



2023

# Environmental, Social and Governance Performance Data



Walgreens Boots Alliance

#WeAreWBA



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Walgreens Boots Alliance, Inc. publishes this document in conjunction with its full annual ESG Report to illustrate supporting data for its ESG activities and achievements. The full report can be found [here](#).

## 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"), and 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

The reporting period covered in this report is September 1, 2022 to August 31, 2023, unless otherwise stated. Our fiscal year ends on August 31, and references herein to "fiscal 2023", "fiscal 2022", and "fiscal 2019" refer to our fiscal years ended August 31, 2023, August 31, 2022, and August 31, 2019, respectively.

## Reporting boundaries<sup>1</sup>

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 of the full Report.

## 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 has been ratified as our independent registered public accounting firm at our annual meeting of stockholders. Their limited assurance report can be found on pages 119-120 of the full Report..

<sup>1</sup>On June 1, 2021 the Company completed the sale of the majority of the Company's Alliance Healthcare business as well as a portion of the Company's retail pharmacy international businesses in Europe ("discontinued operation") to Cencora, Inc. ("Cencora"), formerly known as AmerisourceBergen Corporation. Disclosures in this report reflect continuing operations only. Certain prior period data, primarily related to discontinued operations, have been recast to conform to the current period presentation.

## 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 method, employee retention and diversity, and use the data to inform and assist in the development of individual ESG programs. In addition, in the U.S. Retail Pharmacy and U.S. Healthcare segments we capture data on employee race and ethnicity, and for our owned brands we collect data on palm oil and packaging. In January 2023, Village Practice Management Company, LLC ("VillageMD") acquired WP CityMD TopCo "(Summit Health-CityMD)", a provider of primary, specialty and urgent care. Consistent with past acquisitions, we take one calendar year to integrate all data capture and reporting processes. As such, Summit Health-CityMD data included in this report is limited to workplace figures. All Summit Health-CityMD data will be presented in the fiscal 2024 report.

The data presented within this report reflects the operations of the company during fiscal 2023 and was produced in accordance with the Basis of Presentation, which can be found on pages 121-122 of the full Report. Our Statement of Greenhouse Gas (GHG) Emissions for fiscal 2023 and its limited assurance from Deloitte & Touche LLP can also be found on pages 119-120 of the full Report.

ESG performance data are collected comprehensively on an annual basis. All submissions by individual businesses are prepared by local finance and ESG champions and are reviewed by executives and 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. We reset baselines for our environmental performance metrics in fiscal 2019 because, for the first time, we included energy and waste data from 1,932 Rite Aid stores. This was done to provide meaningful comparatives as required by the GHG Protocol. While most of our environmental performance data has a 2019 baseline year, there are a few exceptions which are clearly stated.

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.



# Commitments and Progress



## Healthy Communities

### Improving health equity and societal well-being:

- A specific focus on health equity addressing access to local, quality healthcare
- Partnerships and investments that focus on creating meaningful impact in the health of our communities



### Our Targets

#### Achieved in fiscal 2023:



**Walgreens:** Raise **more than \$25 million** for the Susan G. Komen and The Leukemia and Lymphoma Society. **Exceeded.**

