


MEETING DATE	Tue, 13 Mar 2018 11:00 am	TYPE	EGM	ISSUE DATE	Wed, 21 Feb 2018
MEETING LOCATION	Davis Polk & Wardwell LLP, located at 450 Lexington Avenue, New York, NY 10017				
CURRENT INDICES	S&P500				
SECTOR	Hospital and medical service plans				

COMPANY OVERVIEW

Aetna Inc. is an American health care benefits company. It offers traditional, voluntary and consumer-directed health insurance products and related services, including medical, pharmacy, dental, behavioural health, group life and disability plans, medical management capabilities, Medicaid health care management services, Medicare Advantage and Medicare supplement plans, workers' compensation administrative services and health information technology products and services.

PROPOSALS

ADVICE

1 Approve Merger

For

It is proposed to approve and adopt the Agreement and Plan of Merger, among CVS Health Corporation, a Delaware corporation, Hudson Merger Sub Corp., a Pennsylvania corporation and wholly-owned subsidiary of CVS Health, and Aetna, pursuant to which Hudson Merger Sub Corp. will be merged with and into Aetna, with Aetna surviving the merger as a wholly-owned subsidiary of CVS Health.

Voting recommendations on corporate actions, such as merger decisions, are based on the information presented and on the view of the overall independence of the Board and shareholder rights post-merger. It is noted that, over the time that the Merger Agreement was approved and until now, none of the directors had a connection to the merger. Excluding length of tenure in office, 11 out of 12 directors in this period were considered independent. This provides some assurance that the transaction received the appropriate level of objective scrutiny.

Triodos supports this resolution.

2 Allow Proxy Solicitation

Oppose

The Board requests authority to adjourn the special meeting until a later date or dates, if necessary, in order to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger. An oppose vote is recommended to any adjournment or postponement of meetings if a sufficient number of votes are present to constitute a quorum. It is considered that where a quorum is present, the vote outcome should be considered representative of shareholder opinion.

3 Advisory Vote on Executive Compensation in Connection with the Merger

Oppose

The Board is seeking shareholders' approval of the compensation payable to the Company's Named Executive Officers (NEOs) in connection with the Merger. For Mr. Bertolini and Ms. Lynch, the severance payment is based on 24 months of his or her cash compensation (calculated as annual base salary and target cash bonus opportunity). For Mr. Guertin, the severance amount is based on 68 weeks of his annual base salary. For Messrs. Loveman and Sabatino, the severance payment is based on 52 weeks of his annual base salary. Equity payments reflect the value of the accelerated vesting of unvested equity awards that would occur upon completion of the merger and upon a qualifying termination of employment within 24 months following completion of the merger.

It is considered that payments relating to merger and acquisition transactions have the potential to interfere with the exercise of objective judgement by the board responsible for making the decision in the best interests of shareholders. This is particularly the case where board members include NEOs who will receive such payments; but even where this is not the case the quantum of such payments can represent a conflict of interest in board deliberations of the relevant transaction. In considering whether NEO payments related to the Merger are appropriate PIRC seeks to identify whether amounts normally payable to NEOs are enhanced as a result of the change in control and include elements that are not pro-rated against performance or earned by service prior to payment.

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 1 - Approve Merger

Merger Consideration: If the merger is completed, Aetna shareholders will be entitled to receive, in exchange for each Aetna common share that they own immediately prior to the effective time of the merger, USD 145.00 in cash without interest thereon and 0.8378 of a share of CVS Health common stock, together with cash payable in lieu of any fractional shares. CVS Health will not issue any fractional shares in the merger. Instead, the total number of shares of CVS Health common stock that each Aetna shareholder will be entitled to receive in the merger will be rounded down to the nearest whole number, and each Aetna shareholder will be entitled to receive cash, without interest thereon, for any fractional share of CVS Health common stock that he or she otherwise would be entitled to receive in the merger. The amount of cash for fractional shares will be calculated by multiplying the fraction of a share of CVS Health common stock that the Aetna shareholder otherwise would be entitled to receive in the merger by the CVS Health closing price.

