



Walgreens Boots Alliance

2022

More Joyful Lives Through Better Health

Environmental, Social and
Governance (ESG) Report

#WeAreWBA





Walgreens Boots Alliance, Inc. ("Walgreens Boots Alliance" or "WBA" or the "Company") is an integrated healthcare, pharmacy and retail leader serving millions of customers and patients every day, with more than 170 years of heritage of caring for communities.

References in this Environmental, Social and Governance (ESG) Report to the "Company," "WBA," "we," "us" or "our" refers to Walgreens Boots Alliance, Inc. and its subsidiaries, and in each case do not include unconsolidated minority-owned entities and majority-owned subsidiaries acquired during the fiscal year.

OVERVIEW

About This Report	3
A Message to Our Stakeholders	4
Q&A With Our ESG Committee Chair	5
Our Purpose, Vision and Values	6
At a Glance	6
Fiscal 2022 Achievements and Recognition	7
Our Approach to ESG	8
ESG Materiality	10
Commitments and Progress	13
Stakeholder Engagement	15

GOVERNANCE

Governance	20
Health and Safety	23
Information Security	27
Privacy	28

01

HEALTHY COMMUNITIES

A Letter From Alethia Jackson	30
Health Access and Awareness	31
Prescription Misuse Prevention	45
Partnerships for Good	46
Giving Back: Corporate Donations and Supporting Causes	52

02

HEALTHY AND INCLUSIVE WORKPLACE

A Letter From Holly May	56
Diversity, Equity and Inclusion	57
Employee Engagement and Development	64
Employee Health and Well-Being	68

03

HEALTHY PLANET

A letter from Una Kent	71
Energy and Emissions	72
Waste	78
Plastics	82

04

SUSTAINABLE MARKETPLACE

A Letter From Annie Murphy	85
Our Owned Brands	86
Responsible Sourcing	88
Sustainable Materials	91
Sustainable Packaging	94

APPENDICES

GRI Content Index	98
Sustainability Accounting Standards Board (SASB) Index	110
Task Force on Climate-Related Financial Disclosures (TCFD) Response	111
United Nations Global Compact Index	116
Management Assertion Table	117
Assurance Report	119
Basis of Presentation	121
Legal Notice	128



MORE INFO

For additional information or inquiries on this report, please contact us at ESG@wba.com.

About This Report

GRI 2-3, 2-5

Walgreens Boots Alliance, Inc. publishes this report to illustrate its ESG activities and achievements. The Company produces an ESG Report on an annual basis. This report includes forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. See cautionary note regarding forward-looking statements on page [128](#).

Reporting standards

Our ESG Report has been prepared in accordance with the Global Reporting Initiative ("GRI") Universal Standards. The Report also contains disclosures following the Sustainability Accounting Standards Board ("SASB"), the Task Force on Climate-Related Financial Disclosures ("TCFD") reporting standards and definitions, and this report serves as the Company's Communication of Progress as a participant of the United Nations Global Compact ("UNGC").

Reporting period

Our fiscal year ends on Aug. 31, references herein to "fiscal 2022" refer to our fiscal year that ended Aug. 31, 2022. The reporting period spans fiscal 2022 and references select programs and campaigns noted by calendar year.

Reporting boundaries

The performance and other data contained in this report focus on the achievements and plans of Walgreens Boots Alliance, Inc. and its subsidiaries. More on our approach to ESG reporting can be found on page [9](#).

Reporting assurance

Deloitte & Touche LLP reviewed specified indicators within this report in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Deloitte & Touche LLP is appointed as our independent registered public accounting firm at our annual meeting of stockholders. Their assurance report can be found on pages [119-120](#).

Data Management

Data management process

We have a company-wide approach to recording, measuring and reporting ESG performance, including a set of reporting criteria and a set of ESG measures and performance indicators. Across all of our businesses, we capture data on corporate giving, carbon emissions, energy use, waste by disposal, employee retention and diversity, and use the data to inform and assist in the development of individual ESG programs. In addition, in the United States segment we capture data on employee race and ethnicity, and for our owned brands we collect data on palm oil and packaging.

The data presented within this report reflect the ongoing operations of the company during fiscal 2022 and were produced in accordance with the Walgreens Boots Alliance ESG Performance Data Basis of Presentation, which can be found on pages [121-127](#) of this report. Our Statement of Greenhouse Gas (GHG) Emissions for fiscal 2022 and its external assurance from Deloitte & Touche LLP can also be found on pages [119-120](#).

ESG performance data are collected comprehensively on an annual basis. All submissions by individual businesses are prepared by local finance teams and local ESG champions and are reviewed by senior finance leaders. In fiscal 2016, WBA collected environmental and social data across its operations for the first time, forming the baseline for our fiscal 2017 and fiscal 2018 CSR Reports. In our fiscal 2019 report, we reset baselines for our environmental performance metrics because, for the first time we included energy and waste data from 1,932 Rite Aid stores acquired the previous year. This was done to provide meaningful comparatives as required by the GHG Protocol.

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 the footnotes of our data tables.



A Message to Our Stakeholders

GRI 2-22

It is truly inspiring and gratifying each year at this time to see the tremendous impact Walgreens Boots Alliance continues to make in the communities we serve and beyond.

In October 2021, WBA unveiled a new purpose, vision and values, which unite us as an organization and help to inform our actions and decision-making. In particular, our purpose of “more joyful lives through better health” is the guiding light that signifies the difference we want to make in the world, and you’ll see it reflected throughout our Environmental, Social and Governance (ESG) Report for fiscal 2022.

During this critical time for the planet and our communities, we’ve made great progress across each of the four pillars of our health-centered ESG strategy: **Healthy Communities, Healthy Planet, Healthy and Inclusive Workplace** and **Sustainable Marketplace**.

Among the highlights from fiscal 2022 is the major role WBA has continued to play in combating the COVID-19 pandemic. Our pharmacy staff administered more than 69 million vaccines and more than 45 million COVID-19 tests through August 31, 2022, with more than one-third of the COVID-19 vaccines provided in socially vulnerable communities.

We’ve also made further strides in our commitment to health equity by improving health access and education through a number of initiatives. One example is the launch of our clinical trials business in the U.S., which aims to increase engagement among diverse populations while addressing barriers to participation in underserved areas.

Of course, none of our work would be possible without the unwavering dedication of our people around the globe. To understand and respond fully to our customers’ needs and challenges, we believe it’s imperative to employ a workforce that reflects the many communities we serve.

Additionally, WBA continues to build on our strong commitment to diversity, equity and inclusion, as well as accountability. This past year, we’re proud to have increased the representation of people of color in leadership roles, while also exceeding another goal to spend more than \$625 million with Tier 1 diverse suppliers.

Beyond our trusted retail locations, support center and many other facilities, our focus on health and well-being is truly global and we know the health of our planet has a direct impact on all of us. We are progressing well on our targets to reduce carbon emissions by 30 percent by the year 2030 from a 2019 baseline, and among other initiatives, we also launched a recycling Take-Back program across 700 Boots UK stores.

We are also pleased to have signed onto the Champion of the Sustainable Procurement Pledge, an international nonprofit organization driving awareness and knowledge on responsible sourcing practices to empower procurement professionals. Through this, we took notable steps, including minimizing plastic packaging and expanding our commitment to responsible sourcing, product transparency and traceability of ingredients.

Lastly, we recognize the importance of governance and transparency as we continue to expand our ESG efforts, programs and partnerships. As a result, this report follows the new GRI Universal Standards to reflect human rights impacts and due diligence obligations.

As we reimagine local healthcare and well-being for all, we are very proud of our impactful ESG efforts. We look forward to continuing to work closely with our partners to build a better, healthier world for generations to come.

January 25, 2023



Stefano Pessina
Executive Chairman
Walgreens Boots Alliance, Inc.



Rosalind G. Brewer
Chief Executive Officer
Walgreens Boots Alliance, Inc.



Q&A With Our ESG Committee Chair

GRI 2-22

So much has happened over the past year within WBA. What are you most proud of?

There is much to be proud of, but as always, I am most proud of our teams. The way our team members have continued to support each other, while also caring for our patients and our customers in the midst of ongoing social, political and environmental change and uncertainty has been exemplary.

Our people are unwavering in their dedication and commitment to create healthy communities, such as our recent milestone of reaching 350 million women and children through our partnership with Vitamin Angels. WBA team members have also continued to help foster a healthy and inclusive workplace, and we're proud to have achieved our goal to increase leadership numbers for people of color. In our ongoing efforts to make our planet healthier, we continue to make progress toward our goal of reducing Scope 1 and Scope 2 global carbon emissions by 30 percent compared to a 2019 baseline, thanks to a 7.5 percent reduction in fiscal 2022. Lastly, we are empowering a sustainable marketplace through supplier initiatives that reduce waste in packaging.

Speaking of WBA team members, there is an increased emphasis on health and well-being in the workplace. Why is that a priority?

The health and well-being of our team members has always been a priority at WBA, and even more so at a time when so many are still looking for support, having gone through the events of the past few years. The role we play as a large global employer has never been more critical when it comes to meeting the healthcare needs of our employees. It's vital we provide additional resources to help them manage their health and well-being, such as increased access to mental health resources, a new business resource group focused on working parents and caregivers, and more tools and programs that aim to help our team members live more joyful lives. I am so glad to see these resources being embraced.

WBA is being intentional about transparency and accountability, especially in disability inclusion and ESG goals. Can you explain some of the programs you have in place?

We already had a diversity goal as part of our Leadership Accountability Model, which tied a portion of bonus incentives to certain diversity goals. We have also recently added health equity goals to that model for fiscal

2022 because we know everyone can have an impact on the environment and affect ways to keep our planet and communities healthy. We have also included a goal to increase the number of team members with disabilities. We believe in being accountable across all aspects of ESG and diversity, equity and inclusion (DEI), and felt it was important to add these new goals as part of our commitment.

In what ways is ESG being ingrained into every aspect of the company?

Our owned brands are an inspiration due to their focus on delivering what our customers need, expect and want. In fiscal 2022, our owned brands continued to progress on increasing sustainability in our products, packaging and supply chain. We expect our suppliers to do the same and have implemented a rigorous and detailed assessment tool to weigh their progress on – and adherence to – sustainability.

One of our most impactful moves was to unveil our Global Minimum Requirements for Product Sustainability, which applies to our owned brand products in Asia, the U.S. and the UK. We track this data through our Product Sustainability Hub, where suppliers share sourcing material and other information. I am proud to see our owned brands leading the way in accountability and sustainable products.

What's next for WBA and ESG?

I have seen WBA progress so much over the past few years, and the growth can only continue. Our team members are innovating in ways that are both impactful and inspiring, from recycling schemes to community health partnerships to health equity incubators. We will continue our journey to becoming a consumer-centric healthcare company with a purpose to enable our customers and patients to live more joyful lives through better health.

Ornella Barra

Chief Operating Officer, International and Chair of the Environmental, Social and Governance Committee

Our Purpose, Vision and Values

GRI 2-22

OUR PURPOSE:

Creating more joyful lives through better health.

OUR VISION:

To be the leading partner in reimagining local healthcare and well-being for all.

OUR VALUES AND BEHAVIORS:

Walgreens Boots Alliance takes seriously its aim of creating more joyful lives through better health, which is reflected in our core values:



COURAGEOUS

Challenging the status quo, addressing conflict directly and driving informed risk-taking



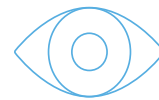
CONNECTED

Reflecting the communities we serve, understanding the needs of others and innovating together



COMMITTED

Leading with integrity, building on our legacy and striving boldly toward the future



CURIOS

Continuously learning and adapting, following the science and the data, and creating paths where none existed

At a Glance

GRI 2-1, 2-2, 2-6, 3-3, 201-1



Headquartered in Deerfield, Illinois



More than 325,000 employees



A presence in nine countries



More than 13,000 retail stores and clinics globally



8 microfulfillment centers, 1 prescription mail service facility and 43 principal office facilities



Sales of \$132.7 billion in fiscal 2022

Walgreens Boots Alliance is an integrated healthcare, pharmacy and retail leader serving millions of customers and patients every day, with a more than 170-year heritage of caring for communities. WBA is a trusted, global innovator in retail pharmacy, with more than 13,000 locations across the United States (U.S.), Europe, Latin America and Asia. Walgreens Boots Alliance plays a critical role in the healthcare ecosystem.

Through dispensing medicines; improving access to a wide range of health services; providing high-quality health and beauty products; and offering anytime, anywhere convenience across its digital platforms, the Company is shaping the future of healthcare.

Effective as of the first quarter of fiscal 2022, the Company is aligned into three reportable segments: U.S. Retail Pharmacy, International and U.S. Healthcare. In the fourth quarter of fiscal 2022, the Company changed the name of two reportable segments to better align with the Company's business activities, structure and strategy. The "United States" segment was renamed "U.S. Retail Pharmacy" and the "Walgreens Health" segment was renamed "U.S. Healthcare." The segment name changes did not result in any change to the composition of

the segments; therefore, no change was made to the historical results of segment operations. The information for these segments for all periods included in this Environmental, Social and Governance Report has been presented using the new names.

Our retail and business brands include Walgreens, Duane Reade, Boots, Farmacias Benavides, and Farmacias Ahumada as well as highly regarded and long-established product brands, including No7, Boots health and beauty lines, and numerous Walgreens products across a range of brand names and categories. For more on WBA owned brands, see page [86](#).

Fiscal 2022 Achievements and Recognition

GRI 3-3, 413-1

Our ESG strategy is concentrated on four focus pillars: healthy communities, healthy and inclusive workplace, healthy planet and sustainable marketplace. These pillars help us deliver on our purpose of creating more joyful lives through better health.

Healthy Communities

Expanded the Walgreens Health Equity Incubator to **15 more stores**

PAGE 33



Administered approximately **36 million** COVID-19 vaccinations and boosters

PAGE 34

Established the Boots Health Equity Champions network

PAGE 34

Donated **over \$25 million** to the Susan G. Komen and The Leukemia & Lymphoma Society through lifetime of the partnership

PAGE 47



Raised a total of **£1,000,000 (\$1,306,000)** in fiscal 2022 for Boots and Macmillan Cancer Support partnership and was named one of the Most Admired Corporate-NGO Partnerships in the C&E Barometer

PAGE 48

Healthy and Inclusive Workplace



Introduced **new** Business Resource Groups (BRGs), including Working Parents, Valor UK and Women of WBA Chile, our first BRG in Latin America

PAGE 65



Boots awarded Company of the Year at British Diversity Awards

PAGE 57



Expanded U.S. mental health and well-being platform, Be Well Connected

PAGE 69

Walgreens ranked **40** on the 2022 DiversityInc Top 50 Companies for Diversity

PAGE 57

Boots **implemented** a reimbursement initiative for team members experiencing menopause

PAGE 68

Healthy Planet

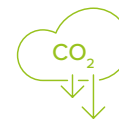
Expanded Boots "Be More" initiative helping customers select products with more sustainable attributes, including plastic free, recycled, reusable, vegan and cruelty free

PAGE 81



Removed nearly **30 million** plastic bags, equivalent to **over 370 tonnes** of plastic, from Boots UK online deliveries since 2018

PAGE 82



Achieved **21.2 percent** carbon emissions reduction compared with the 2019 baseline year

PAGE 74

Completed first climate scenario analysis

PAGE 111

Walgreens **won** the WasteWise award from the EPA in the Very Large Business, Partner of the Year category

PAGE 80

Expanded the Recycle at Boots scheme to **over 700 stores** nationwide in the UK

PAGE 81

Sustainable Marketplace



Eliminated wet wipes that include plastics at Boots UK stores, replacing with plant- or wood fiber-based alternatives

PAGE 94

Reduced plastic wrap thickness for Walgreens owned brand water bottle cases, saving **204 metric tons** of plastic in fiscal 2022

PAGE 94



Became a **Sustainable Procurement Pledge Champion**, driving awareness and knowledge on responsible sourcing practices

PAGE 88



Expanded the number of Boots and No7 Beauty Company owned brands products made from recycled-content or recyclable or natural materials

PAGE 94



Our Approach to ESG

GRI 2-5, 3-3

A healthy and inclusive planet for all

Thanks to WBA's continually evolving digital technology and global footprint, the Company impacts millions of lives around the world on a daily basis. Customers, patients, and caregivers have ease of access to dispensed medications and essential items, advice, and services, as well as an extensive range of health, wellness, and beauty products through our conveniently located retail stores and innovative digital platforms. Our more than 13,000 retail pharmacies and clinics in the U.S., the UK, the Republic of Ireland, Thailand, Mexico and Chile are embedded in local communities.

Our drive to deliver healthcare and support for local and global communities stems from our business values and is evidenced through our day-to-day operations. These essential commitments shape our approach to ESG, which is central to fulfilling our purpose to help people live more joyful lives through better health. Healthcare is at the center of our ESG framework, reflecting our operations and our corporate vision to be the leading partner in reimagining local healthcare and well-being for all. Our corporate responsibility efforts are embedded in our business strategy, which includes commitments to serve the needs of every community and create greater access to care.

This is especially notable as COVID-19 has amplified and exacerbated many risks and issues related to community and global health. We remain committed to health equity — especially through vaccine equity — and have delivered more than 69 million COVID-19 vaccinations and over 45 million COVID-19 tests as of Aug. 31, 2022.

WBA operates a fast-changing global business that continues to affect the health and social landscape. In the past three fiscal years, we have continued to provide essential products and services while remaining diligent in our responsibility to keep our people and customers safe, as well as updating our ESG programs to reflect the changing needs of global communities.

As demand for sustainable products continues to grow, we have expanded our goals across No7 Beauty Company and within owned brands to reduce

negative impacts on the planet and improve on our responsible sourcing practices. More information on this can be found in the [Sustainable Marketplace](#) section of the report.

Our ESG strategy includes permanent, ongoing consultations with a range of stakeholders who have joined us in agreement that we can have a profound impact on the world by working to improve health access and affordability, with a particular emphasis on health equity. We are increasingly aware of the links between the environment, climate change, equity and health. Our sustainability targets on emissions and plastics support a healthy planet and healthy communities.

In fiscal 2022, WBA renamed "Walgreens Health" segment as "U.S. Healthcare" business segment dedicated to bolstering an interconnected, consumer-centric healthcare platform across U.S. communities. Through strategic majority investments in Village Practice Management Company LLC ("VillageMD"), Shields Health Solutions Parent LLC ("Shields"), and CCX Next LLC ("CareCentrix"), WBA furthered its ability to offer a personalized, equitable, and accessible healthcare experience on both individual and community levels. This commitment to advancing our strategic partnerships and consumer-centric technology enables WBA to offer a more seamless pharmaceutical and retail experience, from vaccinations to chronic care and specialty management. You can read more about the U.S. Healthcare segment in the [Healthy Communities](#) section of this report.

We continue to build on the long-standing history of corporate citizenship built over more than a century in our legacy Walgreens and Boots businesses.



Our approach to reporting

GRI 2-5

WBA continues to enhance the transparency and credibility of its ESG disclosures through the use of widely accepted sustainability reporting standards that provide confidence in our ongoing corporate responsibility efforts and progress.

Global Reporting Initiative (GRI)

Our fiscal 2022 report has been prepared in accordance with the new GRI Universal Standards to reflect human rights impacts and due diligence requirements.

Sustainability Accounting Standards Board (SASB), part of the International Financial Reporting Standards (IFRS) Foundation

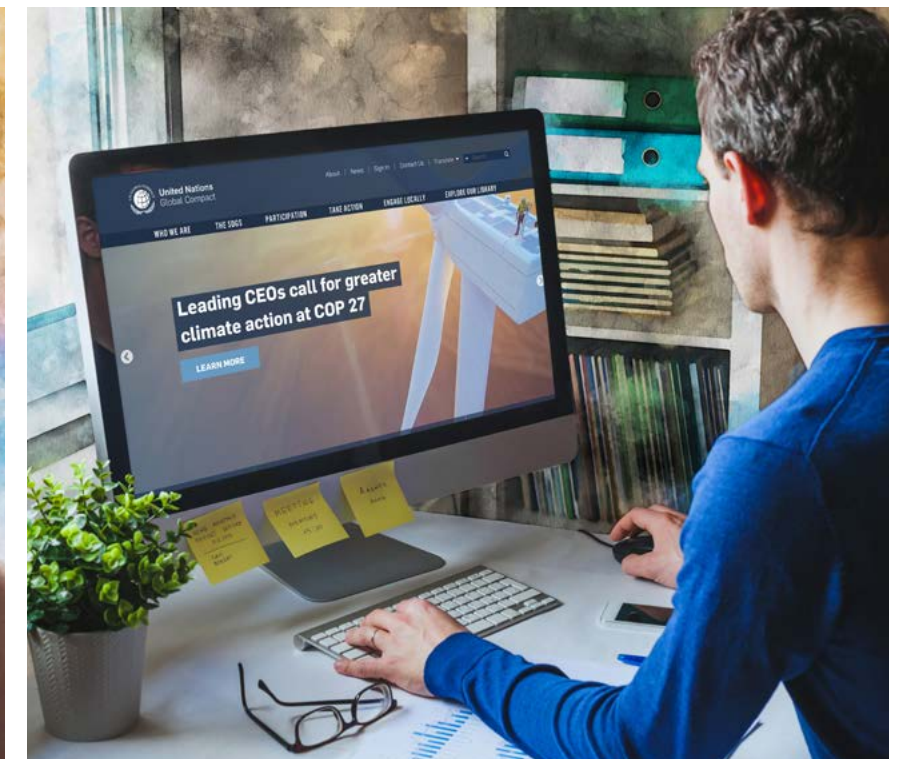
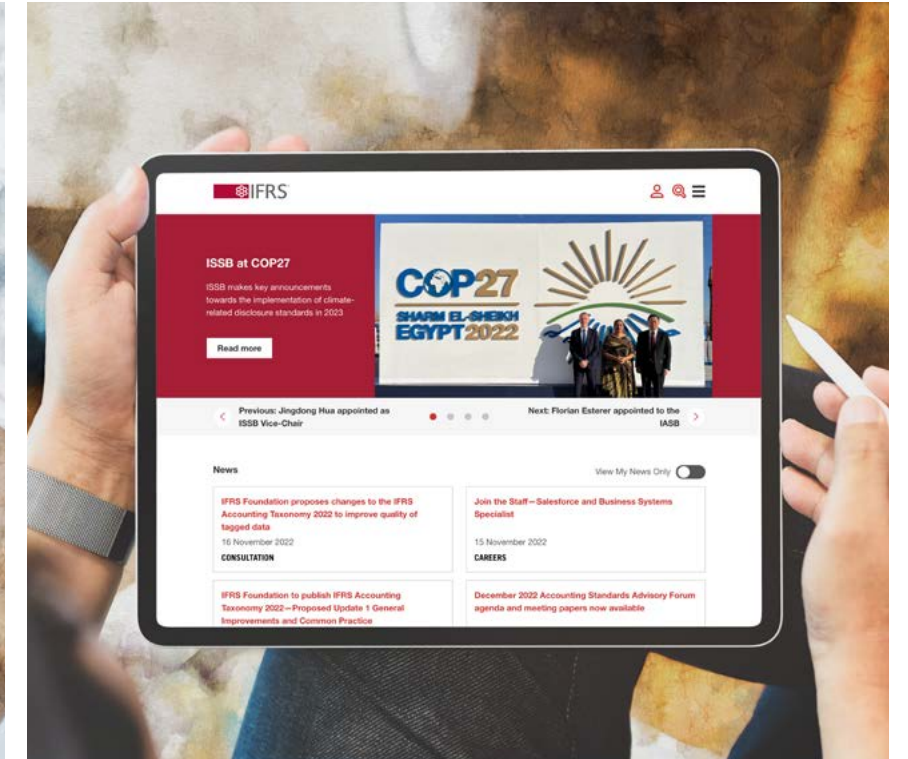
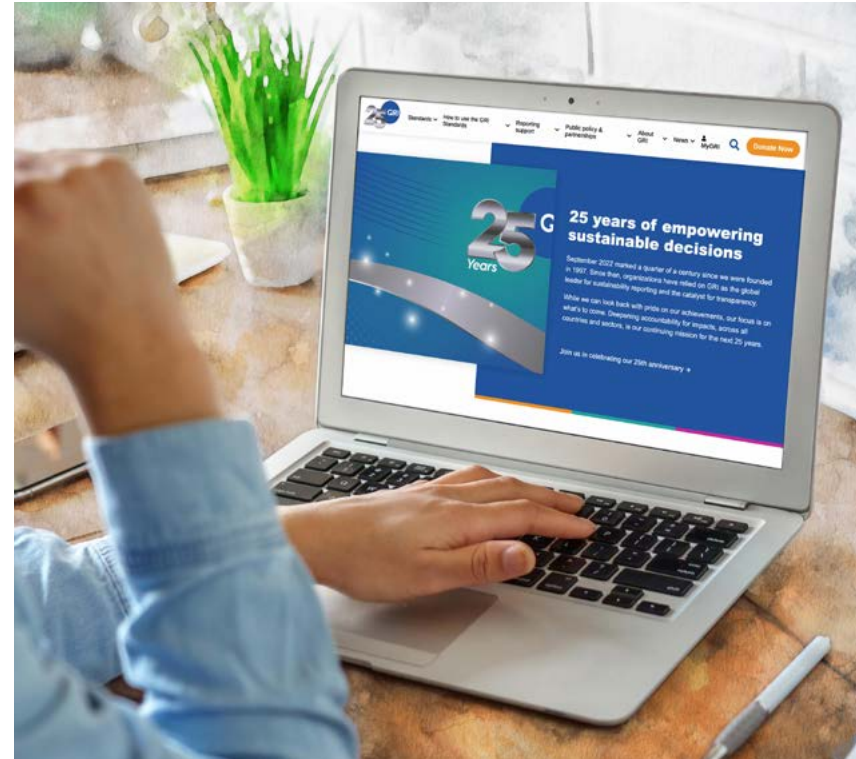
Now part of the IFRS Foundation, we disclose metrics in alignment with the SASB Industry Standards for Drug Retailers. The boundary on our disclosures in the Drug Retailers Standard is applied to the U.S. Retail Pharmacy segment of our business.

Task Force on Climate-Related Financial Disclosures (TCFD)

In this ESG Report, we are reporting in alignment with Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. To meet these guidelines, we are actively analyzing scenarios to identify and assess climate-related risks and opportunities, as well as evolving our governance, strategy, risk management, metrics, and targets accordingly.

United Nations Global Compact (UNGC)

WBA is a participant in the UNGC, a voluntary leadership platform of responsible business practices. The UNGC is a call for companies to align their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment, and anti-corruption, and to take action in support of goals and issues embodied in the United Nations' Sustainable Development Goals (SDGs).





ESG Materiality

GRI 2-25, 2-29, 3-1, 3-2, 3-3

Keeping with best practices in sustainability reporting, WBA conducts a materiality assessment at least every three years to understand our impacts, encourage insightful stakeholder dialogue, inform our sustainability strategy and form the basis for our ESG reporting. We review this assessment on an annual basis to ensure the material topics continue to represent our most significant impacts.

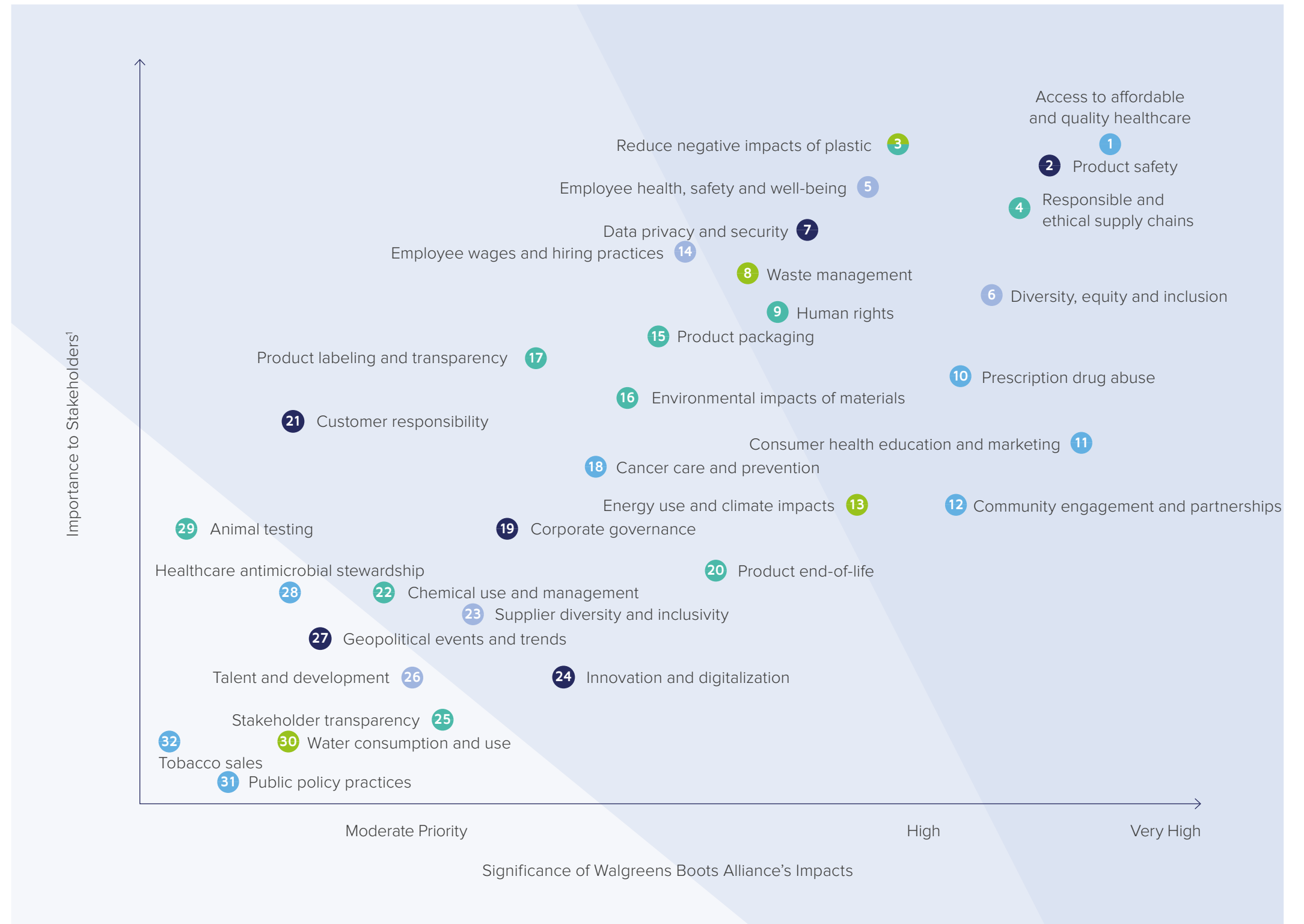
WBA's ESG materiality assessment was completed during fiscal 2021. We systematically surveyed a range of global stakeholders to understand the issues they see emerging over the next decade that will potentially impact WBA and their interaction with the Company. Through this exercise, we also gauged how the changing context of public health, racial equity issues, impacts on human rights and rising concerns about climate change were affecting views of ESG impacts throughout our operations. Combining the results of stakeholder interest and business significance, we prioritized 32 issues, of which 24 were categorized as very high or high importance. For more on our latest materiality assessment process and topic definitions, see our [fiscal 2021 ESG Report](#).

Materiality matrix

GRI 2-25

The matrix at the right shows the results of our 2021 materiality assessment that identify the issues most material to the business from an ESG perspective.

- Healthy Communities
- Healthy and Inclusive Workplace
- Healthy Planet
- Sustainable Marketplace
- Governance and Economic



¹Importance rankings are based on the weighted average from four sources of stakeholder input: consumer survey (50%), internal stakeholder survey (20%), external stakeholder survey (20%), Datamaran inputs (10%).

24 priority material topics

	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
1 Access to affordable and quality healthcare			●														●
2 Product safety												●				●	●
3 Reduce negative impacts of plastic								●	●			●					●
4 Responsible and ethical supply chains								●								●	●
5 Employee health, safety and well-being			●					●									●
6 Diversity, equity and inclusion	●				●			●		●							●
7 Data privacy and security																●	●
8 Waste management			●			●			●			●	●	●	●		●
9 Human rights					●			●		●						●	●
10 Prescription drug abuse			●														●
11 Consumer health education and marketing			●														●
12 Community engagement and partnerships	●	●	●								●						●
13 Energy use and climate impacts			●				●	●	●			●	●	●	●		●
14 Employee wages and hiring practices	●				●			●		●							●
15 Product packaging									●					●	●		●
16 Environmental impacts of materials									●			●				●	●
17 Product labeling and transparency												●				●	●
18 Cancer care and prevention			●														●
19 Corporate governance				●	●											●	●
20 Product end-of-life									●			●					●
21 Customer responsibility																	●
22 Chemical use and management												●					●
23 Supplier diversity and inclusivity					●			●		●						●	●
24 Innovation and digitalization																	●

Commitments and Progress



Healthy Communities

Improve societal health and well-being through:

- Access to affordable, quality healthcare with a specific focus on health equity
- Long-standing partnerships and investments in our communities with a focus on cancer care and research, youth empowerment and hygiene poverty



Our Targets

By Fiscal 2024:



Walgreens: Donate **\$5 million** worth of flu shot vouchers. **Achieved.**



WBA: Provide **100 million vaccinations** for children in developing countries through "Get a Shot. Give a Shot." and the UN Foundation. **On track.**



Walgreens: Contribute more than **\$25 million** to Susan G. Komen and The Leukemia & Lymphoma Society. **Achieved.**

By fiscal 2025:



WBA: Help **500 million** women and children by providing vitamins and minerals through Vitamin Angels. **On track.**



Healthy and Inclusive Workplace

Treat our people with dignity and respect by:

- Cultivating a positive workplace environment that reflects the diversity of perspectives, backgrounds and cultures in the communities where we live and work
- Ensuring a healthy, safe and secure working environment for all employees



Our Targets

Fiscal 2022:



WBA: Increase women in leadership by **3 percentage points** year over year. **Partially achieved.**



Walgreens: Increase persons of color in leadership by **2 percentage points** year over year with **60 percent** attributed to Hispanic/Latino and Black/African American. **Achieved.**



WBA U.S. Retail Pharmacy for ethnicity and WBA for gender: **Compliance** with diverse slates of candidates and compliance with diverse interview panels. **Achieved.**



Walgreens: **Increase spend** with Tier 1 diverse suppliers to \$625 million, from \$521.5 million in fiscal 2021. **Achieved.**

Commitments and Progress



Healthy Planet

Reduce the environmental impact of our business by:

- Ensuring efficient use of energy in our operations and in stores while working to transition our business to renewable and low carbon energy sources
- Reducing the negative impacts of plastics and waste in our operations and seeking opportunities to increase reuse, recycling, recycled content and recovery to enable circular systems



Our Targets

Embedded in Fiscal 2022:



Boots UK: Maintained **100 percent** plastic free in online deliveries. **Achieved.**

By fiscal 2030:



WBA: Reduce absolute Scope 1 and Scope 2 global carbon emissions by **30 percent**, as compared with 2019 baseline. **On track.**



Boots UK: Reduce food waste by **50 percent** from the 2015 baseline, as part of WRAP Food Waste Reduction Roadmap. **On track.**

By fiscal 2040:



British Retail Consortium Climate Roadmap, Boots UK: Support the UK's wider net zero transition by collaborating with other UK retailers on a roadmap for the industry to achieve complete net zero emissions by 2040, including net zero Scope 2 emissions by 2030 and Scope 1 emissions by 2035. **On track.**



Sustainable Marketplace

Managing the life cycles of our owned brand products to increase traceability and transparency into our supply chain and address environmental and social impacts.



Our Targets

Achieved in Fiscal 2022:



Boots UK and No7 Beauty Company: Source **all** mica in our finished products from a member of the Responsible Mica Initiative, Responsible Minerals initiative, or a supplier that provides an appropriate independent third-party audit report or certificate to demonstrate that responsible sourcing practices are aligned with the OECD Guidance. **Achieved.**

By fiscal 2023:



Walgreens: Source **100 percent** of palm oil from Roundtable on Sustainable Palm Oil (RSPO) certified sources, physically certified and credits, increasing the proportion that is physically certified by **5 percent** each following year. **On track.**

By fiscal 2025:



Boots UK and No7 Beauty Company: Reach The UK Plastics Pact 2025 goals: **100 percent** of plastic packaging reusable or recyclable by consumers and achieve **30 percent** average recycled content across plastic packaging. **On track.**

By fiscal 2030:



Walgreens: Achieve **30 percent** reduction in plastic packaging compared with fiscal 2020 baseline; **100 percent** of plastic packaging reusable or recyclable by consumers; and achieve **30 percent** average recycled content across plastic packaging. **On track.**



GET IN TOUCH

We are always open to stakeholder feedback on our ESG reporting and strategy. Substantive issues brought to our attention by stakeholders are escalated to our ESG Committee. One way to reach us is by email at ESG@wba.com.

Stakeholder Engagement

GRI 2-12, 2-28, 2-29, 3-1, 3-3

Engaging and collaborating with our stakeholders helps us address the most relevant ESG issues for our company and deliver products and services that make positive impacts throughout our business and the communities we serve. We regularly consult with our internal and external stakeholders across a range of sectors, geographies, and organization types and sizes to receive their feedback on our strategy and performance in the areas where we have the greatest impact. While each of these engagements seeks the stakeholder’s unique and valued opinion, there are many topics that are addressed across groups, given their propensity to touch every area of our business: health equity; diversity, equity, and inclusion; executive compensation; continued COVID-19 response; and prescription drug and opioid abuse. These topics have a broad impact across all business areas, so we require all stakeholders to provide feedback to our approach and management.

Stakeholders impacted by and who influence our business, such as customers, stockholders, and nonprofit groups, frequently approach us with issues during our regular engagements. During fiscal 2022, we meaningfully engaged stakeholders proactively on numerous matters where we can have significant impact and are aware of evolving expectations. This proactive engagement covered topics such as health equity; vaccine equity; plastic packaging; beauty industry sustainability; and diversity, equity, and inclusion.

In fiscal 2022, we engaged individually with members of the Walgreens External Advisory Council to advise our U.S. Retail Pharmacy segment on ESG matters. In December 2021, select members of the council presented to Walgreens leadership on the evolving landscape of ESG regulations, climate challenges and creating business value, how Walgreens evolution to a health-centric business intersects with ESG strategy, and outcomes from the 2021 United Nations Climate Change Conference.

On the following pages you will find the form and frequency of engagement with key categories of stakeholders during fiscal 2022 and their expectations, matters they raised and actions we have taken to address them.

Nongovernmental organizations

Our relationships with nongovernmental organizations (NGOs) and long-standing charity partnerships are cultivated in the areas we desire to make the greatest impact: removing barriers to access and identifying social determinants to improve health equity. Other topics we have engaged with partners on at the national and international level include poverty, disease prevention, mental health, dementia, and cancer. Through these partnerships that often span years, and even decades, we can define areas of need and advance our mutual goals. Through the support and interaction with NGOs and charity partners, we are prioritizing our efforts on the factors where we can have the most positive impact.

Our engagement with stakeholders is done through regular surveys, conference participation and meetings. We met with key charity partners and NGOs at least quarterly in fiscal 2022. Discussions covered a range of topics including climate impacts and reduction strategies, our supplier diversity, product safety (labeling, ingredients, transparency), and community engagement and partnerships. These engagements translated to a number of actions, chief among them announcing a carbon emissions reduction target, a vaccine equity initiative in the U.S. to address vaccine hesitancy and expanded mental health training for employees and pharmacists.



Stockholders, investors and lenders

We hold frequent dialogue with stockholders, investors and lenders through regular outreach via our investor relations and governance teams, annual meetings and quarterly earnings calls. We also conduct proactive outreach to our financial stakeholders. Ahead of our annual proxy meeting, we conducted robust shareholder engagement to gain insight into institutional investors' view of our ESG and compensation practices and to continue to strengthen the Company's relationships with key shareholders. Discussions centered around executive compensation, climate risk and transparency, leadership diversity, supplier inclusion, prescription drugs, and other pressing issues. A major part of these conversations focused on how we set priorities and goals, as well as identifying areas to drive impact and progress. Our engagement with these stakeholders reiterated the importance of many of our existing ESG programs and strategies.



Government bodies and agencies

Government bodies and regulatory agencies are a priority stakeholder group for WBA. We frequently engage with government institutions and agencies across all levels — national, international, and local — around affordable access and quality healthcare, transparency, prescription drug abuse, affordability, sustainability, COVID-19 safety and workforce topics.

We work closely with governments and municipalities to reach underserved communities and address accessibility barriers. These efforts are especially crucial at a local level where our collaboration with municipalities gets at the heart of improving health at personal levels.

Internal stakeholders

We focus on improving the health and well-being of our employees through comprehensive benefits, inclusive culture building, and opportunities for career development. We strive to mirror the communities we serve and know that the needs of our team members reflect those of their communities as well. To engage on issues that matter most, we keep an open dialogue with employees at all times through employee surveys and offer informal platforms for discussion. We also provide performance reviews and development programs and hold regular listening sessions. In practice, our internal engagement leads to training and upskilling, modifications to benefit offerings, and financial and mental health support. Our Business Resource Groups (BRGs) are another way we engage with internal stakeholders to directly tie back to the business. Employees can connect with others having similar experiences, which fosters a sense of community and creates additional leadership opportunities for team members to express insights to management.

WBA conducts biannual employee feedback surveys and regular performance reviews and appraisals, in addition to quarterly town halls and regular email and bulletin board communications. Primary topics covered include employee health, safety and well-being, and talent development and compensation practices.

Communities

Our local communities are the foundation of our business; when they thrive, we thrive. Our ESG strategy is designed to improve societal health and well-being while providing economic opportunities in our communities. Our engagement with these priority stakeholders spans hundreds of grassroots organizations, pharmacy operations, partnerships with trusted institutions, and intentional outreach through ESG initiatives and media engagement. Our dialogue with these groups seeks to eliminate barriers to access and address the needs of communities, like prescription drug affordability and vaccine equity. Understanding the needs of and collaborating with these stakeholders is core to our success as a business. We rely on our communities to help us identify growth opportunities and support one another to overcome challenges by taking our listening exercises and engagements as seriously as possible. Our employees are also a key pillar of our community engagement due to their dedication to volunteering time and funding in the places where they work and live.





Suppliers

Our desire for responsibility extends throughout our value chain. We pride ourselves on our close relationships with suppliers and how they reflect our values. We understand the link between ethical behavior, sustainability and respecting human rights when it comes to implementing our ESG strategy. As such, our Supplier Code of Conduct clearly outlines our expectations informed by regular assessments, policies and communications. Through our Global Supplier Sustainability Program, supplier conferences, regular surveys, and training/events, we routinely engage with these stakeholders on our goals for plastics, and greenhouse gas emissions, waste management, responsible sourcing, improving diversity, and operating as a responsible materials consumer. Responsible sourcing at WBA means collaborating with suppliers to respect and maintain human rights, in addition to prioritizing operational sustainability.

Another crucial part of our engagement with suppliers is addressing facility safety and conducting good manufacturing practice audits to help ensure product and procedure safety. We consider this to be indicative of something more than a license to operate; we require this of all our supplier partners, whether evaluated in conjunction with a quarterly business review or an individual meeting.

Patients and customers

We maintain regular contact with our patients and customers through purposeful stakeholder engagement and daily retail pharmacy interactions to understand what they need from us. These groups provide valuable insight into opportunities for us to foster trust while holistically serving the whole patient. Our interactions with these groups are a dialogue that gets to the heart of our purpose: creating more joyful lives through better health. Engagements focus on healthcare and service needs, front-of-store products, payment options and optimizing benefits from insurance providers. Through surveys, social media, retail pharmacy interactions and our ESG initiatives, these groups provide input on everything from our COVID-19 efforts and partnerships to healthcare accessibility and product transparency.

Academics

Our engagement with academics is primarily focused on building a stronger, more diverse pharmacy talent pipeline. Additionally, the research done by this group is a key factor in addressing the world's most pressing health and well-being challenges. Whether supporting ongoing research partnerships, participating in conferences and roundtables, or supporting our product brands research and development, our academic stakeholder engagement is critical to achieving our ESG strategy.

Media

Media plays a critical role in educating the public about health issues and communicating accurate health and science information which is critical to public health and safety. As such, we prioritize close relationships with key media to properly reach customers and patients around the healthcare topics they need to know about. In addition to providing educational resources through our media contacts, these stakeholders also help us tell our business story to target audiences. We are in constant communication with media to properly disseminate our message and understand public sentiment through regular, proactive outreach conducted by our media and investor relations teams, in addition to individual meetings.

Peers and industry groups

We are constantly engaging with our peers and industry trade groups to discuss pharmacy topics through collaborative projects, meetings and regular dialogue, individual interactions, and more. From solving industry challenges as a retailer to minimizing virgin plastics in supply chains, we lean on our peers and fellow industry groups to help us move forward. We are collectively pushing one another to improve our sustainability, access to healthcare, data privacy and security, removing barriers, and more. These engagements keep us accountable to one another and result in a more successful business operation and happier customers.

Memberships and associations

GRI 2-28

WBA participates in numerous nongovernmental and advocacy organizations, industry associations, organizations and networks. This collaboration is central to our corporate responsibility and ESG agenda because we cannot make meaningful change on our own. Select memberships and associations include:

- AHC Group
- American Pharmacists Association
- American Society of Health-System Pharmacists (ASHP)
- Beyond 34: Scaling Circularity for a Sustainable Economy
- British Beauty Council
- British Retail Consortium (BRC)
- Business for Societal Impact (formerly the London Benchmarking Group [LBG])
- Business in the Community (BITC)
- Business in the Community Ireland (BITCI)
- Business Roundtable
- CDP
- Company Chemists Association (CCA)
- The Conference Board
- Cosmetic, Toiletry and Perfumery Association (CTPA)
- Cosmetics Europe
- EcoBeautyStore Consortium
- ESG & CSR Board
- EuroCommerce
- Global Reporting Initiative (GRI)
- Green Chemistry & Commerce Council (GC3)
- Industry Council for Packaging and the Environment (INCPEN)
- International Federation of Pharmaceutical Wholesalers (IFPW)
- IFPW Foundation
- National Association of Chain Drug Stores (NACDS)
- National Council for Behavioral Health
- Palm Oil Transparency Coalition (POTC)
- Personal Care Products Council (PCPC)
- Pharmacist Advice and Support Service (PASS)
- Pharmacist Support
- Pharmacy Technician Certification Board (PTCB)
- Retail Energy Forum
- Retail Industry Leaders Association (RILA)
- Retailer Palm Oil Group
- Roundtable on Sustainable Palm Oil (RSPO)
- Sustainability Accounting Standards Board (SASB)
- Sustainable Beauty Council (SBC)
- Sustainable Medicines Partnership
- Sustainable Packaging Coalition
- Sustainable Packaging Initiative for Cosmetics (SPICE)
- Sustainable Procurement Pledge
- The Business Council
- The Sustainability Consortium
- UK Research and Innovation (UKRI) Smart Sustainable Plastics Packaging Challenge Fund Advisory Group
- United Nations Global Compact (UNGC)
- U.S. Chamber of Commerce Foundation
- U.S. Department of Energy (DOE) Better Buildings Challenge
- U.S. Environmental Protection Agency (EPA) SmartWay Program
- Waste and Resource Action Program (WRAP)



Governance



Governance

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-17, 2-18, 2-23, 2-24, 2-26, 2-27, 3-3, 201-1

We are committed to transparently reporting including when it comes to our ESG activities and sharing progress toward our goals. Our ESG strategy is a key pillar of our purpose and is overseen by the WBA ESG Committee, which reports on a biannual basis to the WBA Nominating and Governance Committee.

