Management, on behalf of IA Clarity Clarington Inhance Canadian Equity SRI Class Fund.

DISCUSSION

The Company Continues to Maintain that the Proposal Relates to the Company's Ordinary Business Operations and Therefore May be Excluded Pursuant to Rule 14a-8(i)(7).

The Proposal, which requests that the Board analyze and produce a report on the feasibility of adopting, as a standard policy, the paid sick leave policy adopted by the Company for part-time workers as a result of the COVID-19 pandemic, unequivocally involves a matter of the Company's ordinary business. The Proponent does not contest this point.² Rather, the Proponent claims that the Proposal should not be excluded under the ordinary business matter exception because the Proposal focuses on a "significant policy issue." In making this claim, the Proponent largely focuses on the importance of paid sick leave as it relates to the COVID-19 pandemic,³ which is inconsistent with the Proposal's implicit request—that the Board adopt the Company's previously announced paid sick leave policy for part-time workers on a permanent basis, irrespective of whether there is a global health pandemic. Moreover, the Proponent attempts to support its claim that the Proposal focuses on a significant policy issue by associating paid sick leave with other employment-related topics, such as minimum wage reform.⁴ However, the Staff has consistently found that proposals related to minimum wage reform, as well as other similar general employment-related topics, are excludable as relating to ordinary business matters, and therefore do not "transcend the day-to-day business matters" of the company.⁵

As discussed in the No-Action Request, even if the Proposal touches on a significant policy issue, which the Company strongly contends that it does not, the Proposal is excludable as relating to the Company's ordinary business operations because it relates to the Company's management of its workforce generally and its workplace practices. As the nation's premier health innovation company, employing approximately 300,000 individuals (including

² See Response Letter, p. 8 ("The Proponents do not dispute that proposals on general employee compensation/benefits and workforce management, without more, deal with ordinary business operations.").

³ See Response Letter, pp. 3–7; Proposal, p. 2 ("The COVID-19 pandemic and the economic crisis it precipitated have drawn the attention of the public and policy makers to the importance of paid sick leave (PSL) for workers and public health. Substantial media attention has focused on U.S. workers' lack of access to PSL, especially in sectors with significant public contact such as retail.").

⁴ See Response Letter, pp. 2–3 (quoting President Barack Obama in his 2016 State of the Union address, in which he stated, "[e]qual pay for equal work, paid leave and raising the minimum wage. All of these things still matter to working families, they are the right thing to do, and I won't stop until they get done." (citing <https://www.cnbc.com/2016/01/13/how-important-is-paid-sick-leave-listen-to-obama.html>)).

⁵ See *CVS Health Corp.* (Mar. 1, 2017) (concurring in the exclusion of a proposal to adopt and publish principles for minimum wage reform, "noting that the proposal relates to general compensation matters, and does not otherwise transcend day-to-day business matters). See also *International Business Machines Corp.*, (Jan. 2, 2001) (concurring with the exclusion of a proposal requesting cost of living allowances to the company's retiree pensions as ordinary business operations relating to employee benefits).

approximately 87,000 part-time workers), operating in all 50 states and with various business units and customer needs, the Company must consider myriad of factors in developing, implementing and changing its workplace policies (including those related to employee compensation and benefits and variations in applicable state employment law). The complexity of such assessment is simply beyond the knowledge and expertise of the Company's stockholders and should therefore be reserved for the Company's management as part of the Company's ordinary business operations.

Accordingly, we continue to maintain that the Proposal is properly excludable under Rule 14a-8(i)(7).

CONCLUSION

Based upon the foregoing, and our arguments set forth in the No-Action Request, we reiterate our request that the Staff take no action if the Company excludes the Proposal from the 2021 Proxy Materials. If the Staff has any questions regarding this request or requires additional information, please contact the undersigned at (401) 770-5177 or Thomas.Moffatt@CVSHealth.com.

We appreciate your attention to this request.

Respectfully yours,



Thomas S. Moffatt
Vice President, Assistant Secretary and Assistant General Counsel

cc: Jonas Kron, Chief Advocacy Officer, Trillium Asset Management, LLC
Colleen M. McIntosh, Senior Vice President, Chief Governance Officer, Corporate Secretary and Assistant General Counsel, CVS Health Corporation
Doreen E. Lilienfeld, Shearman & Sterling LLP
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January 20, 2021

[Via e-mail at shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov)

Securities and Exchange Commission
Office of the Chief Counsel
Division of Corporation Finance
100 F Street, NE
Washington, DC 20549

Re: Request by CVS Health Corporation to omit proposal submitted by Trillium Asset Management and six co-filers

Ladies and Gentlemen,

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, Trillium Asset Management LLC on behalf of Persephone LLC and Trillium ESG Global Equity Fund and six co-filers (together, the “Proponents”) submitted a shareholder proposal (the “Proposal”) to CVS Health Corporation (“CVS” or the “Company”). The Proposal asks CVS’s board to analyze and report on the feasibility of extending the Company’s emergency paid sick leave policy beyond the COVID-19 pandemic.

In a letter to the Division dated January 11, 2021 (the “No-Action Request”), CVS stated that it intends to omit the Proposal from its proxy materials to be distributed to shareholders in connection with the Company’s 2021 annual meeting of shareholders. CVS argues that it is entitled to exclude the Proposal in reliance on Rule 14a-8(i)(7), on the ground that the Proposal deals with CVS’s ordinary business operations. As discussed more fully below, the consistent and widespread public debate over the importance of paid sick leave to protect workers, customers, communities, and the economy establishes that it is a significant policy issue transcending ordinary business. Accordingly, CVS has not met its burden of proving its entitlement to exclude the Proposal on that basis, and the Proponents respectfully request that CVS’s request for relief be denied.

The Proposal

The Proposal states:

RESOLVED that shareholders of CVS Health ask the board to analyze and report on the feasibility of including the paid sick leave policy adopted in response to COVID-19 and made effective on March 22, 2020 as a standard employee benefit not limited to the duration of the pandemic.

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Ordinary Business

Rule 14a-8(i)(7) allows exclusion of proposals related to a company's ordinary business operations. CVS argues that the Proposal relates to the Company's ordinary business operations because it addresses "management of [the Company's] workplace practices, including general employee compensation and benefit matters,"¹ without implicating a significant policy issue, and because it would micromanage the Company.

The Proponents do not dispute that proposals on general employee compensation/benefits and workforce management, without more, deal with ordinary business operations. But companies are generally not allowed to rely on the ordinary business exclusion to omit such proposals if they "focus[] on sufficiently significant social policy issues."² Over the past eight years, paid sick leave has been the consistent subject of widespread public debate, the Division's standard for a significant policy issue.³ This growing public concern and policy activity was greatly amplified in 2020 and 2021 with the COVID-19 pandemic. These changed circumstances mean that the 2019 determination in Walmart, Inc.,⁴ on which CVS relies,⁵ is inapplicable.

