



Corporate

Social Responsibility

Report 2019



Walgreens Boots Alliance





We are a leading global pharmacy retailer and wholesaler. As a health and wellbeing enterprise our purpose is to help people across the world lead healthier and happier lives.

Our 2019 Corporate Social Responsibility Report covers the fiscal year ended August 31, 2019.

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# Message from

# Our Leaders



James Skinner (l) and Stefano Pessina (r)

Hundreds of millions of people around the world struggle to access healthcare and adequate health information, and affordability is often a barrier to access. As a leading global pharmacy retailer and wholesaler we believe it is our responsibility and a business imperative to respond to these immense societal challenges in markets across the world.

Our stakeholders - from consumers and patients to government bodies and investors - expect us to help improve access and affordability and to boost awareness around health issues ranging from mental health and dementia to managing chronic conditions and medication adherence. They also call on us to do our part to help prevent opioid abuse. [Our Board Report on Oversight of Risk Related to Opioids](#), published during fiscal 2019, outlines our response to the devastating impact of the opioid epidemic in communities in the U.S.

We are pleased to report our progress on these urgent issues and our sustainability commitments in our 2019 Corporate Social Responsibility (CSR) Report. This report contains updates on our initiatives and our performance in our four key CSR areas: Healthy Communities, Healthy Planet, Sustainable Marketplace and Healthy and Inclusive Workplace.

Governance is key to achieving our CSR agenda, which is managed by a CSR Committee that is made up of top executives and that provides regular reports to the Nominating & Governance Committee of the WBA Board of Directors. In addition, during fiscal 2019 we formed a global task force to address one of the toughest issues that we face, plastic waste.

Few companies match our global reach: including our equity method investments we have more than 18,750 stores in 11 countries and a pharmaceutical wholesale and distribution network in more than 20 countries. By leveraging this range we can have an impact on the world, help to democratize healthcare on a global scale and fulfill our purpose of helping people lead healthier, happier lives.

Our business is transforming to respond to customer demands for innovative, accessible healthcare options while working to improve the experience of care, change health outcomes and reduce total healthcare costs.

Stakeholders increasingly expect companies to take a stand on important topics. We are responding to these demands by advocating in the United States for increased transparency on drug pricing and for an enhanced role for pharmacists to help patients find the best-priced options.

WBA is committed to doing its part to implement the United Nations Sustainable Development Goals (UN SDGs), which are a call to action to all stakeholders to guarantee peace and prosperity for people and the planet.

Through operating a sustainable enterprise and responding to social and environmental needs, we believe we are creating long-term value for our investors, our customers and patients, our valued employees and for society at large.

None of this would be possible without our loyal customers and dedicated employees who infuse our CSR initiatives with their enthusiasm and engagement. We thank them for their generosity and hard work. Together, we are making a difference on everything from providing support to people living with cancer to contributing to a safe and inclusive workplace.

**James Skinner**

Executive Chairman  
Walgreens Boots Alliance, Inc.

**Stefano Pessina**

Executive Vice Chairman and Chief  
Executive Officer  
Walgreens Boots Alliance, Inc.

January 27, 2020

# Q&A with Our CSR

## Committee Chair

### Ornella Barra

#### Co-Chief Operating Officer

Walgreens Boots Alliance, Inc.

Chairman of the Corporate Social Responsibility Committee



#### How is WBA adapting its environmental, social and governance priorities in the fast-changing healthcare and retail industries?

We and our legacy companies have a long history of engaging with stakeholders and listening to the emerging priorities and topics where they believe we have a significant impact. Our stakeholders expect us to help address urgent issues in healthcare, especially around access, affordability and awareness. They also want us to do our part in addressing environmental issues such as the harmful impacts of plastics. In response to this feedback from stakeholders, and to reflect the priorities that emerged in our 2018 CSR materiality assessment, we have refreshed our 12 CSR commitments. These now include commitments to improve access to affordable, quality healthcare and awareness about critical health issues, to help combat opioid abuse and to reduce the negative impacts of plastic in our owned brand products.

#### What are the Company's sustainability priorities?

We are committed to engaging with communities to improve societal health and wellbeing, protecting the planet, doing business fairly and with integrity and fostering a safe and inclusive workplace. Within each of those four key CSR areas we have three commitments. They can be found on page 9 of this report.

#### What were some of WBA's CSR milestones during fiscal 2019?

Walgreens was named No. 13 on the Fortune Magazine Change the World List for its Balance Rewards for healthy choices (BRhc) healthcare innovation program. Through our long-term partnership with Vitamin Angels, we have helped to provide more than 200 million children and mothers with life-changing vitamins. And we have helped to provide more than 50 million lifesaving immunizations through our Get a Shot. Give a Shot. campaign over six years of partnership with the UN Foundation. We have raised more than \$100 million for Red Nose Day over five years, to help children who have the most need.

Boots UK won the Business in the Community's Responsible Business of the Year 2019-2020 award, for supporting people living with cancer through a long-standing partnership with Macmillan Cancer Support, emissions reduction and other initiatives. Also, over 15 years Boots UK and Boots Opticians have raised more than £12.7 million (\$20 million) for BBC Children in Need, helping to change the lives of disadvantaged children and young people.

Tackling climate change is becoming increasingly urgent and WBA's businesses continue to invest in energy and fuel efficiency including lighting, heating and air conditioning, refrigeration and vehicles.

#### Why is sustainability important to you?

I am so inspired when I connect with WBA employees around the world who are helping their communities and making a difference. During fiscal 2019, employees from across our global businesses participated in the Kilometers for Cancer campaign, walking, running, skiing or cycling approximately 700,000 kilometers (430,000 miles) to raise money for cancer charities.

As a pharmacist by training, I'm passionate about our initiatives that help support people living with cancer and other diseases. Through our Collaboration for Cancer Prevention, Research and Support, a transatlantic charitable partnership with the European Organisation for Research and Treatment of Cancer (EORTC), Macmillan Cancer Support, Susan G. Komen and The Leukemia & Lymphoma Society (LLS) we are working on initiatives to develop and support innovative cancer research infrastructure and to share best practices to improve patient care.

#### Why are marketing initiatives linked to causes such an important part of your CSR strategy?

Our aim is to lead by example and to maximize the impact of our initiatives, especially in the area of health and wellbeing. Our businesses support campaigns that generate customer loyalty, energize employees and help to improve the health and wellbeing of millions of children. This means our CSR work is good for business and for communities.

I am humbled by the spirit and the giving shown by our customers and employees, and would like to take this opportunity to express my heartfelt appreciation.



GRI Disclosure 102-16

# Vision

Be the first choice for pharmacy, wellbeing and beauty – caring for people and communities around the world

# Purpose

We help people across the world lead healthier and happier lives

# Values

Walgreens Boots Alliance takes seriously its aim of inspiring a healthier and happier world, as reflected in our core values:

**Trust:** Respect, integrity and candor guide our actions to do the right thing

**Care:** Our people and customers inspire us to act with commitment and passion

**Innovation:** We cultivate an open and entrepreneurial mind-set in all that we do

**Partnership:** We work collaboratively with each other and our partners to win together

**Dedication:** We work with rigor, simplicity and agility to deliver exceptional results

GRI Disclosures 102-3, 102-4, 102-9, 103-2, 103-3, 201-1

# At a Glance: WBA

Walgreens Boots Alliance is a global leader in retail and wholesale pharmacy, with sales of \$136.9 billion in the fiscal year ended August 31, 2019. We touch millions of lives every day through dispensing and distributing medicines, and through our convenient retail locations, digital platforms and health and beauty products. We have more than 100 years of trusted healthcare heritage and innovation in community pharmacy care and pharmaceutical wholesaling.

The three Divisions that make up our Company are Retail Pharmacy USA, Retail Pharmacy International and Pharmaceutical Wholesale.

Our retail and wholesale brands include Walgreens, Duane Reade, Boots and Alliance Healthcare. Our portfolio of highly

regarded and long-established health and beauty product brands, which we continue to grow on a global scale, includes No7, Soap & Glory, Liz Earle, Botanics, Sleek MakeUP and YourGoodSkin. More information about our Divisions and our owned brands can be found on our [corporate website](#).

Walgreens Boots Alliance has a complex international supply chain involving relationships with numerous suppliers in areas such as pharmaceuticals, consumer products, owned brands, business services, supply chain services, goods for our operations and more.

Our principal executive offices are located in Deerfield, Illinois, USA.



Present in more than **25 countries**



The **largest retail pharmacy**, health and daily living destination across the U.S. and Europe



Employs more than **440,000 people**



Global pharmaceutical wholesale and distribution network with **more than 400 distribution centers** in more than **20 countries**



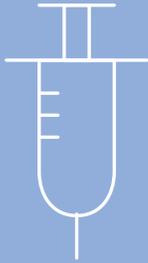
One of the **world's largest purchasers** of prescription drugs



A global leader in pharmacy-led, health and wellbeing retail with **more than 18,750 stores** in **11 countries**

\*All figures are as of August 31, 2019, including equity method investments, using publicly available information for AmerisourceBergen.

# CSR Highlights and Recognitions Fiscal 2019



Walgreens has helped provide more than **50 million lifesaving vaccines** to children through the Get a Shot. Give a Shot. program\*



Raised **\$100 million for Red Nose Day** in the USA and **£12.7 million (\$20.0 million) for BBC Children in Need** in the UK\*\*



Boots UK achieved goal of sending **less than 1% of operational waste to landfill\*\*\***



**Expansion of Business Resource Groups (BRGs)**, voluntary, employee-led groups that foster a diverse, inclusive workplace



WBA joined **Global Shea Alliance**



**7% of energy consumed** by WBA businesses from renewable sources\*\*\*



Boots UK **began transition out of plastic shopping bags**

\* Accumulated total over life of program, as of September 30, 2019.

\*\* Accumulated total over life of program, as of August 31, 2019.

\*\*\* During fiscal 2019.



Walgreens **diverted more than 2 million lbs (900,000 kg) of products from landfill** through donations to Feeding America\*



Walgreens has **safely disposed of more than 885 tons** (more than 800 metric tonnes) **of unwanted prescriptions\*\***



Walgreens has helped **provide life-changing vitamins to 200 million children and women** through partnership with Vitamin Angels\*\*



WBA employees reported more than **228,000 volunteer hours\***



More than **1,200 ethical compliance assessments** on owned brand suppliers\*



**Raised £18.5 million (\$27.5 million) for Macmillan Cancer Support**, thanks to employees and customers\*\*



Responsible Business of the Year **2019 - 2020**

Boots UK recognized as Responsible Business of the Year 2019-2020 by Business in the Community



Walgreens named to FORTUNE\*\*\* magazine's 2019 Companies that Change the World list



Boots Ireland awarded Outstanding Achievement in CSR 2019 at 2019 Chambers Ireland CSR Awards

\* During fiscal 2019.

\*\* Accumulated total over life of program, as of August 31, 2019. For Macmillan Cancer Support this includes a correction of £0.9 million (\$11 million) relating to periods prior to fiscal 2019.

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# Our Approach to CSR

WBA operates in a fast-changing global business landscape at the intersection of healthcare, retail and beauty. In fiscal 2019 we adapted our environmental, social and governance priorities in response to evolving business priorities and societal needs.

This refreshed CSR strategy, which we signaled was under development in our previous report, is more intensely focused on healthcare. This is based on consultations with a wide range of stakeholders who tell us that we can have a profound impact on the world through improving health access and affordability and through consumer health education and awareness. Customers, employees, business partners and other stakeholders expect us to play an important role on these issues. While our stakeholder engagement is permanent and ongoing, our renewed CSR strategy responds to the thorough CSR materiality assessment we undertook in fiscal 2018 to identify the material CSR topics we should measure and against which we should report our impact.

At the same time as we are adapting our approach, we maintain our long-standing commitments to being a responsible neighbor, protecting the environment, doing business fairly and with integrity and treating our people with dignity and respect. Boots UK celebrated its 170th anniversary during fiscal 2019, having pioneered CSR work in many areas and reported on sustainability for more than 40 years. Walgreens has been a trusted brand since 1901 and is proud of its history of championing young people, minorities and people with disabilities as well as giving back to communities and supporting disaster relief efforts.

WBA touches millions of lives around the world every day, through the medicines we dispense and distribute, our convenient retail stores and our health and beauty products. We deliver healthcare and support communities through both our day-to-day operations and our business values. These essential roles continue to shape our approach to sustainability, which is central to fulfilling our purpose to help people lead healthier and happier lives.



# Our CSR Commitments

*For the past four years our CSR strategy was anchored in 12 commitments in four priority areas. In refreshing our CSR strategy we refined the commitments to better align with our material CSR topics and renamed the priority areas to more clearly reflect our health-centered CSR strategy.*



Our report is organized into four sections, matching the four priority areas, Healthy Communities, Healthy Planet, Sustainable Marketplace and Healthy and Inclusive Workplace. In each section we follow GRI requirements to explain how we manage our material CSR topics - our impacts on people and the planet. In each section we also report our progress on the three corresponding commitments for that priority area.

## Healthy Communities

We engage with local communities to improve societal health and wellbeing through:

- Programs and campaigns to improve access to affordable, quality healthcare and awareness about critical health issues
- Efforts to help combat opioid abuse and prevent overdose-related deaths
- Partnerships, particularly aiming to:
  - Help support people living with cancer at every moment of their journey
  - Enable young people across the world achieve their potential

## Sustainable Marketplace

We aim to do business fairly and with integrity and are taking actions to:

- Provide a platform of transparency into our owned brand products, including ingredient and material level information, and ensuring product safety
- Continue to improve traceability of ingredients and materials of our owned brand products to reduce their environmental impact and protect healthy ecosystems and reduce climate change impact
- Continue to drive responsible sourcing practices throughout our supply chain, protecting human rights and engaging with suppliers around ethical and environmental issues

## Healthy Planet

We are determined to protect the planet through programs in our operations and by engaging suppliers on environmental issues. We are committed to:

- Reduce energy consumption and emissions
- Reduce waste, increasing re-use and recycling and collaborating to help create an increasingly circular economy
- Reduce the negative impacts of plastics in our owned brand products

## Healthy and Inclusive Workplace

We strive to treat our people with dignity and respect. We are working to:

- Proactively support the personal health and wellbeing of our employees
- Deliver on our commitment to offer equal opportunities and foster a diverse and inclusive culture for all through strong employment, pay and recruitment practices, policies and procedures
- Continue to improve our robust approach to health, safety and data privacy, actively caring for our employees and customers

## Our evolving CSR strategy

Our CSR strategy and reporting continue to evolve. As explained in the Healthy Communities section, we are developing disclosures and performance indicators to measure our impacts on some of our highest priority material CSR topics, including access to affordable and quality healthcare, consumer health education and marketing and prescription drug abuse.

Partnerships remain key to our approach to CSR. Throughout this report we provide updates on our long-term collaboration with expert organizations to deliver health and wellbeing programs that have impacted the lives of millions of people, especially in vulnerable populations. This approach matches our business strategy where partnerships are helping us to develop new healthcare delivery models and to innovate to advance the future of healthcare, improve health outcomes for patients with chronic conditions and lower the cost of care.

## Reporting standards and assurance

This report has been prepared in accordance with the GRI Standards: Core option. GRI is the world's most widely used set of sustainability reporting standards and through use of the standards we aim to provide enhanced transparency and credibility in order to give our stakeholders greater confidence in our CSR work. WBA plans to make a climate change submission to CDP (formerly the Carbon Disclosure Project) for fiscal 2019, as we did the three previous years.

The GRI Content Index at the back of this report reflects the CSR material topics identified in the materiality assessment - addressing the issues through which the Company has the most impact on the environment, on society and communities and on the economy.

This report aligns with the GRI reporting principles of stakeholder inclusiveness, sustainability context, materiality and completeness. Information related to how the Company applies these principles can be found in the Stakeholder Engagement, Our Approach to CSR, CSR Materiality and About This Report sections.

This report underwent the GRI Management Approach Disclosure Review, designed to help organizations improve the reporting narrative on their approach to management of material CSR topics. More information pertaining to the review can be found in the GRI Content Index on page 70.

Boundaries for information within this report are evaluated based on the location and level of impact WBA has on the topic, as defined by GRI. Details on the boundary for each topic can be found in the relevant sections of the report.

We believe external assurance enhances the credibility and transparency of information reported. Deloitte & Touche LLP conducted a review of WBA specified indicators and GRI specified indicators within this report in accordance with attestation standards established by the American Institute of Certified Public Accountants. Deloitte's assurance report is available on pages 85-86.

## The United Nations Sustainable Development Goals (UN SDGs)

WBA is committed to contributing to the SDGs - 17 goals agreed to by all UN member nations that make up an urgent call for action to participate in a shared blueprint for peace and prosperity for people and the planet. We have mapped the goals to our CSR disclosures in our table of material CSR topics and elsewhere in this report. While our CSR activities across the Company are aligned with all 17 SDGs, we are particularly focused on SDG 3, Good Health and Well-being, as reflected throughout this report.

This focus was confirmed through an assessment by Trucost, part of S&P Global, which evaluated our performance through its SDG Evaluation Tool and provided further insight into how we can prioritize our work toward the goals. WBA was one of the first companies to work with the Trucost tool to better understand how the SDGs relate to our business and how our business has impact on the SDGs. Following the evaluation, WBA received a quantitative assessment on overall SDG performance as well as individual scores for each goal, including data-led insights into our positive contributions toward the SDGs and where we have opportunities to improve.

The Trucost assessment showed that WBA's most significant positive contributions to the SDGs are SDG 3, Good Health and Well-being, and SDG 8, Decent Work and Economic Growth, through our core business activities. According to the assessment, WBA's most significant risks are linked to SDG 17, Partnerships for the Goals, and SDG 13, Climate Action. The assessment noted our advanced actions on reducing emissions and suggested a greater focus on climate change adaptation as well as setting actions on science-based targets for greenhouse gas (GHG) emissions reduction.

Building on the Trucost analysis we plan to continue to prioritize our focus on the SDGs where we have the greatest impact and opportunity.



## Targets

We are committed to holding ourselves accountable through measurable, internal targets that are unique to each of our individual businesses, which operate in different infrastructure and market realities. Each business has a designated CSR champion who coordinates the setting of CSR targets relevant to its local communities and context. Targets are agreed with each business' leadership team. The WBA CSR Committee confirms the overarching WBA CSR strategy and goals on an annual basis, and reviews divisional progress throughout the year.

## Corporate governance and risk management

WBA believes that strong corporate governance is an essential element to achieving our overall objectives and acting as a responsible organization.

The Board of Directors of WBA is committed to sound corporate governance and our governance structure helps enable the Board to fulfill its fiduciary duties to our stockholders and helps ensure the long-term success of the Company. The Board exercises oversight of the Company's strategic, operational and financial matters, including the elements and dimensions of major risks facing the Company.

Having appropriate oversight and governance of our CSR program is critical to its success. Our CSR Committee plays a leading role in providing this oversight and governance. The CSR Committee is chaired by our Co-Chief Operating Officer Ornella Barra and includes senior executives from our key businesses as well as the legal, human resources, marketing and communications functions. The CSR Committee meets regularly and, among other obligations, is charged with reviewing our CSR program (including the selection and approval of our CSR commitments and the oversight of our CSR policy statements) and our progress toward achieving those commitments. The Committee also formally approves our annual CSR report.

At the Board level, the Nominating and Governance Committee reviews, at least annually, our policies and activities regarding sustainability and CSR and assesses our management of risks in those areas. The members of the Nominating and Governance Committee are all independent directors.

[Our Corporate Social Responsibility Policy Statements](#) are available on our website. These statements shape our approach to our sustainability and CSR activities and help ensure that our Divisions and businesses are working within comparable parameters.

The Company's Enterprise Risk Management program maintains a summary of key risks and related mitigation. Where risks are identified that are not acceptable, the Company develops action plans to mitigate them with clear allocation of responsibilities and timescales for completion, and works to ensure that progress toward

implementing these plans is monitored and reported. Based on analysis of potential impacts on adjusted operating income, operations and reputation, the Company has identified data privacy and continued improvement in pharmacy dispensing, among other risks, as material. More information on the risk management process and the material risks is included in WBA's most-recently filed [Annual Report on Form 10-K](#).

A summary of emerging issues is also maintained, identifying risks that have not fully developed or for which the potential impact cannot be accurately assessed. Examples of emerging issues that are being monitored by the Company are climate change related risks and plastics reduction. As reported in our Form 10-K, among the many factors that could materially and adversely affect our business and financial results, are the long-term effects of climate change on general economic conditions and the pharmacy industry in particular, along with changes in the supply, demand or available sources of energy and the regulatory and other costs associated with energy production and delivery.

## Code of Conduct and Business Ethics

The WBA [Code of Conduct and Business Ethics](#) supports good governance of our behaviors and approach to CSR. It sets out the ethics, principles and standards that are to be upheld by each Division, business and corporate function within WBA.

The Code extends to all our officers and employees no matter where they are located in the world. It also extends to other parties acting on behalf of WBA or any of its subsidiaries, such as consultants, agents, intermediaries or other representatives of WBA, including our Board of Directors.

More information on our [Corporate Governance Guidelines](#) and the Code of Conduct, including mechanisms for reporting suspected violations of the code and concerns about ethics, can be found on our corporate website.

## Customer, patient and product safety

Distribution and dispensing of medications is the most significant part of our business, with more than 75 percent of our sales in fiscal 2019 coming from the sale and distribution of prescription drugs and pharmacy-related services. Millions of people every day count on us to safely deliver and dispense medications. WBA is committed to the safe dispensing of medicines in our pharmacies, the wholesaling and distribution of medicines in a safe environment, and the production and sale of high-quality health and beauty products. Patient safety lies at the heart of our management of pharmacy operations, and we strive to be the industry leader by continuously seeking ways to minimize risks to patients in our dispensing, pharmacy services and advice and pharmacy supply chain operations.

All WBA pharmacy dispensing businesses annually review and evaluate pharmacy operations for compliance with our Pharmacy Operations Governance Policy. Each operating business completes a letter of representation highlighting whether there are areas of noncompliance in business procedures, and includes an action plan stating when those areas will be rectified. During fiscal 2019, the WBA Patient Safety Forum continued to convene representatives from all pharmacy dispensing businesses to share best practice operations, facilitate a culture of openness and shared learning and develop innovative patient safety solutions.

Annual pharmacy operations reviews include monitoring procedures for the professional qualifications of pharmacists and employees in pharmacy-related positions; processes to ensure compliance with professional development requirements for pharmacy staff; processes to ensure concerns about pharmacy professionals' fitness to practice are referred to the appropriate regulatory body; compliance with safe storage, preparation, dispensing, compounding, sale and supply of medicinal products; mechanisms for compliance with standard operating procedures covering dispensing, pharmacist control checks, patient counseling, record keeping, management of controlled drugs and narcotics, medicines date checking, quality assurance, error management and other issues; and recording, management and reporting of dispensing errors, including a formal review process and action planning to minimize the risk of such errors occurring.

All WBA businesses must have documented processes in place to facilitate the collection of key performance metrics on health and safety, including pharmacy incidents.

To help ensure patient safety, our prescription labels are designed to meet both regulatory requirements and our internal standards. All products associated with dispensing activities are covered by and assessed for compliance. There are also obligations on the pharmacist that products are sourced via a licensed and legitimate supply chain.

We require vendors for our owned brand products - which include health, beauty, home products, food, paper goods and other categories – to use a safety testing lab that we select. These vendors agree to and are responsible for rigorous product testing on a regular cadence to help ensure they meet regulatory requirements and our own high standards related to safety. We have agreements with our vendors requiring that appropriate safety labeling is included on products to help ensure proper use and responsible disposal. More information on responsible sourcing of our owned brand products is in the Sustainable Marketplace section of this report.



# CSR Materiality

Our material CSR topics are unchanged from our previous CSR Report, in which we detailed the process and outcomes of our thorough fiscal 2018 CSR materiality assessment. Global nonprofit Forum for the Future advised on the assessment, the aim of which was to better understand the environmental, social and economic impacts throughout our operations, encourage insightful stakeholder dialogue, inform our evolving sustainability strategy and form the basis for our public CSR reporting. The assessment also included horizon scanning: identifying emerging topics that could become a focus for the Company’s sustainability efforts in the future.