The Nominating and Governance Committee oversees the ESG agenda on behalf of the board of directors (Board) and receives updates on the full range of activities undertaken by the Company, including but not limited to:



Conducting a WBA-wide materiality assessment at least every three years



Tracking ESG-related long-term strategic partnerships and their impact



Managing WBA's engagement with external stakeholders and other interested parties regarding ESG-related matters



Integrating ESG processes into WBA's broader business, social, and environmental risk management program and reputation management priorities



Ensuring WBA is taking appropriate measures to prioritize and implement ESG projects successfully



Ongoing review of ESG-related policies and publication of policy statements



Monitoring and benchmarking industry best practices in ESG



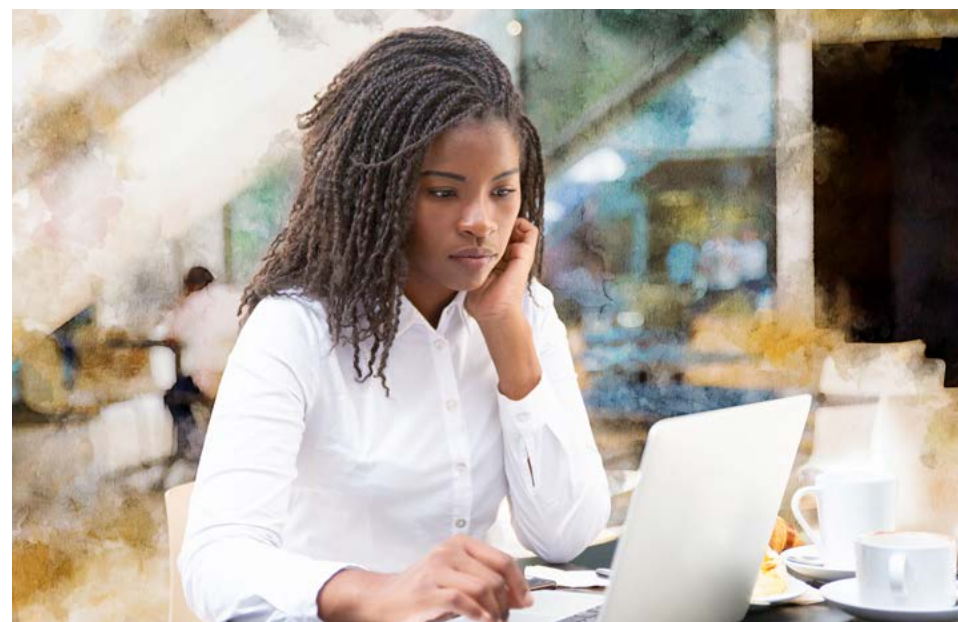
Continuing limited assurance by Deloitte & Touche LLP for certain reported data and disclosures



Participating regularly in various external ESG disclosure surveys



Assessing the outcomes of our organization's impact on the economy, the environment and people in coordination with our WBA ESG committee





DISCOVER

More information on material risks is included in WBA's most recently filed [2022 Annual Report](#).

Corporate governance and risk management

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-18, 2-23, 2-24, 3-3

Our commitment to employee and customer safety and privacy is clear through our in-depth governance and risk management processes. We are dedicated to continuously looking for ways to improve these practices because they are essential to achieving our objectives and being a responsible organization.

Our [board of directors](#) is supportive of our efforts to strengthen our governance practices and procedures. They are actively engaged in oversight of the Company's strategic, operational and financial matters, including risks facing the Company. This engagement enables the Board to fulfill its fiduciary duties to our stockholders and steer the long-term success of the Company. More information on the Board's involvement in our governance practices, improvement processes, evaluation of performance and handling of Board-level conflicts of interest is included in the [2023 Notice of Annual Meeting and Proxy Statement](#).

The Board's oversight extends to our ESG program. Biannually, the [Nominating and Governance Committee](#) reviews our policies and activities regarding ESG reporting and assesses our risk management in those areas. Members of the Nominating and Governance Committee are all independent directors.

Additionally, the [Audit Committee](#) regularly reviews and discusses the key risks identified in the Company's Enterprise Risk Management (ERM) program with leadership, their potential impact on us and our operations, and our risk mitigation strategies and related disclosure matters. These risks may be related to climate change, sustainability and other ESG-related matters. We routinely enhance our risk mitigation activities, and when risks are identified above a certain threshold, WBA works to develop action plans with clear timelines and responsibilities to ensure progress is implemented, monitored, and reported.

The WBA ESG Committee plays a key role in providing further oversight and governance of our ESG program. This committee meets four times a year to review our ESG program, policy statements, and progress toward achieving our ESG goals, including our goal to drive responsible sourcing practices throughout our supply chain, protecting human rights, and engaging with suppliers around ethical and environmental issues. The committee is chaired by Ornella Barra, chief operating officer, international. Senior executives from across our key businesses, as well as legal, human resources, accounting, marketing, public affairs and communications functions comprise its members. The WBA ESG Committee selects and approves

our internal and external ESG commitments and targets and oversees our progress toward achieving those commitments and targets. The committee also approves the outcome of our regular assessments, annual objectives and ESG Report.

We recognize in our [2022 Annual Report](#) that the long-term effects of global climate change present both physical risks (such as extreme weather conditions or rising sea levels) and transition risks (such as regulatory or technology changes), which are expected to be widespread and unpredictable. Over time, these changes could affect, for example, the availability and cost of products, commodities and energy (including utilities), which in turn may impact our ability to procure goods or services required for the operation of our business at the quantities and levels we require. In addition, many of our operations and facilities around the world are in locations that may be impacted by the physical risks of climate change, and we face the risk of losses incurred as a result of physical damage to stores, distribution or fulfillment centers, loss or spoilage of inventory and business interruption caused by such events. We also use natural gas, diesel fuel, gasoline and electricity in our operations, all of which could face increased regulation as a result of climate change or other environmental concerns. Regulations limiting greenhouse gas emissions and energy inputs may also increase in coming years, which may increase our costs associated with compliance and merchandise. These events and their impacts could otherwise disrupt and adversely affect our operations and could materially adversely affect our financial performance. In fiscal 2022, the Company engaged a third party to facilitate its first climate scenario analysis in alignment to the TCFD risks and opportunities taxonomy. We disclose more information on these risks and opportunities within the TCFD Index of this report on pages [111-115](#). The Company will monitor best practices for disclosing physical and transition risk and opportunities associated with climate change and will continue to evolve our reporting.

Policies

GRI 2-17, 2-23, 2-24, 2-27, 3-3

WBA is committed to creating a clean, safe and respectful environment for our entire value chain. We understand good governance is underpinned by accessible, objective policies and clear behavior expectations that are consistent throughout the organization, regardless of geography or level. As such, we have outlined how we expect our people to behave through robust organization-wide and business segment-specific policies that incorporate internationally accepted human rights. These policies are how we hold ourselves to a high standard of conduct.



Our Company's policies cover a range of topics, from environmental impact and compensation to data privacy and procurement practices. We are dedicated to upholding and implementing new policies where needed because clear guidance is a pillar of successful governance. New policies are developed in accordance with regular due diligence that cover a range of topics, including human rights. Internal policies are reviewed at least every two years, while external policies are reviewed annually. These documents are made available to all relevant parties through our intranet and corporate website, including external partners and suppliers. Functional Leadership within WBA for each of our internal policy commitments rests with designated employees at the executive level as delegated by the Board to the WBA Finance Committee, CEO and Global CFO, in addition to segment CFOs and other relevant management. Each business must also have executives at the Operating Committee level responsible for implementation and management of all internal policies.

We require all team members to familiarize themselves and comply with requirements of all internal policies, in addition to following our Code of Conduct and Ethics, Ethical Trading Standards, Enterprise Risk Management Policy, and all published WBA internal controls relevant to their operational duties. We hold presentations and training with relevant parties, as stipulated in select policies, with frequency dependent on business and role. These accountability actions and our work with accredited third-party auditors and extensive organizational policy library available to relevant stakeholders are how we hold ourselves accountable.

As a community pharmacy and healthcare provider, everything we do, everything we sell, every supplier we work with and everything in between has a far-reaching impact. We are committed to respecting and upholding the dignity, well-being, and human rights of every individual affected by our business activities, including our patients and customers, employees, suppliers, and local communities. This commitment applies to all Walgreens Boots Alliance affiliates and extends to respecting all internationally recognized human rights as detailed in the United Nations Guiding Principles. Our [Human Rights Policy Statement](#) is based on the International Bill of Human Rights and adopts the core labor standards from the United Nations' International Labor Organization. This commitment also extends to fairly compensating our people by paying our employees a living wage. Please see page 101 for additional information.

All of these values and more are explicitly laid out in our [ESG Policy Statements](#), which are available on our website. These statements shape our approach to our sustainability and ESG activities and help ensure our segments and businesses are working within comparable parameters.

Code of conduct and ethics

GRI 2-15, 2-17, 2-26, 3-3

The WBA [Code of Conduct and Ethics](#) is our compass for how we behave. It guides us as a company, a team, and individuals to make ethical decisions that stay true to our values while abiding by the laws and regulations in the places where we do business. We rely on our code to support us in doing what is right in the fast-paced, dynamic environments we operate in today. The code also supports strong governance of our behaviors and our approach to ESG.

The code extends to our Board; Company officers; team members; team members of our subsidiaries; officers and employees of any business in which WBA or a subsidiary has a controlling interest; and parties acting on behalf of WBA or its subsidiaries, including consultants, agents, suppliers, intermediaries, or representatives. We expect everyone at WBA to read, understand and commit to complying with our code.

As part of our "speak up" culture, our confidential Compliance and Ethics Hotline and online portal wba.ethicspoint.com are available for any team member to raise concerns about inappropriate business conduct or unethical behavior. The hotline is managed by an independent third party and is available 24/7 in local languages.

We expect our people to behave ethically and responsibly when acting on our behalf and as their own representative. This extends to all levels of our organization, including our Board, when it comes to conflicts of interest. Pursuant to WBA conflict of interest policies, our Board has strict duties of loyalty to the Company. This duty requires directors to avoid conflicts of interest when possible and, when any such conflict arises, disclose the conflict and take affirmative steps to handle the conflict appropriately. Further guidance on this topic can be found within section 16 of the [WBA Corporate Governance Guidelines](#).

Relationships where material conflicts of interest may arise are disclosed in the [2023 Notice of Annual Meeting and Proxy Statement](#).

More information on our corporate governance guidelines and the code of conduct, including mechanisms for reporting suspected violations of the Code of Conduct and Ethics, concerns about ethics and questions about applying our code, can be found on our corporate website [here](#).

Health and Safety

GRI 2-26, 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 416-1, 416-2, 417-1, 417-2, 417-3

Workplace safety

GRI 2-26, 3-3, 403-1, 403-2, 403-3, 403-4, 403-7

WBA is committed to creating and encouraging a safe environment for employees, customers, patients, contractors, and suppliers across all our business segments. We continuously work to improve our management of health and safety guided by the WBA Health, Safety and Environmental (HSE) Committee and WBA HSE policy. Within the WBA HSE policy, employees can find guidance on reduction and mitigation processes, in addition to guidance on determining corrective actions for workplace incidents and investigations.

We encourage open dialogue and constructive feedback from our stakeholders, including employees, to help ensure we achieve best practices. We also require all segments, businesses and corporate functions to have formal governance processes in place for health and safety matters in the operations for which they are responsible. Please see page 15 for how we have engaged with priority stakeholders.

To create a safe and productive workplace, employees across our businesses are provided avenues to report questions or concerns, including contacting management; calling a toll-free, confidential hotline; submitting an online report; contacting the compliance officer or department, and/or contacting human resources.



COVID-19 safety response

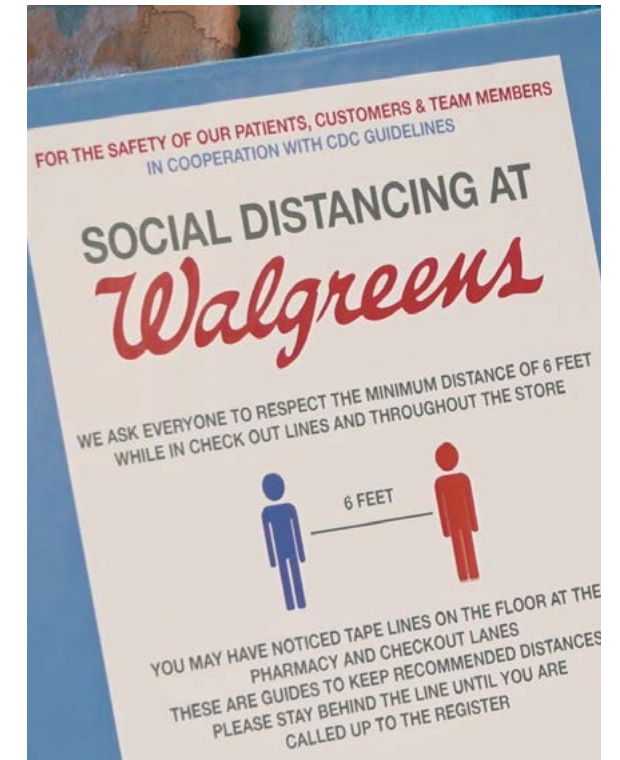
GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6

How our organization manages COVID-19 is indicative of our commitment to prioritizing safety. Our HSE team, along with other cross-functional partners, continued to meet regularly throughout fiscal 2022, producing new policies and procedures to keep pace with an adapting virus.

During fiscal 2022, Walgreens acted in compliance with the Centers for Disease Control and Prevention (CDC) and Occupational Safety and Health Administration (OSHA) regulations and guidelines, and local recommendations and mandates, updating policies and practices as guidelines evolved. Boots took similar actions in accordance with guidelines as outlined by Health Services and local government. These efforts continue to be a priority for the team as we look to foster a safety-first culture while addressing the needs of our employees, patients and the communities where we operate.

A major part of our COVID-19 response was learning how to apply those best practices and processes to other communicable diseases. These insights are a key part of the ongoing support of current and future objectives across multi-functional teams and business segments.

Through FAQs and training to address concerns promptly, WBA further promotes a culture of safety within and outside of our organization. We established medical and regulatory compliance reviews for all diagnostic testing models and provided additional resources to support safety requirements related to COVID-19 and beyond.



Safety campaigns

GRI 3-3, 403-1, 403-2, 403-3, 403-5, 403-7

The safety of our employees is of the utmost importance to WBA. As such, we routinely look for ways to prioritize safety and education trainings.

In 2022, Boots UK continued to evolve the new digital management system to improve usability and efficiency, while making better use of the rich data and insights available to improve levels of compliance across the business. Further checks were added to the system, allowing more procedures to move from local paper-managed processes into the digital platform. Boots team members continued to work with their safety, food and fire Primary Authorities in 2022, extending the suite of assurances in place. The partnerships work to develop policies that align with current and upcoming regulations to help ensure consistent application and implementation across the country.

Maintaining a safe stockroom environment helps protect our Walgreens team members, which is the reason for implementing our Safety Focused Stockroom program. This program involves stores having a clean, neat, and organized stockroom and lowering product stored in the stockroom. Stores can effectively reduce the risk of an incident occurring and achieve a safety-focused stockroom environment.

Walgreens has programs in place to support team members and customers through incident management. Our Customer Care Advocate Program proactively offers support to customers who have reported an in-store incident. Our Nurse Triage Program is an upstream process for team members that provides timely quality care following a workplace injury. It is a service in which team members with workplace injuries call and speak to a registered nurse to determine the appropriate first level of care.

In Boots stores, routine safety inspections enable a real-time view of compliance.



Patient safety: pharmacy dispensing

GRI 3-3, 416-1¹, 417-1
SASB HC-DR-260b.2

Dispensing and distributing pharmaceuticals is the most significant part of our business, with 63 percent of our sales in fiscal 2022 coming from the sale and distribution of prescription medications 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, and patient safety lies at the heart of our management of pharmacy operations. We strive to be the industry leader by continuously seeking ways to minimize risks to patients in our dispensing and pharmacy services and advice.

In fiscal 2022, our clinical decision support software continued to provide pharmacists new training on how to appropriately manage clinical considerations in patient drug therapy.

All WBA pharmacy dispensing businesses annually review and evaluate pharmacy operations for compliance with our Pharmacy Operations Governance Policy. During fiscal 2022, 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. The forum included senior leaders and executives across the Company, including International Public Affairs, Pharmacy Quality and Patient Safety, and Ethics and Compliance, among others.

Annual pharmacy operations reviews include the following:



Monitoring procedures for the professional qualifications of pharmacists and employees in pharmacy-related positions



Processes to facilitate compliance with professional development requirements for pharmacy staff



Processes to help ensure concerns about pharmacy professionals' fitness to practice are referred to the appropriate regulatory body



Compliance with safe storage, preparation, dispensing, compounding, and 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



Recording, managing, and reporting of dispensing errors, including a formal review process and action planning to minimize the risk of such errors occurring

¹GRI 416-1 required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages [119-120](#).



There are also obligations on the pharmacists to confirm products are sourced via a licensed and legitimate supply chain.

Our pharmacy systems are designed for the safe dispensing of medications. Our standardized dispensing processes detail each step in the fulfillment process, from receipt of prescription through consultation and dispensing of the medication. There are multiple digital safety checks, including bar code scanning, safety-enhancing automation processes and digital safety alerts utilizing cutting-edge technology. To help ensure patient safety, our prescription labels are designed to meet both regulatory requirements and our internal standards. Descriptions of medications are affixed to each prescription dispensed, and each prescription is dispensed with a patient leaflet that informs patients of the name and use of the medication, potential adverse reactions, information about drug interactions, safe medication disposal, and other important health information. At Walgreens, this information is available in 18 languages, and additional services are available for hearing and visually impaired patients.

In fiscal 2022, we opened eight microfulfillment centers and are on track to have 17 by the end of fiscal 2024, driving significant efficiencies and cost savings over time. Investing in this program is one example of how we are supporting our pharmacists and transitioning work out of our store to free up team member time for additional services in the pharmacy.

All WBA businesses must have documented processes in place to facilitate the collection of key performance metrics on health and safety, including pharmacy incidents. Safety performance is supported by robust systems such as continuous quality improvement (CQI) programs, procedures, and monitoring to reduce and prevent incidents.

Our CQI programs support and uphold our long-standing patient safety culture by empowering and encouraging all team members to report pharmacy incidents, near misses, and overall safety opportunities to the Patient Safety Research Foundation, a patient safety organization listed with the Agency for Healthcare Research and Quality (AHRQ). Multiple safety data sources are reported and analyzed, and opportunities for process, systems, physical environment, and educational materials are constantly evaluated. Technology and process solutions as well as ongoing team member activities and training are developed based on the evaluation of results.

Walgreens continues to maintain National Association of Boards of Pharmacy (NABP) accreditation for Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS). It is also accredited for Community Pharmacy, being recognized for an advanced level of patient care services, quality and safety. In addition, Walgreens has current chainwide Community Based Specialty (CBS) URAC accreditation for specialty pharmacy as well as ACHC accreditation for select CBS sites. URAC and ACHC are independent third-party organizations that provide healthcare accreditations based on industry standards.

Product safety

GRI 3-3, 416-1¹, 416-2, 417-1, 417-2, 417-3

At WBA, product safety is a priority. We ensure our owned brand products — which include health, beauty, home and cleaning products, food, paper goods and other categories — are rigorously analyzed for compliance with all applicable laws and regulations along with our own high safety and quality standards. We understand our customers expect to feel confident in the transparency and safety of the products they purchase. Upon learning of potential noncompliance regarding the safety of products and services offered to customers and patients, we investigate and appropriately address those incidents based on established processes.

Our product safety and quality programs are incorporated at every stage of our owned brand products life cycle, from product development through customer purchase and use. We require suppliers and factories for our owned brand products to use a third-party product testing lab that we select to validate safety and quality before our products reach shelves.

Our suppliers are expected to implement best practices, including clearly defined and well-documented good manufacturing and quality processes, training, and record keeping. Through our rigorous supplier and vendor qualification process and factory assessment process, we can evaluate our suppliers' and factories' ability to deliver consistent, safe, and quality products. An industry standard good manufacturing practices (GMP) audit is a minimum requirement for production facilities in all regulated and nonregulated product categories.

We have established a multistage product testing program to ensure products are tested during production through to on-shelf availability. Our program builds in required and periodic testing from independent third-party laboratories validating that quality, safety, compliance, and applicable regulatory standards have been satisfied, including but not limited to: analytical tests (chemical/composition), performance tests (durability/functionality), packaging validation (labeling), and flammability standards. See page [107](#) for additional information on our marketing and labeling practices.

Our cross-functional leadership team helps ensure customer feedback is actively reviewed and analyzed. If we learn about an issue with one of our products, our quality incident process is activated and we systematically investigate; take corrective action; and, when necessary, quickly withdraw the product from our stores and e-commerce platforms. If a product needs to be withdrawn from the market, we ensure it is not sold by issuing a lock on the product at our distribution centers, at point of sale in the store and online. We take our customers' safety seriously and are committed to providing information access for any recalled owned brand products. These details are available anytime on our website.

¹GRI 416-1 required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages [119-120](#).

Information Security

GRI 3-3

We place 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 employees, contractors, and third parties help ensure the confidentiality, integrity, and availability of our IT systems are maintained.

During fiscal 2022, the global chief information security officer, who reports directly to WBA's chief information officer, oversees the security of the Company's computer systems, data, networks and other assets, with oversight from the Audit Committee. The chief information officer is a member of the Executive Management team and reports into the Audit Committee. The Company conducts multiple information security audits and vulnerability assessments on different sections of our IT systems, data, and networks on at least an annual basis. WBA also has an information security incident response team and maintains a data security event plan to effectively manage and respond to information security incidents.

Our global information security policies, which are based on industry frameworks such as the National Institute of Standards and Technology and the International Organization for Standardization, set the compliance guidelines for our people, processes, and systems. At the request of our business partners, WBA also engages with HITRUST, a third-party organization, to assess the security and privacy controls around Walgreens

patient data. HITRUST certification is valid for two years and was last renewed in 2021. WBA works with an independent assessor to conduct interim assessments to ensure continued adherence to HITRUST requirements. Additionally, Walgreens is subject to an annual Payment Card Industry (PCI) assessment that is performed by an external assessor and includes a review of our policies and procedures to protect Walgreens customer credit card data.

Building and nurturing a culture of security is key to protecting information. New employees receive training on a variety of issues, including security and privacy. This training is embedded in our security fundamentals training, which is refreshed on an annual basis. This training applies to pharmacists, pharmacy technicians, retail team members and team members at our support offices.

We also build awareness about phishing through regular employee campaigns. Training and information is available to employees on our corporate intranet sites. Additionally, we use posters to engage employees about the importance of being alert to cybersecurity risks.



Privacy

GRI 3-3, 418-1¹
SASB HC-DR-230a.1¹

As a global healthcare leader and retailer, personal information is provided to WBA through purchasing and filling prescriptions, enrolling in promotional and loyalty programs, registering on our websites, or otherwise communicating with us. We are committed to protecting patient and customer privacy and data with leading data protection standards.

The global chief privacy officer oversees the privacy of WBA's patient, consumer and employee data, with oversight from the Audit Committee. We conduct privacy impact assessments and data protection impact assessments on an annual basis, and results are routinely shared with the Audit Committee.

We are transparent with our customers about how we use their data. Our posted statements on our websites include information about data usage and safeguards. We post our policies about individual rights requests regarding the use and deletion of personal information for customers who are California residents. We comply with EU and UK law on data protection and privacy. Our policy is to notify all data subjects of any impermissible disclosure, in accordance with applicable laws. In the U.S., where approximately 80 percent of the WBA personal health data resides, our Health Insurance Portability and Accountability Act (HIPAA) privacy rule compliance program incorporates administrative, technical, and physical safeguards. Under our HIPAA policy, we receive written authorization from the data subject where required, and collection and processing is limited to the stated purpose. We also have a program to receive, investigate and respond to privacy complaints.

Annual privacy training is mandatory for applicable team members, including pharmacy, retail and support office. Applicable U.S. contractors are legally obligated to receive privacy training. In Europe, supplemental privacy training is sent regularly to privacy champions throughout our businesses.

We also have policies and procedures in place that govern data transfers to third parties, including appropriate methods and controls, such as standard contractual clauses.



¹GRI 418-1 and SASB HC-DR-230a required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages [119-120](#).

01

Healthy Communities

We strive to be a leading partner in reimagining how local healthcare improves societal health and well-being. Our community-focused programs and initiatives bring to life our commitments to health equity and accessibility to affordable, quality healthcare for all. Our work reflects our long-standing partnerships and investments in critical health issues, contributing hundreds of millions of dollars in cash and in-kind donations to the causes our communities care about the most: cancer care and research, youth empowerment, mental health, vaccine and vitamin accessibility, and hygiene poverty.





A Letter From Alethia Jackson

Senior Vice President of ESG and Chief DEI Officer, Walgreens Boots Alliance

As WBA's new senior vice president of ESG and chief DEI officer for the Walgreens business, our company's purpose — to enable the world to live more joyful lives through better health — is incredibly important to me. Health is a core component of equity within ESG and DEI, and it will be at the center of any strategy we put forth. It is a fundamental component of our lives and a determinant of so many things, including the world we live in, the bodies we move in, the minds we use, and the future we make for ourselves.

There is much to celebrate when reviewing the achievements of fiscal 2022, like the launch of the Chicago Health Equity Incubator, which is already seeing demonstrated success in its pilot neighborhoods, and revising some of our charitable targets due to their overwhelming results thus far. I'm especially looking forward to seeing our investments in partnerships like Get a Shot. Give a Shot. and Susan G. Komen reach our goals in the near future. To me, this is proof that when we put the passion of our people behind initiatives that make the planet healthier, there is no ceiling to what we can achieve.

Health equity efforts in the vaccine space will continue to be paramount for WBA, and my team and I are ready to build upon the progress made in

fiscal 2022. The remarkable achievements coming out of Boots UK's new Health Equity Stakeholder Group and the investments made as part of U.S. Healthcare will further increase access to healthcare for those who need it most.

When it comes to living joyful lives through better health, I want to make that happen for our customers, patients, the communities we serve and our WBA team. This is one of our chief responsibilities as a healthcare company and socially responsible employer. To that end, I will be diving in to diversify the ways we address environmental issues, advance our supplier diversity program, support our partnerships with organizations like Vitamin Angels, and empower our business resource groups in their ongoing expansion. We have also set a new goal to increase our spend with Tier 1 diverse suppliers by 12 percent to \$700 million by fiscal 2023.

I feel strongly about the impact the team can have on the health of the people and the planet. Together, let's make joy possible for more people everywhere.

Fiscal 2022 Progress

By fiscal 2024:



Walgreens: Donate **\$5 million** worth of flu shot vouchers

Achieved. Donated \$5.8 million vouchers by the close of fiscal 2022.



WBA: Provide **100 million** vaccinations for children in developing countries through "Get a Shot. Give a Shot." and the UN Foundation

On track. Funded over 80 million vaccinations through fiscal 2022.



Walgreens: Contribute more than **\$25 million** to Susan G. Komen and The Leukemia & Lymphoma Society.

Achieved. Donated over \$25 million through the lifetime of the partnership.

By fiscal 2025:



WBA: Help **500 million** women and children by providing vitamins and minerals through Vitamin Angels.

On track. Through fiscal 2022, WBA distributed vitamins and minerals to over 350 million women and children.



Health Access and Awareness

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

Health equity

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

We strive to provide essential care to the communities in which we are embedded. As one of the world's largest providers of pharmacy and other healthcare services, WBA is uniquely positioned to make an impact on healthcare access and affordability. Our endeavors to improve access to healthcare for millions of people are reflected throughout our business activities, advocacy work and ESG initiatives.

Walgreens addresses health equity

GRI 3-3, 413-1

The Walgreens Health Equity Task Force convened a group of experts across departments and disciplines to work together to help ensure the COVID-19 vaccine is available and accessible, while promoting education to address hesitancy in areas with lower vaccination rates. We see our pharmacists as our frontline educators; they are not only accessible in the communities where they work, but are also often active and trusted members of those communities. Together with our frontline staff, the Health Equity Task Force established three pillars by which we would ensure our care remains accessible to communities, and our communities would remain protected from the effects of COVID-19:



Access:

78 percent of Americans live within 5 miles of a Walgreens pharmacy. For those who don't, we continued the effort to go the extra mile to reach medically underserved communities with our mobile clinics. Our coach buses outfitted for health providers traveled coast to coast, meeting people within their communities while administering thousands of vaccines and other services.



Partnerships:

We understand that to reach those who need the most help, we cannot work alone. The Company hosted nearly 2,100 events to address vaccine hesitancy and provide vaccines — working with community organizers to faith-based organizations to major companies. These events and partnerships have been instrumental in breaking down barriers and providing the tools needed to engage communities and overcome obstacles to care.



Education and information:

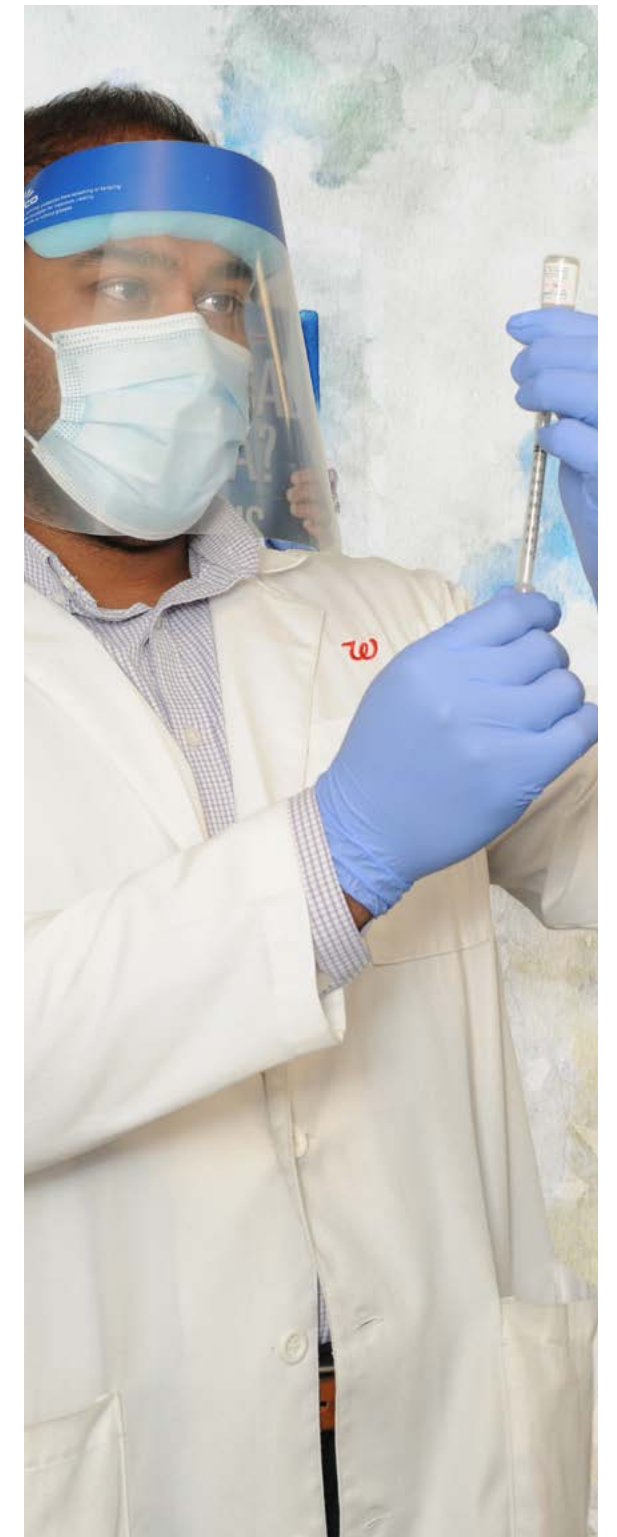
We are committed to ensuring our communities have access to the information necessary to promote good health outcomes. Because our pharmacists live and participate in the communities they serve, they are seen as a credible source of information among their community members. Our pharmacy team members are actively combating misinformation and encouraging healthcare access.

The Vaccine Equity Task Force, established to address both issues of access and vaccine hesitancy, has made significant progress in protecting communities of color who were often disproportionately affected.

Together with our partners, Walgreens built inroads into communities in need of the COVID-19 vaccine, whether for a booster shot or their first dose.

Though U.S. vaccination rates have increased among both Hispanic and Black adults, both groups still remain less likely to have received a vaccine. Hesitancy stemming from medical mistrust or misinformation, and other social determinants of health, continue to contribute to disparities in vaccinations, particularly in the Black and African American community.

To reach these communities, Walgreens continued its partnership with universities, community centers, local and faith-based organizations to administer doses throughout fiscal 2022. As students went back to campus in 2021, the Walgreens bus met them at 17 historically Black colleges and universities (HBCU) campuses, setting up mobile clinics to administer the COVID-19 vaccine and booster to students and members of the local community.



Walgreens Health Equity Incubator

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

The Walgreens Chicago Health Equity Incubator is a pilot program designed to address health inequities and impact patient outcomes. Driven by a cross-functional team of individuals across pharmacy operations, data analytics and Chicago-area pharmacies, the program is designed to create direct lines of communication between patients in vulnerable communities and providers who can interpret feedback into actionable change.

The pilot, which began in Chicago in August 2020 with one pharmacy, has expanded to 15 more pharmacies on the South and West sides of Chicago, addressing health disparities through pharmacist-provided patient- and community-centered healthcare services.

Using predictive analytic models, the cross-functional Walgreens team developed screening and intervention methods to address the following need areas:



Diabetes outreach:

Pharmacists prioritize high-touch consultations for those living with diabetes to personalize solutions, address any barriers to taking medications and make recommendations for health screenings and vaccinations.



Pediatric asthma outreach and education:

Given the high prevalence of pediatric asthma in Chicago, pharmacists conduct outreach to parents and guardians of children with asthma to provide education on the importance and proper use of asthma medications, review side effects, discuss asthma triggers and provide action plans in collaboration with healthcare providers as needed.



Affordable access to medications:

In addition to conducting outreach to patients who have not picked up filled prescriptions, resources were allocated to support free same-day prescription delivery to those experiencing barriers to medication access. Two years after the launch of the pilot, Walgreens is conducting surveys and interviews to determine best practices, as well as how these services and lessons learned can be adapted for additional markets.



Boots addresses health equity

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

To help address health inequity in the communities we serve, Boots established the Health Equity Stakeholder Group in 2021. This group outlined four key themes that would guide store activities and internal initiatives to promote health equity across Boots UK:



Turning awareness into advocacy:

Ensuring all Boots communications are written through the lens of promoting equity in its education programs and services.



Black, Asian and Minority Ethnic (BAME) inequalities:

Recognizing the disparities in access to healthcare among Black, Asian and ethnic minority communities in the UK and working to achieve parity, especially in the treatment and prevention of COVID-19.



Digital inequalities:

We are committed to improving digital access to healthcare. Recognizing that — as of the latest Office for National Statistics (ONS) data published in 2020 — four percent of UK households do not have internet access, Boots is committed to maintaining care options that do not exclude those without digital access.



Local solutions:

Our pharmacists live and work in their local communities. We want our local teams to keep us apprised of inequalities they may encounter and feel empowered to suggest their own ideas about how to tackle them. At the same time, we will continue to empower our team members with research from our partners, including the Kings Fund, and shared best practices to address inequities together.

At the start of the 2022 calendar year, we established a network of Health Equity Champions across Boots UK. These champions work across stores to help ensure new initiatives meet the standards of Boots efforts to address health inequities. Whenever we launch a new initiative, the champion will ask their Boots team members to complete a Health Equity Assessment Tool (HEAT) to test the accessibility of the service in a range of scenarios, ensuring it has the best chance of reaching all members of the community.

Boots maintains its participation in the Hidden Disabilities Sunflower scheme, through which patients with autism, chronic pain, dementia, and visual or hearing impairments could wear a sunflower lanyard to alert Boots team members that they may need extra assistance to receive the vaccine. As part of the national vaccination process, the Sunflower scheme worked with the NHS and vaccine providers to highlight its purpose.

We are also designing for accessibility and creating inclusive in-store initiatives to promote adherence like piloting dual-language dispensing labels for prescriptions. Store teams have been provided with a range of multilingual options for materials distributed in-store, and we are working to highlight our staff who can speak more than one language to increase the comfort of our customers who do not use English as their first language.

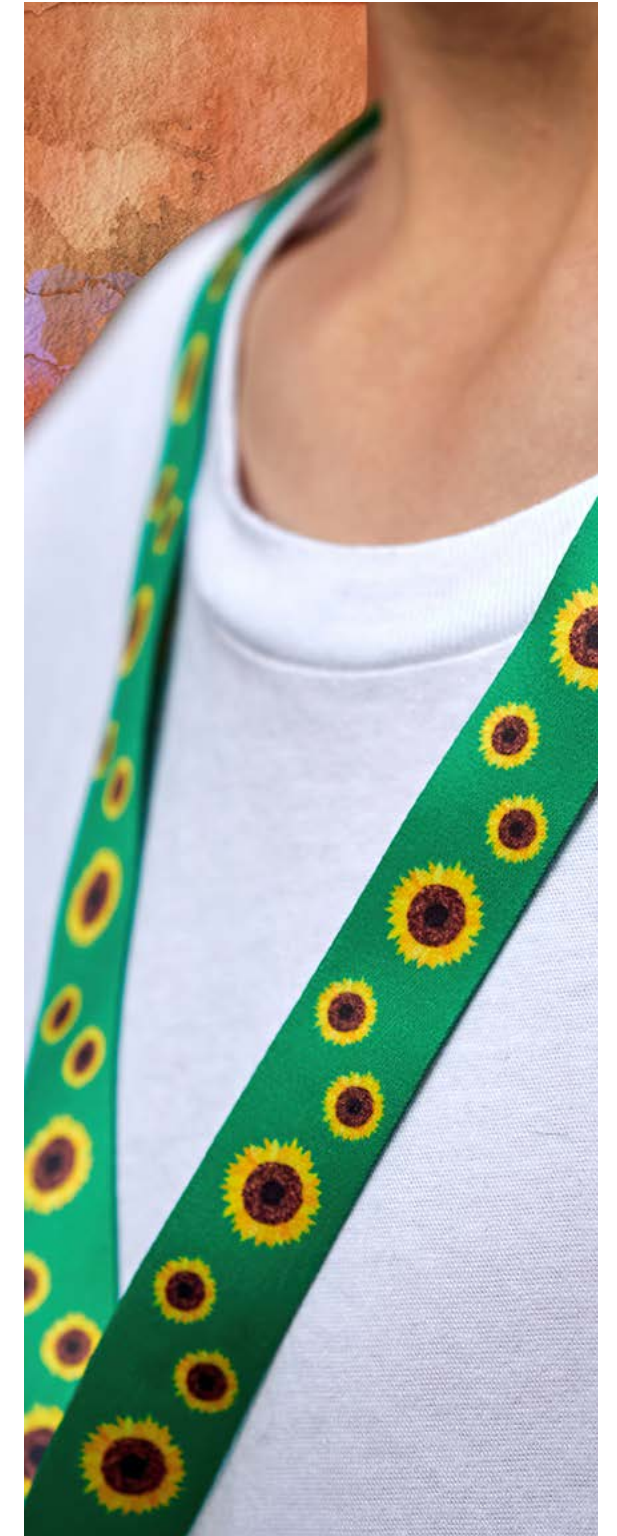
As we expand the suite of digital services offered, we continue to eliminate barriers that might interfere with the user experience of a person with a disability as well as identify opportunities to address digital inequalities as more and more health services become digital. In 2022, Boots became the first retailer to provide an inclusive online shopping experience with Recite Me accessibility toolbar.

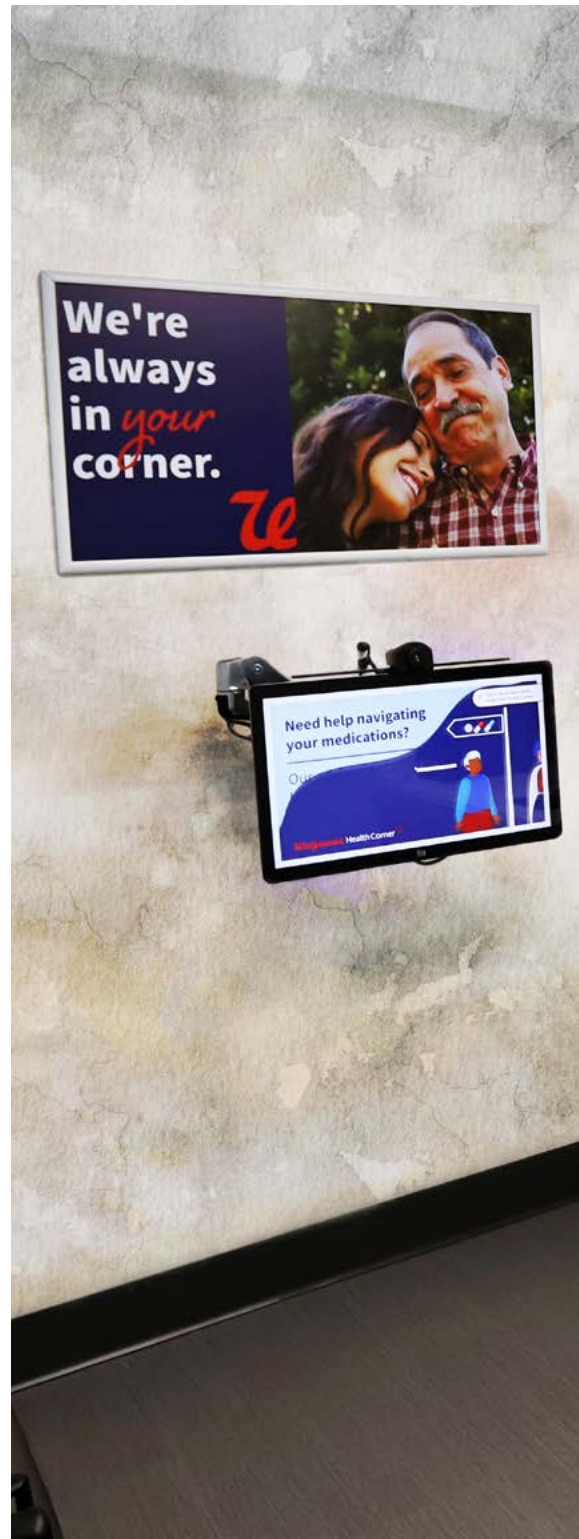
At a local level, we encourage pharmacists to share ideas on how to increase accessibility for their own communities.

Making a difference in outcomes

GRI 3-3, 203-1

As of Aug. 31, 2022, the Company administered more than 69 million doses of the COVID-19 vaccine and boosters in vaccine clinics across the U.S., 23 million of which were booster vaccines, and more than 45 million COVID-19 tests. In fiscal 2022 alone, WBA administered approximately 36 million COVID-19 vaccinations and more than 31 million COVID-19 tests. Walgreens also expanded vaccination models to ensure convenient access, including same-day and walk-in appointments, mobile clinics, employer partnerships and extended hours. In the UK, Boots delivered vaccines to patients from a total of 120 sites in fiscal 2022, including boosters. To support the UK booster program, Boots has 89 sites delivering boosters.





Transforming access

GRI 3-3, 203-1

Furthering our commitment to increasing equitable access to care for everyone, the U.S. Healthcare segment was successfully launched in October 2021 to facilitate WBA's consumer-centric healthcare strategy in the communities we serve across the U.S.

The new business segment, enabled by majority investment in VillageMD, Shields, CareCentrix and the Company's organically grown healthcare business, Walgreens Health plans to become a leading provider of local clinical care services by leveraging its consumer-centric technology and pharmacy network to deliver value-based care. The Company also plans to continue to transform its core pharmacy and retail business and its goal is to provide better consumer experiences, improve health outcomes and lower costs.

This strategy is foundational to WBA as a leading provider of local clinical care services and addresses all dimensions of physical, emotional, and mental health. We will continue to leverage our consumer-centric technology, pharmacy network, and partnerships to deliver and enable others to deliver value-based care, including vaccinations, diagnostic testing, chronic care management, and specialty management.

Walgreens Health Corners provide accessible, hyperlocal care. Locations offer services that range from preventive care and wellness checks to assistance with managing chronic conditions. Health advisors provide a range of health and clinical services that supplement care received from primary care physicians and specialists. By the end of fiscal 2022, the number of current Walgreens Health Corners expanded to approximately 100 locations throughout California, New Jersey and Ohio.

Through the Walgreens and VillageMD coordinated care model, patients receive full-service primary care alongside convenient and cost-effective pharmacy services. In fiscal 2022, Walgreens expanded its primary care offering in the U.S. with the opening of new VillageMD locations in Massachusetts, New Hampshire, Arizona, Florida, Texas, Kentucky and Indiana. Over half of the new locations are in medically underserved areas, meeting WBA's goal of expanding healthcare access to underserved populations.

In Mexico, WBA opened seven Benamedic clinics to make clinical care including general care, vision and diagnostic testing more accessible in the community, with plans to expand in fiscal 2023.

In 2022, new developments with the National Health Service (NHS) have empowered Boots UK to better care for those in its communities with chronic conditions. In fiscal 2022, the NHS increased the number of chronic conditions it supports through the New Medicine Service from four to 16, which includes hypertension. Since April 2022, Boots has administered a 24-hour blood pressure tracker to more than 62,000 patients, allowing pharmacy teams to deliver hypertension analyses and promote better health outcomes for those at risk.

In Germany, WBA works with renowned partners such as the German Hypertension League to train pharmacists across the country, providing them with educational materials to raise patients' awareness of the necessity of blood pressure check-ups and supplying pharmacies with hypertension measuring devices.

In February 2022, when Germany amended the Infection Protection Act to allow pharmacists to administer vaccinations for the first time, WBA stepped up to ensure the training program pharmacists were required to complete to assist the vaccination efforts was made available to all pharmacies in Germany regardless of whether they were current customers of WBA's subsidiary GEHE Pharma Handel and Alliance Healthcare Germany.

WBA continues to play a key role in local communities through our response to COVID-19. The Company hosted nearly 2,100 events to address vaccine hesitancy and provide vaccines, working with diverse, community-based partners, and administering approximately 69 million COVID-19 vaccines with a special effort to reach underserved communities. Our pharmacists are trusted, expert voices who help people stay healthy and safe from the virus.

