

Walgreens Boots Alliance Accelerates VillageMD Investment and Large-Scale Rollout of Primary Care Clinics

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Company has completed the \$1 billion investment and increased the number of co-located clinics

DEERFIELD, Ill. & CHICAGO -- Walgreens Boots Alliance (Nasdaq: WBA) and VillageMD today announced that WBA has accelerated its investment in VillageMD to support the opening of 600 to 700 Village Medical at Walgreens primary care clinics in more than 30 U.S. markets within the next four years, with the intent to build hundreds more thereafter. Walgreens is the first national pharmacy chain to offer full-service primary care clinics co-located at its stores at a large scale.

In July of 2020, Walgreens and VillageMD [announced](#) an expansion of their partnership and the intent to open 500 to 700 clinics, supported by WBA's investment in VillageMD over three years of \$1 billion in equity and convertible debt, which included an initial \$250 million equity investment. WBA and VillageMD have now re-negotiated the terms of their agreements to enable WBA to accelerate their investment to increase the pace and scale of the rollout of the clinics and to adjust certain other terms. As of today, WBA's \$750 million investment has been completed.

"Walgreens is focused on creating the pharmacy of the future, providing a broad and meaningful range of high-quality, affordable healthcare services to our patients and customers," said Stefano Pessina, executive vice chairman and CEO, Walgreens Boots Alliance. "Through these conveniently located clinics at our neighborhood stores, we will uniquely integrate the pharmacist as a critical member of VillageMD's multi-disciplinary care team to provide patients with personalized and coordinated care."

"Together with Walgreens, we remain steadfast in our commitment to providing accessible, coordinated primary care in more communities nationwide," said Tim Barry, chairman and CEO at VillageMD. "Village Medical at Walgreens offers a full continuum of care to meet patients' needs with a physician-led team of experienced providers. Our high-tech, high-touch model delivers exceptional and personal care to more patients at a time when coordinated primary care is most critical."

In December of 2020, the companies [announced plans](#) to open the next 40 full-service primary care clinics in Texas, Arizona and Florida by the end of summer 2021. With many clinics in medically underserved areas, Village Medical at Walgreens will help meet the needs of patients, including those who may not have access to healthcare and are at greater risk of health disparities. The clinics will accept a wide range of health insurance options, offering cost-effective and comprehensive primary care to meet the full continuum of healthcare needs. Healthcare services are offered through a variety of ways, providing access to Village Medical

care and support through in-person, at home and Village Medical telehealth providers on Walgreens Find Care™, which is an online platform that connects patients with a wide range of health services.

For more information about Village Medical at Walgreens services, please visit [VillageMedical.com](https://www.villagemedical.com). For more information as well as multimedia assets, please visit the [Walgreens Newsroom](https://www.walgreens.com/newsroom) on [walgreens.com](https://www.walgreens.com).

Notes to Editors:

About Walgreens Boots Alliance

Walgreens Boots Alliance (Nasdaq: WBA) is a global leader in retail and wholesale pharmacy, touching millions of lives every day through dispensing and distributing medicines, and through its convenient retail locations, digital platforms and health and beauty products. The company has more than 100 years of trusted healthcare heritage and innovation in community pharmacy and pharmaceutical wholesaling.

Including equity method investments, WBA has a presence in more than 25 countries, employs more than 450,000 people and has more than 21,000 stores.

WBA's purpose is to help people across the world lead healthier and happier lives. The company is proud of its contributions to healthy communities, a healthy planet, an inclusive workplace and a sustainable marketplace. WBA is a Participant of the United Nations Global Compact and adheres to its principles-based approach to responsible business.

WBA is included in FORTUNE's 2020 list of the World's Most Admired Companies*, ranked first in the food and drugstore category. This is the 27th consecutive year that WBA or its predecessor company, Walgreen Co., has been named to the list.

More company information is available at www.walgreensbootsalliance.com.