#### By fiscal 2024:



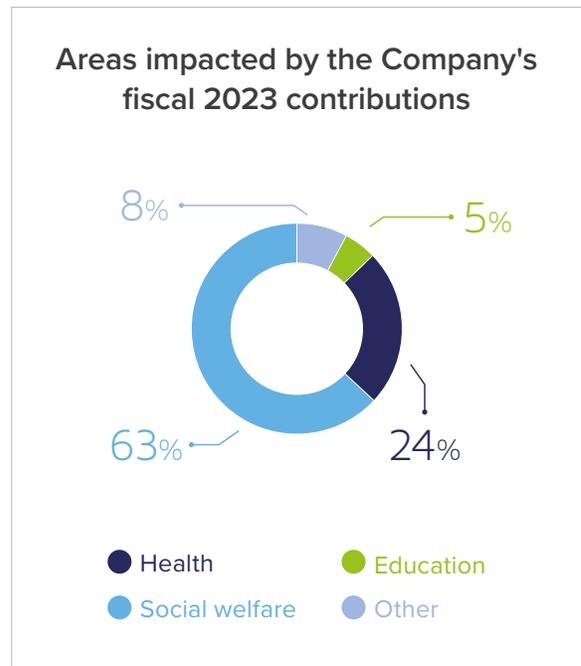
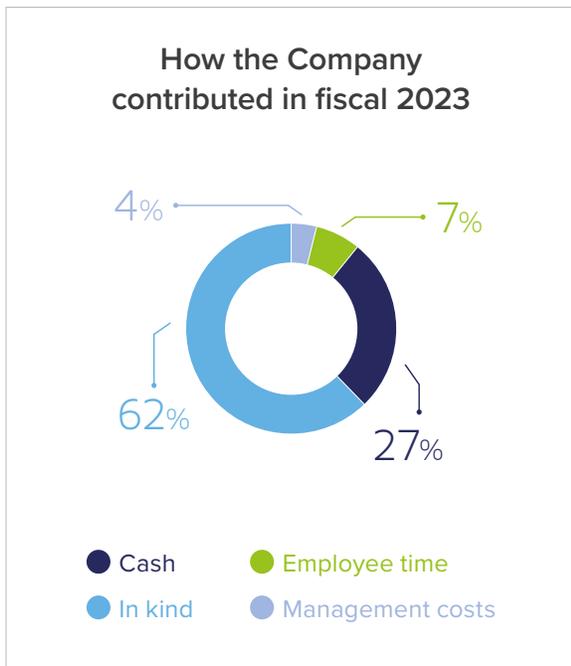
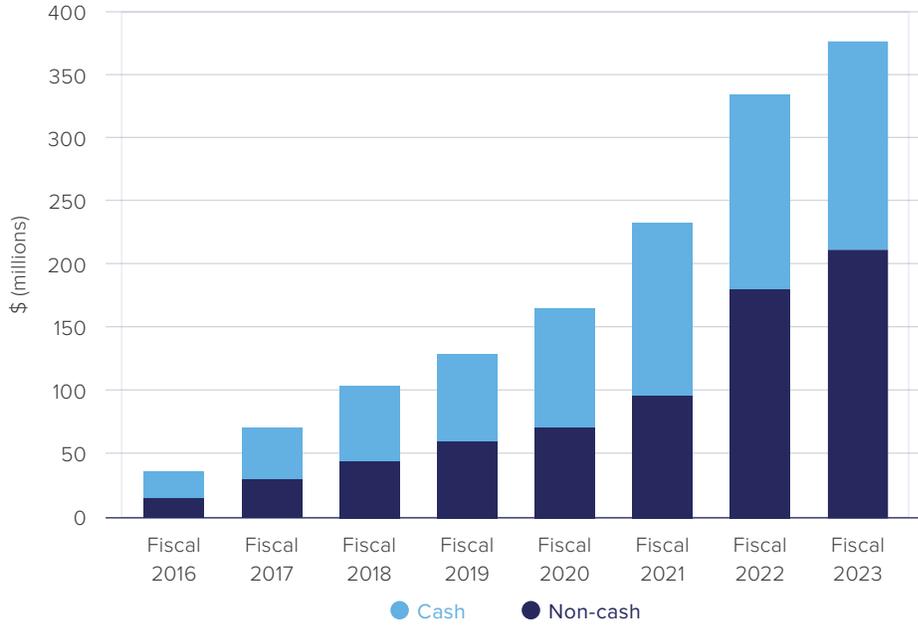
**WBA:** Provide **100 million vaccinations** for children in developing countries through "Get a Shot. Give a Shot." and the UN Foundation. **On track.**

#### By fiscal 2025:



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

**Corporate giving — cumulative since fiscal 2016**





# Commitments and Progress



## Healthy and Inclusive Workplace

Creating a DEI-centered culture and positive workplace environment that supports the health and well-being of our team members:

