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Dear Stakeholders,

I’m pleased to share with you our fourth annual Environmental, Social and Governance (ESG) report. We continue to approach ESG through both a risk and impact lens, providing our stakeholders with decision useful data aligned with relevant topics from the Sustainability Accounting Standards Board (SASB).

Last year, we refreshed our company’s Purpose, Mission and Values that articulate who we are and what we stand for as an organization. In FY22, we continued to seek environmental and social sustainability opportunities consistent with our purpose, to help our customers achieve whole health for life, through cross functional collaboration with key business partners and increased engagement with our Board.

Inside this report, you will find the progress we have made within our four ESG pillars:

1. Thriving Planet
   Goal: Reduce our overall environmental impact

2. Thriving Business
   Goal: Embed sustainability into every level of our value chain

3. Thriving Workplace
   Goal: Optimize associate experience, opportunity and wellbeing across our organization

4. Thriving Community
   Goal: Improve health equity, outcomes and access to care in the communities we serve

In addition, we’ve included a comprehensive SASB index at the end of this report to more efficiently measure performance in our most salient ESG topics.

Also new in this year’s report, we’ve identified alignment with eight of the United Nations 17 Sustainable Development Goals (SDGs) to help support a more sustainable future.

We remain committed to transparency around our ESG journey. On behalf of the entire Rite Aid team, we look forward to meeting the needs and expectations of our stakeholders while mitigating our key environmental and social sustainability risks and supporting the communities we serve.

Sincerely,

Heyward Donigan
President and Chief Executive Officer, Rite Aid
Company Profile
Our Operations

Rite Aid is a full-service pharmacy that improves health outcomes. Rite Aid is defining the modern pharmacy by meeting customer needs with a wide range of vehicles that offer convenience, including retail and delivery pharmacy, as well as services offered through our wholly owned subsidiaries, Elixir, Bartell Drugs and Health Dialog. Elixir, Rite Aid’s pharmacy benefits and services company, consists of accredited mail and specialty pharmacies, prescription discount programs and an industry leading adjudication platform to offer superior member experience and cost savings. Health Dialog provides healthcare coaching and disease management services via live online and phone health services. Regional chain Bartell Drugs has supported the health and wellness needs in the Seattle area for more than 130 years. Rite Aid employs more than 6,400 pharmacists and operates more than 2,449* retail pharmacy locations across 17 states.

In FY22 we announced we are opening a state-of-the-art Enterprise HQ and Collaboration Center at the Navy Yard in Philadelphia, Pennsylvania this July, along with a new technology innovation lab in Raleigh, North Carolina.

*As of February 26, 2022.
Rite Aid at a Glance:\(^1\)

- $24.6 billion in total revenue (including Elixir)
- 6,400 + pharmacists
- 12,000 Pharmacy technicians
- 900 Nurses
- 502K prescriptions filled each day, on average, in Rite Aid stores
- 2,449 retail pharmacy locations serving thousands of local communities in 17 states
- 50,000+ associates
- 1M+ customers per day
- 88% ethnic diverse & female board
- 7 Distribution Centers
- Thrifty Ice Cream Plant

FY22 Recognitions

**Ranked #30** in 101 Best Companies for Women in Leadership Index by *House of Rose Professional*

Recipient of **John R. Lewis Civil Rights Award** from Philadelphia Chapter of NAACP from immunization clinics in undeserved communities.

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\(^1\) As of February 26, 2022 (figures are rounded)
Our Purpose, Values and Mission:

Purpose
To help you achieve whole health for life

Values
• Hustle with humility
• Earn trust and keep it
• Get there together

Mission
As the trusted, everyday care connector, Rite Aid drives lower health-care costs through better coordination, stronger engagement and personalized services that help you achieve whole health for life.
Corporate Governance
Our Board of Directors

The members of our Board of Directors are dedicated to serving the interests of our shareholders, and all of our Board members, other than the CEO, are independent.

Since 2018, we have added 7 new directors to our Board, all of whom are either women or racially or ethnically diverse. In 2019, Heyward Donigan was appointed Chief Executive Officer and Board member. Through the process of refreshing our Board over the past few years, the Board has increased its racial and ethnic diversity. Following our 2022 annual meeting, three of the eight Board members will be racially or ethnically diverse, and four of the eight will be women.

Our Code of Ethics

At Rite Aid, our goal is to follow the highest principles of ethics and honor in all of our relationships, including those with our customers, associates, suppliers, stakeholders and shareholders. We established our Code of Business Ethics and Conduct and our Supplier Code of Ethics to reinforce our commitment to ethical business practices. Our code not only applies to Rite Aid associates and our Board of Directors, but also to our suppliers and other companies with which Rite Aid works.

You can view our Code of Business Ethics and conduct at: https://www.riteaid.com/corporate/governance/code-of-ethics
Governance in Corporate Sustainability

Rite Aid is committed to Corporate Sustainability throughout our business and the communities we serve. We are dedicated to integrating Environmental, Social and Governance initiatives into our operations, not only to create long-term value for our shareholders, but to meet the growing expectations of our associates, customers and shareholders.

Our Nominating and Governance Committee of the Board of Directors is responsible for the oversight of our environmental, social and corporate governance policies, trends and activities. Our Corporate Sustainability Committee provides quarterly updates to our Nominating and Governance Committee. The Corporate Sustainability Committee is comprised of senior level leadership stakeholders with cross-functional representation within the company. The committee leads progress on sustainability initiatives and programs throughout the company.

Our Corporate Sustainability Committee has leadership representation from the following areas:

- Human Resources
- Risk Management
- Finance
- Marketing/Brand Development
- Store Planning and Facilities
- Operations
- Indirect Procurement
- Investor Relations
- Communications/Public Relations
- Legal
- Compliance and Ethics/Internal Audit
New this year, we’ve identified alignment in support of eight of the seventeen United Nations Sustainable Development Goals (UN SDGs). The UN SDGs are comprised of seventeen goals designed to facilitate significant global development by 2030. The goals serve as a framework to guide companies, governments and NGOs on how to contribute to a more just, healthier and sustainable future.

<table>
<thead>
<tr>
<th>UN Sustainable Development Goal</th>
<th>Rite Aid topic(s)</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal 2: Zero Hunger</td>
<td>Food donation</td>
<td>17</td>
</tr>
<tr>
<td>Goal 3: Good Health and Wellbeing</td>
<td>Patient health outcomes</td>
<td>41 - 55</td>
</tr>
<tr>
<td>Goal 5: Gender Equality</td>
<td>Diversity, equity and inclusion</td>
<td>35 - 36</td>
</tr>
<tr>
<td>Goal 7: Affordable and Clean Energy</td>
<td>Energy management</td>
<td>15</td>
</tr>
<tr>
<td>Goal 8: Decent Work and Economic Growth</td>
<td>Ethical sourcing</td>
<td>22 - 23</td>
</tr>
<tr>
<td>Goal 10: Reduce Inequalities</td>
<td>Diversity, equity and inclusion</td>
<td>35 - 36</td>
</tr>
<tr>
<td>Goal 12: Responsible Consumption &amp; Production</td>
<td>Responsible sourcing</td>
<td>21 - 29</td>
</tr>
<tr>
<td>Goal 16: Peace, Justice and Strong Institutions</td>
<td>Labor practices</td>
<td>38</td>
</tr>
</tbody>
</table>
Thriving Planet
Thriving Planet

The human health effects of a changing climate are abundantly clear. As a neighborhood pharmacy that aspires to support the overall health and wellbeing of the communities we serve, Rite Aid recognizes the critical need for global action to address climate change.

Goal: Reduce our overall environmental impact.

We will achieve this by:

• Reducing energy demand
• Transitioning to and investing in lower carbon energy sources
• Reducing waste
• Improving fleet efficiency

Relevant topics:

• Energy Management
• Fleet Fuel Management
• Waste reduction and minimization
• Supply chain optimization
Climate Risk

We recognize that climate risk is investment risk, and transparency regarding climate-related risks and opportunities is crucial to maintaining the trust of our stakeholders. This also allows our investors to better understand the implications of climate change on our business. We continue to assess the materiality and impact of climate risk to our business as part of our Enterprise Risk Management (ERM) program, with oversight from our Audit Committee of the Board of Directors.

Energy Management

[SASB Drug Retailers; Energy Management in Retail; HC-DR-130a.1]

We are committed to being an environmentally sustainable business and reducing our carbon footprint. We continue to make investments to improve energy efficiency and fleet fuel economy. It is our belief that when we, as a company, focus on our ability to positively impact the environment, we are collectively serving our communities, shareholders and our planet.

We continue to monitor our stores’ energy performance through Energy Star Portfolio Manager™. This has allowed us to deliver operational best practices and performance across our footprint.

Our energy-efficient stores currently include the following attributes:

- Redesigned vestibules create an airlock to minimize heat transfer into and out of the store as customers enter and exit.
- Light-colored single ply roofing reduces heat gain in the summer, resulting in lower demand for air conditioning.
- Suspended acoustical tile ceilings are utilized to reduce the amount of conditioned store space, thereby decreasing energy consumption.
- New stores utilize a lower building height, which reduces the mechanical load by minimizing the conditioned space and exterior building surface area. The lower building height provides an efficient design, minimizes resources used and reduces construction waste.
- Insulated glazing and special films are used to reduce solar heat gain and demand for air conditioning.
- Storefront framing window systems are engineered to resist heat transfer by thermally separating the interior from the exterior window frame.
- Air conditioning systems are being utilized that include energy efficiency ratio values up to 12% better than the 2015 International Energy Conservation Code.
- We have installed over 11 million square feet of bio-based floor tile, made of 40% recycled material and are FloorScore® for improved indoor air quality.
Here are just a few of the ways we are striving to be more energy efficient and to increase our efforts to reduce the environmental footprint of our stores:

**Purchasing renewable energy**
- We partner with 3 Phases Renewables to purchase 50% renewable power at select stores in Southern California. The agreement between 3 Phases and Rite Aid meets California’s stringent Renewable Portfolio Standards (RPS) and provides additional renewable energy above and beyond the RPS such that Rite Aid’s average mix of energy includes 50% renewable energy.
- In February 2021, we expanded our partnership with 3 Phases Renewables to include an additional 150 stores, our ice cream plant in El Monte, CA and distribution center in Lancaster, CA.
- Through partnership with a local utility company, Rite Aid purchases energy from 100% renewable resources at 110 accounts in CA.

**LED Lighting**
As of December 13, 2021, LED lighting is installed at 42% of our stores. We are on track to complete our goal of installed LED lighting at 100% of our stores by 2035.

**Load Shedding**
Rite Aid participates in load shedding programs when utility grids request reduction on high-demand days. By reducing load, we are doing our part to help the utility provide reliable, consistent power to customers and supporting a decreased need for rolling blackouts.

**Energy Management System**
95% of our stores currently utilize an Energy Management System (EMS) to help reduce energy consumption by automatically controlling the lighting and HVAC equipment.

<table>
<thead>
<tr>
<th>Year</th>
<th>Utility Billed Usage (kWh)</th>
<th>Store Count</th>
<th>Avg Usage/Store (kWh)</th>
<th>Total Usage (kWh)</th>
<th>Total Usage (GJ)</th>
<th>% Renewable</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>726,511,359</td>
<td>2,399</td>
<td>302,839</td>
<td>753,464,052</td>
<td>2,712,471</td>
<td>0%</td>
</tr>
<tr>
<td>2014</td>
<td>739,088,554</td>
<td>2,399</td>
<td>308,082</td>
<td>766,507,846</td>
<td>2,759,428</td>
<td>0%</td>
</tr>
<tr>
<td>2015</td>
<td>738,281,676</td>
<td>2,406</td>
<td>306,850</td>
<td>763,443,396</td>
<td>2,748,396</td>
<td>0%</td>
</tr>
<tr>
<td>2016</td>
<td>735,566,519</td>
<td>2,412</td>
<td>304,961</td>
<td>758,743,574</td>
<td>2,731,477</td>
<td>0%</td>
</tr>
<tr>
<td>2017</td>
<td>724,578,809</td>
<td>2,426</td>
<td>298,672</td>
<td>743,096,487</td>
<td>2,675,147</td>
<td>0%</td>
</tr>
<tr>
<td>2018</td>
<td>713,952,418</td>
<td>2,430</td>
<td>293,808</td>
<td>730,993,257</td>
<td>2,631,576</td>
<td>0%</td>
</tr>
<tr>
<td>2019</td>
<td>686,511,927</td>
<td>2,429</td>
<td>282,632</td>
<td>703,187,186</td>
<td>2,531,474</td>
<td>0%</td>
</tr>
<tr>
<td>2020</td>
<td>513,515,270</td>
<td>2,416</td>
<td>212,548</td>
<td>528,818,705</td>
<td>1,903,747</td>
<td>1.29%</td>
</tr>
<tr>
<td>2021</td>
<td>662,930,018</td>
<td>2,448</td>
<td>270,805</td>
<td>673,762,208</td>
<td>2,425,544</td>
<td>6.29%</td>
</tr>
</tbody>
</table>

Notes: Utility Billed Usage reported from calendar normalized utility bill data for direct paid bills with 12 months of data for respective calendar year only. Relocated store usage calculated old store + new store usage with overlap for relocation month. Annual Usage = Avg Usage/Store * 2488 Stores. Usage will change YoY based on count of stores as of 12/1 annually.
Business Travel and Product Delivery

[SASB Food Retailers and Distributors; Fleet Fuel Management; CN0401-05]

We are making strides to reduce our fuel consumption in both our field leadership passenger vehicles and in the commercial truck fleet that carries goods to our stores.