Rationale: Aetna believes that joining CVS Health and Aetna will improve the consumer health care experience by combining Aetna's health care benefits and services with CVS Health's 9,700 retail locations, 1,100 clinics and integrated pharmacy capabilities with the goal of becoming the new, trusted front door to health care in the U.S. The combination of Aetna's businesses with CVS Health's existing businesses is expected to result in a number of potential strategic benefits, including: (i) enhanced consumer engagement; (ii) lower cost, higher quality care; (iii) integrated medical and pharmacy solutions; and (iv) increased operating efficiency.

External Advisors: Aetna has engaged Lazard Frères & Co. LLC, as a financial advisor in connection with the merger. In connection with the merger, Lazard delivered a written opinion, dated December 3, 2017, to the Aetna board of directors as to the fairness, from a financial point of view and as of such date, of the consideration to be paid to the holders of Aetna common shares in the merger. Aetna also has engaged Allen & Company LLC, as a financial advisor in connection with the merger. Allen & Company delivered a written opinion, dated December 3, 2017, to the Aetna board of directors as to the fairness, from a financial point of view and as of the date of the opinion, of the consideration to be received by holders of Aetna common shares pursuant to the merger agreement.

Board Structure: CVS Health will take all necessary corporate action to cause, effective at completion of the merger, the size of the board of directors of CVS Health to be increased by three and the vacancies created thereby to be filled by Mark T. Bertolini, the Chairman and Chief Executive Officer of Aetna, and two other individuals who are serving on the board of directors of Aetna immediately prior to completion of the merger who meet CVS Health's independence

criteria as in effect as of such time and who will be jointly designated by Aetna and CVS Health prior to completion of the merger.

Shareholder Rights: Upon completion of the merger, Aetna shareholders will no longer be shareholders of Aetna, a Pennsylvania corporation, but will instead become stockholders of CVS Health, a Delaware corporation, and their rights as CVS Health stockholders will be governed by Delaware law and the terms of CVS Health's amended and restated certificate of incorporation, and CVS Health's amended and restated by-laws. Delaware law and the terms of CVS Health's certificate of incorporation and CVS Health's by-laws are in some respects materially different than Pennsylvania law and the terms of Aetna's articles and Aetna's amended and restated by-laws, which currently govern the rights of Aetna shareholders.

BOARD AND COMMITTEE COMPOSITION (post-Meeting)

DIRECTOR	GENDER	INDEPENDENT BY		BOARD	AC	RC	NC	SC	TENURE
		PIRC	COMPANY						
Fernando Aguirre	M	Yes	Yes	NED	M	-	M	-	6
Mark T. Bertolini	M	No	No	Ch & CEO	-	-	-	-	7
Frank M. Clark	M	No	Yes	NED	-	M	M	-	12
Betsy Z. Cohen	F	No	Yes	NED	-	M	M	-	24
Molly J. Coye	F	No	Yes	NED	-	-	-	-	13
Roger N. Farah	M	No	Yes	NED	-	C	-	-	11
Jeffrey E. Garten	M	No	Yes	NED	-	M	-	-	18
Ellen M. Hancock	F	No	Yes	NED	M	-	C	-	23
Richard J. Harrington	M	No	Yes	NED	C	-	-	-	9
Edward J. Ludwig	M	No	Yes	SID	-	M	M	-	14
Joseph P. Newhouse	M	No	Yes	NED	M	-	-	-	17
Olympia J. Snowe	F	No	Yes	NED	M	-	-	-	3
Number of Meetings				-	-	-	-	-	
Number of NED only Meetings				-					

PIRC assesses a non-executive director's independence according to PIRC's shareholder guidelines. Comments represent PIRC's analysis based on information in the report and accounts. AC = Audit Committee, RC = Remuneration Committee, NC = Nomination Committee, SC = Sustainability Committee, C = Chairperson of Committee, M = Member of Committee.