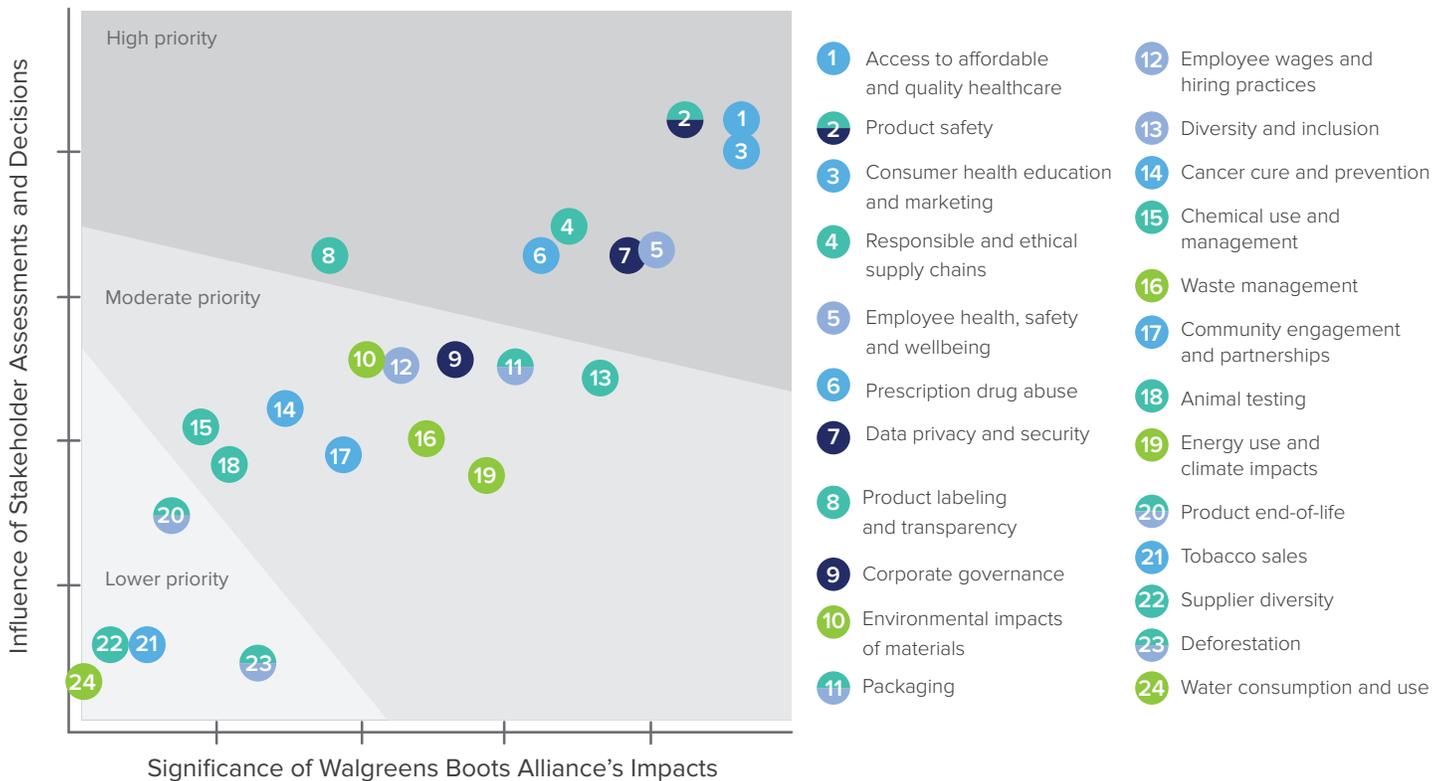
Our size means that we can have a significant economic impact in the countries and regions where we do business. Our economic performance is the bedrock of our CSR commitments because it

enables us to promote health, wellbeing and sustainability through employment, investment, initiatives and corporate giving. For this reason, our overall mission as a business, and our competitive strategy, were central to our process of defining our material CSR issues.

Our policy is to complete a detailed and thorough refresh of our CSR materiality assessment every three years, as part of our ongoing endeavor to adhere to best practices in corporate sustainability reporting. The GRI Content Index at the back of this report provides a guide for readers to find disclosures related to the material topics. Our definition of material for CSR purposes is distinct from the definition of that term that may be used by the Company for other purposes.

## CSR materiality matrix

The following matrix shows the issues deemed material to our Company from a CSR perspective. Shading indicates higher, moderate and lower priority topics, and color coding indicates how each topic aligns with our four CSR focus areas and our governance practices.



## Mapping of CSR material topics

In the following table we define our material CSR topics - the moderate and higher priority issues on the matrix - and map them to the corresponding GRI Topic Specific Standards, which are included in this report, and to the UN SDGs.\*

Material Topic	Definition	Corresponding GRI Topic Specific Standard(s)	Corresponding UN SDG(s)
1 Access to affordable and quality healthcare	Supporting Walgreens Boots Alliance customers, employees, community members and other stakeholders to easily access affordable, quality prescriptions, immunizations and health services	This issue does not map directly to a GRI Topic Specific Standard	
2 Product safety	Ensuring that products sold, including their ingredients, meet rigorous safety standards that in some cases go above and beyond regulation	GRI 416: Customer Health and Safety	 
3 Consumer health education and marketing	Through campaigns and other communication tools, raising awareness among consumers and sharing information about critical health issues, prevention tips and other health-related information, such as smoking cessation	This issue does not map directly to a GRI Topic Specific Standard	
4 Responsible and ethical supply chains	Driving good practices across Walgreens Boots Alliance's supply chain, protecting human rights, supporting diverse suppliers and engaging with suppliers around environmental and social issues	GRI 414: Supplier Social Assessment	  
5 Employee health, safety and wellbeing	Offering benefit packages, workplace conditions and other support systems to help ensure the health, safety and wellbeing of all Walgreens Boots Alliance employees	GRI 401: Employment GRI 403: Occupational Health and Safety 2018	 
6 Prescription drug abuse	Investing in or supporting external community solutions, and/or providing programs, information or other support to communities and individuals in the U.S. and elsewhere, to fight prescription drug abuse	This issue does not map directly to a GRI Topic Specific Standard	
7 Data privacy and security	Working to protect Walgreens Boots Alliance customers' and employees' data and privacy, and investing in the security of information technology systems	GRI 418: Customer Privacy	
8 Product labeling and transparency	Collecting and tracking product information from suppliers, and providing consumers with the information they care about in a clear, accessible and thorough way	GRI 417: Marketing and Labeling	 
9 Corporate governance	Ensuring Walgreens Boots Alliance is led internally with the highest standards of governance, and that all employees, officers and directors practice sound ethics	Covered in General Disclosures (Governance) GRI 205: Anti-corruption	  
10 Environmental impacts of materials	Working with suppliers to help ensure that raw materials are sourced in the most environmentally appropriate way possible, or eliminated or replaced where environmental impact cannot be reduced	GRI 308: Supplier Environmental Assessment	 

Material Topic	Definition	Corresponding GRI Topic Specific Standard(s)	Corresponding UN SDG(s)
11 Packaging	Working to reduce negative impacts of product packaging, including using recycled/recyclable packaging, eliminating chemicals of concern from packaging and other steps	GRI 301: Materials	 
12 Employee wages and hiring practices	Executing leading hiring practices and offering compensation to Walgreens Boots Alliance employees at all levels and locations, including equal pay across genders and a living wage	GRI 202: Market Presence	   
13 Diversity and inclusion	Attracting diverse employees, increasing opportunities for all staff through transparent career progression plans and promoting an agile and flexible working culture	GRI 405: Diversity and Equal Opportunity	 
14 Cancer cure and prevention	Raising awareness about cancer risk factors and prevention, supporting individuals with cancer care, reducing sales of products that are known or at risk to be carcinogenic and/or investing in cancer cure research efforts	This issue does not map directly to a GRI Topic Specific Standard	
15 Chemical use and management	Selecting safe materials, eliminating ingredients deemed to be a risk, and helping to ensure safe use throughout their life cycle, including sourcing, transport, storage, use and production	This issue does not map directly to a GRI Topic Specific Standard	
16 Waste management	Responsibly and sustainably managing waste at stores, offices and other facilities, including reducing, reusing, recycling and composting	GRI 306: Effluents and Waste	     
17 Community engagement and partnerships	Working with or otherwise supporting nonprofit organizations, community groups and other external organizations to support their social or environmental impact	This issue does not map directly to a GRI Topic Specific Standard	    
18 Animal testing	Reducing or eliminating the testing of products or ingredients on animals whenever possible, and/or contributing to efforts (i.e. research) to support other means of safety testing	This issue does not map directly to a GRI Topic Specific Standard	
19 Energy use and climate impacts	Working with upstream suppliers and facilities managers to reduce the greenhouse gas emissions associated with Walgreens Boots Alliance's footprint and supply chain	GRI 302: Energy GRI 305: Emissions	      

\*Our GRI mapping is the same as for fiscal year 2018, with two exceptions as follows. Following review of the new 403 standard, we have mapped topic 5, Employee health, safety and wellbeing, to GRI 403 as well as GRI 401. Also, we mapped topic 10, Environmental impacts of materials, to GRI 308 instead of GRI 417. In addition to the GRI Topic Specific Standards mapped to the CSR material topics in the table, we report on the following, which we consider fundamental to our social license to operate and to our efforts to be a good corporate citizen - GRI 201: Economic Performance; GRI 203: Indirect Economic Impacts; GRI 206: Anti-competitive Behavior; and GRI 415: Public Policy.

# Stakeholder Engagement

Engaging and collaborating with our stakeholders helps us to address the most relevant sustainability issues for our Company. We regularly consult with our stakeholders, internal and external, to seek their feedback on our performance in the areas where we have the greatest economic, environmental and social impact.

Dialogue with stakeholders across the world provides us with a broad and diverse understanding of their evolving priorities and of issues that are emerging as potential priorities. Ultimately, this helps enable us to deliver products and services that make positive impacts throughout our lines of business.

We identify relevant stakeholders in a variety of ways. Stakeholders impacted by our business and who influence our business – such as customers, stockholders and nonprofit groups – frequently approach us with issues. We also engage stakeholders proactively on matters where we feel we can have significant impact, such as in the health and wellbeing arena, and also on topics where we are aware of evolving societal expectations. We endeavor to engage with stakeholders representing a range of sectors, geographies, organization types and sizes.

In fiscal 2019 the Walgreens External Advisory Council was established to advise Walgreens on issues relating to CSR. The council is made up of a team of experts who have a broad range of knowledge on CSR and health related topics and will help influence and guide Walgreens CSR strategy, identify global megatrends and supply an external view on potential issues and opportunities.

The Council acts as a strategic sounding board and provides guidance on reporting, goal setting, and insight into what is most valued by the financial and investment communities.

The table in this section describes the form and frequency of engagement with key categories of stakeholders during fiscal 2019, their expectations, matters they raised and actions we have taken. The table content reflects stakeholder engagement carried out for preparing the CSR materiality assessment described elsewhere in this report, as well as regular ongoing engagement. Issues brought to our attention by stakeholders are escalated to our CSR Committee.

We maintain an open door at all times for stakeholder feedback on our CSR reporting and strategy. One way to reach us is by email at [CSR@wba.com](mailto:CSR@wba.com).

Stakeholder	Mechanism for engagement	Expectations/issues that arose through engagement	Actions taken
Non-governmental organizations (NGOs)	<ul style="list-style-type: none"> <li>At a minimum, quarterly meetings with key charity partners</li> <li>Formal yearly feedback with key charity partners</li> <li>Regular and ad-hoc meetings, as well as conference participation with NGOs; frequency varies from business to business and from group to group</li> </ul>	<ul style="list-style-type: none"> <li>Consumer health education and marketing</li> <li>Product safety</li> <li>Community engagement and partnerships</li> <li>Product labeling and transparency</li> <li>Cancer cure and prevention</li> </ul>	<ul style="list-style-type: none"> <li>Formed Collaboration for Cancer Prevention, Research and Support with leading cancer organizations</li> <li>WBA joined Global Shea Alliance</li> <li>Boots UK and The Prince's Trust formed partnership on opportunities for young people</li> <li>Continued partnerships with numerous charity organizations and cancer groups</li> <li>Walgreens launched Mental Health First Aid training for pharmacists in partnership with Mental Health America and other groups</li> <li>Boots UK continued dementia awareness and support efforts</li> </ul>
Stockholders, investors, lenders	<ul style="list-style-type: none"> <li>Annual stockholders meeting</li> <li>Frequent dialogue through our investor relations team</li> <li>Participation in three investor conferences during fiscal 2019</li> <li>Annual submission of CDP Climate Change questionnaire</li> </ul>	<ul style="list-style-type: none"> <li>Prescription drug abuse</li> <li>Access to affordable and quality healthcare</li> <li>Tobacco sales</li> <li>Plastics</li> </ul>	<ul style="list-style-type: none"> <li>Published Board Report on Oversight of Risk Related to Opioids, continued expansion of Walgreens opioid abuse prevention programs</li> <li>Ongoing copay support for patients</li> <li>Ongoing medication adherence programs</li> <li>Ongoing disaster response and enhanced preparedness to provide healthcare access</li> <li>Implemented over-21 and card-all tobacco policies in Walgreens stores</li> </ul>

Stakeholder	Mechanism for engagement	Expectations/issues that arose through engagement	Actions taken
Government bodies and agencies	<ul style="list-style-type: none"> <li>Regular meetings with government agencies</li> <li>Weekly or more frequent dialogue with membership associations</li> <li>Consultation responses at national and international levels</li> <li>Quarterly industry panels</li> </ul>	<ul style="list-style-type: none"> <li>Drug pricing/affordability</li> <li>Energy use and climate impacts</li> <li>Packaging</li> <li>Waste management</li> <li>Prescription drug abuse</li> <li>Tobacco sales</li> </ul>	<ul style="list-style-type: none"> <li>Testimony before U.S. Congress, and ongoing advocacy, on drug pricing and other healthcare issues</li> <li>Ongoing advocacy in U.S. on expanded pharmacist roles</li> <li>Continued energy and fuel efficiency investments coordinated with government programs</li> <li>Initial report made to UK Plastics Pact</li> <li>Continued expansion of Walgreens opioid abuse prevention programs</li> <li>Implemented over-21 and card-all tobacco policies in Walgreens stores</li> <li>Walgreens worked with U.S. health agencies on senior fall prevention</li> <li>Boots UK continued work with the National Health Service to shift work into community pharmacies and on digital repeat prescription services</li> </ul>
Internal stakeholders	<ul style="list-style-type: none"> <li>Annual employee performance reviews/appraisals</li> <li>Quarterly and/or annual employee feedback surveys, varies from business to business</li> <li>Ethics, safety, compliance, development and other training - frequency varies from business to business and from role to role</li> <li>Daily Company and business communications through email, intranet and bulletin boards</li> <li>Quarterly town hall meetings with senior leadership</li> </ul>	<ul style="list-style-type: none"> <li>Employee health, safety and wellbeing</li> <li>Employee wages and hiring practices</li> <li>Diversity and inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Implemented new global employee engagement survey</li> <li>U.S. additional behavioral health benefits and chronic illness support</li> <li>U.S. parental leave benefit and other benefit updates</li> <li>WBA diversity and inclusion leadership goal</li> <li>UK gender pay gap, actions taken</li> <li>Walgreens Helping Veterans with Educational and Retail Opportunities (HERO) program launched</li> <li>Walgreens expanded disability employment hiring initiatives</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Annual supplier conferences including annual conference on ethical sourcing with suppliers in Asia</li> <li>Quarterly joint business plans meetings with selected suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Responsible and ethical supply chains</li> <li>Prescription drug abuse</li> <li>Energy use and climate impacts</li> <li>Product safety</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing supplier ethical compliance assessments including engaging with suppliers to improve when issues are detected</li> <li>Implemented new ethical trading standards program in the Goods Not For Resale (GNFR) supply chain</li> <li>Continued partnership on expansion of safe medication disposal kiosks</li> <li>Continued collaboration on beauty and personal care products rating system with The Sustainability Consortium (TSC)</li> <li>WBA participated in first report by the Palm Oil Transparency Coalition (POTC)</li> </ul>
Academics	<ul style="list-style-type: none"> <li>Face-to-face bi-annual meetings</li> <li>Regular guest-speaker slots</li> <li>Presentations at scientific meetings several times a year</li> </ul>	<ul style="list-style-type: none"> <li>Product safety</li> <li>Chemical use and management</li> <li>Responsible and ethical supply chains</li> <li>Consumer health education and marketing</li> <li>Access to affordable and quality healthcare</li> </ul>	<ul style="list-style-type: none"> <li>Updated Chemical Policy Statement and Restricted Substances List</li> <li>Continued mica, talc and other supplier surveys</li> <li>Ongoing promotion of safe medication use and regimen adherence</li> </ul>

Stakeholder	Mechanism for engagement	Expectations/issues that arose through engagement	Actions taken
Communities	<ul style="list-style-type: none"> <li>• Daily, through our retail pharmacies and CSR initiatives</li> <li>• Annual campaigns with charity partners</li> <li>• Daily response to issues raised on social media</li> </ul>	<ul style="list-style-type: none"> <li>• Diversity and inclusion</li> <li>• Prescription drug abuse</li> <li>• Access to affordable and quality healthcare</li> </ul>	<ul style="list-style-type: none"> <li>• Walgreens Helping Veterans with Educational and Retail Opportunities (HERO) program launched</li> <li>• Continued roll-out of unconscious bias training for Walgreens store employees</li> <li>• Continued expansion of Walgreens opioid abuse prevention programs</li> <li>• Ongoing community health events, flu shot vouchers</li> <li>• Ongoing copay support for patients in the U.S., medication discount programs in Chile, new generic products in Mexico</li> <li>• Walgreens expanded disability employment hiring initiatives</li> </ul>

Customers (pharmacy benefit managers (PBMs), pharmacists, consumers, patients)	<ul style="list-style-type: none"> <li>• Always-on Walgreens and Boots UK customer satisfaction surveys</li> <li>• Most weekdays, through our corporate website, business websites</li> <li>• Daily, through social media</li> <li>• Daily, through our retail pharmacies and CSR initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Access to affordable and quality healthcare</li> <li>• Product labeling and transparency</li> <li>• Data privacy and security</li> <li>• Packaging</li> </ul>	<ul style="list-style-type: none"> <li>• Launch of Loop circular economy shopping collaboration pilot</li> <li>• Ongoing copay support for patients</li> <li>• Ongoing community health events, flu shot vouchers</li> <li>• Continuation of HIV testing</li> <li>• Updated Chemical Policy Statement and Restricted Substances List</li> <li>• Package label enhancements (How2Recycle, household cleaner ingredients)</li> <li>• Continued information security efforts</li> </ul>
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Media	<ul style="list-style-type: none"> <li>• Media releases and social media most weekdays</li> <li>• Quarterly streaming of earnings call with analysts; streaming of executive participation in investor conferences</li> <li>• Media interviews on an ad-hoc basis</li> <li>• Submissions for CSR awards and recognition programs</li> <li>• Health education and awareness campaigns on social media</li> </ul>	<ul style="list-style-type: none"> <li>• Consumer health education and marketing</li> <li>• Product safety</li> <li>• Cancer cure and prevention</li> <li>• Plastics, packaging</li> </ul>	<ul style="list-style-type: none"> <li>• Launch of Loop circular economy shopping collaboration pilot</li> <li>• Walgreens Feel More Like You cancer support program launched</li> <li>• Boots UK Macmillan Cancer Support partnership continued</li> <li>• Walgreens Balance Rewards for healthy choices free digital wellness program continued</li> <li>• Boots UK continued dementia awareness and support efforts</li> <li>• Ongoing Walgreens Flu Index and flu marketing campaign</li> <li>• Walgreens launched medication adherence campaign Never Miss a Day</li> <li>• Farmacias Benavides in Mexico media campaign on obesity, social media health education program</li> </ul>
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Peers	<ul style="list-style-type: none"> <li>• Ad-hoc meetings and regular dialogue through membership organizations</li> </ul>	<ul style="list-style-type: none"> <li>• Data privacy and security</li> <li>• Product labeling and transparency</li> </ul>	<ul style="list-style-type: none"> <li>• Continued information security efforts</li> <li>• Continued collaboration with Retail Industry Leaders Association (RILA) Zero Waste Committee</li> <li>• Continued collaboration on beauty and personal care products rating system with TSC</li> <li>• Continued collaboration with suppliers and industry partners through the The Consumer Goods Forum (CGF) Plastics Waste Task Force</li> <li>• Joined the Sustainable Packaging Coalition (SPC)</li> </ul>
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## Memberships and associations

WBA and its businesses participate in a number of non-governmental and advocacy organizations, industry associations, organizations and networks. This collaboration is central to our CSR agenda, as we believe we cannot make meaningful change on our own. Select memberships, participations and associations include:

- American Pharmacists Association
- Beauty and Personal Care Products Sustainability Project (an initiative coordinated by Forum for the Future)
- Beyond 34: Recycling and Recovery for a New Economy
- British Retail Consortium (BRC)
- Business in the Community (BITC)
- Business Roundtable
- The Consumer Goods Forum (CGF)
- CDP (formerly titled Carbon Disclosure Project)
- EuroCommerce
- Global Reporting Initiative (GRI)
- International Federation of Pharmaceutical Wholesalers (IFPW)
- IFPW Foundation
- National Association of Chain Drug Stores (NACDS)
- National Council for Behavioral Health
- American Red Cross
- Retail Industry Leaders Association (RILA)
- Palm Oil Transparency Coalition (POTC) (formerly the Retail Palm Oil Transparency Coalition)
- Roundtable on Sustainable Palm Oil (RSPO)
- Sustainability Accounting Standards Board (SASB)
- The Sustainability Consortium
- Sustainable Packaging Coalition
- United Nations Foundation
- U.S. Chamber of Commerce Foundation

## The Consumer Goods Forum (CGF)

Our Chief Executive Officer, Stefano Pessina, serves on the board of the CGF, a prominent global association of retailers and manufacturers that looks to drive positive change and efficiency around the world for the benefit of both people and the planet, as well as our business.

As a member of the CGF, WBA has pledged to follow the group's resolutions and commitments on health and wellness, ethical supply chains (including modern slavery), food waste, refrigerants and deforestation, among other issues. More information on those resolutions is available on the CGF website at [www.theconsumergoodsforum.com](http://www.theconsumergoodsforum.com). Our response and progress on the refrigerants commitment is on page 43 of this report, and on ethical supply chains is on page 56. In addition, we are actively working with the CGF on the plastics issue and details can be found on page 49 of this report.

WBA also continued its involvement with the Collaboration for Healthier Lives, a CGF initiative to explore ways to help customers shop for healthier products through a series of projects in cities around the world. In Hagerstown, Maryland, Walgreens is one of a number of retailers, manufacturers and local health authorities hosting activities and rewarding customers for activities such as medication adherence, smoking cessation and healthier food choices and exercise.

Boots UK is also involved in the Collaboration for Healthier Lives initiative, along with manufacturers and other retailers, working at improving oral care outcomes and reducing smoking prevalence and helping people stay well, in two pilot locations in the London boroughs of Lambeth and Southwark.

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# Healthy Communities

We engage with communities to improve societal health and wellbeing through:

- Programs and campaigns to improve access to affordable, quality healthcare and awareness about critical health issues
- Efforts to help combat opioid abuse and prevent overdose-related deaths
- Partnerships, particularly aiming to:
  - Help support people living with cancer at every moment of their journey
  - Enable young people across the world achieve their potential



# Access to Affordable and Quality Healthcare

Millions upon millions of people around the world lack access to quality healthcare. In the U.S., home to WBA's largest business, the high cost of care and medications is a top societal concern. Our Company operates in the context of healthcare systems that are often complex, opaque and expensive, as well as deficient in providing essential care and preventing conditions linked to lifestyle or socioeconomic factors. We also operate in markets with large populations of uninsured and underinsured people and within significant healthcare deserts.

**As one of the largest companies in the world dispensing and distributing medications, and through our delivery of other healthcare services, WBA is making an impact in healthcare access and affordability through our business activities, advocacy work and CSR initiatives.**

Retail pharmacies play a critical role in healthcare delivery because we are often the first place a patient goes for treatment or preventive care. With thousands of retail pharmacies in numerous countries, more than 110,000 healthcare service providers among our employees, plus a scope of pharmacy services including retail, specialty, medical facility, mail, online and mobile, we provide a unique resource.

Pharmacists are on the front lines of neighborhood healthcare, playing a bigger role in management of chronic diseases, providing medication management, administering vaccinations, and partnering with health systems to advance health and wellness.

The ultimate purpose of our approach to healthcare accessibility and affordability is to transform areas of healthcare to bring critical services to communities, in person and digitally. Expanded access and price transparency improve adherence to medications and patient outcomes as well as community health resiliency. We see our role as an integral part of the patient's healthcare team and aim to deepen this partnership to improve the patient's health outcomes.

We use market testing of new products and services, utilization, competitive analysis, health outcomes research and customer feedback to evaluate our approach to these issues.



## **WBA works to improve access to affordable and quality healthcare in the following ways:**

- In our business operations, we are increasing services and digitalization, creating neighborhood healthcare destinations, partnering with other businesses on new services, innovations and products available, helping patients find savings digitally and providing trained pharmacists for patient consultations.
- In the U.S., our government relations team advocates for drug price transparency and for passing on savings to patients at the pharmacy counter.
- In our European pharmacy operations, where single-payor systems mean affordability is not as much of an issue, our focus is on increasing access that is convenient to the customer, offering culturally competent care and leveraging the scale of our retail store footprint.
- We are committed to providing quality, affordable healthcare to our employees as well as services to manage their conditions and to improve their health outcomes. Details are included in the Healthy and Inclusive Workplace section of this report.

We continue to develop a comprehensive set of global performance indicators to report our annual progress on these issues. In the meantime, in this report we provide numerous milestones and data on specific healthcare access initiatives.

## Availability of services, innovation to improve access

Patients and customers increasingly demand expanded and convenient pharmacy and healthcare services embedded in communities at a good price point, and expect us to digitalize and innovate in an industry ripe for change.

Our resources and digital tools offer greater convenience, allowing our patients access to pharmacy and healthcare services at the tips of their fingers.

The Walgreens mobile app has more than 55 million downloads and offers digital solutions for patients, including refilling prescriptions and Pharmacy Chat with a pharmacist.

**More than 100,000 patients per month use Pharmacy Chat to get confidential, free expert advice from our pharmacy team, 24/7, 365 days a year.**

[The Walgreens Find Care digital platform](#), available online and through the Walgreens mobile app, makes it easier for customers and patients to connect to a growing selection of healthcare offerings and recognized healthcare providers, including chronic care management, lab, dental, optical and primary and urgent care. Patients can also use various 24/7 telehealth services such as MDLIVE and DermatologistOnCall.

Walgreens Express allows patients to preview their cost, prepay for eligible prescriptions and choose between retail delivery or express pickup in store.

In the UK, community pharmacies such as Boots UK are the biggest healthcare provider in underserved areas. Patients can consult with a pharmacist without an appointment and receive expert advice on clinical conditions and medicines as well as referrals to the appropriate support.

Boots UK works closely with the National Health Service (NHS) to help shift work away from doctors, accident and emergency departments and into the community pharmacy. The goal is to treat patients earlier, before they go into crisis, helping to drive costs down for the entire health system. Examples of Boots UK community pharmacy services that accelerate management of conditions and increase access to care, are a skin scanning service and a cystitis test and treat service.