- Ensures employees are cared for as whole people and provided with an opportunity where they can show up as their authentic selves
- Reflects the diversity of perspectives, backgrounds and cultures in the communities where we live and work



### Our Targets

In fiscal 2023:



**WBA International:** Maintain baseline of women in leadership from fiscal 2023. **Exceeded.**



**Walgreens:** Increase women in leadership by 2.1 percentage points over previous year's baseline. **Exceeded.**



**Walgreens:** Increase representation of people with disabilities across the Company by 0.7 percentage point over previous year's baseline. **Exceeded.**



**Walgreens:** Increase people of color by 0.7 percentage point over previous year's baseline. **Partially achieved, 0.5 percentage point.**



### Fiscal 2023 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.<sup>1</sup>

Employee category	Age group (%)			Gender (%)		
	<30	30-50	>50	M	F	UD <sup>2</sup>
Manager <sup>3</sup>	13	66	21	38	62	-
Non-manager <sup>3</sup>	42	36	22	28	72	-
<b>All employees</b>	<b>38</b>	<b>40</b>	<b>22</b>	<b>29</b>	<b>71</b>	<b>-</b>
Senior Director and above <sup>4</sup>				54	46	-

### Racial and ethnic diversity of employees in our U.S. workforce as of Aug. 31, 2023

	People of color (%)	White (%)	Undisclosed (%)
Total U.S. workforce <sup>3</sup>	51	48	1
Managers <sup>3</sup>	41	59	1
Non-managers <sup>3</sup>	52	46	1
Senior Director and above <sup>4</sup>	24	72	4

<sup>1</sup>Percentages may not sum to 100 percent due to rounding.

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

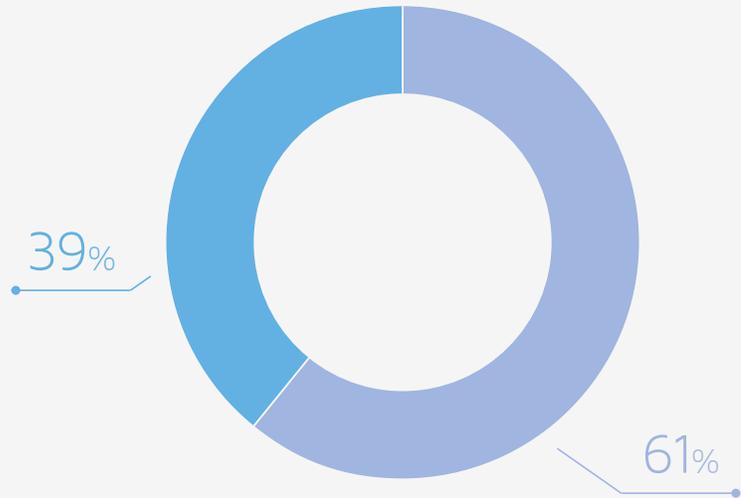
<sup>3</sup>Fiscal 2023 data is GRI 405-1 specified disclosure and is within the Deloitte & Touche LLP review scope as detailed on pages 119-120 of the full Report.

<sup>4</sup>Data is limited to the U.S. Retail pharmacy segment and U.S. Healthcare segment only. This data includes all employees at this job level who are on payroll as of Aug. 31, 2023. This row of data does not fall within Deloitte & Touche LLP's review scope.



