



Walgreens Boots Alliance

Corporate Social Responsibility Report 2016

Walgreens Boots Alliance is the first global pharmacy-led, health and wellbeing enterprise. Our purpose is to help people across the world lead healthier and happier lives.

Our 2016 Corporate Social Responsibility Report covers the fiscal year that ended 31 August 2016.

In this year's report:

Overview	
Introduction.....	1
Our CSR goals.....	2
Our vision, purpose and values.....	3
Our approach to CSR.....	4
Contributing to the United Nations Sustainable Development Goals.....	6
Our impact.....	8
About our Company.....	10
Stakeholder engagement.....	12

Community	
	
Health and Wellbeing	16
Young People	17
Cancer Programs	20

Environment	
	
Energy	24
Waste	26
Deforestation	27

Marketplace	
	
Transparency	30
Ethical Sourcing	30
External Stakeholders	31

Workplace	
	
Employee Health and Wellbeing	34
Equal Opportunities	36
Health and Safety	37
About this report.....	38
Data management process.....	38
Data.....	38
Community data.....	38
Environment data.....	39
Workplace data.....	39
Corporate governance.....	40
Our code of ethics.....	40
GRI content index.....	41
Assurance report.....	42
Legal notice and basis of preparation..	43

Introduction



Walgreens Boots Alliance was honored with the United Nations Foundation's Global Leadership Award in 2016, recognizing our ongoing commitment to Corporate Social Responsibility.



Stefano Pessina (l), James Skinner (r)

Driving socially responsible business growth around the world

Walgreens Boots Alliance is privileged to care for people and communities around the world as we deliver our vision to be the first choice for pharmacy, wellbeing and beauty.

Our commitment to Corporate Social Responsibility (CSR) is embedded in our drive to operate both a sustainable and profitable enterprise. Advancing our environmental, social and governance performance involves many aspects of our Company, builds trust in our brands and lies at the core of our everyday work to support healthy living.

Colleagues in both our legacy companies have long pursued local CSR initiatives linked to the nature of our businesses. In our first full fiscal year as a combined global Company, we focused on the CSR work that prioritizes our communities, environment, marketplace and workplace. Our global reach means we can drive large-scale initiatives and replicate successful programs around the world while collaborating with key stakeholders.

We strive to be global leaders in supporting people and the planet and to innovate in the face of the long-term challenges for all businesses due to environmental change and global population growth. To set CSR targets for the future we have developed internal procedures for gathering data and reporting performance. For fiscal 2016 we collected data across our enterprise on community contributions, carbon emissions, energy use, waste disposal, employee retention and employee gender. These externally assured metrics, published in this report, will serve as the baseline for evaluating our progress in these areas.

Through proactive support of our colleagues' personal health and wellbeing and by providing equal opportunities for everyone, we are building a culture of looking after our people. This means that we are even more engaged to better serve our customers.

We thank all of our employees for acting locally to help people across the world lead healthier and happier lives.

James Skinner
Executive Chairman
Walgreens Boots Alliance, Inc.

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

16 February 2017

Our CSR goals

Delivering a CSR program that makes us proud

In the past year, I was often reminded of how much this Company inspires me. I witnessed first-hand many examples of local initiatives from our businesses around the globe that demonstrate how CSR activities are truly embedded in our work. These initiatives take on even greater significance as part of our CSR strategy, through which we prioritize our responsibility to the community, environmental protection, doing business fairly and treating our people with respect and dignity.

I had the privilege of visiting our distribution center in Windsor, Connecticut, USA, where specialized workstations address the needs of employees with disabilities. I felt proud of Walgreens Boots Alliance's long-term commitment to creating job opportunities for people of all abilities. At an EnergyCare event at our Nottingham support office I learned more about how we encourage energy efficiency consciousness in our teams. I was touched by the passion our colleagues show for social, healthcare and environmental issues.

In our first full fiscal year as a combined Company we strengthened our existing activities by increasing the scale of our impact and sharing best practices. We expanded successful local initiatives – for example our U.S. stores raised \$20 million in fiscal 2016 for Red Nose Day, more than double the amount raised in the previous year.

As committed global citizens we choose to aim high, and have set challenging goals in 12 areas connected to our business activities, including helping to fight cancer, reducing waste and energy consumption, driving ethical sourcing practices and promoting equal opportunities throughout the Company.

We aspire to be a standout global CSR company; I am pleased to report that in fiscal 2016 we achieved important milestones such as providing life-changing vitamins to nearly 100 million children and mothers in at-risk populations through our support of Vitamin Angels, harmonizing our ethical sourcing policies and piloting a zero waste to landfill distribution center in the USA.



The United Nations Foundation recognized our ongoing commitment to CSR, honoring us in October 2016 with its Global Leadership Award. The foundation cited our commitment to the U.N.'s recently published Sustainable Development Goals through the Get a Shot. Give a Shot. campaign, which helped provide life-saving vaccines to more than 15 million children worldwide over the past three years.

By remaining dedicated to causes, we have made a substantial impact in the area of cancer research. An example is the partnership dating to 2011 with the EORTC Cancer Research Fund to support the first pan-European Biobank for colorectal cancer. We continue to raise funds for EORTC through numerous employee-led events. By the end of fiscal 2016, 1,100 patients from 11 European countries had enrolled in the biobank, a unique platform to develop personalized treatments.

From my heart, I want to take this opportunity to thank our employees, suppliers and partners for showing they care, by supporting and delivering a CSR program that makes us proud.

Ornella Barra

Co-Chief Operating Officer

Walgreens Boots Alliance, Inc.

Leader of Corporate Social Responsibility

16 February 2017

Our vision, purpose and values

Our vision

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

Our purpose

We help people across the world lead healthier and happier lives

Our values

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

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

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

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

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

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



Our approach to CSR



Around the world, every day, millions of people rely on the medicines we distribute and dispense. They rely on our local pharmacists for information, support and advice. They rely on the convenience of our retail presence to support their daily living and on our beauty products to look their best.

Our business values and the nature of our day-to-day operations, which are rooted in supporting communities and connected to healthcare, inform and shape our approach to CSR.

Since the Company was created through the combination of Walgreens and Alliance Boots in December 2014, we have worked diligently to align our global CSR strategy. As a global company inheriting the significant historical CSR contributions of our legacy companies, we are in a position to make a profound impact. This report shows the progress we are making in combining our CSR practices. We are excited to evolve our CSR strategy into a more holistic approach, measuring and showing stakeholders our progress along the way.

For the first time in fiscal 2016, Walgreens Boots Alliance collected data from all our businesses across the globe on community contributions, carbon emissions, waste disposal and employees by gender. Deloitte & Touche LLP conducted a review of selected indicators within this report in accordance with attestation standards established by the American Institute of Certified Public Accountants. Their assurance report can be found on page 42 of this report. The data will serve as a baseline to show our future progress in these areas.

Another important step during fiscal 2016 was aligning our target-setting methodology with our business and CSR strategies. Through alignment with the United Nations' Sustainable Development Goals, conversations with our stakeholders, and stakeholder benchmarks, we've transitioned our efforts into four key focus areas that will shape our CSR approach moving forward:

- 1. Community** – We strive to be a responsible neighbor in the communities we serve around the world
- 2. Environment** – We are determined to protect the environment and do our part to ensure it flourishes for future generations
- 3. Marketplace** – We aim to do business fairly and with integrity
- 4. Workplace** – We strive to treat our people with dignity and respect

As we continue to integrate CSR into our businesses, we are committed to setting measurable targets to hold ourselves accountable and to demonstrate our annual progress. This is a process that will take time. It begins with the updated focus on key areas and with our global data collection for fiscal 2016, which you can read more about in the "About this report" section.