Paid Sick Leave is a Consistent Topic of Widespread Public Debate and Thus is a Significant Policy Issue

Well before the pandemic, concerns were raised about workers who must work while sick because they can't afford to miss a shift or fear disciplinary consequences. Between 2012 and 2019, 11 states and the District of Columbia adopted measures to require paid sick leave.⁶ Thirty municipalities, including Los Angeles, Chicago, and New York City, had such requirements as of March 2020.⁷

President Obama signed an Executive Order in 2015 directing the Department of Labor to promulgate rules requiring federal contractors to give employees seven days of paid sick leave.⁸ Discussing those rules, President Obama explained, "Coming to work sick is bad for employees, co-workers, and customers alike."⁹ He highlighted the issue in his 2016 State of the Union address, stating,

¹ No-Action Request, at 5.

² Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release").

³ See, e.g., <https://www.sec.gov/interps/legal/cfslb14a.htm>.

⁴ Walmart, Inc. (avail. Apr. 4, 2019).

⁵ No-Action Request, at 5.

⁶ <https://www.zenefits.com/workest/the-definitive-list-of-states-and-cities-with-paid-sick-leave-laws/>; see also <https://www.ncsl.org/research/labor-and-employment/paid-sick-leave.aspx>. Examples of coverage of paid sick leave requirements adopted prior to the pandemic can be found at <https://wbng.com/2021/01/01/new-state-law-allows-paid-sick-leave-for-workers/>; <https://www.wkbw.com/news/state-news/new-paid-sick-leave-benefits-for-new-yorkers>

⁷ See <https://www.zenefits.com/workest/the-definitive-list-of-states-and-cities-with-paid-sick-leave-laws/>

⁸ <https://www.dol.gov/agencies/whd/government-contracts/sick-leave>

⁹ <https://slate.com/business/2016/09/an-interview-with-president-barack-obama-about-extending-paid-sick-leave.html>

“Equal pay for equal work, paid leave and raising the minimum wage. All of these things still matter to working families, they are the right thing to do, and I won't stop until they get done.”¹⁰

President Obama also urged Congress to “pass a law guaranteeing most workers in America the chance to earn seven days of paid sick leave each year.”¹¹ The Healthy Families Act (“HFA”) was introduced by Rep. Rosa DeLauro and Sen. Patty Murray in 2017 and again in 2019.¹² The HFA would require employers with 15 or more employees to allow each employee to “permit each employee to earn at least 1 hour of paid sick time for every 30 hours worked.”¹³ The National Paid Sick Days Coalition formed to promote national legislation providing paid sick leave. That coalition is made up of hundreds of organizations, including women’s and children’s organizations, labor groups, religious organizations and think tanks. The HFA has been the coalition’s primary national focus.¹⁴

The FAMILY Act would establish an Office of Paid Family and Medical Leave within the Social Security Administration to administer a family and medical leave insurance benefit funded by a federal Family Leave and Medical Insurance Trust Fund. The benefit would be payable to workers who are dealing with their own medical needs or those of relatives. In the Senate, the FAMILY Act was introduced by Sen. Kirsten Gillibrand in 2017 and 2019 and co-sponsored by Sens. Elizabeth Warren, Bernie Sanders, Amy Klobuchar, Kamala Harris and Cory Booker.¹⁵ The House version of the bill was introduced by Rep. Rosa DeLauro in 2017 and 2019, and the 2019 bill had 219 co-sponsors.¹⁶

The pandemic threw into stark relief the relationship among paid sick leave, public health, and the precarity of many workers’ finances. As Americans negotiate safely shopping and taking public or for-hire transportation, and amid concerns over outbreaks at meat packing plants and nursing homes, attention has focused on whether workers at essential businesses have the protections they need to keep customers and communities safe. An article at the very beginning of the pandemic predicted that poor sick leave coverage in the U.S. “might prove to be among the biggest Achilles’ heels in efforts to stymie the spread of COVID-19.”¹⁷

¹⁰ <https://www.cnn.com/2016/01/13/how-important-is-paid-sick-leave-listen-to-obama.html>

¹¹ <https://www.cbsnews.com/news/obama-urges-congress-to-act-on-paid-sick-leave/>

¹² See <https://www.congress.gov/bill/115th-congress/senate-bill/636>; <https://www.congress.gov/bill/116th-congress/senate-bill/840>

¹³ <https://www.congress.gov/bill/116th-congress/senate-bill/840>

¹⁴ <http://www.paidicksdays.org/campaigns/>

¹⁵ <https://www.congress.gov/bill/116th-congress/senate-bill/463/text>

¹⁶ <https://www.congress.gov/bill/116th-congress/house-bill/1185>

¹⁷ <https://www.theatlantic.com/health/archive/2020/02/coronavirus-could-hit-american-workers-especially-hard/607213/>

The media has covered the issue intensively. Examples of coverage in national publications include numerous articles and opinion pieces in The New York Times,¹⁸ Washington Post,¹⁹ Atlantic Monthly,²⁰ and USA Today.²¹

The proliferation of public policy initiatives addressing paid sick and caregiving leave evidence the vigor of public debate on the issue:

¹⁸ E.g., <https://www.nytimes.com/2020/03/14/opinion/sunday/coronavirus-paid-sick-leave.html>;
<https://www.nytimes.com/2020/05/08/upshot/virus-paid-leave-pandemic.html>;
<https://www.nytimes.com/2020/03/19/upshot/coronavirus-paid-leave-guide.html>;
<https://www.nytimes.com/2020/05/18/parenting/coronavirus-family-leave.html>;
<https://www.nytimes.com/article/coronavirus-money-unemployment.html>;
<https://www.nytimes.com/2020/04/02/us/politics/coronavirus-paid-leave.html>;
<https://www.nytimes.com/2020/03/19/opinion/mcdonalds-paid-leave-coronavirus.html>;
<https://www.nytimes.com/2020/03/03/opinion/trump-coronavirus-sick-leave.html>;
<https://www.nytimes.com/2020/04/04/business/coronavirus-uber.html>;
<https://www.nytimes.com/2020/03/01/upshot/coronavirus-sick-days-service-workers.html>