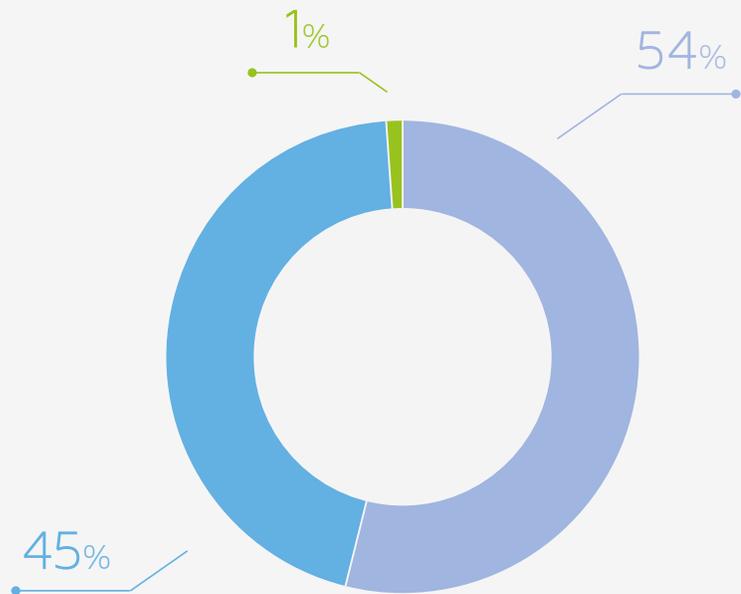
### Walgreens pharmacists by gender

- Female
- Male



### Walgreens pharmacists by race and ethnicity

- White
- People of Color
- Undisclosed





Employees by gender and employment type <sup>1,2</sup> as of Aug. 31, 2023<sup>3</sup>

Employment type	All (%)	Permanent (%)	Temporary (%)	Part-time (%)	Full-time (%)
Male	29	29	30	26	31
Female	71	71	70	74	69
Undisclosed <sup>4</sup>	-	-	-	-	-
All employees	100	100	100	100	100

The table below shows the company's employees by region and by type of employment type.

	United States	International	U.S. Healthcare	Total WBA
Full-time (%)	60	58	89	62
Part-time (%)	40	42	11	38
Permanent employees (%)	100	92	100	98
Temporary employees (%)	-	8	-	2

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

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

<sup>3</sup>Fiscal 2023 data within Deloitte & Touche LLP's review scope as detailed on pages 119-120 of the full Report.

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



Employee turnover<sup>1,2</sup> as of Aug. 31, 2023

	Voluntary Turnover (%)	Involuntary Turnover (%)	Total Employee Turnover (%)
United States	44	11	54
International	26	2	28
U.S. Healthcare	10	12	23
WBA	39	9	48

The table below shows the number and rate of new employee hires by region.

	United States	International <sup>1</sup>	U.S. Healthcare
New employee hires	154,571	15,692	1,211
Rate of new employee hires	67%	24%	32%

The table below shows the number and rate of new employee hires and employee turnover as of Aug. 31, 2023<sup>2</sup>

Employment type	<30	30-50	50+	Male	Female	UD <sup>3</sup>
New employee hires	114,260	42,689	14,542	55,561	115,920	10
Rate of new employee hires	38%	14%	5%	19%	39%	-
Employee turnover	86,602	42,089	14,858	43,121	100,424	4
Rate of employee turnover	29%	14%	5%	15%	34%	-

<sup>1</sup>Employees of US Retail Pharmacy, US Healthcare, and International are included; does not include employees of companies in which WBA has equity method investments and is not a majority owner.

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

<sup>3</sup>UD = Undisclosed



The table below shows return to work and retention rates of employees that took parental leave by gender as of Aug. 31, 2023

	Female	Male	Undisclosed	Total
<b>Employees eligible for parental leave</b>	70,423	36,193	9	106,625
<b>Employees who took parental leave</b>	4,496	2,030	-	6,526
<b>Employees who returned to work from parental leave</b>	2,677	1,240	-	3,917
<b>Employees who returned from parental leave and worked 12 months</b>	2,181	1,033	-	3,214

## Commitments and Progress



### Healthy Planet

Reducing the environmental impact of our business, including waste, emissions and plastics:

- Continuing to reduce and optimize use of energy across our operations
- Reducing the negative impacts of plastics and waste in our operations and seeking to increase reuse, recycling, recycled content and recovery to enable circular systems



