

## 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), a Delaware corporation (“Walgreens Boots Alliance” or the “Company”), is an integrated healthcare, pharmacy and retail leader serving millions of customers and patients every day, with a 170-year heritage of caring for communities. The Company is proud of its 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. The Company has been recognized for its commitment to operating sustainably; it is an index component of the Dow Jones Sustainability Indices (“DJSI”) and was named to the 100 Best Corporate Citizens of 2022.

A trusted, global innovator in retail pharmacy with approximately 13,000 locations across the United States (U.S.), Europe and Latin America, Walgreens Boots Alliance plays a critical role in the healthcare ecosystem. The Company is reimagining local healthcare and well-being for all as part of its purpose – to create more joyful lives through better health. Through dispensing medicines, improving access to a wide range of health services, providing high quality health and beauty products and offering anytime, anywhere convenience across its digital platforms, the Company is shaping the future of healthcare.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the United States (“U.S.”) and Europe with sales of \$132.7 billion in fiscal 2022. Walgreens Boots Alliance has a presence in 9 countries and employs more than 325,000 people. In addition, Walgreens Boots Alliance is one of the world’s largest purchasers of prescription drugs and many other health and well-being products. The Company’s size, scale and expertise will help it expand the supply of, and address the rising cost of, prescription drugs in the U.S. and worldwide.

The Company’s U.S. Healthcare segment is a consumer-centric, technology-enabled healthcare business that engages consumers through a personalized, omni-channel experience across the care journey. The U.S. Healthcare segment delivers improved health outcomes and lower costs for payors and providers by delivering care through owned and partnered assets. The U.S. Healthcare segment currently consists of a majority position in VillageMD, a leading national provider of value-based primary, urgent and multi-specialty care services; Shields, a specialty pharmacy integrator and accelerator for hospitals; a majority position in CareCentrix, a leading player in the post-acute and home care management sectors, and the Walgreens Health organic business that contracts with payors and providers to deliver clinical healthcare services to their members and members’ caregivers through both digital and physical channels.

The Company provides customers with convenient, omni-channel access through its portfolio of retail and business brands which includes Walgreens, Boots and Duane Reade 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. The Company’s global brands portfolio is enhanced by its in-house product research and development capabilities. Additionally, the Company has a portfolio of healthcare-focused investments located in several countries, including in the U.S. and China. Strategic partnerships with some of the world’s leading companies enable the Company to extend its healthcare solutions and convenience offerings to the communities it serves. The Company is well positioned to expand customer offerings in existing markets and become a health and well-being partner of choice in emerging markets.

### C0.2

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#### (C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

##### Reporting year

###### Start date

September 1 2021

###### End date

August 31 2022

##### Indicate if you are providing emissions data for past reporting years

No

##### Select the number of past reporting years you will be providing Scope 1 emissions data for

<Not Applicable>

##### Select the number of past reporting years you will be providing Scope 2 emissions data for

<Not Applicable>

##### Select the number of past reporting years you will be providing Scope 3 emissions data for

<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**

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**(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**

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**C1.1**

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

Yes

**C1.1a**

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**(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 or committee	Responsibilities for climate-related issues
Board-level committee	<p>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 Environmental, Social and Governance ("ESG") and sustainability, which encompass climate-related issues and risk. Within the Board of Directors, the Nominating and Governance Committee has primary oversight responsibility for the Company's ESG initiatives and risks, reviewing at least annually our policies and activities regarding sustainability and ESG and assessing our management of risks, in consultation with the Audit Committee as appropriate. WBA's ESG Committee reports to the Nominating and Governance Committee twice a year to review ESG strategy, including global emissions activities, tracking against emissions reduction targets, review of the annual ESG Report and activities discussed within the annual ESG Report. During fiscal 2022, the Nominating and Governance Committee reviewed progress made to WBA's 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.</p> <p>The Nominating and Governance Committee also reviewed and approved WBA's annual ESG Report and the activities described therein, such as the company's response aligned to the Task Force for Climate-Related Financial Disclosures (TCFD) requirements, our commitments to reducing 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. The Nominating and Governance Committee, in partnership with the Compensation and Leadership Performance Committee, reviewed and approved WBA's 2023 Management incentive plan to further align with the Company's ESG strategy. In addition, the Nominating and Governance Committee's charter is to assess the management of risks related to sustainability, environmental, social and governance initiatives, policies and activities. 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.</p>
Board-level committee	<p>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, which encompasses the review of emerging and existing risks relating to climate change and their impact on the business. The Audit Committee members are all independent directors and meet on Enterprise Risk Management (ERM) activity twice annually. 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 and approves management's analysis and mitigation of these major risks by regularly reviewing and discussing with management the key risks identified in the ERM process, their potential impact on the company and its operations and the company's risk mitigation strategies.</p> <p>Key risks are presented to and reviewed by the WBA internal executive 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 2022, 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 ESG risks and impacts on the business. The Audit Committee also reviewed and approved 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.</p>

**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	<p>Reviewing and guiding strategy</p> <p>Overseeing the setting of corporate targets</p> <p>Monitoring progress towards corporate targets</p>	<Not Applicable>	<p>The Nominating and Governance Committee, which consists solely of independent directors, regularly reviews risks related to WBA's governance structures and processes and ESG functions, which includes the company's strategy and activities on sustainability, ESG and the environment. Pursuant to its charter, the Nominating and Governance Committee of the Board has oversight responsibility for ESG matters and receives and reviews reports on these matters at least annually. The company's ESG 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. WBA's ESG Committee reports to the Nominating and Governance Committee twice a year to review agenda items such as ESG strategy, including global emissions activities, tracking against emissions reduction targets, review of the annual ESG Report and activities discussed within the annual ESG Report including scenario analysis. The Nominating and Governance Committee met five times in fiscal 2022 and reviewed at least twice in the year policies and activities related to sustainability and ESG.</p>
Scheduled – some meetings	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding the risk management process</p> <p>Other, please specify (Monitoring and overseeing climate-related risks)</p>	<Not Applicable>	<p>The Audit Committee, which consists solely of independent directors, 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 ESG-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.</p> <p>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. Within this process, each business is responsible for preparing and reviewing potential risks bi-annually. 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.</p> <p>The Audit Committee met eight times in fiscal 2022 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.</p>

**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.**

**Position or committee**

Other, please specify (Executive Vice President and Global Chief Human Resources Officer, Walgreens Boots Alliance, Inc.)

**Climate-related responsibilities of this position**

- Providing climate-related employee incentives
- Integrating climate-related issues into the strategy
- Conducting climate-related scenario analysis
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Managing public policy engagement that may impact the climate
- Managing value chain engagement on climate-related issues
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

CEO reporting line

**Frequency of reporting to the board on climate-related issues via this reporting line**

Half-yearly

**Please explain**

WBA Executive Vice President and Global Chief Human Resources Officer leads Environmental, Social and Governance (ESG) for WBA and is also responsible for the strategy and direction of innovative global HR programs, policies and practices that support WBA's business goals and initiatives and for ensuring fair and equitable treatment for all team members. The Executive Vice President and Global Chief Human Resources Officer, who reports directly to the CEO, is also a member of the ESG Committee and is responsible to provide, at least annually, updates on ESG activities to the Board of Directors. Updates include key ESG issues such as executing and developing key ESG programming, developing KPI's and programming and mitigating climate-related risk, which also fall within their responsibilities.

**Position or committee**

Chief Operating Officer (COO)

*Full title is "Chief Operating Officer, International."*

**Climate-related responsibilities of this position**

- Providing climate-related employee incentives
- Integrating climate-related issues into the strategy
- Conducting climate-related scenario analysis
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Managing public policy engagement that may impact the climate
- Managing value chain engagement on climate-related issues
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

CEO reporting line

**Frequency of reporting to the board on climate-related issues via this reporting line**

Half-yearly

**Please explain**

WBA Chief Operating Officer, International report directly to the CEO and is the executive sponsor and chair of the ESG Committee and is responsible 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 chief operating officer, international 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 and ESG 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 and ESG goals and strategy and reviews progress towards achieving these goals. Key ESG issues such as programming enhancements, progress on ESG KPI's and climate-related risks, are presented by key executives to the ESG Committee routinely during committee

meetings.

**Position or committee**

Sustainability committee

Actual name of the committee is "Environmental, Social and Governance Committee.

