

**NOTICE OF CLASS ACTION AND PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AND
RELEASE**

Serena Naro, et al., v. Walgreen Co., et al.
United States District Court, Northern District of California
Case No. 4:22-cv-03170-JST

You could get a payment from a class action settlement if you worked in Walgreens' retail stores and/or pharmacies within California and purchased clothing items at your own expense from one of Walgreens' third-party clothing vendors at any time during the period from May 31, 2018, through July 8, 2025.

This Notice is only a *summary* of the Class Action Settlement. You can (and are encouraged to) access and review the entire Amended Class Action and Private Attorneys General Act Settlement Agreement and Release, with all of the Settlement terms to which you are bound, including the "Release of Claims" set forth in Paragraph 34 therein, at the Settlement website www.WalgreenCoSettlement.com.

The United States District Court authorized this Notice. This is not a solicitation from a lawyer. This is not a lawsuit against you and you are not being sued. However, your legal rights are affected whether you act or do not act.

- A former and current employee of Walgreen Co. and Walgreen Pharmacy Services Midwest, LLC (hereinafter referred to collectively as "Walgreens" and/or "Defendants") filed a lawsuit, claiming that Walgreens violated California law by purportedly failing to reimburse for business expenses associated with the purchase of clothing from Walgreens' third-party clothing vendors, and violating the Labor Code, Private Attorneys General Act ("PAGA"), and California Business and Professions Code.
- Walgreens has denied these claims and the Court has not decided the merits of these claims.
- To avoid litigation expenses, Walgreens has agreed to settle these claims and this Notice is a summary of your rights and options under this Settlement—including the deadlines to exercise them.

1. Why did I get this Notice package?

You are receiving this Class Notice because Defendants' third-party vendor records identify you as a non-exempt employee who worked at Defendants' retail stores and/or pharmacies within California and purchased clothing items at your own expense from one of Walgreens' third-party clothing vendors during the period of May 31, 2018, through July 8, 2025. As such, you are a potential Class Member and/or Aggrieved Employee in this Lawsuit. The purpose of this Notice is to describe the litigation to you, inform you about the Settlement, and inform you of your rights and options in connection with the Settlement.

Class Members include all current and former non-exempt employees of Defendants working in Defendants' retail stores and/or pharmacies within California who purchased clothing items at their own expense from one of Walgreens' third-party clothing vendors during the period of May 31, 2018, through July 8, 2025.

Aggrieved Employees include all current and former non-exempt employees of Defendants working in Defendants' retail stores and/or pharmacies within California who purchased clothing items at their own expense from one of Walgreens' third-party vendors during the period from March 16, 2021, through July 8, 2025.

The Court in charge of the case is the United States District Court, Northern District of California, and the case is known as *Serena Naro, et al. v. Walgreen Co., et al.*, Case No. 4:22-cv-03170-JST (referred to as the "Action"). The judge currently presiding over the Lawsuit is the Honorable Jon S. Tigar, in Courtroom 6.

2. What is a class action and who is involved?

In class and representative actions, one or more people called “Class Representatives” (which – in this case – are Serena Naro and Trish Gonzales) sue on behalf of themselves and other individuals who have similar claims. The Class Representatives and these other individuals together are a “Class” or “Class Members” for purposes of the class action claims and “Aggrieved Employees” for purposes of the PAGA claim. Each person receiving this Notice is a “Class Member” and/or “Aggrieved Employee” for purposes of this Settlement. The Court has preliminarily decided that this Lawsuit can be resolved on a class-wide basis because it meets the requirements of federal law governing the resolution of claims through a class action.

3. What does the Lawsuit complain about?

Plaintiffs Serena Naro and Trish Gonzales in the Action allege that non-exempt employees of Defendants who worked in Defendants’ retail stores and/or pharmacies in California during the relevant time period were not reimbursed for clothing items purchased at their own expense from one of Walgreens’ third-party clothing vendors, which allegedly violated the California Labor Code Section 2802 and California Business and Professions Code. Based on the allegations in this Action, Plaintiffs further seek the recovery of civil penalties under the Private Attorneys General Act of 2004 (“PAGA”).

Class Counsel is experienced in class action litigation and has a duty to represent the interests of all Class Members and Aggrieved Employees. Based on analyzing the law concerning the claims, analyzing records, making factual investigations, considering risks involved in further litigation, ensuring that the Class and group of Aggrieved Employees receives payment without having to wait for years of protracted litigation with no certainty of success, Class Counsel believes the Settlement is fair, adequate, and reasonable.

You are receiving Notice of this Settlement because the Court has reviewed the Settlement and has preliminarily determined the Settlement is fair and reasonable and can go forward.

