



A Proud Legacy
A Promising Future
Diversity, Inclusion and Engagement

2014 Diversity & Inclusion Report

Walgreens

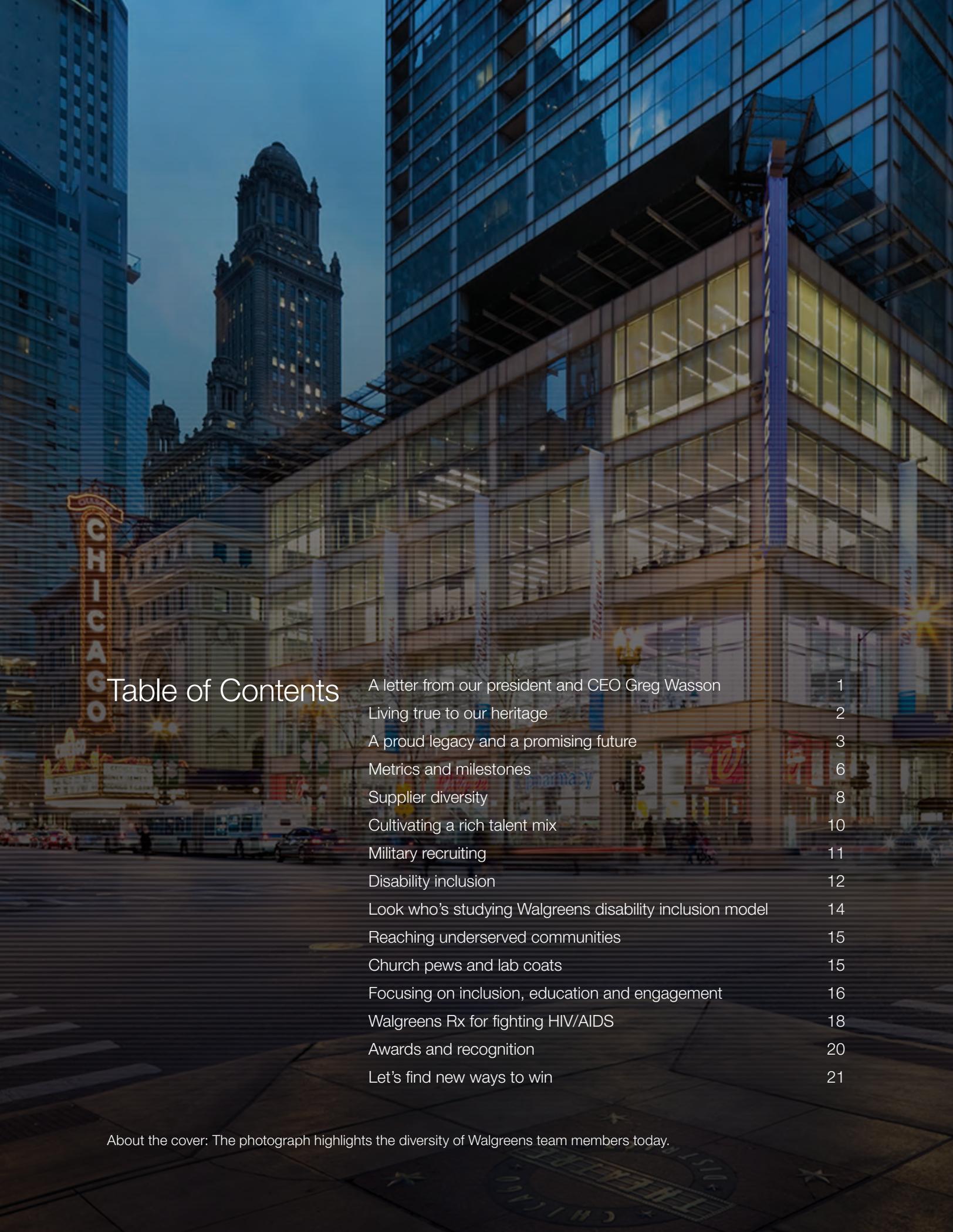


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About the cover: The photograph highlights the diversity of Walgreens team members today.

A Letter
from Walgreens
President and CEO
Greg Wasson
(retiring)



To Our Team Members:
One of the most unifying forces behind Walgreens 113 years of success is our purpose: **to help people get, stay and live well.**

While we only expressed it in those words a few short years ago, our purpose indeed describes what Walgreens has been about since the first day Charles R. Walgreen Sr. opened the doors to his new drugstore in 1901.

What makes our purpose even more meaningful is the fact that Diversity & Inclusion has always played a critical role for both those who serve and those we serve. All of us at Walgreens are linked to each other through our purpose—living our brand, executing on our strategies, representing our culture and serving our communities. We value Diversity & Inclusion as a key component to being relevant both among ourselves and to every customer and patient we serve, every supplier and vendor with whom we do business, every client with which we partner.

Ultimately, Diversity & Inclusion is simply all about people. And people are Walgreens greatest asset. What we do every day builds on our past, creates our present and inspires our future. The best of what we have to offer is not something you can find in a package. It's a way of life, a culture and a value system that support our purpose. We are proud that Diversity & Inclusion has been a constant at Walgreens, opening opportunities among our team members and communities alike.

Our 2014 Diversity & Inclusion Report tells the continuing story of Walgreens best and next practices — and each of you shares in writing that story.

Best regards, and be well.


Greg Wasson



Living true to our heritage, and mobilizing for the future.

Just as labels such as gender, race, ethnicity, religion, ability, age, sexual orientation or veteran status can never define a person, neither can regulations, market share or margins fully capture our commitment to valuing diversity, fostering inclusion and promoting engagement here at Walgreens.

Every day, in a multitude of ways, the foundational principles of integrity, respect and fair dealing embraced by our founder Charles R. Walgreen Sr. inspire us.

We are energized by the unique talents, ideas, experiences and aspirations represented across our team. And we remain steadfast in our commitment to help each customer and every patient get, stay and live well.

Our Diversity & Inclusion vision serves as our guide. We strive to be a “Next Practices” organization whose cultures, people, perspectives and workplaces will reflect the current and future customer we serve while delivering superior business performance. Throughout this

report, you will see the progress we have made and the opportunities we hope to realize, as we continue living true to our heritage while also mobilizing for the future.