**Climate-related responsibilities of this position**

- Providing climate-related employee incentives
- Integrating climate-related issues into the strategy
- Conducting climate-related scenario analysis
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Managing public policy engagement that may impact the climate
- Managing value chain engagement on climate-related issues
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

Reports to the board directly

**Frequency of reporting to the board on climate-related issues via this reporting line**

Half-yearly

**Please explain**

The WBA ESG Committee plays a key role in providing further oversight and governance of our ESG program. The ESG Committee meets four times per year and, among other obligations, sets and oversees ESG strategy, goals, programming and policy statements. Key ESG issues such as programming enhancements, progress on ESG KPI's and climate-related risks, are presented by department heads to the ESG Committee routinely during committee meetings. This includes tracking progress and reporting on external ESG goals, and the goals set by principal businesses and cross-segment organizations. Additionally, the ESG Committee meets to review the ESG program and reports to the Nominating and Governance Committee at least twice a year.

During fiscal 2022 the ESG Committee was chaired by the chief operating officer, international and included the executive vice president and global chief human resources officer, the vice president for ESG and DEI for international, the senior vice president for ESG and chief DEI officer, the president for Walgreens retail and chief customer officer, the senior vice president and global chief communications officer, the senior vice president and global chief public affairs officer, the senior vice president and chief administrative officer for international, the executive vice president and global chief legal officer, the senior vice president, global controller and chief accounting officer, the senior vice president, managing director and president for Boots, and the senior vice president for international retail and global chief commercial brands officer.

Additionally, the senior vice president and global chief compliance and ethics officer, updates the ESG Committee and oversees the ERM program, which is designed to identify, monitor, and assess significant short-, medium- and long-term risks. Key risks are presented to and reviewed by the WBA internal executive Governance, Risk and Compliance committee on a bi-annual basis, and summaries are presented to the Board's Audit Committee at least twice annually.

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	In fiscal 2022, teams responsible for energy use and associated emissions had financial incentives based on performance against annual goals that align to overall business strategy for the management of climate-related issues, including targets. WBA is committed to elevating and delivering on the Company's ESG strategy, which is centered on driving health equity. As highlighted on page 64 of our 2023 Notice of Annual Meeting and Proxy Statement, to amplify our commitments, WBA's Board of Directors recently approved and repositioned several key performance goals within our disclosed incentive plan (tied to compensation) to include goals in several key pillars of our ESG strategy including standalone metrics for emissions reduction and waste reduction for fiscal 2023.

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**

Management group

**Type of incentive**

Monetary reward

**Incentive(s)**

Bonus - % of salary

**Performance indicator(s)**

- Progress towards a climate-related target
- Implementation of an emissions reduction initiative
- Reduction in absolute emissions
- Energy efficiency improvement

**Incentive plan(s) this incentive is linked to**

Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**

The Vice President of Store Care leads the teams responsible for managing energy use and associated emissions and reports into the Walgreens senior executive team, have incentives based on performance against annual goals that align to overall business strategy for the management of climate-related issues. WBA is committed to elevating and delivering on the Company's ESG strategy, which is centered on driving health equity. Additionally, the International segment has incentives based on achievement of emissions and waste to landfill reductions. As highlighted on page 64 of our 2023 Notice of Annual Meeting and Proxy Statement, to amplify our commitments, WBA's Board of Directors recently approved and repositioned several key performance goals within our disclosed incentive plan (tied to compensation) to include goals in several key pillars of our ESG strategy including standalone metrics for emissions reduction and waste reduction for fiscal 2023.

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**Entitled to incentive**

Business unit manager

**Type of incentive**

Monetary reward

**Incentive(s)**

Bonus - % of salary

**Performance indicator(s)**

Progress towards a climate-related target  
Implementation of an emissions reduction initiative  
Reduction in absolute emissions  
Energy efficiency improvement

**Incentive plan(s) this incentive is linked to**

Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**

The teams responsible for managing energy use and associated emissions led by the Vice President of Store Care who ultimately report into the Walgreens senior executive team, have incentives based on performance against annual goals that align to overall business strategy for the management of climate-related issues. WBA is committed to elevating and delivering on the Company's ESG strategy, which is centered on driving health equity. Additionally, the International segment has incentives based on achievement of emissions and waste to landfill reductions. As highlighted on page 64 of our 2023 Notice of Annual Meeting and Proxy Statement, to amplify our commitments, WBA's Board of Directors recently approved and repositioned several key performance goals within our disclosed incentive plan (tied to compensation) to include goals in several key pillars of our ESG strategy including standalone metrics for emissions reduction and waste reduction for fiscal 2023.

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**Entitled to incentive**

Energy manager

**Type of incentive**

Monetary reward

**Incentive(s)**

Bonus - % of salary

**Performance indicator(s)**

Progress towards a climate-related target  
Implementation of an emissions reduction initiative  
Reduction in absolute emissions  
Energy efficiency improvement

**Incentive plan(s) this incentive is linked to**

Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**

The teams responsible for managing energy use and associated emissions led by the Vice President of Store Care who ultimately report into the Walgreens senior executive team, have incentives based on performance against annual goals that align to overall business strategy for the management of climate-related issues. WBA is committed to elevating and delivering on the Company's ESG strategy, which is centered on driving health equity. Additionally, the International segment has incentives based on achievement of emissions and waste to landfill reductions. As highlighted on page 64 of our 2023 Notice of Annual Meeting and Proxy Statement, to amplify our commitments, WBA's Board of Directors recently approved and repositioned several key performance goals within our disclosed incentive plan (tied to compensation) to include goals in several key pillars of our ESG strategy including standalone metrics for emissions reduction and waste reduction for fiscal 2023.

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**Entitled to incentive**

Environment/Sustainability manager

**Type of incentive**

Monetary reward

**Incentive(s)**

Bonus - % of salary

**Performance indicator(s)**

Other (please specify) (Behavior change related indicator)

**Incentive plan(s) this incentive is linked to**

Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**

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. As highlighted on page 64 of our 2023 Notice of Annual Meeting and Proxy Statement, to amplify our commitments, WBA's Board of Directors recently approved and repositioned several key performance goals within our disclosed incentive plan (tied to compensation) to include goals in several key pillars of our ESG strategy including standalone metrics for emissions reduction and waste reduction for fiscal 2023.

## 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 climate-related risk within its overall definition of 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. WBA assesses the potential financial impact of each risk using the following:

**Critical:** Financial loss of >10% of Adjusted Operating Income (AOI) for specific Business

**High:** Financial loss of 5%-10% of AOI for specific Business

**Medium:** Financial loss of 2%-5% of AOI for specific Business

**Low:** Financial loss of <2% of AOI for specific Business

In addition to considering financial impact, WBA assesses each risk on a case-by-case basis, considering the impact to its strategic objectives, reputation, operations and legal and regulatory criteria, all of which contribute to a final impact assessment.

### C2.2

**(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**

For WBA, climate-related risks are considered within WBA's Enterprise Risk Management (ERM) process - risk identification, assessment and management (response) processes. WBA's ERM and Compliance functions are primarily responsible for monitoring the overall risk profile, which includes both climate-related physical and transition risks. (Identification) The ERM program tracks current and emerging risks and recommends changes to the Company's key risk summary. At the company level, risk assessments encompass all strategic, operational, commercial, regulatory, reputational, legal and financial (including substantive) risks that could have an adverse impact on WBA in the short-, medium- and long-term time horizons. Climate-related risks can impact all of these risk types, and therefore have to be considered. Acute physical risks, such as flooding, have operational, commercial and financial implications. WBA is committed to evaluating and monitoring acute physical risks to help ensure it is properly prepared and can help mitigate. Risks are identified and assessed for all businesses and global functions. (Assessment) Each business is responsible for preparing and reviewing potential risks bi-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 its stakeholders; and (iii) the time horizon in which WBA envisions the issue becoming relevant. Transitional market-related risks are regularly assessed and prioritized as part of the Company's risk assessment process, which includes shifts in the supply and demand for certain commodities, products and services. Climate-related risks and opportunities are increasingly considered in this process. 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.

(Response) WBA manages climate-related risk with a company view and impact on the broader environment. WBA manages these risks through its ERM program, targets managed by the ESG Committee and in setting company-wide practices and procedures, each with efforts to continually improve to reduce its impact. The ERM program is specifically designed and tailored to identify, monitor and assess significant short-, medium- and long-term risks to the Company and to help ensure that WBA is taking appropriate steps to mitigate them. Summaries of key and emerging risks are presented to the Audit Committee. Updates on risk mitigation are provided to the Audit Committee through the ERM program or management presentations as appropriate. In addition to ERM, the ESG Committee maintains environment-related objectives that are tracked, monitored, and cascaded to each business to align with local objectives and initiatives. At WBA, focus is given to preparedness and training. WBA maintains a Business Continuity Management program and utilizes nationwide resources, support systems, and infrastructure to respond quickly, compassionately, and effectively during natural disasters, emergencies, and pandemics. The Company has plans and protocols in place to effectively support and provide necessary services to minimize disruptions and keep stores open and operating, or provide other solutions, such as mobile locations to maximize opportunities to meet patients' and customers' needs. The Company also implements processes to minimize supply chain disruption. WBA utilizes its Security Operations Center at Walgreens in the U.S. to identify areas that will be drastically impacted by natural disasters and deploy needed resources, like generators and mobile pharmacies, to the areas that need them most. WBA strives to ensure that the team members, customers, patients and communities it serves are safe during and after a crisis while maintaining a continuity of service.