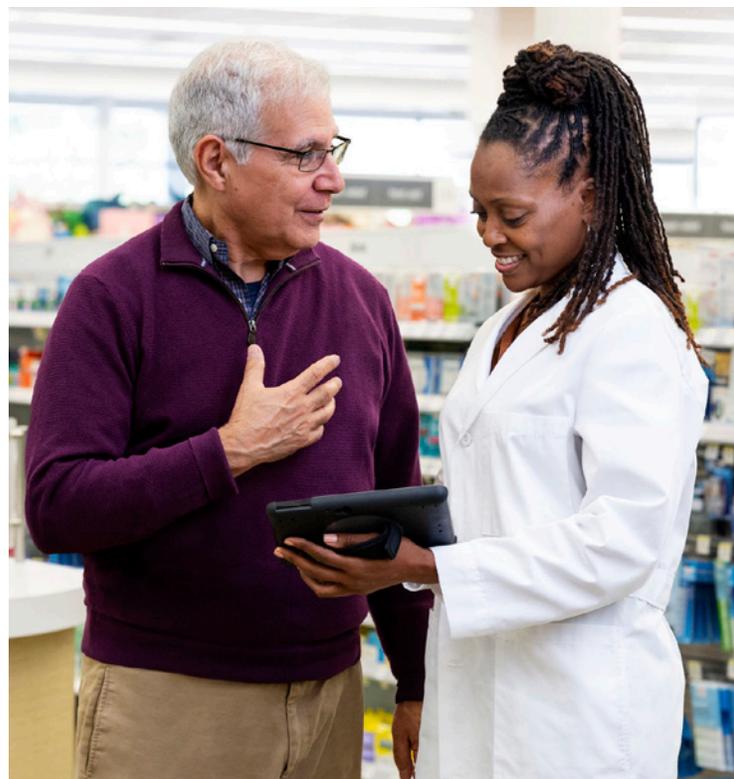
Boots UK is transforming how customers access healthcare by bringing together the convenience of online ordering with the care

of more than 6,300 pharmacists. Working together with NHS Digital and NHS England, Boots has developed a free, online NHS repeat prescription service, available through the Boots app and boots.com. The app has been downloaded around 6 million times and has more than 3 million active users. Over 50 percent<sup>1</sup> of people struggle to make it to the doctor's office or pharmacy to collect a repeat prescription. With the new service, customers can manage their medication routine, allowing mobile ordering and arranging collection from a store or free home delivery.

## Specially trained pharmacists and specialty pharmacies

Walgreens pharmacists provide tailored support to patients by having strong relationships with local physicians and health plans. Our pharmacists come from a variety of different backgrounds and tend to reflect our culturally diverse customer base. We can offer live pharmacy support in up to 220 languages and prescription labels in 14 languages.

Walgreens pharmacists with knowledge and training to help manage chronic diseases and complex conditions including HIV, inflammatory conditions, hepatitis C, oncology, infertility, organ transplant and cystic fibrosis are located at more than 1,000 pharmacies across the U.S. More information about our specially-trained oncology pharmacists in the U.S., the UK and Ireland is provided in the Supporting People Living with Cancer section of this report.



<sup>1</sup>Boots Omnibus Survey of 2000 people, carried out by Censuswide, March 2019. Question referenced: Q3 Do you ever struggle to make it in to a GP or pharmacy to collect the repeat prescriptions?

In addition to the specialized pharmacies mentioned above, which are traditional retail store locations, Walgreens also has more than 300 community-based specialty pharmacies for patients who require specialty medications to treat chronic, complex or rare conditions. There is a Walgreens specialty pharmacy within 25 miles of 65 percent of specialty providers, while HIV specialty pharmacies are located in the communities where there is need.

Walgreens works with the nonprofit Mental Health America to make available to consumers tools and resources, such as free online screenings, to help address the growing need for mental health resources in communities. Additionally, Walgreens, the National Council for Behavioral Health and the American Pharmacists Association developed in fiscal 2019 a Mental Health First Aid training program specifically for pharmacists. Walgreens and the council have also made the training available to hundreds of Walgreens human resources employees.

### Addressing the high cost of care

Affordability is primarily an issue for our U.S. business and for our two Latin American retail pharmacy chains, Farmacias Benavides in Mexico and Farmacias Ahumada in Chile.

In the U.S., Walgreens is committed to partnership and collaboration with others in the pharmaceutical supply chain to help make medications more affordable and accessible. The business works to control healthcare costs in general, trying to be more proactive and taking a more holistic view of the patient. For example, if the patient has diabetes, pharmacists focus on making sure the patient is compliant and looking at barriers for care, including drug prices and managing side effects.

Walgreens specialty pharmacists are trained to provide patients with resources to navigate fundraising and patient assistance programs,

such as Help Hope Live and Good Days. In this way, the business is able to help patients secure assistance for prescription copays, stay on treatment, alleviate financial burden and maintain eligibility for government assistance programs. To help patients pay for medications, Walgreens works with more than 10 programs across multiple conditions, such as Aids Drug Assistance Programs and with local foundations and organizations. In addition, Walgreens pharmacists help point eligible patients to manufacturer copay assistance programs.

Through all of these programs, in fiscal 2019 Walgreens helped approximately 770,000 patients in the U.S. to secure more than \$360 million in copay assistance for prescriptions.

Walgreens has also teamed up with business partners to help provide more affordable solutions for care. For example, through a partnership with pharmaceutical company kaléo, Walgreens became the first retail pharmacy to make available no-cost access to AUVI-Q auto-injectors to patients with commercial insurance or kaléo's patient assistance program.

In Chile and Mexico, where out-of-pocket payments for prescription drugs can present a barrier to care, we operate national pharmacy chains and understand the healthcare operations and limitations.

In Chile, the Ahumada Contigo (Ahumada With You) access program, launched in fiscal 2018 with 250 products, has expanded to include more than 450 products that patients affiliated with the public healthcare system can purchase at significantly lower prices at Farmacias Ahumada.

In Mexico, we launched WBA's high-quality generics brand Almus, with about 250 competitively priced items. While generics are not new to Mexico, Almus provides an international standard of quality.

### Advocacy work on drug pricing transparency

Richard Ashworth, president of operations for Walgreens, testified before the House Energy and Commerce Subcommittee on Health in May 2019. In his testimony, he highlighted Walgreens two guiding principles on drug pricing: drug prices must be transparent as they move through the supply chain and are ultimately dispensed to patients; savings must be passed on to patients to lower their out-of-pocket costs. Ashworth argued that a more transparent, full pass-through approach is necessary to help eliminate the perverse incentives that currently exist in the Medicare Part D program, and advocated for a new data clearinghouse that could help the system achieve full transparency. He also stressed that higher costs are a significant reason patients do not buy and take their medications, which impacts health outcomes.

Walgreens continues to advocate for policies that expand prescribing authority for pharmacists to improve outcomes and increase accessibility to care. This includes the ability to initiate certain prescriptions, conduct point of care testing and provide clinical advice.





LabCorp at Walgreens diagnostic lab testing service is one way we are meeting demand for expanding patient services as part of our healthcare destinations strategy.

## Healthcare access during and after natural disasters

Natural disasters create enormous challenges for patients, especially for the elderly and other vulnerable populations who need to obtain prescription medications. WBA is in a unique position to offer support to those in need of healthcare access before, during and after disasters.

When extreme events such as hurricanes, wild fires and winter storms are forecast, Walgreens strives to make a critical difference in how customers, patients and employees prepare and recover. The Walgreens Security Operations Center and Emergency Operations Center mobilize teams to prepare stores, employees, customers and patients for the storms and anticipate their impact. Through push notifications, texts and social media, Walgreens contacts customers to remind them to secure refills of their prescriptions ahead of the incident and protect their current prescriptions, and pharmacists fill thousands of additional maintenance prescriptions.

When severe weather hits, Walgreens helps support the community by keeping locations open, but only as long as it is safe for employees to do so.

Extensive preparations allow Walgreens to quickly and safely reopen stores, distribution centers and other locations. After disasters, employees go straight to work in their communities to provide on-the-ground support for their neighbors, customers and patients, delivering donated supplies, filling prescriptions, administering

vaccines and setting up mobile pharmacies and remote facilities in shelters. Satellite pharmacies in evacuation areas provide care and medications to people impacted by a disaster. Walgreens provides immunizations for emergency workers and coordinates with the American Red Cross and government agencies to meet community needs.

Patients who are displaced by a disaster can pick up refills at any Walgreens location, helping them to remain adherent to their medication and keep chronic conditions under control.

During fiscal 2019 Walgreens and Duane Reade customers raised more than \$700,000 through in-store collections for American Red Cross disaster relief efforts. In addition to merchandise and service donations, Walgreens provided the American Red Cross with \$200,000.

## Healthcare destinations strategy

We continue to reimagine our pharmacies to be neighborhood health destinations, built around a more modern pharmacy, where customers and patients can receive convenient access to the care they need. To do this, Walgreens is teaming up with U.S. national and regional partners in select locations to provide comprehensive healthcare services that are often integrated with pharmacy operations.

These include the following business partnerships:

- LabCorp at Walgreens patient service centers to address the need and demand for diagnostic lab testing services
- senior-focused primary care centers
- optical and dental services
- nurse practitioner-led retail healthcare clinics for patients with acute medical needs, run by leading health systems

# Health Education and Awareness

As a significant healthcare provider and touchpoint for millions of patients, WBA's businesses are an ideal platform to educate and raise awareness about health issues and conditions.

We see health education and awareness as improving health outcomes by driving medication adherence through our business operations and as partnering with nonprofit groups and government agencies on campaigns to empower patients to take control of their own health, incentivize healthy behavior and to reduce stigma around conditions such as HIV and dementia. These campaigns leverage our pharmacy footprint, trusted brands, one-on-one contact between pharmacists and patients and our growing number of digital tools, which all give us the opportunity to reach people with vital information that can improve individual health and community resiliency.

We continue to develop a comprehensive set of global performance indicators to report our annual progress in the area of health education and awareness. In the meantime, in this report we provide numerous milestones and data that show our progress on a number of initiatives.

## Medication adherence

Medication non-adherence is a widespread problem among Americans taking prescription medications and is a growing concern because of mounting evidence of its prevalence and association with adverse outcomes and higher costs of care. Up to one-half of the 187 million Americans taking prescription drugs do not take their medications as prescribed. According to a study by the New England Healthcare Institute (NEHI), the costs of medication non-adherence are estimated at nearly \$300 billion annually in the U.S., including excess hospitalizations, higher mortality rates, premature death and emergency room visits.

Our pharmacy businesses play a significant role in improving societal health and wellbeing by helping patients adhere to medication regimens and helping to overcome barriers to care such as socio-economic factors, lack of convenience, complexity of medication regimens and concerns about interactions with other drugs and food, unawareness of the risks of skipping medication or unconscious barriers such as forgetfulness. Studies show that pharmacists play a significant role in helping patients overcome these barriers and adhere to their medications.

This is the first time we have discussed medication adherence in our annual CSR Report, after our 2018 CSR materiality assessment showed us that stakeholders expect us to report more completely on healthcare issues.

Three key disease states - diabetes, high cholesterol and hypertension - are a particular focus of Walgreens adherence programs because of the high prevalence of these conditions among Americans. Walgreens leadership at all levels have PDC goals to ensure we are working toward improving outcomes via medication adherence. PDC refers to Proportion of Days Covered, a common measurement for adherence that refers to the percentage of time when a patient has medication available, based on refill records.

Walgreens pharmacists work with physicians, health plans, pharmaceutical companies and patients to remove barriers to taking medications as prescribed. Adherence programs for the most complex treatments and regimens include the availability of phone and in-person consultations to address potential side effects and offer remedies, connecting patients to financial assistance to help ensure they stay on their therapies and providing digital and other solutions including medication synchronization, delivery and education.

Walgreens has continued to deliver new innovations that drive higher adherence performance year over year. Based on EQuIPP data across Medicare, Medicaid and commercial plan members, in the January-June period of 2019, adherence for Walgreens patients on diabetes, hypertension and cholesterol medications was higher than most pharmacies.



WBA health professionals and affiliated health professionals across the world participate in health screening events to help foster education and awareness. "As pharmacists we always get involved to take care of our customers wherever they are. It's important for us to be perceived as healthcare consultants in our communities," said pharmacist Olivia Stoian, of Alphega Pharmacy member Vichi Farm in Romania, shown in the picture.

Technology, analytics and clinical care are key to our adherence work. Analytics help us predict the patients most likely to become non-adherent and identify the best way to reach those individuals to help keep them on track. Technology supports our patients through digital tools and our pharmacists through our adherence clinical platform.

Walgreens has engaged more than 20 million patients using the Walgreens Patient Care Portal, which helps ensure pharmacy employees actively reach out to patients with the appropriate interventions. In addition, the Walgreens Advanced Care Platform applies predictive analytics to identify patients who are at higher risk for non-adherence, allowing holistic intervention to remove adherence barriers and leading to improved patient outcomes. During fiscal 2019 eligible patients included a specific group of UnitedHealthcare patients with diabetes, cholesterol and hypertension.

Walgreens work on adherence is supported by research from the Walgreens Health Analytics Research and Reporting team, which collaborates with academic institutions and scientific researchers on numerous studies, with a goal of helping to improve patient care while lowering healthcare costs.

More than 90 Walgreens outcomes studies can be found on the [Center for Health & Wellbeing Research website](#).

In just one example, our research shows that the pill reminder feature on the Walgreens app increased odds of patients being adherent by 21.9 percent for diabetes patients, 20.8 percent for patients who have hypertension and 14.6 percent for patients who have hyperlipidemia.

We continuously review and update our medication adherence programs based on feedback from customers and our pharmacy staff, our research on health outcomes and our performance on adherence metrics.



These are some of the ways our interventions and services work to improve medication adherence.



**Mobile App**

Walgreens free, five-star-rated mobile app provides access to digital resources such as Rx Alerts that remind patients to fill and pick up prescriptions at the right time.



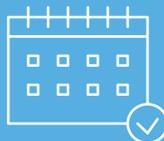
**Save a Trip**

With Walgreens Save a Trip Refills customers can align multiple prescriptions to one date, resulting in fewer trips to the pharmacy. More than 2 million patients are enrolled as of August 31, 2019.



**Medication Adherence**

Pharmacy intervention programs for new-to-therapy patients have demonstrated increases in medication adherence by 3.7 percent over a one-year period.



**90-Day Prescriptions**

With Walgreens assistance, as of August 2019 9.4 million patients had chosen to convert their eligible prescriptions to 90-day refills, which make medications more convenient and drive adherence.



**Walgreens Express**

With Walgreens Express, following a simple process on a mobile device, patients can prepay for their medication and define their next-day delivery or pickup location.

## Health Outcomes Pharmacists

To further drive improved patient outcomes, Walgreens has created a new pharmacist position, the Health Outcomes Pharmacist (HOP). These pharmacists engage with patients to improve adherence and provide better health outcomes. This unique model works to positively influence patient behavior, conduct patient outreach and build on the work of the local pharmacy team to identify gaps in care and barriers to adherence.

Preliminary results from the program showed improved adherence and high patient satisfaction rates. Walgreens is expanding this group of pharmacists due to the impact they are having.

“Empathy is the No. 1 characteristic you have to have in a position like mine. A lot of the patients we speak to are elderly. Some of them are home alone and have no one to talk to, so they are very grateful for our service,” said Florida-based Health Outcomes Pharmacist Felisha Hinds, who speaks by phone with patients who are at a high risk to not adhere to their medication, in order to help them eliminate barriers to adherence.



## Awareness campaigns, community health education and prevention

Our businesses around the world partner with government agencies and nonprofit organizations on awareness campaigns to educate and support patients with preventive health screenings, free flu shots and other services. Here are examples of these activities during fiscal 2019.

### HIV testing

Walgreens and public information campaign Greater Than AIDS joined with health departments, HIV organizations and other community-based organizations to offer free HIV testing at more than 390 Walgreens stores in 246 cities on U.S. National HIV Testing Day, June 27, 2019. This marked the highest number of cities, stores and community partners participating in the event's nine-year history, including in 41 of the 48 counties with the highest number of new HIV diagnoses identified as priorities in the U.S. federal government's Ending the HIV Epidemic plan.

This in-store testing program was launched in 2011 and has grown to be the largest coordinated annual HIV testing event of its kind in the U.S. From 2011-2019, more than 57,000 free HIV tests have been administered through this event and many more people have been reached with information and materials. No appointment is required for the tests and results are provided on-site by trained counselors, who also provide information about PrEP, the pill to prevent HIV, as well as the benefits of early diagnosis and treatment.

### Flu vaccines for veterans

Walgreens continued to collaborate with the U.S. Department of Veterans Affairs to provide greater access to hundreds of thousands of veterans enrolled in Veterans Affairs healthcare by offering free flu vaccines in the communities where they live.

### Flu vouchers

Walgreens continued to collaborate with communities on a flu shot voucher program to help protect uninsured and underinsured people in the U.S. and Puerto Rico from influenza. Customers redeemed more than 105,000 vouchers during fiscal 2019, bringing the accumulated total to more than 1.6 million vouchers redeemed over nine years.

Walgreens has committed to extending this work by donating \$5 million worth of free flu shot vouchers in the United States by 2024.

### Helping to reduce senior falls

For the third consecutive year, during fiscal 2019, Walgreens partnered with the U.S. Centers for Disease Control and Prevention (CDC) and the National Safety Council (NSC) to spread awareness on senior falls, a leading cause of serious injuries. More than 60 percent of Walgreens stores participated in two senior days focused on helping to reduce senior falls. Pharmacists engaged with more than 132,000 senior customers and provided prevention tips and advice, including information to help seniors understand how their medications could impact their risk of falling.

## Emotional wellbeing and children

In April 2019 Boots UK announced a new initiative, A Million & Me, in partnership with BBC Children in Need, which aims to support children 8 to 13 years old with their emotional wellbeing. More than 20,000 Boots UK employees have completed an e-learning module co-created with the YoungMinds charity to encourage customers as parents and carers to have positive conversations with their children about mental wellbeing.

## Dementia Friends

Boots UK and Boots Opticians engage in ongoing work to increase awareness among employees and customers about dementia and to provide support for people living with or affected by dementia. Boots has helped to create more than 50,000 Dementia Friends - people with an understanding of what it can be like to live with dementia - in the UK.

Boots UK has worked with Dementia Friends - an Alzheimer's Society initiative to change people's perceptions and understanding of dementia - since 2014. There is at least one Dementia Friend in every Boots store in the United Kingdom, and they identify themselves by wearing a Dementia Friends badge, to help everyone who shops at Boots stores feel safe, calm and comfortable.

## Farmacias Benavides health education campaigns

Farmacias Benavides raised awareness about child obesity in Mexico with a campaign highlighting the link between liver problems and obesity. The Circulo Benavides cycle of free conferences conducted Facebook Live events featuring prominent specialists in dermatology, psychology and gynecology providing relevant and accessible health education to Mexican families.

## Community health fairs

Walgreens stores sponsored more than 1,800 health events and health fairs in local communities during fiscal 2019. Participation in these events is an opportunity for Walgreens employees to give back and to engage with communities on healthcare issues by volunteering to provide flu clinics, diabetes screening and information on opioid safety and drug takeback.

## Smoking cessation

Outside of North America, WBA's pharmacy businesses do not sell tobacco products. In the U.S., Walgreens takes the matter of tobacco sales to minors very seriously and has worked with the Food and Drug Administration (FDA) to take a number of steps to help address it. Walgreens implemented a new, chain-wide policy requiring customers to be at least 21 years old in order to purchase tobacco products in its stores, effective September 1, 2019.

Walgreens has a zero-tolerance policy prohibiting the sale of tobacco products to those under 21 and any employee violating the policy is subject to immediate termination. Age verification is required from anyone purchasing these products, regardless of age, in all of our stores throughout the United States. We have implemented additional training for store employees regarding the policy and have added signage to stores notifying customers of the policy.

After the end of the fiscal year, in October 2019, Walgreens announced it had made the decision to stop selling e-cigarette products at all of its stores as health officials and government bodies examine the issue. The decision also reflected developing regulations in a growing number of U.S. states and municipalities.

Walgreens is committed to having pharmacy play a role in helping people quit tobacco. Walgreens pharmacists and technicians are trained to support a patient's attempt to quit. The business also offers digital support tools, prescription and over-the-counter products and an incentive program through the Balance Rewards for healthy choices (BRhc) platform. In fiscal 2019 we saw an increase in our sales of smoking cessation products in our stores, compared with fiscal 2018.

Since its inception in October 2015 and as of August 31, 2019, the Walgreens [quit smoking page](#) has received more than 310,000 visits.





# Case Study: Balance Rewards for Healthy Choices

We are dedicated to helping people lead healthier lives through digital innovations. Our programs in this area are good for business, people and communities.

Walgreens free digital wellness program, Balance Rewards for healthy choices (BRhc), has amassed more than 850,000 active members since it launched in 2012. Numerous studies show improved behavioral health outcomes for program participants.

BRhc, which is part of Walgreens Balance Rewards customer loyalty program, enables customers to earn points for their healthy actions.

Participants have the option to log their physical activity, self-monitor glucose and blood pressure and track other behaviors, earning points toward goals they have set and saving money on their Walgreens purchases. Participants can link their digital devices to BRhc through the Walgreens app on their iPhone or Android phones, or through various apps such as Fitbit, Google Fit and Apple Health - with more than 3 million devices connected over the lifetime of the program.

## Societal impact

Peer-reviewed studies showed significant associations between BRhc membership and certain healthy habits, like getting flu shots and medication adherence. Research shows that participants are motivated by the program to engage in healthy behaviors:

- People who use BRhc are more likely to adhere to medications, which is critical to managing medical conditions and maintaining long-term health and wellbeing.<sup>2</sup>
- Seniors who use BRhc are more likely to get flu shots, which can reduce health risks associated with the flu.<sup>3</sup>
- Participants tracking physical activity with the program averaged 3.7 miles per day.<sup>4</sup>

<sup>1</sup> ©2019, Fortune Media IP Limited. Used under license.

<sup>2</sup> The association between medication self-monitoring using an incentivized digital health program and claims-based medication adherence. Presented at the International Society for Pharmacoeconomics and Outcomes Research (ISPOR) May 2018, Baltimore, MD.

<sup>3</sup> The association between participation in a community pharmacy's digital health program and flu vaccination rates. Presented at the Academy Health Annual Research Meeting; Boston, MA; June 2016.

<sup>4</sup> Physical activity trends of adults with chronic conditions participating in a digital health program. Presented at the Society of Behavioral Medicine Annual Meeting and Scientific Sessions, April 2018, New Orleans.

## FORTUNE magazine Change the World recognition

BRhc landed Walgreens on FORTUNE<sup>1</sup> magazine's 2019 Change the World list, in the number 13 spot. The annual list highlights companies that leverage their businesses to drive profit and to create societal good.

# Opioid Abuse Prevention

Opioid abuse is devastating families and entire communities in the United States, and the number of those impacted continues to grow. According to the CDC, in 2017, an average of more than 130 people in the U.S. died each day as a result of drug overdoses involving opioids.

Our stakeholders expect us to play a significant role in helping to resolve this issue, given our influence as a leader in the retail pharmacy industry, our scale of operations and our reach into local communities. Walgreens is focused on collaborative solutions to the U.S. opioid epidemic, working with government agencies and business partners on drug takeback initiatives and engaging with lawmakers on e-prescriptions and other initiatives.

The WBA Board of Directors cares deeply about the devastating impact of the opioid epidemic and is committed to transparency and engagement on the issue with all stakeholders. In 2019, we published a [Board Report on Oversight of Risk Related to Opioids](#), discussing the Board's oversight of the Company's management of risks related to the dispensing of prescription opioid medication and our ongoing, expanding, multi-million dollar effort to help combat overdose-related deaths.

We continue to work with U.S. regulators to make naloxone, a lifesaving opioid overdose antidote, available nationwide without requiring a patient-specific prescription. As of the end of fiscal 2019, naloxone was available without a prescription at all U.S. and Puerto Rico Walgreens pharmacies. We also support CDC recommendations by educating patients about naloxone when they are dispensed high doses of certain prescription opioids and may be at risk of accidental overdose.

Walgreens has continued to enlarge its Safe Medication Disposal Program. During fiscal 2019 Walgreens installed more than 300 safe medication disposal kiosks at its retail pharmacies, reaching a total of nearly 1,500 kiosks, in line with its previously stated goal. The kiosks can be found in retail pharmacies in 46 states and the District of Columbia, and are designed for safe and convenient disposal of unwanted, unused or expired medications. Between May 2016, when the program launched, and August 31, 2019, Walgreens had collected and safely disposed of more than 885 tons (800 metric tonnes) of unwanted prescriptions. Approximately 475 tons (430 metric tonnes) were collected during fiscal 2019. For Walgreens stores that do not have a kiosk, the business makes available take-home safe medication disposal kits at no charge.



During fiscal year 2019, Walgreens again participated in National Prescription Drug Take Back Days sponsored by the U.S. Drug Enforcement Administration.

Walgreens is in the process of investing over \$20 million to install reinforced steel time-delay safes in all U.S. pharmacies. The safes help to combat burglaries and deter armed robberies of opioids and other controlled substance medications. As of August 2019, these safes were used in approximately 7,800 of our pharmacies in 48 states and the District of Columbia.

We have worked with hundreds of government representatives at local, state and federal levels and interacted with numerous government agencies, research organizations and other groups - including industry stakeholders such as the National Association of Chain Drug Stores (NACDS) - to drive and influence legislation related to prescription opioids. Among solutions we support are mandatory e-prescriptions, especially for prescription opioids, which can enhance security and curb fraud, waste and abuse; a nationwide prescription drug monitoring program (PDMP); and seven-day supply limits for acute prescription opioid prescribing.