An invitation



Steve Pemberton,
divisional vice
president and chief
diversity officer,
Diversity & Inclusion

invites readers to review our progress and view select executive videos by scanning QR codes found throughout this report.

A proud legacy and a promising future

Three keys to our profitability, sustainability and growth: Customer-focused innovation, inclusive and progressive business practices, and increasing employee engagement.

Walgreens commitment to diversity and inclusion dates back generations, and it continues to influence virtually everything we do — from where we locate our stores, to who we hire, which new products we introduce, how we distribute goods and materials across the chain, and more. Three things have been essential to our growth for more than 113 years:

- Attracting and engaging an increasingly diverse team;
- Innovating based on deep customer insights; and
- Making warmth, respect and inclusion hallmarks of our business practices.

Today, our stores anchor and enhance more than 8,200 diverse communities, employ some 251,000 diverse and talented people, and every day help more than 8 million consumers and patients get, stay and live well.

As Walgreens looks to expand our footprint on a global scale, valuing diversity and fostering inclusion will only grow in importance.

“Walgreens makes a significant economic impact wherever we operate, and we want to become even more of a staple in the many different communities we serve,” says **Steve Pemberton**, divisional vice president and chief diversity officer, **Diversity & Inclusion**. “And, it’s the customer who drives it.”

Supplier diversity is smart business

Visit a Walgreens stores today and you’ll find an array of products, including beverages, body lotion and hosiery, as well

as certain luxury beauty products at our LOOK Boutiques that are manufactured by diverse, small-business suppliers.

Working with an inclusive list of suppliers allows us to offer differentiated products while earning the loyalty of diverse customers and communities—particularly when the products and services they demand are exclusively available at Walgreens.

Walgreens Supplier Diversity Program formalizes our strong commitment to doing more business with product and service vendors owned by minorities, women, lesbian, gay, bisexual, and transgender individuals, disabled individuals and veterans.

Walgreens also is doing business with more diverse and small professional services firms in fields such as information technology, human resources and marketing. As we continue to transform our traditional drugstores into health and daily living destinations, we’re also doing business with more diverse small businesses in building construction and heating, ventilation and air conditioning, and other trades.

Our people make success possible

In addition to diversifying our procurement partners, Walgreens is strongly committed to recruiting, retaining and engaging a diverse team that reflects and relates to the increasingly multicultural markets we serve. We partner with scores of colleges and universities, as well as numerous professional, trade, military and community organizations that help us publicize job opportunities and invite the best people to apply.

Our Diversity
& Inclusion
vision.

Walgreens aspires to be a ‘**Next Practices**’ company for diversity and inclusion — one whose cultures, people, perspectives, and workplaces will reflect the current and future customers we serve while delivering superior business performance.

We also continue to promote a more diverse and inclusive pharmacy profession by donating more than \$1 million annually to accredited pharmacy schools throughout the United States and Puerto Rico, including such schools at Hispanic and historically black colleges and universities.

To foster team member development and excellence, and help propel Walgreens forward, we continue to:

- Expand our leadership academy to accelerate business acumen;
- Maintain a corporate university with a diversified catalogue of offerings; and
- Support nine business resource groups that augment our diverse talent development and community outreach.

Our ongoing culture work also serves to integrate and reinforce key behaviors and beliefs.

Walgreens has seen a 10 percent increase in employee engagement between 2013 and 2014, which helped drive significant improvements in customer satisfaction.

Inclusion demands authenticity

Fully engaged people go the extra mile to deliver a high-quality experience that keeps customers coming back to our stores. Such engagement is possible only when team members feel respected regardless of their sexual orientation, religion, disability or some other core aspect of their identity.

To help team members feel fully engaged and fulfill their commitment to maintaining an authentic and respectful work environment, Walgreens Diversity & Inclusion and Learning & Development teams developed and rolled out foundational diversity awareness training in late 2013 and early 2014.

To date, 98 percent of Walgreens team members have completed and passed the web-based course, and compliance tracking is ongoing.

On a daily basis, Walgreens managers and executives set the tone and reinforce the training by, for example, taking an interest in team members as individuals, encouraging healthy debate, making sure everyone feels heard and effectively managing conflict.

Regional councils search for next opportunities

Recognizing the critical role that diversity and inclusion will play in our future, Walgreens launched four regional operations diversity councils in 2013. Each council is business owned and leader led, i.e., composed of 18 to 22 members seated by leaders with profit and loss responsibility from various business units in the field.

DID YOU KNOW?

For the first time in our history, Walgreens documented diversity spending surpassed \$1 billion. In 2014, we also recorded increased spending with Hispanic-owned, Asian-owned and African American-owned businesses by 11 percent, 14 percent and 53 percent, respectively.

According to **Sue Bandurraga**, **Pacific Northwest** market vice president and chair of the Western Operations Diversity Council, working to identify future diversity and inclusion opportunities starts inside. “Saying that we are an affirmative action/equal opportunity employer and implementing inclusive policies isn’t enough,” she says.

“Each of us must first look inside ourselves and acknowledge the potential for conscious or unconscious biases to hamper our decision-making in different contexts,” Bandurraga says. “Recognizing those blind spots in ourselves is half the battle, because only then can we make a conscious choice to set bias aside and focus on clear and objective criteria.”

She points to company founder Charles R. Walgreen Sr. as an excellent inclusive leadership example. Back in 1928, Walgreen insisted that black and white pharmacists be paid the same, decades ahead of industry norms and cultural standards.

“Like our founder, it’s up to each Walgreens team member to ‘walk the talk’ by really seeing each other, listening to each other, accepting the unique gifts we bring to our daily work, and challenging our colleagues to do likewise,” Bandurraga adds.

Tim Anhorn, New Jersey/Pennsylvania market vice president and chair of the Eastern Operations Diversity Council says that looking internally applies to the entire Walgreens enterprise, too. “How can we do more local buying to get customers what they need?” asks Anhorn. “What can we learn from Catalyst [a leading nonprofit organization dedicated to expanding opportunities for women and business] and others about how to better recruit women and groom them for leadership? What assumptions are we making about the markets where our stores are located?”