BOARD OF DIRECTORS (post-Meeting)

FERNANDO AGUIRRE			NON-EXECUTIVE DIRECTOR		
AGE	59	TENURE	6 Years	COMMITTEES	A,N
OTHER POSITION	Barry Callebaut AG [NED]; ex-Chiquita Brands International, Inc. [Pres, Ch, CEO]; ex-Coca-Cola Enterprises Inc. [NED]; ex-Coveris S.A. [NED]; ex-Levi Strauss & Co. [NED]; ex-The Procter & Gamble Company [Exec]				
INDEPENDENT BY PIRC	Y	INDEPENDENT BY COMPANY			Y
MARK T. BERTOLINI			CHAIRMAN & CHIEF EXECUTIVE		
AGE	60	TENURE	7 Years	COMMITTEES	None
OTHER POSITION	Massachusetts Mutual Life Insurance Company [NED]; Verizon Communications Inc. [NED]; ex-Cigna HealthCare [SVP]; ex-NYLCare Health Plans [EVP]; ex-SelectCare, Inc. [CEO, Pres]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			N
COMMENT	Chief Executive Officer since 2010 and Chairman of the Board since 2011.				
FRANK M. CLARK			NON-EXECUTIVE DIRECTOR		
AGE	71	TENURE	12 Years	COMMITTEES	R,N
OTHER POSITION	Chicago Board of Education [Pres]; Waste Management, Inc. [NED]; ex-BMO Financial Corporation [Ch]; ex-Commonwealth Edison Co. [Ch, CEO, Pres]; ex-Exelon Corp [EVP, Chief of Staff]; ex-Harris Financial Corp. [NED]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY			Y
COMMENT	Not considered independent owing to a tenure of over nine years.				

BETSY Z. COHEN		NON-EXECUTIVE DIRECTOR			
AGE	75	TENURE	24 Years	COMMITTEES	R,N
OTHER POSITION	CardConnect Corp. [NED]; FinTech Acquisition Corp II [Ch]; The Bancorp, Inc. [Adv, ex-CEO/DivCEO/Ch]; ex-Corporate Office Properties Trust [Trust]; ex-Dominion Bankshares, Inc. [NED]; ex-First Union Corp. [NED]; ex-Hudson United Bancorp [NED]; ex-JeffBanks, Inc. [Ch, CEO]; ex-RAIT Financial Trust [Ch, Trust, CEO]; ex-The Maine Merchant Bank, LLC [NED]				
INDEPENDENT BY PIRC COMMENT	N	INDEPENDENT BY COMPANY			Y
Not considered independent owing to a tenure of over nine years.					
MOLLY J. COYE		NON-EXECUTIVE DIRECTOR			
AGE	70	TENURE	13 Years	COMMITTEES	None
OTHER POSITION	Prosetta Biosciences, Inc. [NED]; ex-CalRHIO [Pres, CEO]; ex-Good Samaritan Health Hospital [SVP]; ex-Health Technology Center [CEO, Fnd]; ex-HealthDesk Corp. [EVP]; ex-Public Health Institute [SAdv]; ex-The Lewin Group [SVP]; ex-UCLA Health System [Chief Innovation Officer]				
INDEPENDENT BY PIRC COMMENT	N	INDEPENDENT BY COMPANY			Y
Not considered independent owing to a tenure of over nine years.					
ROGER N. FARAH		NON-EXECUTIVE DIRECTOR			
AGE	64	TENURE	11 Years	COMMITTEES	R*
OTHER POSITION	Metro Bank PLC [NED]; The Progressive Corporation [NED]; Tiffany & Co. [NED]; Tory Burch LLC [Co-CEO]; ex-Federated Merchandising Services [Ch, CEO]; ex-Foot Locker, Inc. [Ch, CEO]; ex-R.H. Macy & Co., Inc. [Pres, COO]; ex-Ralph Lauren Corp. [EVCh, Pres, COO]; ex-Rich's/Goldsmith's Department Stores [Ch, CEO, Pres]; ex-Saks Fifth Avenue, Inc. [Exec]				
INDEPENDENT BY PIRC COMMENT	N	INDEPENDENT BY COMPANY			Y
Not considered independent owing to a tenure of over nine years.					
JEFFREY E. GARTEN		NON-EXECUTIVE DIRECTOR			
AGE	70	TENURE	18 Years	COMMITTEES	R
OTHER POSITION	CarMax, Inc. [NED]; Credit Suisse mutual funds [NED]; Yale University [Dean Emeritus, ex-Prof/Dean]; ex-Columbia University [Prof]; ex-Eliot Group, Inc. [Fnd, Pres]; ex-Garten Rothkopf [Ch]; ex-Shearson Lehman Brothers [MD]; ex-The Blackstone Group [MD]				
INDEPENDENT BY PIRC COMMENT	N	INDEPENDENT BY COMPANY			Y
Not considered independent owing to a tenure of over nine years.					
ELLEN M. HANCOCK		NON-EXECUTIVE DIRECTOR			
AGE	74	TENURE	23 Years	COMMITTEES	A,N*
OTHER POSITION	Colgate-Palmolive Co. [NED]; ex-Acquicor Technology Inc. [Pres, COO]; ex-Apple Computer, Inc. [EVP, CTO]; ex-Exodus Communications, Inc. [Ch, CEO, Pres]; ex-International Business Machines Corporation [Exec]; ex-Jazz Technologies, Inc. [Pres]; ex-National Semiconductor Corporation [EVP, COO]				
INDEPENDENT BY PIRC COMMENT	N	INDEPENDENT BY COMPANY			Y
Not considered independent owing to a tenure of over nine years.					