Our businesses engage in initiatives that are both relevant to their local communities and markets and fall within the central, Company-wide CSR framework. We adjusted the framework this year to define **12 CSR goals**, three in each of our four focus areas. Each goal is addressed in a section of this report explaining our impact and progress in that specific area during fiscal 2016. The goals are as follows:

Community

We understand our responsibility to our neighbors and are taking actions to:

- Support the health, wellbeing and vitality of the communities we serve
- Enable young people to achieve their potential wherever they are in the world
- Develop and mobilize our resources and partnerships in the fight against cancer

Environment

To protect the earth and its resources for future generations, we understand our potential positive impact and are taking actions to:

- Reduce our energy consumption and emissions on a comparable basis* as defined by the Greenhouse Gas Protocol
- Reduce the waste we create, on a comparable basis*, and contribute to the drive for increasingly circular economies through increased re-use and recycling
- Develop plans to help achieve zero net deforestation by 2020, collaborating with other organizations in a global initiative

* Excludes the impact of acquisitions, disposals and any significant changes in existing operations

Marketplace

To compete fairly and with integrity, we are taking action to:

- Create a global process that enables transparency of ingredients and their traceability for the exclusive consumer retail product brands that we sell

- Continue to drive ethical sourcing practices – protecting human rights across our supply chain
- Work collaboratively with a global network of key external organizations engaging in issues that carry the greatest social relevance to the markets and in the communities we serve

Workplace

To treat our people with dignity and respect, we are taking action to:

- Proactively support the personal health and wellbeing of our employees
- To deliver our commitment to equal opportunities for everyone across our employment practices, policies and procedures
- Continuously improve our robust approach to health and safety, actively caring for our employees and customers, throughout the Company



Employees at Boots Thailand celebrate an initiative where they raised money for the country's National Cancer Institute.

Contributing to the United Nations Sustainable Development Goals

Since United Nations member states adopted an agenda in 2015 for sustainable development including 17 aspirations known as the Sustainable Development Goals (SDGs), Walgreens Boots Alliance has worked to ensure that our overall CSR strategy, and the goals within this strategy, work to achieve the SDGs.

Every Walgreens Boots Alliance CSR goal has been mapped to one or multiple SDGs to make it easier to measure progress and report our findings. Our approach to aligning with the SDGs was broken down into five key steps:

1. Understanding the SDGs:

We reviewed the scope of all 17 goals and worked to understand the different targets that feed into each of the goals.

2. Embedding the SDGs into our goals:

After a thorough understanding of what each of the 17 SDGs entail, we worked to align this understanding into our CSR goals. The SDGs helped to not only streamline the way we work toward our goals, but also to reinforce their motivation and direction.

Goals	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
Community								
Health and Wellbeing								
Young People								
Cancer Programs								
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Employee Wellbeing								
Equal Opportunities								
Health and Safety								

3. Integrating the SDGs into our activities:

We are working with our individual businesses to address specific targets that are relevant to the SDGs.

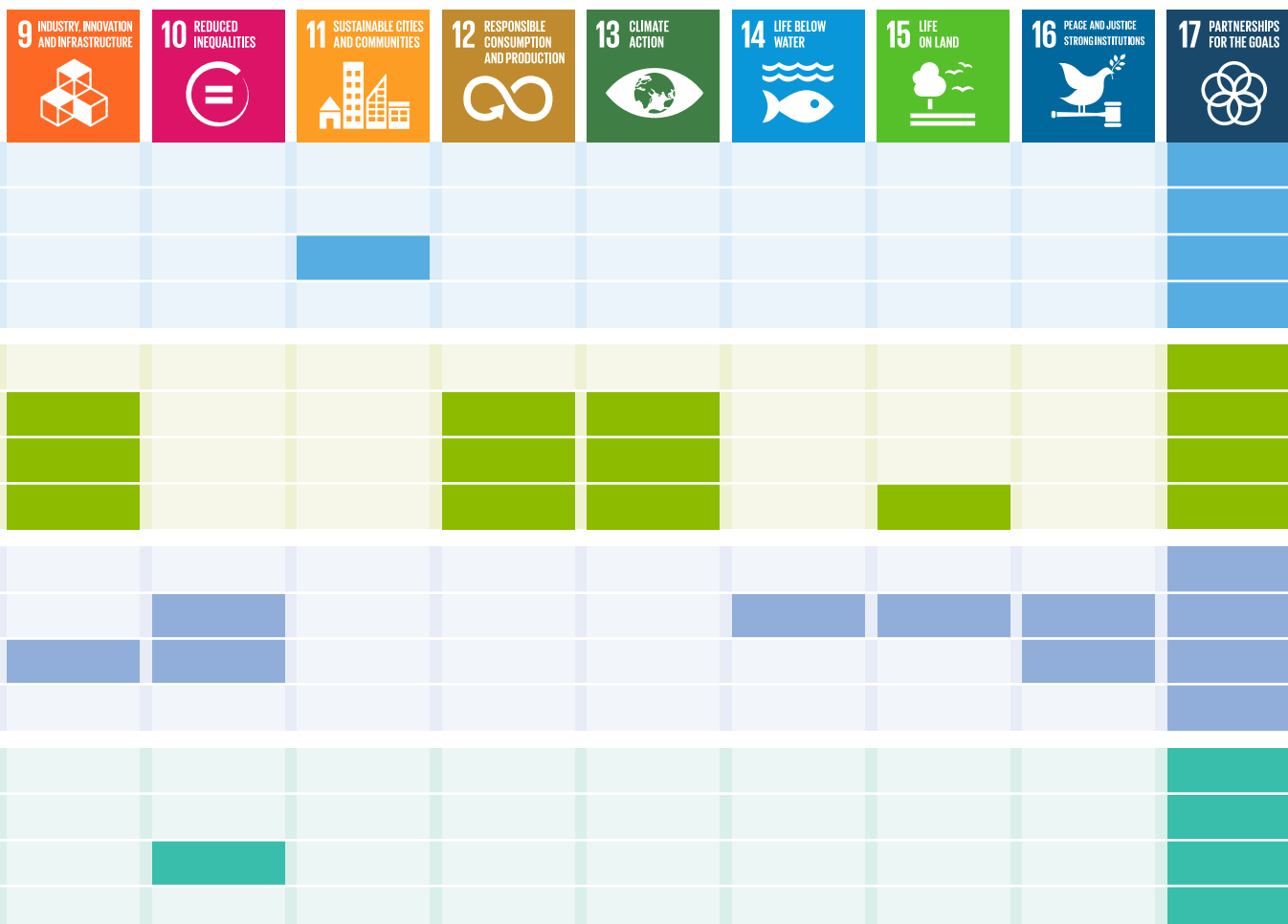
4. Communicating and engaging our people:

In order to continue the alignment to the SDGs, we are educating and engaging our employees about how they can have a positive impact and help the Company achieve its goals.

5. Measuring and reporting progress:

Alignment to the SDGs is a journey and we are only at the beginning. We are dedicated to communicating our progress and connection to the SDGs in our annual CSR report. By taking the first steps to align with international frameworks (such as the Global Reporting Initiative), we are excited to share our progress against the SDGs on an annual basis.