**C2.2a**

**(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 Enterprise Risk Management (ERM) program - risk identification, assessment and management (response) processes as regulations often impact costs in operations and the supply chain. Risks related to domestic and foreign regulatory constraints are systemically identified and assessed through our ERM process to help ensure WBA stays ahead of all climate-related regulations. Reviewing current regulations in the area of GHG emission reporting and energy management, as well as 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 to and for 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 incorporates the UK's share of international aviation and shipping emissions, to bring the UK more than three-quarters of the way to net zero by 2050, seeking GHG emission reductions of 78% by 2035 compared to 1990 levels. 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 assisted with funding development. 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.</p> <p>Walgreens has nearly 600 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 and to 80 percent below 1990 levels by 2050 will have implications for the transportation sector.</p>
Emerging regulation	Relevant, always included	<p>Climate-related risks from emerging regulations are monitored and evaluated in conjunction with our Enterprise Risk Management (ERM) program - risk identification, assessment and management (response) processes as they have the potential to impact costs in operations 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. The EU Sustainable and Smart Mobility Strategy affects our operations in Germany in particular. Our team in Germany continues to seek efficiencies with transport routing for cost and environmental benefits. 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-Harris 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. WBA is also closely following the Biden-Harris Administration's Federal Supplier Climate Risks and Resilience Rule proposal which would require major Federal contractors to publicly disclose their greenhouse gas emissions and climate-related financial risks and set science-based emissions reduction targets.</p>

	Relevance & inclusion	Please explain
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Technology	Relevant, always included	Climate-related technology risks are monitored and evaluated in conjunction with our Enterprise Risk Management (ERM) program - risk identification, assessment and management (response) processes. 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 fleet 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. 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.
Legal	Relevant, always included	Climate-related legal risks, including litigation, are monitored and evaluated in conjunction with WBA's Enterprise Risk Management (ERM) program - risk identification, assessment and management (response) processes. Insufficient compliance with our legal obligations in this area is a key risk to our business and our ERM program designed to reduce that risk. As a global company, WBA strives for 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, such as plastic bag bans and extended producer responsibility (EPR) laws for plastics, through proactive compliance actions 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 and product loss are also addressed and monitored by our ERM program. Asset Protection, Environmental, Health & Safety, Compliance, Operations, Supply Chain and Legal teams.
Market	Relevant, always included	Climate-related market risks are monitored and evaluated in conjunction with our Enterprise Risk Management (ERM) program - risk identification, assessment and management (response) processes. 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, 57 distribution centers and 8 microfulfillment centers, as of August 31, 2022, 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. Any 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.
Reputation	Relevant, always included	Climate-related reputational risks are monitored and evaluated in conjunction with our Enterprise Risk Management (ERM) program - risk identification, assessment and management (response) processes. 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 WBA 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 ESG materiality assessment, which included customer surveys in both markets.  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. The WBA fiscal 2021 materiality assessment found that sustainability is a common concern. Environmental topics, and climate change in particular, have become more important to WBA's stakeholders, including consumers.
Acute physical	Relevant, always included	Climate-related acute physical risks are monitored and evaluated in conjunction with our Enterprise Risk Management (ERM) program - risk identification, assessment and management (response) processes. Acute physical risks, such as those caused by severe weather events (e.g., hurricanes, tornados and wildfires) 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 the current threat landscape and notify businesses to plan and prepare as events emerge. Walgreens locations in the US were impacted by wildfires, hurricanes, tropical storms, flooding and other severe weather events in fiscal 2022. Through early notifications and extensive preparations we were able to quickly and safely reopen.
Chronic physical	Relevant, always included	Climate-related chronic physical risks are monitored and evaluated in conjunction with our Enterprise Risk Management (ERM) program - risk identification, assessment and management (response) processes. Chronic physical risks such as long-term changes to weather patterns and temperature changes due to climate change are included in the company's ERM program regarding measuring and managing energy use and associated GHG emissions. For example, a 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.

## 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?**

Yes

## C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

### Identifier

Risk 1

### Where in the value chain does the risk driver occur?

Direct operations

### Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Increased severity and frequency of extreme weather, such as cold waves, hurricanes and floods.)
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### Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Physical risks, such as extreme weather conditions, rising sea levels or changes in precipitation patterns, may impact operations and facilities around the world, in particular coastal regions where we have locations, by causing physical damage to stores, distribution or fulfillment centers, which may lead to loss or spoilage of inventory and business interruptions. Extreme weather conditions and variability in weather patterns may also result in supply chain disruptions and increased supplier costs that could negatively impact the Company's ability to procure goods or services required for the operation of its business.

**Time horizon**

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium-low

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

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial impact figure**

We do not have this figure at this time. The impact has not been quantified financially.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

We do not have information to share at this time.

**Comment**

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**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Market	Other, please specify (Uncertainty in energy prices and costs of fossil fuel-based goods (e.g., plastics))
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**Primary potential financial impact**

Other, please specify (Increased direct costs and increased indirect (operating) costs)

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Transition risks associated with the shift to a low-carbon economy may have an impact on WBA operations, supply chain and access to capital. Uncertainty in energy prices and costs of fossil fuel-based goods (e.g., plastics) may increase costs throughout the supply chain in addition to WBA operations. WBA operations use natural gas, diesel fuel and gasoline, and electricity, all of which could face increased regulation as a result of climate change or other environmental concerns. There are also transition risks associated with increasing regulations on greenhouse gas emissions and energy inputs which may increase costs associated with operations, compliance and merchandise.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

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

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial impact figure**

We do not have this figure at this time. The impact has not been quantified financially.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

We do not have information to share at this time.

**Comment**

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**C2.4**

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**(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**

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**(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 (such as invest in energy-efficient lighting, heating, ventilation, and air conditioning (HVAC) units, refrigerators and Energy Management System (EMS) office buildings, distribution centers, stores and transportation fleets. In fiscal 2022, electricity represented 89.41% of the WBA carbon footprint from energy, reflecting use of electricity to power its retail stores and warehouses. Natural gas accounted for 9.43% percent, primarily for heating buildings. In fiscal 2022 WBA's total carbon footprint was 1.6 million metric tonnes of CO2e (carbon dioxide equivalent), down (21.2)% 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)**

13600000

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

&lt;Not Applicable&gt;

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

&lt;Not Applicable&gt;

**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 saving 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**

73200000

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

During FY22, WBA invested more than \$95.7M in efficiency related programming and initiatives. During FY22 Walgreens invested \$73.2 million in energy efficiency programs, including projects in more than 2,500 stores. These upgrades included replacing HVAC units, upgrading or installing Energy Management Systems (EMS) and converting to LED interior lighting. In Boots UK, £15.7 million (~\$20.5 million USD) was invested during FY22. As of August 31, 2022 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 540 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 FY22, including converting 157 locations to more efficient HVAC equipment.

**Comment**

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**Identifier**

Opp2

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

Downstream

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

WBA has identified that climate change may present opportunities, in particular coastal regions where we have locations, for WBA to provide new health-related services and respond to increased demand for low-carbon products. By improving access to healthcare, WBA has an opportunity to serve the needs of local communities experiencing severe weather conditions and other climate-related impacts. Worsening climate change conditions may increase the prevalence and severity of human health impacts (e.g., increased heat stress, new pathogens or vector-borne diseases), and WBA may be able to invest in beneficial products and services such as telehealth, pharmacy services, retail product offerings, and mobile vaccination clinics to meet the needs of its customers.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

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

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial impact figure**

We do not have this figure at this time. The impact has not been quantified financially.

**Cost to realize opportunity**

0

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

We do not have information to share at this time.

**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 climate transition plan that aligns with a 1.5°C world?**

**Row 1**

**Climate transition plan**

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

**Publicly available climate transition plan**

<Not Applicable>

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

<Not Applicable>

**Description of feedback mechanism**

<Not Applicable>

**Frequency of feedback collection**

<Not Applicable>

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

<Not Applicable>

**Explain why your organization does not have a climate 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 FY2022 and results were publicly reported in our most recent ESG Report. The results of the climate scenario analysis and identified climate-related risks and opportunities will assist with WBA strategy, long-term planning and incorporated into WBA's Enterprise Risk Management process. WBA has an emission reduction target aligned to a well below 2-degree scenario with a 2019 baseline and a 2030 target date.

