

## C0. Introduction

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### C0.1

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**(C0.1) Give a general description and introduction to your organization.**

Walgreens Boots Alliance, Inc.(WBA) is a global leader in retail pharmacy, impacting millions of lives every day through dispensing medicines, and providing accessible high-quality care. With more than 170 years of trusted healthcare heritage and innovation in community pharmacy, WBA is meeting customers' and patients' needs through our convenient retail locations, digital platforms and health and beauty products. WBA is proud of our contributions to healthy communities, a healthy planet, an inclusive workplace and a sustainable marketplace. Walgreens Boots Alliance is a participant of the United Nations Global Compact and adheres to its principles-based approach to responsible business.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the United States ("U.S.") and Europe with sales of \$132.5 billion in the fiscal year ended August 31, 2021. Walgreens Boots Alliance has a presence in 9 countries and employs more than 315,000 people. The Company has approximately 13,000 stores within the U.S., Europe and Latin America. In addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and well-being products. WBA's size, scale and expertise will help expand the supply of, and address the rising cost of, prescription drugs in the U.S. and worldwide.

WBA provides customers with convenient, omni-channel access through our portfolio of retail and business brands which includes Walgreens, Duane Reade and Boots as well as increasingly global health and beauty product brands, such as No7, NICE!, Soap & Glory, Finest Nutrition, Liz Earle, Botanics, Sleek MakeUP and YourGoodSkin. WBA's global brands portfolio is enhanced by our in-house product research and development capabilities. WBA seeks to drive further innovative ways to address global health and wellness challenges. Strategic partnerships with some of the world's leading companies enable WBA to extend our healthcare solutions and convenience offerings to the communities we serve. We believe WBA is well positioned to expand customer offerings in existing markets and become a health and well-being partner of choice in emerging markets. Additionally, through our strategic partnerships, we will be able to dramatically enhance Walgreens Boots Alliance's marketing

### C0.2

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**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	September 1 2020	August 31 2021	No	<Not Applicable>

### C0.3

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**(C0.3) Select the countries/areas in which you operate.**

- Chile
- Germany
- Hong Kong SAR, China
- Ireland
- Mexico
- Switzerland
- Thailand
- United Kingdom of Great Britain and Northern Ireland
- United States of America

### C0.4

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

### C0.5

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Financial control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	WBA

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The WBA Board is actively engaged in discussing and advancing the strategy of the company, ensuring that the company's talent and resources are aligned with the strategy, and overseeing the company's approach to Corporate Social Responsibility (CSR) and sustainability. Within the Board of Directors, the Nominating and Governance Committee has the responsibility to review, at least annually, WBA's policies and activities regarding CSR, sustainability and ESG. During fiscal 2021, the Nominating and Governance Committee reviewed and approved WBA first global emissions reduction target, committing to reduce our absolute Scope 1 and Scope 2 emissions 30 percent by the end of fiscal 2030 compared with our baseline year of fiscal 2019. The Nominating and Governance Committee also reviewed and approved WBA's annual ESG Report and the activities described therein, such as the company's commitment to reduce our energy consumption and emissions on a comparable basis (excludes the impact of acquisitions, disposals and any significant changes in existing operations) as defined by the Greenhouse Gas Protocol. In addition, the Nominating and Governance Committee's charter is to assess the management of risks related to sustainability, ESG and the environment. The members of the Nominating and Governance Committee are all independent directors and the Chair of the Committee is responsible for reporting to the Board regarding the activities of the Committee at appropriate times and as otherwise requested by the Chairman of the Board. The Nominating and Governance Committee charter is publicly available on WBA's website.
Board-level committee	In addition to the Nominating and Governance Committee's direct oversight of the company's strategy, the Audit Committee has explicit oversight responsibility for enterprise risk assessment and risk management pursuant to its charter. While management is responsible for establishing an effective compliance program and maintaining systems to manage major risks faced by the company, the Audit Committee oversees management's analysis and mitigation of these major risks by regularly reviewing and discussing with management the key risks identified in the Enterprise Risk Management (ERM) process, their potential impact on the company and its operations and the company's risk mitigation strategies. Key risks are presented to and reviewed by the WBA Governance, Risk and Compliance Committee on a bi-annual basis, and summaries are presented to the Board's Audit Committee at least twice annually. During fiscal 2021, the Audit Committee reviewed emerging risks, those that have not fully developed or for which the potential impact cannot be accurately assessed, including climate change, sustainability and other environmental, social and governance-related risks and impacts on the business. The Audit Committee also reviewed the company's strategy for business continuity and disaster management including the establishment of emergency response teams across the business. The Audit Committee charter is publicly available on WBA's website.

C1.1b

**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Setting performance objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	The Nominating and Governance Committee, which consists solely of independent directors, regularly reviews risks related to WBA’s governance structures and processes and CSR/ESG functions, which includes the company’s strategy on sustainability, ESG and the environment. Pursuant to its charter, the Nominating and Governance Committee of the Board has oversight responsibility for CSR matters, and receives and reviews reports on these matters at least annually. The company’s CSR strategy includes an enterprise-wide, global carbon emissions reduction target: 30% decrease in Scope 1 and Scope 2 emissions by fiscal 2030 vs fiscal 2019 and a commitment to reduce its energy consumption on a comparable basis - a goal that is related to combating the urgent threat of climate change - and to doing its part to help mitigate global warming. The Nominating and Governance Committee met five times in fiscal 2021 and reviewed at least once in the year policies and activities related to sustainability, CSR and ESG.
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding risk management policies Other, please specify (Monitoring and overseeing climate-related risks)	<Not Applicable>	The Audit Committee of the Board is charged with regularly reviewing and discussing, no less than annually, the company’s enterprise risk assessment and key enterprise risks, including major financial risks as well as information security and technology risks (including cyber-security) and risks related to climate change, sustainability and other environmental, social and governance-related matters. . The Audit Committee periodically reviews the steps management has taken to monitor and control such risk exposures, including the risk assessment and risk management policies.  Climate-related risks are included in the company’s multi-disciplinary company-wide risk identification, assessment, and management process. The Senior Vice President, Global Chief Compliance and Ethics Officer oversees the Enterprise Risk Management program, which is designed to identify, monitor and assess significant short-, medium- and long-term risks to the enterprise and help ensure the company is taking the appropriate steps to mitigate them. Summaries of key and emerging risks, including climate-related risks are presented and reviewed by the WBA Governance, Risk and Compliance committee twice annually, with summaries presented to the Board’s Audit Committee at least twice annually.  The Audit Committee met eight times in fiscal 2021 and reviewed and discussed the key risks identified in the ERM process with management, their potential impact on the company and our operations, and our risk mitigation strategies and related disclosure matters. These risks may include risks related to climate change, sustainability and other ESG-related matters.

**C1.1d**

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	One of our board members is a former Managing Partner at Ernst & Young LLP (EY), where she held a variety of roles with the firm in the U.S. and the United Kingdom from 1982 to 2009. After joining the firm’s audit practice in 1982 specializing in the audit of information systems, she was a founder of EY’s technology security and risk services practice in 1996, building and leading cyber and IT security, data analytics, and technology risk practices in the Northern Europe, Middle East and India and Africa (NEMIA) region. She served as a Board Member and Managing Partner of Regulatory & Public Policy for the NEMIA region from July 2006 to July 2008, where she was the board-level sponsor leading all services related to climate change and sustainability across the NEMIA region, and as a founder and Global Leader of EY’s Climate Change and Sustainability Services practice from July 2008 to December 2009.	<Not Applicable>	<Not Applicable>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Operating Officer (COO) <i>Full title is Chief Operating Officer, International, Walgreens Boots Alliance, Inc</i>	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually
Corporate responsibility committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

**C1.2a**

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

At WBA, having appropriate oversight and governance of the company’s CSR, sustainability and ESG program is critical to its success. WBA’s senior leadership has established an ESG Committee to play a leading role in providing this oversight and governance. During fiscal 2021 the ESG Committee was chaired by WBA’s Chief Operating Officer, International and included: WBA Executive Vice President, and President, Walgreens; WBA Executive Vice President and Global Chief Human Resources Officer; WBA Executive Vice President, Global Chief Legal Officer; WBA Senior Vice President, Global Chief Commercial Brands Officer and International Retail; WBA Senior Vice President, Global Chief Communications Officer; President of Retail Products and Chief Customer Officer Walgreens; WBA Senior Vice President; MD & President, Boots; WBA Senior Vice President and Chief Administrative Officer International; WBA Senior Vice President, Global Controller & Principal Accounting Officer; WBA Vice President, Corporate Social Responsibility; WBA Senior Vice President Global Chief Public Affairs Officer.

The ESG Committee meets quarterly and, among other obligations, is charged with reviewing the company’s sustainability, ESG and CSR programming (including the selection and approval of its sustainability, ESG and CSR goals and the oversight of its CSR policy statements) and the company’s progress towards achieving its sustainability, ESG, and CSR goals. Responsibilities for climate-related issues are assigned to the ESG Committee and its charter includes review of the company’s sustainability, ESG and other CSR-related risks and environmental policies. The ESG Committee monitors climate-related issues by monitoring progress toward WBA’s climate change goal, which is as follows: To reduce our absolute Scope 1 and Scope 2 emissions 30 percent by the end of fiscal 2030 compared with our baseline year of fiscal 2019 (unless otherwise specified, disclosures in this report reflect continuing operations only). Certain prior period data, primarily related to discontinued operations, have been recast to conform to the current period presentation as defined by the Greenhouse Gas Protocol. The ESG Committee further monitors climate-related risks through its oversight of sustainability, ESG and CSR programs and initiatives including energy awareness programs, commitments to the Consumer Goods Forum’s second Refrigeration Resolution, energy use reduction initiatives and investments, generation and purchase of energy from renewable sources, installation of electric vehicle charging stations and fuel efficiency in vans and truck fleets. The ESG Committee further monitors climate-related risks through its oversight of targets, which are set by each business and are relevant to local communities and context. On an annual basis, the ESG Committee approves in writing CSR/ESG goals, set by each business within WBA.

As executive sponsor and chair of the ESG Committee it is the responsibility of the WBA Chief Operating Officer, International to provide, at least annually, updates on the activities of the ESG Committee to the Board of Directors. It is also the responsibility of the ESG Committee chair to ensure the Committee executes on an ongoing basis activities contained within its charter. The ESG Committee charter specifies that on an annual basis the Committee must determine the overarching sustainability, ESG and CSR strategy and goals for the following fiscal year, including the company’s goal to reduce energy consumption. The ESG Committee also reviews and approves the segments sustainability, ESG, and CSR goals and strategy and reviews progress towards achieving these goals.

At the company level the WBA Vice President for CSR has functional responsibility and leadership for this area. This individual reports directly to the Chief Operating Officer, International who reports to the Chief Executive Officer and advises the ESG Committee on targets, policies, practices, strategy and any non-financial reporting by WBA.

Each business within the segments, maintain a record of performance against its targets and goals, and CSR champions promptly notify the Vice President for CSR, who sits on the ESG Committee, if problems emerge that would prevent the achievement of the targets and goals. In addition, the ESG Committee monitors climate-related issues through its annual approval of the ESG Report. Within the ESG report, WBA receives external limited assurance on specified disclosures including carbon emissions and waste management, GRI specified disclosures and SASB specified disclosures. You will find details on these specified disclosures later in this disclosure.

**C1.3**

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	The teams responsible for managing energy use and associated emissions have incentives based on performance against annual goals that align to overall business strategy for the management of climate change issues. We are continuing to evaluate the opportunity to provide additional incentives to the current, for the management of climate change issues for the teams directly and indirectly responsible for managing energy use and associated emissions.

**C1.3a**

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Business unit manager	Monetary reward	Other (please specify) (Energy management )	The teams responsible for managing energy use and associated emissions led by the Sr. Director of EnergyCare who ultimately report into the Walgreens senior team, have incentives based on performance against annual goals that align to overall business strategy for the management of climate change issues. We are continuing to evaluate the opportunity to provide additional incentives to the current incentives, for the management of climate change issues for the teams directly and indirectly responsible for managing energy use and associated emissions.
Energy manager	Monetary reward	Other (please specify) (Energy management )	The teams responsible for managing energy use and associated emissions led by the Sr. Director of EnergyCare who ultimately report into the Walgreens senior team, have incentives based on performance against annual goals that align to overall business strategy for the management of climate change issues. We are continuing to evaluate the opportunity to provide additional incentives to the current incentives, for the management of climate change issues for the teams directly and indirectly responsible for managing energy use and associated emissions.
Environment/Sustainability manager	Monetary reward	Behavior change related indicator	Incentives are provided based on performance against annual goals that align to overall business strategy for the management of climate change issues for the teams responsible for managing energy use and associated emissions.