As a touch point for our communities, our company educates and raises awareness about health issues and conditions, reaching people with vital information that can improve individual health and community resiliency. As we execute on our new healthcare strategy, the number of in-store health services increased significantly year over year with more than 310 new locations.

In June 2022, the Company announced the launch of its clinical trial business in the U.S. to redefine the patient experience and increase access and retention in sponsor-led drug development research. We aim to provide another offering for patients with complex or chronic conditions in their care journey and address a common criticism of clinical trials — the lack of diversity among participants — by breaking through barriers to engage broader and more diverse communities. This effort will have real implications for the communities Walgreens serves; approximately 20 percent of drugs have variations in response across racial/ethnic groups, which is critical to address because more than three-quarters of clinical trial participants are white.



We have committed to transforming access to healthcare in the communities we serve. In fiscal 2022, these are the key ways we are bringing critical services digitally and in-person to communities while raising awareness:



We are developing innovative, accessible and personal healthcare options with a focus on the whole person. We are building the foundation to become a leading provider of local clinical care services.



Walgreens is increasing access to new options for U.S. patients with complex or chronic conditions, while helping sponsors advance treatment options for the diverse communities we serve through new clinical trial offerings.



In the U.S., our government relations team advocates for drug price transparency, passing on savings to patients at the pharmacy counter, as well as for an enhanced role for pharmacists to help patients find best-priced options.



In the UK, the Republic of Ireland and Germany, where single-payer systems lead to increased affordability of services, our focus is on increasing access that is convenient to the customer. Boots now offers digital care and education through its online Health Hub and has expanded access to virtual general practitioner (GP) and health advisor visits.



For our own team members, we are committed to providing quality, affordable healthcare and services to manage their conditions and improve health outcomes. Details are included in the [Healthy and Inclusive Workplace](#) section of this report.



We drive improved health outcomes through medication adherence and care management.



We engage patients through our pharmacies, trusted brands, digital tools, and partnerships with nonprofit groups and government agencies on campaigns to:

- Empower patients to take control of their own health
- Incentivize healthy behavior, preventive measures and smoking cessation
- Reduce stigma around conditions such as HIV and dementia
- Decrease vaccine hesitancy while improving access to healthcare and vaccinations

We use market testing of new products and services, utilization, competitive analysis, health outcomes research and customer feedback to evaluate our approach. Our performance metrics on these topics are as follows:



New in-store health service locations increased 46 percent, driven primarily by expanded primary care and diagnostic lab locations through our acquisition of VillageMD and collaboration with LabCorp¹.



Eighty-one healthcare service offerings¹ accessible on Walgreens Find Care, including services offering diabetes management, telehealth such as virtual primary care doctor visits, pain management, eye exams, laboratory testing, weight loss support, teletherapy for mental health, sleep solutions and more.



Thirty-five million consumers participated in health education initiatives through clicks on healthcare-focused topics on Walgreens.com²; these topics include COVID-19, flu, vaccinations, Medicare, allergies, diabetes, pain, HIV and others.

¹This KPI maps to Material Topic 1: Access to Affordable and Quality Healthcare and is within the Deloitte & Touche LLP review scope as detailed on pages 119-120.

²This KPI maps to Material Topic 11: Consumer Health Education and Marketing.

Community-centric healthcare approach

Pharmacies are frequently the first point of contact for people seeking care, whether preventive or in response to illness. WBA's locations in nine countries employ more than 325,000 people, with more than 31,000 being registered pharmacists. Our pharmacists work at the nexus of community healthcare to provide education on chronic condition care and medication management, administer vaccinations, and partner with health systems to advance health and wellness.

Our team members who provide healthcare services in retail locations and online are the most accessible entry point for many patients seeking access to healthcare. We are members of the communities we serve, and we use our community insights and cultural competency to help ensure our patient's questions are answered and needs are met. We see our role as an integral part of the patient's healthcare team and endeavor to personalize care while strengthening relationships across the patient's healthcare network to improve health outcomes, especially for chronic and complex conditions.

Overcoming barriers to medication adherence

GRI 3-3, 203-1

The failure to take medications as prescribed is associated with adverse health outcomes and rising healthcare costs. WBA strives to improve medication adherence by addressing systemic barriers to care. Barriers can include everything from a misunderstanding of prescription interactions with other drugs to a lack of access to transportation. Lack of insurance, financial insecurity, inconvenience and forgetfulness are also commonly identified as factors in adherence failure.

Our pharmacists and healthcare providers take the extra step to help ensure adherence among their patients. Analytics help us predict the patients most likely to become nonadherent and identify custom ways to reach them and help them maintain their regimen. Adherence programs for the most complex treatments and disease-state management programs include phone, virtual, and in-person consultations to address potential side effects and offer remedies, digital solutions including medication synchronization, delivery, consultations and patient education, and efforts to connect patients to financial assistance to help them stay on track.

Our pharmacists are continuously learning and updating their training on common chronic conditions including hyperlipidemia and diabetes management. Recognizing that diabetes, high cholesterol and hypertension are prevalent among Americans, we tailored specific programs to help improve outcomes for patients living with these disease states. Across these conditions, Walgreens PDC (Proportion of Days Covered) rates improved by .38 percent in fiscal 2022 compared to fiscal 2021. PDC is a common measurement for adherence referring to the percentage of time a patient has medication available based on refill records.

Medication non-adherence remains a significant barrier to positive health outcomes for those with mental health conditions. To help support greater adherence, outcomes, and lower overall costs for patients and payers, Walgreens has added two new drug classes — anti-anxiety and anti-psychotic medications — to its New to Therapy pharmacy program. Anti-depressants are already among the drug classes included.

Walgreens works to improve medication adherence, manage chronic disease and overcome barriers to care through numerous programs, which are detailed in this section.



Walgreens Patient Care Portal

A system that helps pharmacists identify and contact patients eligible for Medication Therapy Management Services and medication reviews to connect them with appropriate interventions, including:

- Comprehensive disease-state management
- Proactive care for patients taking specialty medications for HIV and chronic inflammatory disease
- Consultations supporting patients with new prescriptions and diagnoses
- Customized patient assistance with obtaining medications or other items via delivery, curbside pickup, or drive-thru

Walgreens Advanced Care Program

Applies predictive analytics to identify patients at higher risk for non-adherence, prompting holistic intervention. Our pharmacists will hold conversations with identified patients to close gaps in care and uncover and resolve barriers to medication adherence.

New to Therapy

A pharmacist-led solution through which Walgreens pharmacists engage patients who are new to certain medication therapies, helping educate them on their medication and addressing any barriers or concerns to drive better adherence and overall health. With Walgreens assistance, as of Aug. 31, 2022, nearly 32 million patients were enrolled in the pharmacy's 90-day refills program, making medication access more convenient.

Save a Trip Refills

Allows customers to align multiple prescriptions to one date. More than 6.4 million patients were enrolled as of Aug. 31, 2022, saving three pharmacy trips a year on average.

Walgreens Pickup and Delivery

A digital offering through which patients can prepay for medication and choose their next-day delivery or pickup location on mobile devices.

Mobile Apps

A free, five-star-rated mobile app that provides access to digital resources, such as Rx Alerts, that remind patients to fill and pick up prescriptions. For communities in the UK, the Boots app also allows patients and customers to set up refill reminders and daily vitamin reminders.

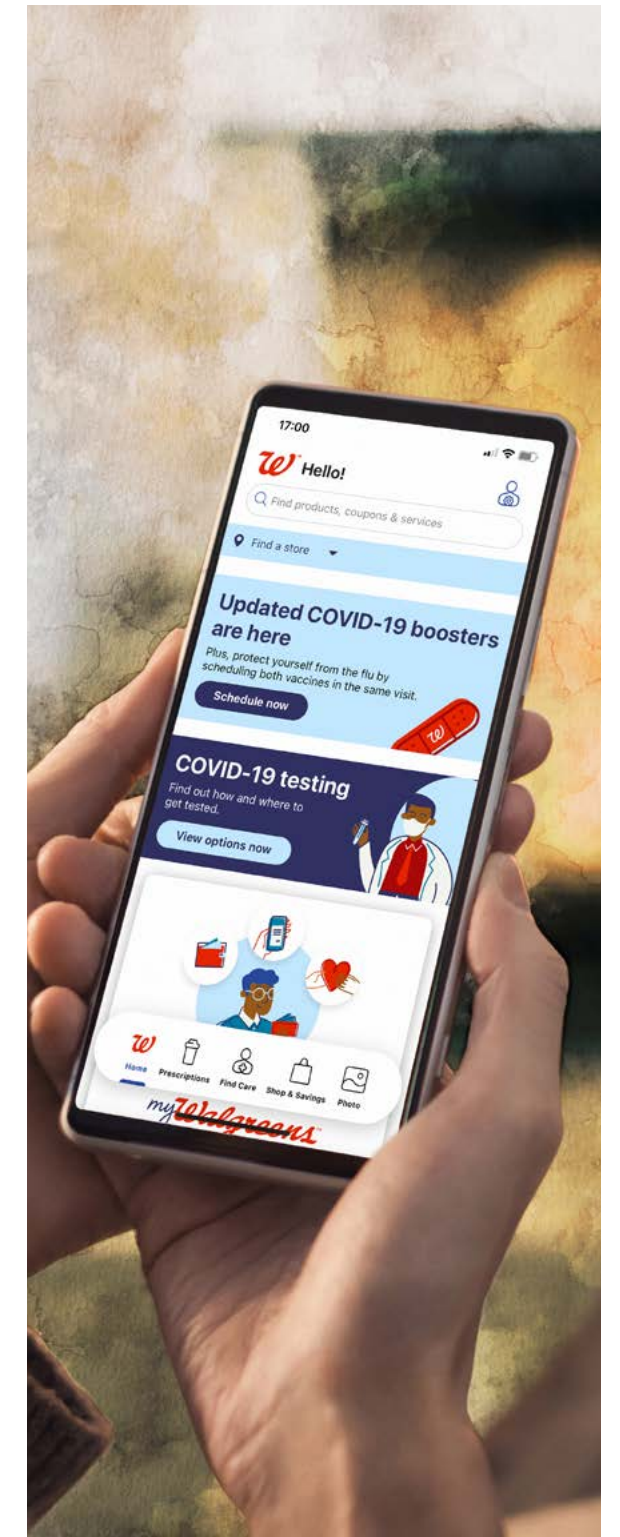
New Medicines Service

In England, patients prescribed a new medicine for certain long-term conditions such as diabetes, asthma or high blood pressure can access a free NHS service to help get the most out of their medicine. The service gives patients the chance to ask their pharmacist any queries, identify any problems they may be having, and find the easiest and most effective way of taking their new medicine.

Free Online NHS Repeat Prescription Service

The Boots Free Online Repeat Prescription Service allows patients to order their repeat prescription items online. Boots will send the request to the GP and, once approved, the electronic prescription is sent directly to Boots for dispensing and collection or delivery, saving the patient a trip to the GP.

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





Addressing the high cost of care

GRI 3-3, 203-1

In the U.S., the rising cost of a prescription is an often-cited cause for patients who fail to adhere to their medication regimen.

To address adherence issues and prescription abandonment, Walgreens collaborates with other businesses and organizations in the pharmaceutical supply chain to make medications more affordable and accessible through copay assistance.

We believe drug prices should be transparent as they move through the supply chain and that savings should be passed on to patients to lower their out-of-pocket costs.

We are actively supporting legislation at the state and federal levels on pharmacy benefit management reform, which could reduce the out-of-pocket cost of prescriptions, in addition to insulin copay cap legislation. At the state level, Walgreens has advocated for expanding access to pharmacy services and care for Medicaid patients, ensuring they can fill their prescription and receive care, are covered by insurance, and can be assisted by their pharmacy of convenience rather than the pharmacy designated by the state.

In fiscal 2022, Walgreens specialty pharmacies helped approximately 946,000 patients in the U.S. secure more than \$442 million in copay assistance for prescriptions.

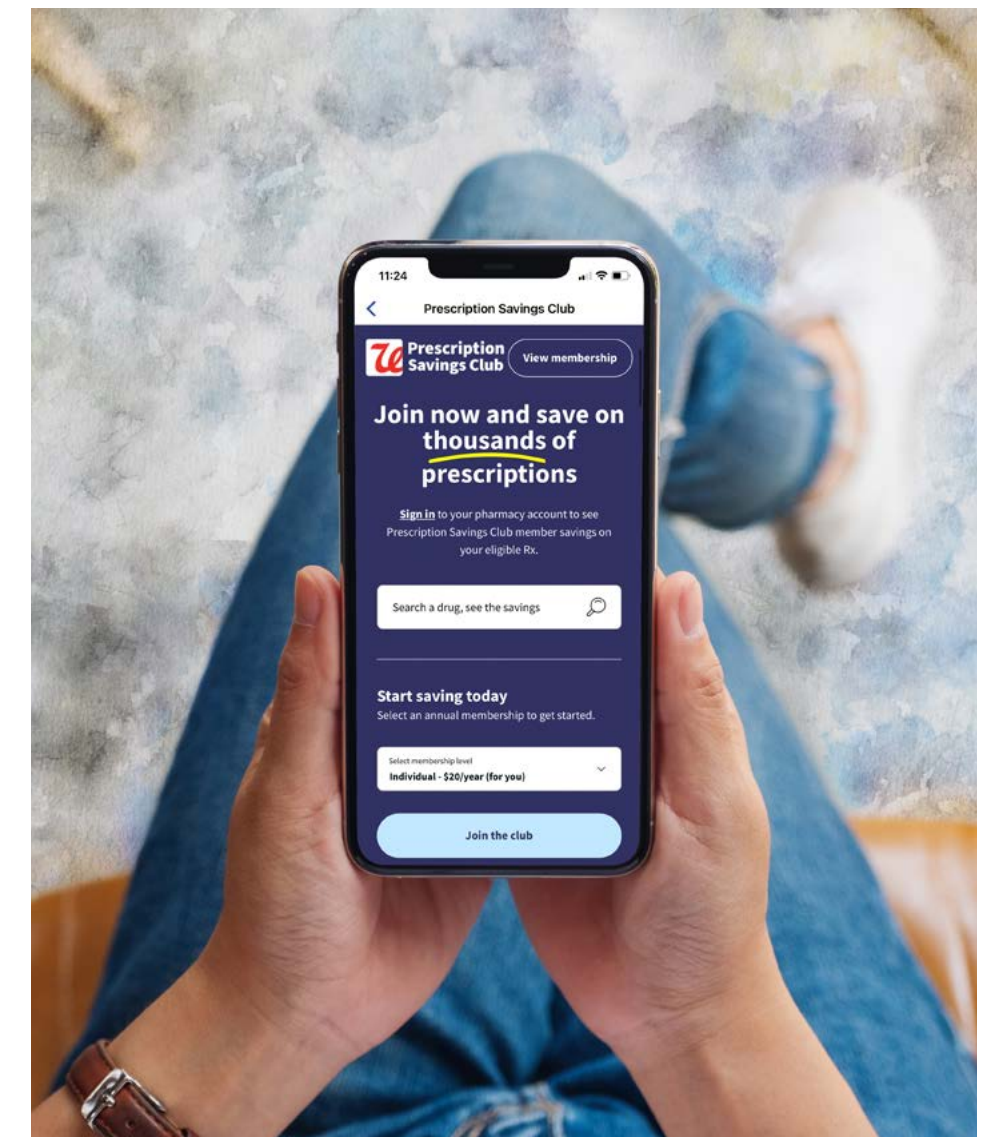
Our team members are trained to identify where copay assistance may be available at point of sale. Our dedicated centralized support teams proactively contact patients using our traditional retail pharmacies for copay payments and plans that meet specific parameters. We aim to promote seamless care for patients, assisting them in finding solutions in the face of limited distribution drug networks, payer restrictions and other considerations.

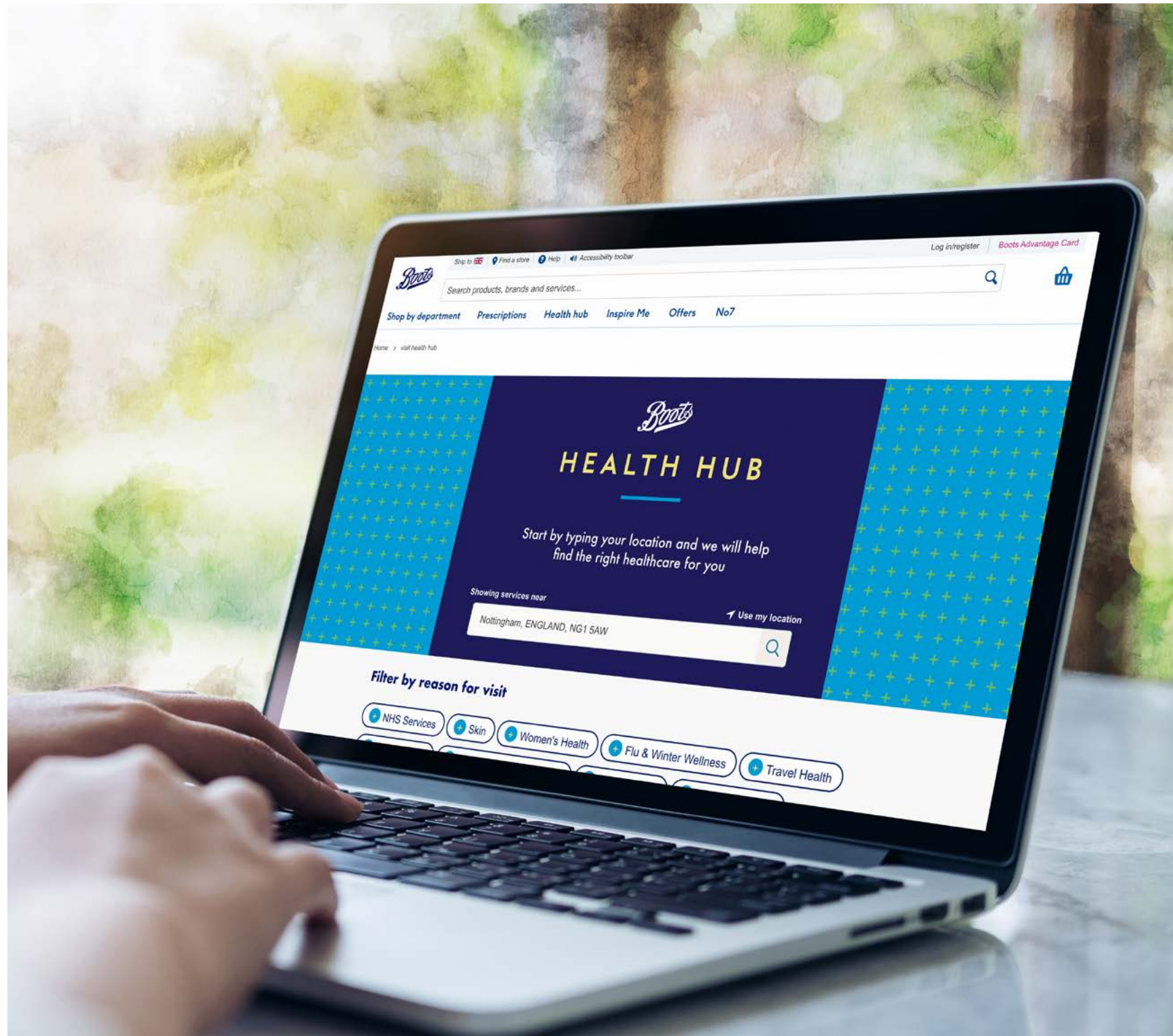
In 45 states, Washington, D.C., and Puerto Rico, Walgreens Prescription Savings Club offers savings of up to 80 percent compared to cash retail prices of prescriptions purchased at participating Walgreens. The discount prescription drug program applies to thousands of prescriptions, including generic, preventive and lifestyle medications insurance may not cover. In November 2021, Walgreens added Insulin Glargine to the program with the aim of making insulin injections more accessible for those uninsured or underinsured.

In Chile and Mexico, where out-of-pocket payments can present a barrier to care, we operate national pharmacy chains that provide care within the context of local healthcare operations.

Ahumada Contigo (Ahumada With You), a prescription medication access program in Chile, now includes more than 2,700 products that Chilean patients affiliated with the public healthcare system can purchase at significantly lower prices at Farmacias Ahumada.

In Mexico, the high-quality generics brand Almus sold in our Mexican chain Farmacias Benavides has expanded to 249 products. In addition to our aim of making available treatment options for all chronic conditions, we strive to keep pricing affordable so treatment is accessible for patients diagnosed with diabetes, high cholesterol and high blood pressure.





Advances in digital healthcare access

GRI 3-3, 203-1

Universalizing digital access to healthcare and pharmacy products is an integral component of WBA's strategy to increase healthcare access, particularly in medically underserved communities. Building on the efforts to serve our patients virtually, we have expanded several tools to deliver care to our communities.

The Walgreens app has over 60 million lifetime downloads. Users can set pill reminders; refill by scanning prescriptions; combine family orders; and chat with a real-time, 24/7 pharmacist while eliminating the need to run to the pharmacy for in-person consultations and prescription pickup, thanks to the option for same-day prescription delivery. Approximately 102 million members of the myWalgreens loyalty program receive additional savings on their orders.

The Boots Health Hub, a digital services platform serving Boots UK, gives customers visiting boots.com access to nearly 100 healthcare services, including healthcare tests, COVID-19 services, vaccinations, prescriptions, Livi's online general practitioner consultations and the Boots Online Doctor service. Boots Online Doctor, a virtual service for more than 45 common healthcare conditions, provides quick access to advice and prescription-only medicine without having to see a general practitioner.

To improve cardiovascular health awareness, Alliance Healthcare Germany continued its collaboration with the German Hypertension Association to provide training and education for its teams: more than 50 Alphega pharmacies are certified.

In February 2022, Boots became the first retailer in the UK and the Republic of Ireland to offer Recite Me technology in its online store, making it more accessible for the more than 13 million people in the UK and the Republic of Ireland who experience barriers when shopping online. The Recite Me assistive toolbar includes screen reading functionality; multiple reading aids; and an on-demand live translation feature that boasts over 100 languages, including 35 in text-to-speech. These features give website visitors the ability to manage how they view and interact with content to suit their individual needs.

Benavides pharmacies in Mexico hosted six online health forums in fiscal 2022, providing free access to expert information on diabetes, chronic pain, sexual health and healthy motherhood.

Health access: awareness and advocacy

GRI 3-3

We continue to advocate for policies that expand prescribing authority for pharmacists to improve outcomes and increase accessibility to care. This includes the ability to provide clinical advice and test and treat by initiating certain prescriptions after an administered test registers positive (for example, granting a pharmacist the ability to prescribe Paxlovid once their patient tests positive for COVID-19).

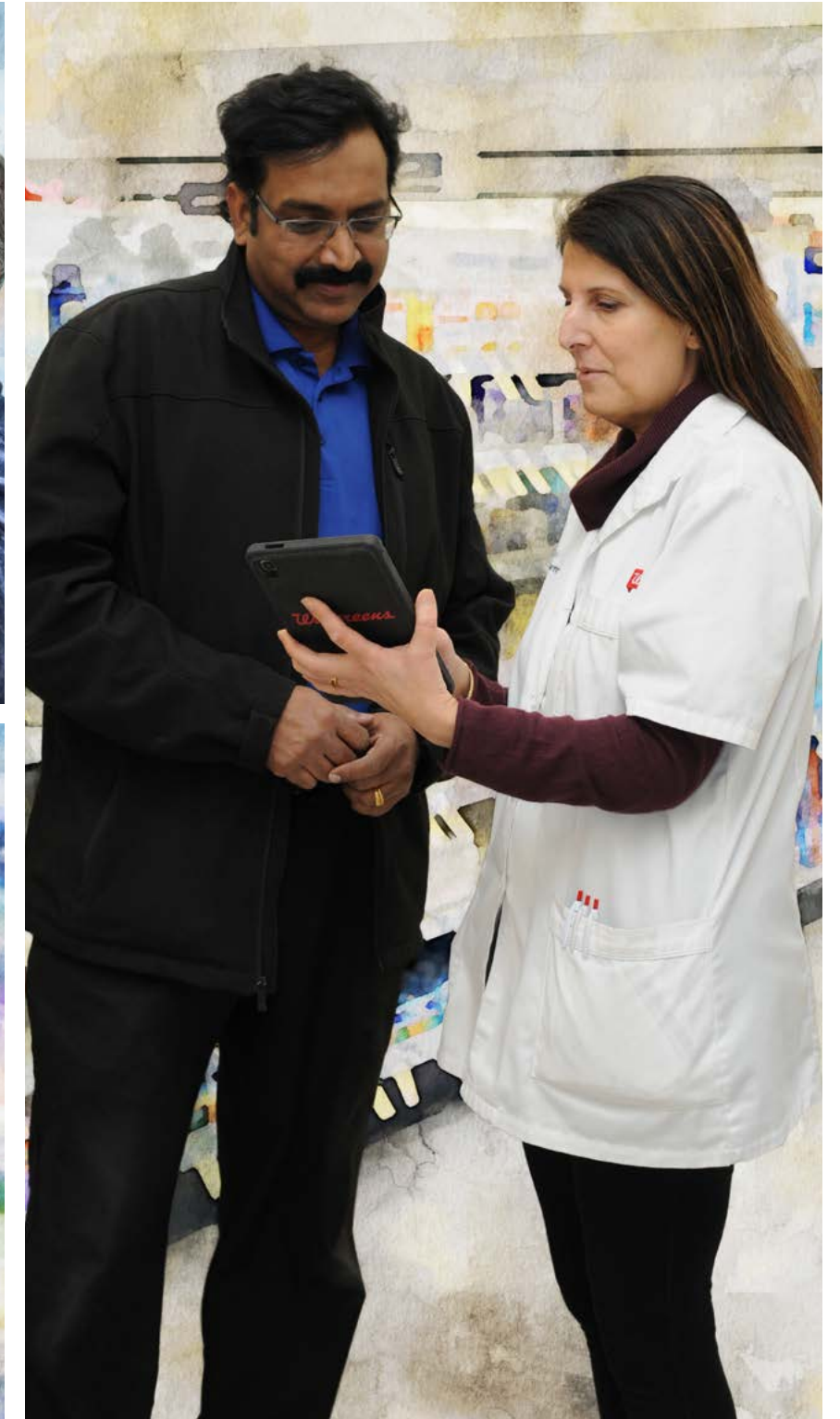
It also includes advocating for pharmacy technicians, who are often trained for responsibilities they are originally restricted from fulfilling. Allowing pharmacy technicians to fulfill responsibilities for which they are trained, including test and vaccine administration, will provide pharmacists more time for patient care, thus improving patient outcomes.

Dementia awareness

Boots strives to ensure its community members living with dementia feel supported and respected in-store, which is why we make our stores as dementia-inclusive as possible. To help provide a dementia-inclusive environment, Boots UK, Boots Opticians and Boots Ireland team members are trained in understanding the common challenges a person living with dementia may encounter in a store environment. Those with training identify themselves with a Dementia Friends badge in the UK and a Dementia Understand Together badge in the Republic of Ireland. As of Aug. 31, 2022, Boots UK and Opticians had more than 25,000 team members identify as Dementia Friends, with one in almost every Boots store available to support customers and patients, and over 1,900 colleagues (92% of team members) in Boots Ireland.

Vaccines and vaccine hesitancy

Throughout the COVID-19 pandemic, Walgreens, Boots UK, and other WBA businesses worked extensively with government bodies, using a collaborative approach to deliver and support COVID-19 testing and vaccinations and to disseminate trustworthy information to combat vaccine hesitancy. Our businesses have helped accelerate the availability of vaccines and reach underserved communities with vaccines. More information on these efforts and health equity can be found on pages [31-34](#).



Mental health awareness

Access to mental healthcare is growing in demand in the UK and the U.S. On average, 1 in 6 people in the UK and 1 in 5 people in the U.S. struggle with a mental health condition. We are striving to meet the needs of our team members, customers and patients.

In fiscal 2022, Walgreens collaborated on a workplace initiative with Mental Health America to develop a toolkit to help employers everywhere foster a healthy and productive workforce. The toolkit, which went live in September 2022, aims to give employers tools and materials to support the mental health and well-being of their employees. It also includes a Walgreens case study, which shares some of our own best practices and mental health journeys.



Walgreens worked in collaboration with the National Council for Mental Wellbeing and the American Pharmacists Association to develop a specialized training to train pharmacy staff in mental health literacy, understanding risk factors and warning signs for mental health and substance use concerns, and strategies for how to help someone in both crisis and noncrisis situations. Walgreens completed its first phase of Mental Health First Aid training, administered by the National Council for Mental Wellbeing, for pharmacists in 2020. This specialized training program was then opened to all Walgreens pharmacy team members in October 2021. Since then, more than 1,000 Walgreens pharmacists have participated.

Boots UK pharmacists in England receive Zero Suicide Alliance training as part of The Pharmacy Quality Scheme within the Community Pharmacy Contractual Framework. In addition, Boots has more than 180 team members in key roles who have received Mental Health First Aider training to better support them in their roles. Through the Boots Health Hub, we offer our How Are Things mood and symptom checker in partnership with Ieso Digital Health, as well as online cognitive behavioral therapy through Livi. In 2022, Boots launched a new offering in partnership with Macmillan Cancer Support focused on end-of-life care, which will include emotional support for both patients and their loved ones.

We recognize body positivity and confidence are vital aspects of mental health. Boots is proud to have a long history of advocating natural beauty and celebrating individuality alongside a long-standing commitment to responsible marketing. In 2013, Boots was one of the first brands to completely ban any airbrushing and use age-appropriate models in its marketing. As part of its ongoing commitment to the accurate representation of body images across its advertising and marketing, in fiscal 2022, Boots signed the Body Image Pledge, a voluntary commitment that brands, charities, and organizations can sign to show they will not digitally manipulate a person's body proportions in any of their direct images.

Boots Ireland continues to partner with See Change — The National Mental Health Stigma Reduction Partnership. More than 60 line managers received training during fiscal 2022 in a Line Manager Mental Health workshop as part of the See Change's Workplace program. Boots Ireland has proudly supported the Green Ribbon campaign by promoting it to both customers and team members across the country and was delighted to be included in a webinar and guest panel focusing on the theme of inclusion in a workplace setting. More than 40,000 green ribbons were available to customers throughout all 90 Boots stores nationwide, which supported and promoted conversations on mental health.





Supporting survivors of domestic violence

Boots continues to participate in the Ask for ANI campaign, which allows those at risk or suffering from abuse to discreetly signal that they need help and access support. ANI is a code word for “action needed immediately.” By asking for ANI, a trained pharmacy team member will offer a private space to the person and discuss whether they need to speak to the police or would like help accessing support services such as national or local domestic abuse helplines. The scheme has been introduced to complement the Safe Spaces initiative by the crisis charity Hestia and its UK SAYS NO MORE campaign.

Since Boots launched the Ask for ANI campaign in partnership with the Home Office in the UK in 2020, more than 19,500 staff have been trained in how to support and protect survivors of domestic abuse. The training is now required for all new pharmacy team members, and the service is available at all Boots pharmacies as well as in other community pharmacies.

Boots Ireland operates a similar campaign that initially began in 2020 amid COVID-19 with Safe Ireland, a national social change agency. This campaign has now been extended into a nationwide initiative by the Irish Pharmacy Union, and Boots is now part of the Safe Pharmacy program, offering a safe space in our pharmacies where persons experiencing domestic abuse can get access to a phone and contact details for local support services.

Smoking cessation

GRI 3-3

WBA is committed to our pharmacy services playing a role in helping people quit tobacco. Walgreens and Boots pharmacists are trained to support a patient’s attempt to quit, and Boots offers a private Smoke Less service as well as an NHS-commissioned service in some locations. In England, Boots provides those referred upon leaving the hospital with a national NHS-commissioned service that supports patients to stop smoking. We also offer digital support tools in addition to prescription and over-the-counter products.

Since its inception in October 2015, and as of Aug. 31, 2022, the Walgreens [quit smoking page](#) has received more than 460,000 visits.

More than 521 team members completed a stop smoking program during fiscal 2022. The program includes a personalized plan, talking to a trained pharmacist, and receiving free nicotine replacement therapy patches or gum.

Walgreens has continued its policy of deemphasizing tobacco products and does not sell e-cigarettes. We require age verification from anyone purchasing tobacco products in our U.S. stores and maintain a zero-tolerance policy prohibiting the sale of tobacco products to those under 21. Store team members are trained on this policy, and any team member violating the policy is subject to immediate termination.



Preventive health services

GRI 3-3, 413-1

Through our partnerships with government agencies and nonprofit organizations, our businesses around the world support efforts to educate and provide preventive care to our communities.

Here are examples of these activities during fiscal 2022.

First Ladies Health Initiative

Walgreens continued its ongoing partnership with the First Ladies Health Initiative to host vaccination clinics for COVID-19 and the flu. As a 14-year title sponsor, Walgreens has worked hand in hand with the initiative, led by the first ladies of Black megachurches around the country, to address health disparities in underserved communities.

Throughout the course of the Walgreens sponsorship, more than 400,000 people have been screened for a variety of conditions, including blood pressure, blood glucose, HIV screenings and vaccinations, or educated through the initiative. The group provides no-cost medical screenings, educational information, and personal contacts to help detect or prevent illnesses that disproportionately impact Black and African American and Latino communities.

HIV testing in the U.S., Chile and Thailand

For 12 years, the Greater Than AIDS/Walgreens National HIV Community Partnership has worked with local health departments and HIV organizations to expand access to HIV testing and information through nontraditional settings. Since 2011, more than 76,000 free HIV tests have been provided as part of the annual event, including over 15,000 at-home self-tests provided during the height of the COVID-19 pandemic.

On June 27, 2022, National HIV Testing Day, almost 250 local health departments and community organizations worked with Walgreens and Greater Than AIDS to provide more than 4,400 free, confidential, and fast HIV test results at more than 340 Walgreens locations. Individuals who test positive are referred for a confirmatory test and linked to care. Partners also provide information and referrals for PrEP, a medication used to protect against HIV.

Farmacias Ahumada in Chile administered 900 free HIV tests in December 2021.



Community health fairs

Walgreens community health fairs give our employees the opportunity to engage with their neighbors on healthcare issues while meeting patients where they are and where they feel comfortable. They also offer an opportunity for community members to access services and resources including a flu shot, health screening, and educational information. Walgreens stores sponsored, participated and conducted a variety of health-focused community outreach events during fiscal 2022.

Flu prevention

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

WBA is committed to helping protect our communities from exposure to the flu, which causes tens of thousands of deaths per year.

Walgreens pledged to donate \$5 million of free flu shot vouchers in the U.S. by 2024 and reached \$6.8 million by the end of fiscal 2022. In 2022 alone, we distributed vouchers equating to over \$1.3 million, reaching our goal two years ahead of schedule.

Through flu equity outreach, including partnerships with community organizations, HBCUs and federally qualified health centers, Walgreens combats vaccine hesitancy. Since 2010, Walgreens has provided nearly 2 million free flu vaccinations to customers who present a voucher, helping address health disparities for underserved communities.

At the start of fiscal 2022 and this past flu season, Boots administered more than 2 million free flu vaccinations on behalf of the NHS for those eligible and privately for those who were not eligible for free vaccinations. Boots also offered free vaccinations to its 53,000 team members for the third consecutive year and continued Corporate Flu Vaccination Service for organizations that wish to pay for and then offer their employees free flu vaccinations.



Prescription Misuse Prevention

GRI 3-3, 203-1

Prescription misuse prevention is a priority for our pharmacy staff. Our status as a leader in the retail pharmacy industry and our expansive reach across communities allow us to play a significant role in addressing the opioid epidemic. The WBA board of directors continues to oversee our management of risks related to the dispensing of prescription opioid medication and our multimillion-dollar effort to help combat overdose-related deaths.

Walgreens maintains a Good Faith Dispensing policy, which provides the foundation for our pharmacists to understand their roles and responsibilities when dispensing prescriptions for controlled substances. This policy requires a pharmacist to evaluate the patient, prescriber, drug, applicable law and surrounding circumstances prior to making an appropriate professional decision whether to dispense a prescription for a controlled substance. Walgreens supports our pharmacists' right to refuse to fill controlled substance prescriptions in accordance with their corresponding responsibility, if, among other reasons, prescribers do not provide sufficient supporting information.

Walgreens supports CDC recommendations by educating patients about naloxone, a lifesaving overdose antidote, when they are dispensed high doses of certain prescription opioids and who may be at risk of accidental overdose.

Boots UK has developed and launched Patient Safety First materials on opioids for its pharmacy staff. The learning modules focus on compassionate care practices and help our team members understand substance misuse from a holistic perspective while learning to recognize the symptoms of those who may be abusing.

Walgreens continues to participate in the U.S. Drug Enforcement Administration's (DEA) National Prescription Drug Take Back Day, held twice a year, when select Walgreens stores throughout the country serve as collection points for law enforcement to collect unwanted, unused or expired medication for safe disposal.

The following are updates on our progress on ongoing initiatives to combat prescription drug abuse in the U.S.:

LIFESAVING OPIOID OVERDOSE ANTIDOTE NALOXONE



319,443

kits dispensed; available without a prescription in all U.S. Retail Pharmacy locations

SAFE MEDICATION DISPOSAL



NEARLY 1500

safe medication disposal kiosks in Walgreens locations



1.8M+

take-home safe medication disposal kits shipped to stores since May 2019



486 METRIC TONNES of unwanted medication safely disposed of in fiscal 2022

1,892 METRIC TONNES of unwanted medication safely disposed of since 2016

TIME-DELAY, HIGH-SECURITY PHARMACY SAFES



ALL U.S. stores have safes installed



SIGNIFICANTLY REDUCED pharmacy robberies and burglaries; employee safety improved

Partnerships for Good

GRI 3-3, 203-1, 413-1

We continue to engage in long-term partnerships at the national and international levels to tackle health issues like poverty, disease prevention, mental health, dementia, and cancer support. Our collaborations help improve the lives of hundreds of millions of vulnerable people, especially women and children.

In the area of cancer care, WBA focuses on creating innovative and meaningful support for patients and their loved ones in three ways: assisting people living with cancer, working with organizations that advance research, and supporting prevention programs. We work with cancer organizations to train our pharmacists and beauty consultants so they can provide expert advice and support to cancer patients, their families, and their caregivers when they need it most.

We also work with charitable partners that help empower young people to reach their full potential. By providing lifesaving vaccinations, vitamins, essential hygiene products, and more, we are committed to supporting the health and well-being of future generations.

Through our charitable partnerships, we aim to lead by example and be a catalyst for others to do good. To maximize our impact, we created several initiatives that our team members, customers, patients, suppliers and local communities are empowered to support. These programs generate enthusiasm, increase team member satisfaction and engagement, and build customer loyalty.

Ukraine response

In response to the war in Ukraine, WBA pledged more than \$1 million in humanitarian aid directly to four organizations leading critical relief efforts in Ukraine and neighboring countries. Our contributions included monetary donations as well as products such as first aid kits. Boots UK team members came together to pack around 39,000 products into toiletry bags with products that were donated to refugees via The Hygiene Bank. We're proud to support International Health Partners, the American Red Cross, UNHCR, the UN Refugee Agency and Humedica as part of their ongoing relief efforts.





Vitamin Angels, Global

The award-winning partnership between WBA and Vitamin Angels has provided more than 350 million undernourished children and expectant mothers with life-changing vitamins and minerals in all 50 states, Puerto Rico, and more than 65 countries around the world. WBA is well on its way to reaching its commitment of helping 500 million women and children by providing vitamins and minerals through this program by the end of fiscal 2025.

Walgreens donates 1 percent of sales of select vitamins and supplements, including owned brand vitamins, to Vitamin Angels, reaching \$12.9 million in total donations during fiscal 2022.

Get a Shot. Give a Shot., Global

Together with the United Nations (UN) Foundation's Shot@Life campaign, we've helped provide 82 million lifesaving measles and polio vaccines to children around the world since 2013 for every vaccination administered at Walgreens and Duane Reade pharmacies and clinics. WBA is on track to reach its goal of 100 million vaccinations by 2024.

Red Nose Day, Global

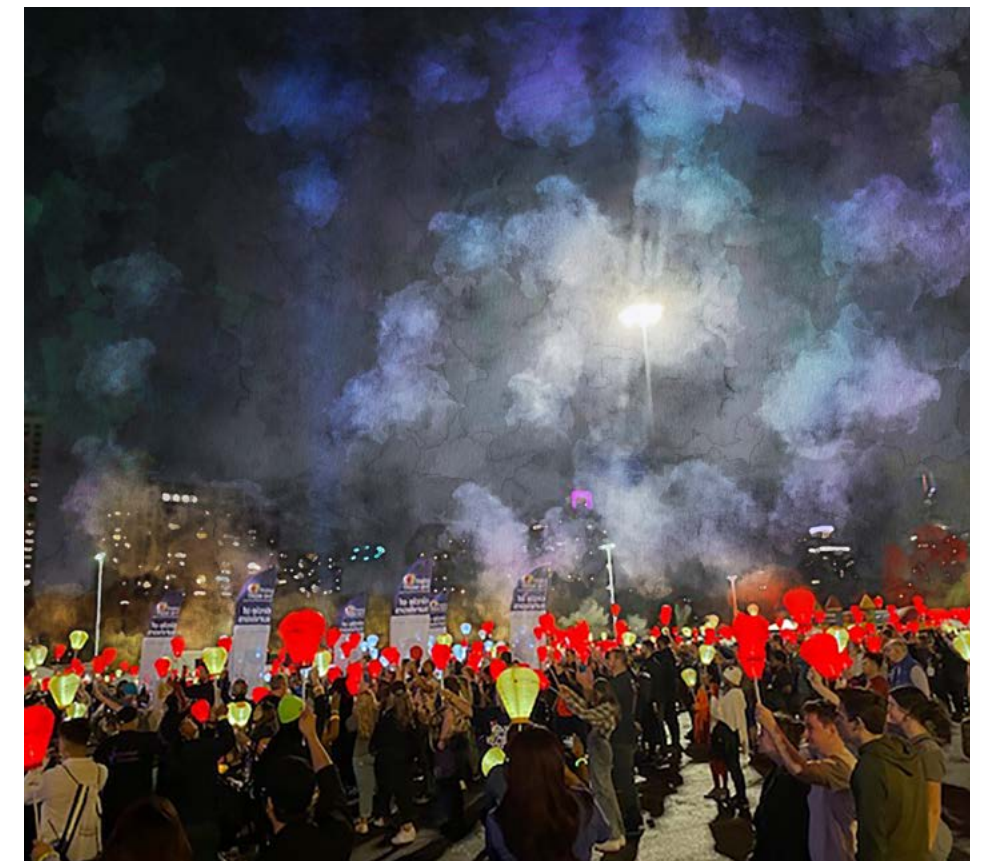
We celebrated Red Nose Day for the eighth consecutive year as the exclusive retailer of the nationwide campaign to help end the cycle of childhood poverty and ensure a healthy future for all children. Red Nose Day has raised more than \$324 million since launching in the U.S. in 2015, impacting the lives of 31 million children. Walgreens has raised more than \$178 million toward that total.

Susan G. Komen and The Leukemia & Lymphoma Society, U.S.

Walgreens collaborates with Susan G. Komen and The Leukemia & Lymphoma Society (LLS) to enable research in tough-to-treat cancers and increase access to care. In 2019, Walgreens pledged to contribute more than \$25 million to the two organizations over a five-year period. We are proud to report that we exceeded that goal in fiscal 2022.

For the eighth year, Walgreens team members participated in the annual LLS Light The Night fundraising events. These events took place in markets across the U.S. with more than 529 team members uniting to celebrate those who are fighting the disease and honoring those we have lost. Walgreens teams raised more than \$240,000 to help fund LLS lifesaving research initiatives and support services for blood cancer patients. Additionally, \$800,000 was raised during in-store fundraising campaigns.

In partnership with LLS, Walgreens has 80 LLS-certified blood cancer pharmacies as of Aug. 31, 2022, with specially trained pharmacists helping patients manage side effects and adhere to medications.





£1M

In fiscal 2022, Boots UK raised a total of £1,000,000 (\$1,306,000) for Macmillan and was once again named one of the Most Admired Corporate-NGO Partnerships in the C&E Barometer.

Macmillan Cancer Support, UK

Now in its 13th year, Boots UK’s partnership with Macmillan Cancer Support has raised more than £21 million (\$27 million) to support people living with cancer, including funding a Macmillan nurse for a year. We have over 3,000 specially trained Boots Macmillan Information Pharmacists (BMIP) who are now accessible through every pharmacy store. For those unable to visit a Boots pharmacy, they can access a Boots Macmillan information pharmacist online from the comfort of their home. Along with our 580 Boots Macmillan Beauty Advisors (BMBAs), who are trained to support with the physical side effects of cancer, Boots UK’s BMIPs are estimated to have collectively conducted almost 180,000 in-store and virtual conversations and consultations this year.

In 2022, end-of-life services were launched to help enable patients to access palliative medicines and emotional support from their specially trained BMIP. Boots and Macmillan have also created a list of recommended medicines most used by terminally ill patients, and Boots has committed to maintaining a stock of medicines on this list at more than 2,000 pharmacies with a NHS contract. Boots has introduced an online stock checking tool for patients and caregivers to check the availability of medicines at their local pharmacy, further aiding accessibility. An End of Life Care module was also developed to further enhance BMIPs’ knowledge and understanding, enabling them to provide person-centered support for patients and their families during this challenging time.

In April 2022, Boots held its Me Time campaign, which encouraged team members and customers to have a pamper event to raise money for Macmillan. No7 supported the campaign by creating the “Let Your Skin Blossom” mini makeover using the Pro Derm Scan for a suggested donation to Macmillan. Select manicure, pedicure and facial lines donated a percentage of profits from April 17 through May 1. Macmillan volunteers supported around 100 stores to help raise awareness and collect cash donations. More than £76,000 (\$99,286) was raised in stores and £12,000 (\$15,677) in the Boots’ Nottingham support office. More than 900 Beauty Hero gift sets were donated to Macmillan professionals to encourage them to have their own Me Time moment.

During fiscal 2022, Boots sun care brand Soltan partnered with Macmillan to help ensure everyone has access to the information and protection they need to stay safe in the sun. In addition to providing sun safety tips on boots.com, Soltan provided materials and guidance for teachers to use in schools through its Sun Ready Schools program. In July, Soltan announced that it will no longer produce sun protection with SPF lower than 50 for children and 15 for adults.

The Irish Cancer Society

Since launching its partnership with the Irish Cancer Society 10 years ago, Boots Ireland has raised €2.5 million (\$2.8 million), helping provide over 7,400 nights of end-of-life care to cancer patients. Thanks to the support of team members, customers, patients and local communities, Boots raised over €275,000 (\$304,000) for the Irish Cancer Society’s Night Nursing Service during fiscal 2022. The annual Boots Night Walk for Night Nurses raised over €107,000 (\$118,243) in September 2021.

Along with supporting the Irish Cancer Society’s Night Nursing Service, Boots Ireland has almost 150 Boots Cancer Information Pharmacists and 50 Boots Cancer Beauty advisors in-store to help support and advise people living with cancer.