**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	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

**C3.2a**

**(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.**

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 2.6	Company-wide	<Not Applicable>	As part of the WBA commitment to building resilience into its business strategy, WBA conducted a climate scenario analysis (CSA) to identify, prioritize and determine the potential impacts of climate related risks and opportunities that could affect its business. The Company took a cross-functional approach to the CSA by involving internal stakeholders from across the Company to identify ten risks and opportunities most relevant to WBA. Each identified risk and opportunity was analyzed under two climate scenarios: a high-emissions scenario and a low-carbon economy scenario. Both scenarios were based on climate projections from the Intergovernmental Panel on Climate Change (IPCC). The low-emissions scenario, also known as Representative Concentration Pathway (RCP) 2.6, is based on keeping global warming under 2 degrees Celsius and is modeled under the assumption that the world takes a sharp pivot toward climate action, including rapid decarbonization. The high-emissions scenario is based on RCP 8.5, which would result in 4 to 5 degrees Celsius of warming by the end of the century. This scenario presents the upper bounds of impacts from global warming resulting from inaction on decarbonization and climate change mitigation. Time horizons of 2030 and/or 2050 are considered.
Physical climate scenarios RCP 8.5	Company-wide	<Not Applicable>	As part of the WBA commitment to building resilience into its business strategy, WBA conducted a CSA to identify, prioritize and determine the potential impacts of climate related risks and opportunities that could affect its business. The Company took a cross-functional approach to the CSA by involving internal stakeholders from across the Company to identify ten risks and opportunities most relevant to WBA. Each identified risk and opportunity was analyzed under two climate scenarios: a high-emissions scenario and a low-carbon economy scenario. Both scenarios were based on climate projections from the Intergovernmental Panel on Climate Change (IPCC). The low-emissions scenario, also known as Representative Concentration Pathway (RCP) 2.6, is based on keeping global warming under 2 degrees Celsius and is modeled under the assumption that the world takes a sharp pivot toward climate action, including rapid decarbonization. The high-emissions scenario is based on RCP 8.5, which would result in 4 to 5 degrees Celsius of warming by the end of the century. This scenario presents the upper bounds of impacts from global warming resulting from inaction on decarbonization and climate-change mitigation. Time horizons of 2030 and/or 2050 are considered.

**C3.2b**

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

**Row 1**

**Focal questions**

As part of the WBA commitment to building resilience into its business strategy, WBA conducted a CSA to identify, prioritize and determine the potential impacts of climate-related risks and opportunities that could affect its business. The Company took a cross-functional approach to the CSA by involving internal stakeholders from across the Company to identify ten risks and opportunities most relevant to WBA.

**Results of the climate-related scenario analysis with respect to the focal questions**

The results of this CSA show that physical risks will have a larger impact on WBA's business in the high emissions scenario. In a high emissions scenario, extreme weather conditions and other climate disasters would have a more significant impact on WBA through store closures, lost sales, inventory spoilage, and repair costs. Transition risks are more varied, however, with many of these risks having a larger impact on WBA in the near term (i.e. by 2030) in a low emissions scenario. These impacts are due to the added burden that would be required to address the rapid shift to a low-carbon economy. Climate-related opportunities are generally more pronounced in the high emissions scenario, as larger impacts from climate change will lead to increased opportunities for WBA to provide solutions that improve healthcare access and quality of services.

**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	Climate-related risks and opportunities have influenced our strategy relating to products and services. Climate-related risks and opportunities have assisted in prioritizing efforts to enhance the sustainability of our products and services. Scenario analysis has allowed us to identify and prioritize the most impactful climate-related business risks and opportunities. Certifications: WBA is committed to improving the traceability of raw materials used in our products to reduce their environmental and social impact. Certifications help organizations communicate to consumers that certain environmental or social practices meet the certifying organization's standards. WBA also secures certifications for certain owned brand products such as No7 Beauty Company and Liz Earle (Biodiversity). WBA pursues additional certifications such as the Union for Ethical Bioproducts (UEBT) certification. 100% of palm oil and derivatives sourced for our products also meets Roundtable for Sustainable Palm Oil (RSPO) standards. Issue-specific policies & guidelines: To supplement our Supplier Code of Conduct, WBA has developed sourcing policies and guidelines for specific categories and issues. WBA continued to use our Product Sustainability Hub globally to bolster our collection of product-level sustainability data and disclosures through the hub's interactive supplier platform. Within the hub, suppliers are required to affirm compliance with the global minimum product sustainability requirements, share key raw-material sourcing information about our products as well as the packaging and provide declarations on sustainability requirements. Services: To better manage climate-related risks we have continued to invest in a company Security Operations Centers (SOC) and business continuity programs. In response to 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 SOC in the U.S. 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, identify and prioritize the most impactful climate-related business risks and opportunities.
Supply chain and/or value chain	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. Many of our operations and facilities are in locations that may be impacted by the physical risks of climate change, and we face the risk of losses incurred as a result of physical damage to stores, distribution or fulfillment centers, loss or spoilage of inventory and business interruption caused by such events. WBA utilizes its Security Operations Center at Walgreens in the U.S. to identify areas that will be drastically impacted by natural disasters and deploys requested resources to the areas which need them most. We use natural gas, diesel fuel, gasoline and electricity in our operations, all of which could face increased regulation as a result of climate change or other environmental concerns. The loss or disruption of such supply arrangements for any reason, including 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 have a significant adverse impacts. WBA developed a Product Sustainability Hub globally to bolster our collection of product-level sustainability data and disclosures through the hub's interactive supplier platform. Within the hub, suppliers are required to affirm compliance with the global minimum product sustainability requirements, share key raw-material sourcing information about our products as well as the packaging and provide declarations on sustainability requirements. We implemented a Chemical Action List (CAL), which has replaced our previous Restricted Substance List. We are committed to supporting the development of a sustainable palm oil industry and supply chains that combat deforestation, preserve wildlife habitats, and protect the rights of workers. Our Global Minimum requirements echo this commitment, striving to require all ingredients containing palm oil and derivatives used within our owned brand products to be certified by the Roundtable on Sustainable Palm Oil (RSPO). The implementation of the Product Sustainability Hub has allowed us to gather more comprehensive information and further enabled us to engage suppliers transitioning to RSPO Certified Supply Chains and will be formally reporting to RSPO in 2023.
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. Since the start of the program, more than 96,000 registered users have deposited over 1 million beauty, health, wellness and dental products for recycling, diverting 54 metric tonnes of plastic waste from landfills. Boots has also shared learnings from the scheme with other companies and industry groups, and it hopes to see the same levels of accessibility and transparency rolled out across the industry. 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. Additionally, many of our owned brand products have teams which invest in research and development to bring new and impactful products to market. As an example, our esteemed in-house development teams have a proven track record in scientific research. Liz Earle Beauty Company couldn't find a product on the market that met their skincare needs, so developed their renowned Cleanse & Polish™ Hot Cloth Cleanser. Botanics collaborated with the Royal Botanic Gardens at Kew to create plant-powered products that are good for skin, wellbeing and the planet. And working alongside leading skincare academics at Johns Hopkins and Manchester universities, we're continually identifying new, ground-breaking formulations and beauty concepts that not only deliver on their promise but are trusted implicitly by customers across the globe. ( <a href="https://www.no7company.com/what-we-believe/products-science">https://www.no7company.com/what-we-believe/products-science</a> )
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 2022 with targeted energy efficiency investments. In fiscal 2022 Boots UK, Farmacias Benavides and Walgreens invested more than \$95.7 million in energy efficient lighting, heating, ventilation and air conditioning (HVAC) units and refrigerators.