Given our global impact, we have decided to take the approach of addressing as many of the SDGs as we can, in areas where we as a Company can be the most impactful. We recognize that the 17 SDGs are interconnected and, with multiple strands of activities throughout our lines of business, we can make a significant and meaningful contribution to end poverty, hunger and inequality, take action on climate change and the environment, improve access to health and education, build strong institutions and partnerships, and more.



Our impact

Walgreens Boots Alliance 2016 CSR Highlights

At Walgreens Boots Alliance we are proud of the impact our CSR initiatives have on people in our communities and around the world. From our support of vanguard cancer research in Europe, to donations

that bolster vitamin distribution in developing nations and through our work with diverse suppliers and employees in the United States, the people pictured on these two pages are a testament to how we make a difference.

Gladys is a child in Guatemala who received twice yearly vitamin A supplements and deworming tablets, and a daily multivitamin, during 2015 and 2016 at her preschool in San Antonio Palopó on the shore of Lake Atitlan. The vitamins, provided through the Walgreens-Vitamin Angels partnership, helped supplement her limited diet. Her mother, the sole earner for her household, makes most of her money from weaving. Vitamin Angels partners with non-governmental organizations to provide life-changing vitamins and minerals for pregnant women, new mothers and children under five. Vitamin A deficiency, which is moderate in Guatemala, can cause blindness.



“Through partnering with companies that share our interests and goals for diversity, opportunity, and responsibility to society, we know that we will continue to move forward while helping others,” says Alison Gutterman, owner of Jelmar, a woman-owned firm that supplies cleaning products and rust removers to Walgreens.



Jamie Graham, one of more than 900 employees at our U.S. distribution centers who identify as people with disabilities, has worked at the Walgreens Connecticut Distribution Center for eight years as a general warehouse worker. Jamie, shown here with Field Inclusion Manager Joe Wendover, says the job has transformed her life: "This job has allowed me to be more independent in what I do. The benefits are huge. I had no benefits before I started. I had no life insurance. This job has helped me financially."



"It is very rewarding to work on a project that gives cancer patients new and hopefully better treatment opportunities," says Dr. Daniella Aust, a study coordinator for the European Organisation for the Research and Treatment of Cancer (EORTC) SPECTAcOLOR Biobank, which has been supported by numerous fundraisers held by employees at Walgreens Boots Alliance and its legacy businesses. "Platforms such as SPECTAcOLOR will be the only way to find novel treatment opportunities in the future."

About our Company

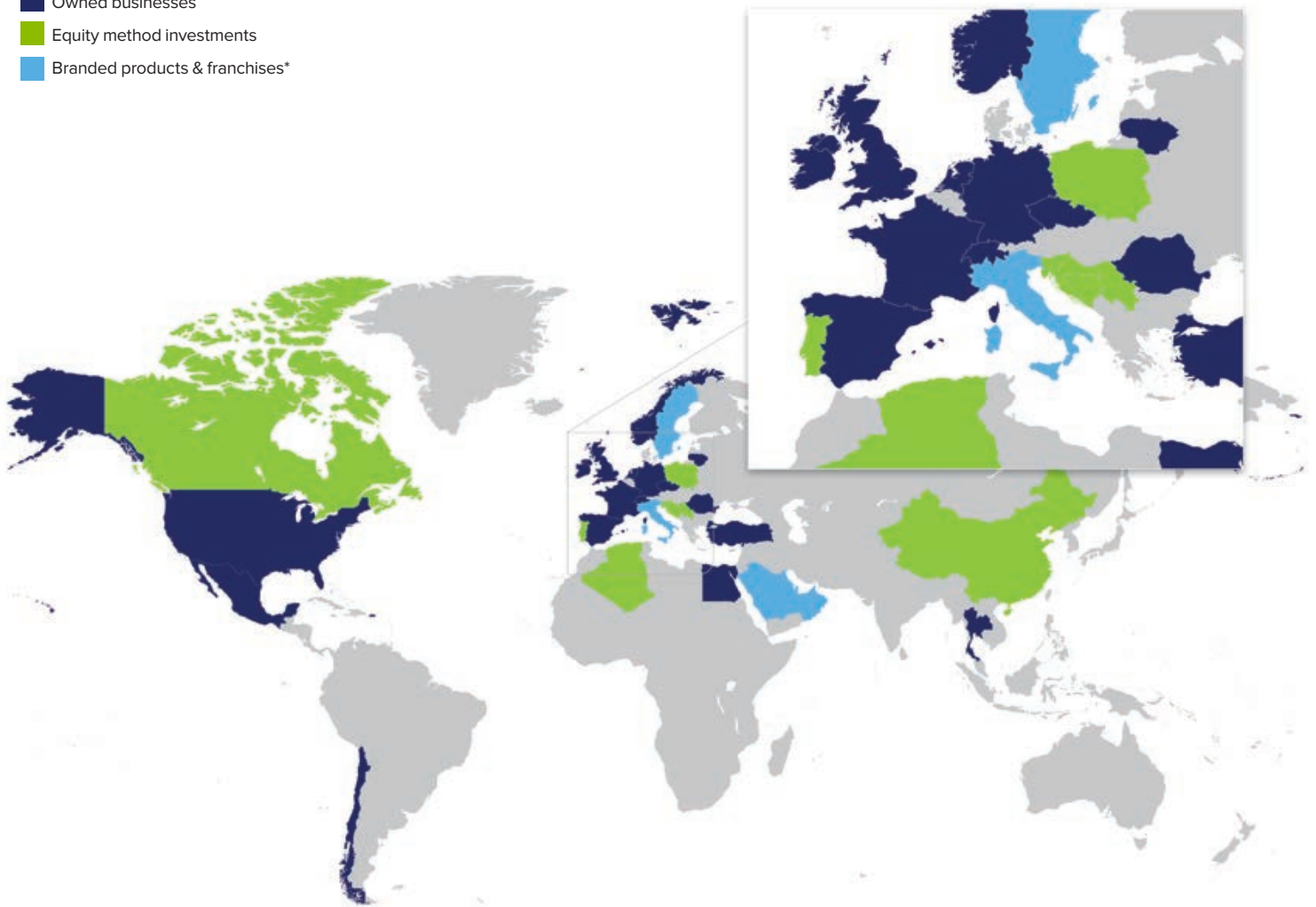
Our Company was created through the combination of Walgreens and Alliance Boots in December 2014. This transaction brought together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted healthcare services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.

The three Divisions that make up our Company are Retail Pharmacy USA, Retail Pharmacy International and Pharmaceutical Wholesale. Additional information on these Divisions can be found on our corporate website.

Additionally, Walgreens Boots Alliance has a portfolio of highly regarded and long established product brands, which we continue to grow on a global scale. Additional information about our product brands can also be found on our corporate website.

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

- Owned businesses
- Equity method investments
- Branded products & franchises*



*Countries where the Company's products are available for purchase or there are Company franchises (other than those countries where there are owned businesses, equity method investments or joint ventures)

OVER 400,000* PEOPLE EMPLOYED

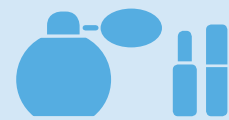


PRESENCE IN MORE THAN

25*

COUNTRIES

THE LARGEST RETAIL PHARMACY, HEALTH AND DAILY LIVING DESTINATION IN THE USA AND EUROPE



GLOBAL LEADER IN PHARMACY-LED, HEALTH AND WELLBEING RETAIL WITH OVER 13,200* STORES IN 11* COUNTRIES



A GLOBAL LEADING PHARMACEUTICAL WHOLESALE AND DISTRIBUTION NETWORK WITH OVER 390* DISTRIBUTION CENTERS IN MORE THAN 20* COUNTRIES



ONE OF THE WORLD'S LARGEST PURCHASERS OF PRESCRIPTION DRUGS AND MANY OTHER HEALTH AND WELLBEING PRODUCTS



*As of 31 August 2016, including equity method investments, using publicly available information for AmerisourceBergen

Stakeholder engagement

Engaging and collaborating with our stakeholders allows us to address the most material sustainable issues in our industry.