Boots Ireland’s partnership with the Irish Cancer Society was shortlisted for a Chambers Ireland Sustainable Business Impact Award in recognition of the work undertaken to support the partnership.





Thailand's National Cancer Institute

Since 2016, Boots Thailand has worked in partnership with the National Cancer Institute (NCI) to provide underprivileged individuals with specialist cancer care, education and resources. As of Aug. 31, 2022, Boots has donated an accumulated 2 million Thai baht (\$59,108) for the National Cancer Institute.

Baan Gerda, Thailand

For more than a decade, Boots Thailand has supported Baan Gerda, a nonprofit that supports children and orphans infected with HIV across Thailand. To date, Boots has donated more than 19.6 million Thai baht (\$579,255).

Fundación Alma, Mexico

During fiscal 2022, Farmacias Benavides, WBA's retail pharmacy chain in Mexico, continued to raise funds for Fundación Alma, a charity that supports uninsured or underinsured women living with cancer through funding for reconstructive surgery, prosthetics, psychological assistance, or other aid.

Since 2014, Farmacias Benavides has raised more than \$8 million Mexican pesos (\$392,582) for Fundación Alma. As of Aug. 31, 2022, Benavides has helped fund more than 162 reconstructive surgeries and more than 1,200 prostheses through its partnership with Fundación Alma.

Fundación Arturo López Pérez and Damas de Café, Chile

Since 2012, Farmacias Ahumada, WBA's retail pharmacy chain in Chile, has worked with the Fundación Arturo López Pérez (FALP), a comprehensive cancer diagnosis, treatment, research and teaching center. During fiscal 2022, Ahumada donated to the center, which helped support patients who have experienced delays with their cancer treatment due to the COVID-19 pandemic.

In recognition of Mother's Day, Farmacias Ahumada made food donations to the families of children receiving care at the Luis Calvo McKenna Hospital Transplant and Integral Oncology Center. To facilitate the donation, Ahumada's ESG team partnered with Damas de Café, an all-female volunteer organization dedicated to supporting low-income families who have children diagnosed with cancer.

The Hygiene Bank, UK

Since 2019, Boots, No7 Beauty Company and The Hygiene Bank have worked together to provide essential hygiene and personal care products to the 1 in 5 people in the UK living in poverty. Whether it impacts someone at school, in their job or in their social life, if someone can't afford hygiene products, it can have a catastrophic effect on their mental well-being.

During fiscal 2022, Boots UK and No7 Beauty Company donated more than 220,000 products to those living in hygiene poverty. Customers are encouraged to donate new, unused, and unexpired toiletries, including hygiene, beauty, and personal care essentials. Customers can also donate directly to the charity by purchasing online vouchers on boots.com. Since the beginning of the partnership, customers have donated more than 50 metric tonnes of toiletries in Boots stores, including 29 tonnes in fiscal 2022.

Boots believes every child has the right to feel good and have access to the hygiene products they need as they return to the classroom. To raise awareness of Boots' partnership with The Hygiene Bank and increase knowledge about hygiene poverty, Boots launched a Back to School campaign in collaboration with performer and TV personality Alexandra Burke. The campaign ran from Aug. 16 to Sept. 16 and resulted in an increase in donations in the three months following the campaign.

To further bolster these efforts in schools, Boots and The Hygiene Bank piloted a program in Liverpool where donations from a store went directly to help students at a local school. Given the success of the pilots — Boots store team member engagement, the local community supporting with donations to the stores, the schools gratefully receiving products to distribute — the Schools Pilot is transforming into a Schools Program and will be extending to two additional regional locations. Not only does this directly support those who need it most in local Hygiene Bank-supported schools, but it also brings communities together because customers know their donations to their local Boots will quickly and effectively be given to local communities.

Building from the success of our partnership with The Hygiene Bank in the UK, Boots Ireland also initiated a trial in 10 stores in 2022 to encourage customers to donate in-store.





Walgreens is among the companies supporting Hope Chicago, a new two-generation program with the goal to create pathways to success for 30,000 Chicago students and parents through equitable access to higher education.

Hope Chicago, U.S.

Most scholarships require minimum criteria, like threshold GPAs or ACT/ SAT test scores, for students to qualify. However, scholarships are usually intended to help offset college expenses, not pay for everything students need to remain in school and finish their degree programs. Hope Chicago scholarships do not have GPA requirements, and they pay for all college and living expenses, not just tuition and room and board. Students receive extra support starting in high school, including career exposure and counseling. Then, once in college, they continue to receive full support for non-tuition expenses like books, food, laptops and more.

Hope Chicago's holistic approach also gives a parent the opportunity to go (or go back) to school. Parents can start or return to two-year or four-year colleges or attend industry training or certification programs to complete their educations. Once in school, Hope Parent Scholars will have the same stay-in-school services as their Hope Scholar children, giving both students and parents the added support so they can encourage one another and succeed together.

Woodland Environment Fund, Republic of Ireland

To commemorate 25 years of Boots operating in the Republic of Ireland, Boots worked with the Irish Department of Agriculture, Food and the Marine to plant 11 acres of trees as part of the Woodland Environmental Fund. Approximately 12,000 native Irish trees were planted to help afforestation and support biodiversity in the region.



Dementia — Understand Together, Republic of Ireland

Boots Ireland has partnered with Dementia — Understand Together since its launch in 2016. Understand Together is a public support, awareness and information campaign aimed at inspiring people from all sections of society to stand together with the 500,000 Irish people whose families have been affected by dementia.

As a healthcare company, Boots Ireland aims to make its 92 stores across the country dementia-inclusive so people living with dementia can remain part of their own community, maintaining a better quality of life for longer.

Since partnering on the campaign, Boots Ireland has carried out a range of activities to help promote awareness and build dementia-inclusive communities, including developing a dementia awareness e-learning module to upskill our team members. To date, more than 1,900 have completed this training, and it is included as part of our new team members induction. Boots Ireland is one of 40 partners on the Dementia — Understand Together campaign and is the only retailer to have offered this awareness training to all its staff.





DISCOVER

Corporate giving data is available in the ESG section of our [website](#).

Giving Back: Corporate Donations and Supporting Causes

GRI 3-3, 201-1, 203-1, 413-1

Through corporate donations, fundraising, and volunteering, WBA's businesses and employees give back to the communities where we are proud to operate. By investing in our communities, we maintain trust and support our brands' reputations.

Our corporate giving strategy is focused on donating to organizations with health programs that align to our core business and ESG priorities, as well as groups that work on social welfare and education issues.

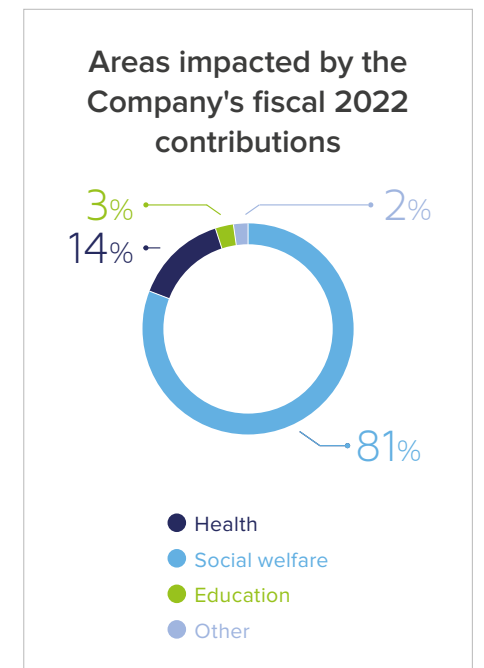
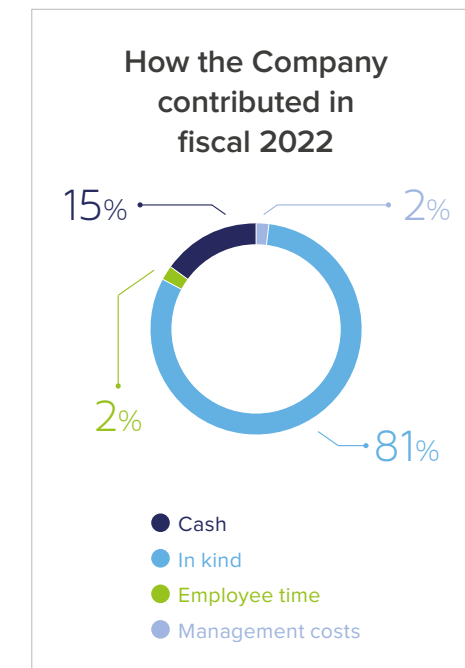
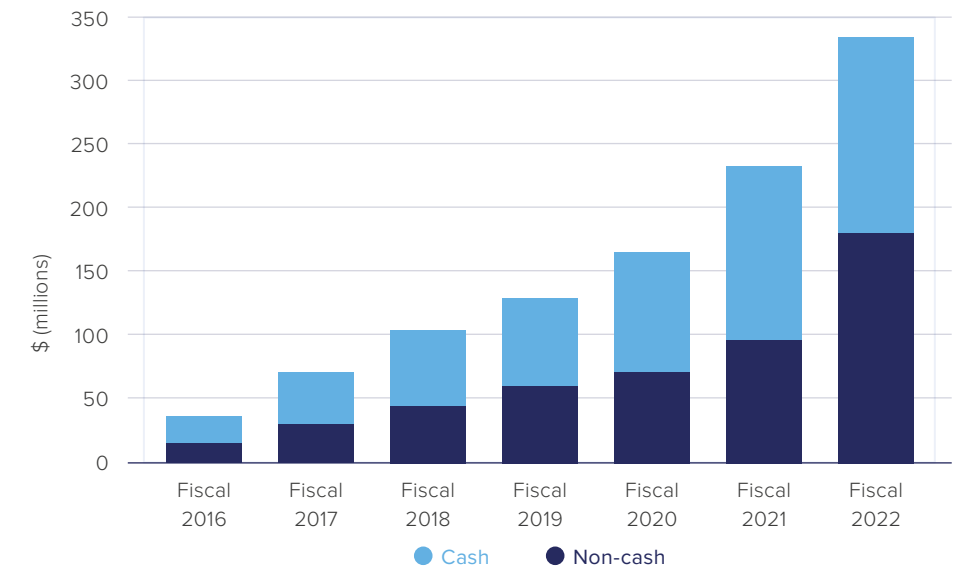
The Company has strong processes and policies in place to thoughtfully manage community investments, with an aim to maximize impact. Walgreens uses a community investment management system to promote best practices, transparency, alignment with business units, compliance and consistent reporting across the organization.

Our employees remain committed as ever to our communities. In May, Walgreens held its inaugural Chicagoland Volunteer Week, which gives local corporate team members the opportunity to give back to the community in a variety of ways. Volunteer Week was planned in conjunction with Chicago Cares, a local nonprofit that focuses on revitalizing neighborhoods on the South and West sides of Chicago. Spanning physical and emotional well-being to skills development and health, every volunteer event was anchored in health and wellness. Walgreens offered its teams a variety of opportunities that could be done in person in the community, at the Deerfield or downtown Chicago offices, or remotely. Team members signed up to pack wellness kits with healthy Walgreens products to distribute in the South and West side neighborhoods; participated in pro bono marketing and social media consulting sessions curated by Chicago Cares for local nonprofits; sent awareness texts for Mental Health Awareness Month on behalf of the NAMI Chicago helpline; and made repairs for Working Bikes, which repairs bicycles for redistribution to those in need.

The Company's direct contributions totaled \$100 million in fiscal 2022. Our overall corporate giving increased in fiscal 2022 compared with fiscal 2021, primarily due to donations of hand sanitizer products. Our accumulated

giving since fiscal 2016, the first year that WBA collected company-wide data, totals \$331 million. We collect and report community data in line with the model and methodology of Business for Societal Impact (formerly London Benchmarking Group).

Corporate giving — cumulative since fiscal 2016





Supporting causes

GRI 3-3, 203-1, 413-1

WBA's businesses are proud to support our long-term partner organizations through several fundraising campaigns each year. Our businesses, community affairs, and corporate responsibility teams; retail pharmacies; and business resource groups (BRGs) consult with our community and charity partners when deciding to participate in fundraising.

We continue to work to eradicate the growing health inequities experienced by children, families and underserved communities when they needed it most. In many cases, we adapted our fundraising campaigns and programs so our employees, customers, and patients could show their support virtually due to social distancing guidelines.

Below are details on the amounts raised through some of our most significant campaigns during fiscal 2022:

\$38 million
Red Nose Day

\$10.7 million
Vitamin Angels

\$6.9 million
LLS and Komen

£1 million (\$1.3 million)
Macmillan Cancer Support

\$800,000
LLS Light The Night Walks

\$200,000
American Red Cross

£629,000 (\$822,000)
The Prince's Trust

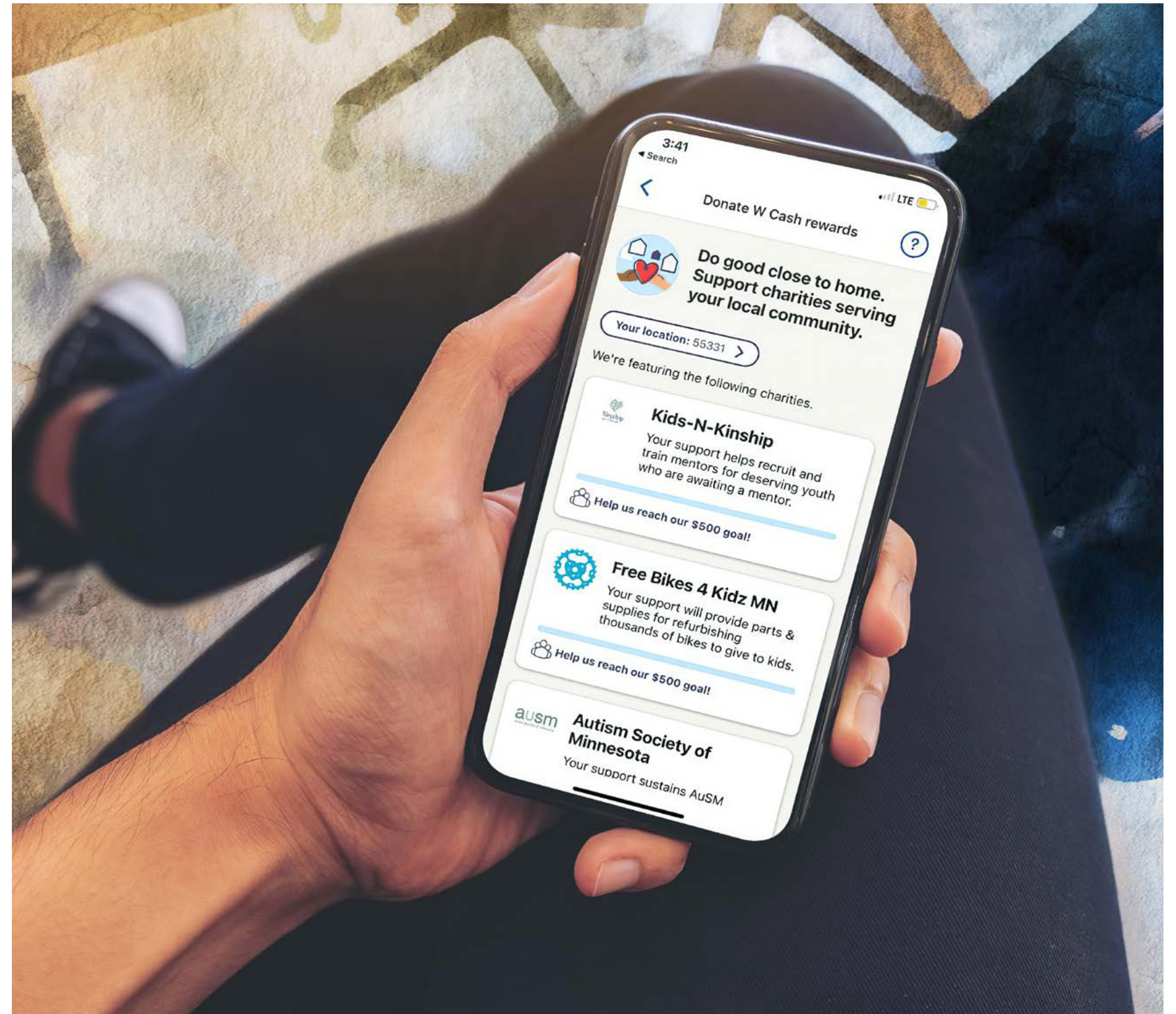
€275,000 (\$304,000)
Irish Cancer Society

Donations through myWalgreens

GRI 3-3, 203-1

Using the Walgreens app or online capability on walgreens.com, customers can donate their Walgreens Cash rewards (loyalty rewards accumulated through Walgreens purchases) to local, regional and national nonprofit organizations. Nearly 600 charities are being supported throughout the U.S. and Puerto Rico at any given time, allowing customers nationwide to have a large-scale impact.

Walgreens features a rotation of local nonprofit organizations each quarter to customers based on their preferred store location. This empowers customers to support a variety of causes that are making an impact in their communities, as well as understand the important work these nonprofits are doing in their local area. In fiscal 2022, customers donated more than \$142,000 through myWalgreens. Walgreens also contributed more than \$110,000 with a combined donation of more than \$250,000.





02

Healthy and Inclusive Workplace

Our goal is to create a workplace that is welcoming, inclusive and representative of the global communities that we serve. We have a demonstrated focus on increasing diversity at the leadership level and expanding resources for existing team members in the form of business resource groups, learning and development programs, and comprehensive benefits packages. We know our strength as a company derives from our people, and we actively seek ways to ensure that strength is underscored by thoughtful health and wellness offerings.



A Letter From Holly May

Executive Vice President and Global Chief Human Resources Officer, Walgreens Boots Alliance

WBA’s purpose – living more joyful lives through better health – starts with our team members. We know that when we meet the needs of our people, our team is best equipped to meet the needs of our customers and patients. This philosophy informed our people vision: to care for our team members as whole people.

I am extremely proud of the initiatives and investments we have made in fiscal 2022 that go beyond our team members’ time in the workplace, delivering both the personal and the professional support they need. We have taken a number of steps to help ensure team members can bring their authentic selves to work as part of our commitment to create an inclusive environment, which is essential to building high-performing teams.

Simply put: we are committed to supporting our team members in ways that matter.

As a leading healthcare company providing localized care across communities, we continue to focus on increasing the representation of women and people of color in leadership. This works to help ensure our leadership team reflects our diverse workforce and the diverse communities we serve. Increasing representation for these populations is a performance goal in our annual incentive plan, and I’m proud of our continued progress. For fiscal 2023, we expanded the goal to include representation of people with disabilities across all levels of the organization.

We are also embracing and affirming our team members for their unique identities and perspectives. Through our “I am, We are” campaign, our team members were invited to create and share social cards with their photos and a list of six attributes that describe themselves. The campaign was widely embraced and continues to be a tool we use to welcome new team members into our organization.

The number of business resource groups continues to grow company-wide and now represents more than 20 identities. The leaders and members of our BRGs continue to spearhead impactful initiatives in recognition of different cultures and identities and provide essential input and guidance on customer and patient offerings.

Additionally, investing in competitive compensation and benefits continues to be a priority. I would like to highlight our expanded U.S. mental health and well-being platform, Be Well Connected, which was announced this past fiscal to our team members and their families. The resources included in this platform – Journey Live, IndieFlix and Life 365 – provide well-rounded support and help ensure we are meeting the needs of our team on every level.

Our above actions and strategy have been directly informed by our team members. We are constantly energized by the input and feedback from our team, and through listening, collaborating and responding, we pledge to continue the strong momentum throughout the next year.

Fiscal 2022 Progress

Achieved in fiscal 2022:



WBA: Increase women in leadership by **3 percentage points** year over year.

Increased women in leadership by 1.4 percentage points by end of fiscal 2022.



WBA U.S. Segment: Increase persons of color in leadership by **2 percentage points** year over year with **60 percent** attributed to Hispanic/Latino and Black/African American.

Exceeded target by over 5 percentage points, 7.1 percentage points total and 1.8 percentage points for Hispanic/Latino and Black/African American.



Walgreens: Compliance with diverse slates of candidates and compliance with diverse interview panels.

Achieved 100 percent compliance with diverse slates of candidates and diverse interview panels.



Walgreens: Increase spend with Tier 1 diverse suppliers to \$625 million from \$500 million in fiscal 2021.

Achieved \$625 million annual spend for Tier 1 diverse suppliers.

Diversity, Equity and Inclusion

GRI 2-7, 3-3, 405-1, 413-1

Our global diversity, equity and inclusion strategy

GRI 3-3

With more than 325,000 employees in nine countries, our workplace encompasses a range of backgrounds, cultures, experiences, perspectives and insights. Our goal is to create a culture underpinned by allyship, where diversity, equity and inclusion (DEI) is not just a mantra but a seamless way of working. Our mission is to attract, develop, and engage employees and partners who reflect the diverse customers and communities we serve, and to foster an inclusive future where everyone feels respected, valued, and excited to grow their career with us. We can accomplish this by having DE&I at the center of everything we do.

Our global DEI strategy follows three pillars of action: continuously learning, building talented and diverse teams, and building inclusive brands and services. During fiscal 2022, our strategy came to life through continued leadership accountability and transparency in building talented and diverse teams, expansion of our business resource groups (BRGs), including membership, driving and enhancing, supplier diversity initiatives, and ongoing organizational learning and awareness.

Boots has a DEI Steering Group composed of senior leaders from the UK and the Republic of Ireland who meet monthly to hold themselves accountable for change. No7 Beauty Company has a Racial Equity Movement (REM) board across the UK and U.S. that supports the Company's efforts to root out all forms of racism in the workplace and encourage our function leaders to integrate DEI commitments within their teams. While our strategy is global, our execution is local, and we are empowering our leaders to listen, learn, and take meaningful action based on their local cultures, regulations, and customers.

Our DEI efforts in 2022 were a success. Not only is our workplace stronger and more inclusive, but we have also received awards and recognition, including:



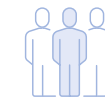
A Bronze Award in the Stonewall Global Workplace Equality Index (GWEI), a benchmark for global LGBTQ+ workplace equality (WBA)



Company of the Year at British Diversity Awards (Boots)



The first health and beauty business to receive Menopause Friendly Accreditation in the UK (Boots and No7 Beauty Company) and won multiple awards, including Henpicked's Best Engagement Campaign and Gen M's Best Menopause Signposting



Recognized as an age-inclusive employer (Boots and No7 Beauty Company) by age diversity organization 55/Redefined



Received a score of 100 percent for the sixth year in a row from a joint initiative of Disability:IN and the American Association of People with Disabilities (Walgreens)



Received a score of 100 percent and the Corporate Equality Index 2022 Human Rights Commission award for demonstrating its commitment to the LGBTQ+ community (WBA)



Ranked 40 on the 2022 DiversityInc Top 50 Companies for Diversity (Walgreens)



Listed 29th in 2022 by Readers' Choice Careers & the disABLED Top 50 Employers (Walgreens)



Recognized by Black EOE Journal and Hispanic Network Magazine as Top Employer, Top LGBTQ+ Friendly Company and a company with a Top Supplier Diversity Program (Walgreens)



Walgreens legal department received the 2022 Diversity Initiative Achievement Award from the National Association of Women and Minority Owned Law Firms

Fiscal 2022 workforce DEI goals



Increase representation of women in leadership roles (senior directors, or the equivalent, and above) globally by another 3 percentage points over fiscal 2021



Increase representation of underrepresented racial and ethnic groups in U.S. leadership roles (senior director, or the equivalent, and above) by another 2 percentage points; 1.2 percentage points of the increase must be attributed to the combined representation of Hispanic/Latino and Black/African American



Maintain 100 percent compliance with diverse candidate interview slates and interview panels for senior leadership roles



Increase Tier 1 supplier diversity spending to \$625 million

Board and senior leadership diversity¹

GRI 3-3, 405-1

Our board of directors continues to be deeply engaged on DEI issues and provides oversight and governance related to our initiatives and public commitments in this area.

As of Aug. 31, 2022, the WBA senior management team was comprised of five female directors, two African American directors, one Asian American director and one director who identifies as LGBTQ+. Forty-five percent of members of the board of directors are female and 100 percent of the members of our board of directors are over the age of 50.

¹Board and senior leadership diversity disclosure is GRI 405-1 specified disclosure and is within the Deloitte & Touche LLP review scope as detailed on pages [119-120](#).

Building leadership capabilities

GRI 3-3

We continue to build leader capabilities with interactive Inclusion in Action sessions across the business, which are now embedded into core leadership programs.

To reinforce the importance of allyship in bringing about cultural change, Boots UK and Boots Ireland piloted a reverse mentoring program for senior leaders to support their understanding of different lived experiences.

In fiscal 2022, we launched the Walgreens Diverse Advocate Program designed to strengthen diverse representation in the management level talent pipeline through both mentoring and sponsorship. The initial cohorts included participants and their advocates from across the business, including support centers and the field. The Diverse Advocate Program is expected to scale into a full-fledged program in 2023.





Promoting inclusive learning

Building on a foundational mandatory unconscious bias e-learning, we launched a series of four Inclusion in Action e-learning modules for employees to boost DEI understanding while also learning key concepts, including allyship. Boots launched this series as part of our Learning Week, which coincided with World Day for Cultural Diversity in May 2022.

For deeper learnings on topics related to gender and disability, we introduced a bespoke menopause e-learning module for employees and line managers and a Disability Fundamentals module for line managers.

Building on Boots' award-winning HUG (Hello, Understand, Go the Extra Mile) customer service training, which promotes initiating well-being conversations, we introduced HUG Inclusion in May 2022. With a particular focus on disability, the e-learning helps store employees explore how they can create a more inclusive shopping environment for all. To date, more than 64,000 training modules have been completed.

No7 Beauty Company advanced DEI business accountability by delivering town halls and workshops for all business areas to establish function-level commitments. Additionally, all employees had a DEI related performance objective for fiscal 2022.

Disability inclusion model

GRI 3-3, 413-1

Walgreens continued to work with community organizations and vocational, state, and local agencies to support two signature programs helping increase career opportunities for people with disabilities: Retail Employees with Disabilities Initiative (REDI) and the Transitional Work Group (TWG).

Through REDI, Walgreens provides people with disabilities a three- to six-week in-store training program. As part of the training, participants learn valuable retail and customer service skills, qualifying hundreds of potential employees for roles at our stores. As of the end of fiscal 2022, close to 1,900 trainees enrolled in the program in more than 413 Walgreens stores across 38 states.

Walgreens also provides a 13-week training program as part of the TWG. During the program, job coaches use a combination of classroom work and on-the-job training to prepare participants to become temporary hires and eventually permanent team members at up to 11 Walgreens distribution centers or regional warehouses across the U.S.



Helping young people from all backgrounds gain professional experience

GRI 3-3, 413-1

WBA partners with numerous organizations, schools, and universities to help provide meaningful job opportunities for young people and support pharmacy training for students from diverse backgrounds. Young people are the future and are essential to the continued transformation and growth of our company.

The following are examples of some of these training and scholarship programs:



Walgreens Diversity Donation

During fiscal 2022, Walgreens awarded \$963,000 in scholarships for pharmacy students at 119 schools. The awards range from \$5,000 to \$12,000. The goal of the Walgreens Diversity Donation is to increase the enrollment of underrepresented students in schools and colleges of pharmacy and promote diversity and inclusion within institutional culture.



Boots UK and The Prince's Trust

Since 2019, Boots UK has worked in partnership with The Prince's Trust to empower the next generation. Together, we help support young people in communities across the UK to get into work by providing accessible, inclusive, and meaningful opportunities that help young people develop their skills, confidence, and self-esteem, regardless of background.

To date, we have supported 363 young people through employment, virtual world of work and our Kickstart placement program. In fiscal 2022, Boots and The Prince's Trust delivered training for 43 young people through the government Kickstart and Get Into programs, with 10 progressing into paid work. Boots has also raised £629,000 (\$822,000) for The Prince's Trust this year.



Business in the Community: World of Work

In the Republic of Ireland, the World of Work program hosts a series of workshops across the academic year for students who are at risk of early school leaving. These workshops offer an introduction to what it is like to work for Boots and discuss necessary coping skills such as mindfulness and resilience. The program is currently active in eight schools across the country. 188 students completed the program over the 2021-2022 school year.

Reporting on our progress

Demonstrating our commitment to transparency and accountability, we will share a "DEI year in review" in fiscal 2022 that cover highlights as well as progress toward our diversity goals.

Further, WBA published our latest EEO-1 data covering U.S. employees as of December 31, 2021. The EEO-1 report is a mandatory annual submission to the U.S. Equal Employment Opportunity Commission (EEOC). Large private-sector employers are required to submit demographic workforce data, including data by race/ethnicity, sex and job categories. EEOC job categories do not match WBA's workforce organization; therefore, the diversity percentages in the EEO-1 report do not match the diversity data we publish in this report and in our "DEI year in review".

In the UK, our businesses that are subject to the government's gender pay gap regulations publish annual reports. During fiscal 2022, Boots UK published its fifth [Gender Pay Gap Report](#), which included actions taken toward further reducing the pay gap, encouraging and supporting female employees across the organization, and inspiring everyone to reach their full potential.

Women comprise more than three-quarters of Boots UK's workforce, and as of April 2021, its report showed a median gender pay gap of 2.7 percent. This percentage remains steady, with the previous year's median gender pay gap of 2.1 percent. However, this is significantly better than the median national average of 15.4 percent, which is based on estimates from the Office of National Statistics' Annual Survey of Hours and Earnings 2021.



Fiscal 2022 workforce and diversity data

GRI 2-7, 405-1

The following charts and tables show our progress against DEI targets and our workforce by the numbers globally and in the U.S.¹

Diversity of WBA employees globally as of Aug. 31, 2022

Employee category	All (%)	Age group (%)			Gender (%)		
		<30	30-50	>50	M	F	UD ²
Manager ³	7	9	68	23	44	56	-
Non-manager ³	93	42	37	21	28	72	-
All employees	100	40	39	21	29	71	-
Senior director and above ⁴					57	43	-

Racial and ethnic diversity of employees in our U.S. workforce as of Aug. 31, 2022

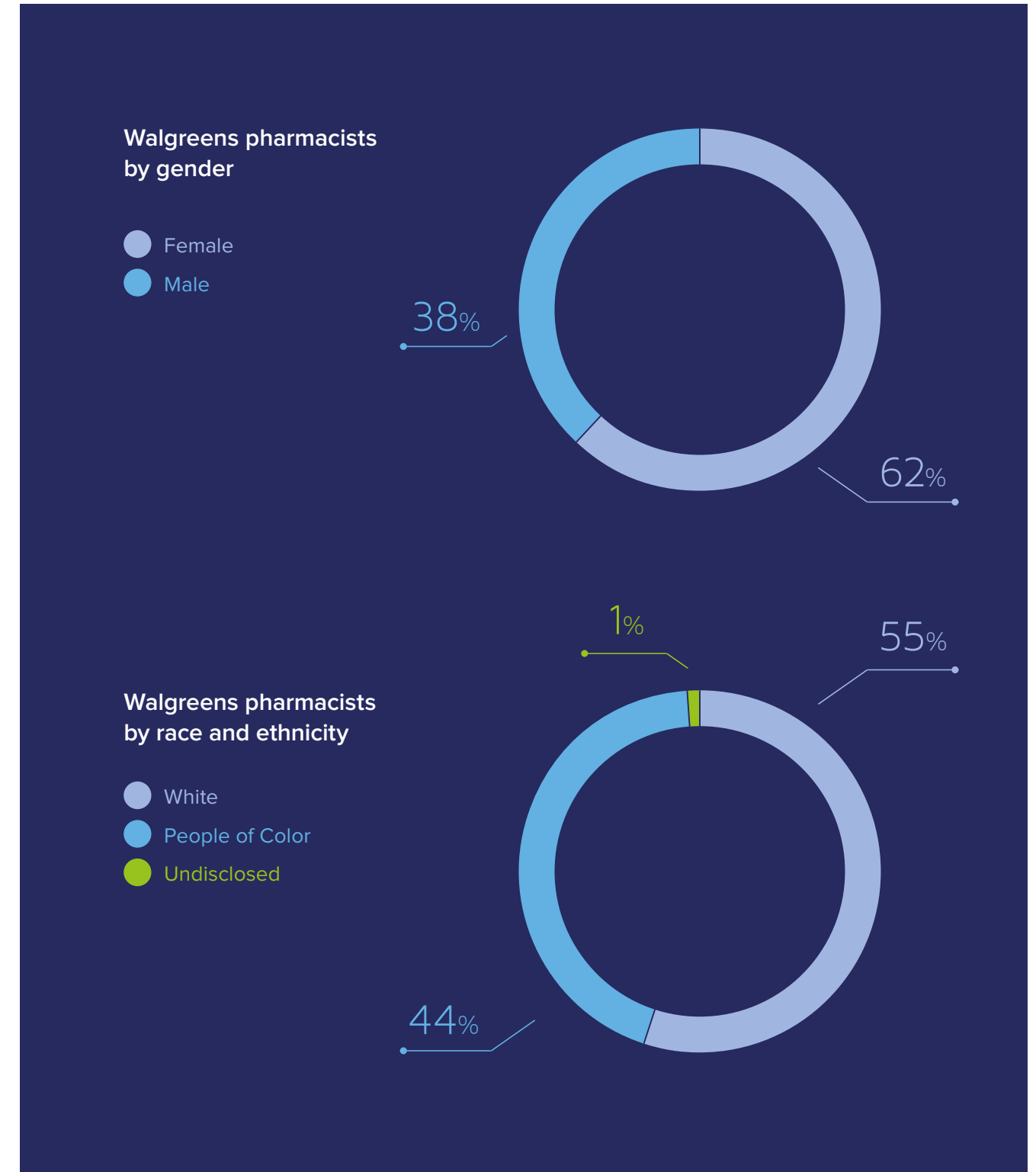
	People of color (%)	White (%)	Undisclosed (%)
Total U.S. workforce ³	51	47	1
Managers ³	34	65	1
Non-managers ³	52	46	1
Senior director and above ⁴	25	73	2

¹Percentages may not sum to 100 percent due to rounding.

²Totals showing zeros reflect rounding of amounts lower than 0.5 percent. UD = undisclosed

³Fiscal 2022 data is GRI 405-1 specified disclosure and is within the Deloitte & Touche LLP review scope as detailed on pages 119-120.

⁴Senior director and above includes employees in these job levels in the U.S. This data includes all employees at this job level who are on payroll as of Aug. 31, 2022. This row of data does not fall within Deloitte & Touche LLP's review scope.








Inclusive brands and services


In our continued effort to put DEI at the center of everything we do, our Marketing for Change team, a permanent action board of diverse global marketers from across Walgreens, Boots UK and No7 Beauty Company, continued to dedicate marketing efforts that reflect the communities we serve. Beyond marketing, we also want to create inclusive brands and services that are accessible.


In 2022, we:


- 

Created a toolkit for No7 Beauty Company's marketing and product teams to help them meet Inclusive Content Standards in all marketing
- 

Launched the No7 and Liz Earle Advisors DEI board, which consults on product reviews, photo shoots, language, and conference content
- 

Helped Liz Earle Advisors provide a more inclusive experience to customers with modules on skin and lifestyle conditions, menopause, and differing skin tones through Skin School, the first Confederation of International Beauty Therapy and Cosmetology (CIBTAC)-endorsed skincare training program for retail beauty advisors
- 

Extended shade ranges of No7 beauty products and expanded representation of various skin tones in our testing panels for research and development
- 

Conducted a packaging accessibility project to improve the design of No7 Beauty Company products, consulting with disAbility Alliance BRG, while increasing diversity on the testing panels
- 

No7 Beauty Company partnered with and won a CIBTAC award

Supplier diversity

GRI 3-3

WBA set a target to spend \$625 million with diverse Tier 1 direct suppliers in the U.S. in fiscal 2022, an increase of \$125 million compared with fiscal 2021. We exceeded our target by \$400,000. To promote accountability, we tied this goal to a bonus program, encouraging team members and leaders with purchasing authority and decision influence to consider diverse and small businesses for contracting opportunities. Outside of the U.S., we are expanding our Supplier Diversity program and in fiscal 2022 launched a pilot Supplier Diversity program in Boots UK.

Working with business leaders, our supplier diversity program aims to ensure we provide equitable opportunities and source goods and services from enterprises owned by women, people of color, veterans and service-disabled veterans, people with disabilities, LGBTQ+ people, and those who are socially or economically disadvantaged. We continue to report increasingly nuanced data within the business to allow us to expand our focus on certain diverse classifications. In fiscal 2022, Walgreens supported more than 450 diverse suppliers.

We also work with our Tier 1 suppliers to help them increase utilization of diverse suppliers in their own supply chains. In fiscal 2022, Walgreens continued its partnership with the Women's Business Development Center, sponsoring additional Top Shelf trainings. Designed to help minority-owned suppliers grow into the mass retail market, the program has had over 120 graduates since its launch.

To help our customers discover diverse brands, we also shared the stories behind the diverse businesses we work with at Walgreens in a series called Shelf Life. Recently, Shelf Life featured Shontay Lundy, the founder of Black Girl Sunscreen, the first Black-owned sunscreen brand. Lundy founded Black Girl Sunscreen in 2016 after being disappointed by the total absence of sun care products for darker skin tones. In only a few years, Black Girl Sunscreen created a category built on making sun protection available to all.

We also showcased Black Girl Sunscreen and several other diverse suppliers, including Cantu Beauty, care for textured hair, and Top Shelf graduate Lorenzo's Frozen Pudding, at the Chicago Black Women's Expo. For many years, Walgreens has been a presenting sponsor of the Expo, which focuses on health, beauty, and empowerment of Black women and their families. Walgreens also provided beauty makeovers and health screenings at the Expo.

Employee Engagement and Development

GRI 2-7, 2-8, 2-21, 2-30, 3-3, 201-1, 404-1, 404-2, 404-3

As a global business with roles in pharmacy, retail, distribution, fulfillment and corporate operations, WBA can impact prosperity in communities worldwide by acting as an employer of choice. We view this responsibility as caring for the whole team member through six fundamental needs: physical health, financial wellness, authentic environment, purposeful work, connectedness and career growth.

Employee training, learning and development

GRI 404-1, 404-2, 404-3

Learning and development are key to supporting employee fulfillment and enabling the future of our business. To effectively live our purpose and leverage our talent network to reimagine healthcare, WBA focuses efforts on leadership development, store training, and clinical preparation. Our internal functions work to align training and upskilling to the evolving needs of the business.

We extend training opportunities across our organization and in stores, support offices, and distribution centers. During fiscal 2022, Walgreens full-time equivalent team members received an average of 32 hours of training per person.

To help develop leaders, Walgreens continued to grow programs focused on identifying talent and coaching leaders. This includes the launch of Walgreens School of Operations training curriculum for field team members, including pathways on technical and leadership training. In fiscal 2022, Boots targeted in-person leadership training to all store leaders and assistant managers in optician practices. More than 400 leaders completed the course in the span of three months.

In fiscal 2022, both Walgreens and Boots UK collaborated with internal and external experts to develop a Digital IT Academy and Marketing Academy to provide team members with best-in-class learning tools to hone skills in highly competitive areas.

Boots UK also puts emphasis on upskilling pharmacists in compliance with changing requirements from the General Pharmaceutical Council (GPhC) and National Health Service (NHS) contractual requirements. In fiscal 2022, we trained 18 additional healthcare team members in a test of concept trial to take blood and administer vaccinations. The business also focused on refreshing its training for incoming optical consultants, having applied this new program to more than 1,300 consultants since October 2021.

Diversity and inclusion are also prioritized and embedded into team member training. In fiscal 2022, Walgreens, Boots, and No7 Beauty Company launched Inclusion in Action, a workshop to introduce senior managers to the concepts of allyship and empathy to create more inclusive work environments for their teams. In addition, Walgreens launched the first cohort of the Diverse Advocate Program, which provides both mentoring and sponsorship for underrepresented individuals at certain levels of the organization. The program will scale as a new DEI offering to more team members in 2023.

Walgreens University continued to offer training, leadership development and career advancement programs to team members at all levels. During fiscal 2022, more than 4,200 team members participated in both in-person and live

virtual sessions. Walgreens University also partners with academic institutions to offer tuition discounts. Since launching in 2013, Walgreens University has provided team members with more than \$10 million in tuition discounts.

Boots UK grew participation in its apprenticeship program to more than 630 team members across 18 programs, from entry level and supply chain to pharmacy technician and a newly introduced retail manager track. To introduce the Pharmacy Undergraduate Summer School, the business also invited 200 third-year pharmacy students to gain two weeks of work experience learning alongside Boots pharmacists.

In 2019, the first Irish national retail apprenticeship scheme was launched, with Boots Ireland forming part of the steering committee and securing a pharmacy module as an elective element of the program. In fiscal 2022, three apprentices graduated from the Boots Ireland scheme, bringing the total number to date to seven.

As a measure of WBA's success and to continue developing team members according to our objectives, we prioritize performance appraisals. At the start of the year, team members set goals that are evaluated at ongoing points throughout the year. Team members are also rated on performance behaviors, which we have identified as driving culture and responsible leadership. Emphasis is put on not only what our teams do, but also how they do it.

To foster incoming talent during fiscal 2022, Walgreens redesigned its internship program to emphasize collaboration and increase touch points with managers, mentors and peers throughout the experience. Greater focus was put on aligning role-specific on-the-job training with interns' career goals, with the intention to convert program participants into full-time hires upon graduation.

Boots focused on tackling employability and generating a talent pipeline through education programs that intercept young people at pivotal moments in their career journeys. Working with Speakers for Schools led to more than 1,000 interactions with young people across 41 schools focused on guiding them toward future careers. Following the program, Boots saw a 70 percent increase in young people who would consider a career with the business.

Boots offers employability programs for a number of marginalized groups, including young people furthest from the job market, through its partnership with The Prince's Trust, and current and formerly incarcerated individuals. Through a long-standing partnership with Sudbury Prison, Boots has given employment opportunities to 60 serving prisoners in our warehouse operation throughout fiscal 2022. The business also works with agency partners to provide work placement for refugees living in the UK. Boots hired six new employees in fiscal 2022 and plans to expand the program.

Business resource groups

In fiscal 2022, our business resource groups (BRGs) saw significant growth. More than 4,800 employees have joined at least one of our 24 BRGs. We recently introduced three new groups: Environmental Sustainability, Valor UK and Women of WBA Chile, our first BRG in Latin America.

To further boost membership across our existing BRGs, WBA held a three-day UK BRG Open House for all employees to find out more about each group. We also increased cross-BRG collaboration and strategic planning for fiscal 2022 by facilitating a two-day BRG Summit for all members globally.



African American Leadership
Walgreens Boots Alliance



AsianConnect
Walgreens Boots Alliance



Pride Alliance
Walgreens Boots Alliance



Latino Professionals
Walgreens Boots Alliance



Next Gen Empowerment
Walgreens Boots Alliance



Race, Ethnicity and Cultural Heritage
Walgreens Boots Alliance



InclusivIT
Walgreens Boots Alliance



VALOR
Walgreens Boots Alliance



disAbility Alliance
Walgreens Boots Alliance



Women of WBA
Walgreens Boots Alliance



Environmental Sustainability
Walgreens Boots Alliance



Working Parents & Caregivers
Walgreens Boots Alliance



BRGs have continued to raise awareness and encourage learning by hosting numerous inclusive calendar events and activities, including:

Menopause Awareness Month

The Women of WBA UK and InclusivIT BRGs hosted Menopause Awareness Month events in October to raise awareness about the symptoms and treatment for menopause and how to support destigmatizing an often-taboo topic.

International Women’s Day (IWD)

In recognition of International Women’s Day, the global chapters of the Women of WBA BRG curated a selection of events that explored IWD’s 2022 theme #BreakingtheBias, a message intended to bring awareness to bias, whether deliberate or unconscious, as a major roadblock that prevents women from succeeding to the same degree as men inside and outside the workplace.

South Asian Heritage Month (REACH event)

For South Asian Heritage Month in the UK, WBA hosted a discussion with former Yorkshire cricketer Azeem Rafiq, who recently gained praise for his resolve and courage when blowing the whistle on widespread racism in English cricket.

Juneteenth

The African American Leadership and the DEI team co-sponsored a Juneteenth day of celebration. It commenced with a virtual panel discussion on the history of Juneteenth and an interview with Dr. Opal Lee, who spent her life bringing awareness of the importance of this day and fought to make it a national holiday. There was also an on-campus cookout titled “Freedom Is ... Experiencing Joy Through Community” with exhibits and learning stations about the Black and African American experience.

Black History Month

The African American Leadership Network hosted several events in February to mark Black History Month and also debuted a four-part web series entitled “Ladders: Lifting As We Climb,” which featured candid discussions with Black and African American senior leaders and team members.

Pride Month

The Pride BRG held a variety of virtual “Together With Pride” events in the UK and U.S. to celebrate Pride month, with topics such as LGBTQ+ parenting and a Q&A with two openly out members of the WBA board of directors. Boots UK attended the London Pride march and sponsored Nottingham Pride 2022. In Chile, the Ahumada head office team attended a diversity and inclusion talk offered by Catalina Fernández, a specialist on gender perspective in organizational development from the Manpower Group, which address concepts such as unconscious bias, prejudices and stereotypes, interculturality, LGBTQ+ spectrum, inclusive language, the strategic value of proper diversity management in organizations, and other topics.

Working Parents and Caregivers

To celebrate National Working Parents Day, the Working Parents and Caregivers BRG held an event to discuss Walgreens benefits and amenities for parents. For more information on these benefits, please refer to the subsection on supporting working parents on page [68](#).

Disability Pride Month

The disAbility Alliance UK BRG held Disability Pride Month events in July. It was an opportunity for everyone to come together and celebrate the uniqueness and diversity of our teammates. The BRG also supported the launch of the new Workplace Support Passport for all employees based in the UK. This tool focuses on facilitating open conversations between employees with their line managers and teams to get the support they need in the workplace. Boots UK also participated in the global Purple Tuesday movement, which seeks to improve customer experiences for disabled people.



Employee hiring, retention and compensation

GRI 2-7, 2-8, 2-21, 2-30, 3-3, 201-1, 401-1

We understand that investing in and listening to our teammates is the most effective way to foster a great place to work, which translates directly to our business success and ability to serve customers.

Part of this investment includes opportunities for team members to work remotely, providing necessary equipment and tools for them to do their jobs.

To ensure we are effectively meeting the needs of our teammates and encouraging retention, WBA deploys significant tools and processes to gather and respond to feedback. Our primary tool for understanding the state of our workforce is our biannual global team member engagement survey, Our Voice. Our Future.

Since the Boots UK 50 Year Club was founded five years ago, the business has celebrated 61 team members with 50 years of service or more. During fiscal 2022, nine new employees reached their 50-year milestone. Additionally, three employees have celebrated over 60 years of service.

We also recognize the importance of compensation in attracting and retaining top talent. To meet our aim of offering competitive pay and benefits, the compensation department conducts an annual pay analysis against key roles.