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(WBA-GEN)

About VillageMD

VillageMD, through its subsidiary Village Medical, is a leading, national provider of value-based primary care services. VillageMD partners with physicians to provide the tools, technology, operations, staffing support and industry relationships to deliver high-quality clinical care and better patient outcomes, while reducing the total cost of care. The Village Medical brand provides primary care for patients at traditional free-standing clinics, Village Medical at Walgreens clinics, at home and via virtual visits. VillageMD and Village Medical have grown to include more than 2,800 physicians across nine markets, are responsible for approximately

600,000 lives and manage \$4 billion in total medical spend in value-based contracts. To learn more, please visit www.VillageMD.com.

Cautionary Note Regarding Forward-Looking Statements: All statements in this release that are not historical including, without limitation, those regarding the expected execution and effect of our business strategies and the strategic partnership and initiative are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as “expect,” “likely,” “outlook,” “forecast,” “preliminary,” “pilot,” “would,” “could,” “should,” “can,” “will,” “project,” “intend,” “plan,” “goal,” “target,” “aim,” “continue,” “sustain,” “transform,” “accelerate,” “long-term,” “believe,” “seek,” “estimate,” “anticipate,” “upcoming,” “to come,” “may,” “possible,” “assume,” and variations of such words and similar expressions are intended to identify such forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions, known or unknown, that could cause actual results to vary materially from those indicated or anticipated, including, but not limited to, those relating to the spread and impacts of COVID-19, any mutations thereof or future pandemic and the acceptance and effectiveness of any therapies or vaccines related thereto, the impact of private and public third-party payers’ efforts to reduce prescription drug reimbursements, the risks associated with the withdrawal of the United Kingdom from the European Union and the agreement related thereto, fluctuations in foreign currency exchange rates, the timing and magnitude of the impact of branded to generic drug conversions and changes in generic drug prices, our ability to realize synergies and achieve financial, tax and operating results in the amounts and at the times anticipated, the inherent risks, challenges and uncertainties associated with forecasting financial results of large, complex organizations in rapidly evolving industries, particularly over longer time periods, and during periods with increased volatility and uncertainties, our supply, commercial and framework arrangements and transactions with AmerisourceBergen and their possible effects, the risks associated with the company’s equity method investment in AmerisourceBergen, circumstances that could give rise to the termination, cross-termination or modification of any of our contractual obligations, the amount of costs, fees, expenses and charges incurred in connection with strategic transactions, whether the costs and charges associated with restructuring initiatives will exceed estimates, our ability to realize expected savings and benefits from cost-savings initiatives, restructuring activities and acquisitions and joint ventures in the amounts and at the times anticipated, the timing and amount of any impairment or other charges, the timing and severity of cough, cold and flu season, risks relating to looting and vandalism in regions in which we operate and the scope and magnitude of any property damage, inventory loss or other adverse impacts, risks related to pilot programs and new business initiatives and ventures generally, including the risks that anticipated benefits may not be realized, changes in management’s plans and assumptions, the risks associated with governance and control matters, the ability to retain key personnel, changes in economic and business conditions generally or in particular markets in which we participate, changes in financial markets, credit ratings and interest rates, the risks relating to the terms, timing, and magnitude of any share repurchase activity, the risks associated with international business operations, including international trade policies, tariffs (including tariff negotiations between the United States and China) and relations, the risks associated with cybersecurity or privacy

breaches related to customer information, changes in vendor, customer and payer relationships and terms, including changes in network participation and reimbursement terms and the associated impacts on volume and operating results, risks related to competition, including changes in market dynamics, participants, product and service offerings, retail formats and competitive positioning, risks associated with new business areas and activities, risks associated with acquisitions, divestitures, joint ventures and strategic investments, including those relating to the asset acquisition from Rite Aid and the sale of certain pharmaceutical wholesale operations to AmerisourceBergen, the risks associated with the integration of complex businesses, the impact of regulatory restrictions and outcomes of legal and regulatory matters, and risks associated with changes in laws, including those related to tax law changes, regulations or interpretations thereof. These and other risks, assumptions and uncertainties are described in Item 1A (Risk Factors) of our Annual Report on Form 10-K for the fiscal year ended August 31, 2020 and in other documents that we file or furnish with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. All forward-looking statements we make or that are made on our behalf are qualified by these cautionary statements. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made.

We do not undertake, and expressly disclaim, any duty or obligation to update publicly any forward-looking statement after the date of this release, whether as a result of new information, future events, changes in assumptions or otherwise.

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