This dialogue provides us with a broad and diverse understanding of our stakeholders' evolving priorities and the issues that are of utmost concern to them. Ultimately, this enables us to deliver products and services that make positive impacts throughout our lines of business.

Our external sustainability advisory panel, created in 2015 to identify sustainability topics that could be material to the brands or products throughout their respective life cycles, accomplished many things in fiscal 2016. In the past year the panel has been instrumental in helping to give us clear direction to a sustainability assessment covering our product brands such as No7, Botanics, Soap & Glory and Liz Earle. To read more about this panel's assessment, please visit the Marketplace section of this report.

Stakeholders – engagement channels

- **Non-governmental organizations**
Donations and sponsorships, joint fundraising events, partnerships, in-kind support and volunteering initiatives, face-to-face meetings, formal feedback, critical friends
- **Stockholders and investors**
Regular dialogue, annual meeting
- **Government bodies and agencies**
Consultation responses at national and international levels, association membership, industry panels, public affairs outreach, site visits

- **Employees**
Performance management processes, employee engagement surveys and forums, union management forums and work councils, consultations, training, one-on-one meetings, Company and business communications, annual CSR report
- **Local communities**
Local business forums, regular and ad hoc meetings with local not-for-profit groups, public consultations, employee volunteering
- **Suppliers**
Supplier forums, one-on-one meetings, policy statements, site visits, supplier conferences, supplier audits
- **Customers (pharmacists, consumers, patients)**
Customer panels, focus groups, customer satisfaction surveys, direct feedback, conferences for pharmacists, pharmacist associations
- **Academics**
Face-to-face meetings, research and sustainability projects, guest-speaker slots, internships, logistical support, annual CSR report
- **Media**
Performance updates, media releases, interviews with senior management, annual CSR report

In fiscal 2016, we made a number of strides in sustainability based on our engagement with a range of stakeholders. For example:

Non-governmental organizations:
Walgreens worked with The Humane Society of the United States, an animal protection group, and with The Humane League, a farm animal advocacy nonprofit, to create a cage-free egg policy in fiscal 2016.

Walgreens has also continued its productive relationship with Safer Chemicals, Healthy Families. In addition to participating in quarterly dialogue, Walgreens is working closely with this organization to understand issues around ingredients used in the products it sells and produces, as well as to help ensure alignment with best sustainability practices in our industry.

We remained actively involved on the boards of a number of organizations. During fiscal 2016 our Co-Chief Operating Officer Alex Gourlay served as Vice Chairman of the National Association of Chain Drug Stores (NACDS), while our President of Pharmacy and Retail Operations Richard Ashworth served on the organization's Retail Advisory Board. Co-Chief Operating Officer Ornella Barra was Chairman of the International Federation of Pharmaceutical Wholesalers (IFPW) during the fiscal year. Over the course of the year, accomplishments with these organizations included working with NACDS to develop its CSR agenda, and supporting the IFPW Foundation's CSR agenda, such as its partnership with the Gavi Vaccine Alliance, which works with industry and governments to increase access to immunizations in poor countries.

Government bodies and agencies:

Walgreens worked with state governments across the United States during fiscal 2016 on efforts to combat drug abuse and curb the misuse of medications by providing a year-round safe and convenient way to dispose of unwanted medications and to make the lifesaving opioid antidote naloxone available without requiring a prescription.

In the USA, Walgreens, along with other corporate sponsors, in collaboration with Resource Recycling Systems (RRS), and with participation from state and local chambers, city officials and other civic stakeholders, supported the U.S. Chamber of Commerce Foundation Corporate Citizenship Center's Beyond 34: Recycling and Recovery for A New Economy. Focused on breaking through the current 34 percent recycling barrier in the United States, the project is designed to provide a scalable model for improving recycling and recovery rates in order to help communities, cities and businesses achieve their circular economy and sustainability goals. The project will be conducted in a phased approach beginning in January 2017.

In the UK, the Circular Economy Task Force is a government-endorsed, business-led group convened by Green Alliance; a charity and independent policy think tank focused on ambitious leadership for the environment. We are a founding member of the Task Force through our legacy company Alliance Boots. A circular economy emphasizes reuse and durability, reducing waste and pollution, and renewable energy.

Over the past four years, the Circular Economy Task Force has made significant progress in driving policy and activity around more efficient use of resources in the UK. Its focus has been on providing analysis on the opportunities



Safe disposal helps to combat drug abuse and misuse of medications.

of the circular economy and using this to advocate successfully for policy reviews on the harmonization and simplification of waste and recycling collection services.

Academic partnerships:

The U.S.-wide reach of Walgreens and its access to communities make it a key collaborator in health studies.

In July 2016 Walgreens announced it will participate in an ambitious medical research program, the U.S. Precision Medicine Initiative (PMI) Cohort Program. Customers will be able to enroll in the program through Walgreens stores, clinics, website and mobile app. Participants will share health history and information about their lifestyle and environmental exposures to contribute to a landmark research effort. The program aims to engage at least one million participants in the USA to improve the ability of preventing and treating disease based on individual differences in lifestyle, environment and genetics.

Walgreens also announced in fiscal 2016 the results of a study developed in collaboration with the University of Chicago that suggest pharmacy interventions and benefit plan designs with low co-pays could be key factors in helping to improve adherence to statin (cholesterol) medications for patients living in minority communities. The study, published in the peer-reviewed Journal of Racial and Ethnic Health Disparities,

compared adherence rates for more than 300,000 patients, focusing on those filling new prescriptions for statin medications at Walgreens pharmacies in neighborhoods with different racial makeup.

Other engagements:

We continue to work closely with organizations and industry networks on a variety of issues. For example, we participate in the Consumer Goods Forum in two key ways. First, our chief executive, Stefano Pessina, serves on the organization's board of directors. Second, a number of our people sit on various Consumer Goods Forum committees. In January 2016, the forum's board approved a Social Resolution on Forced Labor, which states that members of the forum will strive to eradicate forced labor from their value chains and will continue not to tolerate forced labor within their own operations.

In addition to the resolution, the Consumer Goods Forum's Social Sustainability Committee, which Walgreens Boots Alliance is part of, researched key drivers of forced labor in global supply chains and developed industry principles to counter these drivers. The forum's member companies are working together to fine-tune and assure the adoption of the principles. We intend to report our progress against these commitments in future reports.

Community

Walgreens Boots Alliance strives to be a responsible neighbor in the local communities we serve. Our efforts are centered around making communities healthier and happier.

Our business of making medicines, general merchandise and services available to customers and patients embeds us in communities around the world, where we are a significant local employer. Our conveniently located stores put professional pharmacists at the heart of healthcare in the communities we serve and our online channels provide further options for our customers.

