

Walgreens Boots Alliance, Inc.
Statement of Greenhouse Gas (“GHG”) Emissions and Energy Consumption
For fiscal year ended August 31, 2023

Table 1: Scope 1, 2 and 3 GHG emissions

Global CO₂e emissions ('000 metric tonnes)

	Fiscal 2023	Fiscal 2022	Fiscal 2019	% Change Fiscal 2023 compared to Fiscal 2019
GRI 305-1: Direct (Scope 1)				
GRI 305-2: Energy indirect (Scope 2)				
GRI 305-3: Other indirect (Scope 3)				
Scope 1	296	298	313	(5)%
Scope 1 ¹ (Sales to third parties)	27	25	32	(16)%
<i>Gross Scope 1 ¹</i>	323	323	345	(6)%
<i>Scope 2 location-based</i>	1,151	1,218	1,617	(29)%
Gross Scope 1 & 2 location-based ¹	1,474	1,542	1,962	(25)%
Scope 3 ²	64	61	73	(13)%
Gross Scope 1, 2 & 3 location-based ¹	1,538	1,602	2,034	(24)%
<i>Scope 2 market-based</i>	1,108	1,177	1,556	(29)%
Gross Scope 1 & 2 market-based ¹	1,431	1,500	1,901	(25)%
GRI 305-4: GHG emissions intensity				
<i>('000 metric tonnes CO₂e per \$ million sales)</i>				
Gross Scope 1 & 2 location-based ¹	0.0106	0.0116	0.0163	(35)%

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Table 2: Scope 1 & 2 GHG emissions by segment
Scope 1 and 2 CO₂e emissions ('000 metric tonnes)

	Fiscal 2023	Fiscal 2022	Fiscal 2019	% Change Fiscal 2023 compared to Fiscal 2019
<i>Scope 1 CO₂e emissions</i>				
U.S. Retail Pharmacy	248	254	264	(6)%
International	75	69	81	(8)%
U.S. Healthcare ³	—	—	—	100%
Scope 1 ¹	323	323	345	(6)%
<i>Scope 2 location-based CO₂e emissions</i>				
U.S. Retail Pharmacy	1,060	1,134	1,497	(29)%
International	86	85	120	(29)%
U.S. Healthcare ³	5	—	—	100%
Scope 2 location-based	1,151	1,218	1,617	(29)%
<i>Scope 2 market-based CO₂e emissions</i>				
U.S. Retail Pharmacy	1,060	1,134	1,497	(29)%
International	43	43	60	(28)%
U.S. Healthcare ³	5	—	—	100%
Scope 2 market-based	1,108	1,177	1,556	(29)%

^{1.} Includes Scope 1 emissions resulting from heat and electricity produced by the Company's on-site Combined Heat and Power plant in Beeston, Nottingham, UK and sold to third parties or the grid.

^{2.} The Company is reporting on two of the fifteen Scope 3 categories. See Basis of Presentation.

^{3.} Fiscal 2023 reporting includes metrics for the U.S. Healthcare segment. See Basis of Presentation.

Table 3: Scope 1 & 2 GHG emissions by gas type
Global emissions

	Fiscal 2023	Fiscal 2022	Fiscal 2019	% Change Fiscal 2023 compared to Fiscal 2019
<i>('000 of metric tonnes of CO₂e)</i>				
Carbon dioxide (CO ₂)	1,429	1,492	1,906	(25)%
Methane (CH ₄)	17	19	21	(18)%
Nitrous oxide (N ₂ O)	28	31	35	(19)%
Gross Scope 1 & 2 location-based	1,474	1,542	1,962	(25)%
<i>('000 metric tonnes)</i>				
Carbon dioxide (CO ₂)	1,429	1,492	1,906	(25)%
Methane (CH ₄)	0.69	0.75	0.84	(18)%
Nitrous oxide (N ₂ O)	0.09	0.10	0.12	(19)%
Gross Scope 1 & 2 location-based	1,429	1,493	1,907	(25)%

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Table 4: Statement of energy consumption

Energy consumed and sold (Gigajoules or "GJ")