¹⁹ E.g., <https://www.washingtonpost.com/business/2020/03/16/paid-sick-leave-coronavirus-house-bill/>;
<https://www.washingtonpost.com/business/2020/08/11/paid-sick-leave/>;
<https://www.washingtonpost.com/lifestyle/2020/10/23/paid-leave-covid/>;
<https://www.washingtonpost.com/business/2020/03/16/paid-sick-leave-coronavirus-house-bill/>;
<https://www.washingtonpost.com/business/2020/03/03/our-lack-paid-sick-leave-will-make-coronavirus-worse/>;
<https://www.washingtonpost.com/business/2020/03/09/sick-leave-coronavirus/>;
<https://www.washingtonpost.com/graphics/2020/national/sick-leave-workers-coronavirus/>;
https://www.washingtonpost.com/local/virginia-politics/virginia-sick-leave/2020/12/23/5d2191aa-4158-11eb-8bc0-ae155bee4aff_story.html; <https://www.washingtonpost.com/business/2020/03/10/walmart-apple-olive-garden-are-among-major-employers-updating-sick-leave-policies-coronavirus-cases-spread/>;
https://www.washingtonpost.com/national/as-coronavirus-spreads-the-people-who-prepare-your-food-probably-dont-have-paid-sick-leave/2020/03/04/7b35965a-5d51-11ea-9055-5fa12981bbbf_story.html;
<https://www.washingtonpost.com/business/2020/11/23/retail-workers-pandemic-pay/>

²⁰ E.g., <https://www.theatlantic.com/health/archive/2020/06/sick-leave-covid-time-off/612361/>;
<https://www.theatlantic.com/health/archive/2020/03/does-walmart-provide-paid-sick-leave/608779/>;
<https://www.theatlantic.com/ideas/archive/2020/11/the-economy-cant-recover-with-sick-workers/616947/>;
<https://www.theatlantic.com/politics/archive/2020/05/coronavirus-minimum-wage-paid-leave-biden/611281/>;
<https://www.theatlantic.com/health/archive/2020/12/pandemic-year-two/617528/>;
<https://www.theatlantic.com/health/archive/2020/09/pandemic-intuition-nightmare-spiral-winter/616204/>

²¹ E.g., <https://www.usatoday.com/story/money/2020/04/18/american-jobs-with-the-biggest-sick-leave-problems-right-now/111535588/>; <https://www.usatoday.com/story/opinion/voices/2020/12/17/fast-food-coronavirus-covid-19-north-carolina-report-for-america/3930065001/>;
<https://www.usatoday.com/story/opinion/todaysdebate/2020/03/17/coronavirus-fight-needs-paid-sick-leave-editorials-debates/5013280002/>; <https://www.usatoday.com/story/opinion/voices/2020/12/17/fast-food-coronavirus-covid-19-north-carolina-report-for-america/3930065001/>; <https://www.usatoday.com/picture-gallery/money/2020/04/18/american-jobs-with-the-biggest-sick-leave-problems-right-now/111535684/>;
<https://www.usatoday.com/story/money/2020/11/23/covid-19-grocery-workers-demand-masks-hazard-pay-amid-virus-surge/6396541002/>; <https://www.usatoday.com/story/money/2020/03/20/target-adds-coronavirus-paid-leave-program-seniors-pregnant-bonuses/2884869001/>

- The Families First Coronavirus Response Act, which required employers with fewer than 500 employees to provide paid sick and caregiving leave, was introduced and became law in March.²²
- In May, the House passed the HEROES Act, which would have broadened the workers covered by the FFCRA’s paid leave provisions and extended them through 2021.²³
- New York state passed the Quarantine Leave Law in March, which required that employers with more than 10 employees provide paid sick leave to an employee unable to work due to “a mandatory or precautionary order of quarantine or isolation due to COVID-19.”²⁴
- New York state enacted a paid sick leave law in April which took effect on September 30th.²⁵
- The California Governor signed an executive order in April requiring that workers in the food sector, including independent contractors and gig workers, receive two weeks of paid sick leave.²⁶
- Pursuant to the Colorado Governor’s March 10th State of Disaster Emergency declaration, the state’s Department of Labor and Employment issued emergency regulations requiring paid sick leave for some workers.²⁷
- Six California cities, including Long Beach, Los Angeles, San Francisco, and Oakland, passed emergency paid sick leave ordinances in the spring.²⁸
- Pittsburgh enacted an emergency paid sick leave law to supplement existing protections for the duration of the city’s emergency declaration.²⁹
- Philadelphia expanded existing sick leave protections to cover gig workers in September.³⁰

The paid sick leave provisions of the FFCRA were not part of the recently-passed COVID relief package, so they expired at the end of 2020, igniting additional coverage of the issue and further elevating the importance of company-provided protections:³¹

²² <https://www.congress.gov/bill/116th-congress/house-bill/6201>

²³ <https://www.congress.gov/bill/116th-congress/house-bill/6800>

²⁴ <https://www.jacksonlewis.com/publication/new-york-s-new-quarantine-leave-law-0>

²⁵ <https://www.debevoise.com/insights/publications/2020/04/new-york-state-enacts-permanent-paid-sick-leave>

²⁶ <https://www.fisherphillips.com/resources-alerts-california-provides-paid-sick-leave-for-food>

²⁷ <https://www.fisherphillips.com/resources-alerts-colorado-issues-temporary-emergency-rule-requiring-paid>

²⁸ <https://www.littler.com/publication-press/publication/covid-19-supplemental-paid-sick-leave-docks-long-beach-california>

²⁹ <https://pittsburgh.cbslocal.com/2020/12/08/pittsburgh-city-council-passes-coronavirus-sick-leave-proposal/>

³⁰ <https://www.inquirer.com/news/coronavirus-paid-sick-leave-philadelphia-gig-workers-20200910.html>

(“[T]he pandemic shined a light on how many workers were lacking such safeguards as paid sick leave or whistleblower protection.”).

³¹ <https://www.buzzfeednews.com/article/paulmcleod/paid-sick-leave-ends-coronavirus-mcconnell>; <https://www.abc10.com/article/news/health/coronavirus/families-first-coronavirus-paid-leave/103-e34dbd1e-8b94-43db-a52e-c9397671272e>; <https://www.newsweek.com/fact-check-did-mitch-mcconnell-block-paid-sick-leave-second-covid-19-relief-bill-1558296>; <https://www.marketplace.org/2021/01/01/congress-lets-paid-sick-family-and-medical-leave-mandate-expire/>; <https://www.ketv.com/article/paid-sick-time-mandate-ends-for-americans-in-new-year-as-pandemic-rages-on/35109428#>; <https://www.marketplace.org/2021/01/01/congress->

- <https://www.buzzfeednews.com/article/paulmcleod/paid-sick-leave-ends-coronavirus-mcconnell>
- <https://www.abc10.com/article/news/health/coronavirus/families-first-coronavirus-paid-leave/103-e34dbd1e-8b94-43db-a52e-c9397671272e>
- <https://www.newsweek.com/fact-check-did-mitch-mcconnell-block-paid-sick-leave-second-covid-19-relief-bill-1558296>
- <https://www.marketplace.org/2021/01/01/congress-lets-paid-sick-family-and-medical-leave-mandate-expire/>
- <https://www.ketv.com/article/paid-sick-time-mandate-ends-for-americans-in-new-year-as-pandemic-rages-on/35109428#>
- <https://www.marketplace.org/2021/01/01/congress-lets-paid-sick-family-and-medical-leave-mandate-expire/>
- <https://www.cnbc.com/2020/12/23/new-relief-deal-doesnt-mandate-paid-sick-or-family-leave-for-covid-19.html>
- <https://www.cbs8.com/article/news/health/coronavirus/families-first-coronavirus-paid-leave/103-e34dbd1e-8b94-43db-a52e-c9397671272e>