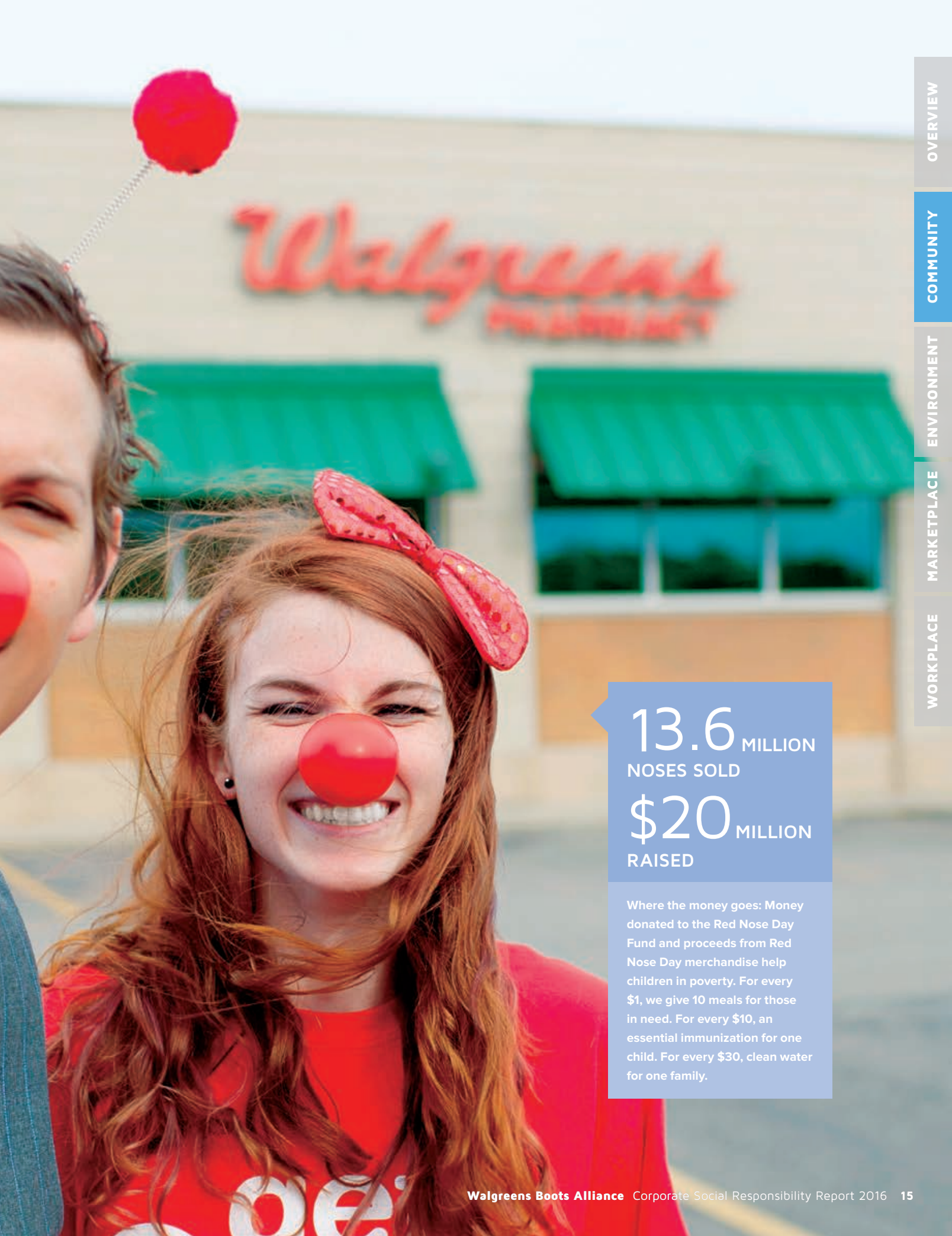
To continue making meaningful impacts in our local communities, we have focused our efforts on three key areas through our Community Goals.

Health and Wellbeing: To support the health, wellbeing and vitality of the communities we serve

Young People: To enable young people to achieve their potential wherever they are in the world

Cancer Programs: To develop and mobilize our resources and partnerships in the fight against cancer





13.6 MILLION
NOSES SOLD

\$20 MILLION
RAISED

Where the money goes: Money donated to the Red Nose Day Fund and proceeds from Red Nose Day merchandise help children in poverty. For every \$1, we give 10 meals for those in need. For every \$10, an essential immunization for one child. For every \$30, clean water for one family.

Health and Wellbeing

Red Nose Day and beyond

“Red Nose Day is what helps us keep going, and if we didn’t have this program these kids could be going down paths that wouldn’t help them succeed in life.”

—**Joseph McLaughlin**, director of the Sipayik Boys and Girls Club in Perry, Maine, a beneficiary of Red Nose Day funds.

In 2016 Walgreens employees across the USA embraced the spirit of Red Nose Day for the second year in a row. To raise money and awareness for the charity campaign they did everything from throwing red paint on store managers to sharing images of themselves on social media. Through sales of 13.6 million red noses and other activities with customers, employees and supplier partners, Walgreens hit its expanded fundraising goal, raising \$20 million, more than double the amount raised for the inaugural event in 2015. The funds went to providing nutritious meals, essential medicine, clean water and other vital aid and services to children in need in the USA and internationally, making Red Nose Day an anchor of Walgreens Boots Alliance’s goal of supporting health and wellbeing.

“The entire Walgreens organization and its customers’ support have been absolutely vital to the success of Red Nose Day,” said Janet Scardino, chief executive officer of Comic Relief Inc., the charity behind Red Nose Day. “While the numbers are impressive, the truly gratifying part of Red Nose Day is knowing that the lives of so many children will be transformed.”

Several weeks before and after the second annual U.S. Red Nose Day, on 26 May, Walgreens asked customers to purchase red noses and other red items such as beads and bow ties, with proceeds benefitting the Red Nose Day Fund. Walgreens also absorbed marketing costs for the campaign. The activities culminated in a two-hour live broadcast on NBC with popular comedians and Hollywood stars, echoing the original UK Red Nose Day in 1988. In alignment with its grant methodology, the Red Nose Day Fund distributed donations to programs including: Boys & Girls Clubs of America, which provides safe places for children to learn and play after school; Children’s Health Fund, which brings essential medical services to underserved children; Covenant House, which provides shelter and services for homeless youth; hunger relief organization Feeding America; and Save the Children, which provides critical early childhood programs.

In addition to Red Nose Day, Walgreens Boots Alliance strives to support health and wellbeing in local communities in many different ways. Our people and businesses around the world participate in volunteering activities, fundraising activities and awareness campaigns.

Examples of these programs include:

- Through an 11-year partnership with International Health Partners (IHP), Europe’s largest coordinator of donated medicines, Walgreens Boots Alliance, including its legacy businesses, has provided medical supplies on an ongoing basis to aid agencies and healthcare companies to support natural disaster relief and refugee crises. Walgreens Boots Alliance also provides medicines for pre-packed kits of essential medicines for UK healthcare professionals who travel overseas on short-term medical missions in the developing world.
- The First Ladies Health Initiative, spearheaded by African-American women church leaders and sponsored by Walgreens, provided no-cost medical screenings and personal contacts in fiscal 2016 to help detect or prevent illnesses which disproportionately impact African-American and Latino communities. The annual program at close to 150 churches in five U.S. cities is designed to reach people in minority and low-income communities who are at a higher risk for certain diseases but less likely to seek medical attention.
- In advance of U.S. National HIV Testing Day on 27 June 2016, Walgreens and Greater Than AIDS, a leading national public information response to the domestic HIV/AIDS epidemic, teamed up with health departments and local AIDS service organizations (ASOs) to offer free HIV testing and counseling about new prevention strategies, including Pre-Exposure Prophylaxis (PrEP). Testing took place at Walgreens stores in 150 participating cities including Atlanta, Baltimore, Chicago, Dallas, New Orleans and Memphis.