	Fiscal 2023	Fiscal 2022	Fiscal 2019	% Change Fiscal 2023 compared to Fiscal 2019
GRI 302-1: Energy consumption within the organization ¹				
Non-renewable fuel consumption	4,828,586	4,900,199	5,064,267	(5)%
Renewable fuel consumption	39,359	41,126	61,911	(36)%
Electricity consumption ²	10,935,590	11,977,090	13,355,236	(18)%
Heating consumption	15,110	18,404	3,571	323 %
<i>Total energy consumed</i>	15,818,645	16,936,819	18,484,985	(14)%
GRI 302-3: Energy intensity				
Energy consumed per \$ million sales	114	128	154	(26)%
SASB HC-DR-130a.1 Energy management				
Total energy consumed	15,818,645	16,936,819	18,484,985	(14)%
Percentage grid electricity	69 %	71 %	73 %	(4)%
Percentage renewable ²	5 %	5 %	5 %	(1)%

¹ Excludes cooling consumption. The Company is implementing processes that will allow future reporting on cooling

² Includes 724,000, 753,000 and 837,000 GJ of green tariff electricity consumed in fiscal 2023, 2022, and 2019, respectively.

MANAGEMENT ASSERTION

Management of Walgreens Boots Alliance, Inc. (“Walgreens Boots Alliance” or the “Company”) is responsible for the completeness, accuracy and validity of the specified information included in the Statement of GHG Emissions and Energy Consumption (the “Statement”) for the fiscal year ended August 31, 2023. Management is also responsible for the collection, quantification and presentation of the Statement and for the selection of the criteria, which Management believes provide an objective basis for measuring and reporting.

Management of the Company asserts that the Statement is presented in accordance with the Specified information and criteria as defined in Note 2 Basis of Presentation below using the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, published by the World Resources Institute/World Business Council for Sustainable Development (the “GHG Protocol”).

NOTES TO THE STATEMENT

Note 1. Business

Walgreens Boots Alliance, Inc., a Delaware corporation incorporated in 2014 (“Walgreens Boots Alliance” or the “Company”), is an integrated healthcare, pharmacy and retail leader with a 170-year heritage of caring for customers and patients.

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The Company is one of the largest retail pharmacy, health and daily living destinations across the United States (“U.S.”) and Europe with approximately 13,000 locations. The Company has a presence in 9¹ countries and employs more than 331,000 people. In addition, it is one of the world’s largest purchasers of prescription drugs and many other health and well-being products.

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. By 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 in the thousands of communities it serves. Walgreens Boots Alliance is going beyond pharmacy to coordinate with health plans and health systems, as well as with providers to engage patients in underserved communities to help improve the quality of care and outcomes, while also lowering overall costs. The Company's deepened focus on healthcare includes expanding services across primary, multi-specialty and urgent care providers serving patients in traditional clinic settings, in patients’ homes and virtual platforms.

The Company's principal executive offices are located at 108 Wilmot Road, Deerfield, Illinois 60015. Our common stock trades on the Nasdaq Stock Market under the symbol “WBA”.

Note 2. Basis of Presentation

The Statement has been prepared based on a fiscal reporting year that is the same as the Company’s financial reporting period September 1, 2022 to August 31, 2023. A summary of the key disclosure policies is set out in Note 3. Reporting Policies.

Certain amounts in the Statement and associated notes may not add due to rounding. Percentages have been calculated using unrounded amounts for all periods presented.

As described in the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, published by the World Resources Institute/World Business Council for Sustainable Development (the “GHG Protocol”): Corporate Standard, GHG emissions reported under Scope 3 GHG emissions are optional for reporting. The Company is reporting on two of the fifteen Scope 3 categories: Business travel and the portion of Downstream transportation and distribution (cars, aircraft, trains or by sea) for operations outsourced to third parties where deliveries are made exclusively for Walgreens Boots Alliance's businesses.

¹ On October 31, 2023, the Company completed the sale of Farmacias Ahumada business in Chile.

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The following specified information included in the Statement is presented in accordance with criteria outlined below.