**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 Indirect costs Capital expenditures Assets	<p>Climate-related risks and opportunities have influenced financial planning at WBA related to revenues, direct costs, capital expenditures, and assets during the reporting period.</p> <p><b>Revenues:</b> Climate change may present opportunities for WBA to provide new health-related services and respond to increased demand for low-carbon products. Boots UK sustainability initiative Be More, aims to help customers select products with one or more of the following attributes: plastic free, recycled, reusable, vegan and cruelty free. Customers can filter their product searches by each Be More attribute. This program provides customers with choice and transparency to help them make informed decisions on products that meet their needs and preferences. A product must meet WBA's minimum requirements for product sustainability, plus the criteria of one or more of these edit categories to be listed. Through this product attribution, we are ensuring WBA is in a position to meet increased customer demand and generate revenue.</p> <p><b>Direct costs:</b> 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. Additionally, the need for team members dedicated to ESG initiatives as well as the opportunity to leverage technology to strengthen our management of material ESG issues influences budgeting decisions. Accordingly, we have implemented energy management tracking equipment and systems.</p> <p><b>Capital expenditures:</b> 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 2022, Boots UK, Farmacias Benavides and Walgreens invested more than \$95.7 million in these energy efficiency programs.</p> <p>With a large retail footprint, we understand our role and responsibility in managing energy use within our communities, particularly amid increased extreme weather and climate events. Due to Walgreens continued rollout of its advanced EMS, the business was able to continue its demand response program during fiscal 2022, enrolling nearly 700 locations across the country. Walgreens assisted in demand reduction to reduce stress on the electrical grid, specifically helping prevent potential blackout situations during heatwaves in California.</p> <p>As a company providing essential services, WBA is also responsible for ensuring the resiliency of our operations in climate-stressed environments. In fiscal 2022, Walgreens deployed generators in response to major weather events and purchased additional temporary generators in response to California's proactive electrical shut downs. The business also added equipment to improve the speed of connections and provided necessary repairs to uninterruptible power systems.</p> <p><b>Indirect costs:</b> As it relates to indirect costs, WBA budgets to contract with external partners to assist in further developing our climate-related strategy, reporting frameworks, programming assessments and energy/carbon accounting processes. Additionally, we budget for an independent verification firm to assure our carbon footprint and waste management calculations.</p> <p><b>Assets:</b> 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>

**C3.5**

**(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?**

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, and we do not plan to in the next two years	<Not Applicable>

**C4. Targets and performance**

**C4.1**

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

Absolute target

**C4.1a**

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

**Target reference number**

Abs 1

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

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

**Target ambition**

<Not Applicable>

**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)**

&lt;Not Applicable&gt;

**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, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

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

&lt;Not Applicable&gt;

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

&lt;Not Applicable&gt;

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

&lt;Not Applicable&gt;

**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, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:****Purchased goods and services (metric tons CO2e)**

&lt;Not Applicable&gt;

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not Applicable>

**Base year total 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)**

323000

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

1218000

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

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

<Not Applicable>

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

<Not Applicable>

**Total 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)**

1541000

**Does this target cover any land-related emissions?**

Please select

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

71.5256540944614

**Target status in reporting year**

Underway

**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, WBA's 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 UK 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>

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## C4.2

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

No other climate-related targets

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## 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		
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	4	40380
Not to be implemented		

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)
--------------------------------	---

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

23500

**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)**

7800000

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

24200000

**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 2022, WBA continued our Energy Management System (EMS) program upgrading or installing new EMS at 1,673 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 third 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 23,500 metric tonnes of CO2e savings annually over the life of the initiative. WBA entered \$7,800,000 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)**

1880

**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)**

600000

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

20800000

**Payback period**

>25 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

Commentary refers to WBA's energy efficiency heating, ventilation, and cooling program at Walgreens' retail operations resulting in reduced carbon emissions. In fiscal 2022, 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 240 Walgreens stores. 196 of the locations had all units replaced through our energy efficiency program while 44 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 1,880 metric tonnes of CO2e savings annually over the life of the initiative. WBA entered \$600,000 in the "annual monetary savings" column based on approximate annual energy savings only.

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**Initiative category & Initiative type**

Energy efficiency in buildings	Lighting
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**Estimated annual CO2e savings (metric tonnes CO2e)**

7500

**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)**

2300000

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

12000000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

Commentary refers to one of WBA's energy efficiency lighting programs at Walgreens' retail operations resulting in reduced carbon emissions. During fiscal 2022, 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 third year of this specific initiative and was implemented as a lower cost solution compared to the full ballast retrofit. During fiscal 2022, 375 Walgreens stores were retrofitted with this technology. It is estimated that this initiative will achieve 7,500 metric tonnes of CO2e savings annually over the initiative's life. WBA entered \$2,300,000 in the "annual monetary savings" column based on approximate annual energy savings only.

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**Initiative category & Initiative type**

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

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

7500

**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)**

2900000

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

16200000

**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 2022, 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 2022, 244 locations were retrofitted with this technology through our energy efficiency program and 11 locations were upgraded in a reactive program due to their existing lighting systems becoming obsolete. It is estimated that this initiative will achieve 7,500 metric tonnes of CO2e savings annually over the initiative's life. WBA entered \$2,900,000 in the "annual monetary savings" column based on approximate annual energy savings only.

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C4.3c

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**(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 retrofits 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. To engage on issues that matter most, we keep an open dialogue with employees at all times through employee surveys and offer informal platforms for discussion. We also provide performance reviews and development programs and hold regular listening sessions. In practice, our internal engagement leads to training and upskilling, modifications to benefit offerings, and financial and mental health support. Through regular internal communications and social media posts, WBA employees are invited to learn about and celebrate our progress and commitments on environmental initiatives. Our Business Resource Groups (BRGs) are another way we engage with internal stakeholders to directly tie back to the business. Hundreds of employees participate in our volunteer Business Resource Groups (BRGs) focused on environmental, sustainability and ESG issues. Through our EnergyCare programs our employees are given opportunities to learn about energy and waste management, and how they can contribute towards an energy conscious culture with an understanding on how their role impacts the overarching goals of the company. During Fiscal 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. 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	WBA has a dedicated budget for energy efficiency projects. To reduce energy consumption, Walgreens, Boots UK and Farmacias Benavides 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 2022, Boots UK, Farmacias Benavides and Walgreens invested more than \$95.7 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	WBA has dedicated budgets 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 LED consumption reporting in municipalities where this is required.
Partnering with governments on technology development	WBA partners with government bodies and working groups to assist in driving investments focused on the development of technology to assist in the reduction of emissions activities. Government bodies and regulatory agencies are a priority stakeholder group for WBA and we frequently engage with across all levels — national, international, and local — on many topics, including sustainability and ESG. Walgreens continues to sponsor and participate in the U.S. Chamber of Commerce Foundation's Beyond 34: Scaling Circularity for a Sustainable Economy, which aims to improve low U.S. municipal recycling rates by creating scalable models for high-impact waste solutions. Boots has worked with several UK trade bodies (including INCPEN, BRC, FDF) to lobby UK Governments to transition the proposed packaging extended producer responsibility (EPR) reforms to a more efficient technology system. Jointly, industry members have developed a packaging EPR vision statement: "Creating a world class packaging system across the UK which creates resource efficiency through a circular economy resulting in minimal environmental impacts, alignment to net zero and other environmental goals."  Additionally, WBA has represented our sector (retail) as part of a multi stakeholder Department for Environment Food & Rural Affairs (DEFRA) Sprint group to fully developed the vision and proposed a transition plan to a more efficient reform of the UK EPR system.
Other (Boots UK support office in Beeston in Nottingham, UK operates a Combined Heat Power (CHP) plant)	At the Boots UK support office 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 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. Where strategically feasible, WBA looks to power its operations through certified renewable energy from wind, solar or hydro. During fiscal 2022, 6.6 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. Secondly, in the UK, 98 percent of our stores are also certified.
Other (British Retail Consortium's Climate Action Roadmap)	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 ( <a href="https://brc.org.uk/media/675091/brc-climate-roadmap-statement.pdf">https://brc.org.uk/media/675091/brc-climate-roadmap-statement.pdf</a> ) 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.)
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**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, 2022 Walgreens provided customers with 483 electric vehicle charging stations across 397 stores. Walgreens and Boots UK continued to offer electric vehicle charge points for employees and visitors parking at its support offices.

**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**

0

C5. Emissions methodology

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C5.1

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

No

C5.1a

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(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?

No

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

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

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(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>

C5.2

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(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

Scope 2 (location-based)

Base year start

September 1 2018

Base year end

August 31 2019

Base year emissions (metric tons CO2e)

1617000

Comment

Scope 2 (market-based)

Base year start

September 1 2018

Base year end

August 31 2019

Base year emissions (metric tons CO2e)

1556000

Comment

### 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. 25,508,000 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.

### 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. 776,000 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.

### 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.

### 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.

### 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.

### 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.

### Scope 3 category 8: Upstream leased assets

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**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.

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

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**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.

### 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.

### 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.

### Scope 3 category 14: Franchises

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**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.