Between FY21 and FY22, we reduced our passenger vehicle fleet by 77 vehicles, saving nearly 22,612 gallons of fuel, a 6% decrease over the prior year. This also reduced our emissions by 193 metric tons.

To improve fuel economy, in FY20 we began installing aerodynamic skirts on the fleet of trailers that service four of Rite Aid’s six distribution centers. This project was completed in June 2020 with a 4% improvement in overall fuel economy for these fleets. Delivery fleet miles per gallon improved an additional 4.3% in FY22.

Optimizing Supply Chain

In FY22, we completed an optimization study in order to help optimize miles driven between distribution centers and stores and minimize our carbon emissions. While the optimization project identified the optimal distribution center locations, it will be several years before the results of the study will be completely implemented due to the capital that is required to make these changes. We will make incremental changes on an annual basis as capital allocation allows. In FY23, we are excited to move forward with a modernization project at our Des Moines facility, which will help reduce totes shipped due to better cubing of inventory being sent to the store and fewer delivery routes and fewer miles driven to support the store delivery base. We are also embarking on a transportation route optimization project for our current network to reduce miles driven and decrease our fuel consumption. Simultaneously, we are working on store delivery schedules to potentially reduce the store delivery frequency. Both initiatives will help reduce our transportation footprint.

Lastly, we recently implemented a new replenishment planning system that uses artificial intelligence to optimize buying of merchandise for the front end of the stores. With this new system, we will optimize our buying process and optimize our inbound transportation. This effort will help reduce our damaged and obsolete merchandise waste stream through better sell through of merchandise and eliminate over-buying that may have occurred in the past.
Creating a Regenerative Supply Chain Through CHEP Partnership

As an organization, we review our business practices to incorporate smart and sustainable efficiencies, ensuring our suppliers hold sustainability as a high priority. Every time we utilize a CHEP reusable pallet, we eliminate waste and improve efficiency.

The CHEP share and reuse business model is inherently circular and helps move more goods to more people in more places than any other organization on earth.

In 2021, using approximately 400,000 CHEP pallets resulted in a positive environmental impact.

<table>
<thead>
<tr>
<th>Barrels of Oil</th>
<th>Lbs of Solid Waste</th>
<th>Million BTUs of Energy</th>
<th>Pounds of CO2 elim</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,944</td>
<td>539,881</td>
<td>34,478</td>
<td>5,475,934</td>
</tr>
</tbody>
</table>

- Eliminating 5,475,934 pounds of CO2e, the equivalent of CO2 sequestered by 3,244 acres of U.S. forests
- Reducing fossil fuel usage by 34,478 British Thermal Units (BTUs), the equivalent of eliminating 5,944 barrels of oil
- Eliminating 539,881 pounds of landfill waste, the equivalent of waste generated by 302 average U.S. citizens
- Reducing wood use by 94,871 board-feet of lumber, the equivalent of saving 632 mature trees

We will continue evaluating opportunities to reduce our carbon footprint on our journey in contributing to a regenerative supply chain.

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2Data provided by CHEP
**Waste Reduction and Minimization**

Throughout 2021, Rite Aid diverted more than 76,000 tons of recyclable material from landfills through four individual programs:

- Store recycling program
- Confidential store trash recycling program
- Corporate campus recycling program
- Distribution center recycling program

We estimate that our store recycling efforts helped us to conserve roughly:

- 171,000 trees
- 41 million kWh of electricity
- 99.8 million gallons of water
- 73,700 metric tons of GHG emissions were avoided

In FY22, we cut our overall advertising circular programs by approximately 2 million copies per week, reducing our paper consumption by 2,000 tons.

Food waste diversion efforts in FY22:

- Select Rite Aid stores partnered with Alameda Food Bank, resulting in approximately 10,000 lbs of food donated.

**Sustainable Packaging in eCommerce**

In FY22, Rite Aid transitioned from plastic air dunnage pillows to a RanPak® sustainable dunnage solution that is recyclable and biodegradable across our eCommerce fulfillment engines. In addition, our eComm boxes are sourced and produced using recycled materials, are recyclable and include helpful visual aids on the box flaps instructing customers to mindfully recycle after use.

All of our eComm shipping boxes are Forest Stewardship Council (FSC) certified.

**Hazardous Waste Disposal**

Properly handling the collection, treatment and disposal of waste material is a critical component of both our social purpose and environmental sustainability efforts. Rite Aid’s hazardous waste program is designed to ensure that front-end products and pharmaceuticals that are no longer fit for sale, as well as materials used by Rite Aid, are safely handled in accordance with federal, state and local hazardous waste guidelines and diverted from landfills whenever possible.

We safely disposed of 44 tons of pharmaceutical waste in 2021, supporting our efforts to reduce our total waste and continued commitment to proper disposal.

<table>
<thead>
<tr>
<th>Rx Waste Amounts</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hazardous Pharmaceutical Waste</td>
<td>126 tons</td>
<td>25.2 tons</td>
<td>31.5 tons</td>
</tr>
<tr>
<td>Non-Hazardous Pharmaceutical Waste</td>
<td>4 tons</td>
<td>23.1 tons</td>
<td>12.5 tons</td>
</tr>
<tr>
<td>Total</td>
<td>130 tons</td>
<td>48.3 tons</td>
<td>44 tons</td>
</tr>
</tbody>
</table>
Thriving Business
We are managing social and environmental responsibility throughout our value chain by assessing and engaging with our supplier partners, implementing sustainable sourcing guidelines, and enhancing supply chain and product transparency.

**Goal: Embed sustainability into every level of our value chain**

**We will achieve this by:**
- Improved supply chain transparency and engagement
- Formalizing expectations through environmental and social sourcing guidelines and policies
- Procuring sustainable products in line with our RxEvolution Strategy
- Enhancing consumer transparency around sustainable product and sourcing attributes through a renewed retail and digital experience.

**Relevant topics:**
- Responsible Sourcing
- Product safety, quality, health and nutrition
- Drug supply chain integrity
- Data security and privacy
Responsible Sourcing

Responsibly managed, forest-based supply chains

A responsibly managed, forest-based supply chain employs principles and practices that promote sustainable forest management, the appropriate use of recycled content and responsible sourcing. This includes transparency, protocols and mechanisms to track the wood fiber in the supply chains from its origin to the forest products supplied to Rite Aid and its customers.

Rite Aid’s “Responsible Sourcing Guidelines” and objectives promote responsibly managed, forest based supply chains and enhance supply chain transparency. Our goal is to address the largest volume of forest products used in Rite Aid’s daily business operations, such as advertising circular papers, copy and print paper, and the pharmacy bags and labels used by our pharmacy and distribution centers.

100% of the paper purchased for our advertising circulars is currently sourced from responsibly managed, forest-based suppliers that are compliant with independent forest certification standards, such as the Sustainable Forestry Initiative (SFI), or the Forest Stewardship Council (FSC). In addition to our advertising circulars, all of our eComm shipping boxes are FSC certified. In time, as Rite Aid associates and its supplier partners learn from our collective efforts to achieve our goal, we will look for opportunities for improvement and expand our work to other areas of the business, such as the paper-based consumer products branded and sold by Rite Aid.

Cage Free Egg Commitment: In 2016, Rite Aid committed to providing 100% cage-free eggs to our stores by 2025. We are pleased to announce the acceleration of our commitment of our commitment, and will source 100% cage-free eggs at all locations by the end of 2022. Responsible sourcing is core to our business and purpose, and we are dedicated to advancing sustainable and ethical practices such as sourcing cage-free eggs for our customers.

Protecting Pollinator Health

In 2019, we partnered with Friends of the Earth, a non-government organization that advocates for a healthier and more just world in their mission to protect pollinator health.

Pollinators are a cornerstone of dependable food supply, and populations of bees and other pollinators are declining around the world. A growing body of scientific evidence suggests that pollinator-toxic pesticides are among the key drivers of insect population declines.

Rite Aid is committed to business practices that support a sustainable food system, understanding that food retailers can play an important role in protecting pollinator health. To this end, we encourage all of our food and beverage suppliers to reduce the use of pollinator-toxic pesticides and to adopt least-toxic approaches to pest management, including biological and physical pest control and Integrated Pest Management (IPM) strategies in their supply chains.

We also support pollinator health through our commitment to expand offerings in organic products. For more information, our pollinator health policy and guidance for our suppliers may be found on our website.
Code of Ethics in our Supply Chain

Rite Aid is committed to the highest standards of business conduct in its relationship with associates, customers, supplier partners, stakeholders and shareholders. We established our Code of Business Ethics and Conduct and Supplier Code of Ethics in order to reinforce that commitment to ethical business practices. Our code not only applies to Rite Aid Associates and our Board of Directors, but also to our supplier partners and other companies with which Rite Aid works.

We value relationships with our suppliers and vendors, knowing that our success is heavily based on mutually successful partnerships. We expect our partners to operate and conduct business in the same fair, ethical manner that is detailed in our Code of Ethics.

We strictly enforce and employ a zero-tolerance policy for the following:

- Threats, intimidation and harassment
- Bribery or attempted bribery
- Utilizing underage workers in any capacity

Ethical Sourcing Principles

Rite Aid strives to continuously improve and enhance the scope of our supply chain management efforts. We recognize that, throughout the world, there are different laws, customs, and conditions that can impact business practices. Which is why we developed our “Ethical Sourcing Principles,” which outline the ethical guidelines and commitments we expect of our supplier partners concerning social responsibility.

Rite Aid’s sourcing principles address the following salient human rights issues:

- Compliance with laws (national/local laws, including but not limited to those related to labor, immigration, health and safety and the environment)
- Freely chosen employment (i.e., no forced labor, child labor, human trafficking, etc.)
- Safe and hygienic working conditions
- Compensation (receiving fair/legal wages)
- Anti-discrimination and harassment
- Freedom of association and collective bargaining
- Operating with environmental compliance and protection

These sourcing principles are part of all agreements between Rite Aid and its direct supplier partners. We ask our suppliers to develop and implement appropriate mechanisms to promote compliance with these sourcing principles internally and within their supply chains.

In the event a supplier partner becomes aware it has failed to comply with any of our sourcing principles, the supplier must notify Rite Aid.
Factory Audits

Rite Aid utilizes the services of independent, third party auditors to evaluate our supplier partners' compliance in both security and social accountability. Social audits cover all aspects of our ethical sourcing principles, including human trafficking and slavery. Audits can be announced or unannounced. At the conclusion of each review, the third party conducts a “closing meeting” with representatives from the manufacturing facility before leaving the premises, at which time any deficiencies identified during the review are communicated. If a deficiency is identified during the review, Rite Aid expects the facility to rectify the deficiency within the following time frame:

- **Critical**: 30 days from the day of the closing meeting
- **Major**: 90 days from the day of the closing meeting
- **Minor**: 12 months from the day of the closing meeting

If a critical or major deficiency is identified during the initial audit, the factory receives a corrective action plan in which Rite Aid is actively involved. The factory will receive a follow-up audit, at which time if the deficiencies have not been rectified, the factory goes into a locked status, meaning Rite Aid will no longer do business with the affiliated supplier.

Factories are selected for audit by statistical samplings based on purchase volume and country of origin. Any factory that refuses to participate in an audit is no longer eligible to do business with Rite Aid.

In 2021, 51 factories3 received social accountability or security audits:

- 42 factories received an overall acceptable rating
- 7 factories that received unacceptable rating (critical or major deficiency discovered).
  - 3 of the 7 factories failed two audits
  - 4 factories refused to undergo second audit after failing the first

As a result, Rite Aid ceased doing business with the 7 factories.

Any factory that did not correct their deficiencies within the required time is no longer eligible for business with Rite Aid.

Several examples of deficiencies noted in 20214:

- No fire alarm system audible throughout all sections of the factory and used only for fire and evacuation
- Chemicals improperly stored in appropriate secondary containers, kept off of the ground, and/or labeled improperly with safety precautions
- Electrical wiring not in good or safe condition
- No/missing machine guards
- Blocked emergency exits
- Visitors, vendors and service providers who cannot present photo identification upon arrival. Log that records details of the visit is not maintained.

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3Results below reflect total of 49 audits. Two factories were in a “pending” status as of March, 2022.
4List is not all-inclusive and each audit varies in their infractions.
As we continue to position Rite Aid as a whole health destination that elevates mind, body and spirit, one of our core tenets remains providing our customers with the best products, services and advice to meet their unique needs. Rite Aid is committed to working with our supplier partners to ensure the products we sell are safe and healthy for our customers and the environment, and to keeping our stakeholders informed about our continuous efforts and progress in selling safe products.

A key pillar of our RxEvolution strategy is renewing our retail and digital experience. We’ve recently evolved the Rite Aid brand by overhauling our approach to merchandising. We have a curated product assortment that supports the whole health needs of our target consumers and those for whom they care. We have expanded products that promote health and wellness, are better for the environment, and responsibly sourced.