Young People: Making a difference



OVERVIEW

COMMUNITY

ENVIRONMENT

MARKETPLACE

WORKPLACE



Walgreens expanded its Get a Shot. Give a Shot. program in 2016, its third year of work with the United Nations Foundation to provide life-saving polio and measles vaccines to children in need around the world. Donations to the program have helped provide more than 15 million vaccines. Walgreens makes a donation to the U.N. Foundation's Shot@Life campaign every time a patient gets an immunization of any type.

Walgreens has made a difference, one vaccine at a time. Donations to the Get a Shot. Give a Shot. program have helped provide more than 15 million life-saving polio and measles vaccines to children in need around the world. Walgreens expanded the campaign in fiscal 2016, which marked the third year of the program, by making a donation to the United Nations Foundation's Shot@Life campaign every time a patient got an immunization of any type, up to a total of \$2 million. The previous year, Walgreens donated \$1 million and matched a narrower range of vaccines.

We work with the U.N. Foundation and other organizations to identify countries and programs where we can make significant impact in community health and in preventing communicable diseases. For example, the Get a Shot. Give a Shot. campaign has provided critical support for polio immunization programs in Tanzania and Afghanistan and measles immunization in Chad and East Timor.

Walgreens added impact to the campaign in 2016 by generating social engagement through emotional videos, interactive social units, valuable flu shot health content and prompting patients to share their flu shot selfies with #giveashot. The social channels drove 139 million displays of the ad on Facebook, more than 500,000 engagements (such as clicks, shares or likes) on Twitter, and 76,000 engagements on Pinterest.

"Vaccines protect and improve the lives of millions of children in developing countries each year," said Kathy Calvin, president and chief executive officer of the U.N. Foundation. "The prevention of measles deaths has been the single largest contributor to reducing childhood deaths over the last decade and we are now so close to ending polio. By expanding our partnership with Walgreens, we can support U.N. efforts to help children access these life-saving vaccines around the globe."

Boots UK customers and colleagues raised \$1.4 million in November 2015 for BBC Children in Need; a total of more than \$14 million over 12 years of supporting the charity. BBC Children in Need funds a number of projects that work with children and young people facing a range of disadvantages or challenges in their lives such as poverty, deprivation, abuse, neglect or any kind of disability. The Boots relationship with BBC Children in Need goes well beyond donations, building on the links our pharmacies and stores have with their local communities. Boots stores and employees get involved with BBC Children in Need partners in their areas,



Her Royal Highness The Duchess of Cornwall (m), Patron of the National Literacy Trust, visited Boots Opticians in Peterborough in the UK to find out more about the Boots Opticians partnership with the National Literacy Trust. The partnership, which aims to break the cycle of illiteracy, gave away 350,000 copies of children's eye health book Zookeeper Zoe in fiscal 2016, to help detect undiagnosed eye conditions that affect an estimated 1 million children in the UK. Low literacy is most prevalent in the poorest communities and potentially correlated to vision problems. Boots Opticians employees also visit schools to encourage reading, promote eye health and provide teachers with vision screening tools.

volunteering to teach children about dental health, helping to put on seasonal events at youth centers, holding exercise and leadership workshops and much more.

As of August 2016 the Company neared its goal set in May 2014 of helping to provide 100 million children and pregnant women in at-risk populations in the USA and in other countries around the world with essential vitamins and minerals to help combat malnutrition, through a partnership with Vitamin Angels.

New initiatives around Vitamin Angels in fiscal 2016 connected employees and customers to some of the kids impacted by the program. Store employees mailed greeting cards to Vitamin Angels recipients and the children responded back to the stores with cards.

Walgreens continued to partner with the U.S. Department of Health and Human Services on a flu shot voucher program, in its sixth year in fiscal 2016, to help our local communities. Through this program, Walgreens has provided more than \$50 million in free vouchers to uninsured and underinsured residents in the USA and Puerto Rico.

Walgreens also continued to work on a number of programs with WE Charity, an international organization that partners with communities to help them lift themselves out of poverty using a holistic, sustainable five-pillar development model.



Walgreens sponsored four WE Days in fiscal 2016 in Illinois, Minnesota, California and Washington. WE Day brings together young people who participated in WE Schools, a program in which students develop action plans to improve their community and the world. Walgreens also sponsored curriculum through the WE are Love campaign, which encourages students to show appreciation for people who get overlooked at school and in their community.

Walgreens customers can also contribute to healthcare, education, water or financial opportunity projects for people in developing communities through the Walgreens/ME to WE platform, WE Impact Lives. The programs are funded through purchases in Walgreens stores of WE rafiki bracelets and selected, exclusive seasonal WE products.

One example of many fundraising efforts at our businesses around the world took place in Romania in fiscal 2016. Farmexpert, our pharmaceutical wholesale business in Romania, made a donation to support three teachers for

Romania program. Teach for Romania recruits talented future leaders, trains them to become inspiring teachers and places them in high-need schools where they are given the support to make a difference for students who are at risk of dropping out of school.

Children in the rural Kenyan village of Kipsongol gather at a well donated through funds raised during the fiscal 2015 Give H2OPE to Others campaign. The program is a collaboration between Walgreens, Unilever and ME to WE, a social enterprise that is part of the We Charity, to provide access to clean water through select Unilever product purchases at Walgreens. The collaboration continued in fiscal 2016, raising funds to donate more than 13.1 million gallons of clean water to another Kenyan community. Wells help reduce the incidence of waterborne disease to families and eliminates travel time to collect water, allowing children more time in the classroom.

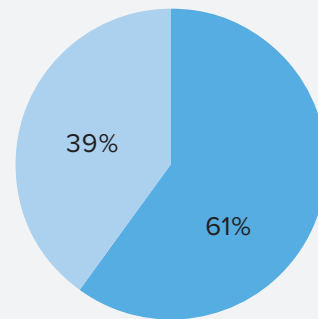


Community data

We measured our businesses' fiscal 2016 cash and non-cash donations to local, national and international charitable and community groups that work in health, education, social welfare and other areas. These metrics do not include donations raised in employee, customer and supplier fundraisers. See pages 38-39 of this report for additional data.

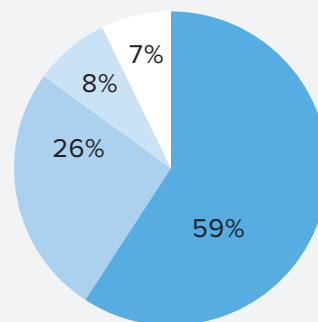
How the Company contributes*

- CASH
- NON-CASH



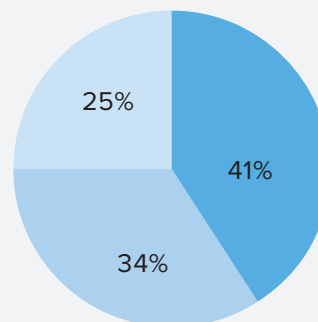
Areas impacted by the Company's contributions*

- HEALTH
- SOCIAL WELFARE
- OTHER
- EDUCATION



The types of groups the Company contributes to*

- LOCAL ORGANIZATIONS
- INTERNATIONAL ORGANIZATIONS
- NATIONAL ORGANIZATIONS



*Within Deloitte & Touche LLP's review scope as detailed on page 42

Cancer Programs Long-term partnerships are key

From a Thailand talent show to solidarity breakfasts in Spain; from charity soccer in the United Kingdom to a 5K/10K run in Mexico, Walgreens Boots Alliance employees around the globe together with corporate sponsorships raised funds for cancer programs in fiscal 2016.