### Scope 3: Other (upstream)

**Base year start**

September 1 2018

**Base year end**

August 31 2019

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

**Comment**

WBA does not have other emissions

### Scope 3: Other (downstream)

**Base year start**

September 1 2018

**Base year end**

August 31 2019

**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)**

323000

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

## 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

## C6.3

---

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

### Reporting year

#### Scope 2, location-based

1218000

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

1177000

#### Start date

<Not Applicable>

#### End date

<Not Applicable>

#### Comment

## C6.4

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(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

## C6.5

---

(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 2022. 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 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

Capital goods is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2022. 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 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

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 2022. 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 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

Upstream transportation and distribution is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2022. 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 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

Waste generated in operations is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2022. 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)

23000

### 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 2022. 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 2022. 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. Upstream leased assets are 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 CO2e)

38000

### 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 2022. 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 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 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 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

Use of sold products is not part of our annual reporting scope, and therefore we are unable to provide an updated number for fiscal 2022. 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 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

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 2022. 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 2022. 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. 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 2022. 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**

0.0000116162

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

1542000

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

132703000000

**Scope 2 figure used**

Location-based

**% change from previous year**

7.37

**Direction of change**

Decreased

**Reason(s) for change**

Other emissions reduction activities

**Please explain**

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 2022. WBA's gross Scope 1 and 2 emissions decreased by 7.23% while the company's total revenues increased by 0.1% from the previous reporting year. This resulted in a 7.37% 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.

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**Intensity figure**

0.0094206868

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

1542000

**Metric denominator**

square foot

**Metric denominator: Unit total**

163682334

**Scope 2 figure used**

Location-based

**% change from previous year**

7.34

**Direction of change**

Decreased

**Reason(s) for change**

Other emissions reduction activities

**Please explain**

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 2022. WBA's carbon emissions intensity per square feet of locations occupied decreased 7.34% 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

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### C7.1

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

Yes

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### 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	139.3	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	25	IPCC Fourth Assessment Report (AR4 - 100 year)
CO2	322879	IPCC Fourth Assessment Report (AR4 - 100 year)

## C7.2

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

Country/area/region	Scope 1 emissions (metric tons CO2e)
United States of America	254000
Other, please specify (Rest of World)	69000

## 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	254000
International Segment	69000

## C7.5

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

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	1134000	1134000
Other, please specify (Rest of World)	85000	43000

## 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	1134000	1134000
International Segment	85000	43000

## C7.7

**(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?**

No

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 in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	5012	Decreased	0.3	During fiscal 2022, approximately 5,012 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 1,542,000. The calculation of 0.30 percent is as follows: $(-5,012 / 1,662,000) * 100$ .
Other emissions reduction activities	40380	Decreased	2.43	During fiscal 2022, approximately 40,380 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 1,542,000. The calculation of 2.43 percent is as follows: $(-40,380 / 1,662,000) * 100$ .
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output	6388	Decreased	0.38	Product Delivery Impacts: WBA saw a reduction in CO2e emissions from product delivery in FY22 primarily due to a lower volumes and route optimization versus FY21. Along with that, MPG's are up due to the installation of newer equipment and technologies, with that, there was a decrease in mileage and associated diesel consumed by the Walgreens fleet operations. The calculation of 0.38% is as follows $(-6,388 / 1,662,000) * 100$ .
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other	68220	Decreased	4.1	During fiscal 2022, approximately 40,380 metric tonnes of CO2e were reduced due to permanent store closures and slightly warmer winter months compared to FY21 across the United States, with the exception of January. The company's gross Scope 1 and Scope 2 emissions were 1,542,000. The calculation of 4.1 percent is as follows: $(-68,220 / 1,662,000) * 100$ .

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	1333000	1333000
Consumption of purchased or acquired electricity	<Not Applicable>	209000	3118000	3327000
Consumption of purchased or acquired heat	<Not Applicable>	0	5000	5000
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>	11000	<Not Applicable>	11000
Total energy consumption	<Not Applicable>	220000	4456000	4676000

**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**

12

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

12

**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 biomass**

**Heating value**

Unable to confirm heating value

**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**

Other biomass fuels are not used by our organization.

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

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

197777

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

197777

**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**

Unable to confirm heating value

**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**

Coal is not used as a fuel by our organization.

**Oil**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

615691

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

130

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

27023

**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**

715241

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

0

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

715241

**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**

Unable to confirm heating value

**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**

Other non-renewable fuels (e.g. non-renewable hydrogen) are not used by our organization.

**Total fuel**

**Heating value**  
HHV

**Total fuel MWh consumed by the organization**  
1528721

**MWh fuel consumed for self-generation of electricity**  
197919

**MWh fuel consumed for self-generation of heat**  
742264

**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	71000	33000	11000	11000
Heat	77000	29000	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.**

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

United Kingdom of Great Britain and Northern Ireland

**Sourcing method**

Retail supply contract with an electricity supplier (retail green electricity)

**Energy carrier**

Electricity

**Low-carbon technology type**

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

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

200632

**Tracking instrument used**

REGO

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

United Kingdom of Great Britain and Northern Ireland

**Are you able to report the commissioning or re-powering year of the energy generation facility?**

No

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

<Not Applicable>

**Comment**

---

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

Ireland

**Sourcing method**

Retail supply contract with an electricity supplier (retail green electricity)

**Energy carrier**

Electricity

**Low-carbon technology type**

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

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

8453

**Tracking instrument used**

REGO

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

Ireland

**Are you able to report the commissioning or re-powering year of the energy generation facility?**

No

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

<Not Applicable>

**Comment**

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## C8.2g

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**(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.**

**Country/area**

United States of America

**Consumption of purchased electricity (MWh)**

2971000

**Consumption of self-generated electricity (MWh)**

0

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

<Not Applicable>

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

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

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

2971000

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**Country/area**

---

United Kingdom of Great Britain and Northern Ireland

**Consumption of purchased electricity (MWh)**

238000

**Consumption of self-generated electricity (MWh)**

0

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

<Not Applicable>

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

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

28800

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

266800

---

**Country/area**

Ireland

**Consumption of purchased electricity (MWh)**

8500

**Consumption of self-generated electricity (MWh)**

0

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

<Not Applicable>

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

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

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

8500

---

**Country/area**

Germany

**Consumption of purchased electricity (MWh)**

29500

**Consumption of self-generated electricity (MWh)**

0

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

<Not Applicable>

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

5100

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

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

34600

---

**Country/area**

Thailand

**Consumption of purchased electricity (MWh)**

6700

**Consumption of self-generated electricity (MWh)**

0

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

<Not Applicable>

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

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

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

6700

---

**Country/area**

Mexico

**Consumption of purchased electricity (MWh)**

62900

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**Consumption of self-generated electricity (MWh)**

0

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

<Not Applicable>

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

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

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

62900

---

**Country/area**

Chile

**Consumption of purchased electricity (MWh)**

9000

**Consumption of self-generated electricity (MWh)**

0

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

<Not Applicable>

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

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

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

9000

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**Country/area**

Hong Kong SAR, China

**Consumption of purchased electricity (MWh)**

200

**Consumption of self-generated electricity (MWh)**

0

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

<Not Applicable>

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

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

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

200

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## 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**

241000

**Metric numerator**

Metric tonnes

**Metric denominator (intensity metric only)**

N/A

**% change from previous year**

2.6

**Direction of change**

Decreased

**Please explain**

Across all its businesses, WBA sent 241,034 metric tonnes of waste to landfill or incineration in fiscal 2022, a decrease of 2.6 percent from fiscal 2021 and a decrease of 22 percent from the baseline year of fiscal 2019. WBA has been focused on reducing waste to landfill and incineration as well as improving material diversion through increased reuse and recycling opportunities.

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**Description**

Other, please specify (Recycling )

**Metric value**

613251

**Metric numerator**

Metric tonnes

**Metric denominator (intensity metric only)**

n/a

**% change from previous year**

64.7

**Direction of change**

Increased

**Please explain**

In fiscal 2022, we identified additional categories of reuse that we could include in reporting and is reflected in our reporting. WBA recycled or reused 613,251 metric tonnes of materials in fiscal 2022. This is an increase of 64.7 percent from fiscal 2022 and an increase of 66 percent from the baseline year of fiscal 2019.

