



### Walgreens Boots Alliance Supplier Code of Conduct

It is our intention to source products and services from suppliers who share our high standards with regard to business ethics, labor and welfare conditions, health and safety and environmental management.

Procurement decisions are made on the basis of ethical standards, quality, service, price, delivery, best value and other similar factors. Any corrupt, improper or unethical behaviour is prohibited. Walgreens Boots Alliance expects its suppliers to operate in accordance with the core principles outlined in this document.

Suppliers must also comply with WBA's Conflicts of Interest and Anti-Bribery Anti-Corruption Policies and conduct their business in an ethical manner sharing these expectations with all facilities and/or businesses that support their supply chain. A signed supplier agreement, acceptance of a purchase order, and/ or provision of merchandise to any WBA entity constitutes acceptance of these requirements and serves as the supplier's continuing affirmation of compliance.

WBA is committed to a continuous improvement approach regarding environmental and social impact development. This can be achieved by taking a balanced approach to economic activity, responsibility for the environment and social progress. We aim to meet the needs of our customers without compromising the ability of future generations to meet their own needs.

### Core Principles of Supplier Code

Our Supplier Code of Conduct is based on internationally recognized standards including the Ethical Trading Initiative Base Code and the International Labor Organization (ILO) conventions and recommendations, which in turn are based on the United Nations (UN) Universal Declaration of Human Rights and Convention on Rights of the Child.

WBA is committed to applying and implementing all elements of this Code and its core principles. There is an understanding that certain behaviors that disregard workers' fundamental human rights and business integrity will not be tolerated under any circumstances, such as:

- Child Labor
- Convict/Indentured/Forced Labor
- Corporal Punishment
- Slavery and Human Trafficking
- Acts of Bribery

Within this understanding it is recognized that other elements are aspirational, and remediation will not always be able to be achieved immediately. In these circumstances it is our expectation that suppliers shall take practical steps and measures to ensure these issues are eliminated through sustainable change which will be managed and verified through corrective action plans, submission of objective evidence and via follow up audits.

#### 1. Prohibited Labor, Slavery, Human Trafficking



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We totally oppose the exploitation of workers and do not tolerate forced, bonded or convict labor, slavery, human trafficking or labor practices which involve the harsh or inhumane treatment of workers. We will not accept any products and/or services from suppliers who utilize any manner of forced, bonded, convict, indentured or other illegal labor, any form of slavery or human trafficking or any other prohibited conduct.

Suppliers shall not require employees to lodge a deposit, original passport or original identity papers as a condition of employment. All employees shall be free to leave their employer after reasonable notice.

Suppliers shall ensure workers do not pay recruitment fees at any point in the hiring process. Should recruitment fees be identified, the supplier must work with their labor agencies to remove recruitment fees from the hiring process.

In addition, suppliers must comply with all applicable laws and regulations related to labor and immigration. Suppliers that have employed foreign/migrant workers must ensure that the migrant workers have the requisite work permits or authority to lawfully provide services and their ages to legally work are verified. Suppliers must also ensure all migrant workers have received a signed employment contract and communicate to workers the terms of their employment in their native language prior to starting employment, or in cases where workers are travelling from one country to another, then it must be available prior to departure from their home country. To the extent that workers are employed through an agency, then the supplier shall ensure agencies comply with all applicable labor laws and regulations and hold them adhere to the same standard.

### **2. Discrimination, Harassment and Retaliation**

We are opposed to discrimination in any form. There must be no discrimination or harassment during recruitment or employment on the basis of (but not limited to) race, caste, religion, age, disability, gender, potential reproductive status, marital status, sexual orientation, union membership, ethnic/national origin, military status or political affiliation. Suppliers must not retaliate against workers following grievance procedures or for otherwise opposing an unlawful employment practice.

### **3. Freedom of Association and the Right to Collective Bargaining**

We uphold the right of workers, in conformity with local law, to be members of trade unions of their own choosing and to bargain collectively. Suppliers must comply with all applicable laws and regulations relating to their workers' rights to freedom of association and collective bargaining. Where this is restricted under law, the supplier facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Workers' representatives must be allowed access to the workplace to carry out their functions and must not be discriminated against or be harassed.

### **4. Terms and Conditions of Employment and Wages and Benefits**

All terms and conditions of employment must be compatible with fair, honest trading practices and have due regard to the welfare of individuals.

We support a fair and reasonable reward for workers. Wages and benefits paid for a standard working week must as a minimum meet local legal minimum wage criteria or local norms for the industry.



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Workers must be provided with written, understandable information related to their wages and any deductions for each pay period. Deductions from wages as a disciplinary measure must not be permitted nor are deductions from wages allowed to be taken that are not in compliance with all applicable legal requirements.

### **5. Working Hours**

Working hours must not exceed local legal requirements or local norms for the industry. WBA expects that all workers be allowed at least one day off in a seven-day period or at least two days off in a fourteen-day period.