**C2. Risks and opportunities**

**C2.1**

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

**C2.1a**

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	1	
Medium-term	1	3	
Long-term	3		Long-term is more than 3 years

**C2.1b**

## (C2.1b) How does your organization define substantive financial or strategic impact on your business?

Climate-related risks are included in the company's multi-disciplinary company-wide risk identification, assessment, and management process. The Senior Vice President, Global Chief Compliance and Ethics Officer oversees the Enterprise Risk Management program, which is designed to identify, monitor and assess significant short-, medium- and long-term risks to the enterprise and help ensure the company is taking the appropriate steps to mitigate them. The Enterprise Risk Management and Compliance functions (among other functions) play a leading role in monitoring the overall risk profile. WBA defines a risk, including climate-related risk as a threat, event or action that could affect the ability to achieve business objectives. Risks are identified and assessed for all businesses and global functions across WBA. At the company level risk assessments encompass all strategic, operational, commercial, regulatory, reputational, legal and financial risks that could have an adverse impact on WBA. Each business is responsible for preparing and reviewing potential risks at least twice annually.

WBA considers potential risks, including climate-related risks to the company and evaluates them based on the following criteria: (i) the importance of the issue to and potential impact on the company; (ii) the importance of the issue to and potential impact on our stakeholders; and (iii) the time frame (as defined in C2.1a for short-, medium-, and long-term) in which we envision the issue becoming relevant for WBA. The following provides general guidelines on how WBA assesses the potential impact, however each risk is considered on a case-by-case basis.

### **Critical:**

- Financial: Financial loss of >10% of Adjusted Operating Income (AOI) for specific Business
- Reputational: Negative, prolonged national public exposure with dramatic impact on stakeholder confidence, footfall and market share particularly for major market, location or entire Company
- Operational: An event which leads to loss of critical systems, business processes and takes several weeks and significant management effort to resolve particularly for major market, location or entire Company
- Legal & Regulatory: Suspension of business mandated by governing/regulatory entities

### **High:**

- Financial: Financial loss of 5%-10% of AOI for specific Business
- Reputational: Negative, national public exposure with significant impact on stakeholder confidence, footfall and market share
- Operational: A significant event, which leads to loss of critical business processes, but can be resolved with proper management within 2 weeks.
- Legal & Regulatory: Actionable remediation plans mandated by governing/regulatory entities.

### **Medium:**

- Financial: Financial loss of 2%-5% of AOI for specific Business
- Reputational: Negative local and limited national public exposure with moderate impact on stakeholder confidence, footfall and market share
- Operational: A major event, which leads to loss of critical business processes but can be managed under normal circumstances and resolved within a week.
- Legal & Regulatory: Recommendations noted from governing/regulatory entities

### **Low:**

- Financial: Financial loss of <2% of AOI for specific Business
- Reputational: Negative local public exposure with low impact on stakeholder confidence, footfall and market share
- Operational: An event, which leads to loss of critical business processes but can be managed under normal circumstances and resolved in a less than 2 days
- Legal & Regulatory: No scrutiny from governing/regulatory entities.

## C2.2

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**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

More than once a year

**Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

**Description of process**

Climate-related risks are included in the company's multi-disciplinary company-wide risk identification, assessment, and management process. The Senior Vice President, Global Chief Compliance and Ethics Officer oversees the Enterprise Risk Management program, which is designed to identify, monitor and assess significant short-, medium- and long-term risks to the enterprise and help ensure the company is taking the appropriate steps to mitigate them. The Enterprise Risk Management and Compliance functions (among other functions) play a leading role in monitoring the overall risk profile. WBA defines a risk as a threat, event or action that could affect the ability to achieve business objectives. Risks are identified and assessed for all businesses and global functions across WBA. At the company level, risk assessments encompass all strategic, operational, commercial, regulatory, reputational, legal and financial risks that could have an adverse impact on WBA. Each business is responsible for preparing and reviewing potential risks at least twice annually.

The summary of key risks includes executive management's view of the most important risks that could significantly and adversely affect the company's operations, financial condition and results of operations. The Enterprise Risk Management program tracks additional current and emerging risks and will recommend changes to the company's key risk summary, as deemed appropriate. Summaries of key and emerging risks are presented and reviewed by the WBA Governance, Risk and Compliance committee twice annually, with summaries presented to the Board's Audit Committee at least twice annually. The Board exercises oversight over WBA's strategic, operational, and financial matters, including the elements and dimensions of major risks facing the company. The Board administers its risk oversight function as a whole and through its committees, and uses various processes to help assess and monitor risks that WBA faces.

Examples of how transition and physical risks are included in the company's risk assessment process:

Transition risk: Transitional market-related risks are regularly assessed and prioritized as part of the company's risk assessment process. While the ways in which markets could be affected by climate change are varied and complex, one of the major ways is through shifts in supply and demand for certain commodities, products and services as climate-related risks and opportunities are increasingly taken into account. Specific climate-related market risks and opportunities include potential increases in electricity and fuel prices. With more than 13,000 stores in nine countries and more than 300 distribution centers, as of August 31, 2021, we require significant amounts of electricity to maintain operations across our retail locations, offices, data centers and distribution centers, as well as fuel for our vehicle fleet. An increase in prices could impact our profitability negatively. We are mitigating these risks by assessing our energy procurement options and leveraging opportunities to reduce our energy demand through capital investments in energy efficiency programs.

Physical risk: Chronic physical risks such as temperature changes due to climate change are included in the company's assessments regarding measuring and managing energy use and associated Greenhouse Gas (GHG) emissions. For example, the gradual increase or decrease in temperature could impact energy costs by requiring additional air conditioning and refrigeration systems. The company maintains environment-related objectives that are tracked and monitored, and cascaded to each business to align with local objectives and initiatives. In carrying out its business activities, WBA endeavors to: ensure appropriate use of resources and materials; minimize waste and encourage re-use and recycling; ensure the safe handling and disposal of products; maintain environmental management systems; and communicate its commitment to the environment across the entire company. In order to hold itself accountable, WBA collects data from across its operations and publishes total emissions and energy use data as well as waste data on an annual basis. These data are externally assured and are broken down by source, by segment, by scopes, by types of energy, emissions from business travel and emissions from product delivery.

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**C2.2a**

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**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	<p>Current regulations are always included in the company's risk assessment process as regulations often impact costs in operations and the supply chain. Risks related to domestic and foreign regulatory constraints are systematically identified and assessed to help ensure WBA stays ahead of all climate-related regulations. Reviewing existing regulations in the area of GHG emission reporting and energy, as well as increased pricing of GHG emissions and extended coverage of ETS and carbon taxes in the markets the Company operates in is important to understanding WBA's current exposure and to planning strategies to mitigate any risk and capitalize on opportunities.</p> <p>The UK has introduced a new target into law to cut emissions by 78 percent by 2035. The UK's sixth Carbon Budget will incorporate the UK's share of international aviation and shipping emissions for the first time, to bring the UK more than three-quarters of the way to net zero by 2050. Boots UK has not only publicly supported the British Retail Consortium's (BRC) Retail Climate Action Roadmap with targets to be net zero in Scope 2 by 2030, Scope 1 by 2035 and Scope 3 by 2040, but it was also a development funder. In the Republic of Ireland, Boots has committed to Business In the Community Ireland's Low Carbon Pledge which in summary entails: Recording its entire Carbon Footprint, both direct (Scopes 1 and 2) and indirect (Scope 3) carbon emissions, reducing carbon emissions that it is directly responsible for (Scopes 1 and 2), as well as play its part in reducing emissions across its supply chain (Scope 3), publicly report its individual progress, as well as collectively through the annual BITCI Low Carbon Report, and regularly review its carbon reduction targets (SBTs) to align to the latest Climate Science. Boots UK complies with new SECR (Streamlined Energy and Carbon Reporting) requirements in the UK. For fiscal 2021, a page of data was included in the Boots UK annual report and financial statements.</p> <p>Walgreens has nearly 650 retail locations in California and therefore considers implications of California SB 32. In particular, this is relevant for Walgreens' fleet vehicle operations as the statewide GHG emissions reduction target of at least a 40 percent reduction from 1990 levels no later than December 31, 2030 will have implications for the transportation sector, which accounts for more than 40 percent of California's GHG emissions.</p>
Emerging regulation	Relevant, always included	<p>Emerging regulations are always included in the company's risk assessment process as they have the potential to impact costs in operation and across the value chain. WBA follows emerging regulations at the international, national, state, city and local levels to understand the possible future implications for the company's costs and ability to operate.</p> <p>For example, the European Union (EU) Strategy on Sustainable and Smart Mobility was published in the fourth quarter of 2020, however in the period before, WBA was closely monitoring this regulation. Transport accounts for a quarter of the EU's GHG emissions. To support the deployment of zero- and low-emission vehicles the EU Commission plans to adapt the existing legislation such as: the 2014 Alternative fuels infrastructure directive and the 2013 Trans-European transport network regulation. This will likely have an impact on vehicles in WBA's Germany joint venture.</p> <p>WBA is closely following the Biden administration's possible policy moves on a clean energy standard policy and actively participating in the commentary period for potential mandatory reporting through the Securities and Exchange Commission. We are tracking the Administration's commitment for the U.S. to achieve a 50-52 percent reduction from 2005 levels by 2030 and reporting on financial risk data related to climate change.</p>
Technology	Relevant, always included	<p>Cost and competitiveness are the main risks associated with transitioning to improved or innovative technology that is more energy efficient or lower-carbon. In order to remain competitive, WBA always weighs this risk as it measures and manages its carbon footprint. Investment in fuel-efficient fleets and energy-efficient lighting, smart lighting systems and heating, ventilation and air conditioning units is generally lower risk due to the return on investment associated with decreased consumption of fuel and energy. One example of managing this risk is the company is exploring offsetting the cost of installation of charging stations for electric vehicles with advertising on the chargers. The timing of technology development adds uncertainty to the evaluation of risks in this area. For example, a transition to refrigeration equipment that uses refrigerants with ultra-low global warming potential is difficult without fully developed maintenance expertise in the market, and can be cost prohibitive while achieving minor energy savings.</p>
Legal	Relevant, always included	<p>WBA monitors and assesses climate-related legal risks on an ongoing basis as part of the company's multi-disciplinary company-wide risk identification, assessment, and management process (ERM Program). Legal aspects are systematically included in the company's multi-disciplinary company-wide risk identification, assessment, and management process as we intend to reduce our exposure to litigation. The process includes identification and assessment of all types of litigations, including climate-related potential litigations. Failure to comply with our legal obligations in this area is a key risk to our business. As a global company, WBA always strives for full compliance with applicable climate-related regulations and certain teams track emerging issues for the company. WBA (Boots UK) continues to comply with the Energy Savings Opportunity Scheme (ESOS), a mandatory energy assessment and energy saving identification scheme for large organizations in the UK with a four year compliance cycle. Various groups within WBA work to mitigate legal risks associated with new/changing compliance schemes through proactive compliance actions such as plastic bag bans (which we address) and trend analysis. In addition, risks of events linked to climate-related extreme weather events, such as looting, harm to employees or customers, store closures, product loss, and shareholder concerns are also addressed and monitored by our ERM, Asset Protection, Environmental, Health &amp; Safety, Compliance, Operations, Supply Chain and Legal teams.</p>
Market	Relevant, always included	<p>Transitional market-related risks are regularly assessed and prioritized as part of the company's risk assessment process. While the ways in which markets could be affected by climate change are varied and complex, one of the major ways is through shifts in supply and demand for certain commodities, products and services as climate-related risks and opportunities are increasingly taken into account. Specific climate-related market risks and opportunities include potential increases in electricity and fuel prices. With more than 13,000 stores in nine countries and more than 300 distribution centers, as of August 31, 2021, we require significant amounts of electricity to maintain operations across our retail locations, offices, data centers and distribution centers, as well as fuel for our vehicle fleet. An increase in prices could impact our profitability negatively. We are mitigating these risks by assessing our energy procurement options and leveraging opportunities to reduce our energy demand through capital investments in energy efficiency programs.</p>
Reputation	Relevant, always included	<p>Reputation is an important consideration for any consumer-facing company. WBA continuously monitors reputational risks (i.e., risks with potential impact to the company's brands, people and customers) and opportunities. For example, customers and business partners could be wary of doing business with us if we are not seen as responsible corporate citizens. We operate in different markets across the world, and customer priorities differ from region to region. For example, our European customers and stakeholders tend to place a somewhat higher priority on our response to climate change issues than our customers in the United States. This was borne out in our FY21 CSR materiality assessment, which included customer surveys in both markets.</p> <p>While climate change is not the top issue that shapes our reputation in the marketplace as a good corporate citizen, our consultations with stakeholders make it clear that our customers, business partners, employees and stockholders expect us to be contributing to the mitigation of climate change, so our reputation could be adversely affected if we were not managing our energy use and emissions. In addition, we are aware that societal attitudes on climate change are evolving and we believe that it is important to anticipate an increased emphasis in this area. WBA conducted an updated materiality assessment in early fiscal 2021 and found that sustainability is a common concern. Environmental topics, and climate change in particular, have become more important to WBA's stakeholders, including consumers.</p>
Acute physical	Relevant, always included	<p>Acute physical risks, such as those caused by severe weather events (e.g., hurricanes, tornados and wild fires) are always considered in the company's risk assessments as they can pose a threat to WBA's assets and supply chain. In response to the potential impacts, the major WBA businesses maintain dedicated business continuity programs that perform business impact analyses that consider potential disruption risk for operations, in particular climate change patterns and severe weather events. For example, the company's Security Operations Center (SOC) in the United States and the Store Operations team monitor potential weather events 24 hours a day, 7 days a week. Team members in the SOC are trained to monitor current threat landscape and notify businesses to plan and prepare as events emerge. Walgreens locations in California were impacted by wildfires during fiscal 2020 and 2021. Through early notifications and extensive preparations we were able to quickly and safely reopen.</p>
Chronic physical	Relevant, always included	<p>Chronic physical risks such as temperature changes due to climate change are included in the company's assessments regarding measuring and managing energy use and associated GHG emissions. For example, the gradual increase or decrease in temperature could impact energy costs by requiring additional air conditioning and refrigeration systems. WBA has in place a Global Health, Safety and Environmental Policy that includes expectations for each business related to the environment. In addition, the company maintains environment-related objectives that are tracked and monitored, and cascaded to each business to align with local objectives and initiatives. In carrying out its business activities, WBA endeavors to: ensure appropriate use of resources and materials; minimize waste and encourage re-use and recycling; ensure the safe handling and disposal of products; maintain environmental management systems; and communicate its commitment to the environment across the entire company. In order to hold itself accountable, WBA collects data from across its operations and publishes total emissions and energy use data as well as waste data on an annual basis. This set of data is externally assured and is broken down by source, by segment, by scopes, by types of energy, emissions from business travel and emissions from product delivery.</p>