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**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**

WBA GHG Statement FY22 FINAL.pdf

**Page/ section reference**

9-10

**Relevant standard**

Attestation standards established by AICPA (AT105)

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

100

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### C10.1b

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(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**

WBA GHG Statement FY22 FINAL.pdf

**Page/ section reference**

9-10

**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**

WBA GHG Statement FY22 FINAL.pdf

**Page/ section reference**

9-10

**Relevant standard**

Attestation standards established by AICPA (AT105)

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

100

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### C10.1c

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**(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**

WBA GHG Statement FY22 FINAL.pdf

**Page/section reference**

9-10

**Relevant standard**

Attestation standards established by AICPA (AT105)

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

100

**C10.2**

**(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

**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
C8. Energy	Energy consumption	Attestation standards established by the American Institute of Certified Public Accountants in AT-C section 105, Concepts Common to All Attestation Engagements, and AT-C section 210, Review Engagements	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 energy consumption within the organization (GRI 302-1) included in our Statement of Greenhouse Gas ("GHG") Emissions and Energy Consumption is presented in accordance with the criteria set forth in Note 2: Basis of Presentation of the Statement.  GRI 302-1: Energy Consumption within the Organization  <a href="https://www.walgreensbootsalliance.com/file-download/download/public/22351">https://www.walgreensbootsalliance.com/file-download/download/public/22351</a> (GHG Statement - pages 1 - 10) WBA GHG Statement FY22 FINAL.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**

14.2

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

0

**Period start date**

January 1 2022

**Period end date**

December 31 2022

**Allowances allocated**

4923

**Allowances purchased**

46000

**Verified Scope 1 emissions in metric tons CO2e**

45893

**Verified Scope 2 emissions in metric tons CO2e**

0

**Details of ownership**

Facilities we own and operate

**Comment**

To comply with its Greenhouse Gas permit and the UK Greenhouse Gas Emissions Trading Scheme Order 2020 (UKETS), on April 5th, 2023, the D200 Energy Centre Combined Heat and Power (CHP) Plant surrendered 45,893 UK Allowances against its 2022 verified annual CO2 emissions (45,893 tonnes). This allowance surrender comprised its 2022 free allowance allocation (4,923 UK Allowances) plus 40,970 UK Allowances bought 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, 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 compliance auditing 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.

**C11.2**

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**(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?**

No

**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

**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

**C12.1a**

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

**Type of engagement**

Innovation & collaboration (changing markets)

**Details of engagement**

Run a campaign to encourage innovation to reduce climate impacts on products and services

**% 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**

In fiscal 2022, our Owned Bands (OB) business continued to progress on increasing sustainability in our products, packaging and supply chain and expect our suppliers to do the same. We have implemented a rigorous and detailed assessment tool to weigh their progress on – and adherence to – ESG. One of our most impactful moves was to unveil our Global Minimum Requirements for Product Sustainability, which applies to our OB products in Asia, the U.S. and the UK. Data is tracked via our Product Sustainability Hub (PSH), which holds our suppliers accountable in terms of the materials and methodology used in the creation of their products. In fiscal 2022, we launched the second year of our global Supplier Sustainability Program campaign and invited all WBA-OB suppliers to participate in the program. The program supports our sustainability agenda by measuring improvements across WBA’s entire supply chain with the support of an online system for data collection, analysis, reporting and scoring. It utilizes The Sustainability Insight System (THESIS), developed by nonprofit organization The Sustainability Consortium, a holistic sustainability assessment tool that gauges supplier practices, performance, and management on energy, water, ethics, and more. The PSH improves supplier transparency through global and near-real-time reporting on key product sustainability attributes. Information collected includes data and certifications on animal testing, palm oil, plastics (including single-use), wood, pulp, paper, cotton, high-risk minerals, and other materials. The PSH collects information on country of origin and the level of certification received for each commodity. Of our active OB suppliers, 69% are providing WBA data via the PSH. Additionally, the Company continued to ensure our responsible sourcing efforts reflect practices that are sustainable for both the environment and people through rigorous supplier environmental and social assessments, programs, and policies. In 2022, WBA became a Champion of the Sustainable Procurement Pledge (SPP), an international nonprofit organization driving awareness and knowledge of responsible sourcing practices to empower procurement professionals. We are engaging our Global Sourcing team within the SPP movement to equip teams with the knowledge and peer infrastructure needed to deliver on our responsible sourcing objectives.

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

WBA’s owned brand (OB) 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 The Sustainability Consortium, a holistic sustainability assessment tool set to gauge supplier practices, performance and management on energy, water, ethics and more. The product category specific assessments in THESIS allow our teams to benchmark suppliers’ sustainability performance and by proxy our WBA OB performance. These quantifiable, comparative supplier sustainability results will provide WBA OB sourcing teams with the information necessary to select the best product suppliers with sustainability agendas and targets that complement ours. We leveraged this supplier assessment data from fiscal 2021 to identify potential high-risk areas or sustainability hot spots within our supply chain, pinpointing GHG emissions and plastics as priority areas to expand our supplier engagement to drive the greatest impact. 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 also provided when they had the data available “kg CO2e per metric tonne of product.” To baseline which of our OB suppliers have set GHG reduction targets, WBA asks that all of our suppliers to annually submit a response to questions related to science-based or emissions reduction targets. 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. We plan to continue engaging with large national brand suppliers that complete THESIS assessments for Walgreens. Additionally, the tool will be rolled out to more owned brand suppliers and included as part of onboarding in their first year of supplying new products.

**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**

We maintain regular contact with our patients and customers through purposeful stakeholder engagement and daily retail pharmacy interactions to understand what they need from us. These groups provide valuable insight into opportunities for us to foster trust while holistically serving the whole patient. Our interactions with these groups are a dialogue that gets to the heart of our purpose: creating more joyful lives through better health. Through surveys, social media, retail pharmacy interactions and our ESG initiatives, these groups provide input on everything from our COVID-19 efforts and partnerships to healthcare accessibility and product transparency. 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 11 of our 2022 ESG Report 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. As a result, we have set targets on plastics and greenhouse gas emissions. In addition, as a result of the new materiality mapping, we added a new GRI disclosure to our ESG Report.

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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 business. 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 2022, 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 2022, 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 ESG matters. The council - made up of experts who have a broad range of knowledge on corporate responsibility and health related topics - met in December 2021 with the Walgreens leadership teams and discussed the evolving landscape of ESG regulations, climate challenges and creating business value, how Walgreens evolution to a health-centric business intersects with ESG strategy, and outcomes from the 2021 United Nations Climate Change Conference. Page 15-18 of our 2022 ESG Report describe the form and frequency of engagement with key categories of stakeholders during fiscal 2022 and their expectations, matters they raised and actions we have taken to address them.

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

*Continued engagement with members of the Walgreens External Advisory Council to advise our U.S. Retail Pharmacy segment on ESG matters, with select members of the council presenting to Walgreens leadership teams.*

*Government bodies and agencies:* We frequently engage with government institutions and agencies across all levels — national, international, and local — around affordable access and quality healthcare, transparency, prescription drug abuse, affordability, sustainability, COVID-19 safety and workforce topics. We work closely with governments and municipalities to reach underserved communities and address accessibility barriers. These efforts are especially crucial at a local level where our collaboration with municipalities gets at the heart of improving health at personal levels.

*Nongovernmental organizations:* Discussions covered a range of topics including climate impacts and reduction strategies, our supplier diversity, product safety (labeling, ingredients, transparency), and community engagement and partnerships. These engagements translated to a number of actions, chief among them announcing a carbon emissions reduction target, a vaccine equity initiative in the U.S. to address vaccine hesitancy and expanded mental health training for employees and pharmacists.

*Stockholders, investors and lenders:* Ahead of our annual proxy meeting, we conducted robust shareholder engagement to gain insight into institutional investors' view of our ESG and compensation practices and to continue to strengthen the Company's relationships with key shareholders. Discussions centered around executive compensation, climate risk and transparency, leadership diversity, supplier inclusion, prescription drugs, and other pressing issues. A major part of these conversations focused on how we set priorities and goals, as well as identifying areas to drive impact and progress. Our engagement with these stakeholders reiterated the importance of many of our existing ESG programs and strategies.

*Internal stakeholders:* To engage on issues that matter most, we keep an open dialogue with employees at all times through employee surveys and offer informal platforms for discussion. We also provide performance reviews and development programs and hold regular listening sessions. In practice, our internal engagement leads to training and upskilling, modifications to benefit offerings, and financial and mental health support. Our Business Resource Groups (BRGs) are another way we engage with internal stakeholders to directly tie back to the business. Employees can connect with others having similar experiences, which fosters a sense of community and creates additional leadership opportunities for team members to express insights to management.