Sourcing efforts in FY22:
• In July 2021, we partnered with Efficient Collaborative Retail Marketing Company, LLC (ECRM) and RangeMe, to hold a Rite Aid exclusive supplier sustainability summit titled, “Clean, Green and Better for you.” Our merchants met with more than 75 different suppliers showcasing products that support whole health and clean ingredients across categories like food and beverage, health and beauty care and general.
• We integrated new criteria focused on sustainability into our sourcing process, collecting data on topics such as: supplier diversity, product packaging, human rights, product sustainability certifications, chemical management, and emissions data.
• As we work to expand our efforts around DE&I, understanding the makeup of our existing supplier base is a crucial first step. In FY22, we began capturing data around supplier diversity across our sourcing efforts. In FY23, we will leverage this data to help inform future strategy and goal setting around supplier diversity.

Product Safety, Quality, Health and Nutrition

[SASB Food Retailers and Distributors; Product Health and Nutrition; CN0401-12]
Improving Consumer Awareness

In August 2021, we launched our consumer-led product attribute program that supports Rite Aid’s strategy around whole health and cleaner ingredient products. This program focuses on identifying and communicating relevant product attributes (i.e., paraben free, cruelty free) in an effort to aid shoppers in their purchase decisions while highlighting products that align with our strategy.

At the end of fiscal year 2022, we had 54 different product attributes across four key benefit territories, with approximately 2,000 items on our shelves containing one or more attribute. Many of these product attributes require third party certification by the supplier.

This program is being communicated throughout our stores and marketing channels, including:

- In-store (shelf tags, aisle signage)
- Online (product pages, search and filtering)
- In ad/promo (circular and digital advertising)
- On-pack (own brand packaging integration)

We will continue to promote and source new and existing products containing relevant attributes and third-party certifications for greater transparency as our assortment expands over time.

### Four Benefit Territories With 54 Approved Product Attributes:

**FREE FROM**

- The exclusion of certain chemicals or ingredients of concern
  1. Aluminum free
  2. Ammonia free
  3. Caffeine free
  4. Gluten free
  5. Grain free
  6. No artificial ingredients
  7. Non GMO
  8. Paraben free
  9. Plastic free
  10. Silicone free
  11. Soy free
  12. Sulfate free
  13. Fragrance free
  14. Chlorine free

**WELL BEING**

- Beneficial features that help you live better and age better
  1. Alkaline
  2. Antioxidants
  3. Bioavailable nutrients
  4. Botanical ingredients
  5. Contains charcoal
  6. Contains electrolytes
  7. Contains probiotics
  8. Contains vinegar
  9. Corn starch based
  10. Digestive support
  11. Holistic
  12. Homeopathic
  13. Hypoallergenic
  14. Pectin gummies
  15. Provides hydration

**SMART CHOICE**

- Nutrition facts that help you choose food or beverages based on your dietary needs
  1. 100% juice
  2. High protein
  3. Life stage (pet food only)
  4. Limited ingredients
  5. Low ABV
  6. Low calorie
  7. No added sugar
  8. Plant based protein
  9. Single serving size
  10. Sugar free
  11. Vegetarian capsules
  12. Whole grain
  13. Zero calorie
  14. Heart healthy

**PROUD PLANET**

- Environmental and ethical practices that promote thoughtful consumerism
  1. Cruelty free
  2. Fair Trade
  3. Organic
  4. Plant Based ingredients
  5. Recyclable materials
  6. Reef friendly
  7. Renewable materials
  8. Responsibly sourced
  9. Tree free
  10. USDA BioPreferred
  11. Vegan
Managing Chemicals of Concerns
[SASB Multiline Specialty: Product Sourcing, Packaging and Marketing; CN0403-10]

Our customers want to feel confident about what is in the products they are using for themselves and their families. Rite Aid’s commitment to improve chemical management and product safety directly aligns with the company’s objective to help consumers achieve whole health.

In 2016, Rite Aid committed to eliminating eight chemicals of high concern (previously defined as the “Evil 8”) from its own brand formulated products. In 2018, we adopted our chemical policy and corresponding restricted substance list (RSL), which outlines our commitment to the ongoing management of toxic chemicals and safety of the products on our shelves. Ongoing collaboration with Non-Governmental Organizations (NGOs), our supplier partners and our partners at Underwriter Laboratories (UL) has helped us drive toward our stated objectives and continued developing the breadth and scope of our chemical policy.

Progress in FY22 around chemical management efforts:

- Completed the Chemical Footprint Project survey for the first time to benchmark our chemical impact and identify areas for improvement. In FY23 we are preparing to generate our first quantitative footprint report to characterize the total mass of CFP chemicals of concern associated with our 2022 sales of formulated products.

KPIs (from 2019-2021) free of 8 highest chemicals of concern:

- # of new items launched - 474
- # of items reformulated - 163
- Current % of in scope assortment free from chemicals - 96

- Removing and reducing harmful chemicals in food contact materials/packaging for all own brand food suppliers: In FY22 we incorporated compliance with this criteria into our sourcing process. Our policy prohibits the intentional addition of per-and poly-fluoroalkyl (PFAS), phthalate and bisphenol compounds to our own-brand food packaging.

- Generic Ingredients: In FY21 we committed to requiring suppliers to provide additional disclosure surrounding generic ingredients (like “fragrance”) by December 2023. In FY22, we characterized the baseline level of ingredient transparency in our item assortment and will launch a program to begin collecting more granular formulation data from our suppliers.

As of March 2022, 64% of our in scope own brand items did not contain a generic ingredient.

- Environmental Justice Chemicals of Concern (EJCoC): We developed an initial environmental justice chemical of concern restricted substance list, focused on chemicals particularly harmful in multicultural products. In FY22 we began a preliminary screening for the prevalence of these chemicals in our current in scope item assortment. In FY23, our focus will be incorporating this RSL into our strategic sourcing process as we encourage our suppliers to eliminate these toxic chemicals in the products that we sell.
Food Safety and Sanitation

Rite Aid’s robust food safety and sanitation program leverages several key controls to manage the risk associated with food product safety, quality and store sanitation:

Monitoring

- Smart Sense Monitoring Devices
  - Monitors temperature of time-temperature-controlled and frozen foods
  - Protects temperature-sensitive medication like vaccines and antibiotics
  - 24/7 monitoring
- Laser or stem digital thermometers in all stores

Assessing

- Store leaders perform daily self-assessments that include verification of safe temperatures, product freshness, store sanitation standards, and COVID-19 intervention strategies.
- Biannual controlled self-assessment audit (CSA) to evaluate store-level compliance with food and drug safety/sanitation requirements. Regional leaders perform an annual assessment at all Thrifty hand dip locations.
- Internal assurance provides an independent audit of all Thrifty hand dip locations over a two-year period.
- The Senior Director of Food Safety posts a quarterly update of audit results, as well as any regulatory results in our internal communications platform for operational teams to review for trend analysis and continuous improvement.

Awareness and training

- Sanitation checklists
- Hands on training
- Specific job assigned computer-based trainings (CBTs)
- Training posters, guides and instructional videos

Thifty Ice Cream hand dip locations are supervised by food safety managers that must pass a certification exam sponsored by a third-party ANSI certified test provider.

Food safety modernization act (FSMA)

In 2019, to ensure the safety and quality of our ice cream, Rite Aid finalized a hazard analysis risk based prevention controls (HARPC) plan at our Thrifty ice cream plant to achieve compliance with the FDA’s Food Safety Modernization Act (FSMA).

Key elements of our FSMA HARPC plan include:

- Process Controls
- Allergen Controls
- Supply Chain Controls
- Sanitation Controls
- Recall Procedures

We have partnered with Safety Chain Technologies to assist with retaining FSMA-related data. In 2020 we completed the integration of SAGE Technologies with the Thrifty ice cream plant to enhance our ingredient tracking and traceability. The members of the management team at our Thrifty ice cream plant are all Preventative Controls Qualified Individuals (PCQIs) trained through an FDA-certified course. CSA audits, which include current good manufacturing practices as well as elements of our FSMA HARPC, occur on a monthly basis to verify the efficacy of programs for continuous improvement.
In 2020 we completed our Food Safety Modernization Act (FSMA) Intentional Adulteration Food Defense Plan for Thrifty ice cream that includes the following key elements:

- Broad-based and focused vulnerability assessment
- Mitigation strategies for key activity types (KATs)
- Monitoring procedures
- Corrective actions
- Verification procedures

The Thrifty management team are PCQI through an FDA certified class, and have trained Thrifty associates in our food defense procedures and protocols. Our food defense plan includes improvements in video surveillance, locking mechanisms and protocols, and new SOPs focusing on prevention of both external and internal intentional adulteration. A CSA is conducted regularly to monitor and verify the efficacy of our Food Defense Plan for continuous improvement.

**Food Safety in Supply Chain**

Rite Aid requires all Thrifty supply chain vendors to be global food safety initiative (GFSI) or equivalent standard compliant. Certificates of analysis for vendor ingredients that may cause serious adverse health consequences or death to humans or animals are verified through third party laboratory analysis to ensure safety. We are currently partnering with UL on developing a program to ensure our own brand suppliers meet GFSI or equivalent standards as part of a broader supply chain management initiative.

Our distribution centers have proactively developed hybrid FSMA controls to further improve our current Good Manufacturing Practices, which include a focused awareness on biological, physical or chemical hazards as well as on food defense.
Product Quality Testing and Recalls

Through our partner Underwriter Laboratories (UL), Rite Aid tests all food and formulated nonfood products against established specifications to ensure product quality and safety.

At a minimum, each Rite Aid own brand product is tested once annually. Thorough reporting is completed monthly to identify key product trends and supplier-related quality issues and resolutions.

When a manufacturer issues a recall, we have a very detailed process in place to manage operational handling and communication of the recall. We follow the same process for both national brand and own brand items for any recall considered to be a consumer health or safety risk, regulatory issue, or a product quality issue where the item does not meet specifications.

For own brand recalls and FDA mandated recalls, we post the recall information on our website at www.riteaid.com/customer-support/product-recalls.

Rite Aid does not conduct animal testing on ingredients or products in our own brand assortment; however, we recognize other companies may continue to carry out some animal testing in order to meet certain legislative and regulatory requirements and to protect the health of consumers. We continue to collaborate with our suppliers to support the development of alternative methods.

Drug Supply Chain Integrity

[SASB Drug Retailers; Drug Supply Chain Integrity; HC-DR-250a.1]

In order to mitigate risk around the occurrence of compromised drugs within the supply chain, Rite Aid buys only from authorized distributors/wholesalers who purchase drugs directly from drug manufacturers as specified in the Drug Supply Chain Security Act.

Rite Aid and its subsidiaries have an established drug recall management procedure to process manufacturer recalls both at the store and patient levels. Each recall is communicated to pharmacies and patients as necessary with follow-up reporting to ensure recall completion.

To support supply chain integrity, Rite Aid has established systems to receive advance shipment notices that include the necessary transaction documentation as detailed in the Drug Supply Chain Security Act. Transaction history, transaction information and transaction statements are processed and validated with each order received to ensure compliance. Periodic physical and process audits of orders received are completed for additional validation.

Rite Aid continues to comply with the Drug Supply Chain Security Act as it moves to full implementation of an interoperable electronic exchange of transaction data for patient safety.
Our Commitment to Securing Data

In today’s world, data security and privacy is imperative. Our business as a health and wellness destination requires responsible management of sensitive information. Our customers depend on us to protect their personal information each time they fill a prescription, speak with a pharmacist or make a purchase in our store or online.

We are committed to protecting all of our stakeholders from damaging acts, whether intentional or unintentional. We demonstrate our commitment both operationally through proper training, handling and storage of information throughout our enterprise, as well as our information security program.

As a covered entity under HIPAA and other State and Federal Privacy laws, Rite Aid has a designated Privacy Officer who oversees the privacy program including all affiliates. Our privacy program includes resources like our HIPAA procedures manual and individual HIPAA/Privacy policies, which are available to all associates on our internal company portal, as well as onboarding training and job specific annual training that is mandatory for all associates. Training content covers topics such as background information regarding HIPAA, company privacy policies and procedures, the role of our privacy office, properly handling of Protected Health Information (PHI) and Personally Identifiable Information (PII), how to report matters of concern, and the security of PHI, PII and confidential information, among other topics.

In addition to our policies, procedures and training, we conduct store level HIPAA reviews annually to monitor compliance. Reviews are focused primarily on the proper handling and storage of PHI and PII. These reviews cover the security rule, the privacy rule and the breach notification rule. Rite Aid and subsidiaries also conduct annual HIPAA risk assessments and other data security and privacy assessments facilitated by our Information Security Team, Privacy Team, Compliance & Ethics team and/or Internal Audit.

Additionally, Rite Aid and all affiliates have designated hotlines available for all associates to report concerns anonymously, as well as a designated email address to specifically report privacy matters (privacyoffice@riteaid.com).

Rite Aid’s comprehensive information security program is led by our Chief Information Security Officer and designed to protect information and critical resources from a wide range of threats in order to ensure business continuity, minimize business risk and maximize return on investments and business opportunities. The objective of this program is achieved through effective administrative, technical and physical safeguards that protect our data.

As part of Rite Aid’s Information Security program, all associates are required to complete yearly security training. In addition, all employees receive security awareness email training around controlling access to Rite Aid’s data on an ongoing basis.
Our Information Security Program

Rite Aid’s information security program is monitored and updated on a continuous basis. Our program is reviewed by third party experts every year. Security measures are taken to guard against unauthorized access to, alteration, disclosure or destruction of data and systems. This also includes guarding against accidental loss or destruction.