The Settlement is the result of good faith, arm’s length negotiations between Plaintiffs and Walgreens, through their respective attorneys. Both sides agree that, in light of the risks and expenses associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the Settlement Class Members and Aggrieved Employees. This Settlement is a compromise and is not an admission of liability on the part of Defendants.

The Court has not decided whether Plaintiffs’ claims have any merit. There was no trial. Instead of going to trial, both sides agreed to this Settlement.

4. What does the Settlement provide?

- Walgreens will pay \$950,000.00 (“Gross Settlement Common Fund”) to end this Lawsuit.
- Class Members and Aggrieved Employees will receive a portion of the Net Settlement Amount in the manner described under Question 5. The Net Settlement Amount is the Gross Settlement Common Fund minus the following deductions: (1) up to \$10,000.00 to each of the Class Representatives as approved by the Court; (2) up to \$316,666.00 as attorneys’ fees to Class Counsel as approved by the Court; (3) up to \$20,000.00 as costs to Class Counsel as approved by the Court; (4) approximately \$45,000.00 as Administrative Expenses as approved by the Court; and (5) \$75,000.00 to the California Labor & Workforce Development Agency. The Net Settlement Amount is estimated to be \$473,334.00.

5. How much will my payment be?

The Settlement Payments to Class Members and Aggrieved Employees will be based on his or her pro-rata share of the Net Settlement Amount. The Net Settlement Amount is comprised of two parts: (1) the Net PAGA Settlement Amount (*i.e.*, \$25,000.00 earmarked for the release of Representative Plaintiffs' and each PAGA Aggrieved Employee's PAGA claims that is not payable to the California Labor and Workforce Development Agency), and (2) the Net Class Settlement Amount (*i.e.*, the entire Net Settlement Amount less the Net PAGA Settlement Amount which is approximately \$448,334.00).

The distribution formula is based upon records produced in this Action by Defendants' vendors for those Class Members who purchased clothing at their own expense from Defendants' third-party vendors during the Class Period. The total paid by all Settlement Class Members for clothing purchased from Defendants during the Class Period is herein referred to as "Clothing Purchases." The Net Settlement Fund will be divided by the Clothing Purchases to determine the Clothing Purchases Payout Rate. The total amount allocated to each Settlement Class Member will be the total of his or her identified Clothing Purchases during the applicable eligibility periods multiplied by the Clothing Purchases Payout Rate.

Twenty-five percent (25%) of the PAGA Allocation will be distributed to the Aggrieved Employees on a pro-rata basis, based upon the number of pay periods that the Aggrieved Employees made purchases during the PAGA Period.

The payments to the Settlement Class Members and Aggrieved Employees shall be non-taxable, and a form 1099 will be issued by the Administrator for such payments. You should consult with your tax advisors concerning the tax consequences of the payments you receive under the Settlement. Neither Class Counsel nor Defendants' Counsel intend anything contained herein to constitute legal advice regarding the taxability of any amount paid, nor shall it be relied upon as such.

6. Will being part of this Settlement affect my job with Walgreens?

Walgreens encourages all Class Members to participate in the Settlement. Walgreens represents that, as required by law, it will not retaliate against any employee as a result of his or her participation in the Settlement.

7. How do I receive payment from the Settlement Amount?

As a Class Member, you will automatically receive your portion of the Settlement Payment via a settlement check, so long as you do not opt-out or exclude yourself from this Lawsuit. If you are also an Aggrieved Employee, you will receive your portion of the PAGA Allocation via a settlement check, regardless of whether you opt-out or exclude yourself from this Lawsuit.

8. What claims am I releasing as part of this Lawsuit?

If you do not exclude yourself from the Settlement, you will be bound by the release of claims in this Settlement. This release includes the expense reimbursement claims that were pleaded in the Action (or that could have been pleaded based on the facts alleged in the Action), for non-exempt employees of Defendants working in Defendants' retail stores and/or pharmacies within California who purchased clothing items at their own expense from one of Walgreens' third-party clothing vendors between May 31, 2018, through July 8, 2025.

More specifically, if the Court grants Final Approval of the Settlement, all Settlement Class Member who do not timely request exclusion from the Settlement, will be barred from bringing certain claims described below.

Release by Settlement Class Members: Upon the Court’s Final Approval of the Settlement Agreement, and except as to such rights or claims as may be created by the Settlement Agreement, the Class Representatives and the Settlement Class Members (other than those who submit timely and valid request for exclusion) release and discharge the Defendants and each of their respective former and present parents, subsidiaries, holding companies and affiliated corporations and entities, and each of their respective former and present officers, directors, owners, managers, employees, partners, shareholders, members, and agents, and any other predecessors, successors, assigns or legal representatives (collectively “the Released Parties”), from any and all claims for reimbursement of business expenses (Labor Code Section 2802) and unfair business practices (Bus. & Prof. Code sections 17200 et seq.), arising from the facts as alleged in the First Amended Complaint from four years preceding the filing of Plaintiff’s original complaint up to the date of preliminary approval (i.e., from May 31, 2018) (collectively, “Settlement Class Members’ Released Claims”).