**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/sites/www/files/asset/Walgreens-Boots-Alliance\\_Supplier-Code-of-Conduct\\_January%202021.pdf](https://www.walgreensbootsalliance.com/sites/www/files/asset/Walgreens-Boots-Alliance_Supplier-Code-of-Conduct_January%202021.pdf)), 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**

**External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may 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 external engagement activities are consistent with your climate commitments and/or climate transition plan**

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>

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**C12.3b**

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**(C12.3b) Provide details of the trade associations your organization is a member of, or 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 policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

Yes, we publicly promoted their current position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

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 (currency as selected in C0.4)**

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 policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

Yes, we publicly promoted their current position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

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 (currency as selected in C0.4)**

350000

**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

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

**Type of organization or individual**

Non-Governmental Organization (NGO) or charitable organization

**State the organization or individual 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 or individual 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

**Type of organization or individual**

Non-Governmental Organization (NGO) or charitable organization

**State the organization or individual 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 or individual 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

**Type of organization or individual**

Governmental institution

**State the organization or individual 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 or individual 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**

WBA is a valued partner in the U.S. Chamber of Commerce Foundation's Beyond 34: Scaling Circularity for a Sustainable Economy initiative. Beyond 34 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. With the investment provided by Walgreens Boots Alliance, in FY22 the program expanded to Austin, Texas and Philadelphia, Pennsylvania to provide the regions with circular economy strategies that will be implemented by the local government and private sector in tandem. Several components of these circular strategies address emissions reduction through responsible capture of materials that can be recycled and reused, reducing the need for virgin feedstock with higher energy inputs, or keeping energy-intensive projects in the economy longer. The ATX Food Collective is a strategy proposed by Beyond 34 that would establish an umbrella organization made up of public and private stakeholders in Austin to act as a local incubator. The ATX Food Collective will seek to implement several goals that address pain points in organics recovery. These include developing infrastructure for Austin residents and businesses to collect all organic waste separately and avoid contamination, creating a local market to valorize organic waste, and ensuring that unsold food is recovered locally to help solve regional food insecurity. This project will help reduce methane emissions by preventing more food waste from entering landfills and will ensure that food products, with all of their embodied energy, go to feeding the hungry instead of going to waste. Another pilot seeks to increase circular technology manufacturing in Austin by establishing secure data disposal methods for electronics that are being recycled and fostering an accessible local market for repaired and refurbished electronics. These goals will help both manufacturers and consumers retain the value of their electronics, keep them in the economy longer, and reduce emissions from the need to create new electronics. Lastly, a built environment partnership has been proposed between local academia and the local development industry to better recover energy-intensive Construction & Demolition (C&D) materials such as cement and steel. All of these projects are based on collaborative efforts between City of Austin, local private sector, nonprofit, and academic communities.

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

No, we have not evaluated

**C12.4**

**(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 mainstream reports

**Status**

Complete

**Attach the document**

WBA-2023-Notice-of-Annual-Proxy-Statement.pdf

**Page/Section reference**

Pages 4, 8, 31, 32, 34 - 36, 41, 44, 64, 99

**Content elements**

Governance

Strategy

Risks & opportunities

Other metrics

**Comment**

Information about our organization's response to climate change and GHG emissions performance for this reporting year can be found in the Walgreens Boots Alliance Proxy Statement and Annual Report.

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

WBA GHG Statement FY22 FINAL.pdf

**Page/Section reference**

1-22

**Content elements**

Risks & opportunities

Emissions figures

Emission targets

Other metrics

**Comment**

Information about our organization's response to climate change and GHG emissions performance for this reporting year can be found in the WBA GHG Statement.

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**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

**Page/Section reference**

Throughout the ESG Report.

**Content elements**

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

**Comment**

Information about our organization's response to climate change and GHG emissions performance for this reporting year can be found throughout our ESG Report.

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**C12.5**

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**(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.**

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Global Reporting Initiative (GRI) Community Member Task Force on Climate-related Financial Disclosures (TCFD) UN Global Compact	<p>Global Reporting Initiative (GRI) Community Member: Walgreens Boots Alliance has reported in accordance with the new GRI Universal Standards for the period from Sept. 1, 2021 to Aug. 31 2022, and has carried out an ongoing exercise to align our ESG reporting to the standards. Our GRI Content Index reflects the material ESG topics that emerged in our most recent complete ESG materiality assessment, which was concluded during fiscal 2021.</p> <p>Task Force on Climate-related Financial Disclosures (TCFD): Walgreens Boots Alliance is committed to increasing transparency and continuously improving our ESG-related disclosures as our stakeholders, including customers and investors, are interested in our climate-related actions and goals. WBA has reported against the voluntary guidelines of the TCFD the last two years in our annual ESG Report.</p> <p>UN Global Compact: Walgreens Boots Alliance has been a signatory member of the UNGC since 2020 and supports the initiative's ten principles on human rights, labor, environment and anti-corruption. WBA's Letter of Commitment can be found here: (<a href="https://ungc-production.s3.us-west-2.amazonaws.com/commitment_letters/139351/original/SP_UNGC_Letter.pdf?1584956868">https://ungc-production.s3.us-west-2.amazonaws.com/commitment_letters/139351/original/SP_UNGC_Letter.pdf?1584956868</a>)</p>

**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 Environmental, Social and Government ("ESG") and sustainability, which encompass climate-related issues and risk. Within the Board of Directors, the Nominating and Governance Committee has primary oversight responsibility for the Company's ESG initiatives and risks, reviewing at least annually our policies and activities regarding sustainability and ESG and assessing our management of risks, in consultation with the Audit Committee as appropriate. The ESG Committee meets four times per year and, among other obligations, sets and oversees ESG strategy, goals, programming and policy statements. This includes tracking progress and reporting on external ESG goals, and the goals set by principal businesses and cross-segment. During fiscal 2022, the Nominating and Governance Committee reviewed progress made to WBA's 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 response aligned to the Task Force for Climate-Related Financial Disclosures (TCFD) requirements, our commitments to reducing 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.	<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	<p>Commitment to not explore or develop in legally designated protected areas</p> <p>Commitment to respect legally designated protected areas</p> <p>Commitment to avoidance of negative impacts on threatened and protected species</p> <p>Commitment to no conversion of High Conservation Value areas</p> <p>Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples</p> <p>Commitment to no trade of CITES listed species</p> <p>Other, please specify (Liz Earle is a member of the Union for Ethical BioTrade (UEBT), committing to sourcing ingredients from biodiversity in a way that respects people and nature.)</p>	<p>SDG</p> <p>Other, please specify (Union for Ethical BioTrade (UEBT), <a href="https://uebt.org/membership">https://uebt.org/membership</a>) <a href="https://www.lizearle.com/content/wwf-biodiversity-partnership.html">https://www.lizearle.com/content/wwf-biodiversity-partnership.html</a>)</p>

**C15.3**

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

**Impacts on biodiversity**

**Indicate whether your organization undertakes this type of assessment**

No and we don't plan to within the next two years

**Value chain stage(s) covered**

<Not Applicable>

**Portfolio activity**

<Not Applicable>

**Tools and methods to assess impacts and/or dependencies on biodiversity**

<Not Applicable>

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

<Not Applicable>

**Dependencies on biodiversity**

**Indicate whether your organization undertakes this type of assessment**

No and we don't plan to within the next two years

**Value chain stage(s) covered**

<Not Applicable>

**Portfolio activity**

<Not Applicable>

**Tools and methods to assess impacts and/or dependencies on biodiversity**

<Not Applicable>

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

<Not Applicable>

**C15.4**

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**(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?**

Yes

**C15.4a**

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**(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.**

**Classification of biodiversity -sensitive area**

Other biodiversity sensitive area, please specify (General - UNESCO World Biosphere Reserve - Isle of Wight UNESCO World Biosphere Reserve ([iwbiosphere.org](http://iwbiosphere.org)))

**Country/area**

United Kingdom of Great Britain and Northern Ireland

**Name of the biodiversity-sensitive area**

Isle of Wight

**Proximity**

Overlap

**Briefly describe your organization's activities in the reporting year located in or near to the selected area**

Liz Earle Beauty Company operates from several sites on the Isle of Wight e.g. Head Office, Fulfilment & Warehousing and Flagship Retail Store and the entire Island has designated UNESCO World Biosphere Reserve status. We are working with WWF and its partners to restore and protect seagrass meadows along the Isle of Wight coastline and across the UK.

**Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity**

Yes, but mitigation measures have been implemented

**Mitigation measures implemented within the selected area**

Physical controls

Operational controls

Restoration

Biodiversity offsets

**Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented**

Physical controls – our Head Office was designed and built to incorporate environmentally sustainable features such as rainwater harvesting, solar panels, ground source heating & air circulation

Operational controls – food/organic waste matter is subject to on-site closed loop recycling, waste management is carefully controlled, and recycling of waste prioritized, sustainable travel plan in development

Restoration - we are working with WWF and its partners to restore and protect seagrass meadows along the Isle of Wight coastline and across the UK

Biodiversity Offsets – restoration of woodland including management for biodiversity

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C15.5

(C15.5) 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

C15.6

(C15.6) 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	No	Please select

C15.7

(C15.7) 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	This can be located on our company website, in the ESG Report on pages 20-26, 81, and 85-96. ( <a href="https://www.walgreensbootsalliance.com/sites/www/files/asset/2022-esg-report_0.pdf">https://www.walgreensbootsalliance.com/sites/www/files/asset/2022-esg-report_0.pdf</a> )

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

SC0.0

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

SC0.1

(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