We continue to get high marks concerning the Security Program. Our program:

- Provides our associates with defined policies and procedures in order to control customer, patient and associate information; and
- Satisfies all Federal and State legal requirements concerning privacy, security and breach information and disclosure requirements.

Protecting company data and the systems that collect, process and maintain this information is of critical importance. This is executed through system controls and safeguards to thwart possible threats, as well as controls to ensure availability, integrity and confidentiality of the data.

It is the responsibility of all system users to understand our data security policies and conduct their activities accordingly:

**Confidentiality** Preserving restrictions on information access and disclosure so that access is restricted to only authorized users and services.

**Integrity** The concern that sensitive data has not been modified or deleted in an unauthorized and undetected manner.

**Availability** Ensuring timely and reliable access to and use of information.

In addition to our information security programs and processes, Rite Aid has a multi-layer defense structure to increase security of the system as a whole. Layered security describes a strategy featuring multiple defensive layers that are designed to slow down an active threat. If one security mechanism should fail, another mechanism may still provide the necessary security to protect the system. The goal is to delay the active threat and detect it before serious damage occurs. An effective layer acts as a strong deterrent by causing the threat actor to look for an easier target.

We are pleased to report that, as a result of our programs, there were no significant Rite Aid system data security breaches involving PII or PHI during FY22. As a result, we incurred no Rite Aid system-related direct expense or remediation cost.
Thriving Workplace
Thriving Workplace

As part of Rite Aid’s RxEvolution journey, our strategic decisions are centered on our most valuable asset — our associates. We are proud to employ over 50,000 associates across the United States, including Puerto Rico.

Our associates are key to the success of our transformation as they are at the center of supporting the whole health of our customers and communities.

Our transformation is about dramatically and visibly changing our business to meet the health and wellness needs of our customers – helping them to thrive. To build meaningful and lasting change, we must engage the unique perspectives, experiences and approaches that only come from a diverse workforce. We believe that an inclusive and welcoming workplace is not only desirable, but essential. We are committed to building a workplace in which every associate can thrive.

Goal: Optimize associate experience, opportunity and wellbeing across our organization.

We will achieve this by:
Implementing transformative DEI strategy and people practices driving positive business outcomes

Relevant topics:
- Diversity, equity and inclusion
- Associate development
- Total rewards and recognition
- Communication and engagement
- Health and safety
- Labor practices
At Rite Aid, we support personal growth and achievements. We dedicate ourselves to creating a learning environment for all of our associates that is growth oriented and forward looking. Associates have access to training that can help improve their performance and acquire the knowledge and skills for future success at Rite Aid.

In addition to in-person development opportunities, our online learning management platform houses 400 learning assets that support associates’ development and ensures compliance across the corporation. We leverage other online learning platforms to support pharmacy associates in maintaining and building on their existing skills. In our leadership development online training portal, we house over 35,000 learning tools and resources to drive the effectiveness of our leaders and is available to associates in the field, distribution centers, and corporate offices. In 2021, we saw an uptick in digital learning and usage increased over 200%.

New to the company is a multi-year approach to establish a foundation for selection and development of our associates through a competency framework. Success profiles were developed to identify what success in a role looks like as well as plan for development paths. Rollout is in a phased approach and is underway for a full enterprise implementation. Key offerings include learning modules and resources mapped to core competencies for success in the role, but also serve as a roadmap for future development. Our goal is to refine the skills needed today and build capabilities for the future.
Diversity, Equity and Inclusion
[SASB Multiline Specialty; Workforce Diversity and Inclusion; CN0403-04]

At Rite Aid, we have embarked on a business transformation journey that is changing how we engage the marketplace and how we can best serve our customers and communities. We know that to build change that is meaningful and lasting, we must engage the unique perspectives, experiences and approaches that only come from a diverse workforce. We believe that an inclusive and welcoming workplace is not only desirable but essential, and we are committed to building a workplace in which every associate can thrive.

It starts with our Diversity, Equity & Inclusion (DEI) commitment statement that aligns with our values and behaviors; providing transparency that also allows our stakeholders to understand our aspirations.

It continues with our commitment to equal employment and advancement opportunities for all individuals. All employment decisions at Rite Aid are based on merit, qualifications and abilities. Rite Aid does not discriminate in employment opportunities or practices on the basis of race, color, creed, religion, sex, national origin, age, pregnancy, sexual orientation, gender identity, marital status, citizenship status, physical and/or mental disability, status as a protected veteran, or any other characteristic protected by law.

Rite Aid makes reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment including selection, job assignment, compensation, discipline, termination and access to benefits and training.

Through our Heritage and History Month series, we celebrate DEI throughout the year and engage associates and leadership in programming. The Heritage and History Month series is designed to help associates build their cultural competencies and understanding of different perspectives and lived experiences. These activities help to cultivate a more inclusive work environment for associates and a better understanding of the customer experience for the communities we serve.

We have also introduced the DEI Talent Network, an employee resource group aimed at promoting diversity and health and wellness equity, improving the workplace and community, and providing professional development opportunities.

But we aren’t stopping there. We are committed to ensuring that every Rite Aid associate is positioned to thrive.

Our new DEI strategy roadmap will help us advance further in our DEI journey. It includes the integration of DEI into human resource policies as well as business processes to create measurable and sustainable improvements. For example, we’re placing a strong emphasis on talent acquisition, development and management processes to grow a pipeline for future leaders with unique perspectives, experiences and approaches.

Rite Aid’s purpose is to help the customers and communities we serve achieve whole health for life. To live our purpose, we are building a workforce that is inclusive and reflects the diverse customers and communities we serve.
Data reflects population for FY22 company wide. Associates are considered management if their jobs fall under EEO job categories Executive/Senior Level Officials and Managers or First/mid-level officials and managers. The remainder of associates are included in “all other employees”.

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Communication and Engagement

For the past two years, more than 70% of our associates have participated in our annual associate surveys. The surveys give us valuable information regarding topics such as career development, well-being, compensation, benefits, recognition, and leader communications. Importantly, the surveys also provide insight on opportunities specific to diversity and inclusion efforts. In 2021, more than 70% of our associates who completed the survey noted a high engagement level.

Total Rewards and Recognition

Our associates are critical to our business, and we design compensation, benefit and recognition programs to provide the appropriate security, support and appreciation needed for our associates to thrive. Included within the package of offerings for our associates are annual bonuses, 401(k) plans, healthcare benefits, paid time off, associate assistance programs, and many other services and programs for our eligible associates.

In the past year, we, like many other employers, experienced attraction and retention of talent struggles as the pandemic continued to place stress on our associates and their families. As a result, we developed many programs to assist with hiring and also extended additional recognition and pay elements to retain our talent. Some of the actions taken are as follows: referral bonuses, sign-on bonuses, pay adjustments in hard to staff areas, along with Self Care Fridays to help associates and their families with topics to assist with the stress due to the continuing pandemic.

We were excited to see our managers and leaders step-up to support our associates through one of our core values, “Getting there together,” and extending recognition through our Applause Points platform, which rewards associates with points to purchase items for themselves and their family.

In 2021, we announced our decision to become a remote first employer. This has allowed us to expand our talent pool relocating to Camp Hill, Pennsylvania or Twinsburg, Ohio is no longer a requirement for corporate office employment. This has continued to be seen as a positive decision for our associates as it allows them more flexibility to balance their work and family priorities.

Our new collaboration hubs will be in place this coming year, which will further the ability to ensure ongoing in-person meeting and collaboration throughout the year.
Health and Safety

Rite Aid is committed to providing a safe environment for our customers and our associates. Store and field management must ensure that all safety policies and procedures are implemented and followed by all associates. All associates are required to perform their duties in a safe manner, complying with all Company safety rules and policies.

Leadership is required to follow safety guidelines and written procedures to maintain a safe working environment for all associates. Our stores leaders are responsible for formally assessing, reporting and correcting unsafe working conditions or concerns at the time they are discovered. If an accident does occur, leadership must immediately report and respond to the accident by following Rite Aid’s written procedures.

Associates are responsible for maintaining an atmosphere that promotes a safe working environment by notifying their immediate supervisor of unsafe conditions, complying with all safety rules and regulations, practicing safety while performing their job duties and informing supervisors of injuries to themselves, customers, or fellow associates.

We continue to produce regular trainings with safety related topics. In the past year, those courses included topics such as:

- Emergency Preparedness
- OSHA Inspections and Complaints
- Illness and injury prevention program (IIPP) and Handling Accidents
- Safety: Truck Day and Every Day

Should our Risk Management team ever note an unsafe act from an individual incident or trend from multiple incidents, they will engage the regional leadership team as an opportunity for additional safety coaching of the store/regional teams.

Rite Aid has and will continue to ensure associates are never putting themselves in situations where they may be harmed. From the top of our organization down, we’ve underscored the importance of associate safety to protect them from dishonest customer events.

Labor Practices

[SASB Multiline Specialty; Fair Labor Practices; CN0403-6]
[SASB Food Retailers and Distributors; Fair Labor Practices; CN0401-17]
[SASB Food Retailers and Distributors; Fair Labor Practices; CN0401-18]
[SASB Multiline Specialty; Fair Labor Practices; CN0403-07]

As a result of our efforts to manage our workforce in a way that protects the rights of our associates and enhances productivity, we did not incur any work stoppages, impact on operations, or need for corrective actions to be implemented in calendar year 2021. We continue to evaluate data from our exit interviews to develop action plans where there is opportunity to improve and ultimately mitigate loss of talent to our business.

Wages

Rite Aid complies with the salary basis requirements of the Fair Labor Standards Act (FLSA). In FY22, 97% of our in-store associates earned above minimum wage by region.

Turnover

Our fiscal year 2022 store associate turnover was 47%:

- 49% voluntary turnover
- 9% involuntary turnover

Union membership

- 35% of our workforce is unionized
- 48% of all stores are under collective bargaining agreements
- 38% of distribution centers are under collective bargaining agreements

6Labor practices data reported for fiscal year 2022
Thriving Community
**Thriving Community**

We strive to best support the overall health and well-being of the millions of lives we serve each day through our RxEvolution. Through our commitment to total health and wellness, and by expanding the role of our pharmacists, we are uniquely positioned to engage with customers and improve their health outcomes.

**Goal: Improve health equity, outcomes and access to care in the communities we serve.**

We will achieve this by:

- Improving customers access to most effective medications and outcomes by unlocking the value of our pharmacy team as trusted advisors.
- Making medications more affordable for everyone, through our PBM, Elixir.
- Providing wellness coaching through Health Dialog.
- Partnering with organizations throughout our markets to address inequities in vulnerable and underserved populations.
- Raising awareness and education on prescription drug safety and drug abuse prevention.
- Raising funds to support charitable activities in the communities we serve through an independent public charity, Healthy Futures.

**Relevant topics:**

- Demonstrating improved health outcomes at Rite Aid
- Managing the opioid crisis
- Improving quality and dispensing life saving and life enhancing prescriptions at Elixir
- Wellness and decision support programs at Health Dialog
- Community involvement across Rite Aid
COVID-19 Vaccine: 1 Year Anniversary Highlights

In the face of the unprecedented COVID-19 pandemic, Rite Aid has been on the front lines of health care delivery in many of the hardest-hit cities across America. Our response to this global crisis is closely tied to our corporate social responsibility efforts. We were proud to participate in the White House COVID-19 Response Working Group and help significantly expand the nation’s self-swab testing capacity and to join the Federal Retail Pharmacy Program to provide COVID-19 vaccines. In fiscal year 2022, Rite Aid delivered millions of COVID-19 vaccines and tests, and held thousands of immunization clinics, including many clinics in underserved areas.

Throughout the pandemic, our associates proved their abilities to adapt to new and changing government regulations and recommendations from The Centers for Disease Control and Prevention, all while providing needed medications, essential supplies, and COVID-19 information to the communities that we serve. We are incredibly proud of their efforts during this time.

Rite Aid’s Commitment to Vaccine Access

This past year, Rite Aid has been on a mission to improve and broaden access to COVID-19 vaccines in neighborhoods across the country. As part of our ongoing efforts to help bring the vaccine to our communities, we’ve partnered with organizations throughout our markets to set up clinics for vulnerable or underserved populations. For example, in March, Rite Aid joined the Newark Equitable Vaccine Initiative, a community-powered campaign to increase access and equity of vaccine distribution in Newark, NJ. Also in March, Rite Aid partnered with the NAACP and the Philadelphia Council AFL-CIO to administer vaccines at a clinic in Philadelphia.
First Lady Dr. Jill Biden Visits Rite Aid Vaccine Clinic at Michigan Community College

First Lady Dr. Jill Biden visited a Rite Aid COVID-19 vaccine clinic at Grand Rapids Community College in Michigan on May 27, 2021. This clinic was part of Rite Aid’s continued efforts to improve vaccine access. To date, Rite Aid has held more than 1,100 community clinics. Dr. Biden’s visit was in support of the administration’s partnership between federal retail pharmacy partners, like Rite Aid, and community colleges. In May, the White House announced that some of the nation’s largest community colleges would hold vaccine clinics in an effort to get students vaccinated. Community colleges are cornerstones in our communities, with significant reach and diverse student bodies, making collaborations like this a powerful tool to increase access to the vaccine.