If any Class Member initiates a new lawsuit against Defendants based on any claim released under this Agreement, and the Court invalidates the release, any recovery by the Class Member shall be offset by the amount, if any, paid to the Class Member in connection with this Settlement.

Release by Aggrieved Employees: Upon the Court’s Final Approval of the Settlement Agreement, the Aggrieved Employees shall be bound by the release as to any Released PAGA claims that arise during the PAGA Period, pursuant to Labor Code section 2698, *et seq.*, from any and all claims for reimbursement of business expenses (Labor Code Section 2802) arising from the facts as alleged in the First Amended Complaint and Plaintiffs’ PAGA Notice to the LWDA from one year preceding the filing of Plaintiffs’ PAGA Notice (*i.e.*, from March 16, 2021) (collectively, “Aggrieved Employees’ Released Claims”). The Aggrieved Employees shall be bound by the release of any Released PAGA claims, irrespective of whether they submit a timely and valid request for exclusion to be excluded from the Settlement Class.

For the full language of the Release, as well as additional documents related to the Settlement, including the complete Amended Class Action and Private Attorneys General Act Settlement Agreement and Release and the documents filed by the Parties to obtain approval of the Settlement, you may visit the Settlement website at www.WalgreenCoSettlement.com. You may also contact the Administrator for a copy of the Amended Class Action and Private Attorneys General Act Settlement Agreement and Release that has been filed with the United States District Court, located at 450 Golden Gate Ave, San Francisco, CA 94102.

9. What are my options?

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
DO NOTHING	If you do nothing and the Court orders Final Approval of the Settlement, you will give up your rights to pursue the claims that are released by the Settlement and will be paid your portion of the Net Settlement Amount.
YOU MAY ASK TO BE EXCLUDED FROM THE SETTLEMENT	If you ask to be excluded from, or opt-out of, the Settlement, you will get no payment as a Class Member, but you will keep your rights and not release any of the Settlement Class Members’ Released Claims. However, even if you opt-out of the Settlement, you will receive a payment as an Aggrieved Employee and will be bound by the Aggrieved Employees’ Released Claims.
OBJECT	Write to the Court about what you do not like about the Settlement, and if you so choose, attend Court to speak about the fairness of the Settlement.

10. How do I ask to be excluded from the Settlement?

If you do not want a payment from this Settlement as a Class Member, but you want to keep your rights, then you ***must*** take steps to exclude yourself from the Settlement. You can exclude yourself from the Settlement by notifying the Settlement Administrator, in writing, of your intent to exclude yourself by September 29, 2025 (which is 62 calendar days from the date this Notice is sent to the Class Members). Your exclusion letter must state your (i) name, (ii) current address, (iii) the last four digits of your social security number, (iv) desire to exclude yourself from the Settlement, and (v) your signature. Exclusion letters must be sent directly to the Settlement Administrator. The Settlement Administrator, Atticus Administration, is a neutral third-party appointed by the Court to administer the Settlement in accordance with the Court's Orders and the terms of the Settlement Agreement. If you are an Aggrieved Employee, you will still receive a portion of the PAGA Allocation and be bound by the Aggrieved Employees' Released Claims.

Exclusion letters must be sent directly to the Settlement Administrator, at the following address by first class mail, postage prepaid, postmarked on or before September 29, 2025:

Naro v. Walgreen Co.
c/o Atticus Administration
P.O. Box 64053
St. Paul, MN 55164

11. If I don't exclude myself, can I sue Walgreens for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that this Settlement resolves. If you have a pending lawsuit regarding these claims, speak to your lawyer in that case. ***Remember, the exclusion deadline is September 29, 2025.***

12. If I exclude myself, can I get money from this Settlement?

If you exclude yourself, you are not eligible to receive any money from this Settlement as a Class Member, but you may sue, continue to sue, or be part of a different lawsuit against Defendants. If you ask to be excluded, you will not be bound by the Settlement or have any right to object, appeal, or comment thereon. Please note that Aggrieved Employees cannot exclude themselves from the PAGA portion of the Settlement and will receive a portion of the PAGA Allocation and be bound by the release of PAGA claims even if excluded as a Class Member.