Specified Information	Criteria
The Statement of Greenhouse Gas (GHG) Emissions in Table 1 and 2	GHG Protocol
Emission Data for relevant GHGs in Table 3	GHG Protocol
Global Reporting Initiative (“GRI”) 302-1: Energy Consumption within the organization in Table 4	Disclosure 302-1 Energy consumption within the organization from the GRI Sustainability Reporting Standards (“GRI Standards”): 302 Energy 2016. Omission: Explanation for Omission: WBA does not consider heating and electricity sold in joules as applicable. These components are not material to the Company’s disclosure of Energy Consumption within the organization.
GRI 302-3: Energy intensity in Table 4 (using net sales)	Disclosure 302-3: Energy intensity from the GRI Standards: 302 Energy 2016
GRI 305-1: Direct (Scope 1) GHG emissions in Table 1	Disclosure 305-1 Direct (Scope 1) GHG emissions from the GRI Standards: 305 Emissions 2016
GRI 305-2: Energy indirect (Scope 2) GHG emissions in Table 1	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions from the GRI Standards: 305 Emissions 2016
GRI 305-3: Other indirect (Scope 3) GHG emissions in Table 1	Disclosure 305-3 Energy other indirection (Scope 3) GHG emissions from the GRI Standards: 305 Emissions 2016
GRI 305-4 GHG Emissions Intensity in Table 1	Disclosure 305-4: GHG Emissions Intensity from the GRI Standards: 305 Emissions 2016
Sustainability Accounting Standards Board (“SASB”) HC-DR-130a.1: Energy Consumption within the organization in Table 4	SASB Drug Retailers Sustainability Accounting Standard

Note 3. Reporting policies

Baseline year

In accordance with the GHG reporting policies set out here, the Company has set fiscal 2019 as the GHG baseline year for Scope 1, Scope 2 and Scope 3 emissions, and intends to report emissions against this baseline year going forward.

Fiscal 2019 was established as the base year as it represents the first year for which verifiable emissions data is available subsequent to the Company’s acquisition of Rite Aid stores in fiscal 2018.

In fiscal 2023, the addition of the U.S. Healthcare businesses of Village Practice Management Company Holdings, LLC (“VillageMD”), Shields Health Solutions Parent, LLC (“Shields”), and CCX Next, LLC (“CareCentrix”) did not trigger a change in emissions of 5 percent or more. As such fiscal 2019 will remain the baseline year.

GHG emissions by greenhouse gas

GHG emissions are reported in metric tonnes of carbon dioxide equivalents (“CO₂e”) and include three of the seven GHGs covered by the Kyoto Protocol: Carbon dioxide (“CO₂”), Methane (“CH₄”) and Nitrous oxide (“N₂O”). These three gases are also reported separately. The following three greenhouse gases were omitted from our reporting as they are not a material source of greenhouse gases for the business: Perfluorocarbons (“PFCs”), Sulfur hexafluoride (“SF₆”) and

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Nitrogen trifluoride (“NF₃”). We believe that Hydrofluorocarbons (“HFCs”) may be material to the Company as they are used within refrigeration and cooling. We are implementing processes that will allow reporting on HFCs in future reporting.

Note: When calculating market-based emissions where CO₂e factors are not available, CO₂ factors are applied as a proxy.

Reporting scope and boundary

GHG emissions have been reported for those entities for which the Company has financial control, as defined by the GHG Protocol. GHG emissions pertaining to the organizational and operational boundaries have been reported for global operations for owned, managed and leased locations including retail stores, specialty pharmacies, retail distribution centers, micro-fulfillment centers, prescription mail service facilities, pharmaceutical distribution centers, clinics, and principal office facilities.

The Company’s external financial performance report includes all subsidiaries in which the Company holds a controlling interest. The main differences between the Company’s external financial performance report and this Statement, which includes GHG emissions, are as follows:

- Business acquisitions – Businesses acquired during the reporting year are excluded from the current year reporting scope. The complete dataset is reported once data for a full fiscal year is available;
- Divestments – Businesses that are no longer subsidiaries of the Company at the fiscal year end due to divestment in the reporting year are excluded from current year GHG reporting scope;
- Equity method investments – Equity method investments are excluded from the Company’s reporting scope;
- Franchise operations – Franchise operations run by third parties where a Walgreens Boots Alliance business is the franchisor are excluded from the Company’s GHG reporting scope;
- Outsourced activities – Outsourced activities are excluded from the GHG reporting scope, except where the outsourcer’s activities are dedicated to the Company’s business and where the associated impacts may be significant to our GHG performance. For example, third party product deliveries made exclusively for the Company with emissions included in Scope 3. The Company’s Code of Conduct and Ethics set out the principles for dealing with, and the requirements for, suppliers.