Walgreens regional diversity councils include representatives from store operations, pharmacy, specialty pharmacy, customer care, infusion services, market merchandising, human resources and asset protection.

“Those are just some of the questions we need to ask ourselves, because we cannot afford to keep doing things the way we’ve always done them,” says Anhorn. “To compete today, especially globally, we need to welcome every idea and use every resource.”

“As we identify ways to better leverage our community outreach and environmental sustainability efforts, as well as specialty pharmacy and other services Walgreens offers, we’ll see new opportunities,” says **Marlin Hutchens, Orlando** market vice president and chair of the Southern Operations Diversity Council. Opportunities are surfacing organically, as communication improves and awareness grows.

Connie Latta, Tennessee market vice president and chair of the Midwest Operations Diversity Council says council

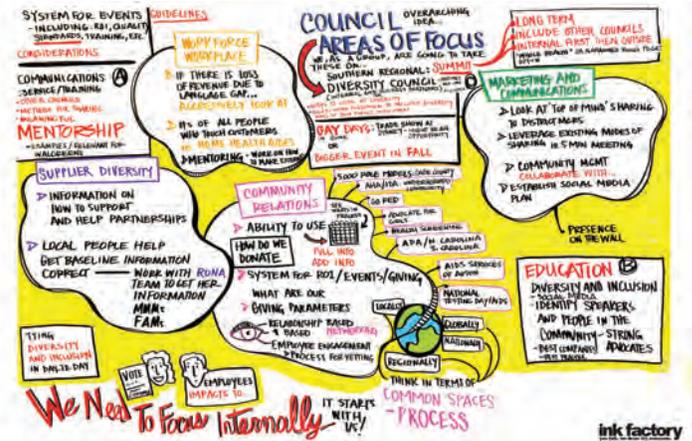
members feel energized by the opportunity to advocate and influence. “We don’t make policy but we are well positioned to spot gaps, influence change and engage more team members in the work of diversity and inclusion.”

The next chapter of Walgreens diversity and inclusion journey is being written by the attitudes and actions of every team member. As we pause to celebrate our proud legacy, notable progress and increasing momentum, we also envision a future filled with promise because of our commitment to embrace diversity and inclusion in all that we do.

Staying relevant



Alex Gourlay, executive vice president, president of **Customer Experience and Daily Living,** and president-elect Walgreen Co. explains how Walgreens continues to adapt and innovate in a rapidly diversifying marketplace.



A diverse talent pool at Walgreens

“We want to create an innovative and agile talent pool, one that’s diverse and fosters a powerful cross section of thoughts and ideas,” says **Kathleen Wilson-Thompson,** chief human resources officer. “From the leaders in our community centers to our store managers, learning and growing every day is essential to delivering our business strategy.”

Measuring our progress: Metrics and milestones

Helping Americans get, stay and live well.

DID YOU KNOW?

Today, 9 percent of America's pharmacists are employed by Walgreens.

DID YOU KNOW?

34 percent of Walgreens managers are people of color, and 44 percent are women.

- Walgreens is the nation's largest drugstore chain with 8,200+ locations.
- We employ more than 251,000 team members, including more than 70,000 healthcare service providers.
- Walgreens more than 400 in-store Healthcare Clinics offer flexible and convenient non-emergency services that range from camp physicals to immunizations to acute care and treatment of asthma and other chronic conditions.

- Walgreens provided more than 9.6 million vaccinations during fiscal 2014. We are the largest retail provider of flu vaccines in the country.
- More than 2,000 Walgreens and Duane Reade pharmacists, technicians and other store employees have completed extensive clinical and cultural training so they can better guide patients in obtaining medication, finding financial assistance and improving their quality of life.
- Over the past four years, Walgreens has partnered with the following organizations to provide free prevention and early detection health services in underserved communities with the highest prevalence for health disparities and uninsured/underinsured community members:

- Black churches and congregations
- Historically black colleges and universities
- Hispanic-serving institutions
- AARP
- The National Urban League

Promoting a more diverse profession

To promote greater diversity in the pharmacy profession, **Walgreens contributed \$1.29 million in 2014** to 129 pharmacy schools nationwide, including programs at historically black and Hispanic-serving colleges and universities.

Employee engagement

Walgreens team member engagement improved by 10 basis points, from 4.04 in 2013 to 4.14 in 2014. Gains in employee engagement were consistent among all demographic groups enterprise-wide.

Partnering with diverse suppliers

- Walgreens documented supplier diversity spending surpassed \$1 billion — an important milestone — for the first time in fiscal year 2014.
- Year-over-year, our spend with minority owned businesses (both direct and indirect) increased by
 - **11 percent**, with Hispanic owned businesses
 - **53 percent**, with African American owned businesses
 - **14 percent**, with Asian owned businesses
- In 2013, we doubled the number of Tier 1 “prime vendors” engaged in our Supplier Diversity Tier 2 reporting program from 200 to 400. Those vendors reported a total spend of \$406 million.

Strength in numbers: Reflecting a diverse marketplace

ALL EMPLOYEES

WALGREENS



42.8% PEOPLE OF COLOR 57.2% WHITE

WALGREENS



34.8% MALE 65.2% FEMALE

U.S. LABOR FORCE



33.0% PEOPLE OF COLOR 67.0% WHITE

U.S. LABOR FORCE



52.8% MALE 47.2% FEMALE

PHARMACISTS

WALGREENS



40.2% PEOPLE OF COLOR 59.8% WHITE

WALGREENS



38.3% MALE 61.7% FEMALE

U.S. LABOR FORCE

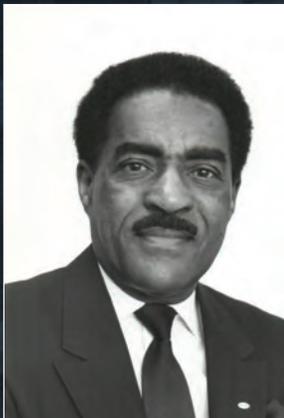


26.7% PEOPLE OF COLOR 73.3% WHITE

U.S. LABOR FORCE



47.4% MALE 52.6% FEMALE



A trailblazer and advocate for strong pharmacy relations

Henry Cade, a registered pharmacist who graduated from Wayne State University School of Pharmacy in 1948, joined Walgreens in 1959. Over the years, Cade held various pharmacy-related management positions before he was named Walgreens assistant director of professional relations in 1975. In 1987, Cade was appointed director of public affairs and professional relations for Walgreens, and he became the first black pharmacist to serve as president and chairman of the National Association of Boards of Pharmacy. Following his death in 1991, NABP established the Henry Cade Award, which each year recognizes exemplary individuals for their contributions to improving pharmacy standards of practice.