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

No

**C2.3b**



**(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	<p>WBA does not believe that climate-related risks have the potential to have a substantive financial or strategic impact on its business. A summary of emerging risks is maintained by WBA's Enterprise Risk Management team identifying risks that have not fully developed or for which the potential impact cannot be accurately assessed. The company's risk assessment considers multiple physical and transition risks such as increased days requiring heating or cooling of facilities, commodity shortages due to drought, facilities damage due to more intense weather events and rising carbon prices. These emerging risks are not unique to the company. While these emerging risks are relevant to the company's businesses, at this time none of these risks have been identified to have the potential for a significant or adverse impact on business operations, financial condition and results of operations. Summaries of key and emerging risks are presented to and reviewed by the WBA Governance, Risk and Compliance Committee on a twice yearly basis, and summaries are presented to the Board's Audit Committee at least twice annually. An example of a specific climate-related risk considered in our risk assessment include water disruption. Our risk identification process has concluded that exposure to water disruption may increase as a consequence of climate change. However, this risk does not meet our threshold to be considered substantive at this time. In our FY21 10-K, we do include climate-related risks in our Risk factors section. Our business and operations are subject to risks related to climate change.</p> <p>The long-term effects of global climate change present both physical risks (such as extreme weather conditions or rising sea levels) and transition risks (such as regulatory or technology changes), which are expected to be widespread and unpredictable. To better understand WBA's environmental, social and governance (ESG) impacts throughout its operations, the company conducted thorough CSR materiality assessments during fiscal 2018 and fiscal 2021. The aim of the assessments was to encourage insightful stakeholder dialogue, to inform WBA's evolving sustainability and ESG strategy and to form the basis for its public CSR and ESG reporting. In the FY21 assessment, environmental topics rose in importance.</p>

**C2.4**

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.4a**

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Move to more efficient buildings

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

WBA has adopted a global emissions reduction target, committing to reduce our absolute Scope 1 and Scope 2 emissions 30 percent by the end of fiscal 2030 compared with our baseline year of fiscal 2019 to help mitigate global warming and combat the urgent threat of climate change. This goal is embedded in the company's business strategy and allows it to manage fluctuating energy costs as well as reduce environmental impact. The company's emissions reduction strategy includes the implementation of large-scale initiatives, such as a global process to measure and monitor Scope 1, Scope 2 and some Scope 3 emissions. The strategy involves investment in energy and fuel efficiency programs in office buildings, distribution centers, stores and transportation fleets. In fiscal 2021, electricity represented 88.3 percent of the WBA carbon footprint from energy, reflecting use of electricity to power its retail stores and warehouses. Natural gas accounted for 10 percent, primarily for heating buildings. In fiscal 2021 WBA's total carbon footprint was 1.7 million metric tonnes of CO<sub>2</sub>e (carbon dioxide equivalent), down 14.9 percent from our baseline year of fiscal 2019, mainly due to our energy efficiency projects in U.S. retail pharmacy locations and to the increased proportions of energy from renewable sources in the power grids on which we purchase. As energy accounts for most of our emissions, we recognize the importance of investing in energy efficient equipment to reduce our overall carbon footprint.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

7200000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The potential financial impact figure is an approximate annual monetary savings including energy savings only for Walgreens. This was estimated by determining an average monetary savings per Walgreens store per month based on average kWh savings per store per month (i.e., the number of stores that implemented at least one of the described energy efficiency programs multiplied by an average monetary energy savings per store per month multiplied by 12 months to account for the full year).

**Cost to realize opportunity**

81700000

**Strategy to realize opportunity and explanation of cost calculation**

During FY21, WBA invested more than \$100M in efficiency related programming and initiatives. During FY21 Walgreens invested more than \$81.7 million in energy efficiency programs, including projects in nearly 2,000 stores. These upgrades included replacing HVAC units and converting to LED interior lighting. In Boots UK, £14.9 million (~\$20.5 million USD) was invested during FY21. As of August 31, 2021 Boots UK had installed doors on refrigerated cabinets containing self-service food products, conducted LED retrofits, upgraded or replaced HVAC equipment and other efficiency projects in more than 460 stores, resulting in lower energy use, decrease in chiller breakdowns and reduction in food waste. Additionally, in Mexico, Farmacias Benavides invested more than \$1.9 million during FY21, including converting 188 locations to more efficient HVAC equipment.

**WBA Global Emissions Reduction Target:**

WBA has adopted a global emissions reduction target, committing to reduce our absolute Scope 1 and Scope 2 emissions 30 percent by the end of FY30 compared with our baseline year of FY19 to help mitigate global warming and combat the urgent threat of climate change. The cost to realize this opportunity over the duration of the target is on average \$79 million annually with a potential financial impact (energy savings only) of \$45 million annually. This is estimated by adding up the investments made in prior years and expectations of future investments made in energy efficiency programs from FY19 - FY30 to meet our reduction target over the course of our FY30 emissions reduction target."

**Comment**

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**C3. Business Strategy**

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**C3.1**

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**(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?**

**Row 1**

**Transition plan**

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

**Publicly available transition plan**

<Not Applicable>

**Mechanism by which feedback is collected from shareholders on your transition plan**

<Not Applicable>

**Description of feedback mechanism**

<Not Applicable>

**Frequency of feedback collection**

<Not Applicable>

**Attach any relevant documents which detail your transition plan (optional)**

<Not Applicable>

**Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

WBA completed a climate scenario analysis using the RCP 2.6 and RCP 8.5 in April 2022 (FY22) and will be publicly reporting in our forthcoming ESG Report. The results of the climate scenario analysis and identified climate-related risks and opportunities will help in assisting with WBA strategy, long-term planning and will be incorporated into WBA's Enterprise Risk Management process.

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

**C3.2**

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Important but not an immediate priority	WBA completed a climate scenario analysis using the RCP 2.6 and RCP 8.5 in April 2022 (FY22) and will be publicly reporting in our forthcoming ESG Report. The results of the climate scenario analysis and identified climate-related risks and opportunities will help in assisting with WBA strategy, long-term planning and will be incorporated into WBA's Enterprise Risk Management process.

**C3.3**

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	WBA recognizes that risks and opportunities from the physical effects of climate change could have an impact directly or indirectly to its supply chain. The loss or disruption of supply arrangements for any reason, including loss or impairment of key manufacturing sites, inability to procure sufficient raw materials, natural disasters, or other external factors over which the Company has no control, could interrupt product supply and, if not effectively managed and remedied, have a significant adverse impact on business operations, financial condition and results of operations. Although the Company believes our suppliers and vendors may have felt the effects of climate-related issues in some form, we have yet to see major impacts of that in our enterprise and we do not expect to in the short-term. Walgreens is a founding retail partner of Loop, a state-of-the-art circular shopping system that aims to contribute to a shift toward durable, re-usable packaging and a shopping system that would reduce carbon emissions. This project is available to all online shoppers in the U.S. and in FY22 Walgreens will be participating in an in-store pilot through which customers will be able to purchase branded products in durable containers, which will be returned to the stores and subsequently to the brands for reuse. Walgreens currently offers customers 541 electric vehicle charging stations across 412 stores. In partnership with Volta, the business plans to significantly expand the number of charging stations offered in 2022. Our UK-based owned brands continued reducing plastic content in packaging and products. All new and relaunched products have guidelines around the type and amount of plastic in packaging. This includes the continued phasing in of Post Consumer Recyclate (PCR), requiring PCR in all packaging, at a minimum of 30 percent, where technically and commercially feasible. No7 Beauty Company invested in research and development of new packaging for some of its most iconic products. For example, No7 products in 50 milliliter jars are moving into a bespoke glass jar. This change will bring about an 82 percent reduction in plastic and eliminate hundreds of tons a year of PETG.
Supply chain and/or value chain	No	WBA recognizes that risks and opportunities from the physical effects of climate change could have an impact directly or indirectly to its supply chain. The products WBA sells are sourced from a wide variety of domestic and international vendors, and any future disruption in our supply chain or inability to find qualified vendors and access products that meet requisite quality and safety standards in a timely and efficient manner could adversely impact our businesses. The loss or disruption of such supply arrangements for any reason, including for issues such as loss or impairment of key manufacturing sites, inability to procure sufficient raw materials, natural disasters, or other external factors over which the company has no control, could interrupt product supply and, if not effectively managed and remedied, have a significant adverse impact on its business operations, financial condition and results of operations. Although the company believes our suppliers and vendors may have felt the effects of climate-related issues in some form to date, we have yet to see major impacts of that in our enterprise and we do not expect to in the short-term.
Investment in R&D	Yes	Boots UK and No7 Beauty Company launched an innovative in-store program - Recycle at Boots - to make it easier for consumers to give a second life to hard-to-recycle health, beauty and wellness items. The program began with recycling drop-off points at 50 Boots stores and was so successful that it has been expanded to 700 stores across the UK. At the 50 pilot stores during the first 12 months of the program, more than 54,000 registered users deposited more than half a million items for recycling, diverting more than 15 metric tonnes of plastic waste from landfill. Boots is the first retailer to use the Scan2Recycle technology, created by Metrisk Ltd. The two companies worked closely together in developing the program, with the ambition to create a transparent and scalable solution for recycling health beauty and wellness products. Prior to this, Scan2Recycle technology was untested in the context of take-back programs.
Operations	Yes	WBA is committed to protecting the planet and giving due consideration to the impact our company's operations have on the environment. This includes working to reduce emissions across all of our businesses to help mitigate global warming and addressing the urgent threat of climate change in the short-, medium- and long-term horizons. WBA set its first global emissions reduction target, committing to reduce our absolute Scope 1 and Scope 2 emissions 30 percent by the end of fiscal 2030 compared with our baseline year of fiscal 2019. The development of this goal was informed and guided by science based methodology and builds on ongoing work by our businesses to reduce emissions. We plan to achieve our emissions reduction target primarily through a continued focus on energy efficiency at Walgreens, our largest business entity, with nearly 9,000 retail pharmacy locations across the U.S. and in Puerto Rico. Walgreens will continue to invest in energy efficiency projects and energy management systems. As energy accounts for most of our emissions, we recognize the importance of investing in energy efficient equipment to reduce our overall carbon footprint. WBA executed many emissions reduction initiatives in fiscal 2021 with targeted energy efficiency investments. In fiscal 2021 Boots UK and Walgreens invested more than \$100 million in energy efficient lighting, heating, ventilation and air condition (HVAC) units and refrigerators (as disclosed in 2.4a opportunity 1).