Fiscal 2023 reporting includes metrics for the U.S. Healthcare segment. The Company’s U.S. Healthcare segment, created at the beginning of fiscal 2022, 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 currently consists of a majority position in VillageMD, a national provider of value-based care with primary, multi-specialty, and urgent care providers serving patients in traditional clinic settings, in patients’ homes and online appointments; Shields, a specialty pharmacy integrator and accelerator for hospitals; CareCentrix, a participant 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.

On January 3, 2023, VillageMD, through its parent company completed the acquisition of WP CityMD TopCo (“Summit Health”). In line with the Company’s policy of excluding reporting for businesses acquired in the first fiscal year following the year of acquisition, Summit Health’s data has not been included in the reported results.

On June 1, 2021 the Company completed the sale of the majority of the Company’s Alliance Healthcare business as well as a portion of the Company’s retail pharmacy international businesses in Europe (“discontinued operation”) to Cencora, Inc. (“Cencora”), formerly known as AmerisourceBergen Corporation. Disclosures in this report reflect continuing operations only. Fiscal 2019 data, primarily related to discontinued operations, was recast in fiscal year 2022 to conform to the current period presentation.

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Methodology and reporting process

The Company has implemented a global process to collect, account and report GHG emissions with the Company's Global Reporting team responsible for defining and leading the global process to compile, review and analyze all disclosures. Specific procedures for data collection are applied consistently with the organizational structure of the Company, clearly identifying roles and responsibilities and the reporting timeline.

Individual business level emissions data submissions are prepared by the local finance teams and respective local Environmental, Social and Governance (“ESG”) champions. Prior to submission, the data and supporting commentary are reviewed and approved by a senior finance leader in each business. The submissions are then provided to the Company's Global Reporting team and to the central ESG management team for further analysis and approval.

Energy data

Energy data cover the resulting CO₂e emissions from energy used to operate our facilities:

- Gathered from invoices/meter readings (manual or electronic)
- Reported for all energy purchased including energy used in stores/pharmacies, distribution centers, manufacturing sites and offices

The carbon footprint, measured in CO₂e metric tonnes, is calculated from the usage data submitted, applying the relevant conversion factors.

Outbound product delivery and downstream transportation and distribution by third parties data

Outbound product delivery data is gathered from verifiable official records, invoices and expense claims, covering CO₂e emissions from delivery of products to stores and to customers, excluding deliveries from third party suppliers to the Company's warehouses, cross-dock centers or direct to stores.

Emissions from deliveries by owned-fleet vehicles are presented within Scope 1 emissions and operations outsourced to third parties where deliveries are made exclusively for Walgreens Boots Alliance businesses are presented within Scope 3 emissions.

The carbon footprint, measured in CO₂e metric tonnes, is calculated from the data on fuel usage or distance traveled, applying the relevant conversion factors.

Business travel data

Business travel data is gathered from invoices and expense claims, covering CO₂e emissions from travel undertaken by employees for work or business purposes.

The carbon footprint, measured in CO₂e metric tonnes, is calculated from the data on fuel usage or distance traveled, applying relevant conversion factors.

GHG emissions conversion factors

U.S. emissions data are converted using U.S. Environmental Protection Agency (EPA) Emissions & General Resource Integrated Database (eGRID) specific CO₂e factors that take into consideration where the electricity was produced within the country.

UK emissions data are converted using the UK Department for Environment, Food & Rural Affairs (DEFRA) CO₂e factors.

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For the rest of the world, for standard tariff electricity, country specific CO₂e conversion factors published by the International Energy Agency (IEA) are used.

Conversion factors are applied on the basis of business location and updated annually to reflect the factors published by the EPA, DEFRA and IEA that are in effect as of August 31 of the reporting year. The following table indicates the relevant emission factors applied to current inventories unless otherwise noted.