Rite Aid Focused on Getting Students, Educators Back in the Classroom

As students headed back to in-person learning in August 2021, Rite Aid partnered with schools across the nation to provide nimble COVID-19 testing and vaccinations to those who were eligible. One such partnership was with Success Academy Charter Schools to vaccinate teens attending the High School of the Liberal Arts (HSLA) Manhattan and Harlem East Middle School. Just a few days after this initial clinic, the Rite Aid team hustled to accommodate some teens at another HSLA Harlem event after a positive COVID case forced some classes to a remote environment.

Success Academy Charter Schools CEO Eva Moskowitz lauded the efforts of the Rite Aid team: “Thank you, Chris, and all at Rite Aid for helping us to keep underserved youth safe and healthy. We are so grateful!”
Rite Aid Pharmacists Administer 2,255 COVID-19 Vaccines at 1-Day Clinic

A Rite Aid team of 12 pharmacists and four interns administered 2,255 shots in one day at a clinic at Segerstrom High School in Santa Ana, CA, in March. The clinic, led by Rite Aid Regional Pharmacy Leaders Kirt Patel and Ryan Go, vaccinated educators, staff and eligible friends and family. Later in the year, Patel was recognized by the Santa Ana Unified School District and Congressman Luis Correa for the fast-acting work he organized with pharmacy teams to provide more than 33,000 vaccinations during a brief, three-and-a-half month timespan!

Improving Health and Wellness at Rite Aid Pharmacy

Patient health outcomes

The role of our pharmacist took on new importance as we accelerated our RxEvolution while also responding to a global pandemic.

In March 2020, we announced our new strategy to dramatically change our business and revolutionize our industry through the lens of whole health. One of the core pillars of that strategy has focused on evolving the role of our pharmacists’ to improve patient care and counseling.

Dispensing whole health guidance

Consumers trust their pharmacists as their health care advocates, interacting with them more frequently than their primary care physicians. We’ve repositioned our pharmacists by enhancing their traditional role around dispensing to a broader role working at the top of their license, encouraging a holistic approach to health.

Pharmacists serve as trusted advisers to consumers, helping them combat and prevent disease, advising on prescription drugs and complex polypharmacy, supporting them and helping them navigate through their health care journey, answering questions and making appropriate recommendations for OTC products and overall whole health guidance.
Tools for success

Our RxEvolution strategy has highlighted the value of Rite Aid pharmacists caring for their customers at levels never seen before in healthcare.

Rite Aid’s wellness concierge approach gives our consumers 24/7 access to a team of professionals trained in both traditional and alternative therapies, who constantly provide new personalized ways to flourish. Many of our pharmacists will keep our consumers up-to-date on the latest remedies available: from tips on nutrition, exercise and better sleep to natural curated remedies like aromatherapy, clean and holistic skin care and essential oils as alternatives or complements to their medications. They will counsel and offer curated solutions using thoughtful criteria to advance the health and wellbeing of our customers. We will do all of this to go beyond healthy and help our consumers thrive.

Our pharmacists have been trained to be certified integrative pharmacy specialists. They received instruction on alternative medicine and over-the-counter remedies and are now certified to be able to offer both traditional and alternative remedies.

- We partnered with Elsevier to provide pharmacists with access to a wide variety of clinical tools, including Clinical Pharmacology, Patient Education Direct, Clinical Key and Natural Medicines Comprehensive Database. Our goal is to ensure our pharmacists have access to the resources needed to develop professionally and be knowledgeable in order to help our customers achieve the balance of mind and body health.

- We continue to use our accredited provider status by the Accreditation Council for Pharmacy Education (ACPE). This accreditation allows us to develop continuing pharmacy education that enables our pharmacists and technicians to earn CE credits. We offered over six courses throughout the year educating our pharmacists on our focus health conditions.

Focused health conditions

Pharmacists complete ongoing bi-monthly e-learning modules, developed to build upon their knowledge of selected health conditions focused on our customer’s whole body health. Initial topics included immunity, stress, sleep, cognitive health, diabetes and children’s health with several additional topics currently in development.

- Our pharmacists have access to focused health tip sheets: customized handouts provided to every patient to facilitate strong engagement on the perfect fusion of alternative and traditional therapies. Each tip sheet is a valuable tool used to deliver a personalized recommendation identified by the pharmacist for each customer.

Improving access to our pharmacists

To execute our strategy and improve patient access to our pharmacists, we’ve improved efficiencies and leveraged technology to balance workload in the pharmacy.

In the past, our pharmacists were spending about 70-80% of their time on non-consumer-facing activities. Our overall goal is to flip this so that they will be spending 70-80% of their time proactively engaging with consumers in pharmacies, in the aisles, and even connecting to consumers using our 24/7 chat. We continue to provide innovative tools to maximize the time that our pharmacists interact with customers.

As part of our strategy and ongoing LEAN training, we continue to enable more of this interaction by implementing changes to the pharmacists’ workflow. Enhancing their roles and responsibilities and providing more (or more appropriate) technician help, freeing up our pharmacists’ time so they can proactively engage with consumers in the store. Changing their workspace to include an open counter will enable our pharmacists to more easily step out and help by removing physical barriers. Our model has allowed our pharmacists to spend significantly less time in the production area as we re-engineer how the entire pharmacy team works.

Improving operational efficiency

Opened in 2016, our Central Fill facility in Delran, New Jersey improves efficiency of the prescription filling process while freeing up time for our store-based pharmacy associates to enable additional clinical and customer service interactions.
In 2021 we expanded our footprint of stores and now service over 1,000 stores and fill over 200,000 maintenance prescriptions per week. Through this service, we are able to save 50% of the time needed to fill and dispense each prescription, enabling us to reallocate that time to expanded clinical services and customer care.

**Patient Care at Rite Aid**

Medication non-adherence, or failing to take medications as prescribed, is directly associated with higher rates of hospital admissions, suboptimal health outcomes, increased morbidity and mortality and increased healthcare costs.

Here are just a few of the programs and initiatives designed to support better health outcomes for Rite Aid patients:

**Rite Care**

In 2018, Rite Aid launched “Rite Care,” a state-of-the-art proprietary tool that provides our pharmacists with real-time alerts for clinical service opportunities without having to access a separate application. These clinical services opportunities include immunizations, comprehensive medication reviews, medication adherence consultations, opportunities for enrolling a patient in predictive refill programs and more. This technology allows our pharmacists more time to engage with their patients and holistically address their individualized healthcare needs.

Through Health Dialog, our wholly owned subsidiary, Rite Aid leverages predictive analytics to ensure we are targeting the right patients, at the right time and in the right way. In addition, our trained health coaches from Health Dialog conduct outreach via telephone to engage with our most “at risk” patients.

In 2021, we populated over 55 million targeted clinical opportunities during workflow to our pharmacists each day. Using proprietary analytical technology, Rite Care identifies customers in need of clinical services, including immunizations, medication therapy management (MTM) and medication adherence consultation/tools. In addition, we made the following enhancements to our Rite Care program:

- Partnered with regional health plans, Elixir insurance and Elixir PBM clients to offer targeted clinical opportunities directly to their patients. These programs support medication adherence for their members by offering adherence tools and pharmacy counseling.
- New opportunity used to ensure the completion of the COVID-19 vaccination series and OTC recommendations to support Perfect Fusion recommendation of traditional and alternative therapies.

**Rite Aid’s Medication Therapy Management (MTM) program**

Medication Therapy Management (MTM) represents one way our pharmacists are practicing at the top of their license by resolving drug therapy problems, closing gaps in care, addressing medication adherence barriers and optimizing medication therapies for their patients. Rite Aid partnered with OutcomesMTM, the national leader in the design, delivery and administration of MTM programs, to utilize platforms that identify eligible patients, assess appropriate interventions and document care.

Pharmacists are a valuable and trusted member of the patient health care team, and MTM is one way in which we can demonstrate this value to health plans. Pharmacists who are actively engaged in MTM services provide a higher level of care and help patients achieve better outcomes. MTM also encourages patients to be active participants in their healthcare, empowering them to be more knowledgeable about their health and more responsible about their medication use. In a broader context, MTM services also facilitate a stronger partnership among patients, their pharmacists, physicians and other healthcare providers to help prevent avoidable healthcare expenses and drive positive health outcomes. In 2021, Rite Aid pharmacists completed approximately 333,000 MTM services to support the health and wellness of over 190,000 patients.

In 2021, Rite Aid was ranked 2nd in large chain overall performance for Medication Therapy Management Services by Outcomes MTM. This is an improvement from our 3rd place ranking in 2021.
In addition to the Rite Care and MTM Programs, we also utilize the following additional tools to improve adherence:

- **90-Day Prescriptions**: Studies have shown that switching a patient to 90-day fill can raise adherence rates over 20%.
  - In 2021, dispensing of 90-Day prescriptions among Medicare-Part D patients with maintenance prescriptions increased by 1.6% over 2020.
  - In 2021, dispensing of 90-Day prescriptions among all patients with maintenance prescriptions increased by 2.5% over 2020.

- **Predictive Refill Enrollment (Medicare Part D)**: Predictive refill includes both the Rite Aid One Trip Refill (OTR) and Automated Courtesy Refill (ACR) programs. Enrolling a patient in a predictive refill program and converting fills to 90 days can raise adherence rates to an average of 90%.

- **Rx Notifications**: Enrolling a patient in prescription notifications also adds to workflow efficiencies and higher customer satisfaction. The tool can also be utilized to increase adherence.
  - In 2021, there was a 7.7% increase in the number of Medicare-Part D patients using Rx Notifications for their maintenance prescriptions.

- **Rite Aid Mobile App**: This free, 5-star rated app provides tools designed to assist patients with medications adherence. These tools include “My Rx Score,” which tracks an adherence rate on each individual medication, medication reminders, automated refill tools as well as a bar code scanner to refill your medication directly from the bottle.

- **Compliance Packaging**: For our most vulnerable patients, Rite Aid has added a centralized compliance packaging solution. This is an ongoing effort that continues to be scaled. As of July 2022, 325 patients have been enrolled.

In 2021, Rite Aid was ranked 2nd in large chain overall performance for Medication Therapy Management Services by Outcomes MTM. This is an improvement from our 3rd place ranking in 2020. Throughout the past two years, we have significantly closed the gap between Rite Aid and the second place large retail chain.

**Clinical pharmacy service pilots**

Community pharmacists are among the most accessible of all healthcare professionals. Many patients and their caregivers visit their local pharmacy first to seek help in relieving their symptoms or to ask questions about their care. As a way to make quality healthcare more accessible, many states have taken significant steps to allow pharmacists to further expand their roles, performing additional services that go beyond filling prescriptions and better leveraging their expertise and capabilities.

Through these emerging clinical pharmacy services, Rite Aid pharmacists are providing a higher level of care in their communities. They are now better equipped to evaluate their patients and provide appropriate support and education based on these expanded service offerings.

Here are three examples of how Rite Aid pharmacists are providing a higher level of care in local communities through current pilot programs:

- **The Idaho Prescriptive Authority**
  - Each of our fourteen pharmacies in Idaho were granted approval to evaluate and treat for cold sores and uncomplicated urinary tract infections, and to prescribe statins for patients who have been diagnosed with diabetes. This year our pharmacists conducted 290 consultations.
- The expansion of prescriptive authority improves access to quality, affordable care to treat self-limiting conditions. Our pharmacists are able to practice at the height of their education and demonstrate the important role they play in the healthcare ecosystem.

**Contraceptive Prescribing**

- Our pharmacists are now permitted to prescribe contraceptive therapy in our 71 Oregon pharmacies, 35 of our pharmacies in California and 11 pharmacies in Maryland. This service allows patient access to contraceptive services in a convenient and affordable manner intended to decrease unplanned pregnancy rates in the community and provide preventative care services. This year, Rite Aid pharmacists conducted more than 286 consultations related to contraceptive prescribing.

**Point of Care Testing**

- Our pharmacists have been trained to perform independent testing to diagnose and treat patients for Group A Streptococcal and Influenza infections.
- Our pharmacists performed influenza and strep tests on nearly 300 patients in 2019. This testing has been paused for the last two years due to precautionary measures for in-store testing due to COVID-19.
- In March 2020, we partnered with The U.S. Department of Health and Human Services (HHS) to offer COVID-19 testing in our Philadelphia stores. This effort quickly expanded to over 1200 drive-thru locations, where we offer both swab and send-out testing to all individuals (age 4 and older), regardless of symptoms. As of February 2022, we have administered over 3.6 million COVID-19 tests.

**Immunizations**

All Rite Aid pharmacists are Certified Immunizing Pharmacists. Our pharmacists have received extensive training to provide both vaccines and education about vaccines, including those that protect against the flu, pneumonia, whooping cough, measles and now, COVID-19, as allowed by state law. This enables our pharmacy teams to engage with our patients and provide vaccines that are appropriate for each patient’s individual needs.

Due to the large shift to remote work during COVID-19 last year, we increased efforts with our voucher based program to invite employer groups into our stores to receive a vaccine, rather than have Rite Aid come on-site.

Despite the pandemic, we completed over 9,000 employer-based flu clinics and administered almost 180,000 doses of influenza vaccines from these clinics in FY22.

Rite Aid continued its efforts as a member of the Federal Retail Pharmacy Partnership in all locations. As of February 2022, Rite Aid had administered over 14.3M COVID-19 vaccines across all jurisdictions.