13. How do I object to the Settlement?

If you are a Settlement Class Member and wish to object and tell the Court why you do not like the settlement, you must (1) file a written objection with the Court by September 29, 2025 (which is 62 calendar days from the date this Notice is sent to the Class Members) and (2) mail or personally deliver a copy of the written objection to Class Counsel and Defendants' Counsel on the same day as the objection is sent to the Court. The Court will deem an objection filed on the day it is received by the Court, not necessarily when the objection is postmarked. In the written objection, the Class Member must state: his or her full name, address, telephone number, and email address (if available); the reasons for his or her objection; and whether he or she intends to appear at the Final Approval Hearing on his or her own behalf or through counsel. Further, the Class Member must attach to his or her objection all evidence supporting the objection. Any Settlement Class Member who does not file a valid and timely objection to the Settlement, shall be barred from seeking review of the Settlement by appeal or otherwise.

If a Class Member objects to the Settlement, he/she will remain a member of the Class, and, if the Court grants Final Approval of the Settlement, he/she will be bound by the Settlement in the same way and to the same extent as a Class Member who does not object. Any member of the Class who does not make and serve his/her written objection in the

manner provided above, shall be deemed to have waived such objections and shall be foreclosed from making any objections by appeal or otherwise to the Settlement.

The names and addresses of Class Counsel are:

Class Counsel	Defendants' Counsel
Hallie Von Rock Aiman-Smith & Marcy, PC 7677 Oakport St., Suite 1000 Oakland, CA 94621	Christopher Archibald, Esq. BRYAN CAVE LEIGHTON PAISNER LLP 1920 Main Street, Suite 1000 Irvine California 92614-7276

14. What's the difference between objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class and don't want to release your individual claims. If you exclude yourself, you have no basis to object because the case no longer affects you.

15. Do I have a lawyer in this case?

The Court has approved Aiman-Smith & Marcy, PC, to represent you and other Class Members in this Action. These lawyers are called Class Counsel. You will not be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense. A Class Member may enter an appearance through an attorney if the Class Member so desires. Aiman-Smith & Marcy, PC is available as your counsel to answer your questions. The names and contact information of Class Counsel are listed in Question 13 above.

16. How will the lawyers be paid?

Class Counsel would ask the Court to approve a payment of up to \$316,666.00 for attorneys' fees and up to \$20,000 for litigation costs, which will be paid out of the \$950,000.00 Gross Settlement Common Fund. These attorneys' fees will pay Class Counsel for bringing the Lawsuit on your behalf, investigating the facts, litigating the case, and negotiating the Settlement. Defendants have agreed not to oppose these Attorneys' Fees or Costs. The Court may award less than these amounts. Plaintiff's Motion for Attorney's Fees and Costs will be available on the Settlement website by October 31, 2025, (which is 69 calendar days prior to the Final Approval Hearing).

If you are a Settlement Class Member and wish to object to Plaintiff's Motion for Attorney's Fees, you must (1) file a written objection with the Court by December 4, 2025 (which is 35 calendar days prior to the Final Approval Hearing) and (2) mail or personally deliver a copy of the written objection to Class Counsel and Defendants' Counsel on the same day as the objection is sent to the Court. The Court will deem an objection filed on the day it is received by the Court, not necessarily when the objection is postmarked. In the written objection, the Class Member must state: his or her full name, address, telephone number, and email address (if available); the reasons for his or her objection; and whether he or she intends to appear at the Final Approval Hearing on his or her own behalf or through counsel. Further, the Class Member must attach to his or her objection all evidence supporting the objection. Any Settlement Class Member who does not file a valid and timely objection to the Settlement shall be barred from seeking review of Plaintiff's Motion for Attorney's Fees and Costs by appeal or otherwise.

17. When will Final Approval occur?

The Court will hold a Final Approval Hearing to decide whether or not to approve the Settlement. You may attend, either in person or remotely, depending on the Court's procedure at the time of the hearing, and you may ask to speak, but you don't have to. The Final Approval Hearing is scheduled for January 8, 2026, at 2:00 p.m. via Zoom webinar.

18. How do I get more information?

This Notice only summarizes the Action, the Settlement and related matters. For more information, you may visit the Settlement website at: www.WalgreenCoSettlement.com. You may also contact the Settlement Administrator for a copy of the Amended Class Action and Private Attorneys General Act Settlement Agreement and Release. This document and the motion for approval of the Settlement is also on file with the United States District Court, Northern District, located at 450 Golden Gate Ave, San Francisco, CA 94102. You may also contact Class Counsel at the address listed in Section 13 above without having to pay for any attorneys' fees. You also have the right to speak with an attorney of your choosing at your own expense. A Class Member may enter an appearance through an attorney if the Class Member so desires.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR ANY OF WALGREENS' MANAGERS, SUPERVISORS, OR ATTORNEYS ABOUT THIS SETTLEMENT.