RICHARD J. HARRINGTON		NON-EXECUTIVE DIRECTOR			
AGE	70	TENURE	9 Years	COMMITTEES	A*
OTHER POSITION	The Cue Ball Group [Ch/Partner]; ex-Arthur Young & Co. [CPA]; ex-Knovel Corporation [Ch]; ex-The Thomson Corporation [Pres, CEO]; ex-Thomson Newspapers [CEO]; ex-Thomson Professional Publishing [CEO]; ex-Thomson Reuters Foundation [Ch]; ex-Xerox Corporation [NED]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY	Y		
COMMENT	Not considered independent owing to a tenure of over nine years.				
EDWARD J. LUDWIG		SENIOR INDEPENDENT DIRECTOR			
AGE	65	TENURE	14 Years	COMMITTEES	R,N
OTHER POSITION	Boston Scientific Corporation [NED]; POCARED Diagnostics Ltd. [NED]; ex-Becton, Dickinson & Co. [Ch, CEO, Pres]; ex-Coopers and Lybrand [SAdv]; ex-Kidde, Inc. [Analyst]; ex-Xylem, Inc. [NED]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY	Y		
COMMENT	Not considered independent owing to a tenure of over nine years.				
JOSEPH P. NEWHOUSE		NON-EXECUTIVE DIRECTOR			
AGE	75	TENURE	17 Years	COMMITTEES	A
OTHER POSITION	Harvard University [Prof, Dir]; ex-Journal of Health Economics [Founding Editor]; ex-RAND Graduate School [Faculty]; ex-The RAND Corporation [Exec]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY	Y		
COMMENT	Not considered independent owing to a tenure of over nine years.				
OLYMPIA J. SNOWE		NON-EXECUTIVE DIRECTOR			
AGE	70	TENURE	3 Years	COMMITTEES	A
OTHER POSITION	Olympia Snowe, LLC [Ch, CEO]; Synchrony Financial [NED]; T. Rowe Price Group, Inc. [NED]				
INDEPENDENT BY PIRC	N	INDEPENDENT BY COMPANY	Y		
COMMENT	Not considered independent as she serves on the Board of T. Rowe Price Group, Inc., which holds 8.09% of the Company's common stock.				

BOARD COMPOSITION

BOARD COMPOSITION FOLLOWING THE EGM

			S&P500 MEAN	
	Number	% of Board	Number	% of Board
Executive Director	1	8.33	1.3	12.2
Independent NEDs	1	8.33	5.0	45.9
Connected NEDs	10	83.33	4.5	41.6
Other	0	0.0	0	0
Women	4	33.33		

BOARD COMMITTEES FOLLOWING THE EGM**S&P500 MEAN**

	Number of Members	% Independent by PIRC	% Independent by Company	Number of Members	% Independent by PIRC
Whole Board	12	8.33	91.67	10.8	46.0
Audit	5	20.0	100.0	4.3	56.9
Remuneration	5	0.0	100.0	4.0	49.4
Nomination	5	20.0	100.0	4.2	45.4

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Researcher: Sika Neckles
Email: pircresearch@pirc.co.uk

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Pensions & Investment Research Consultants Limited
8th Floor, Suite 8.02, Exchange Tower
2 Harbour Exchange Square
E14 9GE

Tel: 020 7247 2323
Fax: 020 7247 2457
<http://www.pirc.co.uk>

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