Our immunization program continues to grow because of our efforts.

**Did You Know?**

In FY2022, Rite Aid protected over ten million patients by administering immunizations. This was an increase over the previous year of more than five million patients.
Patient safety is a critical priority at Rite Aid, and we use a robust proprietary Continuous Quality Improvement Program to drive this effort. With the help of analytics, we constantly review the program for improvements and updates that promote patient safety.

Incident identification, root cause analysis, creation of action plans for future improvements, and implementation of ongoing education, counseling and follow up, allows for a reduction in annual claims rates.

Improvements in the data entry process allow for specific searches to be performed, further increasing accuracy in medication selection. Improvements in the filling process only permit a limited number of open orders at one time, which maintain focus and increases accuracy in dispensing. The ability to scan medication bottles, to ensure the appropriate product is selected, provides technical assistance to employees filling medications.

Advances in technology allow us to coordinate the usage of a proprietary clinical review tool to assist in the safe dispensing of controlled substances for our patients. Where available, our pharmacists are also able to quickly assess patient medication records through integrated access to state-specific drug monitoring programs.

Patient safeguards have been integrated at the point of sale to facilitate continued precision in dispensing. These safeguards enable the pharmacists to halt the sale of medication, ensuring professional counseling is personally delivered to the patient. Furthermore, the collection of multiple patient identifiers ensures medications are dispensed to the patient for whom they are intended.

Patient safety is a continually evolving process and our Continuous Quality Improvement Program enables the implementation of the most advanced processes to ensure safe and accurate medication dispensing to the millions of patients we serve.
Managing the Opioid Crisis

As one of the nation’s leading drugstore chains, Rite Aid takes its role as a community healthcare provider very seriously. This means going beyond simply complying with state laws and regulations to also raising awareness about important issues like prescription drug safety, drug abuse prevention and advocating for increased access to education, treatment and proper medication disposal. As one of health care’s most accessible practitioners, pharmacists are uniquely positioned to help educate their patients and communities about prescription safety.

Over the last year, Rite Aid has continued making progress on several key initiatives to help address the opioid crisis:

<table>
<thead>
<tr>
<th>Installed</th>
<th>Removed</th>
<th>Distributed</th>
<th>Dispensed</th>
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<tbody>
<tr>
<td>630 safe medication disposal kiosks are available in select Rite Aid stores. In FY22, we installed 465 units, with plans to expand in additional stores in California and New York in FY23.</td>
<td>Over 792 tons of unused medications removed from homes through DEA National Take Back Days in 2021, as well as more than 80,000 lbs from our in-store medication disposal kiosks.</td>
<td>Over 412,000 Dispose Rx packets were provided free of charge to assist opioid patients in quickly and safely disposing unused excess opioids since the program’s inception.</td>
<td>More than 89,000 Naloxone Prescriptions.</td>
</tr>
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Rite Aid was among the first drugstore chains to offer DisposeRx, an opioid disposal solution, for free at every location. DisposeRx packets contain a biodegradable powder that, when mixed with water in the prescription vial, dissolves drugs and forms a viscous gel that can be safely discarded in a customer’s household trash. DisposeRx packets are offered to patients with new opioid prescriptions and patients with chronic opioid prescriptions every six months. Our pharmacists provide counseling on proper use when providing the DisposeRx packet to a customer. Since we launched this program in May 2018, our pharmacists have provided over 412,000 packets to assist our patients in responsible, safe drug disposal of their unwanted, unused medications.

Numbers reflect FY22

This program is facilitated through the DEA and is not exclusive to Rite Aid. National Take-Back Day is a safe, convenient and responsible way for the public to dispose of unused or expired prescription drugs.
2021 milestones

• In FY22, we placed 465 additional medication disposal units in select Rite Aid pharmacies as part of our comprehensive strategy to address drug abuse and misuse in the country. This brings our total in-store units to 630 with additional units planned in FY23 in California and New York. The unit offers individuals a free, safe and convenient way to dispose of expired or unwanted prescription and over-the-counter medications, helping to reduce the chances of accidental or intentional misuse. Additional kiosks will be added as individual states consider legislation for funded medical disposal stewardship programs.

• Rite Aid completed the successful implementation of NarxCare in 2 additional states, bringing the total to 13 (of the 17 states) of operation that have approved Prescription Drug Monitoring Programs (PDMP) integrations. NarxCare utilizes, analyzes and presents information from State PDMPs to enable pharmacists to more efficiently and effectively identify and manage patients at risk for Controlled Substance Misuse and Abuse. The NarxCare program is anticipated to expand as additional states consider the approval of the necessary PDMP integrations. Maryland and New Hampshire are expected to integrate in 2022.

Our pharmacists receive ongoing training on opioid management, counseling and response.

Our pharmacists are trained to educate our patients, so they understand the risk of opioid abuse—starting with their first opioid prescription, including through:

• Handouts on opioid use, safe storage disposal and proper use of Naloxone for patients with opioid prescriptions.

• Warning label sticker on opioid prescription bottles that reads “Caution: Opioid. Risk of overdose and addiction.”

• Counseling for patients with new opioid prescriptions on their profile.

Naloxone, the drug used to reverse the effects of an opioid overdose, is available in every Rite Aid store without a prescription.

Our pharmacists are prepared to respond! We require our pharmacists to complete a computer-based training program in addition to two hours continuing education training prior to dispensing Naloxone. As part of this comprehensive training, pharmacists are trained on how to identify symptoms of an overdose and what to do in the event of an overdose, including how to safely administer Naloxone to a patient.

Management of prescription monitoring and dispensing controlled substances

In November 2019, the Opioid Taper Guidance from the U.S. Department of Health and Human Services was made available to aid our pharmacists in having conversations with patients and prescribers about the proper and safe tapering of opioid therapies.

In July 2021, we communicated the updated HHS guidelines "The new practice guidelines for the administration of buprenorphine for treading opioid use disorder (OUD)" to our pharmacists. The revised guidelines exempt eligible practitioners from certification requirements related to training and the provision of psychosocial services previously necessary when dispensing or prescribing buprenorphine for the treatment of OUD to 30 or fewer patients. Submission and approval of a Notice of Intent (NOI) remains legally necessary in order to use buprenorphine in the treatment of patients with OUD.
We also participate in prescription drug monitoring programs, including a process for pharmacists to regularly review certain highly-diverted prescriptions for patients not known by the pharmacy or where there may be concerns or suspicions of misuse.

- Rite Aid policy requires that all pharmacists be enrolled in their state Prescription Monitoring Program (PMP), and all pharmacists must attest annually their access is active.
- Rite Aid has a robust proprietary prescription dispensing system with built-in logic to assist our pharmacists in providing patient care in a safe and effective manner while facilitating regulatory compliance.

Some examples of system enhancements related to controlled substances include:

- An automated six-step “High Alert Controlled Substance Validation Process” to verify controlled substance prescriptions for high alert medications. This was a manual process prior to 2015.
- A prompt when controlled substances are attempted to be filled more than 48 hours before the refill date.
- Prompts and edits placed within the NexGen dispensing system to alert the pharmacist of certain regulatory requirements, restrictions or actions that might need to be taken.
- Notice of fraudulent prescriber activities when Rite Aid receives notification from the Board of Pharmacy or the PMP program. The pharmacists receive a prompt through the pharmacy system to validate the authenticity of the prescription with the prescriber.
- Rite Aid has implemented NarxCare in all operating states where legally available. NarxCare is a tool within NexGen that allows pharmacists to move effectively and efficiently access and analyze Prescription Monitoring Program (PMP) data in workflow to aid in the clinical decision-making process when dispensing controlled substances.

- A NexGen block was put in place to only accept electronic prescriptions for promethazine with codeine to help mitigate the risk of increasing fraudulent prescriptions for this drug.
- Enhanced system controls around new regulations for California controlled substance prescription forms allow for the scanning or manual entry into NexGen and validating or rejecting prescriptions not possessing a 12-character serial number and a corresponding barcode.
- Enhancements were made to our Annual/ Monthly control count application.

**New enhancements in 2021:**

Rite Aid rolled out an internal portal application for DEA loss tracking and reporting. This application transitioned initial notification, investigative results and DEA form 106 from a more manual process to an electronic internal portal (“HUB”) based application. This has helped streamline and centralize the flow of the reporting and investigative process for controlled substance losses and allow regulatory affairs to review and respond via the portal application to mitigate the risk.

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9High alert medications are defined as certain controlled substances such as oxycodone, methadone, suboxone, hydrocodone, and tramadol as being at a higher risk for abuse and diversion, and as such, these products are the main focus for our procedures for validating and dispensing high-alert controlled substance medications.
Improving Member Access, Affordability & Health Outcomes

Elixir is a pharmacy services company with the scale, flexibility and expertise to help our clients achieve their unique business goals. Elixir has the assets needed to optimize the full pharmacy spectrum, including:

- An industry leading adjudication platform, offering flexibility, efficiency and data privacy protection
- A pharmacy benefits management company
- Accredited mail and specialty pharmacies, creating an exceptional member experience, waste reduction and cost savings
- Population health services through our sister company, Health Dialog
- Prescription discount programs for uninsured and under-insured and Medicare Part D plans for individuals

As a trusted everyday care connector, our pharmacy teams drive lower healthcare costs through better coordination, stronger engagement and personalized services that help achieve whole health for life.

By forming genuine partnerships with our clients, we craft solutions to cure today’s pharmacy benefits challenges.

- $8 Billion in Revenue
- 2.7 Million Pharmacy Benefit Management Lives
- 1.3 Million Mail & Specialty Pharmacy Prescriptions Filled
- 800,000 Medicare Part D Insurance Members
- 13.5 Million Discount Savings Card Claims
- 48 Million Third-Party Adjudication Claims
- 1.3 Million Third-Party Rebate Services Claims
Expanding access to coverage
More than 20 million people rely on the pharmacy benefits and services of Elixir. Throughout the United States and Puerto Rico, we help employers, commercial and government-sponsored health plans, and hospice organizations offer affordable prescription drug benefits, convenient access to pharmacies and the clinical management needed to help members make healthy choices and keep drug spending under control.

Additionally, our own Part D prescription drug plan offers Medicare beneficiaries an affordable option. Coverage is available regardless of health status, gender or pre-existing conditions. Whether our members are looking for a low premium plan or are on a government subsidy, our plan provides coverage for thousands of drugs, including brand, generic and specialty medications. Member copays for tier 1 generic medications are as low as $1 at retail pharmacies and $0 for a 90-day supply delivered to their home. We offer a large pharmacy network that includes not only Rite Aid, but also competitive retail chains and many small, independent pharmacies.

DISCLAIMER: Other pharmacies are available in our network.

For members who may have difficulty getting to a pharmacy for physical or economic reasons, or even those in rural areas, our mail order pharmacy plays a vital role in improving access to the medications they need. Members with chronic conditions, who depend on maintenance and specialty medications, can have them delivered to their door, often at a lower cost than retail.

While these offerings help people who are employed or eligible for government-sponsored plans, many are under-insured or uninsured. To help make medications more affordable to these people, we offer a prescription drug savings program, often saving up to 80% on the cost of FDA-approved drugs. The program is free, with no membership fees or hidden costs. There are no enrollment requirements, restrictions or limitations. It can be used instantly at more than 60,000 pharmacies nationwide, including all major retail chains and regional grocery stores. It also may be used instead of, but not combined with, prescription drug insurance or Medicare.

Because of the rising cost of drugs, many plan sponsors exclude medications like those that treat cosmetic related acne, impotency, weight loss and smoking cessation. These “lifestyle” drugs can have a significant impact on a person’s quality of life and can improve other chronic conditions like diabetes, hypertension and high cholesterol. With our prescription discount program, members have more affordable access to these medications.

Improving health outcomes
Plan sponsors and members can feel overwhelmed with the number of drugs and new indications available, as well as rising costs. Plan sponsors want to offer better benefits but may struggle with being able to do so. They often have no choice but to increase member cost share.

Members may struggle to pay for their medications, mitigate side effects or understand increasingly complex therapies. As a result, some members stop adhering to their prescribed treatment plan, leading to worsened health and unnecessary costs for plan sponsors. And the cycle continues.

As a part of our pharmacy benefits and services, we help plan sponsors and members by providing crafted solutions, from clinical to formulary and benefit design, that consider specific disease states, target populations and the efficacy of drug options available. While having the clinically appropriate controls in place is important, you also have to consider each individual member and their condition.

Addressing the unique needs of specialty medications and the people who rely on them
Specialty medications are revolutionizing the pharmaceutical industry, providing new hope and treatment options for people with complex conditions like multiple sclerosis, psoriasis, Crohn’s...
disease and cancer. However, these specialty therapies can come with a hefty price tag and complexities that must be managed for each person as an individual.

We understand that it is important to have the right mix of condition-focused clinical controls to ensure members get the right drug at the right time and the right price. Elixir works with plan sponsors to develop a plan design with condition-focused clinical controls tailored to meet the needs of the plan and the condition being treated.

We have our own specialty pharmacy and partner with an exclusive network of specialty pharmacies to give our clients options to meet their needs and provide members with access to drugs under limited distribution by the manufacturer. This ensures continuity of care, optimal savings and key insights into condition-focused outcomes.