#### Our Targets

##### 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.**

# Energy and Emissions

## Fiscal 2023 emissions data

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

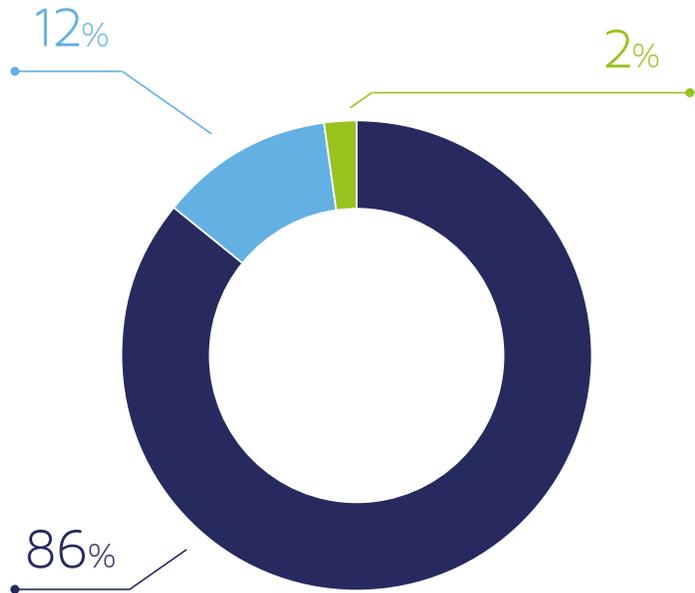
### Total CO<sub>2</sub>e emissions by source<sup>1</sup>

(000 metric tonnes)

	Fiscal 2023	Fiscal 2022	Fiscal 2019	% change from fiscal 2019
<b>Energy</b>	1,305	1,376	1,781	(27)%
<b>Product Delivery</b>	181	178	180	NM
<b>Business Travel</b>	26	23	42	(39)%
<b>Total WBA</b>	<b>1,511</b>	1,577	2,002	(25)%

### CO<sub>2</sub>e emissions by source in fiscal 2023<sup>1</sup>

- Energy
- Product Delivery
- Business Travel



<sup>1</sup>Fiscal 2023 data is a WBA specified disclosure and is within the Deloitte & Touche LLP review scope as detailed on pages 119-120 of the full Report and page 8 of our fiscal 2023 GHG Statement.

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

	Fiscal 2023	Fiscal 2022	Fiscal 2019	% change from fiscal 2019
<b>Electricity</b>	1,164	1,231	1,631	(29%)
<b>Gas</b>	125	130	133	(6%)
<b>Other</b>	16	16	17	(6%)
<b>Total</b>	<b>1,305</b>	1,376	1,781	(27%)

### CO<sub>2</sub>e emissions from business travel

(per thousand employees, by segment<sup>1</sup>)

	Fiscal 2023	Fiscal 2022	Fiscal 2019	% change from fiscal 2019
<b>U.S. Retail Pharmacy</b>	64	68	108	(41%)
<b>International</b>	117	89	204	(43%)
<b>U.S. Healthcare</b>	89	-	-	NM
<b>WBA</b>	<b>77</b>	71	157	(51%)

<sup>1</sup>Fiscal 2023 data is a WBA specified disclosure and is within the Deloitte & Touche LLP review scope as detailed on pages 119-120 of the full Report and page 8 of our fiscal 2023 GHG Statement.

## Scope 1, 2 and 3 GHG emissions

Global CO<sub>2</sub>e emissions ('000 metric tonnes)

	Fiscal 2023 <sup>1</sup>	Fiscal 2022	Fiscal 2019	% change fiscal 2023 compared to fiscal 2019
<b>Scope 1</b>	296	298	313	(5)%
<b>Scope 1<sup>2</sup> (Sales to third parties)</b>	27	25	32	(16)%
<b>Gross Scope 1<sup>2</sup></b>	323	323	345	(6)%
<b>Scope 2 location-based</b>	1,151	1,218	1,617	(29)%
<b>Gross Scope 1 and 2 location-based<sup>2</sup></b>	<b>1,474</b>	<b>1,542</b>	<b>1,962</b>	<b>(25)%</b>
<b>Scope 3<sup>3</sup></b>	64	61	73	(13)%
<b>Gross Scope 1, 2 and 3 location-based<sup>2</sup></b>	<b>1,538</b>	<b>1,602</b>	<b>2,034</b>	<b>(24)%</b>
<b>Scope 2 market-based</b>	1,108	1,177	1,556	(29)%
<b>Gross Scope 1 and 2 market-based</b>	<b>1,431</b>	<b>1,500</b>	<b>1,901</b>	<b>(25)%</b>