In April 2022, Boots UK applied significant pay raises to many employees, particularly across stores and supply chain. These increases have enabled Boots to continue paying above the national minimum wage, regardless of age, for those with six months experience or more in the business. In the U.S., Walgreens completed its rollout of \$15 per hour minimum wage for front-end employees and \$16.50 for pharmacy technicians. The increase was one in a series of investments in pharmacy technicians, including sign-on bonuses, pharmacist referral rewards and bonuses upon certification to administer vaccinations. In fiscal 2022, Walgreens announced a planned investment of \$850 million in team member compensation over two years.

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 segments, businesses and the corporate functions 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 Aug. 31, 2022, 7.4 percent of our employees across the globe were covered by collective bargaining agreements.





Employee Health and Well-Being

GRI 3-3, 401-2, 401-3, 403-5, 403-6

An undeniable correlation exists between employee wellness and a business's overall health. Health and well-being are core to WBA's purpose and heritage. To inspire more joyful lives through better health, we must include our team members because they are also members of our communities and directly influence our ability to care for customers.

Employee health and benefits

GRI 3-3, 401-2¹, 403-6

All of WBA's businesses manage benefits and, where applicable, healthcare for employees at the national level, because laws and regulations vary by geography. Here, we cover three of our largest employers: Walgreens, Boots UK and Boots Opticians, which together account for approximately 90 percent of our 325,000 employees.

WBA's comprehensive benefits packages are designed to support the financial, mental and physical well-being of employees and their families. Our businesses continuously evaluate their wellness offerings through measurement of utilization, competitive benchmarking and biannual team member surveys. Additionally, the board of directors provides oversight of human capital matters, with responsibility for reviewing compensation and benefits programs.

For full-time employees, Walgreens offers healthcare coverage, insurance benefits and access to Life365 Get Healthy Here, Prescription Savings Club and Employee Assistance Programs (EAP), as well as paid time off, defined contribution plans with company match, paid parental leave and a stock purchase plan. In fiscal 2022, employees enrolled in a Walgreens Health Plan were offered a new consolidated benefit program through Vida Health, which matches participants with a health coach or therapist to help make lifestyle changes for a happier, healthier life. Dependents of those enrolled in the Health Plan also receive access to select benefits.

Part-time Walgreens employees in the U.S. are eligible for several benefits, including 401(k) employer match, Prescription Savings Club, annual flu shots, 365 Get Healthy Here, Life365 EAP and others.

Boots UK and Opticians offers a range of benefits to full- and part-time employees, including EAP, loyalty awards, pension programs and life insurance options, and paid time off. In addition, using a flexible program, team members personalize voluntary benefits across health and well-being, travel, lifestyle and financial categories.

WBA businesses adjust benefit offerings according to evolving team members' needs and identified barriers to workforce participation and wellness. Due to policy changes in the U.S., Walgreens expanded its travel benefit for team members who are unable to access in-network specific care within 50 miles of their home.

To support women in the workforce experiencing symptoms of menopause, in fiscal 2022, Boots UK introduced an initiative offering team members in England the opportunity to recoup the prescription charges paid for NHS hormone replacement therapy (HRT) prescriptions. This benefit was launched following Menopause at Work e-learning modules to break down stigmas associated with menopause.

Supporting working parents

GRI 401-3

WBA prioritizes benefit offerings that allow team members to succeed both at work and at home. In many cases, that means making space for family. Both Walgreens and Boots offer competitive parental leave benefits regardless of gender, adoption or surrogacy.

In fiscal 2022, Boots UK introduced childcare discounts for team members in partnership with leading childcare service provider Busy Bees. The business also doubled its parental bereavement policy from one week of paid leave to two weeks' paid leave.

Walgreens also offers childcare discounts nationwide and in fiscal 2022 launched its first parenting/caretaker BRGs to support team members through the everyday stressors of parenthood.

¹GRI 401-2 required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages [119-120](#).



In fiscal 2022, WBA introduced Be Well Connected, an expanded U.S. team member program for mental health and well-being that is also available to family members. The initiative features three wellness-focused platforms:

JOURNEY LIVE:

A web-based platform and mobile app that provides live interactive classes with expert instructors on topics including stress management, reducing anxiety, improving work-life balance, improving sleep, and more.

INDIEFLIX:

A documentary film series featuring mental health topics such as anxiety, social media addiction, and harassment with empowering coping strategies and practical tips. Each film premiere is accompanied by a WBA panel discussion.

LIFE365 EMPLOYEE ASSISTANCE PROGRAM:

Offers online tools, in-person and virtual clinician visits, and up to five free mental health counseling visits to U.S. team members and their immediate families.

Mental health support for employees

GRI 103-2, 103-3, 403-5, 403-6

At WBA, we know living a full, productive life depends on more than our physical health, and caring for our mental health is essential. We strive to foster a workplace where every team member is supported and celebrated for being their authentic self, is treated with dignity and respect, and has access to tools, resources and support for their well-being. We are focused on building a culture defined by empathy, compassion and authenticity.

For Boots team members, the business created the Boots Well-Being Guide as a new tool for easier and centralized access to well-being offers, including a Lifeworks employee assistance provider. Over 50,000 guides were distributed, mostly to store and supply chain teams, to support individuals and managers with mental health resources. As a result, EAP utilization is above the industry average. Boots UK leverages data on workplace absence, health referrals, team member survey results, program engagement and other factors to measure success of wellness initiatives.

Both Walgreens and Boots UK continued to put emphasis on building specialized expertise around mental health through expansion of Mental Health First Aid training. The Walgreens program, in partnership with the National Council for Behavioral Health and American Pharmacists Association (APhA), is a four-hour continuing education accredited course, which approximately 900 pharmacists have completed to date.

In fiscal 2022, Boots UK expanded the Mental Health First Aid training program to critical roles, including pharmacy support and supply chain management. The program also began its rollout in Boots Ireland. In addition, Boots provided Mental Health Awareness training to senior leaders across business functions.

To encourage engagement with team member resources and continue reducing stigma around mental health, both Walgreens and Boots deployed awareness and prevention campaigns throughout the year.

Supporting employees in crisis

GRI 403-5, 403-6

Between COVID-19, rising inflation, the war in Ukraine, and compounding crises of climate change and related natural disasters, supporting our team members through crisis situations was especially essential in fiscal 2022.

To assist retail and pharmacy team members through front-of-store critical incidents, Boots and Walgreens utilized resources from employee assistance partners. To prevent crises from occurring, Boots rolled out the use of body cameras, which can be activated to dissuade violence and aggressive behavior. In addition to implementing circumstance-specific safety measures like CCTV cameras and pharmacy shields, the Walgreens business engaged a third-party specializing in alternative approaches to reduce crime and risk in stores through community outreach, law enforcement engagement and direct intervention at the store level.

We also recognize many crises have financial impacts. Further, supporting team members' financial health greatly impacts their overall well-being, including the need to mitigate stress and enable healthy choices.

The Walgreen Benefit Fund in the U.S. and the Boots Benevolent Fund in the UK — both funded by charitable donations — assist current team members and retirees experiencing financial hardship.

During fiscal 2022, the U.S. team provided \$1.9 million in aid to over 1,500 applicants. The UK fund supported 230 employees with close to £200,000 (\$261,279) in grants and interest-free loans as of Aug. 31, 2022, an increase of 42 percent from last year.

In addition to direct financial assistance, WBA's businesses incorporate financial wellness into benefit offerings. In fiscal 2022, Walgreens engaged in a third-year partnership with Fidelity Investments to offer Point Solutions — direct access to companies that team members can engage with for expert financial help. The Boots business continued its relationship with Salary Finance to offer team members financial education and loans through payroll. In addition, Boots and Walgreens provided exclusive pricing and discounts through the MyOffers and PerkSpot programs, respectively.

03

Healthy Planet

To support a healthy planet, our company is committed to engaging in sustainable practices and meeting standards set both internally and by globally recognized third-party organizations. Where possible, we will activate processes to reduce our environmental impact and utilize renewable resources that lessen the effects of our day-to-day business on the planet. Additionally, we invest in partnerships and innovations that can minimize our impacts on the planet in the future.





A Letter From Una Kent

Vice President of ESG and DEI, International Walgreens Boots Alliance

All around the world, an exciting awakening is happening. Our patients, customers, team members and the communities who depend on us to look after their health and well-being are reacting to the impacts of climate change. They expect us to keep environmentally conscious and socially equitable impacts central to every action we take. We take that responsibility very seriously, and it is my huge privilege to witness first-hand how our team members continue to come together every day to realize our purpose, with compassion, intention and determination.

That is why we have worked together to set aggressive goals in the areas of carbon emission reduction, plastic reduction and food waste reduction. I am enormously proud of the continued progress we have made over the past year. In October 2021, we announced our first carbon emissions reduction target, built on science-based methodology to reduce our Scope 1 and 2 emissions by 30 percent by 2030 from a 2019 baseline. In three years, we have already achieved a significant 21.2 percent reduction. Our teams have brought creativity and imagination to tackling waste, which has led to promising results. For example, the brilliant Recycle at Boots scheme in the UK, which is now in over 700 stores nationwide, has seen more than 96,000 registered users deposit over 1 million beauty, health, wellness and

dental products for recycling, diverting 54 metric tonnes of plastic waste from landfill. Additionally, we have undertaken our first Climate Scenario Analysis, the outcomes of which are included in this report. The findings clearly frame those vital risks and opportunities that could impact the long-term health and vitality of our business and our role in adapting to support vulnerable people and communities.

Every day, I hear promising stories of our teams going above and beyond to help us make good on our responsibility to the planet. This year, we even linked new ESG goals as part of bonus incentives through our Leadership Accountability Model, which was met with enthusiasm across the board as it recognizes those efforts small and large that are driving this agenda forward.

Along with the engagement I see from teams across the business, it is the steady tracking of our deep commitments to sustainability that makes me confident WBA is a category leader in caring for our planet. In the same way that we keep our patients, customers and team members well-being at the top of our minds, the team has stepped up to do the same for the planet.

This is our moment and I look forward to the continued progress we will see as we do even more to care for our people and planet.

Una

Fiscal 2022 Progress

Embedded in fiscal 2022:



Boots UK: Maintain **100 percent** plastic-free in online deliveries.

Achieved. Completed transition from plastic to bio-based packaging for online deliveries.

By fiscal 2030:



WBA: Reduce absolute Scope 1 and Scope 2 global carbon emissions by 30 percent, as compared with 2019 baseline.

On Track. Total WBA emissions have decreased by 8 percent in fiscal 2022 from 2021.



Boots UK: Reduce food waste by **50 percent** from the 2015 baseline as part of WRAP Food Waste Reduction Roadmap.

On Track. We continue to reduce overall metric tonnes of food waste year over year and are working towards our goal of reducing waste as a percent of sales by 50 percent.

By fiscal 2040:



British Retail Consortium Climate Roadmap, Boots UK: Support the UK's wider net zero transition by collaborating with other UK retailers on a roadmap for the industry to achieve complete net zero emissions by 2040, including net zero Scope 2 emissions by 2030 and Scope 1 emissions by 2035.

On Track.

Energy and Emissions

GRI 3-3, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4, 305-5

Our carbon emissions target

GRI 3-3

At WBA, we believe there is an inextricable link between the health of our planet and the health of our communities, whether impacted by extreme temperatures, natural disasters, airborne diseases or poor air quality. We also believe climate change is caused by human activities and requires swift action by corporations to do our part in reducing our footprint.



To hold ourselves accountable, WBA is making progress against our first global emissions reduction target, committing to reduce our absolute Scope 1 and Scope 2 emissions 30 percent by the end of fiscal 2030 compared with our baseline year of fiscal 2019. The development of this goal, announced in fiscal 2021, was informed and guided by science-based methodology and builds on ongoing work by our businesses to reduce emissions.

As of the end of fiscal 2022, WBA has achieved a carbon emissions reduction of 21.2 percent compared with the 2019 baseline year. Details on our progress is provided on page 73. Given this significant progress, we expect to continue reviewing our target to make sure it remains relevant.

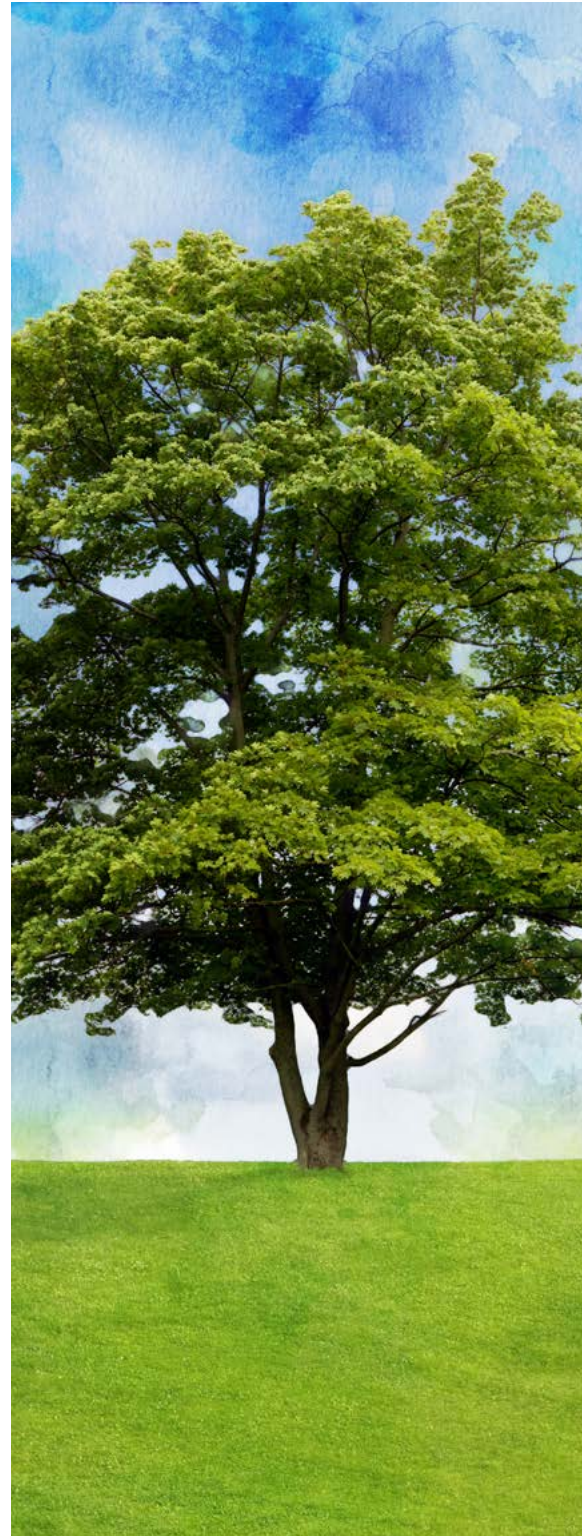
We plan to achieve our emissions reduction target primarily through a continued focus on energy efficiency at Walgreens, our largest business entity, with nearly 9,000 retail pharmacy locations and clinics across the U.S. and in Puerto Rico. Walgreens will continue to invest in energy efficiency projects and energy management systems.

During fiscal 2022, Walgreens established eight micro-fulfillment centers as a critical effort in advancing healthcare access for patients. Designs for the new facilities comply with the same efficiency standards required of all Walgreens retail stores, including high-efficiency HVAC rooftop units and advanced lighting controls. To help ensure the business remains on track to achieve its carbon reduction commitments, Walgreens will explore new innovations that allow offsetting this expanded footprint.

Boots UK will also continue energy efficiency programs and aims to eliminate the use of natural gas in new locations. While Walgreens and Boots operations represent more than 96 percent of our Scope 1 and Scope 2 carbon footprint, our other businesses will also continue to contribute to efforts to reduce emissions.

Through the British Retail Consortium (BRC) Climate Action Roadmap, Boots UK collaborated with other UK retailers on a roadmap for the industry to achieve net zero emissions by 2040, including net zero Scope 2 emissions by 2030, Scope 1 by 2035 and Scope 3 by 2040. Boots Ireland has signed up to the Business in the Community Ireland Low Carbon Pledge to set science-based carbon emissions reduction targets by 2024. During fiscal 2022, Boots UK and Boots Ireland established its baseline carbon footprint including Scopes 1, 2, and 3 and began assessing the impact of the targets to prepare an emissions reduction plan.





Climate reporting

As we continue to participate in the broader global effort to manage environmental impact across our company, we recognize the nature of climate reporting is evolving. Investors, regulators, and consumers are requesting comprehensive disclosures and transparency around how companies manage their impact.

At WBA, we see this as progress and a necessary step to drive accountability and action against the climate crisis. In fiscal 2022, Walgreens engaged on this issue directly by joining the Retail Industry Leaders Association's (RILA) [public comment](#) to the U.S. Securities and Exchange Commission (SEC) proposal to inform potential mandatory climate reporting.

To answer these expectations, our company is expanding disclosures on how it is managing climate change risks and opportunities. Our fiscal 2022 Annual Report on Form 10-K includes a discussion of climate change risk. In this ESG Report, we are reporting in alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. To meet these guidelines, we are actively analyzing scenarios to identify and assess climate-related risks and opportunities, as well as evolving our governance, strategy, risk management, metrics, and targets accordingly.

WBA continues to submit climate change disclosures to CDP on an annual basis. The Company received a score of B on our CDP climate change submission for fiscal 2022. 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.

Our progress

GRI 302-1, 305-1, 305-2, 305-3

Most of our Scope 1 emissions (directly from sources controlled by the Company) and Scope 2 emissions (resulting from purchased electricity, heat, and steam consumed by the Company) are related to energy use for light and heat. We also report business travel and downstream transportation and distribution categories in our management of Scope 3 emissions (indirect emissions that are a consequence of Company activities but occur from sources not owned or controlled by the Company). The Company reports GHG emissions for entities for which it has financial control, as defined by the Greenhouse Gas Protocol A Corporate Accounting and Reporting Standard, Revised Edition, published by the World Resources Institute/World Business Council for Sustainable Development (the "GHG Protocol").

The Company has set fiscal 2019 as the GHG baseline year for Scope 1, Scope 2 and Scope 3 emissions, and intends to report emissions against this baseline year going forward. Fiscal 2019 was established as the baseline year as it represents the first year for which verifiable emissions data is available subsequent to the Company's acquisition of Rite Aid stores in fiscal 2018.

In fiscal 2022, WBA's total carbon footprint based on our stated scope on page 74 was 1.6 million metric tonnes of CO₂e (carbon dioxide equivalent), down 21.2 percent from our baseline year of fiscal 2019, mainly due to energy efficiency projects across the Company and increased proportions of energy from renewable sources in the power grids from which we purchase. Of the fiscal 2022 emissions, 87.3 percent were from energy emissions, including 89.4 percent electricity and 9.4 percent natural gas within energy emissions. Separately, 11.3 percent of emissions were from product delivery and the remaining 1.5 percent of emissions were from business travel.



DISCOVER

The tables and charts in this section show details of our emissions data. Energy and emissions data is available in the ESG section of our [website](#).

Fiscal 2022 emissions data

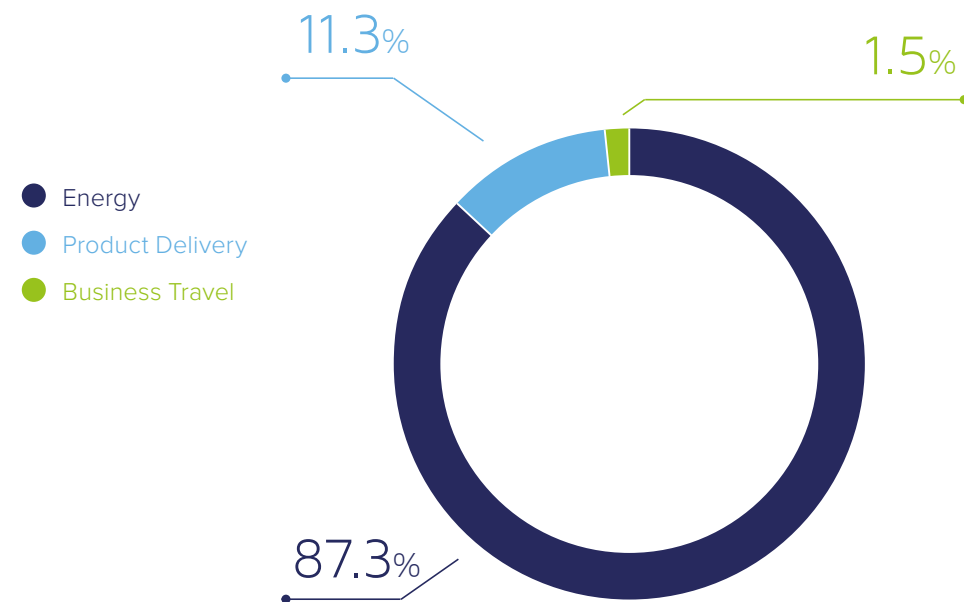
GRI 305-1, 305-2, 305-3, 305-4

Total CO₂e emissions by source¹

(000 metric tonnes)

	Fiscal 2022	Fiscal 2021	Fiscal 2019	% change from fiscal 2019
Energy	1,376	1,505	1,781	(22.7%)
Product Delivery	178	184	180	(1.3%)
Business Travel	23	15	42	(44.5%)
Total	1,577	1,704	2,002	(21.2%)

CO₂e emissions by source in fiscal 2022¹



CO₂e emissions from energy, by type¹ (000 metric tonnes)

	Fiscal 2022	Fiscal 2021	Fiscal 2019	% change from fiscal 2019
Electricity	1,231	1,336	1,631	(24.5%)
Gas	130	151	133	(2.4%)
Other	16	18	17	(5.7%)
Total	1,376	1,505	1,781	(22.7%)

CO₂e emissions from business travel

(metric tonnes per thousand employees, by segment¹)

	Fiscal 2022	Fiscal 2021	Fiscal 2019	% change from fiscal 2019
U.S. Retail Pharmacy	68	38	108	(36.6%)
International	89	81	204	(56.5%)
Total	71	48	157	(54.9%)

¹Fiscal 2022 data is a WBA specified disclosure and is within the Deloitte & Touche LLP review scope as detailed on pages 119-120.



DISCOVER

The tables and charts in this section show details of our emissions data. Energy and emissions data is available in the ESG section of our [website](#).

Scope 1, 2 and 3 GHG emissions

Global CO₂e emissions (000 metric tonnes)

	Fiscal 2022 ¹	Fiscal 2021	Fiscal 2019	% change fiscal 2022 compared to fiscal 2019
Scope 1	298	325	313	(4.7%)
Scope 1² (Sales to third parties)	25	14	32	(21.8%)
Total Scope 1	323	339	345	(6.3%)
Scope 2 location-based	1,218	1,324	1,617	(24.7%)
Gross Scope 1 and 2 location-based	1,542	1,662	1,962	(21.4%)
Scope 3	61	56	73	(16.7%)
Gross Scope 1, 2 and 3 location-based	1,602	1,718	2,034	(21.2%)
Scope 2 market-based³	1,177	1,277	1,556	(24.3%)
Gross Scope 1 and 2 market-based	1,500	1,616	1,901	(21.1%)

GRI 305-4: GHG Emissions Intensity

(000 metric tonnes of CO₂e / million sales in USD)

	Fiscal 2022 ¹	Fiscal 2021	Fiscal 2019	% change
Gross Scope 1 and 2 location-based	0.0116	0.0125	0.0163	(28.9%)

¹Fiscal 2022 data is a WBA specified disclosure and is within the Deloitte & Touche LLP review scope as detailed on pages [119-120](#).

²Fiscal 2022 includes Scope 1 emissions resulting from heat and electricity produced by our on-site combined heat and power plant in Beeston, Nottingham, UK and sold to third parties or the grid.

³U.S. only.



Managing energy use

GRI 3-3, 302-4

During fiscal 2022, WBA focused on better predicting and adjusting to energy needs across its businesses while continuing to monitor efficiency performance for each business on weekly, monthly, and annual cadences.

As energy accounts for most of our emissions, our strategy is guided by efficiency and supplemented with renewable sources. We reduce our overall carbon footprint through management of equipment and systems across retail locations, distribution centers, and fleets. WBA's businesses invest in energy-efficient lighting, heating, ventilation, and air conditioning (HVAC) units and refrigerators; engage and educate team members around energy consumption; invest in photovoltaic systems; use alternative energy management programs; and participate in demand-response curtailment programs during peak periods.

With more intense pockets of heat and severe storms impacting the world, flexibility and agility with energy management is increasingly critical. During fiscal 2022, Walgreens continued rolling out a robust Energy Management System (EMS) to monitor optimal performance of devices and provide insight into climate-stressed locations. These EMS installations — now in 4,000 retail pharmacies with the goal to expand across our U.S. retail locations over the next two years — offer a more holistic view of store health and allow for real-time adjustments to lighting, temperature, and refrigeration.

To stay on the front end of sustainable solutions, Walgreens focused on scaling up LED lighting replacements and designed a roadmap for implementation of refrigerants as the Department of Energy phases out certain refrigerants in favor of potentially lower global warming options. Additionally, the business conducted a pilot to apply anti-condensate films to freezer doors with the goal of driving energy reduction.

For the first time, Boots generated store-level energy budgets and continues to use data from local weather stations to determine the potential impact of weather events on future consumption. Boots UK also continued installation of metering systems for more accurate consumption. During fiscal 2022, the business completed energy-related retrofits and improvement projects in 522 stores.

Boots engaged Design Conformity to evaluate carbon emissions from store fixtures to inform the setting of targets designed to reduce Scope 3 emissions throughout the global supply chain. The knowledge from this process will be used to develop design principles that produce more sustainable stores. In the initial phases of implementation with the new design format, Boots has seen a 39 percent decrease in the carbon footprint of 35 global brand's fixtures within its Beauty Halls.

Responding to climate events

GRI 3-3, 305-5

With a large retail footprint, we understand our role and responsibility in managing energy use within our communities, particularly amid increased extreme weather and climate events. Due to Walgreens continued rollout of its advanced EMS, the business was able to continue its demand response program during fiscal 2022, enrolling nearly 700 locations across the country. Walgreens assisted in demand reduction to reduce stress on the grid, specifically helping prevent potential blackout situations during heatwaves in California.

As a company providing essential services, WBA is also responsible for ensuring the resiliency of our operations in climate-stressed environments. In fiscal 2022, Walgreens deployed generators in response to major weather events and purchased additional temporary generators in response to California's proactive electrical shut downs. The business also added equipment to improve the speed of connections and provided necessary repairs to uninterruptible power systems.

The Boots UK Energy Centre, one of the largest in-house combined heat and power (CHP) plants in the UK, allows for greater energy security and carbon emissions reductions than energy purchased from the National Grid. Ownership of this energy management system leads to continuous improvement through installation of new equipment, automated metering and investments in distribution networks that improve resilience. Boots also sells surplus electricity back to the National Grid.

Renewable energy

GRI 302-1

Where strategically feasible, WBA looks to power its operations through certified renewable energy from wind, solar or hydro. During fiscal 2022, 6.6 percent of electricity consumed across WBA was from renewable sources. In the Republic of Ireland, 100 percent of our Boots stores are powered by certified renewable energy. In the UK, 98 percent of our stores are certified renewable.

At Walgreens, we are evaluating our renewable energy strategy to identify the process that allows the business to have the biggest impact across our operational footprint, including locations under lease agreements.



Fleet efficiency and electric vehicle charging points

GRI 3-3, 302-4, 305-3

WBA fiscal 2022 emissions from product delivery decreased by 1 percent compared with our baseline year of fiscal 2019, and business travel emissions decreased 45 percent in the same period, primarily due to the impact of COVID-19 on travel.

To improve fleet efficiency, Boots UK implemented an all-day routing program within the pharmacy supply chain, resulting in a 3.5 million reduction in miles. Boots UK replaced 39 trailers in fiscal 2022, progressing toward its goal to complete 152 over three years. The new trailers allow for increased capacity, meaning fewer vehicles, decreased maintenance and less tire rubber. The business continues to explore alternative fuels and currently utilizes three electric vans for pharmacy distribution. The full fleet list includes 68 electric or hybrid models. There are now 28 electric car charge points in frequent use across the Boots Beeston campus in Nottinghamshire, UK for any site user or visitor to use.

The Walgreens truck fleet has participated in the U.S. Environmental Protection Agency's (EPA) SmartWay Program since 2005, which helps measure fuel efficiency in the fleet and understand the supply chain's total impact on the environment. In fiscal 2022, the EPA named Walgreens a SmartWay High Performer based on continuous efforts to optimize routes, reduce empty miles, and achieve miles per gallon improvements and introduce equipment replacement strategies for fuel-efficient vehicles.

In fiscal 2022, Walgreens continued optimizing delivery routes and testing new technologies to provide efficiencies. Aerodynamic EkoStinger were introduced for 28-foot trailers that previously were not fitted for this technology, saving an estimated 5 percent to 6 percent fuel economy. Additionally, a successful pilot program installing truck wings offered more than 4 percent fuel economy gain and will be implemented on an estimated 300 trucks by the end of the calendar year.

Walgreens is a member of the National Private Truck Counsel, which includes the broader implementation of electric vehicle infrastructure on its agenda. This would increase the feasibility of integrating electric vehicles into the Walgreens fleet. For customers, Walgreens currently offers 483 electric vehicle charging stations across 397 stores.





Waste

GRI 3-3, 301-3, 306-1, 306-2, 306-3, 306-4, 306-5, 413-1, 417-1

Waste management

GRI 3-3, 301-3, 306-1, 306-2

Waste management is an important issue for WBA and our stakeholders, who expect we will do what is reasonably within our control to avoid waste associated with our operations and minimize any adverse impacts of waste through responsible management and contributing to a more circular economy. WBA continues to prioritize waste management and works to make our business more sustainable by rethinking designs, reducing consumption, recycling, composting, reusing materials, and measuring our global waste generation and disposal.

This section of our report covers waste management, waste reduction, and recycling efforts; Zero Waste to Landfill (ZWTL) programs in certain areas of operation; and efforts to reduce the negative impact of plastics and waste in our retail stores and distribution operations. Our work on plastic packaging in our owned brands is covered in more detail in [Sustainable Marketplace](#).

Waste is a local issue and is managed differently across geographies, with an emphasis on partnership and overall waste reduction. In the UK, the government-backed waste hierarchy provides a framework that promotes waste avoidance, recycling and recovery methods over disposal in landfills. Boots UK also engages environmental management systems and standards to drive a culture of zero waste by effectively managing all unique types of waste. In the U.S., the Environmental Protection Agency (EPA) Non-Hazardous Materials and Waste Management Hierarchy is used to ensure proper approaches are taken for different kinds of waste. Across the world, WBA's businesses engage with various vendor partners to help ensure best practices are used when handling waste.

Tackling a challenge such as waste requires industry collaboration with retail groups and municipalities, especially due to continued uncertainties in the global recycling market. Through organizations such as the Retail Industry Leaders Association (RILA) in the U.S., Walgreens is supporting efforts to increase recycling and reuse in the retail industry. Walgreens is a member of the RILA Sustainability and Zero Waste Committees that promote

collaboration on key issues such as energy use, greenhouse gas emissions reduction, waste generation reduction, and the circular economy. Walgreens is also a member of the Consortium to Reinvent the Retail Bag's Beyond the Bag Initiative, managed by Closed Loop Partners.

Walgreens continues to sponsor and participate in the U.S. Chamber of Commerce Foundation's Beyond 34: Scaling Circularity for a Sustainable Economy, which aims to improve low U.S. municipal recycling rates by creating scalable models for high-impact waste solutions.

Boots is preparing for the introduction of the Scottish government's deposit return scheme for single-use drinks containers. Together with Circularity Scotland, Zero Waste Scotland and the Scottish Retail Consortium, Boots is working to establish return points in stores in Scotland to take back drinks containers to increase customer recycling.

Employee awareness and training is key to further progress on our environmental targets and to help ensure employees understand the impacts of their work on the environment. More than 14,000 Boots UK employees have completed the Boots Environmental Experts (BEE) online training since it was introduced in fiscal 2021. At Walgreens, our ESG Champions are provided with information on active waste-related programs such as ZWTL and Beyond the Bag in addition to their ESG training module courses, which include health, safety and environmental compliance, energy and emissions reduction, product sustainability and waste management. New ESG Champions from the international stores volunteered in 2022 to discuss waste and meet quarterly for education and sharing best practices on this important issue.





DISCOVER

Waste data is available in the ESG section of our [website](#).

Fiscal 2022 waste data

GRI 306-1¹, 306-3², 306-4, 306-5

Across all its businesses, WBA sent 241,034 metric tonnes of waste to landfill or incineration in fiscal 2022, a decrease of 22 percent from the baseline year of fiscal 2019. WBA has been focused on reducing waste to landfill and incineration as well as improving material diversion through increased reuse and recycling opportunities. In fiscal 2022, we identified additional categories of reuse that we could include in reporting and the table below reflects this update. WBA recycled or reused 613,251 metric tonnes of materials in fiscal 2022. This is an increase of 66 percent from the baseline year of fiscal 2019.

Waste directed to disposal

(000 metric tonnes)

	Fiscal 2022	Fiscal 2021	Fiscal 2019	% change from fiscal 2019
Landfill	240	247	307	(22%)
Incinerated ⁵	1	-	-	41%
	241	247	307	(22%)

Materials diverted from disposal

	Fiscal 2022	Fiscal 2021	Fiscal 2019	% change from fiscal 2019
Recycled ^{3,6}	354	341	369	(4%)
Reuse ^{3,4}	259	31	-	-
	613	372	369	66%

¹Fiscal 2022 data disclosed is GRI 306-1 and WBA specified disclosure are within Deloitte & Touche LLP review scope as detailed on pages [119-120](#).

²GRI 306-3 required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages [119-120](#).

³Certain fiscal 2021 amounts have been reclassified to the Reuse category.

⁴Data is presented for Walgreens only. Reuse includes pallets, totes and product donation, and liquidation.

⁵Without heat recovery.

⁶Includes 19,600 tonnes of materials recovered via incineration with heat recovery.

The fiscal 2022 recycling and reuse rates at our segments were as follows:

- U.S. Retail Pharmacy: 71%
- International: 77%

During fiscal 2022, WBA generated 595,361 metric tonnes of waste (landfill, incineration and recycled). Less than 0.1 percent of the total waste generated by WBA was considered hazardous, and of that and in accordance with applicable laws, 44 percent was recycled, 37 percent was incinerated, 12 percent was recovered via incineration, and seven percent went to appropriate landfills.

At Walgreens and Boots UK, waste data is received from third-party suppliers on a regular basis. The data is evaluated for completeness. Portions of the data are estimated based on waste container type and frequency of waste retrieval, particularly from Walgreens. We are continuously reviewing opportunities to enhance our reporting processes.

Diverting and reducing waste

GRI 3-3, 306-1, 306-2

WBA businesses continue to divert and reduce waste through several ongoing programs, as well as new initiatives across offices, stores, and distribution centers.

For the fourth year in a row, less than 1 percent of Boots UK operational waste went 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 office locations. For the second consecutive year, Boots Ireland achieved zero waste to landfill.

The Walgreens support center and WBA global headquarters in Deerfield, Illinois, continued the zero waste to landfill program. The distribution centers and related facilities in the U.S. and Puerto Rico also improved waste diversion rates. In fiscal 2022, around 99 percent of waste from distribution centers was diverted from landfill. At Walgreens, three distribution centers, 302 stores and our support center are no longer sending operational waste to landfill.

Walgreens distribution centers continue to develop waste prevention activities aligned with the U.S. Environmental Protection Agency (EPA) WasteWise program, a voluntary solid waste reduction program.

Additional Walgreens achievements and initiatives in fiscal 2022 to divert items from landfills or to reduce waste include the following:



Walgreens won the WasteWise award from the EPA in the Very Large Business, Partner of the Year category. The award acknowledges businesses who are reducing waste and contributing to the circular economy.



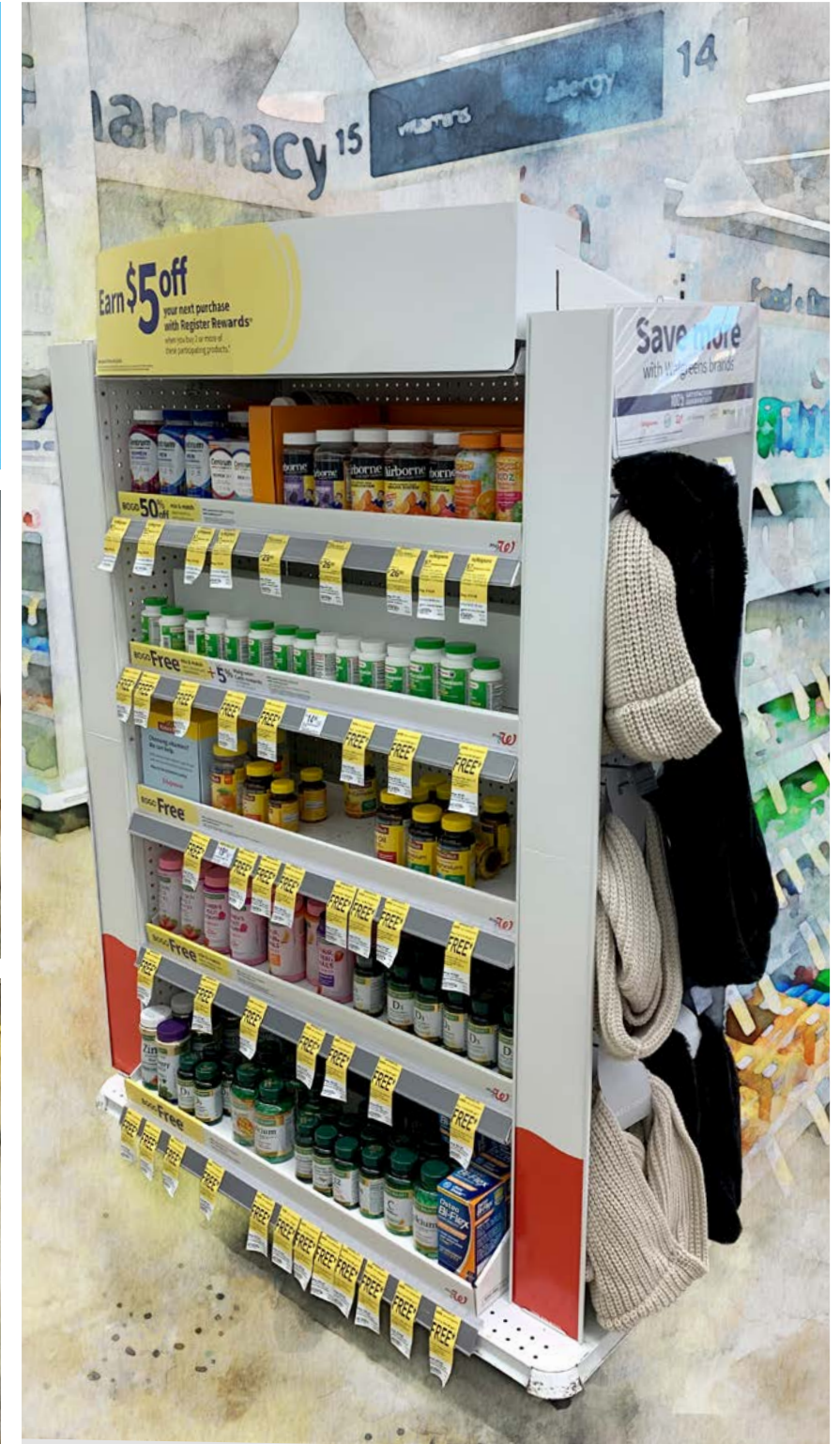
Continued to divert unsold or discontinued products such as food, toiletries, and household items from landfills through partnerships to donate and liquidate a variety of products. In fiscal 2022, Walgreens donated over 7.9 million metric tonnes of product and liquidated 2.9 million metric tonnes.



Expanded the pharmacy recycling standards in fiscal 2022 to include stock bottles and caps at all micro-fulfillment centers. Stock bottles are the plastic containers medications arrive in before they are dispensed for patients. As a result of collaboration and engagement with local municipal recycling partners across the U.S., stock bottle and cap recycling is now standard at micro-fulfillment centers.



Eliminated 433 metric tonnes of waste through reusable product display structures in retail pharmacies.



For three years, Boots UK has taken part in the Food Waste Reduction Roadmap, led by climate action NGO WRAP, as well as Defra's Step Up to the Plate pledge. The collective goal of these initiatives is to reduce food waste by 50 percent by 2030, in line with SDG target 12.3; Boots is on track to meet this goal.

Marketplace recycling programs and initiatives

GRI 3-3, 306-1, 306-2, 413-1, 417-1

In 2020, Boots UK and No7 Beauty Company launched an innovative in-store program, Recycle at Boots, to make it easier for consumers to give a second life to hard-to-recycle health, beauty, wellness and dental product packaging. The innovative Recycle at Boots scheme is the first of its kind in the UK, accepting all products, including those not purchased at Boots, and utilizing Scan2Recycle technology to encourage more sustainable habits. The program is currently available in 700 Boots stores across the UK.

Recycle at Boots allows customers to bring even the most hard-to-recycle products into Boots stores to be recycled by Boots' recycling partner. Since the start of the program, more than 96,000 registered users have deposited over 1 million beauty, health, wellness and dental products for recycling, diverting 54 metric tonnes of plastic waste from landfills. Boots has also shared learnings from the scheme with other companies and industry groups, and it hopes to see the same levels of accessibility and transparency rolled out across the industry.



In fiscal 2022, Boots ran a trial for an insulin pen recycling scheme with Novo Nordisk in 148 pharmacies, encouraging team members and customers to recycle 23 million insulin pens produced and distributed by Novo Nordisk every year. Following the success of the trial, Boots launched the PenCycle scheme, a recycling initiative for pre-filled injection pens available in all pharmacies. Insulin pens are made of 73 percent plastic and generally end up in a landfill or incinerated. The launch of PenCycle is the first of its kind in the UK and addresses the challenge of recycling injection pen devices used by people living with diabetes, obesity, and growth disorders. Users of Novo Nordisk's pre-filled FlexPen and FlexTouch devices are now able to recycle their empty pens at any Boots pharmacy.

Since 2019, Boots Opticians have collected and recycled over 6.6 million contact lenses, blister packs, and foil covers with the ACUVUE Contact Lens Recycle Program. During fiscal 2022, Boots Opticians partnered with Johnson & Johnson to offer the ACUVUE Contact Lens Recycling Scheme in all Boots stores using the TerraCycle Zero Waste Box. Recycling capacity supplied in fiscal 2022 increased by over 25 percent with a target to collect over 2.5 million contact lenses within the year.

Boots 'Be More' initiative

Boots UK sustainability initiative Be More, aims to help customers select products with one or more of the following attributes: plastic free, recycled, reusable, vegan and cruelty free. The shopping tool can be found at www.boots.com/sustainable-living as a permanent, new feature of the Boots online store. Currently, it features over 650 products, with more to be added on an ongoing basis. Customers can filter their product searches by each Be More edit.

This program provides customers with choice and transparency to help them make informed decisions on products that meet their needs and preferences. A product must meet WBA's minimum requirements for product sustainability, plus the criteria of one or more of these edit categories to be listed. Boots UK plans to continue to evolve and expand these edits to showcase products and brands that are working to be more sustainable.

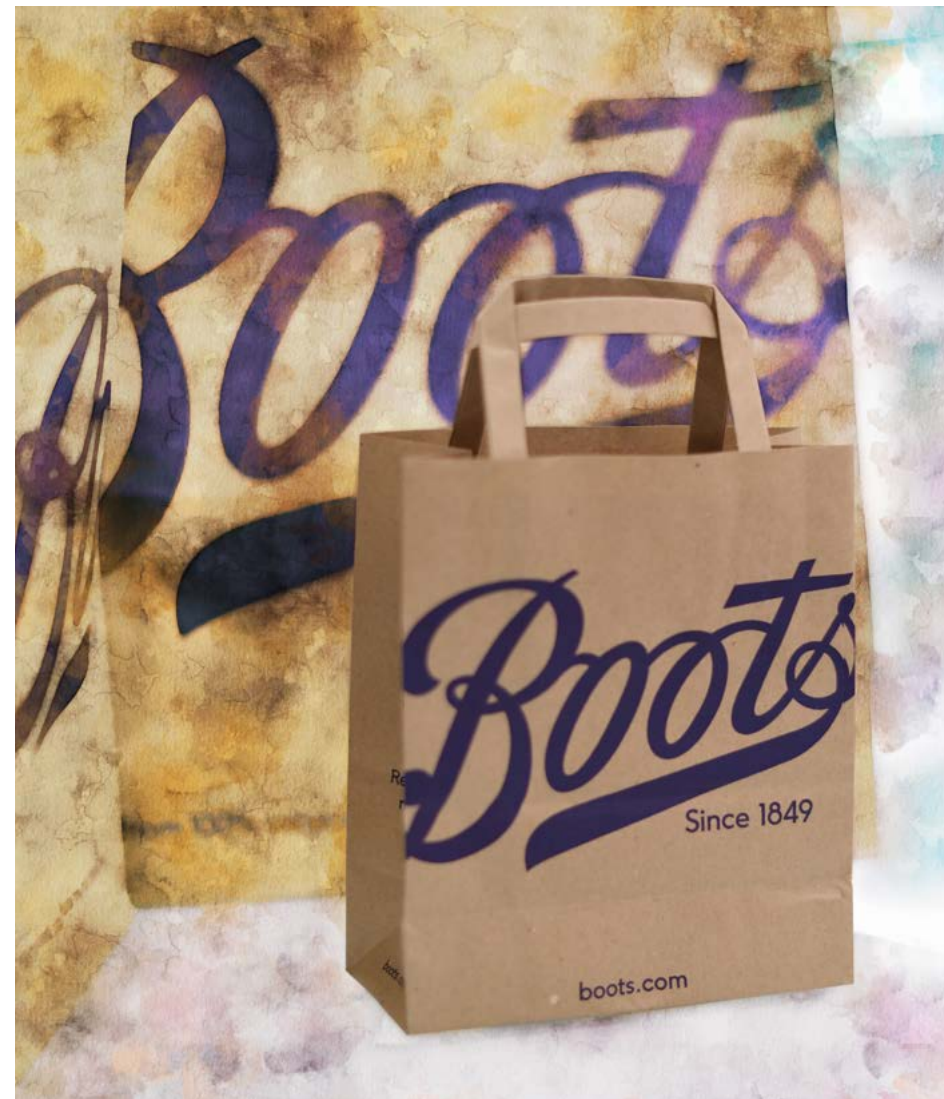


Efforts are underway to continue to build a more circular economy by rethinking how plastic is used in our operations. More information on plastics in our owned brands can be found on page 95 in the Sustainable Marketplace section of this report.

Plastics

GRI 3-3, 306-1, 306-2, 308-1

Walgreens has been a member of the Consortium to Reinvent the Retail Bag since 2019, a collaboration with major retailers and nonprofit organizations to identify, test, and implement design solutions and models that sustainably serve the purpose of the current retail bag.