**C3.4**

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Assets	<p>At WBA, climate-related risks and opportunities that include exposure to increased operating costs, business continuity, the emissions associated with our operations and generating value for customers have influenced and been incorporated into company-wide objectives, strategies and goals. As such, at the enterprise level, we focus on mitigating the impacts of climate change, reducing operating costs and risk, generating value for customers and ensuring business continuity due to weather and/or climate change impacts.</p> <p>Financial planning elements that have been influenced: Revenue Description of influence: Since joining the Global Shea Alliance (GSA) in 2019, WBA has supported the formation of a cooperative of women shea harvesters in Ghana, including legal registration of the cooperative, election of leaders, creation of sub-committees and training more than 800 women in cooperative development and business development. The shea butter used as a moisturizer in beauty products and as a cooking oil comes from the kernel in the fruits on shea trees, which are native to Africa. Liz Earle, a WBA-owned beauty brand that is passionate about naturally active ingredients and has pioneered cruelty-free skincare, will be supporting and working with the GSA in its endeavors to support women in shea. Liz Earle uses shea butter widely in its products and working with the GSA allows us to give back to communities that harvest shea fruits. Increasingly, consumers are seeking more sustainable product offerings and brands they can trust. Through partnerships such as with GSA we are ensuring WBA is in a position to meet increased demand and generate revenue.</p> <p>Financial planning elements that have been influenced: Direct costs Description of influence: WBA includes climate-related risks among the sustainability concerns on the company's summary of emerging risks. Climate-related opportunities associated with the company's direct operating costs are focused on effective management of energy expenses and consideration of opportunities to reduce associated emissions. The company's financial planning process evaluates historical and future energy costs. To reduce energy consumption, Walgreens and Boots UK forecast and manage energy across their real estate and fleets with monthly and yearly reports. With many of our initiatives, we recognize that what is good for the planet is also good for business. Energy savings, for example, reduce our emissions output while cutting costs.</p> <p>Financial planning elements that have been influenced: Capital expenditures Description of influence: Climate-related opportunities associated with capital for the company prioritizes funding capital equipment upgrades that reduce energy and associated emissions. Included in the company's financial planning process is consideration of capital investments which reduce operating costs and risk. In fiscal 2021, Boots UK and Walgreens invested more than \$100 million in these energy efficiency programs.</p> <p>Financial planning elements that have been influenced: Assets Description of influence: The company's assets are comprised of current assets (cash, short-term investments, receivables merchandise inventories and other assets), property and equipment, goodwill and other assets. The value and lifetime of the company's assets can be impacted due to climate-related risks such as changes to temperature, humidity and dew points. These chronic changes may reduce the expected lifespan of store equipment which was installed under different condition expectations, requiring more frequent replacement. Asset aging and turnover is monitored and included in financial planning.</p>

**C4. Targets and performance**

## C4.1

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### (C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

## C4.1a

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### (C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

**Target reference number**

Abs 1

**Year target was set**

2021

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

Scope 2

**Scope 2 accounting method**

Location-based

**Scope 3 category(ies)**

<Not Applicable>

**Base year**

2019

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

345000

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

1617000

**Base year Scope 3 emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

1962000

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

100

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

<Not Applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

30

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

1373400

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

339000

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

1324000

**Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

1663000

**% of target achieved relative to base year [auto-calculated]**

50.7985049269453

**Target status in reporting year**

New

**Is this a science-based target?**

No, but we anticipate setting one in the next 2 years

**Target ambition**

<Not Applicable>

**Please explain target coverage and identify any exclusions**

Target covers all WBA with no exclusions.

**Plan for achieving target, and progress made to the end of the reporting year**

We plan to achieve our emissions reduction target primarily through a continued focus on energy efficiency at Walgreens, our largest business entity, with nearly 9,000 retail pharmacy locations across the U.S. and in Puerto Rico. Walgreens will continue to invest in energy efficiency projects and energy management systems. Boots UK will likewise continue energy efficiency programs and aims to eliminate the use of natural gas in new locations. While Walgreens and Boots operations represent more than 90 percent of our Scope 1 and Scope 2 carbon footprint, our other businesses will also continue to contribute to efforts to reduce emissions.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not Applicable>

C4.2

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

No other climate-related targets

C4.3

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

C4.3a

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	4	23400
Not to be implemented	0	0

C4.3b

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative category & Initiative type**

Energy efficiency in buildings	Building Energy Management Systems (BEMS)
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**Estimated annual CO2e savings (metric tonnes CO2e)**

13000

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

4200000

**Investment required (unit currency – as specified in C0.4)**

17000000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

This commentary refers to WBA's energy efficiency building energy management system program at Walgreens' retail operations resulting in reduced carbon emissions. During fiscal 2021, WBA continued our Energy Management System (EMS) program upgrading or installing new EMS at 1,079 retail locations. The EMS allows for near real-time data gathering from our locations, the ability to better adhere to lighting and HVAC schedules, and execute other energy savings strategies such as demand response. This was the second year of this iteration of the program and part of an overall effort to standardize our EMS across the portfolio. It is estimated that this initiative will achieve 13,000 metric tonnes of CO2e savings annually over the life of the initiative. WBA entered \$4,200,000 in the "annual monetary savings" column based on approximate annual energy savings only.

**Initiative category & Initiative type**

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--

**Estimated annual CO2e savings (metric tonnes CO2e)**

5800

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

1600000

**Investment required (unit currency – as specified in C0.4)**

57200000

**Payback period**

&gt;25 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

This commentary refers to WBA's energy efficiency heating, ventilation, and cooling program at Walgreens' retail operations resulting in reduced carbon emissions. In fiscal 2021, targeted energy efficiency-based and reactive-based HVAC rooftop unit replacements were conducted to improve unit efficiency, right-size units and replace aging or failing assets at approximately 664 Walgreens stores. 576 of the locations had all units replaced through our energy efficiency program while 88 locations had all units replaced in a reactive replacement program. Walgreens replaced aged heating, ventilation, and air conditioning (HVAC) equipment while taking advantage of new technology and energy saving opportunities. It is estimated that this program will achieve 5,800 metric tonnes of CO2e savings annually over the life of the initiative. WBA entered \$1,600,000 in the "annual monetary savings" column based on approximate annual energy savings only.

**Initiative category & Initiative type**

Energy efficiency in buildings	Lighting
--------------------------------	----------

**Estimated annual CO2e savings (metric tonnes CO2e)**

3000

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

900000

**Investment required (unit currency – as specified in C0.4)**

4400000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

This commentary refers to one of WBA's energy efficiency lighting program at Walgreens' retail operations resulting in reduced carbon emissions. During fiscal 2021, WBA conducted two different interior lighting scopes. This specific initiative involved a reduction from two bulbs to one per fixture through a centering kit along with an upgrade from fluorescent bulbs to LED bulbs. This was the second year of this specific initiative and it was implemented as a lower cost solution compared to the full ballast retrofit. During fiscal 2021, 155 Walgreens stores were retrofitted with this technology. It is estimated that this initiative will achieve 3,000 metric tonnes of CO2e savings annually over the life of the initiative. WBA entered \$900,000 in the "annual monetary savings" column based on approximate annual energy savings only.

**Initiative category & Initiative type**

Energy efficiency in buildings	Lighting
--------------------------------	----------

**Estimated annual CO2e savings (metric tonnes CO2e)**

1600

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

500000

**Investment required (unit currency – as specified in C0.4)**

3100000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

This commentary refers to one of WBA's energy efficiency lighting programs at Walgreens' retail operations resulting in reduced carbon emissions. During fiscal 2021, WBA conducted two different interior lighting scopes. This specific initiative involved the full replacement and upgrade of ballasts and lighting to a system with dimming capabilities and daylight-harvesting functionality. During fiscal 2021, 45 Walgreens stores were retrofitted with this technology. It is estimated that this initiative will achieve 1,600 metric tonnes of CO<sub>2</sub>e savings annually over the life of the initiative. WBA entered \$500,000 in the "annual monetary savings" column based on approximate annual energy savings only.

**C4.3c****(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	New Walgreens stores are constructed and designed to meet or exceed local and state building and energy efficiency codes. Similarly, specifications for new Boots stores, maintenance programs and store refits include energy considerations as part of the investment case, and include many energy reduction technologies as standard, such as LED lighting, low GWP refrigerants and building control systems.
Employee engagement	In addition to new investments in technology, WBA fosters a hearts and minds approach to initiating active sustainability among our employees. Through regular internal communications and social media posts, WBA employees are invited to learn about and celebrate our progress and commitments on environmental initiatives. Dozens of employees participate in our volunteer Business Resource Groups (BRGs) focused on environmental, sustainability and ESG issues. Through our EnergyCare program our employees are given opportunities to learn about energy waste, be inspired toward an energy conscious culture and understand their role in the greater goals of the company. In fiscal 2020, as part of the EnergyCare program, Boots UK developed an additional e-learning module about water. Through interactive training, participants learn the importance of water management. In fiscal 2020, Boots UK employees were introduced to the Boots Environmental Experts online training, designed to engage employees and further Boots UK environmental targets. More than 14,000 employees completed the training in fiscal 2021. During Fiscal 2021 Boots UK continued to offer electric vehicle charge points for employees parking at its support office in Nottingham and took the decision to increase the number of points available and also include charge points for visitors. Walgreens continued to support a large number of free charging stations for employee parking at its support office in Deerfield.
Dedicated budget for energy efficiency	To reduce energy consumption, Walgreens and Boots UK forecast and manage energy across their real estate and fleets with monthly and yearly reports. The company's businesses invest in energy efficient lighting, heating, ventilation and air conditioning (HVAC) units and refrigerators, engage and educate employees around energy consumption, invest in photovoltaic systems, use alternative energy management programs and participate in demand-response curtailment programs during peak periods. In fiscal 2021, Boots UK and Walgreens invested more than \$100 million in these energy efficiency programs. With many of our initiatives, we recognize that what is good for the planet is also good for business. Energy savings, for example, reduce our emissions output while cutting costs. Each business within WBA tracks and monitors energy use, in line with our company-wide commitment to reduce emissions. Walgreens, WBA's largest business, has an annual target to reduce energy use across its operations.
Dedicated budget for other emissions reduction activities	As part of the capital planning process, energy efficiency programs are part of the long-range plan to reduce overall operating expenses.
Compliance with regulatory requirements/standards	Boots UK complies with the Energy Savings Opportunity Scheme (ESOS), a mandatory energy assessment and energy saving identification scheme for large organizations in the UK. The scheme introduces a regular program of energy audits (or approved equivalent) for the mandated eligible organizations. Walgreens complies with mandatory energy consumption reporting in municipalities where this is required.
Partnering with governments on technology development	Boots UK is a steering committee member of the Circular Economy Task Force. The Circular Economy Task Force is a government-endorsed, business-led group convened by Green Alliance. The Task Force is continuing to research policy solutions that would enable businesses to make the necessary changes for a more circular economy, optimizing the UK's resource use. Some of the recommendations of the Task Force were picked up by the UK's Environmental Audit Committee's "Growing a Circular Economy" report and by the Scottish Government's "Resource Use and the Circular Economy" inquiry, and the Task Force's reports are being considered as part of the evidence base for the government's forthcoming resources and waste strategy.
Other (Boots UK support office in Beeston in Nottingham, UK operates a Combined Heat Power (CHP) plant)	At the Boots UK support office in Beeston in Nottingham, UK, there is a Combined Heat Power (CHP) plant that supplies heat and energy to distribution centers, data centers, and corporate offices. Energy management is organized at the operations level. This asset enhances Boots UK's ability to better control the energy inputs associated with corporate support operations. In addition, the carbon reduction goals of the plant are set by those who operate it on a daily basis.
Other (Contracts to purchase electricity generated from renewable origins)	A number of WBA's businesses in the UK and Republic of Ireland – including Boots UK, Boots Opticians, Alloga UK, Alliance Healthcare in the UK and Boots Ireland – have contracts to purchase electricity generated from renewable origins. With a few exceptions, the electricity that these businesses purchase directly through the utility grid is certified as renewable. During fiscal 2021, 6.3 percent of electricity consumed across WBA was from renewable sources. In the Republic of Ireland, 100 percent of our Boots stores are powered by certified renewable energy and in the UK, 98 percent of our stores are certified renewable.
Other (British Retail Consortium's Climate Change Statement)	In July 2020, Boots UK pledged to collaborate with 19 other UK retailers on a roadmap for the industry to achieve complete net zero emissions by 2040, including net zero Scope 2 emissions by 2030 and Scope 1 by 2035. The 20 retailers who are signatories to the British Retail Consortium's Climate Change Statement committed to driving decarbonization in shops, distribution centers and logistics operations; cutting emissions in supply chains; and guiding customers toward dramatically lowering their own carbon footprints.