Most recently, reviving paid sick leave “to limit the spread of COVID-19 and provide economic security to millions of working families” is a key part of President Biden’s COVID-19 relief plan, the “American Rescue Plan,” announced on January 14th.³² President Biden’s proposal would restore the FFCRA’s requirement that employers with 500 or fewer employees provide paid leave (and reimburse them for the expense using a refundable tax credit); extend the requirement to cover employees of larger employers as well as healthcare workers and first responders, who were not covered by the FFCRA; expand caregiving leave; and provide federal workers with emergency paid leave.³³

Academic researchers have concluded that paid sick leave curbs transmission of COVID-19. An October 2020 study, which was cited in the American Rescue Plan, compared the number of COVID-19 cases in states where workers gained paid sick leave as a result of the FFCRA with the number in states where workers already had such leave and estimated that the FFCRA’s paid sick leave provision resulted

[lets-paid-sick-family-and-medical-leave-mandate-expire/](https://www.cnbc.com/2020/12/23/new-relief-deal-doesnt-mandate-paid-sick-or-family-leave-for-covid-19.html); <https://www.cnbc.com/2020/12/23/new-relief-deal-doesnt-mandate-paid-sick-or-family-leave-for-covid-19.html>

³² See, e.g., <https://www.nytimes.com/2021/01/17/upshot/paid-leave-biden-plan.html>; <https://www.washingtonpost.com/business/2021/01/15/biden-economy-stimulus-sick-pay/>; <https://www.shrm.org/resourcesandtools/legal-and-compliance/employment-law/pages/american-rescue-plan.aspx>; <https://www.fmlainsights.com/joe-biden-unveils-his-plan-for-paid-leave/>;

³³ <https://beta.documentcloud.org/documents/20454630-biden-transition-covid-relief-package-fact-sheet?sidebar=0>, at 7-8.

in 400 fewer cases per day.³⁴ That study was consistent with pre-pandemic research finding that state paid sick leave mandates reduced rates of influenza-like illness by 11% per week in the first year.³⁵

Paid sick leave's importance is unlikely to diminish going forward. Experts have made clear that COVID-19 is likely a sign of things to come rather than a rare event. Writing in August 2020, Dr. Anthony Fauci and Dr. David Morens described the "pandemic era" which includes "the threat of ever more frequent and deadly emergences of infectious diseases." As they explained, "[e]vidence suggests that SARS, MERS, and COVID-19 are only the latest examples of a deadly barrage of coming coronavirus and other emergencies."³⁶ Professor Eric Fevre of the University of Liverpool and the International Livestock Research Institute predicted that pandemics are "likely to happen again and again," given human encroachment on animal habitats.³⁷

The World Health Organization (WHO) warned that "despite the severity, the COVID-19 pandemic is not 'necessarily the big one.'"³⁸ Dr. Mark Ryan, head of the WHO emergencies program, said that the primary takeaway from COVID-19 should be that "we need to get ready for something which may be more severe in the future."³⁹

The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services issued a study in October 2020 which said that "[w]ithout preventative strategies, pandemics will emerge more often, spread more rapidly, kill more people, and affect the global economy with more devastating impact than ever before."⁴⁰ Gavi, the Vaccine Alliance, has drawn similar conclusions, explaining that pandemic risks are increasing due to greater interconnectedness, urbanization, climate change, increased animal-human contact, and shortages of health workers in places where pandemics tend to start.⁴¹

In sum, paid sick leave clearly qualifies as a consistent subject of widespread public debate, as shown by the abundant media attention and public policy initiatives dedicated to the issue, especially in 2020 and so far in 2021. CVS should therefore not be permitted to exclude the Proposal on ordinary business grounds.

³⁴ <https://www.healthaffairs.org/doi/pdf/10.1377/hlthaff.2020.00863>

³⁵ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3660277

³⁶ [https://www.cell.com/cell/fulltext/S0092-8674\(20\)31012-6#bib58](https://www.cell.com/cell/fulltext/S0092-8674(20)31012-6#bib58)

³⁷ <https://www.bbc.com/news/science-environment-52775386>

³⁸ <https://globalnews.ca/news/7545830/coronavirus-pandemic-big-one-who/>

³⁹ <https://globalnews.ca/news/7545830/coronavirus-pandemic-big-one-who/>

⁴⁰ https://ipbes.net/sites/default/files/2020-10/20201028%20IPBES%20Pandemics%20Workshop%20Report%20Plain%20Text%20Final_0.pdf

⁴¹ <https://www.gavi.org/vaccineswork/5-reasons-why-pandemics-like-covid-19-are-becoming-more-likely>

The Proposal Would Not Micromanage CVS Because It Requests a Feasibility Report and Would Not Seek to Control Day-to-Day Management

CVS urges that the Proposal would micromanage it because “decisions involving employment policies implicate a wide variety of different types of considerations and involve ‘matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.’”⁴² CVS also argues that the Proposal “could be viewed as a request of the Board to adopt the Company’s previously announced paid sick policy for part-time workers.”⁴³ That claim is at odds with the language of the Proposal, which unambiguously requests a report.

A 2019 Staff Legal Bulletin undermines CVS’s argument for exclusion on micromanagement grounds. Staff Legal Bulletin 14K (“SLB 14K”)⁴⁴ reiterated the standard set forth in the 1998 Release in which the Commission stated that micromanagement “may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.”⁴⁵ SLB 14K then explained that a proposal, like the Proposal, “framed as a request that the company consider, discuss the feasibility of, or evaluate the potential for a particular issue generally would not be viewed as micromanaging,” even when the issue involves “matters of a complex nature.”⁴⁶ The Division contrasted such a proposal with one that “prescribes specific timeframes or methods for implementing complex policies,” which “may run afoul of micromanagement.”⁴⁷ Because the Proposal asks for a feasibility report, CVS’s assertions regarding the “different types of considerations” involved in a paid sick leave analysis are irrelevant to whether the Proposal is excludable on ordinary business grounds.

More fundamentally, the Proposal does not “prob[e] too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment,” as the 1998 Release put it. Senior executive compensation policies and practices are at least as complex as paid sick leave and involve numerous factors such as legal requirements, tax considerations, market practices, and performance metrics. Indeed, the section of CVS’s most recent proxy statement dealing with executive compensation runs for 38 pages. CVS’s shareholders analyzed that detailed and complicated disclosure when voting on management’s “say on pay” proposal at the 2020 annual meeting. They would be more than capable of understanding the feasibility analysis sought by the Proposal.