# Partnerships for Good

Through long-term collaborations with community and charity partners - some of them ongoing for more than a decade - we have had a profound impact on the health and wellbeing of millions of people. We engage with organizations that provide healthcare services at national and international levels, including in developing countries. In this way we amplify our work on healthcare access and education, two of our highest priority CSR topics. Through these partnerships we tackle important health issues including malnutrition, disease prevention and cancer research, prevention and support as well as empowering youth.



# Supporting People Living with Cancer

In 2018, 17 million new cases of cancer were diagnosed worldwide. As more cancer treatments are taken orally through medication, our pharmacists and healthcare professionals are uniquely positioned to provide caring, expert advice to people living with cancer. WBA focuses on three priorities aimed at creating innovative and meaningful support for cancer patients and loved ones: assisting people living with cancer, working with organizations that advance research, and supporting prevention programs. Areas of our business have also fundraised millions in support of cancer organizations.

In April 2019, the Company launched the Collaboration for Cancer Prevention, Research and Support, a transatlantic charitable partnership to support people living with cancer with Macmillan Cancer Support, Susan G. Komen and the European Organisation for Research and Treatment of Cancer (EORTC). These cancer organizations - later joined by The Leukemia & Lymphoma Society (LLS) - and WBA have agreed to collaborate on initiatives to develop and support innovative cancer research infrastructure and to share best practices in patient care.

After the end of the fiscal year, in October 2019, Walgreens announced a new collaboration with Susan G. Komen and LLS. The effort will enable research in tough-to-treat cancers and increase access to care, with a Walgreens pledge to contribute more than \$25 million to the organizations, collectively, over a five-year period. Through a combination of corporate donations and in-store fundraising, the commitment will support new research in metastatic

breast and pediatric blood cancers, as well as increase access, treatment and support services for those living with these diseases.

## Feel More Like You

In collaboration with leading cancer support groups Look Good Feel Better and the Cancer Support Community, Walgreens launched Feel More Like You in the U.S. The program is the first of its kind from a U.S. pharmacy, health and beauty retailer to integrate personalized oncology clinical care from pharmacists with beauty support services from specially trained beauty consultants. Pharmacists and beauty consultants underwent personalized cancer care and empathy training to best support patients in their fight against cancer.

Feel More Like You is designed to help people with cancer manage the physical and emotional side effects of cancer and its treatments. The program is available at no cost through more than 3,000 Walgreens stores. As of August 31, 2019, Walgreens pharmacists and beauty consultants had conducted more than 17,200 consultations through the program.

Patients and caregivers have shared numerous stories of how the program has made a difference in their lives. Walgreens has also received direct consumer inquiries from female cancer patients interested in being part of the campaign and expressing gratitude toward Walgreens for the program.

## Boots UK and Boots Macmillan Cancer Support

Now in the 10th year of their partnership, Boots UK and Macmillan Cancer Support continue to work together to provide expertise, information and support to those living with or affected by cancer. The organizations marked this milestone year by further developing the Boots Macmillan Information Pharmacist (BMIP) and Boots Macmillan Beauty Advisor (BMBA) roles, including through new training resources. These roles offer in-store support for people with cancer on how to manage the effects of cancer and its treatments. As of August 31, 2019, there were more than 2,000 BMIPs and close to 1,200 BMBAs. Together, they delivered a combined estimate of 146,000 conversations and consultations with people living with or affected by cancer during fiscal 2019.

In 2019, the Boots UK and Macmillan Cancer Support partnership was voted Most Admired Corporate-NGO Partnership by the C&E Barometer, a survey conducted among leading global companies and nonprofits. It was also recognized with an award by CIPD, a human resources professional organization, for the Best Skills-Based Volunteering Initiative.

## Walgreens and LLS blood cancer training program

Since 2016, Walgreens and LLS have partnered to equip pharmacists with the education and expertise to support patients with blood cancers, such as multiple myeloma, lymphomas and leukemias. Through the partnership, Walgreens pharmacies have implemented LLS pharmacist training to help patients manage side effects and adhere to medications. More than 75 pharmacies have become LLS-certified blood cancer pharmacies.

## Boots and the Irish Cancer Society

Boots Ireland has partnered with the Irish Cancer Society since 2012 to deliver best-in-class cancer support, establishing Boots Irish Cancer Society Information Pharmacists and Boots Cancer Beauty Advisors to support people living with cancer. In fiscal 2019, Boots extended support to the Irish Cancer Society for a second year and served as the main sponsor for Daffodil Day, the society's largest national fundraising event. Boots Ireland employees have raised more than €1.7 million (\$1.9 million) since 2012, equating to more than 5,000 nights of care for the Night Nursing service, which provides up to 10 nights of free end-of-life care to patients. Boots Ireland was awarded the Excellence in Community Award - Partnership with a Charity MNC (Multi-National Company) for its collaboration with the Irish Cancer Society, and Outstanding Achievement in CSR 2019, at the 2019 Chambers Ireland CSR Awards.

## Advancing research with the EORTC

A second five-year agreement between WBA and the European Organisation for Research and Treatment of Cancer (EORTC) was established in fiscal 2019. Through the agreement, the two organizations are working to expand SPECTA (Screening Patients for Efficient Clinical Trial Access) to address all types of cancer in adults and young adolescents. SPECTA is recognized as one of the leading infrastructures for clinical cancer research in Europe and has served as a platform for research in rare solid cancers in adults. Some SPECTA projects are supported by the European Union. By the end of 2020, the SPECTA platform is expected to be working with 254 doctors in more than 180 hospitals in 21 European countries. In the current phase of the partnership, WBA has committed to raising €5 million by 2023 to support better treatment and quality of life for people with cancer.



In 2019, the Boots UK and Macmillan Cancer Support partnership was voted Most Admired Corporate-NGO Partnership by the C&E Barometer.

## Raising awareness with The Skin Cancer Foundation

For the second consecutive year, Walgreens collaborated with The Skin Cancer Foundation on its Destination: Healthy Skin tour to offer free skin cancer screenings in cities around the U.S. The national, mobile education program featured a customized bus with two private exam rooms where local dermatologists volunteered to provide screenings to the public.

A new addition to the program in fiscal 2019 was the opportunity for attendees to receive a high-tech facial image scan to examine

sub-surface sun damage. This exclusive camera technology helped to reveal the cumulative effect of sun exposure and provided visual proof of the importance of consistent sun protection. The bus visited 18 cities across the country, hosting 35 events where more than 1,800 people received a free, full-body skin health check by licensed dermatologists. Walgreens beauty consultants were also on-site to distribute sunscreen samples, educate visitors on the importance of sun protection and provide tips for staying safe in the sun to more than 7,000 attendees over the course of the tour.

## Fundraising

During fiscal 2019, across WBA's global businesses, employees engaged in raising money to support cancer charities.

### Rosa Fuerte road race

For the sixth consecutive year, our Mexican retail pharmacy business Farmacias Benavides held the Rosa Fuerte road race to raise donations for Fundación Alma, an organization that supports women diagnosed with, or who are survivors of, breast cancer. The foundation provides funding for uninsured or underinsured women who need reconstructive surgery, prosthetics, psychological assistance or other aid. Between the race and a campaign for donations in stores, Farmacias Benavides raised approximately 1 million Mexican pesos (\$52,000) for Fundación Alma in fiscal 2019.



### Kilometers for Cancer

In fiscal 2019, employees across six WBA businesses ran, walked, skied and cycled approximately 700,000 kilometers (430,000 miles) and raised \$65,000 for various cancer charities.

### LLS Light The Night

Nearly 2,500 Walgreens stores participated in fundraising efforts in support of LLS during fiscal 2019, and Walgreens teams attended approximately 100 Light The Night Walks, together raising more than \$1.1 million. All money raised through Light The Night funds LLS lifesaving research initiatives and support services for blood cancer patients in communities across the U.S.





Focus on:

# Specially-Trained Pharmacists and Beauty Consultants

Our pharmacies around the world are a trusted resource for cancer patients seeking support during their treatment or answers about side effects of medications. Our specially-trained pharmacists and beauty consultants have the expertise and compassion allowing them to connect with patients, family members and caregivers. Through this specialized training, we have expanded our cancer care beyond the physical wellbeing of patients to also address the significant emotional impacts of cancer. At the same time, our employees have gained confidence and even greater sense of purpose in their daily work.



"I am very proud to be a Boots Irish Cancer Society Information Pharmacist. For me, it is about improving the lives of people affected by cancer. Watching a loved one go through cancer is difficult. Caregivers need access to information to help support their loved ones through their journey, from the emotional effects to dealing with the physical changes caused by cancer."

**Caoimhe Agnew**, Boots Irish Cancer Society Information Pharmacist, Boots Ireland



"Over time, I've seen the role of the pharmacist evolve. We have moved away from dispensing medications to playing an integral role in a patient's care team. With Walgreens being at the heart of hundreds of communities, we can positively affect people's lives every day."

**Ben Beshalske**, community-based specialty pharmacist, Walgreens



"It is a privilege to be a pharmacist, and particularly a Boots Macmillan Information Pharmacist. I have worked across wide demographic boundaries and been given the opportunity to connect with my community, and know that in just some small way myself and my team have been able to make a big difference to people's lives."

**Graham Pickup**, Boots Macmillan Information Pharmacist, Boots UK



"The Feel More Like You program is so much deeper than just makeup or my expertise. I truly feel like I am making a difference."

**Ilene Giles**, beauty consultant, Walgreens



GRI Disclosures 103-2, 103-3, 203-1, 413-1

# Empowering Young People

Through charitable partnerships around the world, WBA empowers young people to reach their potential and step up as leaders in their communities. We support programs that directly impact youth, work with partners to create new programs and raise funds for organizations with demonstrated track records of impact.

The aim of our charitable partnerships is to lead by example and be a catalyst and facilitator for others to do good. To maximize our impact on society, we have established and support initiatives that customers and employees can join. These initiatives generate enthusiasm that builds customer loyalty and increases employee satisfaction and engagement.

**1 BBC Children in Need** Boots UK teamed up with BBC Children in Need in fiscal 2019 to address children’s mental wellbeing. For more information see page 28. In addition, Boots UK and Boots Opticians customers and employees raised more than £1.1 million (\$1.4 million) for BBC Children in Need’s annual campaign, bringing the total to £12.7 million (\$20.0 million) raised over 15 years to support projects across the UK that focus on disadvantaged children and young people.

**2 Red Nose Day** During fiscal 2019, Walgreens raised more than \$28 million through customer purchases of Red Noses, and customer, employee and supplier contributions. Since 2015 Walgreens has raised more than \$100 million for Red Nose Day, supporting programs that provide health and other services to children in need in the U.S. and around the world.

**3 WE Charity and ME to WE** In fiscal 2019, Walgreens sold more than 800,000 ME to WE products, generating more than \$194,000 to support WE programs. Walgreens and ME to WE Foundation launched a new initiative called WE Teachers, which provides America’s educators with free resources to help them and their students succeed in the classroom. WE Teachers includes free online teacher training on issues such

as bullying and mental health, and WE Teachers awards, where consumers nominate deserving educators to receive \$500 Walgreens gift cards toward the purchase of school supplies. Across WBA, the Company also continued its sponsorship of WE Day youth celebrations in the UK and U.S., which have reached some 319,000 youth and educators since 2014.

**4 Vitamin Angels** Walgreens and nonprofit Vitamin Angels have supported more than 200 million women and children in the U.S. and around the world through their six-year partnership to improve child and maternal health.

**5 Get a Shot. Give a Shot.** Walgreens and the United Nations (UN) Foundation’s Shot@Life campaign collaborate to provide vaccines globally. Over six years, Walgreens has helped to provide more than 50 million lifesaving polio and measles vaccines to children in developing countries by making a donation to the UN Foundation for every immunization shot administered.

In fiscal 2019 Walgreens committed to continuing the Get a Shot. Give a Shot. program and to help provide 50 million additional immunizations for children in developing countries by 2024, to bring the total since 2013 to 100 million.

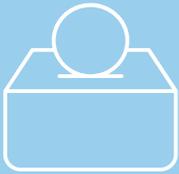
# Giving Back: Corporate Donations and Supporting Causes

WBA and its businesses build trust and support their reputations through investment in the communities where we are proud to operate. We make direct cash and non-cash donations to local, national and international charities. We are mainly focused on making a difference by donating to organizations with health programs, in line with our core business and with our health-centered CSR strategy. We also give to organizations that work on social welfare and education issues.

There are strong processes and policies across the Company to thoughtfully manage community investments, with an aim to maximize impact. Walgreens, for example, uses a community investment management system that aims to ensure best practices, transparency, alignment with business units, compliance and consistent reporting across the organization.

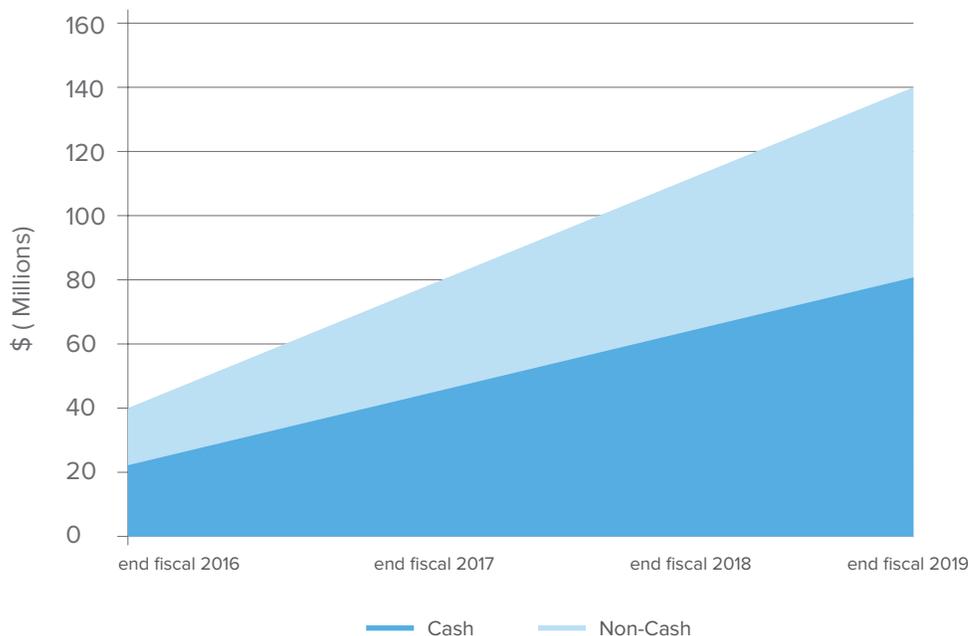
Many of our employees generously volunteer their time for our charity efforts and other causes, showing commitment and dedication that is truly humbling. Our employees reported more than 228,000 volunteer hours for fiscal 2019.

As shown in the charts in this section, in fiscal 2019 the Company's direct contributions totaled \$33.3 million. Our accumulated giving for the four-year period from fiscal 2016, the first year that WBA collected Company-wide data, through fiscal 2019 totaled \$138.6 million. [Additional corporate giving data is available in the CSR section of our website.](#)



**\$33.3 million**  
direct contributions  
in fiscal 2019<sup>1</sup>

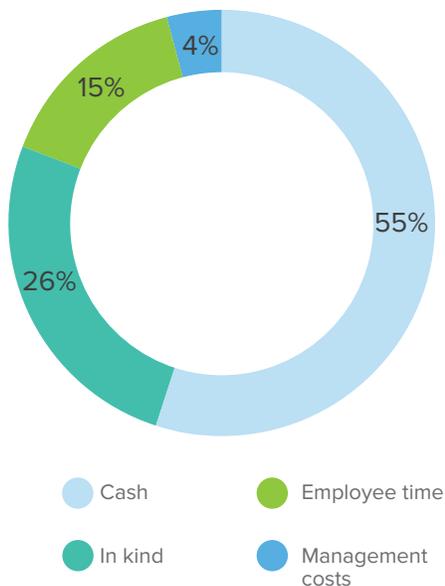
Corporate giving - cumulative since fiscal 2016<sup>2</sup>



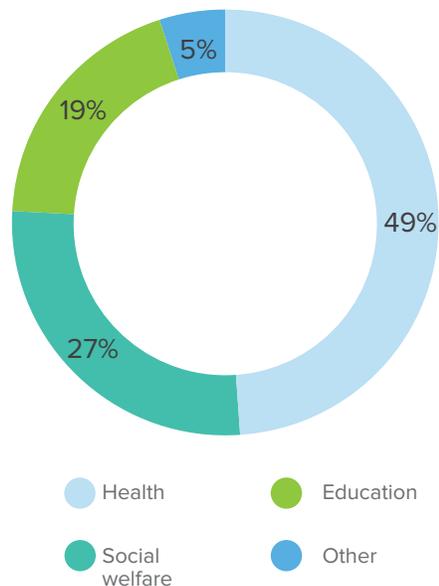
<sup>1</sup> Fiscal 2019 data within Deloitte & Touche LLP's review scope as detailed on pages 85-86.

<sup>2</sup> Fiscal 2019 includes for the first time Walgreens employee volunteering hours for activities that do not involve fundraising.

### How the Company contributed in fiscal 2019<sup>1</sup>



### Areas impacted by the Company's fiscal 2019 contributions<sup>1</sup>



<sup>1</sup> Fiscal 2019 data within Deloitte & Touche LLP's review scope as detailed on pages 85-86.

## Supporting causes

WBA seeks to boost shared value through ongoing campaigns linked to our strategic societal priorities of improving access to healthcare, supporting people living with cancer, empowering young people and community engagement. We team up with partners for these campaigns, in ongoing, collaborative relationships that in some cases have lasted for more than a decade. Through these efforts we aim to differentiate our commercial offer, generate customer loyalty, empower customers to give back, energize employees and help to improve the health and wellbeing of millions of children and adults across the world.

The Supporting People Living with Cancer and Empowering Young People sections of this report contain details of these ongoing efforts.

Across the world, our businesses participate in numerous campaigns to support organizations and charities in their markets. Below are details on amounts raised during fiscal 2019 through some of our most significant campaigns.

<b>Red Nose Day</b> \$28 million	<b>LLS Light The Night Walks</b> \$2.7 million	<b>Vitamin Angels quarter drive</b> \$1.6 million
<b>European Organisation for Research and Treatment of Cancer (EORTC)</b> €1.7 million (\$1.9 million)	<b>Macmillan Cancer Support</b> £1 million (\$1.3 million)	<b>BBC Children in Need</b> £1.1 million (\$1.4 million)
<b>American Red Cross</b> \$700,000	<b>Rosa Fuerte</b> 1 million Mexican pesos (\$52,000)	<b>Kilometers for Cancer</b> \$65,000



GRI Disclosures 103-2

# Healthy Planet

We are determined to protect the planet through programs in our operations and by engaging suppliers on environmental issues. We are committed to:

- Reduce energy consumption and emissions
- Reduce waste, increasing re-use and recycling and collaborating to help create an increasingly circular economy
- Reduce the negative impacts of plastics in our owned brand products



The photo on this page shows beehives on a rooftop at WBA global headquarters in Deerfield, Illinois. This initiative, supported by urban beekeeping specialists Alvéole, helps sustain local pollinator populations and sparks employee engagement on environmental issues.



GRI Disclosures 103-1, 103-2, 103-3, 302-1, 302-2, 302-4, 305-1, 305-2, 305-3

# Energy

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 fiscal 2019 WBA’s total carbon footprint was 2.1 million metric tonnes of CO<sub>2</sub>e (carbon dioxide equivalent), up 0.6 percent from fiscal 2018, due to the inclusion of acquired Rite Aid stores in the U.S. in fiscal 2019’s data. Excluding the impact of these, the carbon footprint decreased.

Of those emissions, 85 percent were from energy, 91 percent of which was electricity and 8 percent natural gas; 13 percent were from product delivery; and the remaining 2 percent from business travel.

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 emissions from energy, excluding acquired Rite Aid stores, decreased by 7 percent in fiscal 2019 compared with the previous year. That decrease was mainly driven by continued energy efficiency investment in the U.S. and the UK, as detailed in the progress chart in this section.

WBA received a score of B on its climate change disclosure to CDP for fiscal 2018, an improvement over its previous score. CDP submissions in the climate category are rated on a scale of A to D- for completeness, assessment of environmental issues and risks and the extent to which a company has implemented actions, policies and strategies to address these.

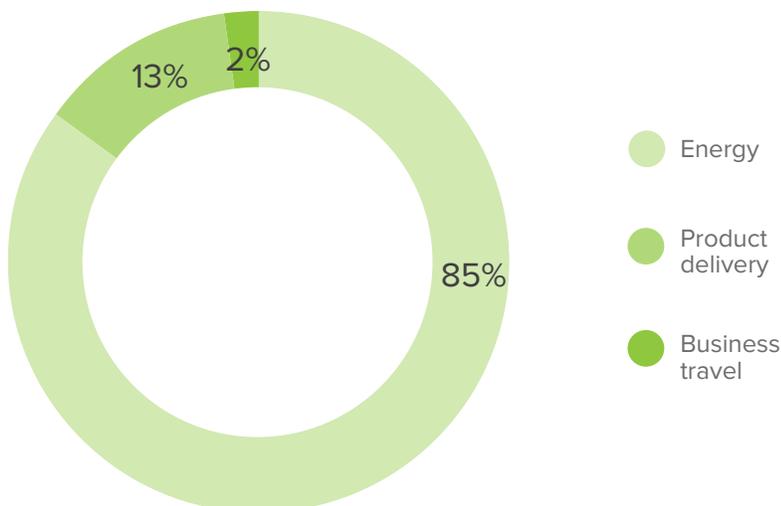
The tables and charts in this section show details of our emissions data. [Additional details are available in the CSR section of our website.](#)

**Total Company CO<sub>2</sub>e emissions, by source<sup>1</sup>** (000 metric tonnes)

	Fiscal 2019	Fiscal 2018	Year-over-year change (%)
Energy	1,818	1,800	+1.0
Product delivery	271	273	-0.7
Business travel	52	56	-7.1
	<b>2,141</b>	<b>2,129</b>	<b>+0.6</b>

<sup>1</sup> Fiscal 2019 data within Deloitte & Touche LLP’s review scope as detailed on pages 85-86.

CO<sub>2</sub>e emissions by source fiscal 2019<sup>1</sup>



CO<sub>2</sub>e emissions from energy, by type<sup>1</sup> (000 metric tonnes)

	Fiscal 2019	Fiscal 2018	Year-over-year change (%)
Electricity	1,666	1,662	+0.2
Gas	140	122	+14.8
Other	12	16	-25.0
	<b>1,818</b>	<b>1,800</b>	<b>+1.0</b>

<sup>1</sup> Fiscal 2019 data within Deloitte & Touche LLP's review scope as detailed on pages 85-86.

Hector Gutierrez, procurement manager, operations and categories, at Farmacias Benavides, volunteered to plant trees as part of a corporate responsibility activity to help reduce carbon emissions in Monterrey, Mexico. "This was a real way I can help the environment, trying to reduce the increasing air pollution problem and deforestation, instead of just complaining on social media. Planting trees helps build recreational areas and parks, places where neighbors can come together. It's also important because it teaches my kids the importance of trees and the environment."



CO<sub>2</sub>e emissions by scope<sup>1,2</sup> (000 metric tonnes)

	Fiscal 2019	Fiscal 2018	Year-over-year change (%)
Scope 1 emissions	389	370	+5.1
Scope 2 emissions	1,645	1,639	+0.4
Scope 3 emissions	107	120	-10.8
	<b>2,141</b>	<b>2,129</b>	<b>+0.6</b>

CO<sub>2</sub>e emissions from business travel per 1000 employees, by Division and for the Company<sup>1</sup> (metric tonnes)

	Fiscal 2019	Fiscal 2018 <sup>3</sup>	Year-over-year change (%)
Retail Pharmacy USA	108	117	-7.7
Retail Pharmacy International	196	223	-12.1
Pharmaceutical Wholesale	405	448	-9.6
WBA	<b>153</b>	<b>171</b>	<b>-10.5</b>

<sup>1</sup> Fiscal 2019 data within Deloitte & Touche LLP's review scope as detailed on pages 85-86.

<sup>2</sup> Scope 1 emissions are those generated directly from sources owned or controlled by the Company, including those resulting from heat and electricity produced by our on-site plant in Beeston, Nottingham, UK except for the portion sold to third parties or to the grid, which was 32,000 metric tonnes in fiscal 2019 and 31,000 metric tonnes in fiscal 2018. Scope 2 emissions are those generated by purchased electricity, heat and steam consumed by the Company. Scope 2 emissions calculated using a market-based method were 1,575,000 metric tonnes in fiscal 2019 and 1,558,000 metric tonnes in fiscal 2018. Scope 3 indirect emissions are a consequence of Company activities but occur from sources not owned or controlled by the Company. WBA currently reports on business travel and downstream transportation and distribution Scope 3 emissions.

<sup>3</sup> We previously reported 106 metric tonnes and 160 metric tonnes of CO<sub>2</sub>e emissions from business travel per thousand employees for Retail Pharmacy USA and for the Company respectively for fiscal 2018. The relevant figures have been restated to reflect more accurate data.

## Managing energy use

To reduce energy consumption, Walgreens and Boots UK forecast and manage energy across their real estate and fleets with monthly and yearly reports. The Company's businesses invest in energy efficient lighting, heating, ventilation and air conditioning (HVAC) units and refrigerators, engage and educate employees around energy consumption, invest in photovoltaic systems, use alternative energy management programs and participate in demand-response curtailment programs during peak periods.

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.