**C4.5****(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

Yes

**C4.5a**



**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.**

**Level of aggregation**

Product or service

**Taxonomy used to classify product(s) or service(s) as low-carbon**

No taxonomy used to classify product(s) or service(s) as low carbon

**Type of product(s) or service(s)**

Other	Other, please specify (WBA hosts electrical vehicle charging stations in selected regions.)
-------	---

**Description of product(s) or service(s)**

Walgreens is a leading retail host of electric vehicle charging stations in the U.S., promoting choices by customers and neighbors to drive electric vehicles. As of August 31, 2021 Walgreens provided customers with 541 electric vehicle charging stations across 412 stores. In partnership with Volta, the business plans to significantly expand the number of charging stations offered in 2022. Boots UK continued to offer electric vehicle charge points for employees parking at its support office in Nottingham and took the decision to increase the number of points available and also include charge points for visitors.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

No

**Methodology used to calculate avoided emissions**

<Not Applicable>

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

<Not Applicable>

**Functional unit used**

<Not Applicable>

**Reference product/service or baseline scenario used**

<Not Applicable>

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

<Not Applicable>

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

<Not Applicable>

**Explain your calculation of avoided emissions, including any assumptions**

<Not Applicable>

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

0

**Level of aggregation**

Group of products or services

**Taxonomy used to classify product(s) or service(s) as low-carbon**

Other, please specify (Products with the U.S. Environmental Protection Agency's Energy Star rating)

**Type of product(s) or service(s)**

Other	Other, please specify (Group of energy efficient products)
-------	--

**Description of product(s) or service(s)**

Walgreens offers selected products, including devices that have achieved the U.S. Environmental Protection Agency's Energy Star rating, that allow customers to reduce their emissions.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

No

**Methodology used to calculate avoided emissions**

<Not Applicable>

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

<Not Applicable>

**Functional unit used**

<Not Applicable>

**Reference product/service or baseline scenario used**

<Not Applicable>

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

<Not Applicable>

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

<Not Applicable>

**Explain your calculation of avoided emissions, including any assumptions**

<Not Applicable>

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

## C5. Emissions methodology

### C5.1

#### (C5.1) Is this your first year of reporting emissions data to CDP?

No

### C5.1a

#### (C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

##### Row 1

##### Has there been a structural change?

Yes, a divestment

##### Name of organization(s) acquired, divested from, or merged with

2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation.

##### Details of structural change(s), including completion dates

On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only. Certain prior period data, primarily related to discontinued operations, have been recast to conform to the current period presentation.

### C5.1b

#### (C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

### C5.1c

#### (C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	<p>On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only. Certain prior period data, primarily related to discontinued operations, have been recast to conform to the current period presentation.</p> <p>In accordance with the GHG reporting policies set out within the WBA Statement of GHG Emissions, the Company has decided to set fiscal 2019 as the GHG baseline year for Scope 1, Scope 2 and Scope 3 emissions, and intends to report emissions against this new baseline year going forward. Fiscal 2019 was established as the base year as it represents the first year for which verifiable emissions data is available subsequent to the Rite Aid stores acquired in fiscal 2018.</p>

### C5.2

#### (C5.2) Provide your base year and base year emissions.

##### Scope 1

##### Base year start

September 1 2018

##### Base year end

August 31 2019

##### Base year emissions (metric tons CO2e)

345000

##### Comment

On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only. Certain prior period data (including scope 1, scope 2 and scope 3 emissions data), primarily related to discontinued operations, have been recast to conform to the current period presentation. In accordance with the GHG reporting policies set out within the WBA Statement of GHG Emissions, the Company has decided to set fiscal 2019 as the GHG baseline year for Scope 1, Scope 2 and Scope 3 emissions, and intends to report emissions against this new baseline year going forward. Fiscal 2019 was established as the base year as it represents the first year for which verifiable emissions data is available subsequent to the Rite Aid stores acquired in fiscal 2018. Scope 1 emissions are those generated directly from sources owned or controlled by the Company. The figures reported include CO2e emissions resulting from heat and electricity produced by our on-site Combined Heat & Power plant in Beeston, Nottingham, UK including the portion that

## Scope 2 (location-based)

### Base year start

September 1 2018

### Base year end

August 31 2019

### Base year emissions (metric tons CO2e)

1617000

### Comment

On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only. Certain prior period data (including scope 1, scope 2 and scope 3 emissions data), primarily related to discontinued operations, have been recast to conform to the current period presentation. In accordance with the GHG reporting policies set out within the WBA Statement of GHG Emissions, the Company has decided to set fiscal 2019 as the GHG baseline year for Scope 1, Scope 2 and Scope 3 emissions, and intends to report emissions against this new baseline year going forward. Fiscal 2019 was established as the base year as it represents the first year for which verifiable emissions data is available subsequent to the Rite Aid stores acquired in fiscal 2018. Scope 2 emissions are those generated by purchased electricity, heat and steam consumed by the Company.

## Scope 2 (market-based)

### Base year start

September 1 2018

### Base year end

August 31 2019

### Base year emissions (metric tons CO2e)

1556000

### Comment

On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only. Certain prior period data (including scope 1, scope 2 and scope 3 emissions data), primarily related to discontinued operations, have been recast to conform to the current period presentation. In accordance with the GHG reporting policies set out within the WBA Statement of GHG Emissions, the Company has decided to set fiscal 2019 as the GHG baseline year for Scope 1, Scope 2 and Scope 3 emissions, and intends to report emissions against this new baseline year going forward. Fiscal 2019 was established as the base year as it represents the first year for which verifiable emissions data is available subsequent to the Rite Aid stores acquired in fiscal 2018. Scope 2 emissions are those generated by purchased electricity, heat and steam consumed by the Company.

## Scope 3 category 1: Purchased goods and services

### Base year start

September 1 2018

### Base year end

August 31 2019

### Base year emissions (metric tons CO2e)

25508000

### Comment

WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The results of this evaluation will be leveraged to understand relevance of each category of Scope 3 emissions. 25,508,0000 tonnes of CO2e emissions associated with purchased goods and services were estimated using supplier expenditure data provided by WBA for select business units, which was extrapolated by the third party consultant to account for unavailable data, and sector emission factors including emissions of all supply chain tiers up to and including raw material extraction. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

## Scope 3 category 2: Capital goods

### Base year start

September 1 2018

### Base year end

August 31 2019

### Base year emissions (metric tons CO2e)

776000

### Comment

WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The results of this evaluation will be leveraged to understand relevance of each category of Scope 3 emissions. 776,0000 tonnes of CO2e emissions associated with capital goods were estimated using supplier expenditure data provided by WBA for select business units, which was extrapolated by the third party consultant to account for unavailable data, and sector emission factors. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

298000

**Comment**

WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The results of this evaluation will be leveraged to understand relevance of each category of Scope 3 emissions. 298,000 tonnes of CO2e emissions associated with fuel- and energy-related activities was estimated using electricity and energy consumption data provided by WBA for all operations and country specific energy distribution and transmission emission factors from DEFRA (2019) UK Government GHG Conversion Factors for Company Reporting. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3 category 4: Upstream transportation and distribution

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

167000

**Comment**

WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The results of this evaluation will be leveraged to understand relevance of each category of Scope 3 emissions. 167,000 tonnes of CO2e emissions associated with upstream transportation and distribution was estimated using supplier expenditure data provided by WBA for select business units, which was extrapolated by the third party consultant to account for any gaps and UK or U.S. freight modal split data from UK Government (2019) and Bureau of Transportation Statistics (2017) respectively. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3 category 5: Waste generated in operations

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

40000

**Comment**

WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The results of this evaluation will be leveraged to understand relevance of each category of Scope 3 emissions. 40,000 tonnes of CO2e emissions associated with waste generated in operations was estimated using waste disposal data by disposal route provided by WBA for all operations and waste disposal factors for municipal and commercial waste from US EPA (2019) and DEFRA (2019) - UK Government GHG Conversion Factors for Company reporting. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3 category 6: Business travel

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

42000

**Comment**

At WBA, there are systems in place to effectively measure this category of value chain emissions and programs in place designed to reduce its impact. A third-party limited assurance verification included business travel. Thus it was not included in the third party Scope 3 evaluation. The amount of CO2e emitted from business travel undertaken by vehicles (cars, aircraft or trains) not owned by the company was calculated using activity data and converted to emissions by applying relevant conversion factors. This includes:

- Road travel – car travel undertaken by employees for work or business purposes in cars not directly owned by the company
- Air travel – calculated using third-party (e.g. travel service provider) data on kilometers traveled for commercial flights
- Rail travel - calculated using third-party (e.g. travel service provider) kilometer data

Business travel is part of our annual reporting scope, and therefore we are able to provide an updated number based on the divestiture previously mentioned. CO2e emissions from business travel per thousand employees, by segment and for the company

### Scope 3 category 7: Employee commuting

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

878000

**Comment**

WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The results of this evaluation will be leveraged to understand relevance of each category of Scope 3 emissions. 878,000 tonnes of CO2e emissions associated with employee commuting was estimated using employee headcount data by country provided by WBA for all operations and OECD's published country averages for commuting time, transportation mode and distance, and transport factors from US EPA (2019) and DEFRA (2019) - UK Government GHG Conversion Factors for Company Reporting. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3 category 8: Upstream leased assets

**Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment**

This category of value chain emissions is not relevant for WBA.

### Scope 3 category 9: Downstream transportation and distribution

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

9835000

**Comment**

WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The results of this evaluation will be leveraged to understand relevance of each category of Scope 3 emissions. 9,835,000 tonnes of CO2e emissions associated with downstream transportation and distribution was estimated using transportation costs borne by customers and transaction counts provided by WBA for select business units, which was extrapolated by the third party consultant to account for any gaps, and sector estimation factors. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3 category 10: Processing of sold products

**Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment**

This category of value chain emissions is not relevant for WBA as we do not engage in mid-stream processing of products.