QUALITY MERCHANDISE

Values in Every Department

Supplier diversity: Partnering for growth and customer satisfaction

From cosmetics to construction, communication and computer technology, Walgreens is unquestionably open for business when it comes to diverse and small business suppliers. As a matter of fact, today we partner with nearly 500 such enterprises — and are growing that roster — because supplier diversity has such a strong productivity and profitability value proposition for all concerned.

But don't just take our word for it. Here's what two of our certified minority-owned business (MBE) vendors have to say.



Brian Ortiz

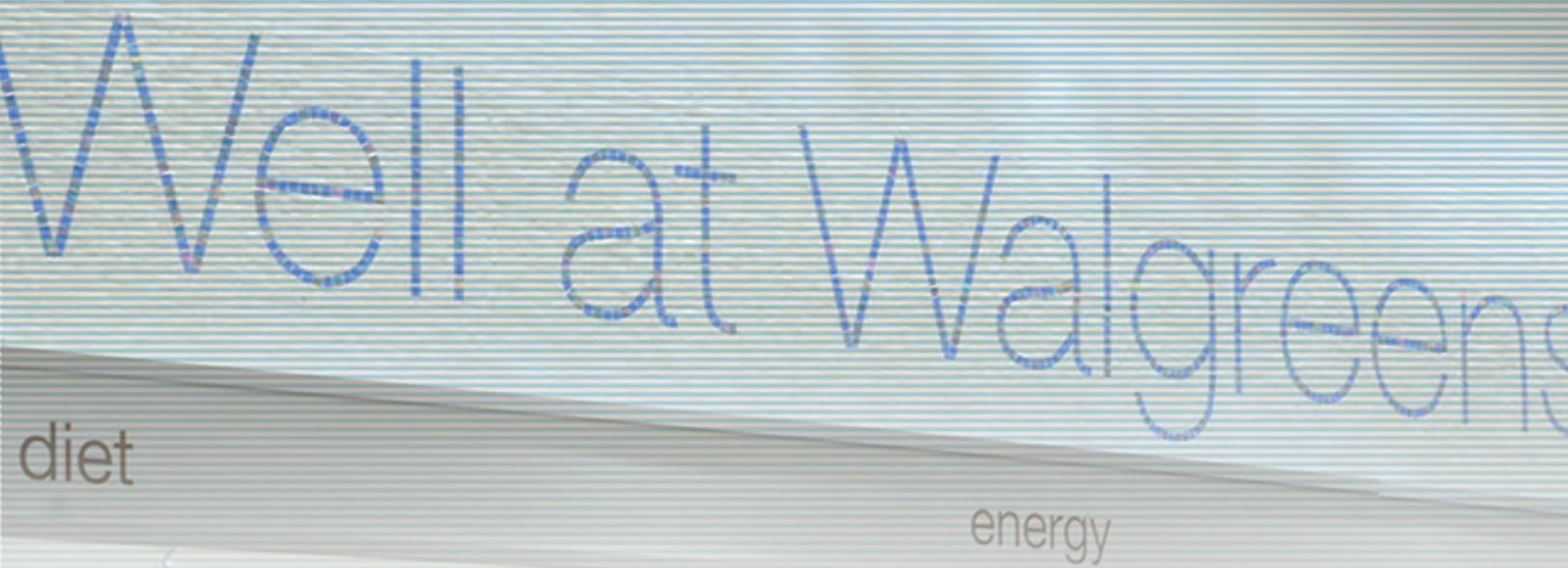
(Photo courtesy of Brian J. Morowczynski/ViaPhotos.com)

A young business rises to meet a big opportunity

Brian Ortiz, the son and grandson of pipefitters who went on to start their own construction businesses, founded **Trinidad Construction**, in 2010. Ortiz's firm specializes in occupied facility construction, i.e., working in and around buildings that remain open during the work. This expertise has made Trinidad Construction an ideal partner to help Walgreens implement our new Well Experience store concept, which is literally transforming the look and feel of our stores.

Moving beyond the traditional drugstore format, each Well Experience store remodel helps bring our pharmacists out from behind the counter and makes them more accessible for patient consultation and additional primary, preventive care services.

Since 2013, Trinidad has served as general contractor for five Well Experience store remodels in Chicago, as well as updates at several store locations. "Walgreens was the first big company to give our young business such a big opportunity by participating in the Well Experience store remodeling," Ortiz says. "Our success with those projects has helped us continue to grow, both with Walgreens and with other companies, including Macy's, Harrah's Casino, Kraft Foods and ComEd."



Cornell McBride, Jr.

Established MBE opens a new retail channel, with Walgreens



President **Cornell McBride Jr.** says his black-owned hair care company, **McBride Research Labs**, has been producing professional quality, premium hair care products, most of them sold exclusively through professional salons and hair stylists, for 24 years. That's changed with the firm's new Design Essentials Natural line, made especially for consumers with naturally textured, curly hair.



Following a successful test run in 300 Walgreens stores in Spring 2013, the Design Essentials Natural line has grown to occupy shelf space in 1,200 stores. Noting that exponential growth with pride, McBride says, "We've performed well in sales and other metrics at Walgreens, and our goal is to use our technology and other assets to continue to expand with the company."

Diverse and small business suppliers like Trinidad Construction and McBride Research Labs help Walgreens deliver more relevant products and services to America's increasingly diverse consumers, and we are committed to writing even more supplier diversity success stories like these. In fact, partnering with the full gamut of diverse and small business suppliers is a proud legacy we plan to continue, because they help add vitality to our supply chain, sustain our business operations, and support job growth and economic development in communities across the nation.

Providing opportunities



Mark Wagner, president, **Business Operations**, describes Walgreens commitment to supplier diversity and economic development.