### GRI 305-4: GHG Emissions Intensity

('000 metric tonnes of CO<sub>2</sub>e per USD million sales)

<b>Gross Scope 1 and 2 location-based<sup>1</sup></b>	0.0106	0.0116	0.0163	(35)%
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<sup>1</sup>Fiscal 2023 data is a WBA specified disclosure and is within the Deloitte & Touche LLP review scope as detailed on pages 119-120 of the full Report.

<sup>2</sup>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.

<sup>3</sup>The Company is reporting on two of the fifteen Scope 3 categories. See Basis of Presentation.

# Waste

## Fiscal 2023 waste data

GRI 306-1<sup>1</sup>, 306-3<sup>2</sup>, 306-4, 306-5

Across all its businesses, WBA sent 253,082 metric tonnes of waste to landfill or incineration in fiscal 2023, a decrease of 18 percent from the baseline year of fiscal 2019. The increase in waste to landfill between fiscal 2023 and 2022 is due to the first time inclusion of U.S. Healthcare data. WBA recycled or reused 661,600 metric tonnes of materials that were diverted from disposal, an increase of 79 percent from the baseline year of fiscal 2019. This increase is due to the addition of reuse data from Walgreens and Boots UK, and any relevant enterprise acquisition data. WBA has been focused on reducing waste to landfill and incineration as well as improving material diversion through increased reuse and recycling opportunities. We are proud of our current diversion activities, and are exploring new partnerships that would enable us to have more opportunities to reuse or recycle materials.

### Waste by method of disposal (000 metric tonnes)

	Fiscal 2023	Fiscal 2022	Fiscal 2019	% change from Fiscal 2019
<b>Landfill</b>	252	240	307	(18%)
<b>Incinerated</b>	1	1	-	114%
	<b>253</b>	241	307	(18%)

### Materials diverted from disposal

	Fiscal 2023	Fiscal 2022	Fiscal 2019	% change from Fiscal 2019
<b>Recycled<sup>3</sup></b>	347	354	369	(6%)
<b>Reuse<sup>3,4</sup></b>	315	259	-	NM
	<b>662</b>	613	369	79%

<sup>1</sup>Fiscal 2023 data disclosed is GRI 306-1 and WBA specified disclosure are within Deloitte & Touche LLP review scope as detailed on pages 119-120 of the full Report.

<sup>2</sup>Fiscal 2023 data disclosed is GRI 306-3 and WBA specified disclosure are within Deloitte & Touche LLP review scope as detailed on pages 119-120 of the full Report.

<sup>3</sup>Fiscal 2022 amounts have been reclassified to the Reuse category.

<sup>4</sup>Data is presented for Walgreens and Boots UK only. Reuse includes: pallets, totes and product donation and liquidation.



# Commitments and Progress



## Sustainable Marketplace

Providing quality, safe products and services to our customers with a focus on traceability, transparency and ethical sourcing:

- Managing the end-to-end sustainable lifecycle of our owned brand products
- Addressing environmental and social impacts and opportunities by increasing traceability, transparency and diversity across our suppliers and within our supply chain



### Our Targets

#### Achieved in fiscal 2023:



**Boots and No7 Beauty Company:** Achieve 80 percent certified RSPO (Roundtable on Sustainable Palm Oil) palm oil through physical certification. **Exceeded.**



**Walgreens:** Source **100 percent** of palm oil from Roundtable on Sustainable Palm Oil (RSPO) certified sources, physically certified and credits. **Achieved.** Each following year, Walgreens aims to increase the physical certified portion by **5 percent**. **On Track.**