Walgreens Boots Alliance takes a comprehensive approach toward supporting cancer programs, including advancing research, expanding prevention and assisting people and families affected by cancer. Our legacy businesses have made a significant impact through long term commitments, which Walgreens Boots Alliance has built on. Those include a partnership since 2011 with the European Organisation for the Research and Treatment of Cancer (EORTC), a seven-year partnership with UK-based charity Macmillan Cancer Support and a multi-year history of collaboration with the U.S. Leukemia and Lymphoma Society (LLS).

In partnership with the EORTC, Alliance Boots supported the creation of the first pan-European Biobank for colorectal cancer. Three years later, during fiscal 2016, we reached an important milestone with 1,100 patients participating in the EORTC SPECTAcOLOR biobank program. These patients were recruited from 28 hospitals and research institutions in 11 European countries.

SPECTAcOLOR, "Screening Patients for Efficient Clinical Trial Access," is the first ever prospective fully annotated tumor samples Biobank and Biomarker analysis platform for genetic profiling of patients suffering from advanced colorectal cancer. This platform develops personalized treatments based on the results of tissue sampling analysis. An estimated 600 to 1,000 patients with advanced colorectal cancer are expected to enroll on a yearly basis.

Between October 2011 and August 2016, Walgreens Boots Alliance and its legacy businesses have raised nearly 5.2 million euros (\$6.3 million) for EORTC, surpassing the original goal of 5 million euros.

Since 2009, Boots UK's partnership with Macmillan Cancer Support has aimed to make a positive impact on the lives of those affected by cancer by significantly increasing the amount and accessibility of cancer information and support Boots can provide to customers in its trusted stores and online. Through the partnership more than 2,200 Boots Macmillan Information Pharmacists have been trained to offer support to cancer patients and their loved ones. More than 800 Boots Macmillan Beauty Advisors have also been trained to help women, both in our stores and out in the communities where they live and work, manage the visible side effects of cancer treatment.



Farmacías Benavides in Mexico sponsored the Rosa Fuerte 5K/10K run to raise funds for Fundación Alma, which helps women with breast cancer.

Employees of Alliance Healthcare España held a fundraising activity for the European Organisation for Research and Treatment of Cancer (EORTC).



Boots UK colleagues, customers, suppliers and partners raised \$3 million for Macmillan Cancer Support in fiscal 2016, bringing the total to more than \$23 million since the partnership began.

Boots Republic of Ireland has partnered for more than four years with the Irish Cancer Society and in fiscal 2016 raised more than \$250,000 for the organization's Night Nursing service, which provides free end-of-life care to cancer patients, allowing them to remain in their homes. Throughout the partnership, the total amount raised by Boots Republic of Ireland has been more than \$1 million, or just over 2,700 nights of nursing care. Boots Republic of Ireland has also implemented a program, the "Boots Irish Cancer Society Information Pharmacists," to raise cancer awareness and provide patients and local communities with access to information on cancer, as well as support and referrals.

In the USA, under Walgreens Boots Alliance's comprehensive CSR strategy, legacy fundraising traditions are taking on a larger dimension. Walgreens is a longstanding supporter of The Leukemia & Lymphoma Society (LLS) through fundraising at individual stores. Our partnership entered a new phase with a corporate-level collaboration launched in March 2016, under which LLS and Walgreens will continue to help patients manage their disease.

LLS will train Walgreens pharmacists on blood cancer information so they

can provide better care for patients. Walgreens blood cancer patients will have access to LLS's Information Resource Center where they can access guidance on treatments, supportive care, financial support and information about clinical trials. Also, Walgreens will accelerate its support for LLS's Light The Night Walk fundraising campaign, which helps fund research to find cures and supports access to treatment for all blood cancer patients.

"Since we launched our partnership with Walgreens nearly a year ago, it is already demonstrating a benefit for blood cancer patients, and there's more to come. Walgreens and LLS together are addressing the critical unmet medical need represented by blood cancers, through dedicated patient support services and pharmacist education. We are confident that this shared value collaboration will set a high standard for non-profit and industry collaborations as we look to the future of cancer cures," says Louis J. DeGennaro, Ph.D., president and chief executive of LLS.

To support the fight against cancer, Walgreens Boots Alliance employees around Europe held fundraising initiatives throughout the year. Other fundraisers, in Asia and Latin America, gathered donations for cancer programs in those regions. Fundraisers during the year included:

- In the UK, Alliance Healthcare employee fundraising and company contributions for the EORTC totaled nearly \$200,000.

At one important fundraiser, more than 250 employees gathered in Nottingham for soccer and netball tournaments.

- In Spain, employees organized activities in 23 warehouses of Alliance Healthcare España, raising funds for the EORTC.
- In France, Alliance Healthcare warehouse employees raised money for the EORTC through a run and a disco party.
- In Thailand, Boots employees performed at an annual talent show for dozens of their colleagues, raising thousands of dollars for the country's National Cancer Institute (NCI).
- Farmacias Benavides in Mexico sponsored the Rosa Fuerte road race to benefit Fundación Alma, its third year of collaboration with the foundation. More than 3,500 runners participated, raising funds to donate 20 reconstructive surgeries and 300 external prostheses to uninsured or underinsured women with breast cancer.

In the USA, Walgreens was a key sponsor for the Stupid Cancer Road Trip in fiscal 2016, a cross-country grassroots campaign raising awareness for cancer in young adults. Stupid Cancer helps young adults find support from peers and reinforces messages about cancer screening, fertility preservation and side effect management.

Environment

At Walgreens Boots Alliance we have the ability to drive large-scale initiatives and positively impact our environment, which is why we aim to protect it and do our part to ensure it flourishes for future generations.

We assessed where we can make the greatest impact in the realm of environmental efficiencies and identified three key goals. While our Company promotes safe drinking water initiatives through our community programs, we are not a high-use water industry, and therefore have chosen to focus on energy, waste and deforestation.

This section outlines our environmental efforts in fiscal 2016 and the progress we are making through our three Environmental Goals.

Energy: To reduce our energy consumption and Scope 1 and Scope 2 emissions on a comparable basis* as defined by the Greenhouse Gas Protocol (GHGP)**

Waste: To reduce the waste we create, on a comparable basis*, and to contribute to the drive for increasingly circular economies through increased re-use and recycling

Deforestation: To develop plans to help achieve zero net deforestation by 2020, collaborating with other organizations in a global initiative

*Excludes the impact of acquisitions, disposals and any significant changes in existing operations

**The GHGP, established by the World Resources Institute and the World Business Council on Sustainable Development (WBCSD), sets the global standard for how to measure, manage, and report greenhouse gas emissions; Scope 1 emissions arise directly from sources owned or controlled by the Company while Scope 2 emissions are those generated by purchased electricity, heat and steam consumed by the Company; Scope 3 refers to other indirect emissions





Our Moreno Valley, California distribution center sent 4 metric tonnes of waste to landfill in August 2016, down from an average of 22 metric tonnes a month in fiscal 2015, through a zero waste to landfill pilot program. The program is a key initiative as Walgreens continues to define and implement a Company-wide best-in-class waste and recycling program in the United States.