Cultivating a rich talent mix

At Walgreens, we use broad, inclusive talent acquisition strategies to attract and hire the best and most qualified candidates in order to assemble diverse high-performing teams. Our strategies range from soliciting team member referrals and awarding diversity scholarships, to scouting college campuses and hosting career fairs, to partnering with professional associations, engaging our business resource groups and often just good old-fashioned networking. We know great talent knows great talent and Walgreens should be top of mind.

We pay particular attention to the diversity of our workforce representation, both in new hires as well as incumbent team members, and closely monitor team member engagement throughout Walgreens. (See “Metrics and Milestones”, page 6). We have been recognized nationally for our recruiting efforts, including being ranked #2 on the HBCU Connect list of 2013 Top 50 Employers.

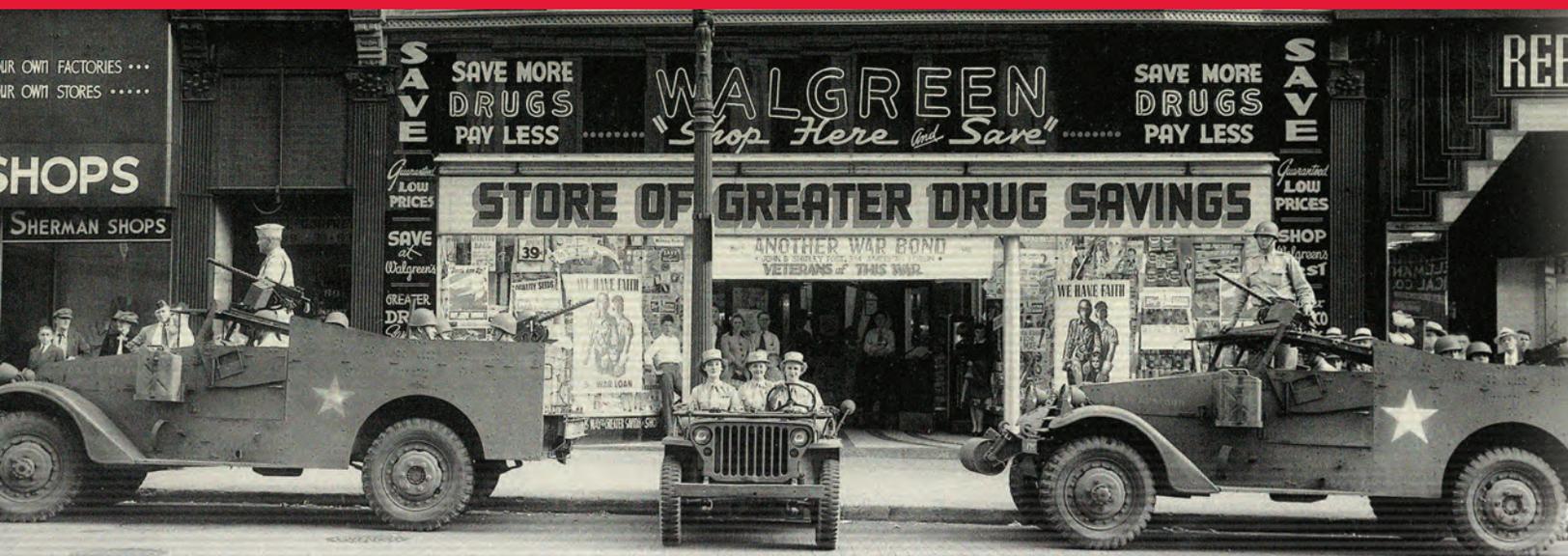
This year, we’re especially proud to report that our efforts to attract members of two particular workforce segments — military/veterans and individuals with disabilities — are paying off.



From left: retired Walgreens executive Randy Lewis, Ivette Gonzalez, community leader, Melissa Donaldson, director of networks and communications, Mark Wagner, president of business operations, and Roberto Chavoya, district manager.

Disability inclusion

Walgreens and Have Dreams, an autistic resource center, opened a job-training center for autistic adults in Evanston, Ill., in July. The center includes a simulated Walgreens store, which Have Dreams will use to provide training on a range of job skills and interpersonal competencies, including how to stock and organize products on the shelves, how to operate a cash register and how to communicate effectively with retail store colleagues.



Military recruiting: Stepping up the pace

Mission-driven focus, individual accountability, teamwork, and resilient spirits — these are just some of the valued strengths military personnel bring to civilian careers. Yet across the nation, unemployment among veterans hovers above 9 percent, approximately 1.6 percent above the rate for the civilian population.

Walgreens is working to change that. We've stepped up our military recruiting and outreach. In fact, in the last year, we:

- Participated in more than 500 military recruitment events;
- Trained our Human Resources team and hiring managers to see how military experiences and skills translate into our job requirements;
- Enlisted the support of our employee assistance program provider to help veterans make the military-to-civilian transition; and
- Partnered with local transition assistance offices and other veteran organizations.

W-Vets, a Walgreens business resource group, has helped us define our brand for military/veteran recruiting efforts. Last summer, W-Vets hosted Walgreens inaugural military job shadow program in Deerfield, Ill. (See page 16).

In keeping with our commitment to employ and support America's military veterans and their families, Walgreens joined forces with the Military Spouse Employment Partnership (MSEP) in 2013. MSEP is a Pentagon program that helps unemployed military spouses find jobs at Fortune 500 companies and other employers.

DID YOU KNOW?

Charles R. Walgreen Sr. enlisted in the first Illinois Volunteer Cavalry and served in the Spanish-American War back in 1898.

While military spouses are often well-educated and highly qualified for a range of careers, they face a 26 percent unemployment rate and often struggle to find rewarding work due to frequent relocations. Through this partnership, Walgreens helps to connect military spouses with various employment and career development opportunities.

Disability inclusion: Same job, same performance

Even though it has been 24 years since the Americans with Disabilities Act became law, individuals with disabilities remain twice as likely to be unemployed as individuals without disabilities. Walgreens is making great strides to change that statistic by finding extraordinary individuals with tremendous potential to contribute to our success.

Our disability inclusion commitment aims to give every team member the same opportunities and the same expectations.