### Scope 3 category 11: Use of sold products

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

15000

**Comment**

WBA's Global Brands portfolio of beauty and skincare brands engaged a third party consultant to complete a portfolio carbon footprint analysis of owned brand products, with a focus on value chain emissions. The results of this detailed analysis will be leveraged to understand key impact areas and inform establishing a reduction target in line with climate science. Aspects of this analysis were included in the WBA Scope 3 evaluation to provide high-level understanding of magnitude of this category on WBA's overall value chain footprint. 15,000 tonnes of CO2e emissions associated with use of sold products was estimated using emissions data from the WBA Global Brands carbon footprint analysis for owned brand electronic products. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3 category 12: End of life treatment of sold products

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

58000

**Comment**

WBA's Global Brands beauty and skincare brands portfolio engaged a third party consultant to complete a portfolio carbon footprint analysis of owned brand products, with a focus on value chain emissions. The results of this detailed analysis will be leveraged to understand key impact areas and inform establishing a reduction target in line with climate science. Aspects of this analysis were included in the WBA Scope 3 evaluation to provide high-level understanding of magnitude of this category on WBA's overall value chain footprint. 58,000 tonnes of CO2e emissions associated with end-of-life treatment of sold products was estimated using product weight data from the WBA Global Brands carbon footprint analysis and waste disposal factors for municipal and commercial waste from US EPA (2019) and DEFRA (2019) - UK Government GHG Conversion Factors for Company reporting. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3 category 13: Downstream leased assets

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

28000

**Comment**

WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The results of this evaluation will be leveraged to understand relevance of each category of Scope 3 emissions. 28,000 tonnes of CO2e emissions associated with downstream leased assets was estimated using floor area of sub-leased area provided by WBA for select businesses, asset-wise US Energy Information Administration (US EIA) energy intensities and International Energy Association (EIA) & GHG emission factors from US EPA and DEFRA (2019) UK Government GHG Conversion Factors for Company Reporting. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3 category 14: Franchises

**Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment**

This category of value chain emissions is not relevant for WBA as emissions from WBA's largest franchise are accounted for in WBA's Scope 1 and Scope 2 GHG emissions.

### Scope 3 category 15: Investments

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**Base year emissions (metric tons CO2e)**

243000

**Comment**

WBA engaged with a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). The results of this evaluation will be leveraged to understand relevance of each category of Scope 3 emissions. 243,000 tonnes of CO2e emissions associated with investments was estimated using equity method investments percent ownership, WBA proportionate share of sales and Scope 1 and Scope 2 GHG emissions from companies when available or sector estimation factors. This scope 3 evaluation is not completed on an annual basis, therefore we have entered data from the completed fiscal 2019 evaluation as these are our most recent estimates. The data provided in this section has not been recalculated as a result of the divestiture previously mentioned.

### Scope 3: Other (upstream)

**Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment**

WBA does not have other emissions

### Scope 3: Other (downstream)

**Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment**

WBA does not have other emissions

## C5.3

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### (C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## C6. Emissions data

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### C6.1

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#### (C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

##### Reporting year

##### Gross global Scope 1 emissions (metric tons CO2e)

339000

##### Start date

<Not Applicable>

##### End date

<Not Applicable>

##### Comment

On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only.

### C6.2

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#### (C6.2) Describe your organization's approach to reporting Scope 2 emissions.

##### Row 1

##### Scope 2, location-based

We are reporting a Scope 2, location-based figure

##### Scope 2, market-based

We are reporting a Scope 2, market-based figure

##### Comment

On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only.

### C6.3

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#### (C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

##### Reporting year

##### Scope 2, location-based

1324000

##### Scope 2, market-based (if applicable)

1277000

##### Start date

<Not Applicable>

##### End date

<Not Applicable>

##### Comment

On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only.

### C6.4

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**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

## C6.5

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**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

### **Purchased goods and services**

**Evaluation status**

Relevant, not yet calculated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Purchased goods and services is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.

### **Capital goods**

**Evaluation status**

Relevant, not yet calculated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Capital goods is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.

### **Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**

Relevant, not yet calculated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Fuel-and-energy related activities (not included in Scope 1 or 2) is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.

### **Upstream transportation and distribution**

**Evaluation status**

Relevant, not yet calculated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Upstream transportation and distribution is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.



## Waste generated in operations

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Waste generated in operations is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.

## Business travel

### Evaluation status

Not relevant, calculated

### Emissions in reporting year (metric tons CO2e)

15000

### Emissions calculation methodology

Distance-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

Business travel is part of our annual reporting scope, and therefore we are able to provide an updated number for fiscal 2021. At WBA, there are systems in place to effectively measure this category of value chain emissions and programs in place designed to reduce its impact. A third-party limited assurance verification included business travel. The amount of CO2e emitted from business travel undertaken by vehicles (cars, aircraft or trains) not owned by the company was calculated using activity data and converted to emissions by applying relevant conversion factors.

This includes:

- Road travel – car travel undertaken by employees for work or business purposes in cars not directly owned by the company
- Air travel – calculated using third-party (e.g. travel service provider) data on kilometers traveled for commercial flights
- Rail travel - calculated using third-party (e.g. travel service provider) kilometer data

## Employee commuting

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Employee commuting is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category of value chain emissions is not relevant for WBA as emissions from WBA's largest franchise are accounted for in WBA's Scope 1 and Scope 2 GHG emissions.

## Downstream transportation and distribution

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

41000

### Emissions calculation methodology

Distance-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

Downstream transportation and distribution is part of our annual reporting scope, and therefore we are able to provide an updated number for fiscal 2021. At WBA, there are systems in place to effectively measure this category of value chain emissions and programs in place designed to reduce its impact. A third-party limited assurance verification included downstream transportation and distribution.

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category of value chain emissions is not relevant for WBA as we do not engage in mid-stream processing of products.

## Use of sold products

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Use of sold products is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.

## End of life treatment of sold products

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

End of life treatment of sold products is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.

## Downstream leased assets

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Downstream leased assets is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category of value chain emissions is not relevant for WBA as emissions from WBA's largest franchise are accounted for in WBA's Scope 1 and Scope 2 GHG emissions.

## Investments

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Investments are not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2021. In fiscal 2020, WBA engaged a third party consultant to complete a Scope 3 evaluation using an Environmentally Extended Input-Output (EEI-O) model and primary fiscal 2019 data when available. The Scope 3 evaluation was conducted in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol). WBA's completed full scope 3 assessment based on FY19 data can be referenced in section C5.2.

## Other (upstream)

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

WBA does not have other upstream emissions

## Other (downstream)

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

WBA does not have other downstream emissions

## C6.7

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**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

## C6.10

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**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.0000125442

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

1662224

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

132509000000

**Scope 2 figure used**

Location-based

**% change from previous year**

15.6

**Direction of change**

Decreased

**Reason for change**

Carbon emissions intensity (Scopes 1 and 2 per revenue) calculation is based on emissions for fiscal year and divided by total annual revenues as measured by WBA's fiscal year 2021. WBA's gross Scope 1 and 2 emissions decreased by 8.33% while the company's total revenues increased by 8.63% from the previous reporting year. This resulted in a 15.6% year-over-year decrease in its carbon emissions intensity per revenue. Several factors contributed to this reduction. These include, but are not limited to, reductions in electricity, related emissions as a result of investments in energy efficiency projects and renewable energy sourcing.

---

**Intensity figure**

0.0101671917

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

1662224

**Metric denominator**

square foot

**Metric denominator: Unit total**

163489000

**Scope 2 figure used**

Location-based

**% change from previous year**

10.5

**Direction of change**

Decreased

**Reason for change**

Carbon emissions intensity (Scopes 1 and 2 per square feet of locations occupied) calculation is based on emissions for fiscal year and square feet of locations occupied as of end of fiscal year 2021. WBA's carbon emissions intensity per square feet of locations occupied decreased 10.5% from the previous reporting year. Several factors contributed to this reduction. These included reductions in electricity use related emissions as a result of investments in energy efficiency and renewable energy sourcing.

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## C7. Emissions breakdowns

### C7.1

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**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

### C7.1a

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**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CH4	31329	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	306549	IPCC Fourth Assessment Report (AR4 - 100 year)
CO2	1123	IPCC Fourth Assessment Report (AR4 - 100 year)

## C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	273000
Other, please specify (Rest of World)	65000

## C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

## C7.3a

**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric ton CO2e)
United States Segment	273000
International Segment	65000

## C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	1233000	1233000
Other, please specify (Rest of World)	90000	44000

## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By business division

## C7.6a

**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States Segment	1233000	1233000
International Segment	90000	44000

## C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	6550	Decreased	0.36	During fiscal 2021, approximately 6,550 metric tonnes of CO2e were reduced due to change in renewable energy consumption, and the company's gross Scope 1 and Scope 2 emissions were 1,662,000. The calculation of 0.36 percent is as follows: $(-6,550 / 1,813,000) * 100$ . On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only. Certain prior period data (including scope 1, scope 2 and scope 3 emissions data), primarily related to discontinued operations, have been recast to conform to the current period presentation.
Other emissions reduction activities	23400	Decreased	1.3	During fiscal 2021, approximately 23,400 metric tonnes of CO2e were reduced due to emissions reduction activities, such as energy efficiency projects, and the company's gross Scope 1 and Scope 2 emissions were 1,662,000. The calculation of 1.3 percent is as follows: $(-23,400 / 1,813,000) * 100$ . On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only. Certain prior period data (including scope 1, scope 2 and scope 3 emissions data), primarily related to discontinued operations, have been recast to conform to the current period presentation.
Divestment	102000	Decreased	5.6	During fiscal 2021, approximately 102,000 metric tonnes of CO2e were reduced due to divestment, and gross Scope 1 and Scope 2 emissions were 1,662,000. On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. This business accounted for 102,000 metric tons of CO2. Certain prior period data (including scope 1, scope 2 and scope 3 emissions data), primarily related to discontinued operations, have been recast to conform to the current period presentation. The calculation of 5.6% is as follows $(-102,000/1,813,000) * 100$ .
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output	5541	Decreased	0.31	Product Delivery Impacts: WBA saw a reduction in CO2e emissions from product delivery in FY21 primarily due to a lower volume and disruption due to COVID-19 versus FY20. Along with that, MPG's are up due to newer equipment and technologies that we have added to equipment, with that, there was a decrease in mileage and associated diesel consumed by the Walgreens fleet operations. The calculation of 0.31% is as follows $(-5,541/1,813,000) * 100$ .
Change in methodology		<Not Applicable >		
Change in boundary		<Not Applicable >		
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

**C8.2a**

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	1481000	1481000
Consumption of purchased or acquired electricity	<Not Applicable>	214000	3210000	3424000
Consumption of purchased or acquired heat	<Not Applicable>	0	4000	4000
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	16000	<Not Applicable>	16000
Total energy consumption	<Not Applicable>	230000	4695000	4925000

**C8.2b**

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Sustainable biomass**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment**

N/A

**Other biomass**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment**

N/A

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

214000

**MWh fuel consumed for self-generation of electricity**

16000

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment**

**Coal**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment**

N/A



**Oil**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

606000

**MWh fuel consumed for self-generation of electricity**

4000

**MWh fuel consumed for self-generation of heat**

602000

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment**

**Gas**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

886000

**MWh fuel consumed for self-generation of electricity**

853000

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment**

**Other non-renewable fuels (e.g. non-renewable hydrogen)**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment**

N/A

**Total fuel**

**Heating value**  
HHV

**Total fuel MWh consumed by the organization**  
1706000

**MWh fuel consumed for self-generation of electricity**  
873000

**MWh fuel consumed for self-generation of heat**  
602000

**MWh fuel consumed for self-generation of steam**  
<Not Applicable>

**MWh fuel consumed for self-generation of cooling**  
<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**  
0

**Comment**

**C8.2d**

**(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	<b>Total Gross generation (MWh)</b>	<b>Generation that is consumed by the organization (MWh)</b>	<b>Gross generation from renewable sources (MWh)</b>	<b>Generation from renewable sources that is consumed by the organization (MWh)</b>
Electricity	50000	31000	16000	16000
Heat	57000	32000	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

**C8.2e**

**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.**

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Renewable energy mix, please specify (Solar, wind and hydropower)

**Country/area of low-carbon energy consumption**

United Kingdom of Great Britain and Northern Ireland

**Tracking instrument used**

REGO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

205000

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United Kingdom of Great Britain and Northern Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

"On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only. Certain prior period data, primarily related to discontinued operations, have been recast to conform to the current period presentation." We have internal Building Management Systems (BMS) and BMS contractors and reporting through a single platform. This highlights power exceptions and calls for investigations by the company and the BMS. Night-time and daytime increases and decreases are investigated.

---

**Sourcing method**

Green electricity products from an energy supplier (e.g. green tariffs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Renewable energy mix, please specify (Solar, wind and hydropower)

**Country/area of low-carbon energy consumption**

Ireland

**Tracking instrument used**

REGO

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

9000

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Comment**

"On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to AmerisourceBergen Corporation. Unless otherwise specified, disclosures in this report reflect continuing operations only. Certain prior period data, primarily related to discontinued operations, have been recast to conform to the current period presentation." We have internal Building Management Systems (BMS) and BMS contractors and reporting through a single platform. This highlights power exceptions and calls for investigations by the company and the BMS. Night-time and daytime increases and decreases are investigated.