**\$169M+** Boots UK and Walgreens investment in energy efficiency  
In fiscal 2019

## Renewable Energy

Business	Renewable energy initiatives
Businesses in Norway and Spain	Certified for purchasing 100% renewable energy for electricity
Businesses in the Republic of Ireland and the UK	With few exceptions the electricity that these businesses purchase directly through the utility grid is certified as renewable
Walgreens	Generated 17,000+ MWh of electricity through rooftop solar panels during fiscal 2019 at 240+ U.S. locations
Across WBA	7 percent of energy consumed during fiscal 2019 was from renewable sources

## Energy efficiency progress

Program, campaign or recognition	Details	
<b>Walgreens</b>	U.S. Department of Energy (DOE) Better Buildings Challenge - commitment to reduce energy intensity 20% by 2020 across 100M square feet, from fiscal 2011	16% reduction as of August 31, 2019, equivalent to 80% completion of the goal
	Investment in fiscal 2019	\$146M: HVAC units and LED interior lighting retrofits across nearly 2,000 stores Energy saving per store: 45-50%
	DOE Advanced Roof Top Unit (RTU) Campaign recognition. Walgreens achieved the greatest number of high-efficiency RTU installations and advanced RTU control retrofits for a large portfolio owner	Installed 4,300+ RTUs with high-efficiency units and controls; annual energy savings of 39M+ kWh
	DOE Interior Lighting Campaigns recognition. Walgreens awarded for: largest number of facility projects and largest portfolio-wide annual absolute energy savings.	1,200 stores retrofitted with sustainable lighting technology from January 2018-August 2019; 71M+ kWh savings
	Next steps, wireless lighting control systems in stores, installation began in fiscal 2019	Delivering more savings, providing additional 25% reduction in energy use
<b>Boots UK</b>	Investment in fiscal 2019	£18M (\$23M) to continue minimizing carbon footprint
	Recognition at Energy Institute Awards in London - for demonstrating leading work in helping to reduce energy usage	Winner in Energy Management category
	Expanded chiller doors project	As of August 31, 2019, doors installed on refrigerated cabinets containing self-service food products in more than 340 stores resulting in ~40% lower energy use, decrease in chiller breakdowns and reduction in food waste

## Ultra-low refrigerants progress

As a member of The Consumer Goods Forum (CGF), our Company continues to work to deliver on its commitment to phase down Global Warming Potential (GWP) gases by using exclusively natural or ultra-low refrigerants by 2025. As part of that commitment, we also work to minimize the total equivalent warming impact (TEWI) of new refrigeration systems by using lower GWP refrigerant gases, improving energy efficiency, optimizing refrigerant charge sizes, minimizing refrigerant leaks and investing in replacement of units that are approaching or beyond useful life. Boots UK and Walgreens have established TEWI baselines for HVAC and refrigeration units and both achieved a reduction in TEWI in fiscal 2019 compared with fiscal 2018.

In fiscal 2019, Walgreens will continue to replace refrigeration equipment with installations that use lower GWP refrigerants. Across Walgreens stores, all new immediate consumption refrigerators - smaller beverage units near check-out counters - use natural refrigerants. The commercial market in the U.S. presents challenges in regard to conversion of walk-in refrigerated cases to ultra-low GWP refrigerants.

As of fiscal 2019, all new self-contained refrigeration systems in Boots UK are based on natural gases. All new remote refrigeration systems are based on lower GWP gases, with ongoing trials of CO<sub>2</sub> and hydrocarbon systems to enable full compliance.

## Fleet efficiency progress

WBA fiscal 2019 emissions from product delivery decreased by 0.7 percent compared with fiscal 2018, and business travel emissions decreased 7.1 percent in the same period. Our overall emissions from product delivery were impacted by a 1.2 percent decrease in miles driven by the Walgreens fleet of more than 900 private trucks.

The Walgreens truck fleet has participated since 2005 in the U.S. Environmental Protection Agency's SmartWay Program, which helps measure fuel efficiency in the fleet and understand the supply chain's total impact on the environment. Due to the SmartWay Program's reporting calendar, the most recent fuel efficiency data available for the Walgreens fleet is from calendar 2018. These data show the Walgreens fleet decreased fuel efficiency by 2 CO<sub>2</sub> grams per thousand cubic foot-miles (0.4 percent) in calendar 2018 compared with calendar 2017.

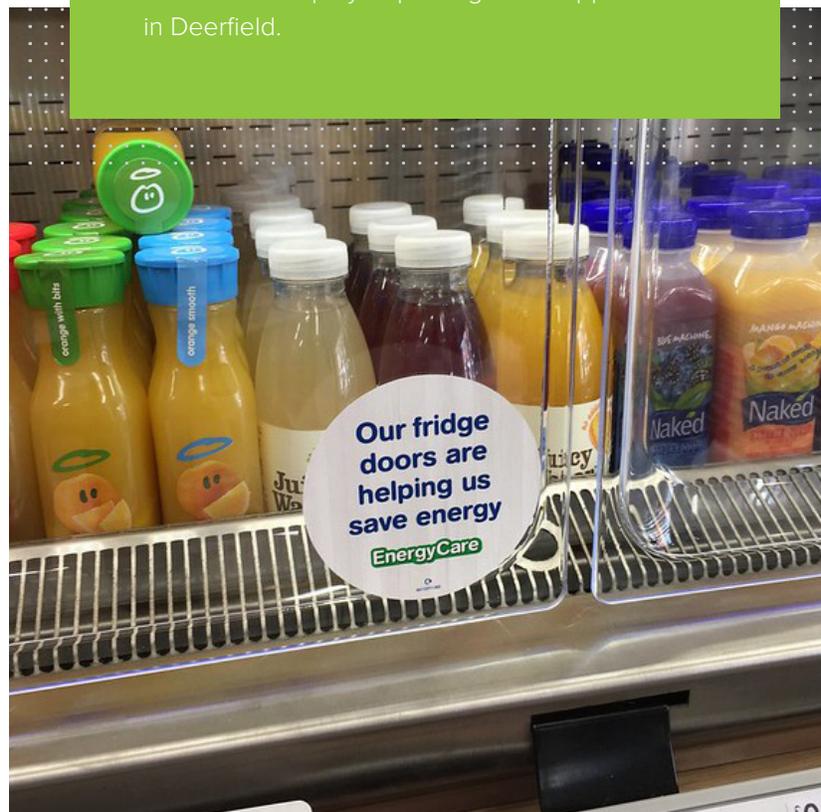
The Boots UK business successfully integrated electric vehicles into its operations for the first time in fiscal 2019. Following a successful pilot program, Boots UK introduced five new electric vans to its Nottingham fleet in fiscal 2019 with plans to explore additional locations in the UK in which to expand the program. The zero-emission vehicles equipped with Lightfoot technology to coach drivers on efficiency and safety, are projected to reduce Boots UK emissions by 22 carbon tonnes per year.

## Engaging employees through EnergyCare

In addition to new investments in technology, WBA fosters a hearts and minds approach to initiating active sustainability among our employees. Through our EnergyCare program, our workforce is given opportunities to learn about energy waste, be inspired toward an energy conscious culture and understand their role in the greater goals of the Company.

In fiscal 2019, as part of the EnergyCare program, Boots UK developed an e-learning package that will be mandatory for employees in all stores starting in March 2020. Through the interactive training, participants will learn what the Company's environmental aspirations are, what environmental sustainability means, what our businesses have already achieved and how employees can help contribute to our goals.

During fiscal 2019 Boots UK introduced electric vehicle charging stations for employee parking at its support office in Nottingham, and Walgreens significantly increased the number of free charging stations for employee parking at its support office in Deerfield.





GRI Disclosures 103-1, 103-2, 103-3, 306-2, 417-1

## Waste

Waste management is an important issue for WBA and our stakeholders, who expect that we do what is reasonable within our control to avoid waste associated with our operations and to minimize any adverse impacts of waste through responsible management and increasing circular economies. Approaches used by WBA to improve the sustainability of waste management include rethinking design, reducing consumption and recycling and composting materials.

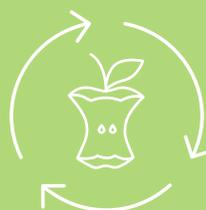
Waste is a local issue and as such, it is managed differently across geographies to enhance positive impacts. In the UK, the government-backed waste hierarchy provides a framework that promotes waste avoidance, recycling and recovery methods over disposal in landfill. In the U.S., the Environmental Protection Agency (EPA) Non-Hazardous Materials and Waste Management Hierarchy is used to ensure proper approaches are taken to different kinds of waste. Across the world, WBA's businesses engage with various contractors to ensure best practices are engaged when disposing of waste.

In managing waste, our businesses strive to engage employees to create innovative solutions and take ownership, collaborate with vendor partners, unlock the value of recyclable commodities and get them to market and create more efficient operations and practices.

Collaboration with industry groups is key to resolving waste issues, especially due to uncertainties in the global recycling market that make waste diversion challenging at this time. Through coalitions such as the Retail Industry Leaders Association (RILA) in the U.S., Walgreens is leading efforts to increase recycling in the retail industry.

"The Walgreens team is an outstanding contributor to the RILA sustainability community. Walgreens was instrumental in establishing RILA's Zero Waste Committee. Walgreens work to achieve zero waste to landfill in its own distribution centers and offices coupled with a consistent commitment to sharing, learning and collaborating is exactly the philosophy needed to drive continuous sustainability improvement in the retail industry," RILA said.

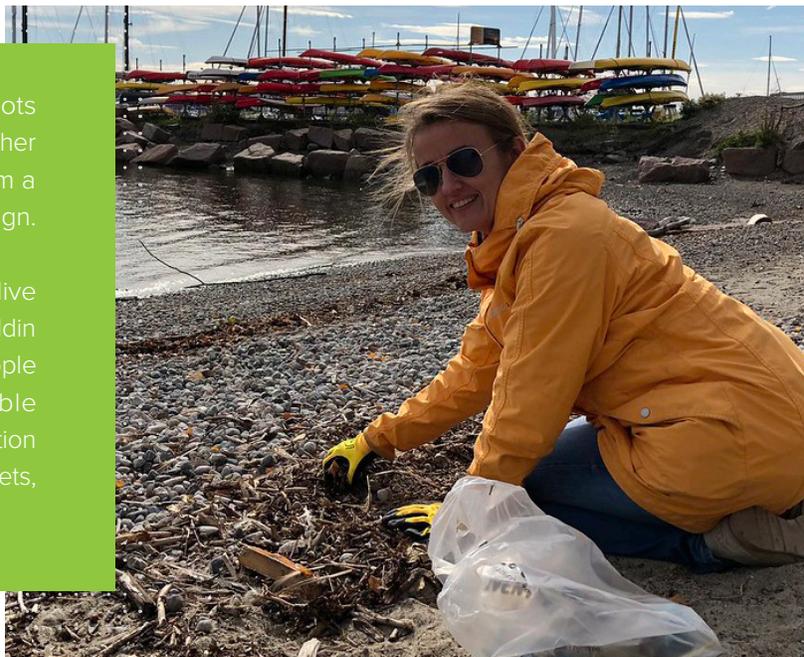
Another example of our collaboration on waste reduction efforts is WBA's continued sponsorship of the U.S. Chamber of Commerce Foundation's Beyond 34: Recycling and Recovery for A New Economy, which aims to improve low U.S. municipal recycling rates. In fiscal 2019, Beyond 34's Orlando region pilot launched more than \$100,000 worth of projects in its municipal region, including Recycle Across America standardized labels on college campuses, anti-contamination efforts with The Recycling Partnership in Orange County and waste audits from MSW Consultants at Orange County Public Schools. Beyond 34 will continue growing in scope and geography with the roll out of a second campaign in Cincinnati, Ohio in fiscal 2020.



Boots UK achieved an  
**18% decrease**  
in food waste  
2018 compared with 2015

Anne Margrethe Aldin Thune, head of communications for Boots Norway and Alliance Healthcare Norway, spent a day along with other Boots colleagues, removing tiny pieces of plastic pollution from a beach outside Oslo, as part of a national beach clean-up campaign.

“We have a duty to take care of each other and the planet we live on. Nobody can do everything but everyone can do something,” Aldin Thune said. “For a company that aspires to better the lives of people and to promote health, both social factors and a sustainable environmental strategy are essential to do well. We have to put action behind our words and look into what each of us can do in our markets, both for ethical and commercial reasons.”



Across all of its businesses, WBA generated 694,000 metric tonnes of waste in fiscal 2019, an increase of 3.6 percent from the previous year, primarily due to an increase in waste generation at Walgreens, including acquired Rite Aid stores.

Of the waste generated in fiscal 2019, approximately 55 percent was recycled, up 1 percentage point from fiscal 2018. The fiscal 2019 recycling rates at our Divisions were as follows; Retail Pharmacy International 78 percent, Pharmaceutical Wholesale 78 percent and Retail Pharmacy USA 53 percent. [Additional waste data is available in the CSR section of our website.](#)

WBA has been reporting waste generation by disposal method since fiscal 2016. In order to more completely meet GRI reporting requirements, we are introducing the following information on hazardous waste. During fiscal 2019 less than 1 percent of our total waste generated was considered hazardous, and of that, 74 percent was recycled, 19 percent was incinerated and 7 percent went to appropriate landfills.

### Zero waste to landfill

The Walgreens zero waste to landfill project with multi-stream recycling began in 2016 and operated across 17 distribution facilities in the U.S. and Puerto Rico in fiscal 2019. These facilities diverted 94 percent of waste from landfill in fiscal 2019, a higher rate than in previous years with additional facilities engaging in the project.

During fiscal 2019, Walgreens brought the zero waste to landfill program to its corporate campus in Deerfield following a waste stream audit by recycling consulting firm the Astor Company. The program involves single-stream recycling plus cardboard recovery, a six-fold increase in recycling containers with improved signage, employee education about the program and food waste composting from cafeterias.

Learnings from the corporate campus and the distribution centers will be used to expand recycling at Walgreens stores, where the bulk of the business’s waste is generated. Walgreens has begun to develop zero waste to landfill pilot programs for stores and is testing ways to simplify preparation of cardboard for pickup and to collaborate with other businesses to contract recycling vendors.

### Waste by method of disposal<sup>1</sup> (000 metric tonnes)

	Fiscal 2019	Fiscal 2018	Year-over-year change (%)
Landfill	309	304	+1.6
Incinerated <sup>2</sup>	1	2	-50.0
Recycled <sup>3</sup>	384	364	+5.5
	<b>694</b>	<b>670</b>	<b>+3.6</b>

<sup>1</sup> Fiscal 2019 data within Deloitte & Touche LLP’s review scope as detailed on pages 85-86.

<sup>2</sup> Without heat recovery.

<sup>3</sup> Includes materials recovered via incineration with heat recovery.



## Red Nose Day Buddy Bench Project

Walgreens is proud to support Red Nose Day, harnessing the power of entertainment to raise the money and awareness to help keep children who are living in poverty safe, healthy and educated, in the U.S. and around the world. We wanted to ensure that the sale of Red Noses benefits children in need without generating unnecessary waste. So in fiscal 2019, Walgreens worked with Green Tree Plastics and NuCycle Energy to launch the Buddy Bench Project. Red Noses were collected at recycling stations at stores and made into benches for donation to schools, to benefit children.

After years of continuous efforts, in fiscal 2019 Boots UK achieved its goal of sending less than 1 percent of operational waste to landfill. The reduction in the amount of operational waste is limited in scope to Boots UK owned operations and does not include some third-party owned locations.

### Reducing waste

Walgreens and Boots UK worked to reduce waste in various ways during fiscal 2019. Boots UK signed up for the Food Waste Reduction Roadmap and Step Up to the Plate pledge in fiscal 2019. Led by WRAP, the collective, ambitious target is to reduce food waste by 50 percent by 2030, in line with SDG target 12.3. In order to meet the target, Boots UK has made changes to product recipes, including reformulating products and improving the quality of ingredients used. Boots UK has also improved its supply chain by allowing deliveries of single items to stores, rather than minimum batches, and enforcing more accurate forecasting so stores receive precise deliveries that meet their sales forecasts.

Through a multi-pronged approach, Boots UK achieved an 18 percent decrease in food waste in calendar year 2018 compared with 2015.

In fiscal 2019 Walgreens diverted more than 2 million pounds (more than 900,000 kilograms) of products from landfills across the U.S. by donating unsold or discontinued products like food, toiletries and household items to Feeding America, the largest domestic hunger-relief and food rescue organization in the U.S.

As part of the HVAC and LED upgrades detailed in the Energy section, Walgreens required that all materials from these retrofits, including refrigerants and copper, be recycled. In the case of HVAC equipment, this required developing an engineering procedure for contractors to follow to ensure materials were properly handled so that energy efficiency improvements did not undermine waste reduction efforts.

In addition, Walgreens implemented a reusable end-stand structure initiative in stores during fiscal 2019, reducing use of cardboard end-stands by 67 percent. The new, standardized recyclable structures are replaced yearly instead of monthly. This resulted in more than 334,000 pounds (more than 151,000 kilograms) in eliminated waste in fiscal 2019 compared with the previous year, as well as reduced production cost, labor and emissions from delivery.

### Contact lens recycling at Boots Opticians

In fiscal 2019, Boots Opticians partnered with Johnson & Johnson Vision and TerraCycle, to offer the UK's first in-store contact lens recycling program. Research conducted by Johnson & Johnson Vision, owner of the Acuvue Brand contact lenses, found that 61 percent of contact lens wearers in the UK did not believe they could recycle their lenses and that 20 percent of users would dispose of lenses down the toilet, contributing to a growing issue of plastic pollution in waterways. UK consumers are now encouraged to return any brand of used contact lenses and packaging to any Boots Opticians practice where the items are placed in recycling bins. Between mid-January and August 31, 2019 the program collected 3.4 metric tonnes of plastic for recycling: more than half a million units of contact lenses and blister packs.



Sustainability

Showcase:

Boots Covent

Garden Store

“Our new Covent Garden store starts a journey of reinventing Boots for the future. The store is full of exciting beauty brands, ideas for living well and services to help you get better, all with the great care that Boots colleagues give. We will learn what people love and want from this shop and this will help us shape a blueprint for our whole 2,500 store estate.”

**Sebastian James**

Managing Director, Boots UK and Republic of Ireland

GRI Disclosures 417-1

A first of its kind sustainable shopping experience, the Boots UK Covent Garden flagship store opened in June 2019 featuring the next wave in eco-friendly store and product solutions. From refillable beauty products to reducing single-use plastic, the store is testing new concepts that we hope to someday introduce in other stores.

Covent Garden was one of the first Boots UK stores to offer new brown (or unbleached) paper carrier bags made from 100 percent recycled paper, alongside reducing plastics in beauty and household as well as water bottles. The Covent Garden store has a refill station provided by Beauty Kitchen for cleansers, shampoos, hand wash and body wash, allowing customers to purchase these products without buying a new plastic container. There is also a Rehydration Station where shoppers can fill their water bottles for free or buy a ‘bottle for life’ and refill it in the store.

The store also prioritizes environmentally friendly products - such as DAME re-usable period products, bamboo toothbrushes and eco-beauty tools. Vegan product lines like Maui Moisture, Urban Veda and e.l.f. can be found in the Get Better and Wellness Discovery zones.



GRI Disclosures 103-2, 103-3, 301-2, 306-2, 417-1

## Plastics

### A new commitment

WBA has adopted a new CSR commitment to reduce the negative impact of plastics in our owned brands, which include our global health and beauty brands, as well as a wide range of Walgreens and Boots UK house brand retail products. Our decision to implement a new commitment was informed by our stakeholders and by a sense of urgency felt globally. In the past year, we have watched the world grasp the seriousness of the issue of plastic waste and especially the problem of single-use plastics. We continue to develop the key performance indicators we will use to track our progress on this commitment and look forward to sharing them in the future.

While this new commitment focuses on our owned brands because this is an area of our operations where we have control and can make a significant impact, we are also working on numerous initiatives to reduce plastics in our retail and wholesale operations, to educate and inspire consumers and employees around how they can make a difference on the plastics issue and to work with industry groups on comprehensive solutions.

Plastics are a complex issue and like many other businesses, we are still grappling with understanding the best ways to mitigate our contribution to a global situation. It will take time but we are dedicated to continuing to adjust our practices, programs and policies to reflect the expectations of our stakeholders and to reduce negative environmental impacts caused by plastics. We have already begun taking action. For example, our Global Brands product portfolio has committed to the goals in the UK Plastics Pact as part

Helen Normoyle, Director of Marketing, Boots UK said: “Our new paper bags have been carefully tested to make sure that over their entire life cycle they are better for the environment, while still being a practical option for customers who haven’t brought their own bags with them when shopping.”

of the commitment by Boots UK. Our Global Brands portfolio includes beauty and skincare brands sold around the world, such as No7, Soap & Glory, Liz Earle, Botanics, Sleek MakeUP and YourGoodSkin.

Three task forces have been formed to manage our holistic approach to plastics issues including its use in products and packaging. Each task force oversees a unique part of the business - WBA, Walgreens, and Boots UK and Alliance Healthcare in the UK - and is responsible for coming up with thoughtful solutions for our owned brands, across our supply chain and in our retail pharmacies.

The WBA Global Plastics Task Force oversees holistic policy and operational changes made in an effort to combat harmful waste and is responsible for rolling out best practices in our businesses across the world.

No company can tackle the plastics issue on its own, and for that reason WBA collaborates with a number of organizations to seek industry-wide solutions including the following:

- During fiscal 2019 WBA continued to participate in The Consumer Goods Forum (CGF) Plastics Waste Task Force: Inspiring Participation in Recycling. The task force is considering proposals in a number of markets, to pursue its mission of contributing to make recycling a cultural norm by raising awareness about the importance of recycling and motivating consumers to recycle more of the right materials.
- WBA joined the Sustainable Packaging Coalition, a membership-based collaborative led by an independent nonprofit that believes in the power of industry to make packaging more sustainable. One of the key focus areas of the coalition is exploring, educating and encouraging more sustainable design of plastic packaging, including material sourcing and design for recovery.

### Boots UK progress

Since joining the UK Plastics Pact in 2018, Boots UK has acted on its commitment to help make a fundamental change in the way businesses design, produce, use, re-use, dispose and reprocess plastics. Led by WRAP, the Pact brings together businesses from across the entire plastics value chain with UK governments and non-governmental organizations to tackle the issue of plastic waste.

A major milestone in fiscal 2019 was Boots UK's announcement that it would transition from low-density polyethylene (LDPE) shopping bags to more sustainable alternatives made from 100 percent FSC certified and recyclable paper. Boots UK was the first national pharmacy, health and beauty retailer in the UK to roll out unbleached paper bags as standard practice, which will lead to the removal of over 900 metric tonnes of plastic from Boots store operations each year. Any profit from sales of the new paper bags will be donated to our charity partner BBC Children in Need.

In addition to the paper bag roll out, Boots UK introduced more than 60 percent recycled content into its automated prescription bags, eliminated all plastic bubble wrap and tape from Boots.com operations, and switched from round to square fruit cups reducing the amount of plastic used in the pots by an estimated 16 metric tonnes per year.

Ahead of the 2019 holiday season, Boots UK worked with suppliers representing around half of its owned brands to reduce the amount of plastic used in gift packaging by 149 metric tonnes.

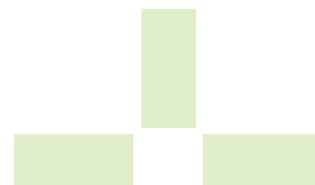
Boots UK has also taken a leading position in past years as one of the first health and beauty retailers to stop the manufacturing and sale of any rinse-off personal care products containing plastic microbeads.



### Walgreens and Loop

In fiscal 2019, Walgreens became a founding retail partner of Loop, a state-of-the-art circular shopping system. The idea for the Loop system emerged at the World Economic Forum with the goal being to convene major retailers and shift from a disposal to durable supply chain where manufacturers own their packaging in the long term. The Walgreens partnership with Loop has been rolled out in pilot markets on the East Coast. Walgreens customers in these pilot markets have their purchases delivered in specifically designed re-usable shipping totes. The durable and re-usable packaging is collected, cleaned, refilled and re-used, creating a revolutionary circular shopping system.

Collaboration with partners like Loop are critical to solving the complex issue of reducing single-use plastics, and demonstrates the type of innovation happening across the Company. We look forward to continuing to engage in meaningful partnerships and meeting the needs and expectations of our customers.





GRI Disclosures 103-2

# Sustainable Marketplace

We aim to do business fairly and with integrity and are taking actions to:

- Continue to improve traceability of ingredients and materials of our owned brand products to reduce their environmental impact and protect healthy ecosystems and reduce climate change impact
- Continue to drive responsible sourcing practices throughout our supply chain, protecting human rights and engaging with suppliers around ethical and environmental issues
- Provide a platform of transparency into our owned brand products, including ingredient and material level information, and ensuring product safety





GRI Disclosures 102-9, 103-1, 103-2, 103-3, 417-1

## Responsible Sourcing

WBA aims to operate fairly, transparently and with integrity worldwide. We review and make adjustments to our ingredients and packaging as needed to continue to meet our customers' expectations for sustainable, safe and ethically-sourced products. We also recognize that sustainability is increasingly important to potential new hires and to our employees who are responsible for driving a purposeful approach in stores and across our owned brands.

Operating sustainably in the marketplace starts with understanding where our products come from, holding our suppliers accountable for responsible and ethical sourcing, and consistently engaging with external stakeholders to understand the sustainability issues facing our markets and industry.

A majority of our annual revenue comes from the sale and distribution of pharmaceuticals, which are highly regulated products. For this reason, we concentrate our proactive responsible sourcing efforts on the retail products we sell, especially our owned brand products where we have the greatest influence.

Our Company's Global Brands portfolio of highly regarded products includes skincare brands No7, Liz Earle and Botanics, beauty brands Soap & Glory and Sleek MakeUP, and others. Our Boots UK and Walgreens owned brand products include sun care products Boots Soltan; food and beverage brand Nice!; and a range of health and wellness products, paper products, household cleaners and others.

Given this variety of product categories, our approach to product information and labeling varies.