Two of our DCs — in Anderson, S.C., and Windsor, Conn. — were designed and built to attract, retain and develop team members with disabilities.

“The result has been a very open, high-performing culture,” says **Michelle Borzych**, director supply chain strategy in **Supply Chain and Transportation**. “Everyone works together, side by side, and both performance and engagement are high.”

“At one of their distribution centers where more than 50 percent of the employees have disabilities, Walgreens has experienced a 120 percent productivity increase. Now they are expanding that successful model to retail locations across the state and country.”

Wisconsin Governor Scott Walker
2014 State of the State Address

REDI for more

Walgreens Retail Employees with Disabilities Initiative (REDI) builds on our successful DC workplace inclusion practices and extends to the stores. After successful pilots in Dallas, Houston, Chicago, New York and Milwaukee, REDI launched nationwide in 2012. Since then, we've trained more than 500 REDI externs, and more than 150 of them have joined Walgreens as customer service associates.

"With REDI, Walgreens has turned the standard employment model — hiring qualified candidates before providing job training — on its ear," says

Melissa Donaldson, director of employee networks and communications, **Diversity & Inclusion**. "We train qualified candidates first, which enables them to better compete for key roles at Walgreens stores."

For the past two years, Walgreens has partnered with over 170 registered community agencies to find eligible candidates for the REDI program. Upon enrollment, REDI externs participate in up to six weeks of in-store training. Externs who successfully complete the training and achieve a minimum evaluation score of 3.0 have their job applications flagged as "Recommended for Hire" for a customer service associate role in a store. "Customer service associates have an important role. They're right out front, serving customers and ringing up their purchases," says **Janice Glavtcheff**, diversity initiatives consultant, **Diversity & Inclusion**, and REDI administrator. "REDI gives individuals with disabilities appropriate training to meet our job standards. The reward of this effort is seeing individuals discover they can consistently perform job functions at a high level despite a disability."

To date, more than 100 Walgreens stores in half our markets have participated in REDI, logging more than 300 training sessions. "It has been a win-win proposition for everyone," says Donaldson. "The externs have a positive work experience with Walgreens, gaining valuable career training that's recognized and well regarded by other retailers. When REDI externs are hired internally or by other companies, we take pride in knowing that they carry with them solid job training that can literally be life-changing for them."

"Our guiding mantra is, '*same job, same performance*,'" says **Melissa Donaldson**, director of employee networks and communications, **Diversity & Inclusion**. "Walgreens has no 'special' jobs carved out especially for individuals with disabilities. Team members with and without disabilities assume the same job roles and responsibilities across the enterprise, earning the same pay and striving to meet the same job performance expectations."

Look who's studying Walgreens disability inclusion model

More than 200 U.S. corporate leaders have visited Walgreens distribution centers (DCs) over the past several years to better understand our disability and inclusion practices, and learned how they can adopt elements of our approach. Numerous federal and state officials have toured our DCs as well, and they frequently applaud our progress and encourage more employers to emulate our success.

Among our visitors have been:

- U.S. Secretary of Labor **Thomas Perez**
- U.S. Senators **Richard Blumenthal (CT)**, **Chris Murphy (CT)**, **Tom Harkin (IA)**, **Lindsey Graham (S.C.)**, and **Tim Scott (S.C.)**
- U. S. Rep. **Pete Sessions (TX)**
- U.S. Governors **Jack Markell (DE)** and **Dannel Malloy (CT)**
- Lieutenant Governor **David Onley (Ontario, Canada)**

After touring the Windsor DC in Connecticut with Senators Chris Murphy and Richard Blumenthal, U. S. Secretary of Labor Thomas Perez applauded Walgreens workplace inclusion approach by tweeting it as one of the “models for the nation.”

In *A Better Bottom Line: Employing People with Disabilities*, a National Governors Association (NGA) workforce development blueprint for governors, Jack Markell, governor of Delaware and chairman of the NGA, highlighted Walgreens commitment to disability inclusion and the benefits and opportunities it provides to both businesses and individuals.



Walgreens executives discussed our disability inclusion best practices with U.S. Secretary of Labor Tom Perez (center, sixth from left) and Senator Richard Blumenthal (second from right) during a February 2014 tour of Walgreens Windsor, CT, distribution center.



Reaching underserved communities

Working with the National Urban League and AARP, Walgreens Way to Well Health Tour has provided free health tests and vital health education to more than 1 million people in underserved communities across the United States.



Through in-store and online promotions, Walgreens and our customers raised \$5.5 million for Vitamin Angels, a nonprofit organization that provides life-saving vitamins and minerals to more than 21 million at-risk children, pregnant women and new mothers in the United States, Canada and 44 other countries.

Addressing disparities



Jeff Kang, M.D., senior vice president, **Health and Wellness Services and**

Solutions, discusses ways Walgreens works to promote greater access to quality health care.

Church pews and lab coats

At first glance, church pews and lab coats might not sound like a natural pairing, but a Walgreens initiative has been bringing them together.

The First Ladies Health Initiative, launched in 2008, works with pastors' wives — known in many African-American churches as “first ladies.” These influential women encourage parishioners and community residents to take advantage of health screenings sponsored by Walgreens and other local healthcare providers. To date, people in dozens of Chicago and Los Angeles communities have gained access to blood pressure, diabetes and HIV/AIDS tests conducted by our pharmacists, along with nutritional information, dental exams and vouchers for mammograms from other health services.

“Our community has many challenges, and not a lot of resources,” says **Shauntai Stowers**, co-chair of the Chicago program and first lady of **Mars Hill Missionary Baptist Church** in Chicago's Austin neighborhood. “It's great to have this program in a place where people feel safe and surrounded by people who care, treated with dignity and offered essential assistance that can save their lives.”

The First Ladies Health Initiative brings a heightened awareness around the health needs within the community. Its presence has caused several participating congregations to incorporate health-focused activities into their programming. Chicago's Mars Hill Baptist Church began hosting quarterly health events that include dental cleanings for children, health insurance enrollment assistance and nutritional workshops. At Los Angeles' Crenshaw Christian Center, Dr. Keith L. Black, a renowned neurosurgeon, was invited to speak about Alzheimer's disease and other neurological issues.