GHG Emission Factors table

Emissions source	Emission source type	Emission factor employed
Scope 1	Gas and oil used for heating	EPA, DEFRA and IEA
Scope 1	Gas used in the Combined Heat & Power plant in Beeston, Nottingham, UK	DEFRA
Scope 1	Heat and electricity produced by our on-site Combined Heat & Power plant in Beeston, Nottingham, UK	DEFRA
Scope 1	Business travel in owned or controlled vehicles	EPA, DEFRA and IEA
Scope 1	Product delivery in owned or controlled fleets, including backhaul deliveries for other companies	EPA, DEFRA and IEA
Scope 2	Indirect emissions from purchased/acquired electricity and purchased/acquired heat or steam consumed in buildings (offices, retail stores and warehouses)	Location-based: EPA, DEFRA and IEA. Market-based: Use of an emissions factor hierarchy following the GHG Protocol <ol style="list-style-type: none"> 1. Utility-specific emission factors 2. Residual mix factors 3. GRID Renewable energy contracts are purchased in the following markets: UK and Republic of Ireland.
Scope 3	Business travel in third party transportation	EPA and DEFRA
Scope 3	Downstream transportation and distribution where deliveries are made exclusively for Walgreens Boots Alliance businesses	DEFRA and IEA

Estimates and uncertainty

The Company's businesses are dispersed around the globe and often rely on third parties to provide elements of data. The Company continually seeks ways to improve the quality and reliability of data through robust collection processes in which completeness, accuracy and relevance are reviewed against the Company's definitions, policies and procedures. The capture of environmental data continues to evolve. Where actual data is not available, businesses apply estimation methodologies to arrive at figures that accurately reflect the businesses activities as described in the data quality section. In instances where estimation or extrapolation techniques are used, the following points are considered by the businesses:

- Is the sample upon which the estimation/extrapolation based representative of the data?
- Has the sample been reviewed at least annually?
- Has the technique for estimation/extrapolation been reviewed at least annually?
- Can the data be benchmarked or reviewed against alternative sources of data for reasonableness?
- Has the current year's data been compared to the prior year's data to identify any significant changes?

Specifically, where gas and electricity usage data is not available, the Company benchmarks stores, warehouses or other buildings and employs an estimation relevant to its usage patterns and allows for a reliable annual estimates to be derived.

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The allocation of emissions from road business travel between Scope 1 and Scope 3 categories is subject to estimation. The Company collates usage data for fuel consumed by cars with fuel cards and distance travelled by cars without fuel cards. The assumption is that Company-owned cars have fuel cards and the associated emissions are categorized as Scope 1. Emissions associated with employees using their own cars with mileage reimbursement are categorized as Scope 3.

INDEPENDENT ACCOUNTANT'S REPORT

ESG Committee of Walgreens Boots Alliance, Inc.
Walgreens Boots Alliance, Inc.
Deerfield, IL 60015

We have reviewed management of Walgreens Boots Alliance, Inc.'s (the "Company" or "WBA") assertion that the accompanying WBA Statement of Greenhouse Gas (GHG) Emissions and Energy Consumption for the fiscal year ended August 31, 2023, (the "Statement") is presented in accordance with the criteria as defined in Note 2: *Basis of Presentation* of the Statement (the "Criteria"). The Company's management is responsible for its assertion. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C Section 105, *Concepts Common to All Attestation Engagements*, and AT-C Section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical requirements in accordance with relevant ethical requirements in accordance with the AICPA Code of Professional Conduct.

We applied the *Statements on Quality Control Standards* established by the AICPA and, accordingly, maintain a comprehensive system of quality control.

The procedures we performed were based on our professional judgment. In performing our review, we performed analytical procedures, inquires, and other procedures as we considered necessary in the circumstances. For a selection of amounts, we performed tests of mathematical accuracy of computations, compared the amounts to underlying records, or observed the data collection process.

The preparation of the Statement requires management to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect the reported information. Measurement of GHG emissions may include estimates and assumptions that are subject to substantial inherent measurement uncertainty, including, for example, the accuracy and precision of greenhouse emission conversion factors or estimation methodologies used by management. Obtaining sufficient appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the amounts. The selection by management of a different but acceptable measurement method, input data or model assumptions, or a different point value within the range of reasonable values produced by the model, may have resulted in materially different amounts being reported.

Based on our review, we are not aware of any material modifications that should be made to management of the Company's assertion that the Statement of GHG Emissions and Energy Consumption for the fiscal year ended August 31, 2023 is presented in accordance with the criteria set forth in Note 2: *Basis of Presentation* of the Statement, in order for it to be fairly stated.

Deloitte + Touche LLP
January 24, 2024