Boots continued multiple plastic reduction programs through fiscal 2022, including:



Recycle at Boots is available in 700 stores across the UK. The scheme allows customers to recycle health and beauty products, which are typically difficult to recycle. Read more about the program on page 81.



At retail checkout, customers continue to be offered the option of unbleached bags made from Forest Stewardship Council (FSC)-certified 100 percent recycled brown paper printed with water-based ink. By switching to paper, Boots estimates it has removed around 900 metric tonnes of plastic from store operations each year.



Boots pharmacies use recycled paper bags for most medication pickup at stores and plastic bags made of compostable material for medications dispensed from a central facility.



Boots UK continues to offer plastic-free deliveries. Since 2018, we have removed nearly 30 million plastic bags, equivalent to over 370 tonnes of plastic, from online orders.



Boots continued its partnership with POPAI, an industry body that supports manufacturers of point of sale and marketing materials, and use of Sustain, a web-based sustainability tool measuring the environmental impact of temporary in-store display units produced for Boots UK stores. Sustain issues a rating for displays, which Boots UK uses to understand the environmental impact and product marketing and work with manufacturers to reduce impacts.



There is a new effort with supplier PHS to develop pharmacy waste bins from a minimum of 30 percent recycled plastic. Once fully implemented, this project will avoid an estimated 40 tons of virgin plastic.



Reducing plastic waste in other businesses

GRI 3-3, 306-2

Programs designed to reduce plastic waste across our global businesses were continued in fiscal 2022. Farmacias Benavides in Mexico continued the reusable cloth bags for purchase to reduce plastic bag usage. A percentage of the profit from these sales went to Reforestación Extrema Association to reforest 120 trees in urban areas. The business also exchanged 300,000 ticket paper (or receipt paper) roll plastic centers for cardboard centers, saving 1.5 tons of plastic per year.

Through the No Bag campaign, Boots Thailand continues to encourage customers to bring their own reusable bags when shopping. Any customers who need to purchase a bag are asked to donate 1 Thai baht to support the National Cancer Institute. As of Nov. 1, 2022, Boots Thailand has converted to paper bags instead of plastic.

Progress on water

GRI 3-1, 3-3

Due to climate change, water availability is becoming less predictable, with implications for human health and food security. WBA understands the importance of this topic. As outlined on page 88, our continued rollout of WBA's owned brand global Supplier Sustainability Program will give us an understanding of environmental and social issues relevant to our product categories, including water.

04

Sustainable Marketplace

We believe it is imperative to own the process of bringing products to market in a way that is honest, safe and sustainable. Whether in terms of sourcing, designing or packaging our owned brands, we strive for transparency in our supply chains and in those of our partners. We have set goals and established guidelines by which we will continue to trace our impacts and make sustainable choices that maintain the integrity of our planet and its people.





A Letter From Annie Murphy

Senior Vice President, Global Chief Commercial Officer, Walgreens Boots Alliance

It is an enormous privilege to work with the world's largest commercial partners and as a global healthcare leader, we have a responsibility to do the right thing for the planet and its people. Our goal is to be more than an environmentally-conscious company; it is to hold ourselves and our partners accountable throughout the supply chain. Since we are held responsible as a supplier partner and owned brand developer, there are many exciting advancements to reflect on from fiscal 2022 that have edged us closer to our goals. From product innovation to global sourcing, we are keeping true to our objective of being eco- and people-conscious in our practices.

We have fast-tracked our progress to meet several procurement, sourcing and packaging goals, such as reducing the overall impact of new products we place on the market by 50 percent. Finding more ways to introduce recycled and plastic-free materials in No7 Beauty, Walgreens and Boots owned brands remains important to us, and a number of newly designed products became available to customers this year, such as Boots' owned brand wet wipes, which contain no plastic.

Our partnerships and pledges have expanded across the business. We became a Champion of the Sustainable Procurement Pledge, under which

our teams became even more knowledgeable about the methods and standards we can use when working with suppliers. Boots and No7 Beauty Company joined the Sustainable Packaging Initiative for CosmEtics (SPICE) to become better informed of the impact that the life cycle of cosmetic product design can have on the environment, while Walgreens committed to supporting new innovations in medication distribution and disposal of expired or unwanted medications through the Sustainable Medicines Partnership. The Product Sustainability Hub continues to hold our suppliers accountable in terms of the materials and methodology used in the creation of their products.

Walgreens and Boots launched campaigns in fiscal 2022 to increase awareness and engagement in our hub, which also features educational resources, so that our suppliers can improve their own practices.

Our goals are ambitious, but they're absolutely necessary. I know WBA's customers are conscious of how the choices they make impact the planet. So is our team. Together, we want to offer simple solutions to show our commitment to this movement. As planetary and human health continue to merge, WBA will continue to position itself at its apex, and strive to do what's best for all.

Fiscal 2022 Progress

Achieved in fiscal 2022:



Boots UK and No7 Beauty Company: Source **all** mica in our finished products from a member of the Responsible Mica Initiative, Responsible Minerals Initiative or a supplier that provides an appropriate independent third-party audit report or certificate to demonstrate that responsible sourcing practices are aligned with the OECD Guidance.

Achieved.

By fiscal 2023:



Walgreens: Committed to achieve **100 percent** certified RSPO palm oil through credit and physical certification by the end of 2023. Each following year, Walgreens aims to increase the physical certified portion by 5 percent.

On Track.

By fiscal 2025:



Boots UK and No7 Beauty Company: Reach The UK Plastics Pact 2025 goals: **100 percent** of plastic packaging reusable or recyclable by consumers; and achieve **30 percent** average recycled content across plastic packaging.

On Track.

By fiscal 2030:



Walgreens: Achieve **30 percent** reduction in plastic packaging compared with fiscal 2020 baseline; **100 percent** of plastic packaging reusable or recyclable by consumers; and achieve 30 percent average recycled content across plastic packaging.

On Track.

Our Owned Brands

GRI 2-23, 3-3

WBA and its businesses have product brand portfolios that cover a diverse range of categories. We continually develop and update our product lines and categories to adjust ingredients and packaging to meet our own evolving standards as well as changing demands. We are focused on sourcing and packaging these consumer goods safely, responsibly, ethically, and sustainably.

At a glance

NO7 BEAUTY COMPANY

No7 Beauty Company is a group of highly respected skin care and beauty brands, some of which have been beloved household products since the 1930s. No7 Beauty Company continues to develop products through world-class innovation and sustainable sourcing practices, and its industry-leading insights into customer shopping behaviors are the core of its strategy. Guided by a bold roadmap, it pledges to achieve its three overarching sustainability goals by 2030:


At least **50%**
of sales from more sustainable products and services


X2
the value we create for society, compared to 2019


1/2
the environmental impact of new No7 Beauty Company products, as compared to 2019

NO7 BEAUTY COMPANY



WALGREENS OWNED BRANDS

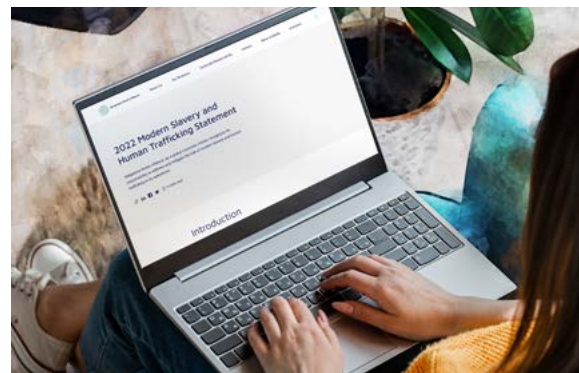
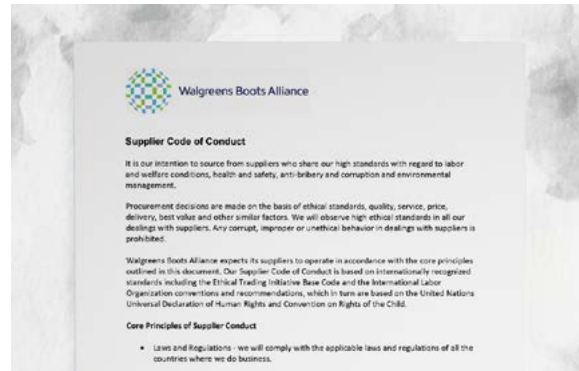
Walgreens, Nice! and Complete Home are synonymous with quality and aim to live up to our century-old code: honest goods sold to honest people by honest methods. Our brands and products include a variety of goods in numerous categories.



BOOTS OWNED BRANDS

From healthcare and beauty essentials to quality sunscreen, Boots owned brands, including Boots Soltan, Boots Brand Healthcare and 17 provide affordable, accessible products customers know, love and trust.





Sourcing standards and policies

GRI 2-23

We recognize that customers, team members and potential new hires are increasing their demand for products that are ethically sourced with sustainable materials. At WBA, we are committed to working with product suppliers who share common principles of fair and honest business; demonstrate a commitment to maintaining safe working conditions; fully comply with all legal requirements; and comply with the labor, health, and safety standards of those countries in which the regulations apply.

Our foundational standards, policies and core principles guide our approach to responsible supplier engagement and sourcing practices.

- Our [Code of Conduct and Ethics](#) provides foundational standards that uphold WBA's commitment to integrity across our businesses, including supply chain management.
- Our [Supplier Code of Conduct](#) outlines our core principles for supplier conduct, including compliance with laws and regulations; terms and conditions of employment; discrimination; harassment and retaliation; wages and benefits; child labor; health and safety; sustainable development and environmental protection; data privacy; and anti-corruption and bribery. We expect suppliers to operate in accordance with these principles and be open and transparent to our assessment of their compliance with the code.
- Our [Modern Slavery and Human Trafficking Statement](#) details our commitment to eradicating these abhorrent practices, our policies, governance and training regarding these issues, and our actions taken during each calendar year.
- Our [Human Rights Policy Statement](#) contains our explicit commitment to respect human rights under international standards and protect labor and workplace rights.

Chemical use and management

GRI 3-3

In 2022, WBA introduced a refreshed [Responsible Chemical Management Strategy Policy Statement](#), which details our continued commitment to proactive responsible chemical management for all consumer-owned brand products across baby, personal care, beauty and household care portfolios. Our strategy drives chemical transparency to the forefront for our consumers and promotes greater innovation for safer alternatives.

As part of our new chemical policy statement, we implemented a [Chemical Action List](#) (CAL), which has replaced our previous Restricted Substances List. The CAL goes beyond regulatory requirements by adopting positions on chemicals that we have identified as causes for concern.

Our CAL includes:



Prohibited List:

Chemicals on the list must not be present or intentionally added



Elimination List:

Chemicals to be eliminated within a defined time period



Stewardship List:

Chemicals that do not yet have a formal WBA decision on prohibition, elimination, or restriction; will be closely monitored with a plan to add them to the Elimination List initially, then ultimately to the Prohibited List at a future date

We continue to review our categories and substances for new inclusion within our CAL. We are committed to driving innovation in safer chemical alternatives to improve safety and transparency for our customers.

Responsible Sourcing

GRI 2-24, 3-3, 308-1, 414-1, 414-2

In fiscal 2022, WBA has continued to implement the tools and programs developed in the last fiscal to accelerate the sustainability of WBA-owned brand products and packaging. These initiatives have evolved our supply chain approach from focusing on risk assessment and management toward empowering us to proactively engage suppliers on our shared sustainability journey. We continue to ensure our responsible sourcing efforts reflect practices that are sustainable for both the environment and people through rigorous supplier environmental and social assessments, programs, and policies.

We are participating in cross-sector international initiatives to leverage our influence to mobilize responsible sourcing efforts across the industry. In 2022, WBA became a Champion of the Sustainable Procurement Pledge (SPP), an international nonprofit organization driving awareness and knowledge of responsible sourcing practices to empower procurement professionals. As an SPP Champion, we are engaging our Global Sourcing team within the SPP movement to equip team members with the knowledge and peer infrastructure needed to deliver on our responsible sourcing objectives.

Supply chain mapping and transparency

GRI 3-3, 308-1, 414-1¹, 414-2¹

In August 2022, we launched the second year of our global Supplier Sustainability Program campaign and invited all WBA-owned brand suppliers to participate in the program. The program supports our sustainability agenda by measuring improvements across WBA's entire supply chain with the support of an online system for data collection, analysis, reporting and scoring. It utilizes The Sustainability Insight System (THESIS), developed by nonprofit organization The Sustainability Consortium, a holistic sustainability assessment tool that gauges supplier practices, performance, and management on energy, water, ethics, and more.

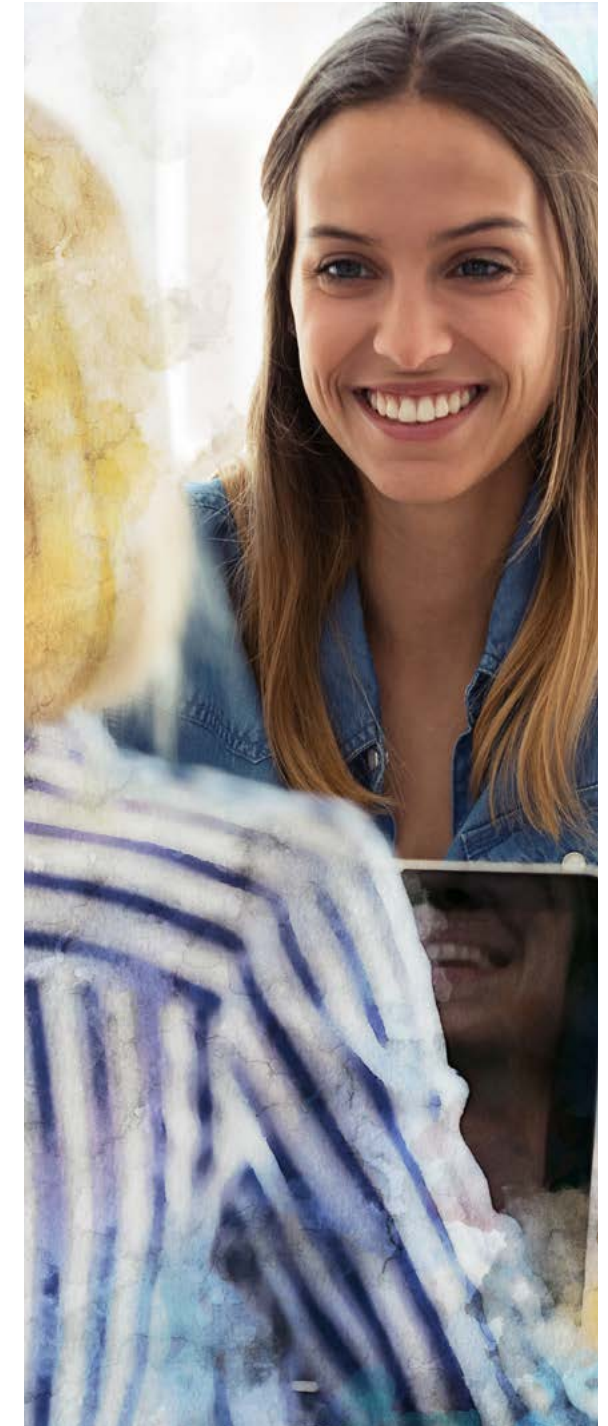
Following the program's launch, we have prioritized analyzing the supplier data collected through the program's application. Improved supplier data collection from the program has facilitated our identification of the

sustainability opportunities and risks present within our brand-owned supply chain so we can further our responsible sourcing practices. For example, the product category-specific assessments in THESIS allow our teams to benchmark our suppliers' sustainability performance with quantifiable results, providing WBA-owned brand sourcing teams with the information necessary to select the best product suppliers with complementary sustainability agendas and targets. Suppliers seeking to improve their performance against a category specific risk will find that the THESIS tool shares improvement guidance. Furthermore, suppliers can see how they compare anonymously against their peers, thus promoting a race to the top.

As of November 2022, over 120 of our Global Sourcing Tier 1-owned brand suppliers have submitted over 270 category-level assessments, reporting their environmental and social position across four product groupings: Health and Wellness, Grocery and Household, Beauty and Personal Care, and General Merchandise and Seasonal. We leveraged this supplier assessment data from fiscal 2021 to identify potential high-risk areas or sustainability hot spots within our supply chain, pinpointing GHG emissions and plastics as priority areas to expand our supplier engagement to drive the greatest impact.

This supply chain hot spot identification process enables us to better direct our efforts in supporting the development of our global brand and supplier sustainability strategy by providing a clearer view of how supplier engagement can be targeted. Now that we've identified our Tier 1-owned brand supplier hot spots, we have launched a pilot tool giving suppliers improved visibility of both their manufacturing sites and their suppliers, giving further granularity to where risks exist to guide our responses accordingly.

In fiscal 2023, we plan to continue engaging with large national brand suppliers that complete THESIS assessments for Walgreens. Additionally, the tool will be rolled out to more owned brand suppliers and included as part of onboarding in their first year of supplying new products.



¹GRI 414-1 and 414-2 required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages [119-120](#).

Ethical sourcing standards and supplier engagement

GRI 2-24, 414-1¹, 414-2¹

Aligning with the minimum requirements of our ethical trading standards program, we require suppliers to operate in accordance with the core principles outlined in our Supplier Code of Conduct, and we expect suppliers to be transparent in our code compliance assessments.

Our ethical sourcing program, led by teams of ethical trading experts with the support of auditors and a small number of preapproved third parties, helps ensure owned brand suppliers are aware of and compliant with our ethical standards and expectations. This is achieved through a rigorous onboarding process for all owned brand suppliers. Our onboarding process is elevated by a supplier training webinar designed to explain our ethical standards and assessment requirements, share opportunities for suppliers to enhance social and environmental compliance, and provide a forum for supplier questions. We assess 100 percent of our owned brand suppliers for compliance to our Ethical Trading Standards through on-site audits. For high-value goods not for resale (GNFR) suppliers, we use Global Risk Management Solutions (GRMS), which includes screenings for social criteria. Supplier training webinars are held regularly in English, Mandarin and Spanish. During fiscal 2022, 23 supplier training webinars were hosted in English and completed by a total of 291 suppliers. An additional 10 webinars were held in Mandarin, with 646 suppliers completing the training. A recorded training was developed in Spanish and has been viewed by at least 130 active supplier members.

Our owned brand supplier compliance is monitored using a detailed grading matrix that assesses factory social and environmental performance based on internationally recognized standards, including the Ethical Trading Initiative Base Code and International Labor Organization (ILO) Conventions and Recommendations. Factories with identified noncompliance are required to complete corrective action plans to resolve the issue and are reassessed using a risk-based approach that focuses on improvement and compliance.

We publicly report our owned brands suppliers' compliance with our ethical standards. The following table provides a breakdown of our fiscal 2022 ethical compliance assessments on new and existing suppliers for Boots UK, Walgreens, and No7 Beauty Company-owned brands.

As the table shows, no zero tolerance issues were detected during fiscal 2022. For sites with critical issues, suppliers have been required to develop and implement immediate remedial action plans to address identified noncompliance. Verification of actions taken are monitored via submission of appropriate evidence and through on-site reassessment.

	Fiscal 2022	% of total
Satisfactory	464	45
Needs Improvement	421	41
Critical	148	14
Zero Tolerance	0	-
	1,033	100

Satisfactory and 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 critical noncompliance to enable new or ongoing business relationships.

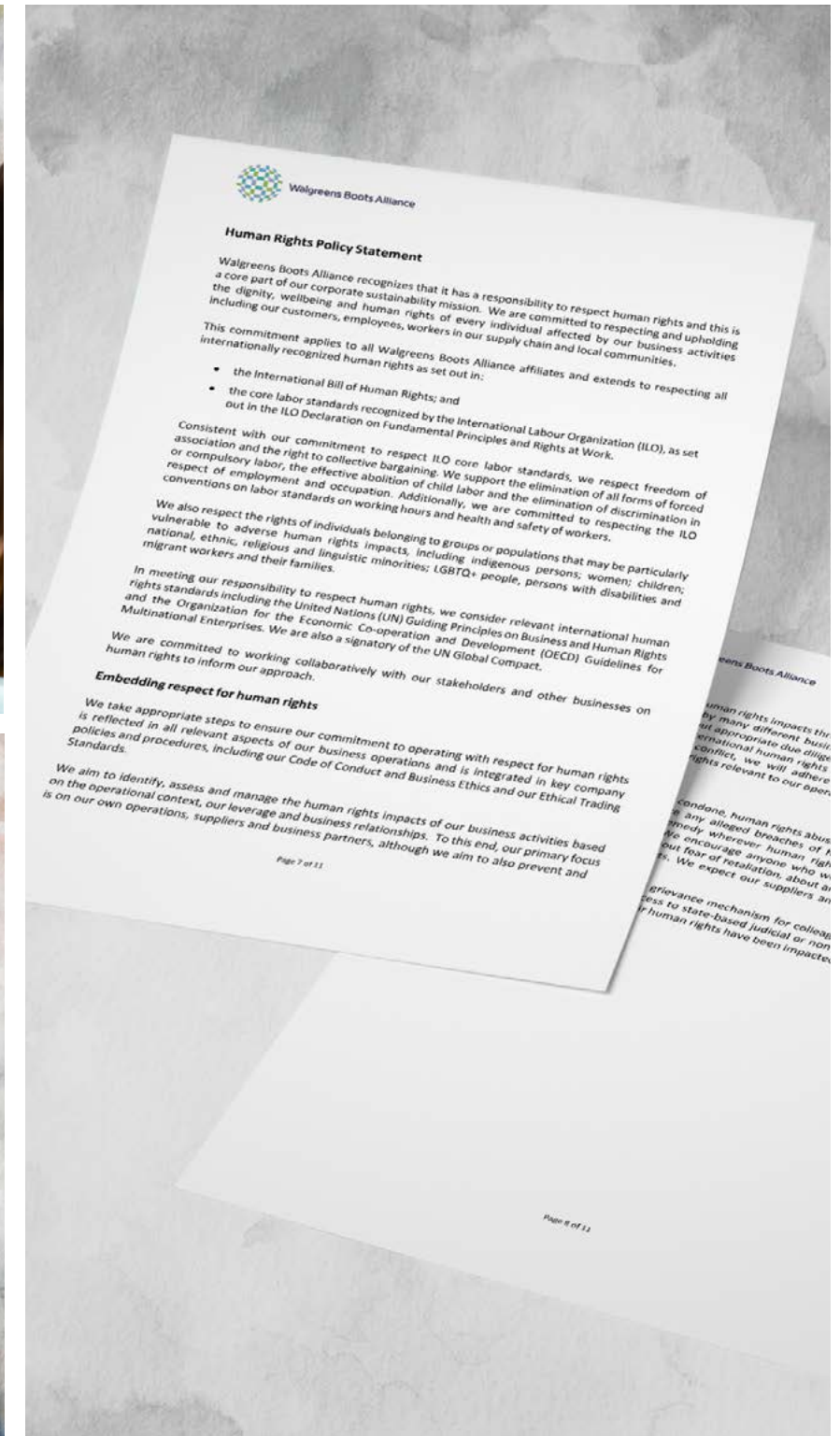
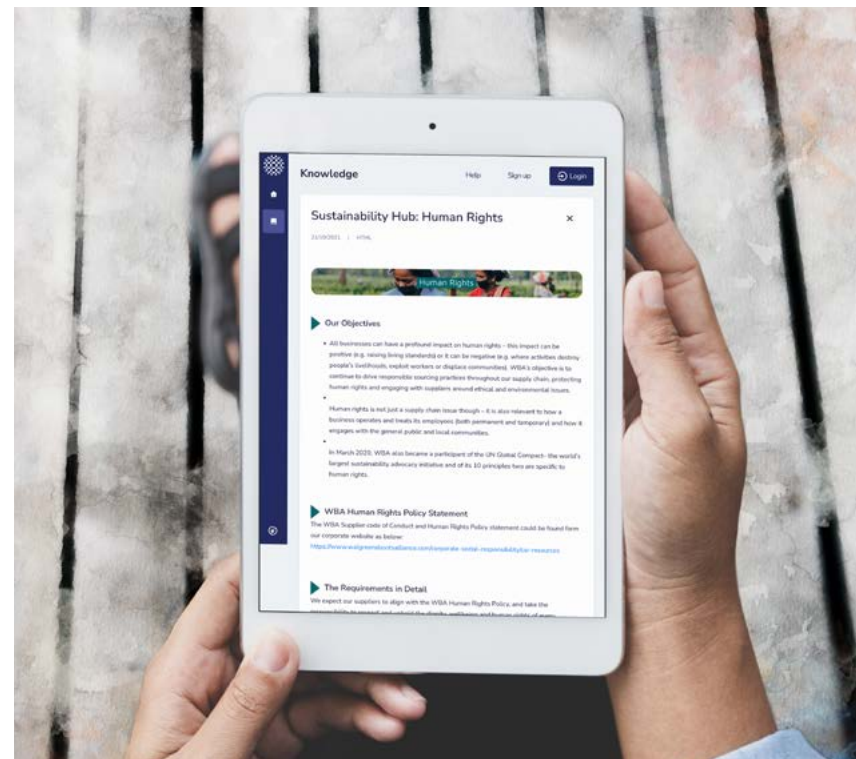
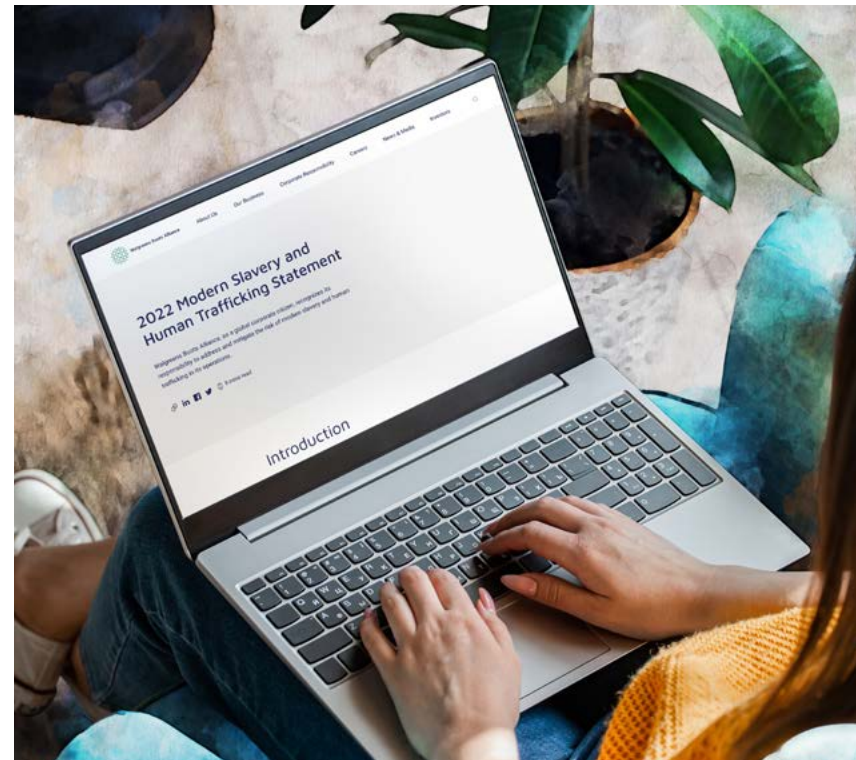
Zero Tolerance: Not accepted or tolerated by our business, these identified issues are related to, but not limited to, child labor, convict/indentured/forced labor, corporal punishment, slavery and human trafficking and acts of bribery. In all cases, we view these issues as zero tolerance.

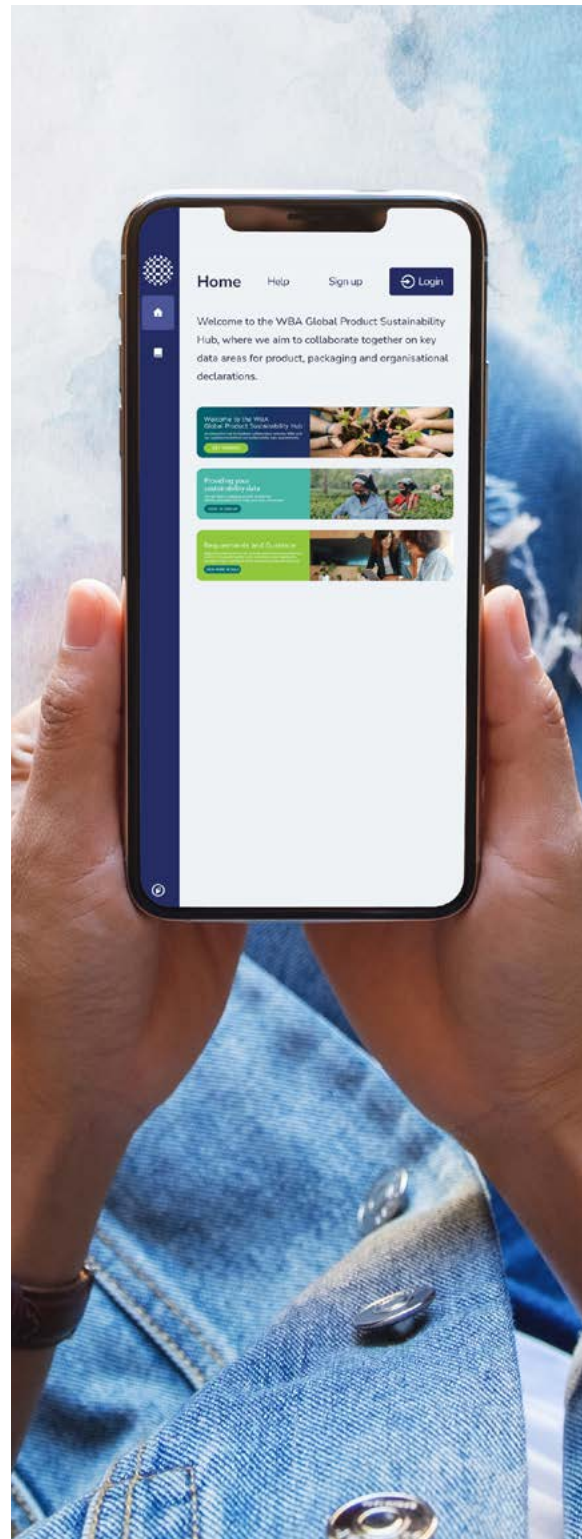


¹GRI 414-1 and 414-2 required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages [119-120](#).

Our latest Modern Slavery and Human Trafficking Statement, released in fiscal 2023, details our approach to suppliers when we identify critical noncompliance issues and zero tolerance violations such as child labor, forced labor or human trafficking. WBA's policy on critical noncompliance issues is to require immediate remedial action to address the infraction as well as completion of a corrective action plan and reassessment. WBA's policy on zero tolerance violations is to terminate the business relationship with the site where the violation occurred and 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. When country-specific allegations of forced labor are raised, we perform due diligence to identify and mitigate the risk of forced labor in our supply chain. We also engage with industry peers to share best practices in risk prevention, detection and mitigation. We highly value internal training on our Modern Slavery and Human Rights Statement to mitigate modern slavery risk.

During fiscal 2022, we built upon our Human Rights Policy Statement, published in January 2022, with a program to risk map and horizon scan across all areas where we operate, including our wider supply chain, owned brands supply chain, and our operations in multiple geographies. Additionally, the online platform used for WBA's Supplier Sustainability Program has also enabled us to better identify modern slavery and human rights risks within our supply chain by capturing environmental and social information in Tier 2, Tier 3, and raw materials suppliers. Please read more about the Supplier Sustainability Program on page [88](#).





Sustainable Materials

GRI 3-3, 308-1, 308-2, 417-1

At WBA, we are committed to ensuring the ingredients and materials used within our owned brand products and packaging are safe for our consumers, communities, and planet. We strive to reduce the environmental and social impacts of the ingredients and materials we use by improving their traceability, implementing third-party certification requirements, protecting the rights of workers, and supporting the responsible sourcing of raw materials.

Data-driven decision-making and materials traceability

GRI 3-3, 308-1, 308-2, 417-1

WBA continued to use our Product Sustainability Hub globally to bolster our collection of product-level sustainability data and disclosures through the hub's interactive supplier platform. Within the hub, suppliers are required to affirm compliance with the global minimum product sustainability requirements, share key raw-material sourcing information about our products as well as the packaging and provide declarations on sustainability requirements.

The Product Sustainability Hub improves supplier transparency through global and near-real-time reporting on key product sustainability attributes. Some examples of information collected include data and certifications on animal testing, palm oil, plastics (including single-use plastics), wood, pulp, paper, cotton, high-risk minerals, and other materials. For the natural materials listed above, the Product Sustainability Hub collects information on country of origin and the level of certification received for each commodity. Of our active suppliers, 69 percent are providing WBA data via the Product Sustainability Hub.

In 2022, Walgreens, Boots and No7 Beauty Company launched campaigns to accelerate utilization of the Product Sustainability Hub across owned brand suppliers. Through the campaigns, suppliers were asked to complete a Supplier Declaration with itemized packaging and product submissions to indicate the sustainability attributes of the items they supply.

At the close of fiscal 2022, the campaign has received:



At WBA, we also support calls for a global ban on animal testing. We do not conduct animal testing on our owned brand products or on ingredients used in these products. We have a long-standing Product Testing Policy Statement in place that is available [here](#). In addition, some No7 Beauty Company brands such as Liz Earle, Botanics, and Soap & Glory have achieved Cruelty Free International Leaping Bunny certification. The Leaping Bunny label is the globally recognizable gold standard for cruelty-free cosmetics that follows rigorous criteria that apply globally, extending over and above laws governing animal testing, and include ongoing independent audits. It is the best assurance for companies with a genuine commitment to help end animal testing.

Key raw materials

GRI 3-3

WBA is committed to improving the traceability of raw materials used in our products to reduce their environmental and social impact. We prohibit the use of illegally cultivated and harvested sources. No threatened or endangered species can be used in any of our products or their ingredients. We strongly encourage sourcing of raw materials that have been independently certified to a recognized environmental, ethical or social standard.

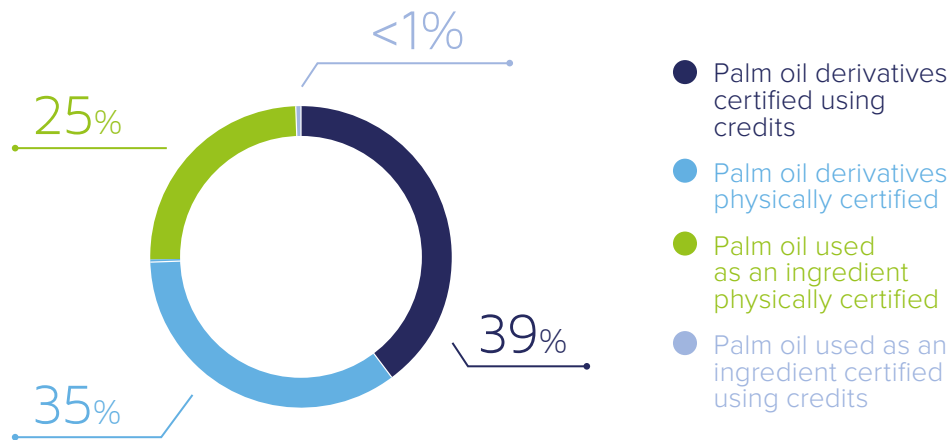
Certain raw materials utilized in our products and packaging are associated with higher environmental or social impacts, including conflict minerals, palm oil, wood pulp and paper and shea. In addition to our dedicated minimum requirement standards for these ingredients, we annually report on their sourcing to reaffirm our commitment to responsible sourcing practices and track our continued progress.

Palm oil sourcing

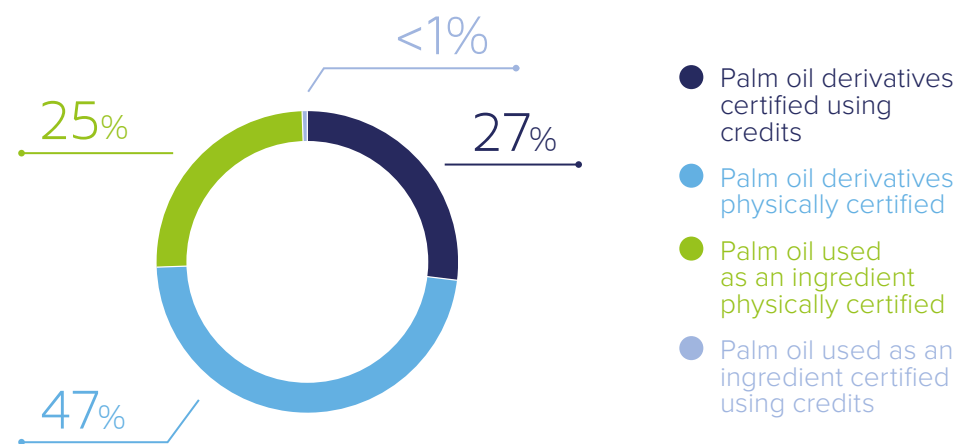
Some of our owned brand products' ingredients contain palm oil and derivatives. With this in mind, we are committed to supporting the development of a sustainable palm oil industry and supply chains that combat deforestation, preserve wildlife habitats, and protect the rights of workers. Our Global Minimum Requirements echo this commitment, striving to require all ingredients containing palm oil and derivatives used within our owned brand products to be certified by the Roundtable on Sustainable Palm Oil (RSPO). The implementation of the Product Sustainability Hub during fiscal 2022 has allowed us to gather more comprehensive information on sustainable palm oil certifications and further enabled us to engage suppliers transitioning to RSPO Certified Supply Chains.

100% of palm oil in Boots UK and No7 Beauty Company certified in fiscal 2022

In fiscal 2022, despite sourcing challenges, we achieved an increase in physically certified palm oil for Boots and No7 Beauty Company, from 53 percent to 60 percent, and 72 percent by calendar year end. We are committed to exceeding 80 percent by the end of fiscal 2023.



Progress during calendar 2022



Pulp and paper sourcing

We are committed to working with our suppliers to help ensure wood, pulp, and paper materials used in our products and packaging are not contributing to deforestation, ecosystem loss or illegal harvesting. Boots-owned brands and the No7 Beauty Company require all wood, pulp and paper materials come from verified recycled sources with at least 50 percent post-consumer content, or from responsibly managed forests using Forest Stewardship Council (FSC) certification or Program for the Endorsement of Forest Certification (PEFC). In calendar year 2021, Boots UK-owned brands and No7 Beauty Company brands achieved 97 percent use of credibly certified wood pulp and paper in owned brand products and in goods not for resale, such as receipt paper and catalogs. Certified paper and pulp packaging accounts for 87 percent compared to 45 percent in calendar year 2020.

In fiscal 2022, Walgreens conducted a wood, paper and pulp usage supplier survey for its owned brands packaging and products. Based on supplier responses, 6 percent of wood, paper and pulp sourced for products and packaging was FSC or PEFC certified.

Shea sourcing

Some of our skincare and beauty brands, such as Liz Earle, use shea butter as a moisturizer in skincare products. WBA has been a member of the nonprofit Global Shea Alliance (GSA) since fiscal 2019, supporting its mission to promote industry sustainability, quality practices and standards around shea butter. Working with the GSA allows us to help support women who harvest shea in Ghana and to give back to communities that work in the shea industry.

Mineral sourcing

WBA is committed to sourcing high-risk or conflict minerals in our products ethically and responsibly and works with suppliers who share this commitment. This commitment is consistent with our ethical code of conduct and the Organization for Economic Cooperation and Development (OECD) guidance for responsible supply chains of minerals from conflict-affected and high-risk areas. We have our Responsible Minerals Sourcing position statement posted in the Product Sustainability Hub to detail our expectation that suppliers fully disclose the use of all mineral-based raw materials and component ingredients in finished products.

WBA strives to limit the use of mica and talc in many of our owned brand product categories due to the high risk of forced or child labor in the extraction of these minerals.

Specific updates and requirements for mica, talc and cobalt include:



Mica:

In fiscal 2022, all our owned brand suppliers that use mica in our products have confirmed their adherence to the minimum requirements. We expect all mica in any of our finished products to be sourced from a member of the Responsible Mica Initiative, a member of the Responsible Minerals Initiative, or a supplier that provides an appropriate independent third-party audit report or certificate to demonstrate that responsible sourcing practices are aligned with the OECD Guidance.



Talc:

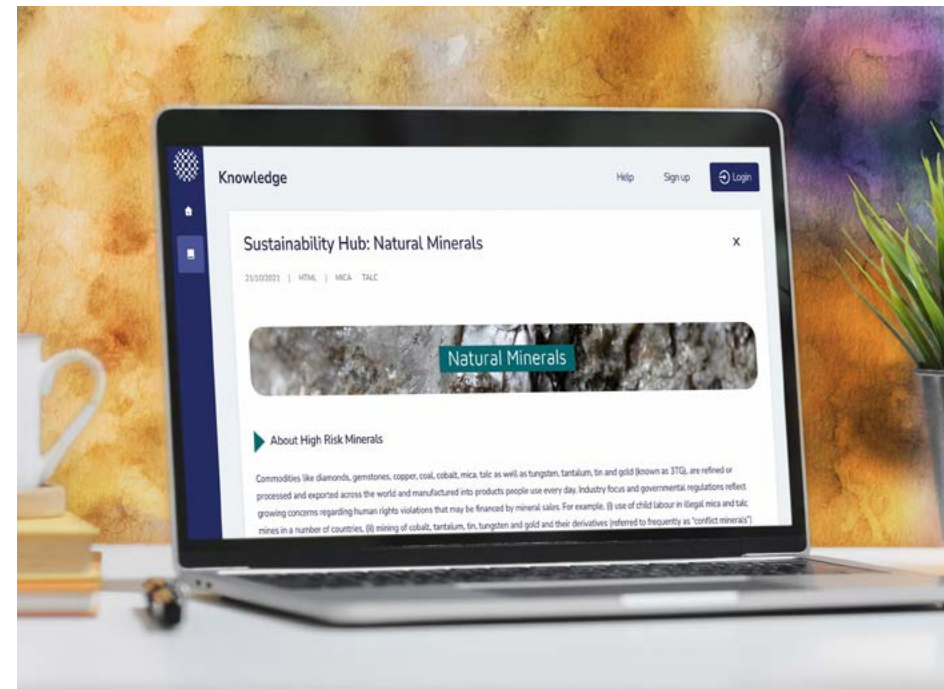
Sources of talc should meet the requirements of the WBA Chemical Action List (CAL), including the verification of no impurities using approved testing methods. We demand that our suppliers exercise appropriate due diligence to confirm that any talc used is not sourced from illegal mines



Cobalt:

Cobalt is prohibited from use in our cosmetic products. We set our expectation with suppliers for hard goods to exercise appropriate due diligence to help ensure any cobalt used is not sourced from illegal mines in The Democratic Republic of the Congo.

WBA prohibits the use of conflict minerals — tantalum, tin, tungsten and gold — where we have direct or significant influence on the manufacturing of finished products. To the extent that any conflict minerals are used as raw materials or component ingredients in finished WBA-owned brand products, we require suppliers to participate in annual due diligence efforts to confirm that any conflict minerals are obtained from conflict-free sources or sources certified by a third-party audit program.



Responsible procurement

Cage-free eggs

We recognize customers' preferences are changing with improved customer access to sustainable and ethically sourced products in local communities. In 2016, Walgreens committed to providing 100 percent cage-free shell and liquid eggs in stores across the U.S. by 2025. Through a dedicated commitment to advancing conversations with suppliers, Walgreens accelerated its progress, meeting the Company's target at the end of calendar year 2022, two full years ahead of our original commitment. Since 2017, Boots has only been using free-range eggs and free-range egg-derived ingredients for all owned brand products and exclusive food products developed with Boots.



Sustainable Packaging

GRI 3-3, 301-1, 301-2, 413-1, 417-1

The issue of packaging waste is a growing societal and environmental concern, and at WBA, we are determined to help address the negative impacts of waste from packaging. In the past few years, we have been focusing on reducing plastic and single-use components from our packaging, in addition to publishing long-term targets for our owned brands. We continue to further our efforts to make our packaging more sustainable in a number of ways, including improving data collection on our packaging material to measure progress, adding sustainable attributes to inform our packaging and product design, collaborating with organizations to develop industrywide circular solutions, and helping customers make better purchasing choices.



Measuring our progress

WBA's owned brands continued to make progress against our targets throughout the fiscal 2022 year. Through the implementation and execution of our tools and programs, we engaged with more suppliers and are increasingly proactive in reducing our impact through our sourcing practices.

Notable efforts and achievements include:



Boots and No7 Beauty Company brands have expanded the number of products across categories produced from recycled-content, recyclable or natural materials, including reusable makeup remover pads, cleansing pads, reusable baby wipes, lipsticks and compacts as well as eyewear brand, Botaniq.



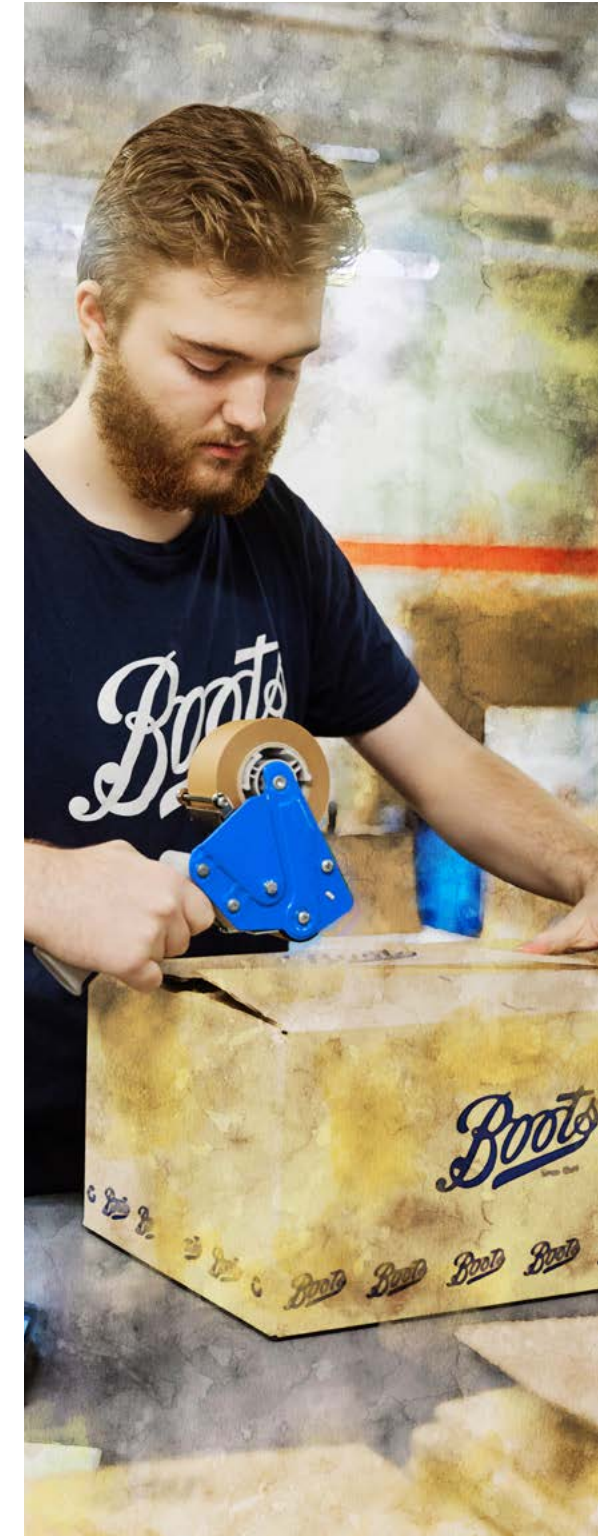
Boots and the No7 Beauty Company brands removed plastic fibers from their wipes in fiscal 2021 and have used this position to encourage other brands to follow. Boots UK ceased stocking wipes with plastic at the end of calendar year 2022.