“Not only has the First Ladies Health Initiative helped improve the collective health of our communities, it also has inspired more unity in the area,” says **Dr. Betty Price**, chair of the Los Angeles First Ladies Health Initiative and former first lady of **Crenshaw Christian Center**. “People are getting together on issues that are important to our communities.”

Adds **Jamell Meeks**, chair of the Chicago initiative and first lady of **Salem Baptist Church**: “Walgreens goes beyond their walls to serve the community. It's not only the place to get medicine for what's wrong; it's also the catalyst for good health.”



Jamell Meeks



Dr. Betty Price



Shauntai Stowers

Focusing on inclusion, education and engagement

Walgreens nine employee-led business resource groups (BRGs) continue to gain momentum in support of our diversity and inclusion strategies, implementing an array of strategic talent acquisition, employee development, brand advancement and community engagement programs each year. In the process, the BRGs help bring Walgreens cultural beliefs to life and positively impact the diverse communities we serve.



Benchmarking inclusion practices
Walgreens **Include** BRG coordinated our participation in the pilot of a new Disability Equality Index (DEI) survey being developed by US Business Leadership Network and the American Association of People with Disabilities. When launched later this year, the survey will invite thousands of employers to benchmark their workplace inclusion practices in terms of Culture/Leadership, Enterprise-Wide Access, Employment Practices, and Public Support & Engagement.



Supporting military recruiting
W-Vets conducted Walgreens first military

job-shadowing program at the Deerfield corporate campus late last summer. Sixteen veterans from a local naval base participated in a full day of networking and career coaching and learned how their military skills and experiences might translate into rewarding careers at Walgreens.



Advancing Walgreens brand
WPRIDE & Allies partnered with Store Operations, community leaders, Private Brands, Cause Marketing and HIV/AIDS initiative team members to raise Walgreens profile at LGBT events in 33 markets. Community leaders from across the country report positive feedback from team members, consumers and community members in their respective markets.



Walgreens corporate Latino Business Association members supported a Walgreens Way to Well community health fair in February in Chicago.

In West Hollywood, Calif., for example, **Eric Fuente** says support is growing for a new Walgreens under construction. In Chicago, **Maddy Rodriguez** says Walgreens involvement in Chicago's PRIDE parade provides great brand exposure, since the event draws about 1 million attendees each year. Similarly, **George Kress** in Fort Lauderdale, Fla., says Walgreens participation in LGBT-related celebrations and other events advances our brand in the No. 1 U.S. LGBT resort destination.



Walgreens African American Achievement Group and the Office of Diversity & Inclusion convened with government officials, civic leaders, health activists and others for a Black History Month event, “African American 365 Health: Your Health – Your Choice – Your Life.”



Helping peers and consumers get, stay and live well
 To promote greater awareness of Healthcare Clinic services, such as immunizations, sports physicals and flu shots, promote Walgreens Balance® Rewards loyalty program, share health education material and showcase our diverse suppliers, the **Walgreens Latino Business Group, Walgreens African American Achievement Group and Walgreens – Women Information Network (W-WIN)**



coordinated health fairs on corporate campuses and within diverse communities.

In addition, **W-GREENS** organized Adopt-A-Highway cleanups, engaged team members through a sustainability workshop and conservation forum, and partnered with a community agency to conduct an e-waste collection event.

“Strive for excellence, not perfection... Career choices are life choices, take them seriously. Those are just two career development insights Chicago area team members picked up at an executive panel discussion hosted by **Walgreens Asian Network.**”



Prompting innovating thinking
 Our career-starters BRG **WNEXT** exposed hundreds of team members and local business leaders to “ideas worth spreading” at the first TEDx Walgreens. Inspired by TED, a nonprofit devoted to spreading ideas, usually in the form of short, powerful talks, TEDx Walgreens featured innovative perspectives on entrepreneurship, demographic trends, healthcare and diversity and inclusion.



Walgreens Southern Operations Diversity Council members participated in a Vietnamese-Chinese New Year Health Expo in Florida. (Photo courtesy of Asia Trend Magazine.)



Walgreens Rx for fighting HIV/AIDS: Be culturally invested, compassionate and build coalitions

As the nation's largest drugstore chain, Walgreens has been fully engaged in the battle against HIV/AIDS since the disease emerged more than 30 years ago. Then, as now, Walgreens supports people living with HIV/AIDS and their families, providing confidential face-to-face medication therapy consultations and health and wellness guidance.

Today Walgreens mission is to be part of the solution to end AIDS, which already has claimed more than 650,000 lives in the United States. Through our network of HIV-specialized pharmacies we continue to set new standards for culturally competent, compassionate and convenient HIV/AIDS prevention and treatment information. Walgreens also supports and encourages team members who've joined the fight, and we are building alliances with the medical community, trusted local organizations, government agencies and nonprofits to combat the disease's spread at scale.

Glen Pietrandoni, senior director of virology, **Specialty Pharmacy & Infusion**, Walgreens, says, "We recognize that there are concerns around stigma, and our HIV-specialized pharmacies remain safe environments for people living with HIV/AIDS and their families to find support and information. Our HIV-trained pharmacists are leading consumer education and testing programs, and they stress the importance of knowing your status. If patients are HIV-positive, pharmacists support patients with treatment adherence and answer their questions between doctor visits."

Noting that "People with HIV often don't have just HIV," Pietrandoni says Walgreens HIV-focused pharmacy staff help patients coordinate prescription refills and manage medication-related complications that can emerge when they also are being treated for heart disease, hypertension, diabetes, asthma, high cholesterol and other conditions.

Across the nation, too, scores of Walgreens team members volunteer their time and talent to help combat HIV/AIDS, whether by volunteering at local health fairs or fundraising for local charities.

DID YOU KNOW?

Nearly 1 in 3 Americans living with HIV and in therapy turn to Walgreens for convenient, confidential and compassionate care to effectively manage the condition and improve their quality of life.

Combatting stigma, denial and misinformation

To broaden awareness, help de-stigmatize HIV/AIDS, and encourage more people to get tested throughout the year, and particularly on National HIV Testing Day each June, Walgreens partners with hundreds of local health departments and community AIDS service organizations, as well as with Greater than AIDS, a public information movement founded by The Henry J. Kaiser Family Foundation and the Black AIDS Institute.