* * *

⁴² No-Action Request, at 8.

⁴³ No-Action Request, at 8.

⁴⁴ Staff Legal Bulletin 14K (Oct. 16, 2019).

⁴⁵ Exchange Act Release No. 40018 (May 21, 1998).

⁴⁶ SLB 14K, section 4.

⁴⁷ SLB 14K, section 4.

For the reasons set forth above, CVS has not satisfied its burden of showing that it is entitled to omit the Proposal in reliance on Rule 14a-8(i)(7). The Proponents thus respectfully request that CVS's request for relief be denied.

The Proponents appreciate the opportunity to be of assistance in this matter. If you have any questions or need additional information, please contact me at 413-522-2899.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jonas Kron', with a stylized flourish at the end.

Jonas Kron

cc: Thomas S. Moffatt
Vice President, Assistant Secretary and Assistant General Counsel
CVS Health Corporation
Thomas.Moffatt@CVSHealth.com

January 11, 2021

VIA E-MAIL (shareholderproposals@sec.gov)

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

**Re: CVS Health Corporation
Stockholder Proposal from Trillium Asset Management, LLC
Securities Exchange Act of 1934 – Rule 14a-8**

Ladies and Gentlemen:

CVS Health Corporation, a Delaware corporation (the “**Company**”), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), submits this letter to inform the Staff of the Division of Corporation Finance (the “**Staff**”) of the U.S. Securities and Exchange Commission (the “**Commission**”) of the Company’s intention to omit from its proxy statement and form of proxy (collectively, the “**2021 Proxy Materials**”) the stockholder proposal (the “**Proposal**”) and the statement in support thereof submitted by Trillium Asset Management, LLC on behalf of Persephone LLC and Trillium ESG Global Equity Fund (collectively, the “**Proponent**”) in a letter dated November 23, 2020¹. Copies of the Proposal and related correspondence from the Proponent are attached to this letter as Exhibit A. The Company respectfully requests that the Staff concur with the Company’s view that the Proposal may properly be excluded from the Company’s 2021 Proxy Materials pursuant to Rule 14a-8.

¹ The Company subsequently received the same proposal from a number of additional stockholders, each of whom indicated that they were filing the proposal in conjunction with Trillium, the “lead filer” of the proposal. The additional filers include: Portico Benefit Services; Sisters of St. Francis of Philadelphia; Benedictine Sisters, Boerne, Texas; Benedictine Sisters of Mount St. Scholastica; Missionary Oblates of Mary Immaculate; and Vancity Investment Management, on behalf of IA Clarity Clarington Inhance Canadian Equity SRI Class Fund.

Pursuant to Rule 14a-8(j) under the Exchange Act, we have:

- filed this letter with the Commission no later than eighty (80) calendar days before the Company intends to file its definitive 2021 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the representative on behalf of the Proponent.

Pursuant to Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("**SLB 14D**"), we are submitting this request for no-action relief under Rule 14a-8 through the Commission's email address, shareholderproposals@sec.gov (in lieu of providing six additional copies of this letter pursuant to Rule 14a-8(j)), and the undersigned has included his name, telephone number and e-mail address both in this letter and the cover email accompanying this letter.

Rule 14a-8(k) under the Exchange Act and SLB 14D provide that shareholder proponents are required to send the company a copy of any correspondence that the proponents elect to submit to the Commission or Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent or the representative on the Proponent's behalf elect to submit additional correspondence to the Commission or Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal requests that the Company's stockholders approve the following resolution, and includes the following statement in support thereof:

RESOLVED, that shareholders of CVS Health ask the board to analyze and report on the feasibility of including the paid sick leave policy¹ adopted in response to COVID-19 and made effective on March 22, 2020 as a standard employee benefit not limited to the duration of the pandemic.

SUPPORTING STATEMENT

The COVID-19 pandemic and the economic crisis it precipitated have drawn the attention of the public and policy makers to the importance of paid sick leave (PSL) for workers and public health. Substantial media attention has focused on U.S. workers' lack of access to PSL, especially in sectors with significant public contact such as retail.² Workers without PSL risk being fired if they do not come into work despite illness, and some workers cannot afford to miss work and forego wages. PSL allows sick workers to stay home, preventing them from infecting co-workers and those with whom they would come into contact on the job. Studies show that PSL mandates adopted in the U.S. since 2007 have reduced the rate at which

employees report to work ill in low-wage industries where employers don't tend to provide PSL and have lowered disease and overall absence rates.

PSL also contributes to public health by allowing workers who have been exposed to the virus that causes COVID-19 to quarantine, preventing further exposure. According to public health experts, PSL is cost-effective compared to the costs associated with disease spread. Some policy makers argue that PSL helps to counter the negative economic impact of the pandemic, especially for women and non-white workers, who are bearing the brunt of job loss, and that a sustainable economy depends on prioritizing safety. Finally, PSL benefits companies as well as workers, the public and the economy. Companies report that bolstering PSL improves morale and boosts productivity.

Policy makers are debating PSL at the federal, state and local levels. In response to the pandemic, the Families First Coronavirus Response Act (FFCRA) required that certain employers provide paid time off for workers ill with COVID-19 or quarantined due to exposure to the virus. That law was set to expire at the end of 2020, and the House-passed HEROES Act would fill some of the FFCRA's significant gaps and extend its PSL requirement through 2021. State and local governments, including California, San Francisco, and Philadelphia have also acted to mandate PSL for workers not covered by the FFCRA. Even before the pandemic, bills had been introduced in Congress to require employers to provide PSL, and eight states plus the District of Columbia had established PSL social insurance systems.

In March more than 1,700 CVS employees signed a petition demanding paid sick leave, masks and basic protective equipment.³ CVS has adopted a temporary benefit that provides employees with a meager 24 hours of paid sick leave during the COVID-19 pandemic.

¹ <https://cvshhealth.com/covid-19/cvs-health-actions>

² See, e.g., <https://www.businessinsider.com/coronavirus-changes-walmart-starbucks-employee-benefits-2020-3>; <https://www.cnn.com/2020/04/16/business/grocery-store-workers-retail-paid-sick-leave/index.html>; <https://www.theatlantic.com/health/archive/2020/03/does-walmart-provide-paid-sick-leave/608779/>; <https://www.washingtonpost.com/business/2020/03/10/walmart-apple-olive-garden-are-among-major-employers-updating-sick-leave-policies-coronavirus-cases-spread/>; <https://gz.com/1841763/us-grocery-workers-risk-coronavirus-but-most-lack-paid-sick-leave/>; <https://www.nytimes.com/2020/03/14/opinion/sunday/coronavirus-paid-sick-leave.html>

³ <https://www.change.org/p/larry-j-merlo-cvs-update-employees-paid-sick-leave-for-illness-and-or-to-care-for-sickfamily-members>

BASIS FOR EXCLUSION

The Company believes that the Proposal may be properly excluded from the 2021 Proxy Materials under Rule 14a-8(i)(7) because it deals with a matter relating to the Company's ordinary business operations.