---

**C8.2g**

**(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.**

**Country/area**

United States of America

**Consumption of electricity (MWh)**

3065000

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

3065000

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

United Kingdom of Great Britain and Northern Ireland

**Consumption of electricity (MWh)**

242000

**Consumption of heat, steam, and cooling (MWh)**

32500

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

274500

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Ireland

**Consumption of electricity (MWh)**

9000

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

9000

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Germany

**Consumption of electricity (MWh)**

25700

**Consumption of heat, steam, and cooling (MWh)**

4400

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

30100

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Thailand

**Consumption of electricity (MWh)**

7300

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

7300

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Mexico

**Consumption of electricity (MWh)**

65400

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

65400

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Chile

**Consumption of electricity (MWh)**

8500

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

8500

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

C9. Additional metrics

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C9.1

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**(C9.1) Provide any additional climate-related metrics relevant to your business.**

**Description**

Waste

**Metric value**

619000

**Metric numerator**

Metric tonnes

**Metric denominator (intensity metric only)**

N/A

**% change from previous year**

2.5

**Direction of change**

Increased

**Please explain**

Across all of its businesses, WBA generated 619,000 metric tonnes of waste in fiscal 2021, an increase of 2.5% from FY20 and a decrease of 8% from the baseline year of FY19, primarily due to waste reduction programs at Walgreens.

---

C10. Verification

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C10.1

---

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

---

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.**

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Walgreens-Boots-Alliance-Statement-of-Greenhouse-Gas-Emissions-Fiscal-2021 (17).pdf

**Page/ section reference**

7

**Relevant standard**

Attestation standards established by AICPA (AT105)

**Proportion of reported emissions verified (%)**

100

---

C10.1b

---

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Walgreens-Boots-Alliance-Statement-of-Greenhouse-Gas-Emissions-Fiscal-2021 (17).pdf

**Page/ section reference**

7

**Relevant standard**

Attestation standards established by AICPA (AT105)

**Proportion of reported emissions verified (%)**

100

---

**Scope 2 approach**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Walgreens-Boots-Alliance-Statement-of-Greenhouse-Gas-Emissions-Fiscal-2021 (17).pdf

**Page/ section reference**

7

**Relevant standard**

Attestation standards established by AICPA (AT105)

**Proportion of reported emissions verified (%)**

100

---

## C10.1c

---

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

**Scope 3 category**

Scope 3: Business travel

Scope 3: Downstream transportation and distribution

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Walgreens-Boots-Alliance-Statement-of-Greenhouse-Gas-Emissions-Fiscal-2021 (17).pdf

**Page/section reference**

7

**Relevant standard**

Attestation standards established by AICPA (AT105)

**Proportion of reported emissions verified (%)**

100

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## C10.2

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(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

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## C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C9. Additional metrics	Other, please specify (Waste by method of disposal)	Attestation Standards established by the American Institute of Certified Public Accountants/AICPA, AT-C 105 with AT-C 210 for Review Engagements	Across all of its businesses, WBA generated 619,000 metric tonnes of waste in fiscal 2021, a decrease of 8.4 percent from our baseline year of fiscal 2019, primarily due to waste reduction initiatives for Walgreens and COVID-19 impacts. WBA engaged Deloitte & Touche LLP to perform a review in accordance with the attestation standards established by the American Institute of Certified Public Accountants (AICPA) of management's assertion that waste by method of disposal included in our 2021 ESG Report is presented in accordance with WBA Basis of Preparation. C9.1 Waste in this CDP disclosure is included in our 2021 ESG Report. Walgreens-Boots-Alliance-2021-ESG-Report_2.pdf Walgreens-Boots-Alliance-Statement-of-Greenhouse-Gas-Emissions-Fiscal-2021 (17).pdf

## C11. Carbon pricing

### C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

### C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

UK ETS

### C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

#### UK ETS

**% of Scope 1 emissions covered by the ETS**

14.8

**% of Scope 2 emissions covered by the ETS**

0

**Period start date**

January 1 2021

**Period end date**

December 31 2021

**Allowances allocated**

6407

**Allowances purchased**

44000

**Verified Scope 1 emissions in metric tons CO<sub>2</sub>e**

50217

**Verified Scope 2 emissions in metric tons CO<sub>2</sub>e**

0

**Details of ownership**

Facilities we own and operate

**Comment**

On March 18 2021, Boots UK purchased 17,340 allowances, all of which were surrendered against 2020 verified emissions, along with the 2020 free allowance allocation and 3,365 allowances already held that were carried over from previous years, to ensure the Combined Heat and Power (CHP) plant's continued compliance with EU ETS regulations

To comply with its Greenhouse Gas permit and the UK Greenhouse Gas Emissions Trading Scheme Order 2020 (UKETS), on March 30th 2022 the D200 Energy Centre Combined Heat and Power (CHP) Plant surrendered 50,217 UK Allowances against its 2021 verified annual CO<sub>2</sub> emissions. This allowance surrender comprised its 2021 free allowance allocation (6,407 UK Allowances) plus 43,810 of the 44,000 UK Allowances bought in March 2022 in the secondary allowance market.

### C11.1d

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**(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?**

WBA's primary site that participates in these systems is our Combined Heat and Power (CHP) plant. Our strategy for this site includes employing suitable controls, procedures and consistently high standards of monitoring, reporting and measurement, all of which are maintained within effective, efficient and well documented Environmental Management Systems that are externally audited and certified to the ISO14001 Environmental Management Systems Standard. These systems include an Environmental Policy Statement and a Legal Register - which identifies direct/indirect legislation applicable to the CHP, and the requirements of this legislation and any other applicable requirements (e.g., in-house standards). By maintaining these systems via regular reviews, updates and external auditing of compliance we ensure compliance with legal and other requirements. Our Boots UK business also purchases allowances to cover our obligations and regularly implements energy efficiency and other emission reduction opportunities as appropriate and feasible.

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**C11.2**

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**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

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**C11.3**

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**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years

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**C12. Engagement**

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**C12.1**

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**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

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**C12.1a**

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**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Information collection (understanding supplier behavior)

**Details of engagement**

Collect climate change and carbon information at least annually from suppliers

**% of suppliers by number**

100

**% total procurement spend (direct and indirect)**

100

**% of supplier-related Scope 3 emissions as reported in C6.5**

0

**Rationale for the coverage of your engagement**

WBA implemented and progressed a number of tools and programs during fiscal 2021 to further its commitments to increase the sustainability of its owned brand products and packaging. WBA's owned brand global Supplier Sustainability Program was launched to enhance our sustainability agenda and drive improvements across the entire supply chain through an online platform for data collection, analysis, reporting and scoring. The company also continued its rigorous ethical assessments program to combat the risk of modern slavery and other such practices in the supply chain. Through our increasingly proactive supplier sustainability engagement, we aim to transform from an approach centered in risk assessment and management to a program in which we leverage our influence to drive sustainably through our supply chain and, in turn, through the industry. We are increasing the level of collaboration with suppliers, and through shared knowledge we also hope to create a space for sustainable innovation in our supply chains.

More than 100 of our highest spend owned-brand product suppliers, representing about 13% of all owned-brand suppliers (over 25% of total spend across WBA owned-brand suppliers) have signed up to the program and have completed their THESIS assessments identifying their environmental and social initiatives and opportunities. This includes suppliers based in Asia, Europe and the Americas, across many of our product categories, from health and wellness, to beauty and personal care, household and food. We plan to leverage our tier 1 owned brand supplier assessment data to identify any potential high risk areas or sustainability hot spots, engaging on sustainability issues with suppliers further down the supply chain. We have the most engagement with owned-branded product suppliers and our biggest opportunity to drive improvements and change.

**Impact of engagement, including measures of success**

WBA's owned brand global Supplier Sustainability Program was launched to enhance our sustainability agenda and drive improvements across the entire supply chain through an online platform for data collection, analysis, reporting and scoring. The program uses THESIS, developed by nonprofit organization The Sustainability Consortium, a holistic sustainability assessment tool set to gauge supplier practices, performance and management on energy, water, ethics and more. For example, the system captures whether a supplier has a chemicals policy in place, or an emissions reduction target. One advantage of the tool is that it is also used by other large retailers, which minimizes survey fatigue among vendors. The product category specific assessments in THESIS allow our teams to benchmark our suppliers' sustainability performance and by proxy our WBA owned brand sustainability performance. These quantifiable, comparative supplier sustainability results will provide WBA owned brand sourcing teams with the information necessary to select the best product suppliers with sustainability agendas and targets that complement our own.

Via The Sustainability Consortium's THESIS tool, we have collected GHG information from more than 100 of our largest/strategic product suppliers on their 'Greenhouse Gas Emissions Intensity'. The suppliers have provided WBA with data related specifically to, "What was the greenhouse gas emissions intensity associated with final manufacture of your product?" and suppliers also provided when they had the data available "kg CO2e per metric tonne of product."

To baseline which of our owned brand suppliers have set GHG reduction targets, WBA asks (via global Supplier Sustainability Hub) that all of our suppliers to annually submit a response to the questions below. The information we collect can be used to help WBA develop our scope 3 engagement strategy with our tier 1 product suppliers, enhance our ESG agenda and drive improvements across the entire supply chain through an online platform for data collection, analysis, reporting and scoring. (Currently in a data gathering phase.)

Has your company set Science Based Targets or other carbon targets?

We have set Science Based Targets for Scope 1 and 2

We have set Science Based targets for Scope 1,2,3

We have set other public carbon reduction targets that are not Science based (more details below).

**Comment**

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**C12.1b**

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**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement & Details of engagement**

Collaboration & innovation	Other, please specify (We systematically surveyed a wide range of global stakeholders to understand the issues they see emerging over the next decade that will potentially impact WBA and their interaction with the company for WBA's 2021 ESG materiality assessment)
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**% of customers by number**

0.01

**% of customer - related Scope 3 emissions as reported in C6.5**

0

**Please explain the rationale for selecting this group of customers and scope of engagement**

WBA's latest ESG materiality assessment was completed during fiscal 2021. We systematically surveyed a wide range of global stakeholders to understand the issues they see emerging over the next decade that will potentially impact WBA and their interaction with the company. Engaging and collaborating with our stakeholders helps us to address the most relevant environmental, social and governance (ESG) issues for our company and to deliver products and services that make positive impacts throughout our lines of businesses. We regularly consult with our internal and external stakeholders across a range of sectors, geographies and organization types and sizes, to seek their feedback on our performance in the areas where we have the greatest economic, environmental and social impact. We surveyed some 6,000 customers in the U.S., UK, Chile, Mexico, Norway and Thailand. Through this exercise we also gauged how the changing context of the pandemic, racial equity issues and rising concerns about climate change and harmful plastic waste were affecting views of ESG impacts throughout our operations.

**Impact of engagement, including measures of success**

The customer analysis showed that sustainability is a common concern across all of our markets, especially plastics, although less so in the U.S. The 32 topics included in the materiality assessment are shown in the matrix on page 16 of our 2021 ESG Report ([https://www.walgreensbootsalliance.com/sites/www/files/asset/Walgreens-Boots-Alliance-2021-ESG-Report\\_2.pdf](https://www.walgreensbootsalliance.com/sites/www/files/asset/Walgreens-Boots-Alliance-2021-ESG-Report_2.pdf)), and divided into three areas of importance from very high to moderate. Among the new topics in our materiality matrix are plastics, human rights, product end of life, and talent and development. Topics that rose in overall importance and impact include diversity, equity and inclusion; waste; and energy use and climate impacts. Our measure of success is identifying topics of importance to our customer and other stakeholders that our company has direct impact on, we have set targets on plastics and greenhouse gas emissions. In addition as a result of the new materiality mapping, we have added a new GRI disclosure to our report for fiscal 2021: GRI 412 Human Rights Assessment.