Experts say that such public-private alliances are more critical than ever. One reason: Access to care and treatment continues to be a challenge, especially in medically underserved communities and among people of color.

BAI honors Walgreens as a “Hero in the Struggle”

The Black AIDS Institute (BAI) inducted Walgreens into its Heroes in the Struggle Hall of Fame in May. A national HIV/AIDS research, advocacy and public policy institute, BAI’s mission is to stop the AIDS epidemic in African American communities.



From left: Glen Pietrandoni (Walgreens), Phil Wilson (Black AIDS Institute), and Mike Ellis (Walgreens).

“Walgreens epitomizes what being a good corporate neighbor means,” **Phil Wilson**, founder and chief executive officer of **BAI**, says. “The company has a history of responding to the needs of neighborhoods in which they do business and where their employees live. They certainly ‘walk the talk’ when it comes to HIV/AIDS.

“From establishing more than 700 HIV-specialized pharmacies, to aggressively participating in HIV-testing initiatives, to energetically supporting Greater than AIDS, Walgreens commitment to fighting HIV is heroic,” Wilson says.

Justin Wooley, program manager at the **Kaiser Family Foundation**, says, “Even though the HIV/AIDS virus does not discriminate, research shows it continues to hit certain population segments, such as minorities, women, youth, and gay and bisexual men, especially hard.”

Adding that too many people avoid getting tested and seeking treatment because of cultural taboos, fears of being stigmatized, denial and misinformation, Wooley says, “Walgreens helps normalize getting an HIV test as routine healthy behavior by virtue of your stores already being familiar, trusted and regularly visited neighborhood fixtures. Each of your stores is part of the community that is wrapping its arms around people.”

Likewise, **Mike Ellis**, corporate vice president, **Specialty Pharmacy & Infusion**, Walgreens, credits the Kaiser Family Foundation for its sophisticated policy analysis and Greater than AIDS for supplying the marketing muscle. “They are masters at conducting very credible, high profile and segment-specific campaigns,” he says.

Always looking to do more

Lorrie Carr, divisional vice president, **Specialty Pharmacy & Infusion**, Walgreens, says, “2014 was our biggest year yet.” In partnership with local health departments and AIDS service organizations, Walgreens and Greater than AIDS delivered more than 10,000 free HIV tests at 260 stores in June 2014. The initiative started with testing at 24 stores in nine cities, and to date it has provided nearly 20,000 free HIV tests with more than 300 partners.

Given the scale of the HIV/AIDS epidemic, Carr says, “Improving access to basic care, preventing the spread of disease, promoting smart health choices ... these are daunting challenges that require coordinated, long term, community-wide mobilization. Walgreens is pleased to play a part, and we’re always looking to do more.”

Battling HIV/AIDS



Kermit Crawford, executive vice president of **Pharmacy, Health and Wellness**

(retiring), highlights Walgreens commitment to fighting HIV/AIDS.

Earning recognition for best and next practices

Respected publications and organizations continue to recognize Walgreens commitment to diversity and inclusion. We view each of these honors as an opportunity to celebrate our progress and set new goals for creating a diverse, inclusive and engaged enterprise.

National Awards

You and Walgreens -

The National Business Group on Health

"Best Employers for Healthy Lifestyles" Gold Award

The National Urban League

Corporate Leadership Award,

Greg Wasson, president and CEO

Chicago United

Business Leaders of Color, **Kermit Crawford**, executive vice president of **Pharmacy, Health and Wellness**

Profiles in Diversity Journal

Women Worth Watching®, **Sona Chawla**, president of digital and chief marketing officer

Black EOE Journal

Top Employers for African Americans

Hispanic Network Magazine

Top Supplier Diversity Programs for Hispanics

DiversityBusiness.com

America's Top Organizations for Multicultural Business Opportunities

Profiles in Diversity Journal

Diversity Leader Award

Human Rights Campaign

Best Place to Work 2014

Profiles in Diversity Journal

Innovations in Diversity Award

HBCUConnect.com

Top 50 Employers of HBCU [*Historically Black Colleges and Universities*] Talent

Careers & the Disabled Magazine

Top 50 Employers Readers' 2013 Choice Award

Regional Recognition

Florida

Florida Rehabilitation Council for the Blind

Appreciation Award — Walgreens **Jupiter, Fla., Distribution Center**

Illinois

Employer Support of the Guard and Reserve

2013 *"Pro Patria"* Employer Award

2013 Alfred P. Sloan Awards for Workplace Flexibility and Effectiveness

New York

Orange and Sullivan County Employment Alliance

Employer Award — **Ann Sewall**, store manager, **92 N. Plank Road Newburgh, N.Y.**

Washington

Community Employment Alliance

Outstanding Employer Award — Walgreens, **Bremerton, Wash.**

Wisconsin

Wisconsin Council for the Blind

Exceptional Accommodations Award

Walgreens **Windsor, Wis., Distribution Center**

Insights and innovation



Sona Chawla, president, digital, and chief marketing officer, connects Walgreens innovations to deep customer insights.



Team members at Walgreens flagship store at 151 N. State St., Chicago, Ill., are pictured on the front and above, from left: Jenny Lawrence, customer service associate; LeShawn Gibson, health guide; Nancy Salman, pharmacy manager; Marc Washington, customer service associate, Up Market: Fresh; Theresa Xiong; assistant store manager; Wade Bridgeman, wine and spirits clerk; Sonia Roman, senior beauty advisor; Javier Marin, senior certified pharmacy technician; and Nichole Russell, Look Boutique lead.

Let's find new ways to win

Early in our history and well ahead of industry norms and cultural standards, Walgreens founder Charles R. Walgreen Sr. insisted that all pharmacists, regardless of race, receive the same pay. His forward thinking set Walgreens apart as an organization of principles—one that remains steadfast in its commitment to fairness, respect and opportunity for all.

Let's all take pride in our shared legacy and resolve to build upon it. For the simple truth is this: Everyone matters. All of us have something to contribute. By working together and expecting the best of us all, we set the stage for powerful collaborations and fresh innovations and in doing so...find new ways to win.



Walgreens

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