ANALYSIS

I. The Proposal May be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to the Company's Ordinary Business Operations.

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's "ordinary business operations." The Commission stated that the underlying policy rationale for the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." See Exchange Act Release No. 34-40018 (May 21, 1998) (the "**1998 Release**"). In the 1998 Release, the Commission further stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first consideration recognizes that certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct stockholder oversight. The second consideration relates to the degree to which the proposal seeks to "micro-manage" the company by probing too deeply into matters of a complex nature upon which stockholders, as a group, would not be in a position to make an informed judgment. Examples of the tasks cited by the Commission include "management of the workforce." *Id.*

The Commission has stated that a proposal requesting the dissemination of a report is excludable under Rule 14a-8(i)(7) if the substance of the proposal involves a matter of ordinary business of the company. See Exchange Act Release No. 34-20091 (Aug. 16, 1983) (the "**1983 Release**") ("[T]he staff will consider whether the subject matter of the special report or the committee involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)."). See also, e.g., *Walmart Inc.* (Apr. 4, 2019) (concurring in the exclusion of a proposal requesting a report evaluating the risk of discrimination that may result from the company's employee leaves of absence policies under Rule 14a-8(i)(7) for relating generally to the company's management of its workforce, an ordinary business matter); *Merck & Co., Inc.* (Feb. 16, 2016) (concurring in the exclusion of a proposal requesting that the company adopt certain procedures for hiring and promoting employees and stating that "proposals concerning a company's management of its workforce are generally excludable under Rule 14a-8(i)(7)"); and *Pilgrim's Pride Corp.* (Feb. 25, 2016) (concurring in the exclusion of a proposal requesting a report describing the company's policies, practices, performance and improvement targets related to occupational health and safety under Rule 14a-8(i)(7) for relating to workplace safety, an ordinary business matter).

A. The Proposal Is Excludable Because It Relates to the Management of the Company's Workforce.

The Proposal is excludable as relating to the Company's ordinary business operations because it relates to the Company's management of its workplace practices, including general employee compensation and benefit matters, which is fundamental to management's ability to run the Company on a day-to-day basis. The Staff has long recognized that proposals that attempt to govern business conduct involving internal and employment-related policies and practices and the terms thereof (ranging from benefit plans to ethics, conflict of interest and other policies concerning employees) may be excluded pursuant to Rule 14a-8(i)(7) because they infringe on management's core functions. For example, a proposal to *Walmart, Inc.* (Apr. 4, 2019) requested that the board evaluate the risk of discrimination that may result from the company's policies and practices of hourly workers taking absences from work for personal or family illness. The Staff concurred that the proposal could be excluded under Rule 14a-8(i)(7) because it dealt with "management of [the company's workforce]." See also *FedEx Corp.* (Jul. 7, 2016) (concurring in the exclusion of a proposal relating to the terms of the company's employee retirement plans); *Costco Wholesale Corp.* (Sept. 26, 2014) (concurring in the exclusion of a proposal relating to the company's policies concerning its employees, specifically, a revised Code of Conduct that includes an anti-discrimination policy); and *Willis Group Holdings Public Limited Co.* (Jan. 18, 2011) (concurring in the exclusion of a proposal relating to the terms of the company's ethics policy under Rule 14a-8(i)(7)).

In addition, as noted in the 1998 Release, "the management of the workforce, such as the hiring, promotion, and termination of employees" is a matter that is "so fundamental to management's ability to run a company on a day-to-day basis that [it] could not, as a practical matter, be subject to direct shareholder oversight." The Staff has consistently concurred with the exclusion of proposals relating to workforce management, including those related to employee welfare, compensation and benefits and conditions and terms of employment. See, e.g., *Apple, Inc.* (Nov. 16, 2015) (allowing the exclusion of a proposal asking Apple's compensation committee to adopt new compensation principles responsive to the U.S.'s "general economy, such as unemployment, working hour[s] and wage inequality"); *Merck & Co. Inc.* (Mar. 6, 2015) (proposal to fill entry level positions only with outside candidates excludable under Rule 14a-8(i)(7) where the Staff noted that "the proposal relates to procedures for hiring and promoting employees. Proposals concerning a company's management of its workforce are generally excludable under rule 14a-8(i)(7)"); *Starwood Hotels & Resorts Worldwide, Inc.* (Feb. 14, 2012) (proposal that, by a certain date, management verify United States citizenship for certain workers excludable under Rule 14a-8(i)(7), noting that "[p]roposals concerning a company's management of its workforce are generally excludable under rule 14a-8(i)(7)"); *National Instruments Corp.* (Mar. 5, 2009) (proposal to adopt detailed succession planning policy is excludable); *Consolidated Edison,*

Inc. (Feb. 24, 2005) (concurring that a proposal requesting the termination of certain supervisors could be excluded as it related to “the termination, hiring, or promotion of employees”); *ConocoPhillips* (Feb. 2, 2005) (concurring with the exclusion of a proposal to eliminate pension plan offsets as ordinary business operations relating to employee benefits); and *International Business Machines Corp.* (Jan. 2, 2001) (concurring with the exclusion of a proposal requesting cost of living allowances to the company's retiree pensions as ordinary business operations relating to employee benefits).

In *United Technologies* (Feb. 19, 1993), the Staff stated the following:

As a general rule the staff views proposals directed at a company's employment policies and practices with respect to its non-executive workforce to be uniquely matters relating to the conduct of the company's ordinary business operations. Examples of the categories of proposals that have been deemed to be excludable on this basis are: employee health benefits, general compensation issues not focused on senior executives, management of the workplace, employee supervision, labor-management relations, employee hiring and firing, conditions of the employment and employee training and motivation.

Similar to the proposals described above in which the Staff concurred that the proposals could be excluded from proxy materials, the Proposal, which requests the board of directors (the “**Board**”) of the Company to analyze and produce a report on the feasibility of adopting, as a standard policy, the paid sick leave policy adopted by the Company for part-time workers as a result of the COVID-19 pandemic, unequivocally focuses on the Company's policies relating to employee benefits and, more generally, the way the Company manages its workforce. Accordingly, the Proposal asks stockholders to vote on a matter relating to ordinary business matters—an outcome that the Staff has consistently not supported as within the scope of a matter proper for stockholder consideration. In accordance with the 1983 Release, because the Proposal requests a report, the relevant inquiry is whether the subject matter of the report involves a matter of the Company's ordinary business. See 1983 Release. As discussed above, employee compensation and benefit matters, including paid sick leave policies, are inextricably linked and fundamental to the way the Company manages its workforce and therefore involve a matter of the Company's ordinary business.