Worker participation in overtime must be entirely voluntary and will be paid in accordance with local legal requirements as a minimum.

### **6. Child Labor**

We are totally opposed to the exploitation of children. Suppliers must not employ any worker in breach of the minimum age for work determined by applicable laws and regulations or 15 years of age in line with the ILO Convention No.138 on Minimum Age, whichever is the most stringent. Where employment of minors is permitted by law, suppliers must comply with all applicable laws and regulations governing such employment.

We expect suppliers to clearly document and communicate their policies for dealing with underage children (even if there are no known children employed) which include support for the child to attend and remain in education until the national minimum working age, or 15, or mandatory schooling age whichever is oldest.

People younger than 18 years of age must not be expected to work at night or carry out activities that are potentially hazardous or harmful to their health and development, include but not limited to, long working hours, work with dangerous machinery or involves manual handling of heavy loads, work in unhealthy environment which may expose to hazardous substances, agents, processes, excessive temperature or noise, physical or psychological abuse etc.

### **7. Health and Safety**

Suppliers must ensure that all manufacturing processes are carried out under conditions which have proper and adequate regard for the health and safety of their workers. Suppliers must comply with all applicable laws and regulations that pertain to health and safety in the workplace and in any employer-provided living quarters and eatery, ensuring as a minimum a safe and hygienic environment is provided.

### **8. Bribery and Corruption**

We strive to maintain high ethical standards and require our employees and others doing business with us to comply with all applicable Anti-Bribery and Anti-Corruption ("ABAC") laws and other regulations that prohibit bribery and corruption (e.g. US Foreign Corrupt Practices Act, the UK Bribery Act etc.).

The WBA Anti-Bribery and Anti-Corruption Policy emphasizes that WBA has a zero tolerance approach to corruption and bribery in its global business operations. Bribery and corruption will not be tolerated in any form throughout our supply chain, including any attempt to improperly influence any member of WBA, its agent(s), Government Officials, Healthcare Professionals, or a private party



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to obtain or retain business or otherwise to secure any advantage for any reason other than a legitimate business reason. Team members who engage with a supplier must ensure compliance with the WBA Anti-bribery and Anti-corruption Policy.

### **9. Employment Practices**

All recruitment and employment practices must at a minimum meet local and national employment laws and good practices. All worker employment documentation shall be reviewed to ensure the required accreditation or status is validated as set by local and national laws.

### **10. Management Systems; Monitoring and Documentation**

Suppliers must have an effective management system to accurately reflect compliance with the standards set out in our core principles. Supplier's must effectively document and maintain management systems and make such systems accessible to WBA or its authorised agents for inspection as requested.

### **11. Sustainable Development and Environmental Protection**

WBA recognizes its responsibility to the environment and seeks to ensure that our suppliers do not operate in ways which could impact adversely upon the global or local environment and that they comply with all applicable environmental laws and regulations.

WBA is committed to improving the sustainability of its products and services by working with our suppliers to continually improve our products through the adoption of a balanced approach to reducing the social, economic and environmental impacts throughout the supply chain.

### **12. Monitoring and Verification**

We will take all reasonable and practical steps, including on-site assessments and surveillance visits, to ensure that the required standards are adopted by our suppliers and in turn by their suppliers at all times.

### **13. Subcontracting**

Subcontracting the manufacturing of WBA products isn't allowed under any circumstances without prior knowledge and written consent from WBA, Failure to observe this requirement may result in the end of business relationships and cancellation of all outstanding purchase orders.

### **14. Development of the Code**

We recognize that this Code must be developed to reflect practical experience and changing circumstances. We will continue to develop and share best practice with stakeholders so that we can all make real progress together.

### **15. Zero-Tolerance Violations**

WBA has a zero-tolerance approach for any serious violations of our core principles of Supplier Code. Zero Tolerance Violations include, but are not limited to, child labor, indentured/forced or convict labor, corporal punishment, slavery and human trafficking and acts of bribery. 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 to determine the future of WBA's relationship with that supplier.

We require all suppliers to observe the principles of this Code and require that our suppliers, in turn, ensure similar principles are shared with their suppliers, manufacturers and contractors.



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We reserve the right to carry out announced and unannounced assessments, including those performed at night shifts, of our suppliers to ensure that the required standards are being met at all times.

We will only trade with those suppliers who are open and transparent to the process of assessment and who are working towards compliance with our Code. Suppliers must maintain proper and accurate employment, payroll and working time records for the assessment when it is needed.

In the event of any supplier failing to comply with our Supplier Code and ethical standards, we maintain the right to end the business relationship and cancel outstanding purchase orders. We do however recognise that in the event of non-compliance, withdrawal of our business may cause severe hardship to those employed and will therefore attempt to work with our suppliers to move towards compliance.