**Walgreens:** **Increase spend** with Tier 1 diverse suppliers to \$700 million, from \$625 million in fiscal 2022. **Exceeded.**

#### By fiscal 2025:



**Boots and No7 Beauty Company:** **Achieve** the UK Plastics Pact 2025 targets: **30 percent reduction** in plastic packaging compared with fiscal 2018 baseline; **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.**



## Ethical sourcing standards and supplier engagement

GRI 2-24, 414-1<sup>1</sup>, 414-2<sup>1</sup>

As the table shows, two zero tolerance violations were detected during fiscal 2023. Both were identified at potential new sites, and therefore we declined to begin business with both sites. 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.

### Supplier Compliance Assessments<sup>2</sup>

	Fiscal 2023	% of total
<b>Satisfactory</b>	477	46
<b>Needs Improvement</b>	415	40
<b>Critical</b>	137	13
<b>Zero Tolerance</b>	2	0
	<b>1,031</b>	<b>100</b>

**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:** Issues identified that are not accepted or tolerated by our business and are related to incidents of the following, but are 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.

<sup>1</sup>GRI 414-1 and 414-2 required disclosures are within the Deloitte & Touche LLP review scope as detailed on pages 119-120 of the full Report.

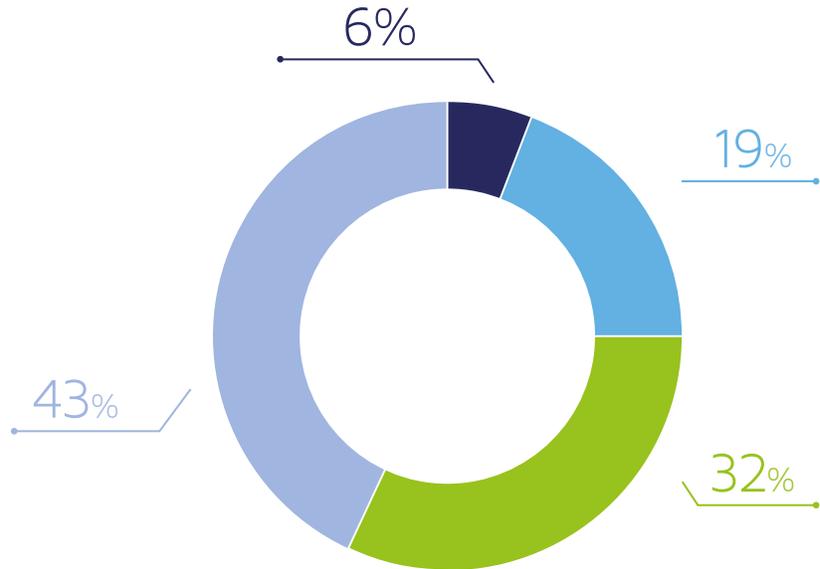
<sup>2</sup>Totals showing - reflect rounding of amounts lower than 0.5 percent.



## Palm oil sourcing

100% of palm oil in Walgreens Boots Alliance certified in calendar 2022

- Palm oil derivatives certified 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 and product design

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

### Metrics tonnes of packaging material in owned brand products (calendar year)<sup>3</sup>

	2022	2021	YoY Variance
<b>Glass</b>	1,244	1,313	(5.2)%
<b>Metal</b>	779	873	(10.7)%
<b>Plastic<sup>1</sup></b>	12,839	14,444	(11.1)%
<b>Wood, pulp and paper<sup>2</sup></b>	18,970	19,775	(4.1)%

<sup>1</sup>GRI 306-3 specified disclosures for plastic only are within Deloitte & Touche LLP review scope as detailed on pages 119-120 of the full Report.

<sup>2</sup>Excludes pallets.

<sup>3</sup>WBA owned brand packaging data is based on supplier responses within our Product Sustainability Hub portal, of which 76% is actual and 24% is estimated.

## Contact us

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**Walgreens Boots Alliance**