For the reasons set forth above, we respectfully request that the Staff concur in our view that the Proposal may be excluded under Rule 14a-8(i)(7) as it implicates the Company's ordinary business operations.

B. The Proposal Does Not Transcend the Company's Ordinary Business Operations.

The Commission indicated in the 1998 Release that proposals that relate to ordinary business matters, but that focus on “sufficiently significant social policy issues . . . generally would not be considered to be excludable [under Rule 14a-8(i)(7)] because the proposals would transcend the day-to-day business matters.” In the supporting statement to the Proposal, the Proponent seems to suggest that the Proposal relates to a “significant social policy issue”—it states that “[s]ubstantial media attention has focused on U.S. workers’ lack of access to [paid sick leave], especially in sectors with significant public contact such as retail.” However, the Staff has not previously recognized paid sick leave as a significant policy issue and in a number of employment-related proposals, which are substantially similar to this Proposal, the Staff has consistently found that such proposals are excludable as relating to ordinary business matters, and therefore not “transcend[ing] the day-to-day business matters” of the company. See *CVS Health Corp.* (Mar. 1, 2017) (concurring in the exclusion of a proposal to adopt and publish principles for minimum wage reform, “noting that the proposal relates to general compensation matters, and does not otherwise transcend day-to-day business matters); *ConocoPhillips, supra* (concurring with the exclusion of a proposal to eliminate pension plan offsets as ordinary business operations relating to employee benefits); and *International Business Machines Corp., supra* (concurring with the exclusion of a proposal requesting cost of living allowances to the company's retiree pensions as ordinary business operations relating to employee benefits). In each of these proposals, the Staff determined that a proposal seeking a change in the companies’ employee compensation and benefit practices that did not transcend the company’s ordinary business operations was excludable under Rule 14a-8(i)(7) because the relationship between the employee and the company was part of the day-to-day operations of the company.

The Company considers the training, development, compensation and overall treatment of all of its employees, who the Company refers to as colleagues, as key obligations of management and focuses of Board oversight. More specifically, the Company believes that supporting its colleagues during times of illness or medical uncertainty is an important part of management’s obligation. The Company believes that management has considered the needs of colleagues and best practices in determining its paid sick leave policy. The extension of the paid sick leave policy in March 2020 to part-time colleagues was an important response to the COVID-19 pandemic crisis that management announced as part of a number of new and expanded benefits implemented to support its colleagues as served the Company’s customers. The Company believes the decisions related to benefit programs and the modifications to those programs fall squarely within the responsibility of management, led by its Chief Human Resources Officer and her team. These are considerations that are wholly within that scope of the day-to-day business of the Company. The past year, with the intensifying impact of the COVID-19 pandemic, reinforced for the Company how decisions related to health, safety and benefits provided to employees are part of the day-to-day, if not

minute-to-minute, managing of an organization. This Proposal clearly relates to the Company's ordinary business operations and covers matters that are within the scope of management responsibility, specifically the Company's management of its workforce, and does not "transcend the day-to-day business matters" of the Company. Therefore, we respectfully request that the Staff concur in our view that the Proposal is excludable under Rule 14a-8(i)(7).

C. The Proposal Is Excludable Because It Attempts to Micromanage the Company's Business.

The Proposal is excludable as relating to the Company's ordinary business operations because it attempts to micromanage the Company's business. The Proposal's intrusion into the Company's employment compensation and benefits policies is an inappropriate attempt to micro-manage the Company because decisions involving employment policies implicate a wide variety of different types of considerations and involve "matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." See 1998 Release. The Company is the nation's premier health innovation company, employing approximately 300,000 individuals (including approximately 87,000 part-time workers) and operating in all 50 states. The relationship between the Company and its employees in multiple and varied jurisdictions constitutes a critical component of its day-to-day management. Decisions concerning employee relations and compensation and benefits matters are multi-faceted, complex and based on a range of factors, and all the subject of different state laws. These are fundamental business matters for the Company's management and require an understanding of the business implications that could result from changes made to workforce policies, specifically as relevant here compensation and benefit policies. The Commission identified that a proposal could "probe too deeply" where "the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies." See 1998 Release. The Staff recently reiterated its view and application of this standard of assessing whether a proposal micro-manages in Staff Legal Bulletin No. 14J (Oct. 23, 2018) ("**SLB No. 14J**"). The complexity of the type of assessment the Proposal request is simply beyond the knowledge and expertise of the stockholders of the Company and therefore seeks to micro-manage the Company. Moreover, although the Proposal is framed as a request for a report, the Proposal could be viewed as a request of the Board to adopt the Company's previously announced paid sick policy for part-time workers, which determination clearly involves "matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment."

Accordingly, it is clear that the Proposal involves the Company's day-to-day business operations and we respectfully request that the Staff concur in our view that it is therefore excludable under Rule 14a-8(i)(7).

CONCLUSION

For the reasons discussed above, the Company respectfully requests the Staff's concurrence with its decision to omit the Proposal from the 2021 Proxy Materials and further requests the confirmation that the Staff will not recommend any enforcement action in connection with such omission.

In the event the Staff disagrees with any conclusion expressed herein, or should any information in support or explanation of the Company's position be required, we would appreciate an opportunity to confer with the Staff before issuance of its response. If the Staff has any questions regarding this request or requires additional information, please contact the undersigned at (401) 770-5409 or Thomas.Moffatt@CVSHealth.com.

We appreciate your attention to this request.

Respectfully yours,



Thomas S. Moffatt
Vice President, Assistant Secretary and Assistant General Counsel

cc: Jonas Kron, Chief Advocacy Officer, Trillium Asset Management, LLC
Colleen M. McIntosh, Senior Vice President, Chief Governance Officer, Corporate Secretary and Assistant General Counsel, CVS Health Corporation
Doreen E. Lilienfeld, Shearman & Sterling LLP
Lona Nallengara, Shearman & Sterling LLP

EXHIBIT A



November 23, 2020

CVS Health Corporation
Attention: Secretary
One CVS Drive
Woonsocket, RI
02895

Dear Corporate Secretary:

Trillium Asset Management LLC ("Trillium") is an investment firm based in Boston specializing in socially responsible asset management. We currently manage approximately \$3.5 billion for institutional and individual clients.