Walgreens reduced plastic wrap thickness for its owned brand water bottle case, saving 204 metric tons of plastic in fiscal 2022 sales.



Boots successfully removed all plastic packaging from its online deliveries, equating to approximately 370 metric tonnes of plastic since 2018.





DISCOVER

More on WBA's efforts to find solutions for single-use plastic pollution can be found [here](#).

Packaging and product design

GRI 3-3, 301-1, 301-2, 306-3

WBA has established public goals to reduce plastic packaging by 30 percent by 2030 for U.S.-owned brands. In fiscal 2022, we further advanced our progress toward our plastic packaging targets, reducing plastic in owned brand product packaging.

We also have a target to make 100 percent of owned brand plastic packaging is reusable or recyclable and to incorporate an average of 30 percent recycled content across all packaging by 2025 for UK-owned brands and by 2030 for U.S.-owned brands. Throughout fiscal 2022, WBA-owned brands continued to incorporate methods to improve recyclability and reduce or replace the amount of virgin plastic content in our packaging. In calendar 2022, we maintained our progress as compared to the year prior with approximately 60 percent of our packaging material made from either reusable or recyclable materials and at Boots UK and No7 Beauty Company approximately seven percent average recycled content achieved across all plastic packaging. We plan to provide updates in our next fiscal 2023 ESG Report.

A key element of our plastic packaging efforts includes engaging and partnering with suppliers to make innovative changes to packaging design, including reducing total plastics by weight, increasing post-consumer recycled (PCR) content, and ensuring higher recyclability rates. Wherever possible, our new and relaunched products follow guidelines set for suppliers around packaging type and amount of plastic content present, including the following requirements to:

1. Optimize the amount of plastic used and minimize the number of different plastics in the design of packaging components
2. Maximize the potential for plastic to be reused or recycled by consumers
3. Use PCR wherever feasible, aiming for at least 30 percent minimum (by weight)
4. Seek to eliminate materials that hinder recyclability and unnecessary single-use components and materials

Our owned brands continued progress toward achieving the UK Plastics Pact targets. Boots and No7 Beauty Company joined Sustainable Packaging Initiative for CosmEtics (SPICE), a collaborative initiative that develops collective solutions for sustainable packaging for cosmetics in fiscal 2021. Boots and No7 Beauty Company use the SPICE Tool and methodology to assess the environmental impact of cosmetics packaging across a product's life cycle to inform decisions on product design developments.

Metric tonnes of packaging material in owned brand products (calendar year)²

	2021	2020 ³	YoY Variance
Glass	1,313	1,243	5.6%
Metal	873	1,139	(23.4%)
Plastic¹	14,444	14,854	(2.8%)
Wood, pulp and paper⁴	19,775	20,754	(4.7%)

¹GRI 306-3 specified disclosures for plastic only are within Deloitte & Touche LLP review scope as detailed on pages [119-120](#).

²WBA-owned brand packaging data is based on supplier responses within our Sustainability Hub portal, of which 76 percent is actual and 24 percent is estimated.

³Reported data for 2020 has been adjusted from prior reporting to reflect updated calculation methodology.

⁴Excludes pallets.

Industry collaboration

GRI 3-3, 413-1

We engage with numerous organizations and government entities to seek industrywide solutions and take meaningful action toward packaging sustainability. We are closely following the development of the OECD (Organization for Economic Co-operation and Development) Extended Producer Responsibility (EPR) rules for packaging in different geographies around the world. WBA is also a member of Sustainable Packaging Coalition, an independent nonprofit organization that brings sustainable packaging stakeholders together to catalyze actionable improvements to packaging systems.

In October 2022, Walgreens joined the Sustainable Medicines Partnership (SMP) as a member of the Steering Committee, a private-public collaboration executing projects to make the use of medicines more sustainable. The SMP will deliver evidence-based integrated projects, including scalable solutions, frameworks, standards, metrics and implementation toolkits. Each of the integrated projects will be led according to the six pillars of sustainable medicines:

1. Measurable impacts (design and implement metrics)
2. End-to-end visibility (dynamic tracking through supply chain)
3. Better shelf life (incentivize shelf-life extension)
4. Digital by fault (patient-centered medicines information)
5. Every dose used (reallocate unused medicines)
6. Sustainable packaging (circular solutions to reduce single-use packaging)

Product labeling

GRI 3-3, 417-1

WBA supplier agreements specify that suppliers must meet regulatory requirements for labeling of ingredients on our owned brand products. Under the minimum standard requirements, new and refreshed WBA-owned brand items must be reviewed to carry a How2Recycle label for U.S. products or an On-Pack Recycling Label (OPRL) for UK products. We work with the Sustainable Packaging Coalition on implementing the How2Recycle label on an increasing number of our products. These labels are designed to provide customers with clear advice on how to recycle. In the UK, WBA has representation on the OPRL technical advisory committee, working on industrywide solutions involving recycling labeling.

Boots and No7 Beauty Company have also worked with utility companies and antipollution campaigners to set "Do Not Flush" labeling standards for products likely to cause sewer blockages and water pollution. Through our Minimum Sustainability Requirements and Labelling standards, we have mandated the use of this label on products which have the highest risk of being inappropriately flushed.

EU EcoBeautyScore Consortium

To further its efforts to encourage sustainable behaviors for consumers and help them make better-informed purchases, Boots and No7 Beauty Company joined as signatories to the EcoBeautyScore Consortium in July 2022. The consortium is a collaboration of major global cosmetics companies that seek to establish a transparent global environmental impact scoring system. The scoring system aims to provide consumers with clear, transparent and comparable environmental impact assessments to inform purchasing decisions. This will contribute to meeting the growing consumer demand for increased transparency about the environmental impact of cosmetics products, including the formula, packaging and product usage phase.



Appendix





GRI Content Index

Walgreens Boots Alliance has reported in accordance with the new GRI Universal Standards for the period from Sept. 1, 2021 to Aug. 31 2022, and has carried out an ongoing exercise to align our ESG reporting to the standards. This GRI Content Index reflects the material ESG topics that emerged in our most recent complete ESG materiality assessment, which was concluded during fiscal 2021.



GRI Disclosure		References and responses
GRI 1: FOUNDATION		
Reporting Principles and Requirements		Our Approach to ESG; page 8
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021		
THE ORGANIZATION AND ITS REPORTING PRACTICES		
2-1	Organizational details	At a Glance; page 6
2-2	Entities included in the organization's sustainability reporting	At a Glance; page 6
2-3	Reporting period, frequency and contact point	About This Report; page 3
2-4	Restatements of information	Direct Response: We did not make any restatements of information during the reporting period.
2-5	External assurance	About This Report; page 3 Assurance Report; pages 119-120
ACTIVITIES AND WORKERS		
2-6	Activities, value chain and other business relationships	At a Glance; page 6 WBA 2022 Annual Report (pages 1-33)

GRI Disclosure	References and responses																																																		
ACTIVITIES AND WORKERS (cont.)																																																			
2-7	<p>Employees</p> <p>Diversity, Equity and Inclusion; page 57 Employee Engagement and Development; page 64 WBA 2022 Annual Report (pages 10-12)</p> <p>Direct Response:</p> <p>Employees by gender and employment type^{1,2} as of Aug. 31, 2022³</p> <table border="1"> <thead> <tr> <th>Employment type</th> <th>All (%)</th> <th>Permanent (%)</th> <th>Temporary (%)</th> <th>Part-time (%)</th> <th>Full-time (%)</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>29</td> <td>29</td> <td>27</td> <td>25</td> <td>31</td> </tr> <tr> <td>Female</td> <td>71</td> <td>71</td> <td>73</td> <td>75</td> <td>69</td> </tr> <tr> <td>Undisclosed⁴</td> <td>-</td> <td>-</td> <td>-</td> <td>0</td> <td>-</td> </tr> <tr> <td>All employees</td> <td>100</td> <td>100</td> <td>100</td> <td>100</td> <td>100</td> </tr> </tbody> </table> <p>The table below shows the Company's employees by region and by employment type.</p> <table border="1"> <thead> <tr> <th></th> <th>United States</th> <th>International</th> <th>Total WBA</th> </tr> </thead> <tbody> <tr> <td>Permanent employees (%)</td> <td>80</td> <td>20</td> <td>100</td> </tr> <tr> <td>Temporary employees (%)</td> <td>-</td> <td>100</td> <td>100</td> </tr> <tr> <td>Full-time (%)</td> <td>80</td> <td>20</td> <td>100</td> </tr> <tr> <td>Part-time (%)</td> <td>76</td> <td>24</td> <td>100</td> </tr> </tbody> </table> <p>¹Employees of fully owned and/or consolidated WBA businesses; does not include employees of companies in which WBA has equity method investments. ²Does 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. ³Fiscal 2022 data within Deloitte & Touche LLP's review scope as detailed on pages 119-120. ⁴Totals showing zeros reflect rounding of amounts lower than 0.5%.</p>	Employment type	All (%)	Permanent (%)	Temporary (%)	Part-time (%)	Full-time (%)	Male	29	29	27	25	31	Female	71	71	73	75	69	Undisclosed ⁴	-	-	-	0	-	All employees	100	100	100	100	100		United States	International	Total WBA	Permanent employees (%)	80	20	100	Temporary employees (%)	-	100	100	Full-time (%)	80	20	100	Part-time (%)	76	24	100
Employment type	All (%)	Permanent (%)	Temporary (%)	Part-time (%)	Full-time (%)																																														
Male	29	29	27	25	31																																														
Female	71	71	73	75	69																																														
Undisclosed ⁴	-	-	-	0	-																																														
All employees	100	100	100	100	100																																														
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Temporary employees (%)	-	100	100																																																
Full-time (%)	80	20	100																																																
Part-time (%)	76	24	100																																																
2-8	<p>Workers who are not employees</p> <p>Employee Engagement and Development; page 64.</p> <p>Direct Response: We have 28,824 non-employee workers. Most of these non-employee workers are in the areas of IT and Accounting. We have contracts with consulting services who directly employ these workers.</p>																																																		

GRI Disclosure	References and responses
GOVERNANCE	
2-9	<p>Governance structure and composition</p> <p>Governance; page 20 Corporate Governance and Risk Management; page 21 Leadership Team</p>
2-10	<p>Nomination and selection of the highest governance body</p> <p>Corporate Governance and Risk Management; page 21 2023 Notice of Annual Meeting and Proxy Statement</p>
2-11	<p>Chair of the highest governance body</p> <p>Governance; page 20 Corporate Governance and Risk Management; page 21 2023 Notice of Annual Meeting and Proxy Statement</p>
2-12	<p>Role of the highest governance body in overseeing the management of impacts</p> <p>Stakeholder Engagement; page 15 Corporate Governance and Risk Management; page 21</p>
2-13	<p>Delegation of responsibility for managing impacts</p> <p>Corporate Governance and Risk Management; page 21</p>
2-14	<p>Role of the highest governance body in sustainability reporting</p> <p>Corporate Governance and Risk Management; page 21</p>
2-15	<p>Conflicts of interest</p> <p>Code of Conduct and Ethics (page 20) 2023 Notice of Annual Meeting and Proxy Statement</p>
2-16	<p>Communication of critical concerns</p> <p>2023 Notice of Annual Meeting and Proxy Statement</p>
2-17	<p>Collective knowledge of the highest governance body</p> <p>Corporate Governance and Risk Management; page 21 Policies; page 21 Code of Conduct and Ethics (page 5) 2023 Notice of Annual Meeting and Proxy Statement</p>
2-18	<p>Evaluation of the performance of the highest governance body</p> <p>Corporate Governance and Risk Management; page 21 2023 Notice of Annual Meeting and Proxy Statement (page 106) WBA Corporate Governance Guidelines (Section 13)</p>
2-19	<p>Remuneration policies</p> <p>2023 Notice of Annual Meeting and Proxy Statement (page 83)</p>
2-20	<p>Process to determine remuneration</p> <p>2023 Notice of Annual Meeting and Proxy Statement (page 4)</p>
2-21	<p>Annual total compensation ratio</p> <p>Employee Engagement and Development; page 64 Direct Response: The CEO Pay ratio is 705:1. This is a year over year change of 35 percent.</p>
2-22	<p>Statements on sustainable development strategy</p> <p>A Message to Our Stakeholders; page 4 Q&A with Our ESG Committee Chair; page 5 Our Purpose, Vision and Values; page 6</p>

GRI Disclosure		References and responses
STRATEGY, POLICIES AND PRACTICES		
2-23	Policy commitments	Corporate Governance and Risk Management; page 21 Policies; page 21 Our Owned Brands; page 86 Code of Conduct and Ethics Corporate Social Responsibility Policy Statements (page 9) Direct Response: 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.
2-24	Embedding policy statements	Corporate Governance and Risk Management; page 21 Policies; page 21 Responsible Sourcing; page 88
2-25	Processes to remediate negative impacts	ESG Materiality; page 10 Direct Response: The latest WBA materiality assessment (pages 10-12) was conducted in 2020 and looked ahead to the next several years. The scope of the materiality project, particularly during the interview and workshop stages, included consideration of areas where Walgreens Boots Alliance has potentially negative impacts as well as activities creating positive results. We place importance on the provision of effective remedy wherever human rights impacts occur through company-based grievance mechanisms. We encourage anyone who works for or on behalf of Walgreens Boots Alliance to speak up, without fear of retaliation, about any complaints or concerns they may have in relation to human rights. We expect our suppliers and business partners to make the same commitment. This is stated in the WBA Human Rights Policy Statement and described on page 22. We commit to promoting a grievance mechanism for colleagues to raise complaints or concerns. We would never impede access to state-based judicial or non-judicial mechanisms for individuals or communities who feel their human rights have been impacted. Stakeholder feedback, particularly from patients and customers, is captured and tracked across WBA.
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance and Risk Management; page 21 Workplace Health and Safety; page 23 Code of Conduct and Ethics (pages 8-10, 35)
2-27	Compliance with laws and regulations	Policies; page 21 Direct Response: Record of noncompliance and legal disputes can be found in our 2022 Annual Report .
2-28	Membership associations	Stakeholder Engagement; page 15
2-29	Approach to stakeholder engagement	ESG Materiality; page 10 Stakeholder Engagement; page 15
STAKEHOLDER ENGAGEMENT		
2-30	Collective bargaining agreements	Employee Engagement and Development; page 64

GRI Disclosure		References and responses
STAKEHOLDER ENGAGEMENT (cont.)		
MATERIAL TOPICS		
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	ESG Materiality; page 10 Stakeholder Engagement; page 15
3-2	List of material topics	ESG Materiality; page 10
GRI 200 ECONOMIC STANDARDS SERIES		
ECONOMIC PERFORMANCE		
GRI 3: Material Topics 2021		
3-3	Management of material topics	At a Glance; page 6 Our Approach to ESG; page 8 ESG Materiality; page 10
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	At a Glance; page 6 Giving Back: Corporate Donations and Supporting Causes; page 52 Employee Engagement and Development; page 64 WBA 2022 Annual Report (pages 1, 34, 42, 44, 105, 112)
201-2	Financial implications and other risks and opportunities due to climate change	WBA 2022 Annual Report (pages 19, 21) TCFD Index; page 111
201-3	Defined benefit plan obligations and other retirement plans	Direct Response: Plan's liabilities vary by plan. In some cases a plan might be funded through a segregated plan trust or liabilities may not exist because a plan might not be a pension plan. You can find information on plan liabilities in the fiscal WBA 2022 Annual Report on pages 101-104 . For the U.S., Puerto Rico, and WBA Inc. participation rates are 49 percent, 70 percent and 65 percent respectively. For Boots UK, the participation rate is approximately 66 percent.
201-4	Financial assistance received from government	Direct Response: The Company received nearly \$40 million in tax credits in fiscal 2022. The company has received tax holidays from Swiss cantonal income taxes relative to certain of its Swiss operations. The income tax holidays expired in September 2022. Upon expiration, a reduced tax rate was extended through December 2029. The holidays had a beneficial impact of \$104 million, \$118 million, and \$124 million (inclusive of capital GILTI tax cost) during fiscal 2022, 2021 and 2020, respectively. This benefit is primarily included as part of foreign income taxed at non-U.S. rates in the effective tax rate reconciliation table in the WBA 2022 Annual Report on page 98. WBA is a publicly traded company on the NASDAQ and the Dow Jones Industrial Index. Norge Bank Investment Management is a shareholder of WBA.

GRI Disclosure		References and responses
ECONOMIC PERFORMANCE (cont.)		
		<p>Their current stake, shares owned, and value can be found through online disclosures.</p> <p>Omission: Explanation for Omission: WBA does not disclose financial assistance received by any government by country as this information could be used to generate a strategic competitive advantage if shared publicly.</p> <p>Reason for Omission: Confidentiality Constraints</p>
MARKET PRESENCE		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<p>At a Glance; page 6</p> <p>Our Approach to ESG; page 8</p> <p>ESG Materiality; page 10</p> <p>Stakeholder Engagement; page 15</p> <p>Employee Health and Well-being; page 68</p>
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	<p>Direct Response: Ratio of our standard entry-level hourly wage to local minimum wage varies depending on minimum wage standards by location. For our U.S. Walgreens business operating in all 50 states, we increased the starting hourly wage for all team members to \$15.00 an hour, with a complete rollout by Nov. 1, 2022. The Company consistently reviews wages guidelines to make updates where needed.</p> <p>In April 2022, Boots UK applied wage increases to its payroll, enabling the business to continue paying above the national minimum wage for those with six months' or more experience in the business.</p> <p>Standard entry-level wage does not vary by gender.</p> <p>In addition, we strive to work with suppliers who maintain WBA's commitment to fair wages and hours for all workers.</p>
202-2	Proportion of senior management hired from the local community	<p>Direct response: For both U.S. and UK, 100 percent of senior management have been hired from the local community. Senior management includes senior directors and above. "Local" is defined by country, as we operate globally. Significant location of operation is based on sales.</p>
INDIRECT ECONOMIC IMPACTS		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<p>At a Glance; page 6</p> <p>Our Approach to ESG; page 8</p> <p>ESG Materiality; page 10</p> <p>Stakeholder Engagement; page 15</p>

GRI Disclosure		References and responses
INDIRECT ECONOMIC IMPACTS (cont.)		
		<p>Healthy Communities; pages 30-54</p> <p>Health Access and Awareness; page 31</p> <p>Partnerships for Good; page 46</p>
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	<p>Commitments and Progress; pages 13-14</p> <p>Health Access and Awareness; page 31</p> <p>Prescription Misuse Prevention; page 45</p> <p>Partnerships for Good; page 46</p> <p>Giving Back: Corporate Donations and Supporting Causes; page 52</p>
203-2	Significant indirect economic impacts	<p>Health Access and Awareness; page 31</p>
ANTI-CORRUPTION		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<p>Our Approach to ESG; page 8</p> <p>ESG Materiality; page 10</p> <p>Responsible Sourcing; page 88</p> <p>Our Owned Brands; page 86</p> <p>Code of Conduct and Ethics (page 26)</p>
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	<p>Direct Response: Please refer to the Code of Conduct and Ethics (page 21), 2023 Notice of Annual Meeting and Proxy Statement (pages 29-31, Risk Management) and WBA 2022 Annual Report (page 35, Risk factors) for how the Company assesses and mitigates significant risks related to corruption.</p> <p>Omission</p> <p>Part of Disclosure Omitted: Total number and percentage of operations assessed for risks related to corruption</p> <p>Reason for Omission: Business confidential</p> <p>Explanation for Omission: Reasons for limiting disclosure include, but are not limited to, confidentiality.</p>
205-2	Communication and training about anti-corruption policies and procedures	<p>Direct Response: WBA strives to maintain high ethical standards. WBA's Code of Conduct and Ethics extends and is publicly available to all WBA officers, employees, any officers or employees of a business or company in which WBA or any of its subsidiaries has a controlling interest, and other parties acting on behalf of WBA 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</p>

GRI Disclosure		References and responses
ANTI-CORRUPTION (cont.)		
		<p>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 policies 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>The Company expects 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. 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. Any corrupt, improper or unethical behavior in dealings with suppliers is prohibited.</p>
205-3	Confirmed incidents of corruption and actions taken	<p>Direct Response: In this reporting period, there have not been any instances of public legal cases regarding corruption brought against the Company or its employees.</p> <p>Omission</p> <p>Part of Disclosure Omitted: Total number and nature of confirmed incidents of corruption; Total number of confirmed incidents in which employees were dismissed or disciplined for corruption; And total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.</p> <p>Reason for Omission: Business confidential</p> <p>Explanation for Omission: Reasons for limiting disclosure include, but are not limited to, confidentiality.</p>
ANTI-COMPETITIVE BEHAVIOR		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<p>Our Approach to ESG; page 8</p> <p>ESG Materiality; page 10</p> <p>Stakeholder Engagement; page 15</p> <p>Our Owned Brands; page 86</p> <p>Code of Conduct and Ethics (page 21)</p>

GRI Disclosure		References and responses
ANTI-COMPETITIVE BEHAVIOR (cont.)		
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<p>Direct Response: We disclose all material litigation, including matters related to competition law, as required in our WBA 2022 Annual Report and quarterly reports filed with the SEC. We make these reports publicly available under "SEC Filings" at investor.walgreensbootsalliance.com.</p>
GRI 300 ENVIRONMENTAL STANDARDS SERIES		
MATERIALS		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<p>Our Approach to ESG; page 8</p> <p>ESG Materiality; page 10</p> <p>Stakeholder Engagement; page 15</p> <p>Waste; page 78</p> <p>Plastics; page 82</p> <p>Our Owned Brands; page 86</p> <p>Sustainable Packaging; page 94</p>
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Sustainable Packaging; page 94
301-2	Recycled input materials used	<p>Sustainable Packaging; page 94</p> <p>Direct Response: We do not currently have the capabilities to track recycled material input outside of recycled plastic and wood input in the packaging of our Walgreens and Boots owned brands.</p>
301-3	Reclaimed products and their packaging materials	Waste; page 78
ENERGY		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<p>Our Approach to ESG; page 8</p> <p>Stakeholder Engagement; page 15</p> <p>Energy and Emissions; page 72</p>
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Energy and Emissions; page 72

GRI Disclosure		References and responses
ENERGY (cont.)		
302-2	Energy consumption outside of the organization	Direct Response: The Company is reporting on two of the 15 Scope 3 categories: Business travel and Downstream transportation and distribution (cars, aircraft, trains or by sea) for operations outsourced to third parties where deliveries are made exclusively for Walgreens Boots Alliance's businesses.
302-3	Energy intensity	Energy and Emissions; page 72
302-4	Reduction of energy consumption	Energy and Emissions; page 72
302-5	Reductions in energy requirements of products and services	Direct Response: We do not currently have the capabilities to track reductions in energy requirements of sold products and services achieved during the reporting period.
EMISSIONS		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 Stakeholder Engagement; page 15 Energy and Emissions; page 72
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Energy and Emissions; page 72 Gasses included in the calculation are carbon dioxide (CO ₂), methane (CH ₄) and nitrous oxide (N ₂ O). We believe that hydrofluorocarbons (HFCs) may be material to the Company, and we are implementing processes that will allow for reporting on HFCs in future reports. Source of the emission factors and the global warming potential (GWP) rate used: AR6 Emission Factors; U.S. Environmental Protection Agency (EPA) Emissions & General Resource Integrated Database; UK Department for Environment, Food & Rural Affairs (DEFRA); and International Energy Agency (IEA).
305-2	Energy indirect (Scope 2) GHG emissions	Energy and Emissions; page 72 Gasses included in the calculation are carbon dioxide (CO ₂), methane (CH ₄) and nitrous oxide (N ₂ O). We believe that hydrofluorocarbons (HFCs) may be material to the Company, and we are implementing processes that will allow for reporting on HFCs in future reports. Source of the emission factors and the global warming potential (GWP) rate used: AR6 Emission Factors; U.S. Environmental Protection Agency (EPA) Emissions & General Resource Integrated Database; UK Department for Environment, Food & Rural Affairs (DEFRA); and International Energy Agency (IEA).
305-3	Other indirect (Scope 3) GHG emissions	Energy and Emissions; page 72 Gasses included in the calculation are carbon dioxide (CO ₂), methane (CH ₄) and nitrous oxide (N ₂ O). We believe that hydrofluorocarbons (HFCs) may be material to the Company, and we are implementing processes that will allow for reporting on HFCs in future reports. Source of the emission factors and the global warming potential (GWP) rate used:

GRI Disclosure		References and responses
EMISSIONS (cont.)		
		AR6 Emission Factors; U.S. Environmental Protection Agency (EPA) Emissions & General Resource Integrated Database; UK Department for Environment, Food & Rural Affairs (DEFRA); and International Energy Agency (IEA).
305-4	GHG Emissions intensity	Energy and Emissions; page 72 Scope 1 and 2 location-based emissions per million USD sales (using net sales). Gasses included in the calculation are carbon dioxide (CO ₂), methane (CH ₄) and nitrous oxide (N ₂ O). We believe that hydrofluorocarbons (HFCs) may be material to the Company, and we are implementing processes that will allow for reporting on HFCs in future reports.
305-5	Reduction of GHG emissions	Energy and Emissions; page 72 Direct Response: GHG emissions are reported in metric tonnes of carbon dioxide equivalents (CO ₂ e) and include three of the seven GHGs covered by the Kyoto Protocol: carbon dioxide (CO ₂), methane (CH ₄) and nitrous oxide (N ₂ O). These three gases are also reported separately. The following three greenhouse gases were omitted from our reporting as they are not a material source of greenhouse gases for the business: perfluorocarbons (PFCs), sulfur hexafluoride (SF ₆) and nitrogen trifluoride (NF ₃). We believe that hydrofluorocarbons (HFCs) may be material to the Company as they are used within refrigeration and cooling. We are implementing processes that will allow reporting on HFCs in future reporting.
305-6	Emissions of ozone-depleting substances (ODS)	Direct Response: Trichlorofluoromethane (CFC-11) is not applicable to our business operations. We therefore do not track this.
305-7	Nitrogen oxides (NOx), sulfur (SOx) and other significant air emissions	Direct Response: Nitrogen oxides (NOx) and sulfur oxides (SOx) are not applicable to our business operations. We therefore do not track this.
EFFLUENTS AND WASTE		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 Stakeholder Engagement; page 15 Waste; page 78 Plastics; page 82
GRI 306: Effluents and Waste 2020		
306-1	Waste generation and significant waste-related impacts	Waste; page 78 Plastics; page 82
306-2	Management of significant waste-related impacts	Waste; page 78 Plastics; page 82
306-3	Waste generated	Waste; page 78 Packaging and Product Design; page 95

GRI Disclosure		References and responses
EFFLUENTS AND WASTE (cont.)		
306-4	Waste diverted from disposal	Waste; page 78 Total Weight of Waste Diverted From Disposal: <ul style="list-style-type: none"> On-site: 182,360 metric tonnes Off-site: 671,925 metric tonnes On-site waste consists of diverted reusable totes while off-site waste accounts for all other diverted waste. 182,360 metric tonnes of waste are handled on-site, and 671,925 are handled off-site.
306-5	Waste directed to disposal	Waste; page 78
SUPPLIER ENVIRONMENTAL ASSESSMENT		
GRI 3: Material Topics 2021		
3-3	Management of material topics	At a Glance; page 6 Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Plastics; page 82 Our Owned Brands; page 86 Responsible Sourcing; page 88 Sustainable Materials; page 91
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Plastics; page 82 Responsible Sourcing; page 88
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Materials; page 91 Direct Response: No supplier relationships were terminated during the 2022 fiscal.
GRI 400 SOCIAL STANDARDS SERIES		
EMPLOYMENT		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Employee Health and Well-being; page 68

GRI Disclosure		References and responses																																																																												
EMPLOYMENT (cont.)																																																																														
GRI 401: Employment 2016																																																																														
401-1	New employee hires and employee turnover	<p>Direct Response:</p> <p>Employee turnover^{1,2} as of Aug. 31, 2022.</p> <table border="1"> <thead> <tr> <th></th> <th>Voluntary Turnover (%)</th> <th>Involuntary Turnover (%)</th> <th>Total Employee Turnover (%)</th> </tr> </thead> <tbody> <tr> <td>United States</td> <td>53</td> <td>10</td> <td>63</td> </tr> <tr> <td>International</td> <td>30</td> <td>3</td> <td>33</td> </tr> <tr> <td>WBA</td> <td>48</td> <td>8</td> <td>57</td> </tr> </tbody> </table> <p>The table below shows the number and rate of new employee hires and employee turnover at Walgreens as of Aug. 31, 2022.</p> <table border="1"> <thead> <tr> <th>Employment type (of the applicable group)</th> <th><30</th> <th>30-50</th> <th>50+</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>New employee hires</td> <td>96,418</td> <td>35,134</td> <td>12,351</td> <td>43,493</td> <td>100,410</td> </tr> <tr> <td>Rate of new employee hires</td> <td>42%</td> <td>15%</td> <td>5%</td> <td>19%</td> <td>43%</td> </tr> <tr> <td>Employee turnover</td> <td>93,173</td> <td>38,587</td> <td>14,167</td> <td>44,652</td> <td>101,275</td> </tr> <tr> <td>Rate of employee turnover</td> <td>41%</td> <td>17%</td> <td>6%</td> <td>20%</td> <td>45%</td> </tr> </tbody> </table> <p>The table below shows the number and rate of new employee hires and employee turnover at Boots UK, Republic of Ireland, and Boots Opticians as of Aug. 31, 2022.</p> <table border="1"> <thead> <tr> <th>Employment type (of the applicable group)</th> <th><30</th> <th>30-50</th> <th>50+</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>New employee hires</td> <td>8,307</td> <td>2,815</td> <td>1,226</td> <td>2,576</td> <td>9,772</td> </tr> <tr> <td>Rate of new employee hires</td> <td>36%</td> <td>14%</td> <td>9%</td> <td>22%</td> <td>22%</td> </tr> <tr> <td>Employee turnover</td> <td>5,916</td> <td>2,955</td> <td>13,756</td> <td>4,741</td> <td>17,886</td> </tr> <tr> <td>Rate of employee turnover</td> <td>26%</td> <td>14%</td> <td>101%</td> <td>40%</td> <td>39%</td> </tr> </tbody> </table>		Voluntary Turnover (%)	Involuntary Turnover (%)	Total Employee Turnover (%)	United States	53	10	63	International	30	3	33	WBA	48	8	57	Employment type (of the applicable group)	<30	30-50	50+	Male	Female	New employee hires	96,418	35,134	12,351	43,493	100,410	Rate of new employee hires	42%	15%	5%	19%	43%	Employee turnover	93,173	38,587	14,167	44,652	101,275	Rate of employee turnover	41%	17%	6%	20%	45%	Employment type (of the applicable group)	<30	30-50	50+	Male	Female	New employee hires	8,307	2,815	1,226	2,576	9,772	Rate of new employee hires	36%	14%	9%	22%	22%	Employee turnover	5,916	2,955	13,756	4,741	17,886	Rate of employee turnover	26%	14%	101%	40%	39%
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GRI Disclosure		References and responses																				
EMPLOYMENT (cont.)																						
		<p>¹Employees of fully owned and/or consolidated WBA businesses; does not include employees of companies in which WBA has equity method investments.</p> <p>²Does 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.</p>																				
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Health and Well-being; page 68																				
401-3	Parental leave	Employee Health and Well-being; page 68 Direct Response: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>Female</th> <th>Male</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Employees eligible for parental leave</td> <td>111,590</td> <td>46,878</td> <td>158,468</td> </tr> <tr> <td>Employees who took parental leave</td> <td>5,696</td> <td>2,141</td> <td>7,837</td> </tr> <tr> <td>Employees who returned to work from parental leave</td> <td>2,844</td> <td>1,413</td> <td>4,257</td> </tr> <tr> <td>Employees who returned from parental leave and worked 12 months</td> <td>2,618</td> <td>1,380</td> <td>3,998</td> </tr> </tbody> </table>		Female	Male	Total	Employees eligible for parental leave	111,590	46,878	158,468	Employees who took parental leave	5,696	2,141	7,837	Employees who returned to work from parental leave	2,844	1,413	4,257	Employees who returned from parental leave and worked 12 months	2,618	1,380	3,998
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OCCUPATIONAL HEALTH AND SAFETY																						
GRI 3: Material Topics 2021																						
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Employee Health and Well-being; page 68 Workplace Safety; page 23 Code of Conduct and Ethics (page 14)																				
GRI 403: Occupational Health and Safety 2018																						
403-1	Occupational health and safety management system	Workplace Safety; page 23 COVID-19 Safety Response; page 23 Safety Campaigns; page 24																				

GRI Disclosure		References and responses
OCCUPATIONAL HEALTH AND SAFETY (cont.)		
403-2	Hazard identification, risk assessment, and incident investigation	Workplace Safety; page 23 COVID-19 Safety Response; page 23 Safety Campaigns; page 24 Direct Response: Each WBA segment, business and corporate function must designate a director from its management or operating committee to hold specific responsibility for management of all health, safety and environmental matters in its operations. The 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. Each segment, business and corporate function must have written, fit-for-purpose health, safety and environmental standards – informed by local legislative requirements – that cover the areas of risk relevant to its operations as well as a compliance program that includes regular health, safety and environmental audits. Every business must have in place processes for investigating accidents and near misses to help ensure that the root causes of health, safety and environmental incidents are fully identified and addressed. In addition to internal investigative processes, the Occupational Safety and Health Administration (OSHA) in the U.S. assesses risks, recommends improvements and enforces industry standards. In the UK, primary authorities are consulted on health and safety and environmental matters, for which they may provide assured advice. As outlined in employee handbooks, policies, 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 segments, businesses and corporate functions. 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.
403-3	Occupational health services	Workplace Safety; page 23 COVID-19 Safety Response; page 23 Safety Campaigns; page 24
403-4	Worker participation, consultation, and communication on occupational health and safety	Workplace Safety; page 23 COVID-19 Safety Response; page 23
403-5	Worker training on occupational health and safety	Workplace Safety; page 23 COVID-19 Safety Response; page 23 Safety Campaigns; page 24 Employee Health and Well-being; page 68
403-6	Promotion of worker health	COVID-19 Safety Response; page 23 Health Access and Awareness; page 31 Employee Health and Well-being; page 68

GRI Disclosure		References and responses
OCCUPATIONAL HEALTH AND SAFETY (cont.)		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Workplace Safety; page 23 Safety Campaigns; page 24
403-8 ¹	Workers covered by an occupational health and safety management system	<p>Direct Response: WBA has implemented key elements of a health, safety and environmental system in all markets covering all employees. Safety management systems and internal and external auditing processes are in place in several larger markets covering all employees.</p> <p>Omission:</p> <p>Part of Disclosure Omitted: Workers who are not employees, and an annual internal or external audit process of the management system.</p> <p>Reason for Omission: Information unavailable</p> <p>Explanation for Omission: 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 nonemployee workers. An annual internal and external audit process of the management system is not applied across all markets. 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>¹GRI 403-8 required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages 119-120.</p>
TRAINING AND EDUCATION		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Stakeholder Engagement; page 15 Employee Engagement and Development; page 64
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Employee Health and Well-being; page 68 <p>Direct Response: Walgreens full-time equivalent team members received an average of 32 hours of training per person. Males received 28 hours, and females received 34 hours of training.</p> <p>Omission:</p> <p>Part of Disclosure Omitted: Employee category</p> <p>Reason for Omission: Information unavailable</p>
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Engagement and Development; page 64
404-3	Percentage of employees receiving regular performance and career development reviews	Employee Engagement and Development; page 64

GRI Disclosure		References and responses
DIVERSITY AND EQUAL OPPORTUNITY		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Diversity, Equity and Inclusion; page 57 Diversity, Equity and Inclusion Policy Statement 2023 Notice of Annual Meeting and Proxy Statement Code of Conduct and Ethics (page 12)
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Diversity, Equity and Inclusion; page 57 2023 Notice of Annual Meeting and Proxy Statement
405-2	Ratio of basic salary and remuneration of women to men	Adjusted gender pay different (basic salary only): <ul style="list-style-type: none"> • Executives: 96.64% • Managers: 96.40% • All Non-Management Employees: 99.67% • Overall: 99.57%
LOCAL COMMUNITIES		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Partnerships for Good; page 46 Giving Back: Corporate Donations and Supporting Causes; page 52 Diversity, Equity and Inclusion; page 57 Responsible Sourcing; page 88 <p>Direct Response: 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 segments quarterly to determine alignment with our ESG strategy.</p>
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Fiscal 2022 Achievements and Recognition; page 7 Healthcare Access and Awareness; page 31 Giving Back: Corporate Donations and Supporting Causes; page 52 Diversity, Equity and Inclusion; page 57 Waste; page 78

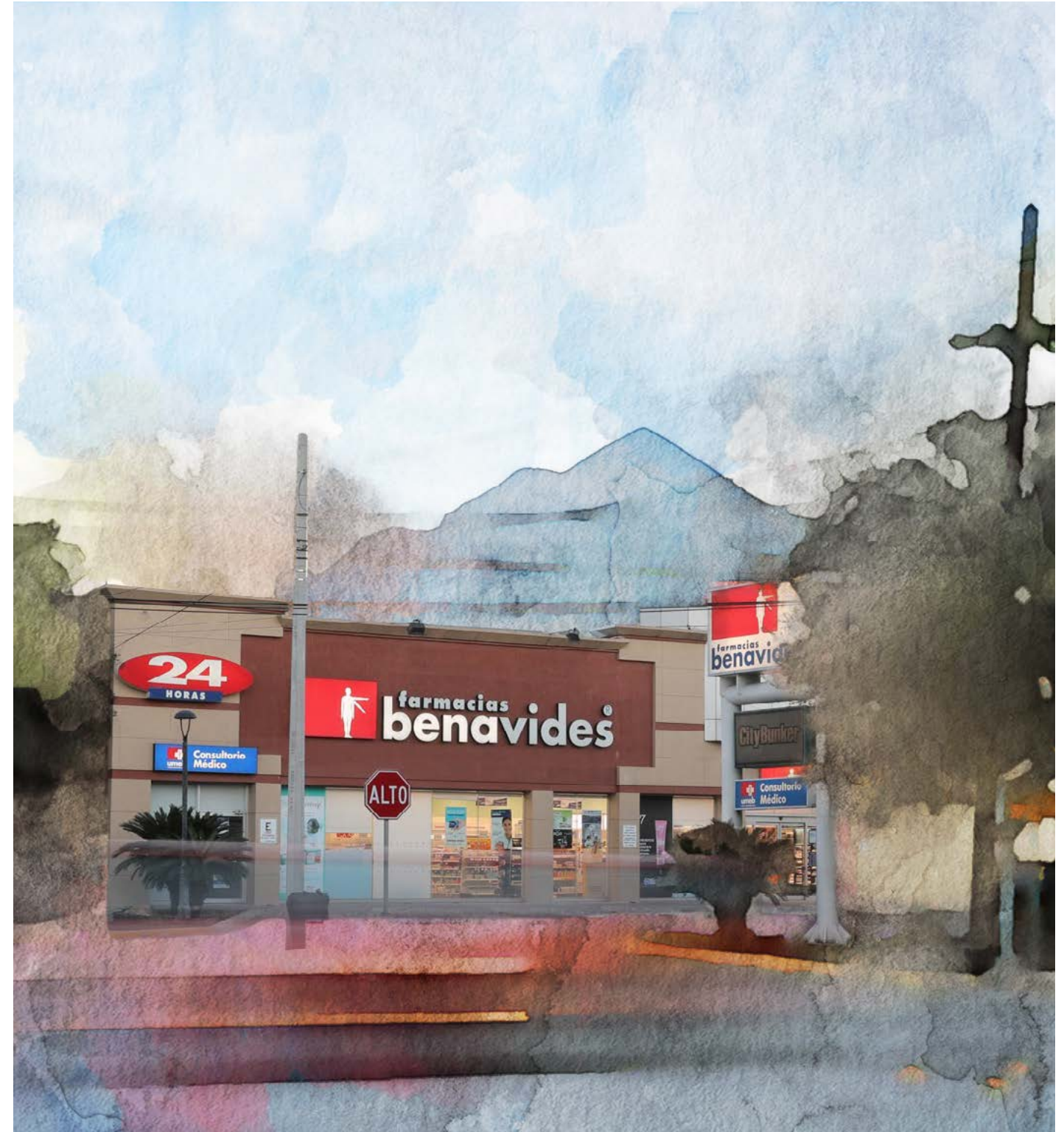
GRI Disclosure		References and responses
LOCAL COMMUNITIES (cont.)		
		Direct Response: Substantially all of our operations have implemented local community engagement. The WBA ESG framework gives our businesses across the world the flexibility to engage with local communities based on the relevant social, 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 ESG 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 they 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 of greatest priority. Walgreens representatives frequently participate in forums and consortiums to contribute to community consultations and research, which often focus on health disparities and social inequities of vulnerable groups. In the UK, Boots works with long-term national partners to support local communities.
413-2	Operations with significant actual and potential negative impacts on local communities	Direct Response: Based on our sector, this is not relevant to our business. We are creating economic opportunity and access to essential products and services.
SUPPLIER SOCIAL ASSESSMENT		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Our Owned Brands; page 86 Responsible Sourcing; page 88 2022 Modern Slavery and Human Trafficking Statement Code of Conduct and Ethics (page 26)
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Responsible Sourcing; page 88
414-2	Negative social impacts in the supply chain and actions taken	Responsible Sourcing; page 88 2022 Modern Slavery and Human Trafficking Statement

GRI Disclosure		References and responses
PUBLIC POLICY		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10
GRI 415: Public Policy 2016		
415-1	Political contributions	2023 Notice of Annual Meeting and Proxy Statement (page 40) Policy Engagement and Political Activities
CUSTOMER HEALTH AND SAFETY		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Sustainable Materials; page 91 Safety Campaigns; page 24 Product Safety; page 26 Code of Conduct and Ethics (page 16)
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Patient Safety; page 25 Product Safety; page 26
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product Safety; page 26
MARKETING AND LABELING		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 Stakeholder Engagement; page 15 Sustainable Packaging; page 94
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Patient Safety; page 25 Product Safety; page 26 Waste; page 78

GRI Disclosure		References and responses
MARKETING AND LABELING (cont.)		
417-2	Incidents of noncompliance concerning product and service information and labeling	Product Safety; page 26
417-3	Incidents of noncompliance concerning marketing communications	Product Safety; page 26
CUSTOMER PRIVACY		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Information Security; page 27 Privacy; page 28 Sustainable Marketplace; pages 84-96 Code of Conduct and Ethics (page 33)
GRI 418: Customer Privacy 2016		
418-1 ¹	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy; page 28 Direct Response: For the portion of our pharmacy business that operates in the U.S., 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. For the portion of our pharmacy business that operates outside the U.S., including in the European Economic Area, we report data breaches to the relevant data protection authorities in compliance with law. Omission: Part of Disclosure Omitted: Data disclosure incidents not related to pharmacy GRI Disclosure References and responses. Reason for Omission: Information unavailable Explanation for Omission: 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. ¹ GRI 418-1 required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages 119-120 .

GRI Disclosure		References and responses
ACCESS TO AFFORDABLE AND QUALITY HEALTHCARE		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Healthy Communities; pages 29-54 Healthcare Access and Awareness; page 31 Partnerships for Good; page 46
CONSUMER HEALTH EDUCATION AND MARKETING		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Healthy Communities; pages 29-54 Healthcare Access and Awareness; page 31 Partnerships for Good; page 46
PRESCRIPTION DRUG ABUSE		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Healthcare Access and Awareness; page 31 WBA Position Statement: Opioid Epidemic in the United States
CANCER CURE AND PREVENTION		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Partnerships for Good; page 46
CUSTOMER RESPONSIBILITY		
GRI 3: Material Topics 2021		
3-3	Management of material topics	At a Glance; page 6 Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Safety Campaigns; page 24 Patient Safety; page 25 Privacy; page 28

GRI Disclosure		References and responses
CHEMICAL USE AND MANAGEMENT		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Sustainable Materials; page 91
INNOVATION AND DIGITALIZATION		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Healthcare Access and Awareness; page 31
TOBACCO SALES		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Our Approach to ESG; page 8 ESG Materiality; page 10 Stakeholder Engagement; page 15 Healthcare Access and Awareness; page 31



SASB Index

The Sustainability Accounting Standards Board (SASB) is an independent standards-setting organization that promotes disclosure of material sustainability information to meet investor needs. The table below is WBA's SASB Index, which includes disclosures as part of the drug retailers industry, which includes companies that operate retail pharmacies and distribution centers that supply retail stores.

Drug Retailers Standard				
Topic	Metric	Category	Code	Response
ACCOUNTING METRICS				
Energy Management in Retail	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage renewable	Quantitative	HC-DR-130a.1	(1) 16,936,819 GJ (2) 71% (3) 5%
Data Security and Privacy	Description of policies and practices to secure customers' protected health information (PHI) records and other personally identifiable information (PII)	Discussion and analysis	HC-DR-230a.1	Privacy; page 28
Patient Health Outcomes	First-fill adherence rate	Quantitative	HC-DR-260b.1	Walgreens first-fill adherence rate, the percentage of patients with prescriptions who refilled medications at Walgreens at least one time after the initial fill, was 55.08 percent in fiscal 2022. The rate was calculated by reviewing a random sample of 100,000 new-to-therapy patient prescriptions from the following drug classes — antidiabetics, statins, or antihypertensive drugs — removing patients on insulin from the sample.
	Description of policies and practices to prevent prescription dispensing errors	Discussion and analysis	HC-DR-260b.2	Health and Safety; pages 23

Drug Retailers Standard				
Topic	Metric	Category	Code	Response
ACTIVITY METRICS				
Activity Metrics	Number of pharmacy locations ¹	Quantitative	HC-DR-000.A	Fiscal 2022 Annual Report identifies 12,875 retail stores, of which 12,691 have pharmacies.
	Total area of retail space ¹	Quantitative	HC-DR-000.B	Retail space of 13 million square meters.
	Number of prescriptions filled ¹	Quantitative	HC-DR-000.C	The U.S. Retail Pharmacy segment filled 819.6 million prescriptions (including vaccinations) in fiscal 2022. Adjusted to 30-day equivalents, prescriptions filled were 1.2 billion in fiscal 2022.
	Number of pharmacists ¹	Quantitative	HC-DR-000.D	WBA has over 31,000 registered pharmacists between the U.S. Retail Pharmacy, U.S. Healthcare, and International segments.