WBA vendor agreements stipulate that vendors must meet regulatory requirements for labeling of ingredients on our owned brand products. In addition, to meet customer expectations, we have enhanced transparency and information on the labels on our owned brand products, such as including a health corner label on many Nice! products, listing ingredients of household cleaners on their respective labels and including recycling information on many owned brand food products and consumables.

The Transparency and Traceability section of this report contains further detail on labeling and ingredients in our owned brands, especially ingredients that might produce an environmental or social impact.

In addition to WBA owned brands, our retail pharmacies sell tens of thousands of consumer goods manufactured and marketed by other companies. We understand the use and disposal of these types of consumer products has a significant impact on people and the environment. For this reason, we work with our suppliers and industry partners to find ways to improve how products are made, distributed, used and disposed. This is done through collaborations with The Consumer Goods Forum (CGF), The Sustainability Consortium (TSC) and other industry groups and associations.



We require vendors for our owned brand products – which include health, beauty, home products, food, paper goods and other categories – to use a safety testing lab that we select. These vendors agree to and are responsible for rigorous product testing on a regular cadence to help ensure they meet regulatory requirements and our own high standards related to safety. We have agreements with our vendors requiring that appropriate safety labeling is included on products to help ensure proper use and responsible disposal.

## Palm oil, wood, pulp, paper and deforestation

### WBA continues to develop initiatives and strengthen collaborations with external organizations for palm oil, wood, pulp and paper in order to work toward net zero deforestation.

WBA continued to incentivize faster progress toward a sustainable palm industry through its membership in the Palm Oil Transparency Coalition (POTC), a group of leading companies and nonprofits that collaborate to obtain greater transparency of information relating to the sustainability performance of global palm oil supply chains. This organization was formerly known as the Retail Palm Oil Transparency Coalition.

We source 100 percent certified sustainable palm oil (CSPO) for our Global Brands portfolio of products such as No7, Botanics, Liz Earle, Soap & Glory and YourGoodSkin, which covers palm oil and its derivatives and includes physical certification as well as Roundtable on Sustainable Palm Oil (RSPO) credits. Boots UK received a score

of 11.5/22 on the most recent WWF Palm Oil Buyers Scorecard – scheduled for publication in January 2020 – for CSPO use in these product lines.

In our Global Brands portfolio of products, our use of physically certified palm oil where declared as an ingredient fell to 57 percent in calendar 2018, from 75 percent in calendar 2017. This was due to sourcing changes in a commodity ingredient used by product suppliers. Going forward we plan to continue to source 100 percent of palm oil from RSPO certified sources for these product lines, and aim to increase the proportion that is physically certified to 75 percent.

Boots UK achieved 95 percent use of credibly certified and recycled wood pulp and paper in calendar 2018, in line with the previous year. This applied to owned brand products excluding packaging and to goods used in store, support office and distribution center operations. In future reporting, packaging will be included in this metric and a survey is underway to collect baseline data.

Boots UK received the highest rank - 3 Trees - from WWF-UK's 2019 Timber Scorecard. The evaluation assesses business sourcing and performance during the procurement of timber products and the public commitments and transparency of the business.

## Animals and wildlife

No animal testing is undertaken by WBA. We do not conduct animal testing on our owned brand products or on ingredients used in these products. Our [Product Testing Policy Statement](#) was unchanged during fiscal 2019 and can be found on our website.

Through the British Retail Consortium, Boots UK continues to support ocean sanctuaries in the Antarctic in an effort to protect against overfishing of krill, a small crustacean that is a key link in the Antarctic food chain. Krill is fished for use in products such as dietary supplements and the decline in its population poses a risk for oceanic food webs. Boots UK and other retailers support the establishment of marine protected areas by co-operating with suppliers to put in place a precautionary approach that will voluntarily restrict fishing activity in selected areas.





## Walgreens Free & Pure vitamins

In April 2019, Walgreens launched a new line of vitamins and supplements, Finest Nutrition Free & Pure, within its owned brand portfolio. These products are free of artificial flavors, colors and preservatives, and are gluten-free and non-GMO. The 20 products in this line are specifically formulated to meet the needs of the growing shopper segment looking to have specific ingredients removed.

## Recycling information on packaging

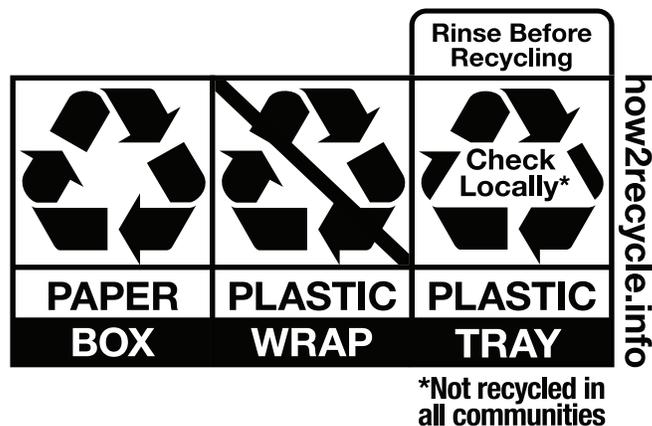
Boots UK and Walgreens have both made strides in providing recycling and disposal information on owned brand items, primarily in the food and consumables categories.

Walgreens continued to phase in How2Recycle labeling -- simplified recycling instruction labels -- on owned brand products during fiscal 2019. How2Recycle labels make it easy for consumers to know where and how to recycle packaging. The labels outline proper steps to recycle, the type of recyclable material the packaging is made from, which parts are recyclable and where they can be recycled.

As of the end of fiscal 2019, more than 1,000 products carried the label, including Walgreens and Nice! brand items in the beauty, personal care, health and wellbeing, and food and beverage categories.

Similarly, most Boots UK owned brand food packaging includes on-pack recycling labels designed to provide clear advice to consumers on how to recycle in their local area.

In collaboration with WRAP, Boots UK is also running trials of additional recycling labeling for bathroom products, an area of the home where recycling rates have traditionally been lower.





## Case Study:

# WBA Joins Global Shea Alliance

“We’re committed to building relationships with the growers and farmers who produce our botanical ingredients.”

Partnering with GSA is a significant step toward achieving our CSR objectives.”

**Milla Taylor**  
Global Senior Marketing Manager

### GRI Disclosures 413-1

In fiscal 2019 WBA joined the Global Shea Alliance (GSA), a nonprofit industry association with members from across 35 countries, which promotes industry sustainability, quality practices and standards, and demand for shea in food and cosmetics. The shea butter used as a moisturizer in beauty products and as a cooking oil comes from the kernel in the fruits on shea trees, which are native to Africa.

Liz Earle, a WBA-owned beauty brand that is passionate about naturally active ingredients and has pioneered cruelty-free skincare, will be supporting and working with the GSA in its endeavors to support women in shea. Liz Earle uses shea butter widely in its products and working with the GSA allows us to give back to communities that harvest shea fruits.

In partnership with the GSA and the United States Agency for International Development (USAID) Sustainable Shea Initiative, Liz Earle is embarking on an initiative aimed at helping 800 shea pickers in the North Gonja District, Ghana work more efficiently and generate more income through cooperative and business trainings, health and safety trainings, as well as building a warehouse to facilitate the women’s access to storage.

According to the Ghana Statistical Service, more than half of North Gonja residents are poor. They are engaged in rain-fed subsistence agriculture in a semi-arid environment and lack access to factors of production such as land and capital.

Shea provides off-season income opportunities to women in Northern Ghana, where an estimated 600,000 women are engaged in the shea industry. The project will provide funding for training aimed at reducing accidents such as snake bites and scorpion stings, and will facilitate the construction of a brand new warehouse for the women to store their kernels.

The project will also raise awareness about the importance of savings and investment to improve the women’s ability to withstand economic, social and climatic changes.

# Ethical Sourcing

## Vendor requirements

WBA is committed to working with vendors who share common principles of fair and honest trading, demonstrate a commitment to maintain satisfactory working conditions, and comply fully with all legal requirements and with the labor, health and safety standards of those countries in which processes take place. Using the Ethical Trading Initiative Base Code and International Labor Organization conventions and recommendations, we have created our core principles and policy on ethical sourcing, which we require all vendors and subcontractors to comply with when supplying merchandise and services to WBA. Further, vendors must have an effective management system to accurately reflect compliance with the ethical trading standards and make such systems available to WBA upon request.

We use the policy to screen suppliers against social and environmental criteria. We assess suppliers using a detailed grading matrix based on the standards in the policy, which include: the prohibition of any form of bonded, forced, indentured or other illegal labor and of any form of slavery or human trafficking; opposition to discrimination in any form; fair and reasonable reward for workers; working hours that do not exceed applicable legal requirements; the prohibition of child labor; safe and healthy conditions; the prohibition of corruption and bribery; compliance with applicable environmental protection laws and regulations; and a commitment to improving product sustainability.

WBA uses a risk-based approach to achieve compliance with the required ethical trading standards; therefore, the means by which we achieve and enforce compliance may vary depending on the scope and nature of our relationship with the supplier. The risk-based program includes a zero-tolerance approach for any identified issues such as child labor, forced labor, human trafficking and others.

WBA has contracted with multiple service providers to facilitate risk and compliance due diligence reviews of business partners globally. These reviews may include active monitoring for adverse media regarding modern slavery and other issues.

## Modern slavery

As a global corporate citizen, WBA recognizes our responsibility to address and mitigate the risk of modern slavery and human trafficking in our operations and our supply chain. Our [2019 Modern Slavery and Human Trafficking Statement](#) confirms our commitments to The Consumer Goods Forum (CGF) resolution against forced labor and to the Employer Pays Principle.

The permanent WBA working group on modern slavery reports to the CSR Committee and is tasked with driving ongoing improvements and a consistent approach to the issue. Further, the Code of Conduct and Business Ethics provides foundational standards for all business aspects at WBA and outlines our commitment to ensure that slavery and human trafficking is not taking place within any of our supply chain business partners or within any part of WBA's business.

During fiscal 2019, WBA developed a company-wide training initiative to continue to drive ethical sourcing practices across our supply chain, protect human rights and support diverse suppliers. This training initiative is being implemented in fiscal 2020 and expanded to include select WBA employees globally in human resources, international retail and owned brands, including management. In the Retail Pharmacy USA Division, relevant employees are required to complete annually an online training course that fulfills the requirements of the California Transparency in Supply Chains Act of 2010.

## Supplier assessments in our owned brand supply chain

At WBA, we focus intensely on our owned brands supply chain because it's where we believe we can have the greatest impact on eliminating modern slavery. Our teams of ethical trading experts and auditors, plus a small number of pre-approved third-parties, use our assessment program to ensure owned brand suppliers are fully aware of WBA standards and expectations. The expert teams meet on a regular basis to ensure the program remains effective and drives best practice across our global supply chain.



More than  
**1,200 ethical  
compliance  
assessments**  
on owned brand  
suppliers in fiscal 2019

During fiscal 2019 we partnered with an external provider to review our assessment of ethical standards compliance within our Goods Not For Resale (GNFR) supply chain, starting in our Retail Pharmacy USA Division. GNFR refers to products purchased to support business operations. As part of this review we focused on assessing new suppliers prior to onboarding and actively monitored them for a minimum of one year. The top 300 suppliers, which represent the bulk of the Division's annual GNFR spend, will be continuously monitored on an ongoing basis. This GNFR supply chain review is expanding to the UK with plans for evaluating further rollout across other non-U.S. businesses in the future.

Due to the high risk of forced or child labor in the extraction of materials such as mica and talc - which are used in a number of our owned brand products - we have an ongoing requirement that suppliers of these materials complete a survey and declaration regarding the processes they have in place to prevent such practices.

In fiscal 2019, we conducted more than 1,200 ethical compliance assessments on new and existing suppliers for our Walgreens and Boots UK owned brands. Where we identified critical noncompliance issues, we worked with our suppliers on remedial action plans to help ensure issues were addressed and corrected. In the small number of cases where suppliers are unwilling to work with us to achieve compliance within an agreed time frame, we maintain the right to end the business relationship and cancel outstanding purchase orders. WBA's policy on zero-tolerance violations is to terminate the business relationship with the site where the violation occurred and to suspend the supplier and its other sites pending a full investigation of the supplier and its supply chain. If the supplier is directly implicated in the zero-tolerance violation, or if further violations are found, the business relationship with the supplier will be terminated. In fiscal 2019, we terminated business with six sites after detecting zero-tolerance issues.

The table below provides a breakdown of assessments and outcomes during fiscal year 2019.

### Ethical compliance assessments of owned brand suppliers

	Fiscal 2019	Percentage of Total
Satisfactory	612	49.4%
Needs Improvement	385	31.0%
Critical	237	19.1%
Zero Tolerance	6	0.5%
	<b>1,240</b>	<b>100.0%</b>

**Satisfactory & Needs Improvement:** Meets our ethical trading standards expectations but could require differing levels of remedial corrective actions.

**Critical:** Falls below the expectations of our ethical trading standards and requires immediate remedial action to address the critical noncompliances to enable new or ongoing business relationships.

**Zero Tolerance:** Issues identified that are not accepted or tolerated by our business and are related to incidents of the following but not limited to: child labor, convict/indentured/forced labor, corporal punishment, slavery and human trafficking, acts of bribery. In all cases we view these issues as zero tolerance.



GRI Disclosures 103-2

# Healthy and Inclusive Workplace

We strive to treat our people with dignity and respect. We are committed to:

- Proactively support the personal health and wellbeing of our employees
- Deliver our commitment to equal opportunities and foster a diverse and inclusive culture for all through strong employment, pay and recruitment practices, policies and procedures
- Continue to improve our robust approach to health, safety and data privacy, actively caring for our employees and customers



# Employee Health and Wellbeing

## Employee health and benefits

As a healthcare provider, we recognize the importance of having healthy employees and caring for our colleagues as we do our customers. Our valued employees are one of our greatest assets and without them it would not be possible to pursue our purpose of helping people around the world lead healthier and happier lives.

All of WBA's business operations manage healthcare and benefits for their employees at the national level, as laws and regulations vary by geography. In this section we cover our two largest employers: U.S.-based Walgreens and Boots UK, which together account for more than 80 percent of our 342,000 employees (not including equity method investments).

Our businesses continuously evaluate their healthcare and benefits offerings through measurement of utilization, competitive research and employee feedback. In response to this ongoing evaluation, a number of benefits were expanded and introduced during fiscal 2019, as described in this section.

Walgreens offers a comprehensive benefits package to full-time employees that generally includes the following:

- Comprehensive medical and other healthcare benefits, including an Employee Assistance Program (EAP)
- Employer match of contributions to 401(k) defined contribution retirement account
- Paid time off and holidays
- Paid disability leave
- Employee stock purchase program
- Life insurance
- Employee discount

Part-time U.S. Walgreens employees are eligible for a number of benefits that generally include Prescription Savings Club, annual flu shots, Life365 EAP, the PerkSpot employee discount program and others.

Walgreens employees enrolled in a Walgreens medical plan, and their covered spouses or domestic partners, also have access to a comprehensive wellbeing program, 365 Get Healthy Here, available online and through an app. In fiscal 2019 more than 58 percent of eligible employees registered for the wellness program. In addition, Walgreens awarded more than 1.7 billion Balance



Rewards loyalty points to employees for engaging in healthy behaviors during calendar year 2019.

In fiscal 2019, Walgreens expanded its parental leave policies for eligible employees. In addition to disability benefits that apply to female parents who give birth, eligible new parents receive eight weeks paid leave at 100 percent base pay. This policy applies to both biological and adoptive parents, as well as parents whose baby is carried via surrogate.

For general disability leave candidates, Walgreens revised its policy to align the initial short-term benefit period for hourly and salaried workers. Eligible employees experiencing personal illness, pregnancy or injury can apply for six weeks of full pay. Additional weeks at partial pay also apply under salaried and hourly company-paid and voluntary programs.

Boots UK offers a comprehensive range of benefits to full- and part-time employees. Using a flexible program, employees personalize benefits for their lifestyles among health and wellbeing, travel, financial and lifestyle categories.

In fiscal 2019, Boots UK introduced financial planning benefits including tools and resources that address holistic financial wellbeing. Following the success of the Christmas savings club, Boots introduced additional saving programs to help employees put away money for expected or unexpected events.

In addition to insurance and time off, Boots UK provides benefits such as employee assistance programs, loyalty awards, pension schemes and a generous employee discount.

## Mental health support for employees

With increasing societal awareness of mental health issues, Walgreens and Boots UK have focused on addressing the health of employees both physically and mentally. Programs launched in fiscal 2019 provide opportunities for employees to learn how to identify issues of mental health and build a culture of confidence to enable important conversations to happen in the workplace.

Through a partnership with the National Council for Behavioral Health, Walgreens administered Mental Health First Aid training to 300 human resources managers, covering mental health literacy, recognition of risk factors and warning signs related to mental health and addiction, and appropriate strategies for helping. Walgreens and the council are also collaborating with the American Pharmacists Association to develop training specifically for pharmacy staff.

Similarly, Boots delivered mental health awareness training to more than 150 leaders across the business, focused on warning signs, initiating conversations, providing support and managing their own mental health. In fiscal 2019, Boots also expanded its efforts around the 5 Ways to Wellbeing model with an animated e-learning module to show how simple, everyday changes can improve mental health. Since launch, more than 26,000 employees completed the non-mandatory module, representing nearly half of the Boots UK workforce.

To better identify and monitor key wellbeing indicators, Boots launched its Colleague Wellbeing dashboard. Data and insights on absences, employee assistance and occupational health usage, employee survey results, Boots Benevolent Fund application numbers and safeguarding calls inform strategic decisions to support employee wellness.

## Addressing chronic illnesses for U.S. employees

To ensure the services provided resonate with employees, Walgreens leverages anonymous claims data to advise on where employees need the most support. Through analysis, Walgreens identified a significant number of employees struggling with obesity, diabetes and back pain.

In fiscal 2019 - building on the Livongo for Diabetes program - Walgreens partnered with Onduo, a virtual diabetes clinic and healthy weight care program offering outreach and support for diabetes and weight management. Walgreens also introduced Fruit Street, a no-cost, 12-month weight loss pilot program for health plan participants specifically geared toward those at risk for type 2 diabetes.

Other chronic illnesses heavily impacting the workforce are musculoskeletal diseases. At the end of fiscal 2018, Walgreens launched several pain management pilot programs targeting back and knee pain through exercise therapy. Close to 500 employees participated in the pilots, reporting overall pain and likelihood of surgery decreasing over the 12-week program.

## Supporting employees in crisis

The Walgreen Benefit Fund in the U.S. and the Boots Benevolent Fund in the UK - both funded by charitable donations - assist current employees and retirees experiencing hardship, such as financial difficulty due to accidents, long-term illnesses or natural disasters.

During fiscal 2019 the U.S. fund, which is a nonprofit private foundation, provided more than \$1.5 million in assistance to nearly 1,300 employees and retirees, while the UK fund helped 170 employees with more than £230,000 (\$295,000) in grants.

## Freedom of association and collective bargaining agreements

WBA respects and upholds the right of workers in conformity with local law to be members of trade unions of their own choosing and to bargain collectively, in accordance with the appropriate local laws.

All WBA Divisions, businesses, cross-divisional functions and the corporate function are required to keep up-to-date written policies defining the rights of each employee to trade union membership where statutorily or legally required, according to our internal human resources policy.

As of August 31, 2019, 10 percent of our employees across the globe were covered by collective bargaining agreements.

## Employee training and development, and human capital management

We strive to recognize and develop talent across our engaged and vibrant workforce through various programs and initiatives including career planning and educational opportunities. The following are some of our more significant apprenticeship, training and development programs at Walgreens and Boots UK.

Since 2013, Walgreens University has offered training, leadership development and career advancement programs to employees at all levels of the business. From developing communication and writing skills to project management and financial acumen, the online



Boots Thailand employees participate in educational activities during a health and safety day aimed at ensuring a safe and high quality working environment.

and in-person classes are designed to support purpose-driven leadership and develop employees. During fiscal year 2019, Walgreens University offered 122 instructor-led sessions in Deerfield, IL and 12 in Lake Success, N.Y., and over 6,000 employees accessed the virtual learning platform for skill development.

In addition to training and continuing education, Walgreens University partners with several world-class academic institutions to offer tuition discounts to employees. Since launching the partnership in 2013, Walgreens University has provided employees with more than \$5 million in tuition discounts.

Walgreens understands the barriers to entering the healthcare profession and offers a paid apprenticeship program to help develop talent in communities across the country. Walgreens has worked toward expanding the U.S. Department of Labor-recognized Pharmacy Tech Program. This earn-while-you-learn apprenticeship offers an entry point for a career in healthcare without the cost of college courses.

In fiscal 2019, Boots UK expanded its early career and education programs. More than 400 new and existing employees went through the apprenticeship program, which focuses on developing fundamental skills. Boots UK now has 19 different programs for employees and continues to work with education providers and government to support new apprenticeship standards.

During National Apprenticeship Week 2019, Boots UK hosted its annual Boots 360 careers event, which was attended by 135 students and families to learn about career opportunities.

Retail training helps employees hone skills to serve customers. During fiscal 2019, Boots developed the first line leader program, with 1,700 employees completing preparation to become future store leaders. In 2019, Boots developed a new, fully digital pharmacy advisor training program that has reduced time taken on courses and improved the completion rate.

### Employee engagement and retention

We recognize being a great place to work translates directly to our business success.

In fiscal 2019 WBA developed a new global engagement survey, Our Voice. Our Future., which was deployed for the first time after the end of the fiscal year. The survey was designed to improve the way employee feedback is collected across WBA, sparking an ongoing, Company-wide conversation about what matters most to us. The voluntary, confidential and easy-to-navigate survey measures the overall work experience and includes open-ended responses, giving leaders and managers more understanding and context around employee feedback. WBA plans to conduct global engagement surveys twice a year, in March and September, going forward.

The table and chart below show our employees by employment type, and our employee retention rates.

**Employees by gender and employment type<sup>1,2</sup>**  
as of August 31, 2019<sup>3</sup>

Employment type	All (%)	Permanent (%)	Temporary (%)	Part-time (%)	Full-time (%)
Male	32	98	2	24	76
Female	68	99	1	36	64
Undisclosed <sup>4</sup>	0	100	0	33	67
<b>All employees</b>	<b>100</b>	<b>98</b>	<b>2</b>	<b>33</b>	<b>67</b>

**Employee retention**  
as of August 31, 2019<sup>1,3,5</sup>



<sup>1</sup> Employees of fully owned WBA businesses; does not include employees of companies in which WBA has equity method investments.

<sup>2</sup> Does not include contractors because they are not included in our employee figures. Most of our activities are performed by employees, and seasonal variations do not cause significant variation in our employment figures.

<sup>3</sup> Fiscal 2019 data within Deloitte & Touche LLP's review scope as detailed on pages 85-86.

<sup>4</sup> Totals showing zeros reflect rounding of amounts lower than 0.5%.

<sup>5</sup> Includes existing employees of businesses that have become part of WBA.

# Equal Opportunities

## Diversity and inclusion (D&I)

With hundreds of thousands of employees across geographies, WBA is committed to creating a workforce as diverse as the world we live in, and works hard to attract diverse people to care for our customers and patients everywhere we do business. We continue to be recognized for our diversity and inclusion efforts, and provide U.S. training programs and job opportunities for people with disabilities that are considered industry leading.

Recognizing that change often starts at the uppermost levels of organizations, we hold leaders accountable for driving an inclusive culture and diverse representation through individualized goals to expand the representation of women and people of color in leadership, and recommendations of actionable steps to foster inclusion. We are measuring progress in a number of ways, including increased representation of women in leadership positions year-over-year in all countries where the Company operates, and increased representation of people of color in leadership year-over-year in the United States.



## Diversity data

Our employee diversity data in the table below show the percentage of women in management positions - with at least one direct report - compared to the percentage of women in all job functions. We also report the percentage of people of color in management positions in our Retail Pharmacy USA Division.

Diversity of employees<sup>1</sup> (as of August 31, 2019)

Employment category (%)	Age group (%)			Gender (%)			Race, ethnicity (%) U.S. employees			
	<30	30-50	>50	Male	Female	Undisclosed <sup>2</sup>	White	People of color	Undisclosed <sup>2</sup>	
Manager	7	11	68	21	48	52	0	70	30	0
Non-manager	93	39	40	21	31	69	0	50	49	1
All employees	100	37	42	21	32	68	0	51	48	1

<sup>1</sup> Fiscal 2019 data within Deloitte & Touche LLP's review scope as detailed on pages 85-86.

<sup>2</sup> Totals showing zeros reflect rounding of amounts lower than 0.5%.



## Disability inclusion model

We believe that supporting and employing people with disabilities is not just the right thing to do - it's good for business. Walgreens continued its commitment to recruit and support employees with disabilities through the Transitional Work Group (TWG) and Retail Employees with Disabilities Initiative (REDI), training and job-readiness programs that bring a significant number of people with disabilities to work in Walgreens stores and distribution centers. These efforts contributed to Walgreens recognition for the third consecutive year with the top score of 100 percent on the 2019 Disability Equality Index (DEI), a national benchmarking tool on corporate policies and practices related to disability inclusion and workplace equality.

Through partnerships with hundreds of publicly funded community providers, REDI expanded to a total of 37 states and 278 stores during fiscal 2019, up from 227 stores in fiscal 2018. Through the REDI program, hundreds of potential employees have been trained for work in our stores. New in fiscal 2019, managers were given the option to extend training on a case-by-case basis by up to three weeks to allow more time to improve performance of particular tasks that a trainee may struggle with.

As of August 31, 2019, Walgreens had nine distribution centers and regional warehouses in the U.S. running the TWG initiative. Initiated more than 10 years ago, the 13-week program partners with state agencies and local nonprofits to identify job candidates, provide orientation curriculum and on-the-job training and support candidates with a job coach to guide them throughout the program. Roughly 14 percent of employees at Walgreens distribution centers and regional warehouses self-identified as disabled as of the end of the fiscal year.