As requested and authorized by Persephone LLC and the Trillium ESG Global Equity Fund, Trillium Asset Management, as our clients' investment advisor, hereby submits the enclosed shareholder proposal with CVS Health Corporation, for inclusion in the 2021 proxy statement and in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8). Per Rule 14a-8, Persephone LLC and the Trillium ESG Global Equity Fund each hold more than \$2,000 of the company's common stock, acquired more than one year prior to today's date and held continuously for that time. As evidenced in the attached letters, Persephone LLC and the Trillium ESG Global Equity Fund will remain invested in this position continuously through the date of the 2021 annual meeting. We will forward verification on Persephone LLC's and the Trillium ESG Global Equity Fund's behalf of the positions separately. Persephone LLC and the Trillium ESG Global Equity Fund will send a representative to the stockholders' meeting to move the shareholder proposal as required by the SEC rules.

Please direct any communications to me at (503) 894-7551, or via email at jkron@trilliuminvest.com.

We would appreciate receiving a confirmation of receipt of this letter via email.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonas Kron", written over a horizontal line.

Jonas Kron
Chief Advocacy Officer
Trillium Asset Management, LLC

Enclosures

Active Portfolios, Global Impact: Putting Assets into Action since 1982

Jonas Kron
Chief Advocacy Officer
Trillium Asset Management LLC
721 NW Ninth Ave, Suite 250
Portland, OR 97209

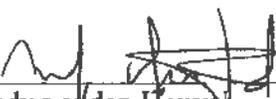
Dear Mr. Kron:

I hereby request Trillium Asset Management, LLC to file a shareholder proposal on behalf Persephone LLC at CVS Health Corporation on the subject of paid sick leave.

Persephone LLC is the beneficial owner of more than \$2,000 of Company common stock that Persephone LLC has continuously held for more than one year. Persephone LLC intends to hold the aforementioned shares of stock continuously through the date of the Company's annual meeting in 2021.

Persephone LLC specifically gives Trillium Asset Management, LLC authority to deal, on our behalf, with any and all aspects of this specific shareholder proposal. This authorization will terminate upon the conclusion of the Company's 2021 annual meeting. Persephone LLC intends for all communications from the company and its representatives to be directed to Trillium Asset Management, LLC. Persephone LLC understands that its name may appear on the Company's proxy statement as the filer of the aforementioned shareholder proposal.

Sincerely,



Wendy vanden Heuvel
Manager, Persephone LLC

11/11/2020

Date

Jonas Kron
Chief Advocacy Officer
Trillium Asset Management, LLC
721 NW Ninth Ave, Suite 250
Portland, OR 97209

Dear Mr. Kron:

I hereby request Trillium Asset Management, LLC file a shareholder proposal on behalf of the Trillium ESG Global Equity Fund at CVS Health Corporation on the subject of paid sick leave.

The Trillium ESG Global Equity Fund is the beneficial owner of more than \$2,000 of CVS Health Corporation common stock that it has held continuously for more than one year. The Trillium ESG Global Equity Fund intends to hold the aforementioned shares of stock continuously through the date of the company's 2021 Annual Meeting.

The Trillium ESG Global Equity Fund specifically gives Trillium Asset Management, LLC full authority to deal on its behalf, with any and all aspects of the aforementioned shareholder proposal. This authorization will terminate upon the conclusion of the company's 2021 Annual Meeting. The Trillium ESG Global Equity Fund intends for all communications from the company and its representatives to be directed to Trillium Asset Management, LCC. The Trillium ESG Global Equity Fund understands that its name may appear on the corporation's proxy statement as the filer of the aforementioned proposal.

Sincerely,



Michelle McDonough
Chief Operating Officer
Trillium Asset Management, LLC, Investment Advisor to the Trillium ESG Global Equity Fund

November 20, 2020 _____
Date

RESOLVED, that shareholders of CVS Health ask the board to analyze and report on the feasibility of including the paid sick leave policy¹ adopted in response to COVID-19 and made effective on March 22, 2020 as a standard employee benefit not limited to the duration of the pandemic.

SUPPORTING STATEMENT

The COVID-19 pandemic and the economic crisis it precipitated have drawn the attention of the public and policy makers to the importance of paid sick leave (PSL) for workers and public health. Substantial media attention has focused on U.S. workers' lack of access to PSL, especially in sectors with significant public contact such as retail.² Workers without PSL risk being fired if they do not come into work despite illness, and some workers cannot afford to miss work and forego wages. PSL allows sick workers to stay home, preventing them from infecting co-workers and those with whom they would come into contact on the job. Studies show that PSL mandates adopted in the U.S. since 2007 have reduced the rate at which employees report to work ill in low-wage industries where employers don't tend to provide PSL and have lowered disease and overall absence rates.

PSL also contributes to public health by allowing workers who have been exposed to the virus that causes COVID-19 to quarantine, preventing further exposure. According to public health experts, PSL is cost-effective compared to the costs associated with disease spread. Some policy makers argue that PSL helps to counter the negative economic impact of the pandemic, especially for women and non-white workers, who are bearing the brunt of job loss, and that a sustainable economy depends on prioritizing safety. Finally, PSL benefits companies as well as workers, the public and the economy. Companies report that bolstering PSL improves morale and boosts productivity.

Policy makers are debating PSL at the federal, state and local levels. In response to the pandemic, the Families First Coronavirus Response Act (FFCRA) required that certain employers provide paid time off for workers ill with COVID-19 or quarantined due to exposure to the virus. That law was set to expire at the end of 2020, and the House-passed HEROES Act would fill some of the FFCRA's significant gaps and extend its PSL requirement through 2021. State and local governments, including California, San Francisco, and Philadelphia have also acted to mandate PSL for workers not covered by the FFCRA. Even before the pandemic, bills had been introduced in Congress to require employers to provide PSL, and eight states plus the District of Columbia had established PSL social insurance systems.

In March more than 1,700 CVS employees signed a petition demanding paid sick leave, masks and basic protective equipment.³ CVS has adopted a temporary benefit that provides employees with a meager 24 hours of paid sick leave during the COVID-19 pandemic.

¹ <https://cvshealth.com/covid-19/cvs-health-actions> -

² See, e.g., <https://www.businessinsider.com/coronavirus-changes-walmart-starbucks-employee-benefits-2020-3>; <https://www.cnn.com/2020/04/16/business/grocery-store-workers-retail-paid-sick-leave/index.html>; <https://www.theatlantic.com/health/archive/2020/03/does-walmart-provide-paid-sick-leave/608779/>; <https://www.washingtonpost.com/business/2020/03/10/walmart-apple-olive-garden-are-among-major-employers-updating-sick-leave-policies-coronavirus-cases-spread/>; <https://qz.com/1841763/us-grocery-workers-risk-coronavirus-but-most-lack-paid-sick-leave/>; <https://www.nytimes.com/2020/03/14/opinion/sunday/coronavirus-paid-sick-leave.html>

³ <https://www.change.org/p/larry-i-merlo-cvs-update-employees-paid-sick-leave-for-illness-and-or-to-care-for-sick-family-members>