¹SASB Index is included within the scope of Deloitte & Touche LLP review as detailed in the assurance report on pages [119-120](#)

TCFD Response

At Walgreens Boots Alliance, Inc. (WBA), fulfilling our purpose to create more joyful lives through better health means we must do our part to safeguard a livable planet. We recognize that climate change, environment, equity, and human health are interconnected and are acutely aware of climate-related risks to our local communities as well as globally, which is why our Environment, Social and Governance (ESG) efforts are embedded in our business strategy. We have a responsibility to ensure that our approach to improving global health is done in a way that is environmentally conscious and socially equitable.

WBA's mitigation efforts to reduce its impact on the climate are focused on two primary initiatives: 1) driving efficient operations and 2) proactively engaging with stakeholders, including suppliers, with an emphasis on reducing energy consumption, emissions and waste, while increasing reuse and recycling options to help create a progressively circular economy. WBA will act through our Company initiatives and through collaboration with industry, trade and other climate and environmental experts.

The WBA ESG Committee approved the production of a response aligned to the Task Force for Climate-Related Financial Disclosures (TCFD) requirements as increasing attention is focused on this disclosure. A growing number of governments and regulating bodies have adopted or proposed new climate regulations, citing TCFD as a leading framework. We are committed to increasing transparency and continuously improving our ESG-related disclosures as our stakeholders, including customers and investors, are interested in our climate-related actions and goals.

WBA conducts a materiality assessment at least every three years to understand our impacts, encourage insightful stakeholder dialogue, inform our sustainability strategy, and form the basis for our ESG reporting. Our most recent materiality assessment resulted in the topic of "energy use and climate impacts" as having very high significance to our stakeholders. WBA is already reporting climate-related risks within our [2022 Annual Report](#) and discussing strategy, goals, and metrics within our ESG Report and completed [CDP climate change questionnaire](#) demonstrating our commitment to transparently reporting our progress.

This second WBA response against the voluntary guidelines of the TCFD reflects the next step in our multiyear approach to reaching a fully developed TCFD response. The strategy began in fiscal 2021 with a response that referenced our existing public disclosures, primarily our CDP climate change questionnaire, which WBA has responded to annually since 2016. While we continue to align with our most recent CDP questionnaire, we have expanded

our current-year response by providing additional details across the TCFD framework to include results from the climate scenario analysis (CSA) which was completed in 2022 with fiscal 2021 data. We are continuing to analyze and integrate the results of the CSA with our Enterprise Risk Management (ERM) team to formulate action plans.

WBA's highlights in fiscal 2022 include:

- Completing a climate scenario analysis, the results of which can be found in this TCFD response.
- Naming a senior vice president, ESG and chief DEI officer to lead the Company's U.S. ESG and DEI strategy.
- Being recognized by leading external organizations for our commitment to operating sustainably:
 - WBA is an index component of the Dow Jones Sustainability Indices (DJSI) for the third consecutive year.
 - Named to the 3BL Media 100 Best Corporate Citizens 2021 and 2022.

Our WBA metrics and targets are listed within the TCFD Index. Additionally, our principal businesses set targets as they comprise a large percentage of our overall emissions. In fiscal 2022, Walgreens and Boots UK represent more than 96 percent of our Scope 1 and 2 carbon footprint and have targets within each:

- **WBA:** Reduce our absolute Scope 1 and Scope 2 emissions 30 percent by the end of fiscal 2030 compared with our baseline year of fiscal 2019.
- **Boots UK and No7 Beauty Company owned brands:** Reach The UK Plastics Pact 2025 targets: 30 percent reduction in plastic packaging compared with 2018, 100 percent of plastic packaging reusable or recyclable by consumers and achieve 30 percent average recycled content across plastic packaging.
- **Walgreens owned brand packaging 2030 targets:** A 30 percent reduction in plastics packaging compared with fiscal 2020, 100 percent plastics packaging recyclable, reusable or compostable and 30 percent average recycled content across plastics packaging portfolio.

These significant targets play a critical role in our overall emissions-reduction strategy. More information on the actions taken on these targets can be found within this ESG Report within the Energy and Emissions section on page [72](#).

The WBA response is based on our most recent [2022 CDP climate change questionnaire](#) and completed CSA. Our most current climate reporting can be found in the Energy and Emissions section of this ESG Report on page [72](#).

Disclosure Focus Area	Recommended Disclosures	Response
Governance		
Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the board's oversight of climate-related risks and opportunities.	<p>The board of directors oversees ESG through two committees: Nominating and Governance and Audit.</p> <p>The Nominating and Governance Committee oversees the Company's ESG initiatives, policies, and activities, including sustainability and the environment. Such oversight includes a review of the Company's management of related risks, in consultation with the Audit Committee as appropriate. The ESG Committee reports to the Nominating and Governance Committee twice a year to review ESG strategy, including global emissions activities, tracking against emissions reduction targets, review of the annual ESG Report and activities discussed within the annual ESG Report.</p> <p>Members of the Nominating and Governance Committee are all independent directors, and the chair of the committee is responsible for reporting to the full board of directors regarding the activities of the Nominating and Governance Committee at appropriate times and as otherwise requested by the chairman of the board. The Nominating and Governance Committee Charter is publicly available on the WBA website.</p> <p>The Audit Committee also reviews the Company's strategy for business continuity and disaster management, including the establishment of emergency response teams across the business. The Audit Committee Charter is publicly available on the WBA website.</p> <p>Additionally, the Audit Committee has explicit oversight responsibility for Enterprise Risk Management (ERM), including overseeing management's analysis and mitigation. The ERM encompasses the review of emerging and existing risks relating to climate change and their impact on the business. The Audit Committee members are all independent directors and meet on ERM activity twice annually.</p> <p>In addition to work conducted within the committees, the WBA chief operating officer, international, head of the ESG Committee, provides ESG programming updates to the full board of directors annually.</p>
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	<p>The WBA ESG Committee plays a leading role in providing oversight and governance. During fiscal 2022 the ESG Committee was chaired by the chief operating officer for international and included the executive vice president and global chief human resources officer, the vice president for ESG and DEI for international, the senior vice president for ESG and chief DEI officer, the president for Walgreens retail and chief customer officer, the senior vice president and global chief communications officer, the senior vice</p>

Disclosure Focus Area	Recommended Disclosures	Response
Governance (cont.)		
		<p>president and global chief public affairs officer, the senior vice president and chief administrative officer for international, the executive vice president and global chief legal officer, the senior vice president, global controller and chief accounting officer, the senior vice president, managing director and president for Boots, and the senior vice president for international retail and global chief commercial brands officer.</p> <p>The ESG Committee meets regularly and, among other obligations, sets and oversees ESG strategy, goals, programming and policy statements. This includes tracking progress and reporting on external ESG goals, and the goals set by principal businesses and cross-segment organizations. The ESG Committee meets four times a year to review the ESG program and reports to the Nominating and Governance Committee at least twice a year.</p> <p>Additionally, the senior vice president and global chief compliance and ethics officer, updates the ESG Committee and oversees the ERM program, which is designed to identify, monitor, and assess significant short-, medium- and long-term risks. Key risks are presented to and reviewed by the WBA Governance, Risk and Compliance Committee on a bi-annual basis, and summaries are presented to the Board's Audit Committee at least twice annually.</p>
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>Climate change presents a wide range of risks and opportunities to WBA over the short, medium and long term. The risks identified below may have a material impact on business operations and financial performance.</p> <p>Physical risks, such as extreme weather conditions, rising sea levels or changes in precipitation patterns, may impact operations and facilities around the world by causing physical damage to stores, distribution or fulfillment centers, which may lead to loss or spoilage of inventory and business interruptions. Extreme weather conditions and variability in weather patterns may also result in supply chain disruptions and increased supplier costs that could negatively impact the Company's ability to procure goods or services required for the operation of its business.</p> <p>Transition risks associated with the shift to a low-carbon economy may have an impact on WBA operations, supply chain and access to capital. Uncertainty in energy prices and costs of fossil fuel-based goods (e.g., plastics) may increase</p>

Disclosure Focus Area	Recommended Disclosures	Response
Strategy (cont.)		
		<p>costs throughout the supply chain in addition to WBA operations. WBA operations use natural gas, diesel fuel and gasoline, and electricity, all of which could face increased regulation as a result of climate change or other environmental concerns. There are also transition risks associated with increasing regulations on greenhouse gas emissions and energy inputs which may increase costs associated with operations, compliance and merchandise.</p> <p>There are risks and opportunities associated with employees, customers, and certain shareholders that may affect the WBA public perception with interested stakeholders. Additionally, if WBA is not able to show progress on climate-related issues or is delayed or unable to meet goals on time (e.g., reducing GHG emissions), it could affect the Company's ability to retain existing and attract new customers and employees.</p> <p>Beyond the risks described above, climate change may also present opportunities for WBA to provide new health-related services and respond to increased demand for low-carbon products. By improving access to healthcare, WBA has an opportunity to serve the needs of local communities experiencing severe weather conditions and other climate-related impacts. Worsening climate change conditions may increase the prevalence and severity of human health impacts (e.g., increased heat stress, new pathogens or vector-borne diseases), and WBA may be able to invest in beneficial products and services such as telehealth, pharmacy services, retail product offerings, and mobile vaccination clinics to meet the needs of its customers.</p> <p>WBA is continually evaluating relevant climate risks and opportunities and seeks to mitigate the impacts of these risks while also building capacity to realize opportunities.</p>
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<p>Climate-related risks and opportunities have influenced and been incorporated into company-wide objectives, strategies and goals. The Company is focused on mitigating the impacts of climate change by reducing GHG emissions and reducing operating costs.</p> <p>The Company is taking steps to improve the sustainability of WBA operations by prioritizing energy conservation and efficiency at retail locations. Additionally, the Company is building its resilience to climate risks while generating value for customers and ensuring business continuity in the face of weather and/or climate change impacts.</p> <p>WBA has an opportunity to play a supportive role as</p>

Disclosure Focus Area	Recommended Disclosures	Response
Strategy (cont.)		
		<p>communities transition within the changing climate. The Company is increasingly offering products and services, health and other, that align with a low-carbon economy, help reduce its impact on the planet, and help communities adapt to climate change.</p> <p>Climate-related risks and opportunities will continue to inform WBA business strategy and financial planning. The ERM team will evaluate climate-related risks to determine materiality for incorporation into the Company's broader risk management process. As the Company looks to develop its business strategy aligned with a low-carbon future, it will use the results of its climate scenario analysis (CSA) to make informed decisions about which risks and opportunities to prioritize.</p>
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>As part of the WBA commitment to building resilience into its business strategy, WBA conducted a CSA to identify, prioritize and determine the potential impacts of climate-related risks and opportunities that could affect its business. The Company took a cross-functional approach to the CSA by involving internal stakeholders from across the Company to identify ten risks and opportunities most relevant to WBA.</p> <p>Each identified risk and opportunity was analyzed under two climate scenarios: a high-emissions scenario and a low-carbon economy scenario. Both scenarios were based on climate projections from the Intergovernmental Panel on Climate Change (IPCC). The low-emissions scenario, also known as Representative Concentration Pathway (RCP) 2.6, is based on keeping global warming under 2 degrees Celsius and is modeled under the assumption that the world takes a sharp pivot toward climate action, including rapid decarbonization. The high-emissions scenario is based on RCP 8.5, which would result in 4 to 5 degrees Celsius of warming by the end of the century. This scenario presents the upper bounds of impacts from global warming resulting from inaction on decarbonization and climate-change mitigation.</p> <p>The results of this CSA show that physical risks will have a larger impact on WBA's business in the high emissions scenario. In a high emissions scenario, extreme weather conditions and other climate disasters would have a more significant impact on WBA through store closures, lost sales, inventory spoilage, and repair costs. Transition risks are more varied, however, with many of these risks having a larger impact on WBA in the near term (i.e., by 2030) in a low- emissions scenario. These impacts are due to the added burden that would be required to address the rapid</p>

Disclosure Focus Area	Recommended Disclosures	Response
Strategy (cont.)		
		<p>shift to a low-carbon economy. Climate-related opportunities are generally more pronounced in the high emissions scenario, as larger impacts from climate change will lead to increased opportunities for WBA to provide solutions that improve healthcare access and quality of services.</p> <p>WBA is beginning to implement changes based on the results of the CSA and will continue to evolve based on results. The WBA ERM team will use the learnings from this analysis to determine if adjustments are needed in its decision-making and risk-management processes, and will integrate the output of the CSA into its consideration of financial material risk, financial planning and business strategy development.</p>
Risk Management		
Disclose how the organization identifies, assesses and manages climate-related risks.	Describe the organization's processes for identifying and assessing climate-related risks.	<p>For WBA, climate-related risks are considered within the risk identification, assessment and management processes. The ERM and Compliance functions are primarily responsible for monitoring the overall risk profile, which includes both climate-related physical and transition risks. The ERM program tracks current and emerging risks and recommends changes to the Company's key risk summary. At the company level, risk assessments encompass all strategic, operational, commercial, regulatory, reputational, legal and financial risks that could have an adverse impact on WBA. Climate-related risks can impact all of these risk types, and therefore have to be considered. Acute physical risks, such as flooding, have operational, commercial and financial implications. WBA is committed to evaluating and monitoring acute physical risks to help ensure it is properly prepared and can help mitigate. Risks are identified and assessed for all businesses and global functions. Each business is responsible for preparing and reviewing potential risks bi-annually.</p> <p>WBA considers potential risks, including climate-related risks, to the Company and evaluates them based on the following criteria: (i) the importance of the issue to and potential impact on the Company; (ii) the importance of the issue to and potential impact on its stakeholders; and (iii) the time frame in which WBA envisions the issue becoming relevant.</p> <p>Transitional market-related risks are regularly assessed and prioritized as part of the Company's risk assessment process, which includes shifts in the supply and demand for certain commodities, products and services. Climate-related risks and opportunities are increasingly considered in this</p>

Disclosure Focus Area	Recommended Disclosures	Response
Risk Management (cont.)		
		<p>process. Chronic physical risks such as temperature changes due to climate change are included in the Company's assessments regarding measuring and managing energy use and associated GHG emissions.</p>
	Describe the organization's processes for managing climate-related risks.	<p>WBA manages climate-related risk with a company view and impact on the broader environment. WBA manages these risks through its ERM program, targets managed by the ESG Committee and in setting company-wide practices and procedures, each with efforts to continually improve to reduce its impact.</p> <p>The ERM program sets the framework for identifying, assessing and managing climate-related risks. The ERM program is specifically designed and tailored to identify, monitor and assess significant short-, medium- and long-term risks to the Company and to help ensure that WBA is taking appropriate steps to mitigate them. Risks are specifically monitored through the ERM and Compliance functions. Risks are identified and assessed for all businesses and global functions across WBA. Within this process, each business is responsible for preparing and reviewing potential risks bi-annually.</p> <p>The ERM program tracks current and emerging risks and provides recommendations for changes to the Company's key risk summary. Summaries of key and emerging risks are presented to the Audit Committee. Updates on risk mitigation are provided to the Audit Committee through the ERM program or management presentations as appropriate.</p> <p>In addition to ERM, the ESG Committee maintains environment-related objectives that are tracked, monitored, and cascaded to each business to align with local objectives and initiatives. WBA completes the CDP climate change questionnaire annually and reports progress against its Healthy Planet commitments in its annual ESG Report to hold itself accountable and communicate goals and progress.</p> <p>At WBA, focus is given to preparedness and training. WBA maintains a Business Continuity Management program and utilizes nationwide resources, support systems, and infrastructure to respond quickly, compassionately, and effectively during natural disasters, emergencies, and pandemics. The Company has plans and protocols in place to effectively support and provide necessary services to minimize disruptions and keep stores open and operating, or provide other solutions, such as mobile location, to meet patients' and customers' needs. The Company also</p>

Disclosure Focus Area	Recommended Disclosures	Response
Risk Management (cont.)		
		<p>implements processes to minimize supply chain disruption. WBA utilizes its Security Operations Center at Walgreens in the U.S. to identify areas that will be drastically impacted by natural disasters and deploy needed resources, like generators and mobile pharmacies, to the areas that need them most.</p> <p>In broader company activities, WBA endeavors to ensure the appropriate use of resources and materials, minimize waste and encourage reuse and recycling, ensure the safe handling and disposal of products, maintain environmental management systems, and communicate its commitment to the environment across the entire Company. Further, WBA strives to ensure that the team members, customers, patients and communities it serves are safe during and after a crisis while maintaining a continuity of service.</p>
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<p>WBA integrates the process for identifying, assessing, and managing climate-related risks into the overall risk management process specifically through the ERM and Compliance functions, and which are primarily responsible for monitoring the overall risk profile.</p> <p>At the company level, risk assessments encompass all strategic, operational, commercial, regulatory, reputational, legal and financial risks that could have an adverse impact on WBA.</p> <p>WBA is implementing learnings from the CSA results as part of its ongoing efforts to further integrate climate-risk management and mitigation within its ERM and business continuity and disaster recovery policies.</p>
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>WBA regularly reports GHG emissions and energy consumption across its operations and supply chain, as well as the source associated with each emissions category. Further, the Company tracks solid waste generation and disposal methods across all its businesses.</p> <p>See the list of climate-focused initiatives and relevant data on page 74 of this ESG Report for more information.</p>
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<p>WBA annually quantifies Scope 1, 2 and 3 emissions through two reporting channels: the Energy and Emissions section of its ESG Report, including three years of data, and its CDP climate change questionnaire.</p> <p>WBA Scope 1 and location-based Scope 2 emissions are</p>

Disclosure Focus Area	Recommended Disclosures	Response
Metrics and Targets (cont.)		
		<p>calculated using commonly accepted emission factors.</p> <p>Scope 3 emissions were reported for two categories in accordance with the GHG Protocol's Corporate Value Chain (Scope 3) Standard: Business travel and downstream transportation and distribution (cars, aircraft, trains or by sea) for operations outsourced to third parties where deliveries are made exclusively for WBA businesses. Risks associated with Scope 3 emissions include the estimations used in emission factors and the completeness of data.</p>
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<p>WBA set a target to reduce its absolute Scope 1 and 2 emissions by 30 percent from a 2019 baseline by the end of fiscal 2030. This target is aligned with the Company's approach to addressing the impact of climate-related risks and opportunities on operations. WBA plans to achieve this target primarily through a continued focus on energy efficiency improvements at Walgreens and Boots UK retail locations. As of fiscal 2022, WBA has reduced emissions by 21.2 percent from the 2019 baseline, which means the Company is over halfway to achieving its 2030 target. WBA plans to continue making progress toward this target and reducing its exposure to climate-related risks by improving energy efficiency at retail locations and using environmental management systems (EMS) in retail locations to monitor energy performance and provide insight into climate-stressed locations.</p>

United Nations Global Compact Index

The United Nations Global Compact (UNGC) is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals. Walgreens Boots Alliance has been a signatory member of the UNGC since 2020 and supports the initiative's ten principles on human rights, labor, environment and anti-corruption. WBA's Letter of Commitment can be found [here](#).

WBA's Communication on Progress during 2022 qualified for the Global Compact Advanced level.

UNGC Principles	Disclosure
HUMAN RIGHTS	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	<ul style="list-style-type: none"> • Sustainable Marketplace, pages 84-96 • Healthy and Inclusive Workplace, pages 55-69 • WBA Code of Conduct and Ethics • 2022 Modern Slavery and Human Trafficking Statement • WBA Human Rights Policy Statement • WBA Supplier Code of Conduct
Principle 2: Make sure that they are not complicit in human rights abuses.	
LABOR	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> • Sustainable Marketplace, pages 84-96 • Healthy and Inclusive Workplace, pages 55-69 • WBA Code of Conduct and Ethics • 2022 Modern Slavery and Human Trafficking Statement • WBA Human Rights Policy Statement • WBA Supplier Code of Conduct • WBA ESG Policy Statements
Principle 4: The elimination of all forms of forced and compulsory labour;	
Principle 5: The effective abolition of child labour; and	
Principle 6: The elimination of discrimination in respect of employment and occupation.	

UNGC Principles	Disclosure
ENVIRONMENT	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> • Healthy Planet, pages 70-83 • 2022 CDP Climate Change submission, which covers fiscal 2021 • WBA Supplier Code of Conduct • WBA ESG Policy Statements
Principle 8: Undertake initiatives to promote greater environmental responsibility; and	
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.	
ANTI-CORRUPTION	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> • WBA Code of Conduct and Ethics • Responsible Sourcing, pages 88-90 • WBA Supplier Code of Conduct • WBA ESG Policy Statements

Management Assertion Table

Management of Walgreens Boots Alliance (WBA) is responsible for the completeness, accuracy and validity of the Specified Disclosures referenced below for the period or date indicated below. Management is also responsible for the collection, quantification, and presentation of the information included in the 2022 Environmental, Social and Governance (ESG) Report and for the selection of the criteria, which management believes provides an objective basis for measuring and reporting on the Specified Disclosures. Management of Walgreens Boots Alliance asserts that the sustainability disclosures referenced below (the WBA specified disclosures, Global Reporting Initiative (GRI) specified disclosures, and the Sustainability Accounting Standards Board (SASB) specified disclosures collectively the “Specified Disclosures”) for the period or date indicated below, are presented in accordance with the criteria set forth below.

Specified Disclosures prepared in accordance with WBA Basis of Presentation (the “WBA Criteria”) as presented at pages 121-127		
Specified Disclosure	WBA Criteria	ESG Report reference
Healthy Planet (fiscal ended Aug. 31, 2022)		
1. Total Company CO ₂ e emissions, by source	Total emissions by source (energy, product delivery and business travel)	Page 74
2. CO ₂ e emissions from energy, by type	Total emissions from energy by type: electricity (direct and indirect), gas (indirect), and other (combined heat and power, oil and liquefied petroleum gas) Total emissions from business travel, by type: road, air and rail	Page 74
3. Scope 1 CO ₂ e emissions except for the portion sold to third parties or to the grid	Total CO ₂ e emissions from scope 1 except for the heat and electricity produced by our on-site plant in Beeston, Nottingham, UK, sold to third parties or to the grid	Page 75
4. CO ₂ e emissions from business travel, per 1,000 employees, by division and for the Company	Total CO ₂ e emissions from business travel per 1,000 employees	Page 74
5. Waste by method of disposal	Total Waste Directed to Disposal: landfill and incineration Total Waste Diverted from Disposal: recycled and reuse	Page 79

Specified Disclosures prepared in accordance with the GRI Standards:		
GRI-specified Disclosures (fiscal ended Aug. 31, 2022)		ESG Report reference
1. GRI 1-3.5: Access to Affordable and Quality Healthcare	GRI 3-3 Management of material topics Total number of new in-store health service locations and total number of collaborations with healthcare service providers covered on the Walgreens app through Walgreens Find Care that increase access to healthcare	Page 36
2. GRI 416-1: Safety of Products and Services	GRI 416-1: Assessment of the health and safety impacts of product and service categories	Pages 25-26
3. GRI 414-1, 414-2: Responsible and Ethical Supply Chains	GRI 414-1: New suppliers that were screened using social criteria; GRI 414-2: Negative social impacts in the supply chain and actions taken	Pages 88-90
4. GRI 401-2, 403-8: Employee Health, Safety, and Well-Being	GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees; GRI 403-8: Workers covered by an occupational health and safety management system	Pages 68 ; 106
5. GRI 418-1: Data Privacy and Security	GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 108
6. GRI 306-3: Waste Management	GRI 306-3: Waste generated	Page 79
GRI-specified Disclosure (year ended Dec. 31 2021)		
7. GRI 306-3: Plastics and Packaging	GRI 306-3: Waste generated	Page 95
GRI-specified Disclosure (as of Aug. 31, 2022)		
8. GRI 405-1: Diversity, Equity, and Inclusion	GRI 405-1: Diversity of governance bodies and employees	Pages 58 and 62

Specified Disclosures prepared in accordance with the SASB Drug Retailers Standard:

SASB-specified Disclosures

Accounting Metrics (fiscal ended Aug. 31, 2022)		ESG Report reference
1. HC-DR-130a.1: Energy Management in Retail	HC-DR-130a.1: (1) Total amount of energy consumed in Gigajoules (GJ) (2) Percentage (%) of grid electricity of total energy consumed (3) Percentage (%) of renewable electricity of total energy consumed	Page 110
Accounting Metrics (as of Aug. 31, 2022)		
2. HC-DR-230a.1: Data Security & Privacy	HC-DR-230a.1: Description of policies and practices to secure customers' protected health information (PHI) records and other personally identifiable information (PII)	Page 28
Accounting Metrics (as of Aug. 31, 2022)		
3. HC-DR-260b.2: Patient Health Outcomes	HC-DR-260b.2: Description of policies and practices to prevent prescription dispensing errors	Page 23
Activity Metrics (as of Aug. 31, 2022)		
4. HC-DR-000.A: Number of pharmacy locations		Page 110
5. HC-DR-000.B: Total area of retail space		Page 110
6. HC-DR-000.C: Number of prescriptions filled		Page 110
7. HC-DR-000.D: Number of pharmacists		Page 110

Assurance Report

Deloitte.

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed management of Walgreens Boots Alliance, Inc.'s (the "Company" or "WBA") assertion that the sustainability disclosures identified below and referenced in Management's Assertion Table (the WBA specified disclosures, Global Reporting Initiative ("GRI") specified disclosures, and the Sustainability Accounting Standards Board ("SASB") specified disclosures, collectively, the "Specified Disclosures") of the accompanying WBA 2022 Environmental, Social, and Governance Report (the "WBA 2022 ESG Report") for the period or date indicated below, are presented in accordance with the criteria set forth in Management's Assertion section of the accompanying WBA 2022 ESG Report:

WBA Specified Disclosures for the year ended August 31, 2022:

1. Total Company CO₂e emissions, by source
2. CO₂e emissions from energy, by type
3. Scope 1 CO₂e emissions except for the portion sold to third parties or to the grid.
4. CO₂e emissions from business travel, per 1,000 employees, by division and for the Company
5. Waste by method of disposal

GRI Specified Disclosures for the year ended August 31, 2022:

1. GRI 1-3.5: Access to Affordable and Quality Healthcare
2. GRI 416-1: Safety of Products and Services
3. GRI 414-1 and GRI 414-2: Responsible and Ethical Supply Chains
4. GRI 401-2 and GRI 403-8: Employee Health, Safety and Well-being
5. GRI 418-1: Data Privacy and Security
6. GRI 306-3: Waste Management

GRI Specified Disclosure for the year ended December 31, 2021:

1. GRI 306-3: Plastics and Packaging

GRI Specified Disclosure as of August 31, 2022:

1. GRI 405-1: Diversity, Equity, and Inclusion

SASB Specified Disclosures for the year ended August 31, 2022:

1. Energy Management in Retail
 - HC-DR-130a.1. (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable
2. Data Security & Privacy
 - HC-DR-230a.1. Description of policies and practices to secure customers' protected health information (PHI) records and other personally identifiable information (PII)
3. Patient Health Outcomes
 - HC-DR-260b.2. Description of policies and practices to prevent prescription dispensing errors
4. Activity Metrics
 - HC-DR-000.A Number of pharmacy locations
 - HC-DR-000.B Total area of retail space
 - HC-DR-000.C Number of prescriptions filled
 - HC-DR-000.D Number of pharmacists

The Company's management is responsible for its assertion. Our responsibility is to express a conclusion on management's assertion based on our review.

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

The procedures we performed on the above Specified Disclosures were based on professional judgment. In performing our review, we performed analytical procedures, inquiries, tests of mathematical accuracy of computations, compared the disclosures to underlying records, and observed the data collection process in regard to the accuracy of the data for the above Specified Disclosures.

We are required to be independent and to meet our other ethical responsibilities in accordance with the *Code of Professional Conduct* issued by the AICPA. We applied the *Statements on Quality Control Standards* established by the AICPA and, accordingly, maintain a comprehensive system of quality control.

The preparation of the Specified Disclosures in the WBA 2022 ESG Report requires management to establish and interpret 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 disclosures includes estimates and assumptions that are subject to significant inherent measurement uncertainty resulting, for example, from accuracy and precision of conversion factors or estimation methodologies used by management. The selection by management of different but acceptable measurement methods, input data or model assumptions may have resulted in materially different amounts or Specified Disclosures being reported.

Information outside of the Specified Disclosures referenced in Management's Assertion section of the WBA 2022 ESG Report, including linked information, was not subject to our review, including the alignment to United Nations

("UN") Sustainable Development Goals and the Task Force on Climate-related Financial Disclosures ("TCFD") Disclosure Index and, accordingly, we do not express a conclusion or any form of assurance on such information. Further, any information relating to forward looking statements, targets, goals and progress against goals, was not subject to our review and, accordingly we do not express a conclusion or any form of assurance on such information.

Based on our review, we are not aware of any material modifications that should be made to management of the Company's assertion that the Specified Disclosures referenced in Management's Assertion section of the accompanying WBA 2022 ESG Report for the period or date indicated therein, are presented in accordance with the criteria set forth in Management's Assertion section of the accompanying WBA 2022 ESG Report.

Deloitte + Touche LLP

Chicago, IL
January 25, 2023

Basis of Presentation

PART I: BASIS OF PRESENTATION

Organization

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

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination, with approximately 13,000 locations across the United States (U.S.) and Europe. Walgreens Boots Alliance has a presence in 9 countries and employs more than 325,000 people. In addition, Walgreens Boots Alliance is one of the world’s largest purchasers of prescription drugs and many other health and well-being products.

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

The Company’s operations are conducted through three reportable segments: U.S. Retail Pharmacy, International, and U.S. Healthcare.

Scope

This report provides detailed information about the Company’s Environmental, Social and Governance (ESG) initiatives and related key performance indicators (KPI).

This ESG Report has been prepared based on a fiscal reporting year that is the same as the Company’s financial reporting period Sept. 1, 2021 to Aug. 31, 2022.

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

Business acquisitions¹ - Businesses acquired during the reporting year are excluded from the current year ESG reporting scope. The complete dataset is reported once data for a full year are available;

Divestments - Businesses that are no longer subsidiaries of the Company at the fiscal year end due to divestment in the reporting year are excluded from current year ESG reporting scope;

Equity method investments - Equity method investments are excluded from the Company’s ESG reporting scope;

Franchise operations – Franchise operations run by third parties where a WBA business is the franchisor are excluded from the Company’s external ESG reporting scope.

Outsourced activities – Outsourced activities are excluded from the ESG reporting scope, except where the outsourcer’s activities are dedicated to the Company’s business and where the associated impacts may be significant to our ESG performance. For example, third-party product deliveries made exclusively for WBA that are included in Scope 3 reporting. The Company’s Code of Conduct and Business Ethics set out the principles for dealing with, and the requirements for, suppliers.

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

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

¹In fiscal 2022 the Company made majority investments in Village Practice Management Company, LLC (“VillageMD”), Shields Health Solutions Parent, LLC (“Shields”), and CCX Next, LLC (“CareCentrix”). The ESG Report contains Workplace data only for these entities.

ESG standards and frameworks

The Company's ESG Report covers material topics identified through a materiality assessment conducted in fiscal 2021. The Company follows the Global Reporting Initiative's (GRI) definition of materiality, which is different from the definition used for filings with the Securities and Exchange Commission (SEC). Issues deemed material for purposes of this report may not be considered material for SEC reporting purposes.

The preparation of this report was informed by multiple internationally recognized ESG standards or frameworks. The Company also developed its own standard definitions for reporting its performance data and KPIs.

Standards and frameworks

The Company utilizes the following frameworks for metrics other than emissions reporting:

- Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB), now part of the International Sustainability Standards Board (ISSB)
- UN Global Compact reporting framework
- Taskforce for Climate-related Financial Disclosures (TCFD)

For emissions reporting, specifically Scope 1 and 2 GHG emissions, the information has been prepared in accordance with the World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol). As described in the GHG Protocol: Corporate Standard, GHG emissions reported under Scope 3 GHG emissions are optional for reporting. The Company is reporting on two of the 15 Scope 3 categories: Business travel and downstream transportation and distribution (cars, aircraft, trains or by sea) for operations outsourced to third parties where deliveries are made exclusively for WBA businesses. Collectively, the Corporate Accounting and Reporting Standard, Revised Edition Accounting and Reporting Standard are referred to as the GHG Protocol in this document.

Non-standard frameworks

For select metrics and KPIs, WBA developed its own standard definitions for reporting its performance data and KPIs (Refer Part II).

Reporting of metrics and data

WBA has a company-wide approach to recording, measuring and reporting ESG performance, including a set of reporting criteria and a set of ESG measures and KPIs WBA utilizes to document definitions and procedures related to ESG data and metrics to help ensure completeness and consistency. These procedures provide for the use of estimation and extrapolation techniques in instances in which data is not practicable to source. The Company reviews definitions and procedures on an annual basis.

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

Every effort is made to help 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.

PART II - DEFINITIONS OF WBA ESG PERFORMANCE METRICS

WBA reports ESG performance data in total and for certain metrics by segment, consistent with its financial reporting. The Company captures, analyzes and reports data at a detailed level to provide a clear understanding of factors contributing to ESG performance. WBA's framework of ESG priorities covers the following key areas:

Healthy Communities	<p>Contributions are analyzed as follows:</p> <ul style="list-style-type: none"> • Cash (charitable and other donations) and non-cash (employee time, in-kind donations and management costs) • Focus of the organizations contributed to: health, social welfare, education, other (for example, relating to arts, culture, emergency relief, economic development) • Employee time (volunteer hours): Employee time relates to volunteering hours during paid working time only
Healthy Planet	<p>The three significant sources of CO₂e emissions are energy, product delivery and business travel. Emissions are analyzed as follows:</p> <ul style="list-style-type: none"> • Total emissions by source (energy, product delivery and business travel) • Scope (Scopes 1, 2 and select categories of 3) • Emissions from energy by type: electricity (direct and indirect), gas (indirect), and other (combined heat and power, oil and liquefied petroleum gas) • Emissions from business travel by type: road, air and rail • The Company also discloses the metric for CO₂e emissions from business travel per 1,000 employees <p>Waste is analyzed as follows:</p> <ul style="list-style-type: none"> • By method of disposal: landfill, incinerated, reused (U.S. Retail Pharmacy only), and recycled (includes materials recovered via incineration with heat recovery) • By content: hazardous and non-hazardous
Healthy and Inclusive Workplace	<ul style="list-style-type: none"> • Employee Turnover • Diversity of employees (including age group, gender, and leadership level for WBA; race and ethnicity for U.S. Retail Pharmacy and U.S. Healthcare; and gender and race and ethnicity for U.S. pharmacists) • Employee category (manager, non-manager and senior director and above) • Employment Type (permanent, temporary, full-time, part-time) • Percentage of employees under a collective bargaining agreement

1. HEALTHY COMMUNITIES

Cash donations

- **Charitable cash donation:** Cash donated directly by the Company in support of community projects to organizations officially created or legally registered for charitable purposes. Donations from employees, customers and suppliers are not included.
- **Other cash donation:** Cash donated directly by the Company in support of community projects to organizations other than those officially created or legally registered for charitable purposes. Donations from employees, customers and suppliers are not included.

Non-cash donations

- **Employee time:** Defined as the value of time employees have volunteered to spend on community projects and social welfare programs during paid working time. Employee time is valued at an average staff salary rate and includes employer's employment taxes, healthcare, social security and Medicare contributions, pension contributions, and employer-matching 401K contributions.
- **In-kind donations:** These are products, equipment, the use of premises or other non-cash items donated to community programs. They include product donations, valued at their cost price, gift vouchers and the provision of space at vacant properties to charitable organizations. Also captured is advertising space in Company magazines (e.g., Boots Health & Beauty magazine) that benefits both the charity and the company. Fifty percent of the advertising costs are included, in line with the Business for Societal Impact (B4SI) global standard.
- **Management costs:** These are defined as the value of costs incurred planning and managing community projects and social welfare programs and consist of direct expenditure as well as an allocation of relevant overhead and expenses.

Geographic Areas impacted by the Company's donations

- **Local:** A local organization is defined as an organization whose work does not meet the definition of a national or international organization.
- **National:** A national organization is defined as an organization whose work is focusing on the entire country. For U.S. purposes, the entire country is defined as the sizeable majority (more than 75 percent) of the states.
- **International:** An international organization is defined as an organization whose work is focusing on more than one country.

Organizations supported by the Company's contributions

- Health projects include donations made to not-for-profit hospitals, health organizations and other health-related activities.
- Social welfare projects include donations made to organizations focused on issues such as homelessness, legal support, domestic violence, the elderly and people with disabilities.
- Education projects include donations made to schools, colleges, universities or other projects or organizations that promote education, training or development programs.
- Other projects include donations made to organizations or activities not covered by categories above, such as the arts, culture, emergency relief and economic development.

Access to Affordable and Quality Healthcare

- Number of new in-store health service locations that increase access to healthcare services.
- Number of collaborations with healthcare service providers covered on the Walgreens app through Walgreens Find Care.

Consumer Health Education and Marketing

- Number of consumers who participate in health education initiatives through clicks on healthcare-focused topics on Walgreens.com.

Opioid Abuse Prevention

- Number of Naloxone kits dispensed.
- Total number of take-home safe medication disposal kits sent from distribution centers to stores for customer distribution.

2. HEALTHY PLANET

2.1 Waste

Waste reporting is typically reliant on data provided by waste contractors within a country. Normally, waste data measurement is based on metric tonnage as provided by third-party contractors. For sites where the third party's contract is based on an agreed-upon standard metric tonnage per volume collected, the rate applicable for the year is used as the basis of calculation. For sites where contractor data is unavailable (for example, stores within shopping centers where the Company's business does not manage the waste contract), estimates are used based on actual data from a store or warehouse of an equivalent size.

- "Total waste generated" is defined as sum of Hazardous and Non-Hazardous waste sent to landfill, incineration with and without heat recovery, reuse (for the U.S. Retail Pharmacy segment only), and recycled.
- "Waste sent to landfill" is defined as waste produced by WBA operations and sent to landfill for disposal.
- "Waste sent to incineration" is defined as waste produced by WBA operations and sent to incineration, without heat recovery, for disposal.
- "Materials recovered via incineration" are defined as waste produced by WBA operations and sent to incineration via a contractor where energy recovered from the process is used to generate electricity or heat.
- "Materials recycled" are defined as waste produced by WBA operations and sent off-site for recycling.
- "Reuse" is defined as products or components of products that have become waste but are prepared to be used for the same purpose for which they were conceived.
- "Hazardous waste" as defined by local applicable legislation at the point of generation.
- "Non-hazardous waste" as defined by local applicable legislation at the point of generation.

Key performance indicators: waste in metric tonnes

1. Hazardous waste as a percentage of total waste
2. Waste recycled as a percentage of total waste generated
3. Total waste generated per sales (tonnes per million sales (\$USD))

2.2 Carbon emissions

Total CO₂e emitted (in metric tonnes) is calculated using activity data (e.g., amount of fuel used) and applying relevant conversion factors following the Greenhouse Gas (GHG) Protocol and using the most accurate calculation approach available. To reach the most accurate emissions estimations, the latest available specific locally sourced factors are applied, where reasonable.

Key performance indicators: emissions

1. Electricity: green tariff as a percentage of total used (based on kilowatt-hour)
2. CO₂ emissions from business travel, per 1,000 employees
3. CO₂ tonnes from product delivery per million sales (\$USD)

2.2.1 Conversion factors

- For standard tariff electricity, country specific CO₂e conversion factors published by the International Energy Agency (IEA) are used, apart from WBA's largest territories, the U.S. and the UK. U.S. data are converted using Environmental Protection Agency (EPA) Emissions & General Resource Integrated Database (eGRID) specific CO₂e factors that take into consideration where the electricity was produced within the country. UK data are converted using the UK Department for Environment, Food & Rural Affairs (DEFRA) CO₂e factors.
- For passenger air travel, the DEFRA factors in effect as of Aug. 31 of the reporting year are used across all Segments.
- For all other metrics, conversion factors are applied based on business location. The U.S. Segment follows the U.S. Environmental Protection Agency (EPA) published factors. The International Segment follows DEFRA published factors. Note: where CO₂e factors are not available, CO₂ factors are applied as a proxy.
- Conversion factors are updated annually to reflect the factors published by the IAE, EPA and DEFRA that are in effect as of Aug. 31 of the reporting year.

2.2.2 Energy

- Electricity: The calculation of CO₂e from electricity is based on the following factors:
 - Standard tariff: Consumption data are converted using the relevant conversion factors as described above. Where data on electricity consumed are not available, an estimate is made based on annual expenditure on electricity. Estimates are based on stores or properties of an equivalent size.
 - Green tariff: This is country-specific and entered individually by the business. In cases where the standard tariff is already subsidized, this is accounted for using the grid average conversion factor.
 - Onsite Combined Heat & Power (CHP) plant: This is specific to the Company's onsite energy plant in Beeston, Nottingham, UK, and based on a calculation defined by the GHG Protocol that uses actual electricity and heat output figures.
 - Gas and other: Consumption data are converted using the relevant conversion factors as described above. Where data on actual consumption (in megawatt hours) are unavailable, an estimate is made based on annual expenditure.

2.2.3 Outbound product delivery

This covers the resulting CO₂e emissions from delivery of products to stores and to customers. This includes deliveries by own-fleet vehicles and for operations outsourced to third parties where deliveries are made exclusively for WBA businesses and backhaul deliveries for other companies. This excludes deliveries from third-party suppliers to Company warehouses, cross-dock centers or direct to stores. The amount of CO₂e emitted is calculated using activity data and applying the relevant conversion factors as described above.

- Own-fleet vehicles (including leased vehicles):
 - Drivers with fuel cards: fuel consumed captured by third-party fuel billing
- Drivers without fuel cards: distance captured
- Third-party vehicles: where the delivery is made exclusively for a WBA business, captured by either third-party kilometer data or third-party liters of fuel used

2.2.4 Business travel

The amount of CO₂e emitted from travel undertaken by employees for work or business purposes is calculated using activity data and converted to emissions by applying relevant conversion factors as described in section 2.2.1.

- Road travel: car travel undertaken by employees for business purposes.
 - Employees with fuel cards: captured by third-party fuel billing
 - Employees without fuel cards: captured by Company expense systems, using kilometers traveled
- Air travel: calculated using third-party (e.g., travel service provider) data on kilometers travelled other than for non-commercial flights, which are calculated using third-party data on fuel consumed.
 - Long haul: number of passenger kilometers traveled for long-haul flights (over 3,700 kilometers)
 - Short haul: number of passenger kilometers traveled for short-haul flights (under 3,700 kilometers)
- Rail travel: calculated using third-party (e.g., travel service provider) kilometer data.

2.2.5 Carbon emissions by scope

The amount of total CO₂e emitted from energy, product delivery and business travel categorized into scopes as defined by the GHG Protocol.

- Scope 1: Direct GHG emissions occurring from sources that are owned or controlled by the Company are emissions from self-generated electricity and self-generated heat or steam; and, from combustion of natural gas and oils in owned or controlled boilers and furnaces, owned vehicles used for product delivery, and owned cars or aircraft used for business travel. Fugitive emissions resulting from the use of refrigeration and air conditioning equipment are not included as the Company evaluates their effects on its operations.
- Scope 2: Indirect GHG emissions are emissions from the generation of purchased electricity, purchased heat or purchased steam consumed.
- Scope 3: Indirect GHG emissions that are a consequence of the activities of the Company but occur from sources not owned or controlled by the Company. WBA currently reports on business travel and downstream transportation and distribution. These are emissions from third-party product delivery and business travel undertaken by vehicles (cars, aircraft or trains) not owned by the Company.

3. HEALTHY AND INCLUSIVE WORKPLACE

Employee: An employee is a person employed by WBA on a full- or part-time basis, for an indefinite or fixed term.

Employee turnover

- Voluntary turnover: Employees who have left the Company voluntarily (not transfers) as a percent of the average active and leave headcount of employees for the reporting period. The reporting period is based on the prior 12 months. Interns, as identified by job title, are excluded from turnover.
- Involuntary turnover: Employees who have left the Company (not transfers) as a percentage of the average, active and leave headcount of employees for the reporting period. The reporting period is the same as above. Some reasons that are not included in turnover, which coincides with industry standards for defining turnover are the following: permanent reduction in force, employee death, store or department closures.

Employees by gender

- Men: total number of employees who identify themselves as male.
- Women: total number of employees who identify themselves as female.
- Undisclosed: total number of employees who have not disclosed their gender.

Employees by age group

- Employees under 30 years old: the number of employees who are younger than 30 years old at period end.
- Employees between 30 and 50 years old: the number of employees who are between 30 and 50 years old at period end, including 30- and 50-year-old employees.
- Employees over 50 years old: the number of employees who are older than 50 years old at period end.

Employee category

- Manager employees: the number of employees who have at least one direct report. This definition is a subset of the manager population included in U.S. regulatory reporting.
- Non-manager employees: the number of employees who do not have any direct reports.
- Senior director and above: U.S. employees at the senior director job level and above, and the equivalent job titles within these levels in other geographies.

Employment type

- Permanent: an employee employed on an indefinite basis or for an indeterminate period of time.
- Temporary: an employee employed on a fixed term or temporary contract.
- Full-time: employees working more than 30 hours per week.
- Part-time: employees working fewer than 30 hours per week.

Collective bargaining

- Employees under a collective bargaining agreement: the number of employees who are part of a collective bargaining agreement. "Collective bargaining" is defined as negotiation of wages and other conditions of employment by an organized body of employees.

Race, ethnicity of U.S. Retail Pharmacy and U.S. Healthcare employees

- People of color: the number of employees who identify themselves as belonging to an ethnic or racial minority.

4. SUSTAINABLE MARKETPLACE

Palm oil: The percentage of palm oil in Boots UK and No7 Beauty Company products certified using the following methods:

- Palm oil derivatives using credits
- Palm oil derivatives physically certified
- Palm oil used as an ingredient physically certified
- Palm oil used as an ingredient certified using credits

Packaging materials in owned brand products: The metric tonnes of materials used in owned brand primary, secondary and tertiary packaging:

- Metal
- Glass
- Wood, paper and pulp (excluding pallets)
- Plastic

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 ESG 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. These statements speak only as of the date they are made and 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 [2022 Annual Report](#) and subsequent SEC filings for a discussion of risk factors as they relate to forward-looking statements.

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Foreign exchange rates

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, 2022. The most significant rates are 1.31 U.S. dollar per British pound sterling and 1.11 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.

About the cover

Creating art from waste. For this year's ESG Report, we at WBA collaborated with watercolorist Katharine Asher and Planet Friendly Paints to create the cover art using upcycled makeup samples. Planet Friendly Paints, founded by Ameenah Begum, produces zero waste watercolor paints made from upcycled cosmetics, and we have donated excess and sample powders to the company on a consistent basis. The collaboration showcases our commitment to finding innovative ways to reduce our environmental impact and be a part of the circular economy.

Photo credits

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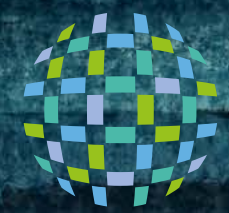
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