## Global Inclusion Council

In fiscal 2019, WBA established a Global Inclusion Council (GIC) to actively drive diversity at all levels, build a culture of inclusivity and ensure we make progress toward our goals. The council, chaired by Global Chief Diversity Officer Carlos Cubia, is comprised of 21 global senior leaders from across our three Divisions, and aims to identify opportunities for growth, as well as support the operationalization of diversity and inclusion initiatives.

At its inaugural meeting in April, the council identified core areas where it will work to make an impact, including: driving implementation of intentionally diverse slates of candidates for every leadership role; ensuring a diversity lens in our approach to career development; defining and fostering an inclusive culture; and increasing supplier diversity.

In fiscal 2019, the office of diversity and inclusion achieved several milestones, including conducting the second WBA Global Executive Women's Conference, increasing and expanding business resource groups (BRGs) and delivering diversity and inclusion training to a number of managers and senior leaders.

## Unconscious bias training at Walgreens

Strengthening Care in our Communities is a program designed to provide unconscious bias training to the Walgreens pharmacy retail operations store management teams. As of the end of fiscal 2019, more than 57,000 Walgreens store employees had completed the training, which began a year earlier. Our policies strictly prohibit any form of discrimination or racial profiling and this program reinforces our commitment to providing extraordinary care to all our customers.

## Providing leadership opportunities for veterans

In November 2018, Walgreens announced a new initiative, Walgreens Helping Veterans with Educational and Retail Opportunities (HERO), which aims to provide career and educational opportunities for 5,000 U.S. veterans over a five-year period. Walgreens established the HERO program to help veterans transition leadership skills learned through military service into a retail management career. The

program aims to give veterans a career path to store management by providing on-the-job mentorship with Walgreens leaders and retail management training.

Participants in the program will have the opportunity to work toward a bachelor's degree with tuition assistance and discounts from an exclusive partnership with Southern New Hampshire University. As of August 31, 2019, 214 shift leads and assistant store manager trainees across the U.S. were participating in the HERO program.

## Helping young people from all backgrounds gain professional experience

Young people are the future, and essential to the continued transformation and growth of our Company. That's why both Boots UK and Walgreens have partnered with different organizations to help disadvantaged youth gain meaningful job opportunities.

Boots UK established a new strategic partnership during fiscal 2019 with The Prince's Trust, empowering young people to realize their full potential by providing opportunities that give them the skills, confidence and self-esteem for a better future. The partnership kicked off with a trial supporting 17 young people with jobs in Manchester stores, with plans to roll out the program to several additional stores in fiscal 2020.

As a part of the Boots UK graduate program, 15 graduates participated in the Million Makers corporate challenge to turn £1,500 (\$1,900) seed funding into a minimum of £10,000 (\$13,000) over a six-month period ending December 2019, all benefiting The Prince's

Trust. Graduates pitched fundraising ideas in order to receive seed funding. Participants were also required to take on roles outside their day-to-day positions to develop new skills.

Boots UK also hosted its annual two-week Work Inspiration program, placing 96 students from 14 to 19 years old in work experience activities at the Nottingham support office, of which 34 were allocated to The Prince's Trust. The program enables young people to develop new skills, grow their confidence and experience a professional environment.

In Chicago, Walgreens partnered for its fifth year with the nonprofit Skills for Chicagoland's Future to tackle high levels of unemployment among young adults. Walgreens is committed to providing youths from low-income, high-risk Chicago neighborhoods with long-term skills and tools to help them grow in their careers.

As of August 31, 2019, Walgreens had hired a significant number of young people from diverse backgrounds in various store positions across the Chicago area, and had expanded the partnership with the Beyond the Diploma: Pivot to Success program to provide pharmacy technician training. With this collaboration, Walgreens has committed to providing youths from 18 to 26 years old from low-income, high-risk Chicago neighborhoods with a career path in retail management. Walgreens also covers tuition expenses for program participants at Harold Washington College and pairs young people with mentors.



## Pride

Between April and October 2019 WBA participated in a number of events across the U.S. and the UK to celebrate LGBTQ Pride. Walgreens hosted a first-ever Coming Out panel with employees who have come out at work as a member of, or an ally to, the LGBTQ community. Walgreens sponsored and participated in 50 Pride events in 30 U.S. markets. Boots UK was the headline sponsor for Nottinghamshire Pride Day on July 27.

## Business Resource Groups (BRGs)

Our BRGs expanded during fiscal 2019 and there are now 14 active BRGs across the U.S., the UK and Germany. BRGs are grassroots networks of employees committed to making our Company an even more diverse and inclusive employer and retailer. Through their work, BRGs help attract, engage, develop and retain diverse talent.

## Diversity scholarships

During fiscal 2019 Walgreens provided more than \$1 million in donations for more than 250 students for the 2019-2020 school year at accredited pharmacy schools in the U.S. The scholarship program was also expanded to include job placements at Walgreens pharmacies.

## Boots UK D&I expansion

Boots UK continued to strengthen its diversity and inclusion strategy during fiscal 2019, achieving several milestones, including: conducting a survey to collect baseline D&I data; creating an internal D&I microsite; holding a women in leadership conference; and launching the WBA PRIDE UK, Women of WBA, and BAME BRGs.

Among other actions taken, Boots UK provided additional training to employees, including micro inequities training with senior leadership, and unconscious bias online training for all employees. Further, Boots UK made strides in disability inclusion, achieving Disability Confident level 2, a recognition from the government-led program Disability Confident for going the extra mile to make sure disabled people get a fair chance. This included a self-assessment of the organization on how it recruits, retains and develops the right people for the business.

Looking ahead, Boots UK is focused on talent recruitment and retention by reviewing internal processes, continuing to develop inclusive leadership and extending the reach of BRGs to the store level.

## Gender pay

WBA works to ensure our employees are paid fairly and equitably. In the U.S., we have made the commitment to conduct proactive pay reviews to confirm that pay practices are applied without regard to gender, race or ethnicity.

In accordance with the UK government's Gender Pay Gap Regulations, for the second year our employing entities that are subject to the regulations published their gender pay gap information. In the first half of calendar 2019, each relevant entity published a report covering 2018, including actions taken toward closing the gap and creating a truly inclusive work environment. The reports of our two largest employers in the UK, [Boots UK](#) and [Alliance Healthcare](#), can be found in their entirety on their respective websites.

The Boots UK report showed a median gender pay gap of 5.4 percent, and the Alliance Healthcare report showed a median gender pay gap of 9 percent, both significantly lower than the national average median of 17.9 percent, which is based on estimates from the Office of National Statistics' Annual Survey of Hours and Earnings 2018.



# Case Study: Training and Hiring People with Autism

“It helps you with your behavior, helps you get a job and helps you learn how to live on your own,” said Megan Lin, a graduate of the Turning Pointe. Now working at multiple Walgreens store locations in the Chicago area, Lin applies the skills she learned at Turning Pointe, such as how to use the cash register and provide customer service, in her day-to-day role.

Since 2012, Walgreens has worked with Turning Pointe Autism Foundation, a nonprofit supporting individuals on the autism spectrum and their families. Through Walgreens investment and collaboration, students with autism learn real-world skills in a mock retail environment to help prepare them for independent employment. Turning Pointe is one example of Walgreens long-term commitment to hiring and retaining employees with disabilities through numerous partnerships in the communities that we serve.

Made to look nearly identical to any Walgreens store, the Turning Pointe location serves as a training environment where students build retail and customer service skills before working in actual pharmacy locations. For some students, the training they receive at Turning Pointe is their first experience feeling acknowledged and valued in the workforce. Throughout the program, instructors watch students’ confidence levels soar as they build an important skill base they can bring to other retail environments in the future.

In fiscal 2019, seven students graduated from the program, with two placed at Walgreens stores and many going on to work in a retail store environment.

# Safety and Data Privacy

WBA is committed to creating and upholding a safe environment for its employees, customers, contractors and patients. The Company conducts its worldwide business planning and everyday operations with the utmost concern for health and safety management, including through our retail stores and distribution centers. We continuously strive to expand our robust approach to health and safety and to drive ongoing improvements even when they exceed local legislative requirements through coordination with the WBA Health, Safety and Environmental Committee.

As stated in the WBA Health, Safety and Environmental Policy, we encourage open dialogue and constructive feedback from all our stakeholders to help ensure we achieve best practices in the management of health and safety across our worldwide business operations. We also require that all divisions, businesses, cross-divisional functions and corporate functions have comprehensive formal governance processes in place for health and safety matters in the business operations for which they are responsible.

In our fiscal 2018 report, we indicated that we were reviewing a new GRI Disclosure standard related to employee safety for inclusion in our 2019 report. The corresponding disclosures for GRI 403: Occupational Health and Safety are included in this report.

## Safety campaigns

Through trainings and focus on safety culture, Walgreens has achieved employee and customer accident incident reductions in retail stores over the five-year period ended August 31, 2019. Walgreens rolled out a number of new programs in fiscal 2019 aimed at increasing safety and incident preparedness in stores, and employee and customer wellbeing. In response to the grim but real possibility that a violent act could occur, Walgreens launched enhanced training courses to further inform employees on its Policy Against Workplace Violence. The courses also provide information on preparing for active threats, managing and de-escalating confrontational incidents and keeping themselves and others safe during an attempted robbery. In addition to the training, frequently asked questions (FAQs), knowledge checklists and other reminders of incident protocol are posted in common areas in stores.

Through its Customer Care Advocate Program, Walgreens proactively offers support and acts as a liaison to customers who have reported the occurrence of an in-store incident.

In order to create a safe and productive workplace, employees are offered multiple avenues to report incidents including; calling a toll-free confidential hotline, submitting an online report, emailing the Walgreens compliance officer and/or contacting human resources.

Safety in the warehouse setting is paramount for employee wellbeing. At WBA, we know that the way trainings are facilitated is as important as the content itself. In fiscal 2019, Boots UK enhanced the delivery mechanism for warehouse awareness trainings by taking them from paper to video, making trainings more engaging and accessible. The new video trainings, Toolbox Talks, consist of the same information previously presented to warehouse employees but through new videos made by employees, for employees.

In fiscal 2019, warehouse operations in Boots UK saw a 61 percent reduction in employee reportable injury accidents and 63 percent reduction in employee RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) reportable injury accidents. The Boots UK warehousing team also developed and launched a reward scheme in fiscal 2019 designed to recognize, reward and reinforce safe behaviors in the workplace. While the Company cannot singularly attribute a decrease in the number of injuries to Toolbox Talks videos or the reward scheme, Boots UK believes both were contributing factors.





## Data privacy and security

Due to our role as a global healthcare leader, personal customer and patient information is provided to WBA when customers make purchases, fill prescriptions, enroll in promotional and customer loyalty programs, register on our websites or otherwise communicate with the Company. At times, some aspects of the Company's operations depend upon the secure transmission of confidential information over public networks. When approaching the management of data privacy and security, WBA places the utmost importance on ensuring the integrity of data and the protection of our customers, patients, employees and Company information. The Company's security processes and controls for information technology (IT) systems and resources, our business, and all respective employees, contractors and third parties help ensure that confidentiality, integrity and availability of our IT are maintained.

The Global Chief Information Security Officer oversees the security of the Company's computer systems, data, networks and other assets. The Company maintains a data security event plan to effectively manage and respond to information security incidents.

Our global information security policies, which are based on cybersecurity frameworks such as the International Organization for Standardization and the National Institute of Standards and Technology, set the compliance guidelines for our people, processes and systems. At the request of our business partners, WBA also

WBA places the utmost importance on ensuring the integrity of data and the protection of our customers, patients, employees and Company information.

engages with HITRUST, a third-party organization, to conduct an assessment of the security and privacy controls around patient data. HITRUST Certification is valid for two years and WBA submitted its renewal application at the end of calendar 2019. During the off years, WBA conducts an interim assessment to ensure adherence to HITRUST standards.

Moving forward, the Company will continue to closely review, assess and improve policies and procedures to help ensure the integrity of data and the protection of our customer, patient, employee and Company data.

# About This Report

Our fiscal 2019 CSR Report reflects a refreshed CSR strategy, more intensely focused on healthcare, as explained in the Our Approach to CSR section of this report.

In order to more fully meet GRI reporting requirements, we enhanced our narrative on our management approach to our material CSR topics, more completely explaining the purpose, boundaries, programs and evaluation methods as appropriate. We also introduced hazardous waste data, on page 45.

This report underwent the GRI Management Approach Disclosure Review, designed to help organizations improve the reporting narrative on their approach to management of material CSR topics. More information pertaining to the review can be found in the GRI Content Index on page 70.

We continue to adjust our CSR strategy to meet stakeholder expectations and to address the material CSR issues that were identified as well as the environmental, social and market challenges that we and our stakeholders see emerging on the horizon.

Deloitte & Touche LLP conducted a review of specified indicators within this report in accordance with attestation standards established by the American Institute of Certified Public Accountants. Their assurance report can be found on pages 85-86.

This report covers data and progress from fiscal 2019, the 12 months ended August 31, 2019, and includes content from our ongoing global operations. The prior report from fiscal 2018 was published on January 16, 2019 and can be found on the sustainability section of our corporate website. We plan to continue to report on an annual basis in the future.

We welcome feedback on the contents of this report as well as on our CSR strategy. Please contact us at [CSR@wba.com](mailto:CSR@wba.com).

## Data management process

We have a Company-wide approach to recording, measuring and reporting CSR performance, including a set of reporting criteria and a set of CSR measures and performance indicators. Across all of our businesses we capture data on corporate giving, carbon emissions, energy use, waste by content and disposal, employee retention and diversity, and use the data to inform and assist in the development of individual CSR programs. In addition, in the Retail Pharmacy USA Division we capture data on employee race and ethnicity.

The data presented within this report reflect the ongoing operations of the Company during fiscal 2019 and were produced in accordance with the [Walgreens Boots Alliance Corporate Social Responsibility Performance Data Basis of Preparation](#), which can be found in the Corporate Responsibility area of the Company's corporate website. Our [Statement of Greenhouse Gas \(GHG\) Emissions](#) for fiscal 2019 and its external assurance from Deloitte & Touche LLP can also be found in the same area of our website.

CSR performance data are collected comprehensively on an annual basis. All submissions by individual businesses are prepared by local finance teams and local CSR champions and are reviewed by senior finance leaders.

The fiscal year that ended August 31, 2016 was the first year that CSR data were collected across the entire Company, and that data formed our baseline for our fiscal 2017 and fiscal 2018 CSR Reports.

In this report we are re-setting our baseline for some of our performance metrics due to the fact that during fiscal 2018 Walgreens Boots Alliance completed the acquisition of 1,932 Rite Aid stores under an amended and restated asset purchase agreement. Fiscal 2019 was the first year that CSR performance data were collected for these acquired stores, with the exception of workplace data, and will form the baseline for future environmental performance data reporting to provide meaningful comparatives as required by the GHG Protocol.

In the case of our workplace data, fiscal 2018 is the ongoing baseline since information was collected from acquired stores for that year.

In the case of our corporate giving data we will continue report cumulative figures back through fiscal 2016.

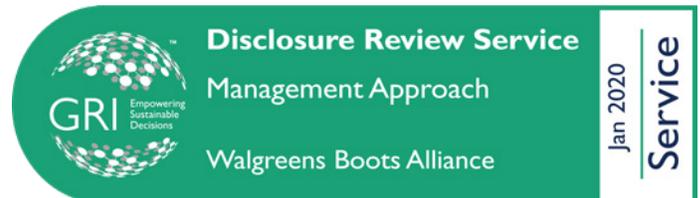
Every effort is made to ensure that we report accurate data, and our processes are designed to support this. In cases where we become aware of updates to data from previous years, we consider providing updated data in subsequent reports if the changes result in a discrepancy that is material. In these cases we provide details in footnotes to our data tables.

# GRI Content Index

Walgreens Boots Alliance has carried out an ongoing exercise to align our CSR reporting to the GRI Sustainability Reporting Standards (GRI Standards). This report has been prepared in accordance with the GRI Standards: Core option. This GRI Content Index reflects the material topics that emerged in our most recent CSR materiality assessment, conducted during fiscal 2018. The assessment allowed us to define the issues through which the Company has the most significant impact on the environment, on society and communities and on the economy, which were unchanged for fiscal 2019.

This report underwent the GRI Management Approach Disclosure Review, designed to help organizations improve the reporting narrative on their approach to management of material CSR topics.

For the Disclosure Review Service, GRI Services reviewed our management approach to our Material Topics 1, 2 and 5: Access to affordable and quality healthcare, Product safety and Employee health, safety and wellbeing. The service was performed on the 2019 Walgreens Boots Alliance Corporate Social Responsibility Report.



GRI Disclosure		References and responses
<b>GRI 101: FOUNDATION 2016</b>		
Reporting Principles and Requirements		2019 CSR Report, Our Approach to CSR, Reporting standards and assurance; <a href="#">page 10</a>
<b>GENERAL DISCLOSURES</b>		
GRI 102: General Disclosures 2016		
<b>ORGANIZATIONAL PROFILE</b>		
102-1	Name of the organization	Walgreens Boots Alliance, Inc.
102-2	Activities, brands, products, and services	<a href="#">2019 Annual Report</a> ; pages 1-8
102-3	Location of headquarters	2019 CSR Report, At a Glance: WBA; <a href="#">page 4</a>
102-4	Location of operations	2019 CSR Report, At a Glance: WBA; <a href="#">page 4</a> <a href="#">2019 Annual Report</a> ; pages 1, 4-6 <a href="#">Walgreens Boots Alliance Website</a>
102-5	Ownership and legal form	<a href="#">2019 Annual Report</a> ; page 1
102-6	Markets served	<a href="#">2019 Annual Report</a> ; pages 4-10
102-7	Scale of the organization	<a href="#">2019 Annual Report</a> ; pages 1, 4-10
102-8	Information on employees and other workers	2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing; <a href="#">pages 59-61</a> 2019 CSR Report, Healthy and Inclusive Workplace, Equal Opportunities; <a href="#">pages 62-65</a> <a href="#">2019 Annual Report</a> ; page 10 <a href="#">Walgreens Website</a> <a href="#">Boots UK Website</a>
102-9	Supply chain	2019 CSR Report, At a Glance: WBA; <a href="#">page 4</a> 2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a> <a href="#">2019 Annual Report</a> ; pages 4-33
102-10	Significant changes to the organization and its supply chain	<a href="#">2019 Annual Report</a> ; pages 4-33
102-11	Precautionary Principle or approach	2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a> <b>Direct Response:</b> Walgreens Boots Alliance does not have a policy regarding the precautionary principle or approach. We are involved with a number of externally developed initiatives, as listed in the Stakeholder Engagement section of this Report.
102-12	External initiatives	2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a>
102-13	Membership of associations	2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a>

GRI Disclosure		References and responses
<b>STRATEGY</b>		
102-14	Statement from senior decision-maker	2019 CSR Report, Message from Our Leaders, and Q&A with Our CSR Committee Chair; <a href="#">pages 1-2</a>
102-15	Key impacts, risks, and opportunities	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> <a href="#">2019 Annual Report</a> ; pages 10-33
<b>ETHICS AND INTEGRITY</b>		
102-16	Values, principles, standards, and norms of behavior	2019 CSR Report, Our Vision, Purpose and Values; <a href="#">page 3</a>
102-17	Mechanisms for advice and concerns about ethics	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management, and Code of Conduct and Business Ethics; <a href="#">page 11</a> <a href="#">Walgreens Boots Alliance Code of Conduct and Business Ethics</a> ; pages 35-36
<b>GOVERNANCE</b>		
102-18	Governance structure	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a> <a href="#">2019 Proxy statement</a> ; pages 5-6, 27-29
102-20	Executive-level responsibility for economic, environmental, and social topics	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a> <a href="#">2019 Proxy statement</a> ; pages 4, 25-27, 35-37
102-21	Consulting stakeholders on economic, environmental, and social topics	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a> <a href="#">Corporate Governance Guidelines</a> ; section 22
102-22	Composition of the highest governance body and its committees	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a> <a href="#">2019 Proxy statement</a> ; pages 6, 14-19, 27-31
102-23	Chair of the highest governance body	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a> <a href="#">2019 Proxy statement</a> ; pages 6, 11-14, 21-24
102-24	Nominating and selecting the highest governance body	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a> <a href="#">2019 Proxy statement</a> ; pages 11-14
102-25	Conflicts of interest	<a href="#">2019 Proxy statement</a> ; page 25 <a href="#">Corporate Governance Guidelines</a> ; section 16
102-26	Role of highest governance body in setting purpose, values, and strategy	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a> <a href="#">2019 Proxy statement</a> ; pages 27-31
102-27	Collective knowledge of highest governance body	<a href="#">Corporate Governance Guidelines</a> ; sections 12-13
102-28	Evaluating the highest governance body's performance	<a href="#">2019 Proxy statement</a> ; pages 38, 56-59 <a href="#">Corporate Governance Guidelines</a> ; sections 17-19
102-29	Identifying and managing economic, environmental, and social impacts	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a>
102-30	Effectiveness of risk management processes	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a> <a href="#">2019 Proxy statement</a> ; pages 32, 38
102-31	Review of economic, environmental, and social topics	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a>
102-32	Highest governance body's role in sustainability reporting	2019 CSR Report, Our Approach to CSR, Corporate governance and risk management; <a href="#">page 11</a>
102-33	Communicating critical concerns	<a href="#">2019 Proxy statement</a> ; pages 7, 39
102-36	Process for determining remuneration	<a href="#">2019 Proxy statement</a> ; pages 8, 50-58
102-37	Stakeholders involvement in remuneration	<a href="#">2019 Proxy statement</a> ; pages 7-9, 33, 39, 50-58

GRI Disclosure	References and responses	
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STAKEHOLDER ENGAGEMENT		
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102-40	List of stakeholder groups	2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a>
102-41	Collective bargaining agreements	2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing, Freedom of association and collective bargaining agreements; <a href="#">page 60</a>
102-42	Identifying and selecting stakeholders	2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a>
102-43	Approach to stakeholder engagement	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a>
102-44	Key topics and concerns raised	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a>

REPORTING PRACTICE		
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102-45	Entities included in the consolidated financial statements	<a href="#">2019 Annual Report</a> ; pages 1-3
102-46	Defining report content and topic boundaries	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a> 2019 CSR Report, About This Report; <a href="#">page 69</a>
102-47	List of material topics	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
102-48	Restatements of information	2019 CSR Report, About This Report; <a href="#">page 69</a>
102-49	Changes in reporting	2019 CSR Report, About This Report; <a href="#">page 69</a>
102-50	Reporting period	2019 CSR Report, About This Report; <a href="#">page 69</a>
102-51	Date of most recent report	2019 CSR Report, About This Report; <a href="#">page 69</a>
102-52	Reporting cycle	2019 CSR Report, About This Report; <a href="#">page 69</a>
102-53	Contact point for questions regarding the report	2019 CSR Report, About This Report; <a href="#">page 69</a>
102-54	Claims of reporting in accordance with the GRI Standards	2019 CSR Report, Our Approach to CSR, Reporting standards and assurance; <a href="#">page 10</a> 2019 CSR Report, GRI Content Index; <a href="#">pages 70-84</a>
102-55	GRI content index	2019 CSR Report, GRI Content Index; <a href="#">pages 70-84</a>
102-56	External assurance	2019 CSR Report, About This Report, Data management process; <a href="#">page 69</a> 2019 CSR Report, Assurance Report; <a href="#">pages 85-86</a>

## MATERIAL TOPICS

### GRI 200 Economic Standards Series

ECONOMIC PERFORMANCE		
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#### GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, At a Glance: WBA; <a href="#">page 4</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-2	The management approach and its components	2019 CSR Report, At a Glance: WBA; <a href="#">page 4</a> 2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-3	Evaluation of the management approach	2019 CSR Report, At a Glance: WBA; <a href="#">page 4</a> 2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>

#### GRI 201: ECONOMIC PERFORMANCE 2016

201-1	Direct economic value generated and distributed	2019 CSR Report, At a Glance: WBA; <a href="#">page 4</a> 2019 CSR Report, Healthy Communities, Giving Back: Corporate Donations and Support; <a href="#">pages 36-37</a> <a href="#">2019 Annual Report</a> ; pages 1, 38-40, 109-113, 116-119
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MARKET PRESENCE		
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#### GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, At a Glance: WBA; <a href="#">page 4</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
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GRI Disclosure		References and responses
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing; <a href="#">pages 59-61</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing; <a href="#">pages 59-61</a>

### GRI 202: MARKET PRESENCE 2016

202-1	Ratios of standard entry level wage by gender compared to local minimum wage	<b>Direct Response:</b> The ratio of our standard entry-level hourly wage to local minimum wage varies from location to location around the world. This variation is necessary to comply with local conditions and with national wage minimums in countries that set them. WBA values the contributions employees make and, thus, the Company consistently reviews wages guidelines to make updates where needed. For example, effective October 2018, the minimum wage for all store employees at Walgreens was raised to \$10 an hour (resulting in increased pay for over 100,000 employees), and Walgreens also implemented increased pay ranges for pharmacy technicians and distribution center general warehouse teams. In addition, we strive to work with suppliers who maintain WBA's commitment to fair wages and hours for all workers. Standard entry level wage does not vary by gender.
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### INDIRECT ECONOMIC IMPACTS

#### GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities; <a href="#">page 20</a> 2019 CSR Report, Healthy Communities, Partnerships for Good; <a href="#">page 31</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>

#### GRI 203: INDIRECT ECONOMIC IMPACTS 2016

203-1	Infrastructure investments and services supported	2019 CSR Report, Healthy Communities, Health Education and Awareness; <a href="#">pages 25-29</a> 2019 CSR Report, Healthy Communities, Opioid Abuse Prevention; <a href="#">page 30</a> 2019 CSR Report, Healthy Communities, Partnerships for Good, Supporting People Living with Cancer; <a href="#">pages 31-34</a> 2019 CSR Report, Healthy Communities, Partnerships for Good, Empowering Young People; <a href="#">page 35</a> 2019 CSR Report, Healthy Communities, Giving Back: Corporate Donations and Support; <a href="#">pages 36-37</a>
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### ANTI-CORRUPTION

#### GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> <a href="#">Walgreens Boots Alliance Code of Conduct and Business Ethics</a> ; pages 31-33
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> <a href="#">Walgreens Boots Alliance Code of Conduct and Business Ethics</a> ; pages 31-33

## GRI 205: ANTI-CORRUPTION 2016

205-2	Communication and training about anti-corruption policies and procedures	<p><b>Direct Response:</b> <a href="#">Code of Conduct and Business Ethics</a> extends to all WBA officers and employees no matter where they are located in the world. A WBA employee is any employee of Walgreens Boots Alliance, Inc. or any of its subsidiary companies. The Code also extends to any officers and employees of a business or company in which Walgreens Boots Alliance, Inc. or any of its subsidiaries has a controlling interest. It also extends to other parties acting on behalf of Walgreens Boots Alliance, Inc. or any of its subsidiaries, such as consultants, agents, intermediaries or other representatives of WBA, including our Board of Directors.</p> <p>WBA strives to maintain high ethical standards and requires its employees and others doing business with WBA, including its consultants, agents, intermediaries, and representatives, to comply with all applicable anti-bribery and corruption laws and other regulations that prohibit bribery, solicitation of bribery and the payment of kickbacks.</p> <p>Each WBA business and corporate function is accountable for implementation of the Company's policy on this issue, including ensuring ongoing, tailored communication for relevant employees. Each business and corporate function must also ensure that appropriate training is available to employees and associated persons whose roles involve risk related to this area.</p> <p>Our Board of Directors expects directors to act ethically at all times and to adhere to the Code and other applicable policies.</p> <p>We expect our suppliers to adopt responsible processes and practices and the quality of goods or services provided to us to meet the standards set out in the Code and applicable policies.</p> <p>It is WBA's intention to source from suppliers who can satisfy our standards with regard to anti-corruption or who have given a commitment to achieve these standards within an agreed time frame. Sourcing responsibly is our approach to achieving these standards with suppliers, the principles of which are set out below.</p> <p>Procurement decisions are made on the basis of ethical standards, quality, service, price, delivery, best value and other similar factors. We will observe high ethical standards in all our dealings with suppliers. Any corrupt, improper or unethical behavior in dealings with suppliers is prohibited.</p>
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## ANTI-COMPETITIVE BEHAVIOR

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> <a href="#">Walgreens Boots Alliance Code of Conduct and Business Ethics</a> ; page 15
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> <a href="#">Walgreens Boots Alliance Code of Conduct and Business Ethics</a> ; page 15

## GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016

206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<b>Direct Response:</b> We disclose all material litigation, including matters related to competition law, as required in our annual and quarterly reports filed with the SEC. We make these reports publicly available under "SEC Filings" at <a href="http://investorwalgreensbootsalliance.com">investorwalgreensbootsalliance.com</a> .
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## GRI 300 Environmental Standards Series

## MATERIALS

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a>

## GRI 301: MATERIALS 2016

301-2	Recycled input materials used	2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a> <b>Direct Response:</b> WBA is committed to reporting the percentage of recycled material used in packaging, with efforts to expand this data collection in future years. <b>Omission</b> <b>Part of Disclosure Omitted:</b> Percentage of recycled input materials used to manufacture the organization's primary products and services <b>Reason for Omission:</b> Complete information unavailable <b>Explanation for Omission:</b> We continue to work on gathering this data for our owned brand products. During fiscal 2019 Boots UK owned brands reported overall plastics usage including recycled content to the UK Plastics Pact. Boots UK is conducting an ongoing survey of suppliers to obtain a more detailed dataset by individual product code, which will constitute a baseline against the UK Plastics Pact (UKPP) targets.
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## ENERGY

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 38-43</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>

## GRI 302: ENERGY 2016

302-1	Energy consumption within the organization	2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>
302-2	Energy consumption outside of the organization	2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>
302-4	Reduction of energy consumption	2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>

## EMISSIONS

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>

## GRI 305: EMISSIONS 2016

305-1	Direct (Scope 1) GHG emissions	2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>
305-2	Energy indirect (Scope 2) GHG emissions	2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>
305-3	Other indirect (Scope 3) GHG emissions	2019 CSR Report, Healthy Planet, Energy; <a href="#">pages 39-43</a>

GRI Disclosure	References and responses
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<b>EFFLUENTS AND WASTE</b>	
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<b>GRI 103: MANAGEMENT APPROACH 2016</b>	
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103-1	Explanation of the material topic and its Boundary	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Waste; <a href="#">pages 44-47</a> 2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Waste; <a href="#">pages 44-47</a> 2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Waste; <a href="#">pages 44-47</a> 2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a>

<b>GRI 306: EFFLUENTS AND WASTE 2016</b>	
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306-2	Waste by type and disposal method	2019 CSR Report, Healthy Planet, Waste; <a href="#">pages 44-47</a> 2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a>
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<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>	
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<b>GRI 103: MANAGEMENT APPROACH 2016</b>	
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103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a> 2019 CSR Report, Sustainable Marketplace, Ethical Sourcing; <a href="#">pages 56-57</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a> 2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a> 2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a> 2019 CSR Report, Sustainable Marketplace, Ethical Sourcing; <a href="#">pages 56-57</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a> 2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a> 2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a> 2019 CSR Report, Sustainable Marketplace, Ethical Sourcing; <a href="#">pages 56-57</a>

<b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016</b>	
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308-1	New suppliers that were screened using environmental criteria	<p><b>Direct Response:</b> In fiscal 2019, we conducted more than 1,200 ethical compliance assessments on new and existing suppliers for our Walgreens and Boots UK owned brands. All of the suppliers were screened against the following environmental criteria:</p> <ul style="list-style-type: none"> <li>• Environmental procedures and policies.</li> <li>• Relevant permits and testing in place for emissions and discharges to air and water, including waste disposal</li> <li>• Recycling of waste materials</li> <li>• Using only registered approved waste disposal and recycling contractors</li> <li>• Procedures, training and equipment in place for managing and controlling chemical spillage and/or environmental emergencies</li> </ul> <p>Regarding our wider supply chain, it is WBA's intention to source from suppliers who can satisfy our standards with regard to labor and welfare conditions, health and safety, anti-corruption and environmental management or who have given a commitment to achieve these standards within an agreed time frame. With tens of thousands of suppliers across the globe, we use a risk-based approach to monitor our most significant suppliers on issues such as environmental compliance.</p>
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## GRI 400 Social Standards Series

## EMPLOYMENT

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing; <a href="#">pages 59-61</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing; <a href="#">pages 59-61</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing; <a href="#">pages 59-61</a>

## GRI 401: EMPLOYMENT 2016

401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing; <a href="#">pages 59-61</a>
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## OCCUPATIONAL HEALTH AND SAFETY

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>

## GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018

403-1	Occupational health and safety management system	2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a>
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403-2	Hazard identification, risk assessment, and incident investigation	<p>2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a></p> <p><b>Direct Response:</b> Each WBA Division, business and corporate function must designate a director from its management or operating committee, or a senior executive, to hold specific responsibility for management of all health, safety and environmental matters in its operations. The designated director must ensure that ongoing comprehensive risk assessments are carried out on all work-related activities that carry health, safety and environmental risks, and that all mitigating controls required by these assessments are implemented promptly as appropriate.</p> <p>All Divisions, businesses and corporate functions must have in place and keep up to date written, fit-for-purpose health, safety and environmental standards that cover the areas of risk relevant to its operations. Standards must be informed by local legislative requirements and cover significant risks from the risk assessments of individual businesses. The designated director must ensure that the Division, business or corporate function has in place a compliance program that includes regular health, safety and environmental audits on its estate of retail stores, warehouses, manufacturing plants and offices, as relevant.</p> <p>Every business must have in place processes for investigating accidents and near misses to ensure that the root causes of health, safety and environmental incidents are fully identified, and that appropriate action is taken to address any issues identified. In addition to internal investigative processes, the Occupational Safety and Health Administration (OSHA) in the U.S. assess risks, recommends improvements and enforces industry standards.</p> <p>As outlined in employee handbooks and contracts of employment, all employees, agency staff, consultants and onsite contractors must engage fully in the management of health, safety and environmental matters of Divisions, businesses and corporate functions. The WBA Code of Conduct and Business Ethics states that all have a responsibility to uphold laws and follow safety standards and guidelines. All have a legal duty to follow local safety rules and training, and not to do anything that could affect one's own or someone else's health or safety. Additionally, any concerns about misconduct or hazardous conditions that may threaten workplace safety should always be reported. WBA does not tolerate retaliation against anyone who raises a legal or ethical concern, reports misconduct in good faith or participates in an investigation.</p>
403-3	Occupational health services	<p>2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing; <a href="#">pages 59-61</a></p> <p>2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a></p>
403-4	Worker participation, consultation, and communication on occupational health and safety	2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a>
403-5	Worker training on occupational health and safety	2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a>
403-6	Promotion of worker health	<p>2019 CSR Report, Healthy and Inclusive Workplace, Employee Health and Wellbeing; <a href="#">pages 59-61</a></p> <p>2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a></p>
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a>
403-8	Workers covered by an occupational health and safety management system	<p>2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a></p> <p><b>Direct Response:</b> WBA has implemented key elements of a health, safety and environmental system in all markets covering all 342,000 employees. Safety management systems and internal auditing processes are in place in several larger markets covering all employees.</p> <p><b>Omission:</b></p> <p><b>Part of Disclosure Omitted:</b> Workers who are not employees, and an annual internal or external audit process of the management system.</p> <p><b>Reason for Omission:</b> Systems and approaches are evolving in some markets. Legal agreements limit and exclude certain responsibilities for record keeping or annual training in some markets.</p> <p><b>Explanation for Omission:</b> Safety arrangements are commonly in place but are not always structured as recognized safety management systems, and in at least one market they do not always cover non-employee workers. An annual internal and external audit process of the management system is not applied across all markets.</p>

## DIVERSITY AND EQUAL OPPORTUNITY

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Equal Opportunities; <a href="#">pages 62-66</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Equal Opportunities; <a href="#">pages 62-66</a> <a href="#">CSR Policy Statements, Diversity and Inclusion Policy Statement</a> ; page 5 <a href="#">2019 Proxy statement</a> ; pages 6-7, 14
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Equal Opportunities; <a href="#">pages 62-66</a> <a href="#">CSR Policy Statements, Diversity and Inclusion Policy Statement</a> ; page 5 <a href="#">2019 Proxy statement</a> ; pages 6-7, 14

## GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016

405-1	Diversity of governance bodies and employees	2019 CSR Report, Healthy and Inclusive Workplace, Equal Opportunities; <a href="#">pages 62-66</a> <a href="#">2019 Proxy statement</a> ; pages 6-7, 14
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## LOCAL COMMUNITIES

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Partnerships for Good; <a href="#">page 31</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities; <a href="#">page 20</a> 2019 CSR Report, Healthy Communities, Partnerships for Good; <a href="#">page 31</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities; <a href="#">page 20</a> <b>Direct Response:</b> For all our major programs we conduct regular analyses to review our methods, activities, impact and return on resource investment. Based on these reviews, we decide to continue, modify or discontinue programs. Community engagement is reviewed in aggregate by operating Divisions quarterly, to determine alignment with our CSR strategy.

## GRI 413: LOCAL COMMUNITIES 2016

413-1	Operations with local community engagement, impact assessments, and development programs	<p>2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a>  2019 CSR Report, Healthy Communities, Health Education and Awareness; <a href="#">page 27</a>  2019 CSR Report, Healthy Communities, Partnerships for Good, Supporting People with Cancer; <a href="#">pages 31-34</a>  2019 CSR Report, Healthy Communities, Partnerships for Good, Empowering Young People; <a href="#">page 35</a>  2019 CSR Report, Healthy Communities, Giving Back: Corporate Donations and Support; <a href="#">pages 36-37</a>  2019 CSR Report, Sustainable Marketplace, Transparency and Traceability, Case Study: WBA Joins Global Shea Alliance; <a href="#">page 55</a>  <b>Direct Response:</b> Substantially all of our operations have implemented local community engagement. The WBA CSR framework gives our businesses across the world the flexibility to engage with local communities based on the relevant social, environmental and economic context. Our businesses engage with local and national organizations that share our purpose, values and ethics in order to understand where they can have the biggest impact. Engagement channels differ from business to business. Impact assessments are generally conducted for key national CSR programs and are delivered jointly with the partnering organization. The Healthy Communities section of this report contains a number of examples of the impact of such programs. Many programs have impacts felt on national or global levels, but are enacted most thoughtfully in the communities we serve. In the U.S., Walgreens engagement with local community development programs is decentralized and based on local needs. Employees are involved with local organizations and participate in health-related events and support local causes. Walgreens representatives frequently participate in forums and consortiums to contribute to community consultations and research, which often focus on vulnerable groups. In the UK, Boots works with long-term national partners to support local communities.</p>
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## SUPPLIER SOCIAL ASSESSMENT

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	<p>2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>  2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a></p>
103-2	The management approach and its components	<p>2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a>  2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>  2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a>  2019 CSR Report, Sustainable Marketplace, Ethical Sourcing; <a href="#">pages 56-57</a>  <a href="#">2019 Modern Slavery and Human Trafficking Statement</a></p>
103-3	Evaluation of the management approach	<p>2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a>  2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>  2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a>  2019 CSR Report, Sustainable Marketplace, Ethical Sourcing; <a href="#">pages 56-57</a>  <a href="#">2019 Modern Slavery and Human Trafficking Statement</a></p>

## GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016

414-2	Negative social impacts in the supply chain and actions taken	<p>2019 CSR Report, Sustainable Marketplace, Ethical Sourcing; <a href="#">pages 56-57</a>  <a href="#">2019 Modern Slavery and Human Trafficking Statement</a></p>
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## PUBLIC POLICY

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-2	The management approach and its components	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>
103-3	Evaluation of the management approach	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a>

## GRI 415: PUBLIC POLICY 2016

415-1	Political contributions	<p><a href="#">2019 Proxy statement</a>; page 31  Policy Engagement and Political Activities page of Investor Relations section on <a href="http://www.walgreensbootsalliance.com">www.walgreensbootsalliance.com</a>.</p>
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## CUSTOMER HEALTH AND SAFETY

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, Our Approach to CSR, Customer, patient and product safety; <a href="#">pages 11-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a> <b>Direct Response:</b> The dispensing and wholesaling of pharmaceutical products is a significant area of our business where we have the most influence and impact as it relates to customer health and safety. Pharmacy safety is addressed in the Our Approach to CSR section, while safety in our owned brand products is addressed in the Transparency and Traceability section.
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR, Customer, patient and product safety; <a href="#">pages 11-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a> 2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR, Customer, patient and product safety; <a href="#">pages 11-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a>

## GRI 416: CUSTOMER HEALTH AND SAFETY 2016

416-1	Assessment of the health and safety impacts of product and service categories	2019 CSR Report, Our Approach to CSR, Customer, patient and product safety; <a href="#">pages 11-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a>
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## MARKETING AND LABELING

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a>
103-2	The management approach and its components	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a>
103-3	Evaluation of the management approach	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Responsible Sourcing; <a href="#">page 51</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a>

## GRI 417: MARKETING AND LABELING 2016

417-1	Requirements for product and service information and labeling	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Planet, Waste; <a href="#">pages 44-47</a> 2019 CSR Report, Healthy Planet, Waste; Sustainability Showcase: Boots UK Covent Garden Store; <a href="#">page 47</a> 2019 CSR Report, Healthy Planet, Plastics; <a href="#">pages 48-49</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a>
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## CUSTOMER PRIVACY

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a>
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GRI Disclosure		References and responses
103-2	The management approach and its components	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a>
103-3	Evaluation of the management approach	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a>

#### GRI 418: CUSTOMER PRIVACY 2016

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2019 CSR Report, Healthy and Inclusive Workplace, Safety and Data Privacy; <a href="#">pages 67-68</a> <b>Direct Response:</b> For the portion of our pharmacy business that operates in the United States, we publicly report breaches to the United States Department of Health and Human Services Office for Civil Rights (OCR). Click here for a link to the OCR breach reporting portal <a href="https://ocrportal.hhs.gov/ocr/breach/breach_report.jsf">https://ocrportal.hhs.gov/ocr/breach/breach_report.jsf</a> . For the portion of our pharmacy business that operates outside the United States, including in the European Economic Area, we report data breaches to the relevant data protection authorities in compliance with law. <b>Omission</b> <b>Part of Disclosure Omitted:</b> Data disclosure incidents not related to pharmacy <b>Reason for Omission:</b> Information unavailable <b>Explanation for Omission:</b> Due to a lack of common definitions for reporting customer data disclosure incidents across industries and multiple jurisdictions, there is a concern that reporting customer data disclosure incidents could be confusing or misleading, especially as it applies to our businesses that operate on a business-to-business service model and in retail.
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#### ACCESS TO AFFORDABLE AND QUALITY HEALTHCARE

##### GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Access to Affordable and Quality Healthcare; <a href="#">pages 21-24</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Access to Affordable and Quality Healthcare; <a href="#">pages 21-24</a> 2019 CSR Report, Healthy Communities, Partnerships for Good; <a href="#">page 31</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Access to Affordable and Quality Healthcare; <a href="#">pages 21-24</a>

#### CONSUMER HEALTH EDUCATION AND MARKETING

##### GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Health Education and Awareness; <a href="#">pages 25-29</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Health Education and Awareness; <a href="#">pages 25-29</a> 2019 CSR Report, Healthy Communities, Opioid Abuse Prevention; <a href="#">page 30</a> 2019 CSR Report, Healthy Communities, Partnerships for Good, Supporting People Living with Cancer; <a href="#">pages 31-34</a>

GRI Disclosure		References and responses
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Health Education and Awareness; <a href="#">pages 25-29</a> 2019 CSR Report, Healthy Communities, Partnerships for Good, Supporting People Living with Cancer; <a href="#">pages 31-34</a> 2019 CSR Report, Healthy Communities, Partnerships for Good, Empowering Young People; <a href="#">page 35</a>

## PRESCRIPTION DRUG ABUSE

### GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Opioid Abuse Prevention; <a href="#">page 30</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Health Education and Awareness; <a href="#">pages 25-29</a> 2019 CSR Report, Healthy Communities, Opioid Abuse Prevention; <a href="#">page 30</a> <a href="#">Battling the Opioid Epidemic</a> on our corporate website
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Opioid Abuse Prevention; <a href="#">page 30</a> <a href="#">Battling the Opioid Epidemic</a> on our corporate website

## CANCER CURE AND PREVENTION

### GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Partnerships for Good, Supporting People Living with Cancer; <a href="#">pages 31-34</a>
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities; <a href="#">page 20</a> 2019 CSR Report, Healthy Communities, Partnerships for Good, Supporting People Living with Cancer; <a href="#">pages 31-34</a>
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Healthy Communities, Partnerships for Good, Supporting People Living with Cancer; <a href="#">pages 31-34</a>

## CHEMICAL USE AND MANAGEMENT

### GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a> <b>Direct Response:</b> As described in the Transparency and Traceability section of this report, our chemicals management is focused on specific categories of our owned brand products.
103-2	The management approach and its components	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a> <a href="#">CSR Policy Statements, Chemical Policy Statement</a> ; pages 2-3
103-3	Evaluation of the management approach	2019 CSR Report, Our Approach to CSR; <a href="#">pages 7-12</a> 2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a>

## ANIMAL TESTING

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace; Transparency and Traceability; <a href="#">pages 52-55</a>
103-2	The management approach and its components	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a> <a href="#">CSR Policy Statements, Product Testing Policy Statement</a> ; page 8
103-3	Evaluation of the management approach	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Sustainable Marketplace, Transparency and Traceability; <a href="#">pages 52-55</a>

## TOBACCO SALES

## GRI 103: MANAGEMENT APPROACH 2016

103-1	Explanation of the material topic and its Boundary	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a> 2019 CSR Report, Healthy Communities, Health Education and Awareness; <a href="#">pages 25-29</a>
103-2	The management approach and its components	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a> 2019 CSR Report, Healthy Communities, Health Education and Awareness; <a href="#">pages 25-29</a>
103-3	Evaluation of the management approach	2019 CSR Report, CSR Materiality; <a href="#">pages 13-15</a> 2019 CSR Report, Stakeholder Engagement; <a href="#">pages 16-19</a> 2019 CSR Report, Healthy Communities, Health Education and Awareness; <a href="#">pages 25-29</a>

# Assurance Report



## Independent Accountants' Review Report

Board of Directors, Stockholders and Stakeholders  
Walgreens Boots Alliance, Inc.  
Deerfield, Illinois

We have reviewed the following indicators presented in the 2019 Corporate Social Responsibility ("CSR") Report (the Walgreens Boots Alliance specified indicators and Global Reporting Initiative ("GRI") specified indicators, collectively the "specified indicators") of Walgreens Boots Alliance, Inc. (the "Company" or "WBA") for the period or date indicated below.

### WBA Specified Indicators for the fiscal year ended August 31, 2019:

#### Healthy Communities

1. Corporate giving – direct contributions
2. How the Company contributed
3. Areas impacted by the Company's contributions
4. Corporate giving – employee volunteering hours

#### Healthy Planet

1. Total Company CO2e emissions, by source
2. CO2e emissions from energy, by type
3. CO2e emissions, by scopes 1, 2 and 3
4. CO2e emissions from business travel, per 1,000 employees, by division and for the Company
5. Waste by method of disposal

### WBA Specified Indicators as of August 31, 2019:

#### Healthy and Inclusive Workplace

1. Employees by gender and employment type (permanent or temporary; part-time or full-time)
2. Employee retention
3. Diversity of employees, employment category (manager and non-manager) by age group and by gender and for U.S. employees by race, ethnicity

### GRI Specified Indicators for the fiscal year ended August 31, 2019:

- |  |                             |
|--|-----------------------------|
| 1. Access to affordable and quality healthcare | GRI 103 management approach |
| 2. Product safety                              | GRI 416-1                   |
| 3. Consumer health education and marketing     | GRI 103 management approach |
| 4. Responsible and ethical supply chains       | GRI 414-2                   |
| 5. Employee health, safety and wellbeing       | GRI 401-2                   |
| 6. Prescription drug abuse                     | GRI 103 management approach |
| 7. Data privacy and security                   | GRI 418-1                   |
| 8. Product labeling and transparency           | GRI 417-1                   |

The Company's management is responsible for preparing and presenting the above Walgreens Boots Alliance specified indicators in accordance with the WBA CSR Performance Data Basis of Preparation, which is available in the Corporate Responsibility area of the Company's corporate website. In addition, the Company's management is responsible for preparing and presenting the above GRI specified indicators in accordance with the Global Reporting Initiative (GRI) Standards set forth for each of the GRI specified indicators in the GRI Content Index on pages 70-84 in the 2019 CSR Report. Our responsibility is to express a conclusion on the specified indicators based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the specified indicators in order for them to be presented in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the specified indicators are presented in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

The preparation of specified indicators within the WBA CSR Report requires management to establish the criteria, make determinations as to the relevancy of information to be included and make estimates and assumptions that affect reported information. Measurement of certain amounts and sustainability metrics, some of which may be referred to as estimates, is subject to substantial inherent measurement uncertainty. Obtaining sufficient, appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the amounts and metrics. The selection by management of different but acceptable measurement methods, 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 or metrics being reported.

Based on our review, we are not aware of any material modifications that should be made to the:

- WBA specified indicators in order for them to be presented in accordance with the WBA CSR Performance Data Basis of Preparation, which is available in the Corporate Responsibility area of the Company's corporate website.
- GRI specified indicators in order for them to be presented in accordance with the GRI Standards set forth for each of the specified indicators in the GRI Index on pages 70-84 in the WBA CSR Report.

The comparative specified indicators for periods prior to August 31, 2019, and all other information presented within the WBA CSR Report were not reviewed by us and, accordingly, we do not express any assurance on them.

**/s/ DELOITTE & TOUCHE LLP**  
**Chicago, IL**  
**January 27, 2020**

# Legal Notice

## Forward-looking statements

All statements in this report that are not historical, including goals for and projections of future results, the expected execution and effect of our Corporate Social Responsibility strategies and initiatives and the amounts and timing of their expected impact, constitute forward-looking statements that are based on current societal, market, competitive and regulatory expectations. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions, known or unknown, which could cause actual results to vary materially. These statements speak only as of the date they are made and, except to the extent required by the law, Walgreens Boots Alliance undertakes no obligation to update publicly any forward-looking statement included in this report, whether as a result of new information, future events, changes in assumptions or otherwise. Please see Walgreens Boots Alliance's latest Form 10-K and subsequent SEC filings for a discussion of risk factors as they relate to forward-looking statements.

## Exchange rates basis of preparation

Foreign currency amounts have been presented in U.S. dollars for consistency, having been translated at the average exchange rate for the 12 months ending August 31, 2019. The most significant rates are 1.28 U.S. dollar per British pound sterling and 1.13 U.S. dollar per euro.

Funds raised in British pounds sterling or in euros over multi-year periods were converted to U.S. dollars using average exchange rates for the reporting periods in which the funds were raised.

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**BALANCE REWARDS FOR HEALTHY CHOICES, FEEL MORE LIKE YOU, GET A SHOT. GIVE A SHOT., NICE!, PHARMACY CHAT W, SAVE A TRIP REFILLS, W REDI, W SECURITY OPERATIONS CENTER, WALGREENS, WALGREENS EXPRESS, WALGREENS FIND CARE and WALGREENS FLU INDEX** are trademarks owned by Walgreen Co.

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## Walgreens Boots Alliance

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