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**C12.1d**

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**(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

Engaging and collaborating with our stakeholders helps us to address the most relevant environmental, social and governance (ESG) issues for our company and to deliver products and services that make positive impacts throughout our lines of businesses. We regularly consult with our internal and external stakeholders across a range of sectors, geographies and organization types and sizes, to seek their feedback on our performance in the areas where we have the greatest economic, environmental and social impact. Stakeholders impacted by our business and who influence our business – such as customers, stockholders and nonprofit groups – frequently approach us with issues. During fiscal 2021, we engaged stakeholders proactively on numerous matters where we feel we can have significant impact and where we are aware of evolving societal expectations. This proactive engagement included topics such as health equity, vaccine equity, plastic packaging, beauty industry sustainability, diversity, equity and inclusion. Intensified engagement reflecting the urgency of the pandemic and of the racial equity movement are reflected in the table and throughout this report. In fiscal 2021, we continued to work with the Walgreens External Advisory Council, which was established in fiscal 2019 to advise our U.S. retail pharmacy business on corporate responsibility matters. The council - made up of experts who have a broad range of knowledge on corporate responsibility and health related topics - met in May 2021 with the president of Walgreens and discussed the evolving landscape of ESG leadership, sustainability target setting and Walgreens unique opportunities for contributions, among other topics. The tables on page 19-24 of our 2021 ESG Report ( [Walgreens-Boots-Alliance-2021-ESG-Report\\_2.pdf \(walgreensbootsalliance.com\)](#) describe the form and frequency of engagement with key categories of stakeholders during fiscal 2021, their expectations, matters they raised and actions we have taken.

**Several highlights where we engaged and collaborated with partners in our value chain include:**

A new company-wide target to reduce Scope 1 and Scope 2 emissions by 30% by fiscal 2030, compared with fiscal 2019

Managed energy use through demand response programs to avoid blackouts during wildfires; partnered with utilities during storms to get power and water to local communities

Collaborated with utilities providers to help them understand their environmental footprint

Adoption of TCFD reporting framework

Boots UK and No7 Beauty Company in-store take-back program for hard-to-recycle packaging and products

Boots UK and Boots Ireland work with NGOs on climate action roadmaps and ambitions

Boots UK and No7 Beauty Company work on UK plastic packaging reporting and food waste reporting with WRAP and other entities

WBA joined the Roundtable on Sustainable Palm Oil (RSPO) at a company-wide level, committing to reporting on use of certified palm oil in all of its operations

Employee engagement campaigns coordinated with Business Resource Groups (BRGs) on World Environment Day, World Day for Cultural Diversity, pharmacists' recognition days and weeks, Black History Month, Pride months and others

Training for store employees in the UK on sustainable practices, and introducing CSR lead roles to stores

Implementation of WBA's owned brand global Supplier Sustainability Program to assess risks and vendor sustainability practices

Implemented singular owned brand global minimum product sustainability requirements and launched sustainability hub

Relaunched and rebranded the No7 Beauty Company with public sustainability commitments

Training on ethical and sustainable sourcing

Continued energy and fuel efficiency investments and waste reduction programs coordinated with U.S. government programs such as SmartWay and WasteWise

**C12.2**

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**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**

Yes, climate-related requirements are included in our supplier contracts

**C12.2a**

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**(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.**

**Climate-related requirement**

Complying with regulatory requirements

**Description of this climate related requirement**

WBA regards the care of the environment as an integral part of running a responsible and successful business. We therefore conduct our business activities in a way that reduces as much as is reasonably possible our direct and indirect impact on the environment, while at the same time promoting practices which protect the environment and support sustainable development. As outlined in WBA's Supplier Code of Conduct (<https://www.walgreensbootsalliance.com/file-download/download/public/10096>), it is WBA's intention to source from suppliers who share our high standards with regard to labor and welfare conditions, health and safety, anti-bribery and corruption and environmental management. Walgreens Boots Alliance expects its suppliers to operate in accordance with the core principles outlined in the Supplier Code of Conduct, including but not limited to:

Laws and Regulations - we will comply with the applicable laws and regulations of all the countries where we do business.

Sustainable development and environmental protection – we recognize our responsibility to the environment and seek ways to operate sustainably without damaging the environment.

**% suppliers by procurement spend that have to comply with this climate-related requirement**

100

**% suppliers by procurement spend in compliance with this climate-related requirement**

100

**Mechanisms for monitoring compliance with this climate-related requirement**

Supplier self-assessment

Grievance mechanism/Whistleblowing hotline

**Response to supplier non-compliance with this climate-related requirement**

Suspend and engage

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**C12.3**

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**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

**Row 1**

**Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate**

Yes, we engage indirectly through trade associations

Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

No, and we do not plan to have one in the next two years

**Attach commitment or position statement(s)**

<Not Applicable>

**Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy**

Responsible corporate citizenship includes exercising our responsibility to actively participate in the political process. Primarily through Walgreens, we engage in the political and policymaking processes in the United States, at the federal, state, and local levels, to participate in democratic self-government and to have a voice in public policy debates that have a direct impact on us. We support candidates whose policies and goals are consistent with our purpose to create more joyful lives through better health, and who are aligned with the interests of our businesses, customers, communities, and stockholders.

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**C12.3b**

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**(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.**

**Trade association**

Business Roundtable

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We publicly promote their current position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

Business Roundtable is an association of chief executive officers of America's leading companies working to promote a thriving U.S. economy and expanded opportunity for all Americans through sound public policy. Addressing climate change and its impacts demands a robust, coordinated effort with a sound policy portfolio. Business Roundtable CEOs are calling for a well-designed market-based mechanism and other supporting policies to provide certainty and unleash innovation to lift America toward a cleaner, brighter future. CEOs call for complementary suite of policies to drive innovation, significantly reduce greenhouse gas emissions and limit global temperature rise.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

300000

**Describe the aim of your organization's funding**

Walgreens Boots Alliance is a member of a number of trade associations and other policy-based organizations representing the interests of the industries in which it operates and the broader business community. These organizations often engage in public policy advocacy that can impact Walgreens Boots Alliance's long-term interests and the communities it serves.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Other, please specify (Retail Industry Leaders Association (RILA))

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We publicly promote their current position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

The Retail Industry Leaders Association (RILA) is the US trade association for retailers that have earned leadership status by virtue of their sales volume, innovation or aspiration. We convene decision-makers to collaborate and gain from each other's experience. We advance the industry through public-policy advocacy and promote operational excellence and innovation. And through research and thought leadership, we propel developments that foster both economic growth and sustainability. Sustainability at RILA includes efforts to address the retail industry's environmental compliance obligations and broader impact areas and efforts to address those social impact areas related to responsible sourcing and supply chains. The key environmental impact areas across RILA's membership align around waste and energy, and the key responsible sourcing social impact areas focus on ethical working conditions in owned and contracted supplier facilities. These areas translate into action through our five committees: Sustainability (environmental), Responsible Sourcing, Environmental Compliance, Energy Management, and Zero Waste.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

700000

**Describe the aim of your organization's funding**

Walgreens Boots Alliance is a member of a number of trade associations and other policy-based organizations representing the interests of the industries in which it operates and the broader business community. These organizations often engage in public policy advocacy that can impact Walgreens Boots Alliance's long-term interests and the communities it serves.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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C12.3c

**(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.**

**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

The British Retail Consortium (BRC) - The BRC's Climate Action Roadmap is the retail industry's commitment to deliver net zero in their own operations and the products they sell by 2040. BRC's mission is to make a positive difference to the retail industry and the customers it serves, today and in the future.

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Boots is a member of the British Retail Consortium (BRC) and plays an active role in a number of committees and working groups, contributing to the formulation of BRC policies and representations to government and the media on issues of relevance to the retail industry, including climate change and sustainability. Boots is a supporter of the BRC's Better Retailing Climate initiative and a signatory to the BRC's Climate Action Roadmap, which has outlined a sectoral ambition to achieve net zero carbon emissions by 2040.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Retail Energy Forum - The Retail Energy Forum (REF) is a collection of leading UK Retailers which aim is: "to share best practice to reduce the carbon footprint of every member company." REF has worked closely with the government in the development of energy policies to support the UK's transition to a low carbon economy.

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

The aim of this funding furthers the Retail Energy Forum 's work with the government in the development of energy policies to support the UK's transition to a low carbon economy.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

The Sustainability Consortium - The Sustainability Consortium (TSC) is a global non-profit organization transforming the consumer goods industry to deliver more sustainable consumer products. TSC works to enable a world where people can lead fulfilled lives in a way that decouples their impacts on people and the planet. TSC is the only universal and industry-wide, science-based solution to help companies to create transparent supply chains and lead the industry forward.

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

50000

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

The aim of this funding is to assist the Sustainability Consortium in their focus on existing and developing regulations for communication and labeling, the lack of a harmonized approach in a world of multi-national companies, the need to evaluate the benefits and unintended consequences of new regulations and incentives and policies that promote safe and responsible innovations and strategies.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Type of organization**

Governmental institution

**State the organization to which you provided funding**

Beyond 34, a multi-stakeholder initiative led by the U.S. Chamber of Commerce Foundation, is aimed at advancing the circular economy in cities and regions across the U.S. by providing a scalable model to identify and implement high-impact waste solutions tailored to local needs & considers criteria such as: existing infrastructure, current recycling rates against national average, level of public and private sector engagement, and relevant existing sustainability goals at state and local levels.

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

50000

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Beyond 34 is a multi-stakeholder partnership between the U.S. Chamber of Commerce Foundation, local governments, local chambers, technical partners, and leading corporations. Funding assists Beyond 34's initiatives to advance the circular economy and bring together business and civic leaders to identify and implement high-impact waste solutions.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**C12.4**

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(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

Walgreens-Boots-Alliance-2021-ESG-Report\_2.pdf

**Page/Section reference**

Throughout the WBA 2021 ESG Report

**Content elements**

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets
- Other metrics

**Comment**

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

Walgreens-Boots-Alliance-Statement-of-Greenhouse-Gas-Emissions-Fiscal-2021 (17).pdf

**Page/Section reference**

1-7

**Content elements**

- Emissions figures

**Comment**

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	The WBA Board is actively engaged in discussing and advancing the strategy of the company, ensuring that the company's talent and resources are aligned with the strategy, and overseeing the company's approach to Corporate Social Responsibility (CSR), sustainability and ESG. Within the Board of Directors, the Nominating and Governance Committee has the responsibility to review, at least annually, WBA's policies and activities regarding CSR, sustainability and ESG. WBA's CSR Committee, which reports on a regular basis to the Board of Director's Audit Committee, meets regularly and, among other obligations, is charged with reviewing the company's CSR, sustainability and ESG programming (including the selection and approval of its CSR, sustainability and ESG goals, and the oversight of its CSR policy statements) and the company's progress towards achieving its CSR, sustainability and ESG goals. Responsibilities for climate-related issues are assigned to the CSR Committee and its charter includes review of the company's CSR, sustainability, and other ESG related risks, environmental policies and progress toward WBA's sustainability and ESG goals.	<Not Applicable>

C15.2

**(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to not explore or develop in legally designated protected areas Commitment to respect legally designated protected areas Commitment to avoidance of negative impacts on threatened and protected species Commitment to no conversion of High Conservation Value areas Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples Commitment to no trade of CITES listed species Other, please specify (Liz Earle became a new member of the Union for Ethical BioTrade (UEBT), committing to sourcing ingredients from biodiversity in a way that respects people and nature.)	SDG Other, please specify (Union for Ethical BioTrade (UEBT), <a href="https://uebt.org/membership">https://uebt.org/membership</a> )

**C15.3**

**(C15.3) Does your organization assess the impact of its value chain on biodiversity?**

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	Yes, we assess impacts on biodiversity in both our upstream and downstream value chain	<Not Applicable>

**C15.4**

**(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management Education & awareness Law & policy

**C15.5**

**(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?**

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	State and benefit indicators Pressure indicators Response indicators

**C15.6**

**(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Governance Impacts on biodiversity Details on biodiversity indicators Biodiversity strategy	Walgreens-Boots-Alliance-2021-ESG-Report_2.pdf

**C16. Signoff**

**C-FI**

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

**C16.1**



(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Executive Vice President & Global Chief Human Resource Officer, Walgreens Boots Alliance	Other C-Suite Officer

SC. Supply chain module

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SC0.0

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(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

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(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC1.1

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(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

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(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

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(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
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SC1.4

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(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1

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(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

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(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

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(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

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In which language are you submitting your response?

English

**Please confirm how your response should be handled by CDP**

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

**Please confirm below**

I have read and accept the applicable Terms