Elixir specialty pharmacy provides personalized care to every member they serve before the first dose is shipped and continues interactions throughout the treatment. We spend the necessary time with each member assessing their risk for non-adherence, closing gaps in care, gauging their confidence in their specialty medication, optimizing site-of-care options and understanding what is needed for the member’s success. Every member is also assessed for copay assistance programs to help ease their financial burden. This individualized care often increases member confidence and adherence rates, producing optimal therapy outcomes.

A balanced approach to utilization and therapy management

Our balanced clinical approach considers clinical effectiveness, economic impact and member experience. Sometimes, it’s important to provide coverage for a drug (or keep it on a formulary) that’s a higher cost simply because it’s the most clinically appropriate medication available for the condition. There also may be situations when it’s more important for members who are already at a “stable state” to continue using a medication rather than requiring a switch to a new drug due to a change in formulary.

Our NCQA-accredited utilization management (UM) and nationally recognized drug therapy management (DTM) programs ensure members are appropriately taking medications prescribed for them to optimize therapeutic outcomes.

Through member profiling and analytics, we detect instances of inappropriate therapy and provide interventions to support better health outcomes.

Changing member behaviors

Getting someone to a healthy stable state often means getting individuals to change habits. As an example, according to the World Health Organization, approximately half of people with chronic conditions do not take their medications as prescribed, which can lead to other health complications. With education and counseling, more people can avoid unnecessary hospitalizations and additional health issues.

Our data-driven program identifies Medicare members at-risk for non-adherence to diabetes, cholesterol and blood pressure medication who are receptive to interventions, along with their preferred method of communication. Our Care Navigators, which include clinical pharmacists and registered nurses, use this data to engage members, providing personalized outreach and education to encourage ongoing medication-taking behavior and empowering members to overcome barriers to adherence.

Protecting members and plan sponsors from an epidemic

Management of pain has become a nationwide issue, and one that we take very seriously for the comfort and protection of our members. Our pain management programs focus on member safety through communication, education and outreach, as well as interventions that help avoid excessive dosing and dangerous drug combinations, with the goal to help individuals manage pain safely.
Wellness Programs Delivered by Health Dialog

Our wholly owned subsidiary Health Dialog provides integrated, multi-channel coaching services to our patients. Health Dialog’s nurse line service is accredited by the Utilization Review Accreditation Commission (URAC) for Health Call Center and the National Committee for Quality Assurance (NCQA) for Health Information Line. In addition, Health Dialog has received NCQA Disease Management/Population Health Program Accreditation.

One key aspect of our business is to develop, design and/or execute wellness programs. The following wellness programs were active in 2021:

**Tobacco Cessation:** This program engages individuals who use tobacco to help improve health outcomes. Innovative outreach strategies provide education and support, access to respiratory therapists, online coaching models and award-winning toolkits to help participants achieve behavior change goals. Participants completing the program are defined as those who complete four or more objectives or who report tobacco cessation.

**Cardiometabolic Risk:** This program engages individuals with metabolic syndrome, high cholesterol, high blood pressure, high blood sugar, diabetes, or lack of physical activity to prevent risk progression and to help improve health outcomes.

**Diabetes Management Program:** This program manages individuals with type II diabetes to provide education and support to help them manage their condition. The primary focus of the program is to address lifestyle factors such as nutrition, physical activity and medication adherence to help individuals regulate their glucose, blood pressure and A1C levels. Participants are offered financial incentives throughout the program to remain engaged and are offered a customized Diabetes Management Mobile app to track their progress.

**Weight Management:** This 12-week program engages individuals who are overweight or obese to help improve health outcomes. Participants are offered a variety of ways to engage and learn at their own pace through digital education partnered with 1:1 telephonic support with a Registered Dietician. Participants are incentivized to track their progress toward their weight goals. Upon completion, individuals are offered a completion reward and are invited to continue to work with a health coach as needed to achieve or maintain their weight goals.

Thirty-three percent of all Health Dialog members participate in one of these programs and there are active plans in place to continue growing enrollment even higher.¹¹

Health Dialog fielded over 16,000 COVID-related calls via our call center with topics ranging from general questions about the virus to symptom treatment advice to COVID testing resources.

¹¹Calendar year 2021 data
Uplifting Our Neighborhoods Together

Rite Aid Healthy Futures is a caring force for social good and a catalyst for positive change. Formerly known as The Rite Aid Foundation, Healthy Futures is a public charity dedicated to supporting communities through equitable access to the things they need most – quality education, good health, nutritious food, stable housing and income opportunities. In short, the things our neighbors need to achieve whole health for life.

Teaming with local organizations in Rite Aid communities across the country, Healthy Futures seeks systemic change that will uplift all of us, together. Because when our neighbors thrive, so do we.
Our Journey to Rite Aid Healthy Futures

The past two years have showed us that some burdens are too big to carry alone. We can make positive change, build healthier and more equitable communities and uplift our neighborhoods, but we have to work together.

That’s the collective spirit of change that Rite Aid Healthy Futures hopes to harness as it moves into a new chapter of philanthropic work. Through its first 20 years as The Rite Aid Foundation, the nonprofit supported children’s health and wellness, yet recognized the need to sharpen its focus when the COVID-19 pandemic and the ensuing racial equity movements in 2020 exacerbated the societal fault lines borne from systemic discrimination.

In February 2022, the charity rebranded as Rite Aid Healthy Futures, giving it an identity to match its reimagined programming and focus areas, as well as a brand representing its caring, optimistic, wholehearted and intentional pursuit of progress.

Yet, this moment is about more than a new name, logo and tagline. At our essence, Healthy Futures is a public charity dedicated to driving positive change in underserved communities, communities that many of our stores serve and many more Rite Aid associates call home.

Racial inequities and health disparities across big cities and small towns profoundly affect the lives and futures of tens of millions of Americans every day. Real lives and real futures are at stake. Life expectancy, the ultimate indicator of health and wellness, spans 20- to 30-year differences in nearby sections of the same city today depending on race and ethnicity.

We cannot achieve racial equity if we do not also achieve health equity for all Americans. That will take all of us, Rite Aid associates working together hand-in-hand with the charity’s donors, community partners and neighbors.

Together, we can all carry a little bit of the weight of the world. Together, we can uplift our neighborhoods.

Thank you,
Jessica Kazmaier
Board President, Rite Aid Healthy Futures

Matt DeCamara
Executive Director, Rite Aid Healthy Futures
About us

Rite Aid Healthy Futures is a charitable, tax-exempt 501(c)(3) public charity established by Rite Aid in 2001, originally as The Rite Aid Foundation. Our mission is to raise funds to support charitable activities in the various communities that Rite Aid serves, with a sharpened focus on addressing racial inequities and health disparities while driving meaningful progress and sustainable change on these key issues.

Our Commitment

Rite Aid Healthy Futures has an extraordinary opportunity and responsibility to drive leadership and progress that impacts the health and wellness of everyone in our local communities, with a special focus on underserved and disadvantaged populations, and to advance racial equity and serve as a catalyst for positive change.

We will listen, learn and serve as a partner, investing in innovative and creative initiatives, programs and solutions that generate hope, optimism, resiliency and impact in communities, plus inclusiveness and opportunity for all in neighborhoods across Rite Aid's business footprint.

Our values

As the public charity affiliated with Rite Aid, we are proud to play a role in helping our neighborhoods achieve whole health for life. That means living our values. We will keep them at the forefront as we collaborate with each other and interact with the communities we serve.

- Lead with Purpose
- Fight for Equity
- Earn Trust & Keep It
- Get There Together

Our funding model

Rite Aid Corporation and its customers play a critical role as a fundraiser and supporters of Healthy Futures. The company’s KidCents round-up program gives customers the opportunity to donate their change to Healthy Futures when they shop at Rite Aid in-store and online.

Those nickels, dimes and quarters add up to millions of dollars each year. Healthy Futures reinvests the customer contributions into local charities and missions to drive community change and support vulnerable communities.

In addition to facilitating customers fundraising through KidCents, Rite Aid Corporation also secures corporate donations from its business partners to support the critical work of Healthy Futures.

Rite Aid Healthy Futures sincerely thanks its donors and Rite Aid for helping to driving positive change and creating healthier, more equitable neighborhoods.

Learn more

See how we’re uplifting neighborhoods together at www.RiteAidHealthyFutures.org
Our Signature Initiatives

From championing children to building bridges to stronger communities, our signature initiatives are setting out to support neighborhoods and their members, one step at a time.

Empowering Children

Building bright futures
Our Empowering Children initiative recognizes that positive change starts with healthy kids. When kids thrive, they become the catalysts that spark meaningful change in our neighborhoods.

Working with strategic partners particularly focused on youth, Rite Aid Healthy Futures is here to support, inspire and empower children so all kids can unlock their full potential and become the changemakers of tomorrow.

Our Partners

KidCents Charities:
Thanks to generous customer donations through the KidCents round-up program, Rite Aid Healthy Futures supports more than 480 community-level nonprofits that create healthier, more equitable neighborhoods. Spread across 17 states, these charities include food banks, homeless shelters, foster care organizations, child abuse centers and therapeutic care facilities for chronically ill children – often tackling some of the most difficult challenges facing young people today.

EmbraceRace:
Emerging as a trusted and powerful resource over the past two years, the organization provides information, resources and community for parents, educators and other adults who want to raise kids who are thoughtful, informed and brave about race. Healthy Futures has supported the organization’s capacity building and programming during a critical inflection point in our country’s racial reckoning.

Girls on the Run International:
With running at its heart, Girls on the Run is dedicated to creating a world where every girl knows and activates her limitless potential and is free to boldly pursue her dreams. Rite Aid Healthy Futures funding allowed Girls on the Run to continue operations during the COVID-19 pandemic and build upon its existing diversity, equity and inclusion work.

SeriousFun Children’s Network:
The SeriousFun global family of camps and programs helps children and their families reach beyond illness to discover joy, confidence and new possibilities. Support from Rite Aid Healthy Futures has advanced network-wide diversity, equity and inclusion efforts and helped SeriousFun member camps prepare to re-open for in-person activities safely.
Connecting Communities

Expanding Equitable Care
Launched in 2021, the Connecting Communities program finds innovative ways to link major institutions and their communities in ways that nurture and promote health equity for children, especially those who may already be receiving medical care or living with a serious illness.

In its initial Connecting Communities programming, Rite Aid Healthy Futures is finding innovative ways to partner with children’s hospitals to help kids and families before they reach emergency departments, operating rooms and therapy centers.

The first $3 million in grants for the Connecting Communities program supported food access and nutrition programs with 34 children’s hospitals. The grants are designed to catalyze growth for food programs whether hospitals are building them, launching them or growing them. No matter how, the goal is to get food to go from the garden or grocery and to our neighbors’ dinner tables, where it can stop obesity, diabetes and other preventable illnesses from taking hold.

Prominent hospitals include:

Strengthening Cities

Supporting vulnerable neighborhoods
The Strengthening Cities initiative aims to reduce health disparities for children and youth in vulnerable city neighborhoods. With a focus on local partners, the initiative addresses the overlap between racial inequities and quality of life. Funding goes directly to organizations that help address hunger, education, housing, health, income and other essentials. Through Strengthening Cities, Rite Aid Healthy Futures has committed to building hope and progress in our neighborhoods, starting with an initial focus on food equity in six major cities across the U.S. Together with our donors, partners and grantees, we hope to build healthier, happier communities.
Strengthening Cities

Underscoring and living up to its reimagined identity, Rite Aid Healthy Futures in 2022 announced its first $10 million in Strengthening Cities grants. Starting with a focus on food equity and with an emphasis on supporting Black and Brown-led charities, the Strengthening Cities initiative initially funded 20 nonprofit organizations across Baltimore, Buffalo, Cleveland, Detroit, Fresno and Philadelphia.

Spread across two years, the grants will support innovative and sustainable programs that widen food access, advance food sovereignty, address food apartheid and ultimately improve health outcomes for children and their families. Programs include community gardens, urban farms, school partnerships, hunger-relief efforts and more.

What Our Partners Said

“By increasing food access, nutrition education and access to critical resources, this project will result in improved health for hundreds of young people, families and our neighborhood at large. Additionally, it’s another opportunity to collaborate with violence-reduction programs to create safe passages in a neighborhood that has seen more violence than any other part of the city.”

– Bill McKinney, Executive Director at the New Kensington Community Development Corp. in Philadelphia

“A comprehensive, neighborhood-based investment to increase access to healthy food and improve health outcomes for youth and families is an incredible opportunity to address the racial inequities and health disparities that have existed in Cleveland for far too long. At the core of our work is the belief that those most affected by an issue should be leading and implementing the solutions. Through this project, FARE will increase access to healthy foods and improve health outcomes through strategies that are based on self-determination and sovereignty.”

– Morgan Taggart, Director of FARE

“This is the beginning of an inclusive movement where children and youth will help lead the Fresno community toward a more equitable, healthy and sustainable local food system. Not only are we developing a replicable model that other school communities and cities can scale, but hundreds of young, motivated leaders will emerge from our programs with the mindfulness, team-building skills and self-awareness it takes to create truly resilient neighborhoods.”

– Keith Bergthold, Executive Director of Fresno Metro Ministry
Connecting Associates with Communities

Beyond its grantmaking, Rite Aid Healthy Futures provided Rite Aid associates enterprise-wide with digital volunteer opportunities to give back to their communities in creative ways during the pandemic.

Girls on the Run

Rite Aid associates inspired thousands of girls as they ran their virtual 5Ks with Girls on the Run this last spring and summer. Associates across Rite Aid’s enterprise – plus family and friends – created inspirational running bibs to congratulate girls completing their programs.

Girls on the Run distributed the bibs to 3,000 runners in 13 local councils.

A nonprofit organization with local councils in all 50 states, Girls on the Run has served more than 2 million girls. Over the course of the program, girls in 3rd-8th grade develop essential skills to help them navigate their worlds and establish a lifetime appreciation for health and fitness. The program culminates with girls positively impacting their communities through a service project and being physically and emotionally prepared to complete a celebratory 5K event.

Showing Gratitude to Healthcare Heroes

At Rite Aid, we’ve got each other’s backs. And we’ve got our communities’ backs, too. Last summer, Rite Aid partnered with Stars of HOPE to thank healthcare heroes who had been on the frontlines of a pandemic for more than a year.

Rite Aid associates shared encouraging messages of thanks on digital Stars of Hope that were then compiled into banners displayed in hospitals in Rite Aid communities.

Stars of HOPE compiled our completed stars and hung them in 25 hospitals in Rite Aid communities, where healthcare heroes will see them every day.

Founded in 2007, Stars of Hope’s mission is to make a difference by empowering your children, friends and family to use their creativity to give hope, show compassion and promote healing.
About This Report
This is Rite Aid Corporation’s fourth annual ESG Report. It provides insight on the company’s environmental, social and governance endeavors and related performance data for FY22 (February 28, 2021-February 26, 2022), unless otherwise noted.

References to “Rite Aid,” “Rite Aid Corporation,” the “Company,” “we,” “us,” or “our” in this report refer to Rite Aid Corporation and/or its affiliates. Rite Aid Corporation, a Delaware corporation, owns multiple subsidiary companies which operate Rite Aid stores and pharmacies and other affiliated companies. The term “affiliates” means direct and indirect subsidiaries of Rite Aid Corporation and partnerships and joint ventures in which such subsidiaries are partners. References herein to “associates” refer to employees of our affiliates.

Assessment of Importance

The basis for our assessment of importance was both internal and external stakeholder feedback, combined with guidance from SASB (the Sustainability Accounting Standards Board). Some of the sources included:

- Shareholder resolutions
- Select institutional investor input
- Company programs, policies and risk factors
- Industry trends

While Rite Aid is categorized by SASB as a Drug Retailer, topics were additionally drawn from Food Retailers & Distributors, and Multiline and Specialty Retailers & Distribution Standards. The framework for our 2022 report appears in the corresponding SASB index found in the appendix of this report.

Based on our assessment, we concluded the issues of greatest importance to our company and our stakeholders fall into four pillars: Thriving Planet, Thriving Business, Thriving Workplace and Thriving Community.

Information Integrity

Rite Aid is responsible for the arrangement and integrity of information in this report. The programs, data and aspirations disclosed in this report are managed by the groups responsible for achieving them. Using several key controls, including a review process with internal subject matter experts, we believe this report accurately represents our ESG endeavors for FY22. The report was reviewed by Management, as well as the Nominating and Governance committee of the Board of Directors, prior to its release.

Your Feedback

We appreciate comments so that we can improve our reporting and provide the most relevant information to our stakeholders. Please send your comments to:

Amanda Patrick,
Director of ESG/Corporate Sustainability,
amanda.patrick@riteaid.com

Cautionary statement regarding forward looking statements

Statements in this report that are not historical, are forward looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements regarding Rite Aid’s goals for and projections of future results; the expected execution and effect of our ESG strategies and initiatives and the amounts and timing of their expected impact; our ability to successfully implement our new business strategy (including any delays as a result of COVID-19); and any assumptions underlying any of the foregoing. Words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “should,” and “will” 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 involve risks, assumptions and uncertainties, known or unknown. For a description of risk factors as they relate to forward looking statements, you are encouraged to read Item 1A (Risk Factors) of our most recent Annual Report on Form 10-k 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. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Rite Aid expressly disclaims any current intention to update publicly any forward-looking statement after the distribution of this report, whether as a result of new information, future events, changes in assumptions of otherwise.
SASB Index
## SASB Accounting Standard - Drug Retailers

<table>
<thead>
<tr>
<th>Disclosure Topic</th>
<th>Accounting Metric(s)</th>
<th>Category</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>FY21 metric</th>
<th>FY22 metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Management in Retail</td>
<td>(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable</td>
<td>Quantitative</td>
<td>Gigajoules (GJ)</td>
<td>HC-DR-130a.1</td>
<td>(1) 1,884,618 GJ</td>
<td>(1) 2,425,544 GJ</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Percentage (%)</td>
<td></td>
<td>(2) 98.7 %</td>
<td>(2) 93.7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(3) 1.29%</td>
<td>(3) 6.29%</td>
</tr>
<tr>
<td></td>
<td>See pg 14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data Security &amp; Privacy</td>
<td>Description of policies and practices to secure customers’ protected health information (PHI) records and other personally identifiable information (PII)</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
<td>HC-DR-230a.1</td>
<td>(same as FY22)</td>
<td>(same as FY22)</td>
</tr>
<tr>
<td></td>
<td>(1) Number of data breaches (2) Percentage involving (a) PII only and (b) PHI (3) number of customers affected in each category, (a) PII only and (b) PHI</td>
<td>Quantitative</td>
<td>Number Percentage (%)</td>
<td>HC-DR-230a.2</td>
<td>(1) 0</td>
<td>(1) 0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(2) n/a</td>
<td>(2) n/a</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(3) n/a</td>
<td>(3) n/a</td>
</tr>
<tr>
<td>Drug Supply Chain Integrity</td>
<td>Description of efforts to reduce the occurrence of compromised drugs within the supply chain</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
<td>HC-DR-250a.1</td>
<td>(same as FY22)</td>
<td>(same as FY22)</td>
</tr>
<tr>
<td>Patient health outcomes</td>
<td>Description of policies and practices to prevent prescription dispensing errors</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
<td>HC-DR-260b.2</td>
<td>(same as FY22)</td>
<td>(same as FY22)</td>
</tr>
<tr>
<td>Drug Retailer Activity Metrics</td>
<td>Number of pharmacy locations</td>
<td>Quantitative</td>
<td>Number</td>
<td>HC-DR-000.A</td>
<td>2,510</td>
<td>2,449</td>
</tr>
<tr>
<td></td>
<td>Total area of retail space</td>
<td>Quantitative</td>
<td>Square meters</td>
<td>HC-DR-000.B</td>
<td>11,395,138 square meters</td>
<td>11,136,056 square meters</td>
</tr>
<tr>
<td></td>
<td>Number of pharmacists</td>
<td>Quantitative</td>
<td>Number</td>
<td>HC-DR-000.D</td>
<td>6,500</td>
<td>6,479</td>
</tr>
</tbody>
</table>
## SASB Accounting Standard - Food Retailers and Distributors

<table>
<thead>
<tr>
<th>Disclosure Topic</th>
<th>Accounting Metric(s)</th>
<th>Category</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>FY21 metric</th>
<th>FY22 metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fleet fuel management (RAD outbound distribution Fleet)</td>
<td>(1) Fleet fuel consumed, (2) percentage renewable</td>
<td>Quantitative</td>
<td>Gigajoules (GJ) Percentage (%)</td>
<td>CN0401-05</td>
<td>(1) 303,072 GJ* (previously reported in gallons) (2) 0%</td>
<td>(1) 293,850 GJ (2) 0%</td>
</tr>
<tr>
<td>Fleet fuel management (RAD field associate Fleet)</td>
<td>(1) Fleet fuel consumed, (2) percentage renewable</td>
<td>Quantitative</td>
<td>Gigajoules (GJ) Percentage (%)</td>
<td>CN0401-05</td>
<td>(1) 51,533 GJ* (previously reported in gallons) (2) 0%</td>
<td>(1) 48,554 GJ (2) 0%</td>
</tr>
<tr>
<td>Product health and nutrition</td>
<td>Description of the process to identify and manage products and ingredients of concern and emerging dietary preferences</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
<td>CN0401-12</td>
<td>Chemical Policy + product attribute program</td>
<td>Chemical policy and product attribute program, see pg 24</td>
</tr>
<tr>
<td>Management of Environmental and Social Impacts in the Supply Chain</td>
<td>Discussion of strategy to manage environmental and social risks within the supply chain</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
<td>CN0401-20</td>
<td>Rite Aid has &quot;Responsible Sourcing Guidelines&quot; and objectives to promote responsibly managed, forest-based supply chains and enhance supply chain transparency.</td>
<td>Reusable pallets in our supply chain through partnership with CHEP - see pg 17 for more info. Social impacts: Responsible sourcing efforts - see pg 21 for more info.</td>
</tr>
<tr>
<td></td>
<td>Description of strategies to reduce the environmental impact of packaging</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
<td>CN0401-23</td>
<td>n/a</td>
<td>In FY22, we shifted from plastic air dunnage pillows to a sustainable dunnage solution that is biodegradable and recyclable across our eCommerce fulfillment engines. Additionally, our eCommerce boxes are sourced and produced using recycled materials.</td>
</tr>
<tr>
<td>Fair Labor Practices</td>
<td>Percentage of active workforce covered under collective bargaining agreements</td>
<td>Quantitative</td>
<td>Percentage (%)</td>
<td>CN0401-17</td>
<td>(1) 48% of retail stores under collective bargaining (2) 43% of distribution centers under collective bargaining</td>
<td>(1) 48% stores (2) 38% distribution centers</td>
</tr>
<tr>
<td></td>
<td>Number and total duration of work stoppages</td>
<td>Quantitative</td>
<td>Number Days</td>
<td>CN0401-18</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
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### SASB Accounting Standard - Multiline Specialty

<table>
<thead>
<tr>
<th>SASB Accounting Standard</th>
<th>Disclosure Topic</th>
<th>Accounting Metric(s)</th>
<th>Category</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>FY21 metric</th>
<th>FY22 metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair Labor Practices</td>
<td>Percentage of in-store employees earning minimum wage, by region</td>
<td>Quantitative</td>
<td>Percentage (%)</td>
<td>CN0403-06</td>
<td>95% of total associate population earned more than mandated minimum wage.</td>
<td>97% of in store associates earned above minimum wage. Breakdown by region included in table below*</td>
<td></td>
</tr>
<tr>
<td>Workforce Diversity and Inclusion</td>
<td>Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees.</td>
<td>Quantitative</td>
<td>Percentage (%)</td>
<td>CN0403-04</td>
<td>(1) Management (a) 51% women; 49% men (b) 67% white; 33% other (2) All other employees (a) 70% women; 30% men (b) 54% white; 46% other</td>
<td>(1) Management (a) 51% women; 49% men (b) 68% white; 32% other (2) All other employees (a) 70% women; 30% men (b) 52% white; 48% other</td>
<td></td>
</tr>
<tr>
<td>Product Sourcing, Packaging, and Marketing</td>
<td>Description of processes to assess and manage risks and/or hazards associated with chemicals in products</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
<td>CN0403-10</td>
<td>Chemical policy info For full policy: <a href="https://www.riteaid.com/corporate/chemical-policy">https://www.riteaid.com/corporate/chemical-policy</a></td>
<td>Chemical policy info- see pg 26 For full policy: <a href="https://www.riteaid.com/corporate/chemical-policy">https://www.riteaid.com/corporate/chemical-policy</a></td>
<td></td>
</tr>
</tbody>
</table>

*Fair labor practices % of in-store employees earning minimum wage, by region

<table>
<thead>
<tr>
<th>Region</th>
<th>Total associates</th>
<th>Associate above minimum wage</th>
<th>Total % above minimum wage within region</th>
<th>Total % at minimum wage within region</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>10</td>
<td>8</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>97</td>
<td>38</td>
<td>37</td>
<td>97%</td>
<td>3%</td>
</tr>
<tr>
<td>10001</td>
<td>3,897</td>
<td>3,896</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>10002</td>
<td>3,913</td>
<td>3,910</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>10003</td>
<td>4,290</td>
<td>4,239</td>
<td>99%</td>
<td>1%</td>
</tr>
<tr>
<td>10004</td>
<td>4,257</td>
<td>4,162</td>
<td>98%</td>
<td>2%</td>
</tr>
<tr>
<td>10005</td>
<td>4,098</td>
<td>4,097</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>10006</td>
<td>3,973</td>
<td>3,973</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>10007</td>
<td>3,984</td>
<td>3,980</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>10008</td>
<td>4,903</td>
<td>4,684</td>
<td>96%</td>
<td>4%</td>
</tr>
<tr>
<td>10009</td>
<td>5,127</td>
<td>4,381</td>
<td>85%</td>
<td>14%</td>
</tr>
<tr>
<td>10010</td>
<td>4,091</td>
<td>4,060</td>
<td>99%</td>
<td>1%</td>
</tr>
<tr>
<td>10011</td>
<td>4,517</td>
<td>4,386</td>
<td>97%</td>
<td>3%</td>
</tr>
<tr>
<td>50001</td>
<td>2</td>
<td>2</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>50003</td>
<td>1</td>
<td>1</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>47,101</td>
<td>45,816</td>
<td>97%</td>
<td>3%</td>
</tr>
</tbody>
</table>

*For full policy: [https://www.riteaid.com/corporate/chemical-policy](https://www.riteaid.com/corporate/chemical-policy)  
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