Energy Boots UK accelerates progress toward Mayday target



The Boots UK support office in Nottingham held an energy fair organized by our EnergyCare program in September 2015 to celebrate 100 years of energy generation at its efficient Combined Heat and Power Plant. The celebration included an outdoor movie screening that was powered by children and adults pedaling bicycles. The plant generates the majority of the energy for the support office site.

Walgreens Boots Alliance is involved in multiple energy efficiency projects, alternative energy management programs and interaction with utilities toward programmed demand-response curtailment of the energy we use. Each business is committed to reducing its energy intensity. Across our Company, Walgreens Boots Alliance continues to invest on a prioritized basis to reduce our impacts.

In the UK, our businesses work to reduce energy use through three main strands: engaging and educating colleagues around energy consumption;

investing in technology to reduce energy consumption; and sourcing electricity from low carbon generation sources. Our investments are particularly focused in the retail stores, which account for the largest portion of carbon emissions.

In the UK, Spain and elsewhere in Europe, our businesses moved forward with programs to reduce energy consumption and our carbon footprint in fiscal 2016, while sharing knowledge with our business in the United States. We will work to implement comprehensive programs in Walgreens stores and buildings in fiscal 2017 that expand on existing energy savings programs in the USA.

LED lighting replacements in Boots stores in the UK in fiscal 2016 accounted for a consumption reduction of around 7.9 million kilowatt hours, enough to power over 1,700 UK households for a year. As of the end of fiscal 2016, approximately 600 stores have been upgraded with the lighting, equating to 24 percent of the Boots UK footprint. The lighting upgrade program is accelerating progress toward the Boots UK Mayday target.

This ambitious CO₂ (carbon dioxide) reduction target, agreed to following a 2007 challenge by His Royal Highness The Prince of Wales, is to reduce CO₂ emissions by 30 percent between 2005 and 2020, on a comparable basis. As of the end of fiscal 2016, we were on track to reach this emissions reduction target at Boots stores that were open in 2005.

Through a variety of programs over the past few years, including the LED lighting replacement program and an EnergyCare program that encourages an energy conscious culture among colleagues in the UK, we have made significant progress. We are also investing in improved food refrigeration and building management controls to reduce carbon while improving the experience in our stores.

In the USA, through its partnership in the Department of Energy's Better Buildings Challenge, Walgreens is committed to reducing energy use by 20 percent by 2020 across 100 million square feet of real estate, compared with consumption data from calendar 2010 that was reviewed by an external consultant (ICF) supporting the Better Buildings Challenge. Walgreens is supporting this commitment through improved heating, ventilation, air conditioning and refrigeration efficiency, conversions to LED lighting and using data to pinpoint areas for improvement.

Walgreens Boots Alliance's retail stores in the USA and UK (Walgreens and Boots UK) made their first-ever joint submission to the Carbon Disclosure Project (CDP) in fiscal 2016, and achieved a rating of B. Submissions to the CDP in the climate category are rated on completeness, assessment of environmental issues and risks and the extent to which the Company has implemented actions, policies and strategies to address these. Compared to the market and to the individual Walgreens submission a year earlier, which received a D rating, this represents substantial progress.

Walgreens Boots Alliance also aims to reduce carbon emissions from product delivery in our Pharmaceutical Wholesale Division. In the UK in fiscal 2016, Alliance Healthcare conducted a substantial trial of new technology to help reduce carbon emissions in its fleet of more than 1,100 vehicles. In the UK, Alliance Healthcare began contract negotiations during fiscal 2016 for installing Lightfoot technology in its vehicles, a system that alerts drivers when they brake excessively, speed, or idle their engines, all of which can help drivers lower fuel consumption and carbon emissions.

Alliance Healthcare in the UK conducted a substantial trial of new technology in fiscal 2016 to help reduce carbon emissions in its fleet of over 1,100 vehicles.



Waste Pilot project sets stage for comprehensive U.S. waste programs



In fiscal 2016, Walgreens diverted more than 1,800 metric tonnes (4 million pounds) of product from landfills across the United States by donating them to Feeding America, the largest domestic hunger-relief organization. Donations of slightly damaged or discontinued products, screened for safety, include food as well as toiletries and household items that often cannot be purchased through government assistance programs. Featured in this photo is Feeding America food distribution in Illinois.

In its first full fiscal year as a combined company, Walgreens Boots Alliance shared best practices across the enterprise on waste reduction. We appointed a Director of Waste Reduction who is working across the entire Company on collaborative, strategic and innovative ways of reducing waste. We are active participants in the American Chamber of Commerce's Beyond 34: Recycling and Recovery for a New Economy project, the Consumer Goods Forum's (CGF) Solid Waste Working Group & Food Waste Working Group, and the Retail Industry Leader's Association's (RILA) Environmental Compliance, Sustainable Consumption and Sustainability groups.

Walgreens Boots Alliance is working to identify realistic waste reduction targets and is in the process of establishing new possibilities in different countries, while taking into account available infrastructure. Our new global data collection process will give us valuable information for measuring performance and progress in this area in future years.

With Company-wide data collected in fiscal 2016 for the first time, the Retail Pharmacy USA Division will have established a baseline for diversion rates for municipal solid waste. This will better position Walgreens to continue developing a comprehensive zero waste to landfill approach that will include distribution centers, retail stores and support center offices.

The Walgreens distribution center in Moreno Valley, California, USA, launched a zero waste to landfill pilot program in fiscal 2016. The pilot aims to contribute directly to our CSR environmental sustainability initiatives. Once fully developed into an effective multi-stream recycling and waste reduction program, Walgreens aims to replicate the program throughout its network of 17 distribution centers in the USA and one in Puerto Rico.

Walgreens also began a request for proposals to identify waste removal service partners to collaborate on innovative sustainability solutions, increase diversion rates for waste removal and improve recycling rates.

Deforestation Integrating standards across the Company

Reducing deforestation is important to Walgreens Boots Alliance because in our supply chains and businesses we use significant amounts of materials such as wood, paper, palm oil, soy and beef. The production of these items contributes to deforestation, which destroys habitats for plants and animals, affects local communities and is a major impact on climate change.

Since the formation of Walgreens Boots Alliance, we have prioritized integration of standards for traceability and sustainable sourcing across the company. Walgreens Boots Alliance is a signatory to the Consumer Goods Forum 2020 commitment to achieve zero net deforestation by 2020. These standards, based on principles and criteria for sustainable sourcing developed by stakeholders such as WWF's Global Forest Trade Network and the Roundtable on Sustainable Palm Oil (RSPO), will help position us to further reduce deforestation related impacts.

We recognize this is a complex subject and not all of our businesses are at the same stage. We are developing a consistent approach based on what our key stakeholders regard as best practice.

Recent measures we have taken in this area include the following:

In calendar year 2015, Boots UK achieved more than 90 percent of wood, pulp and paper used in products and goods not for resale from credibly certified or recycled sources. And, in fiscal 2016, Boots introduced a new supplier portal to capture data on palm oil and soy use in products, which has greatly improved the depth of traceability data for these products.

In the USA, in fiscal 2016, Walgreens modified its paper purchasing by reducing the basis weight of the paper used for its newspaper advertising insert program. Walgreens centrally sources paper for its newspaper insert program, requiring that it be purchased from credibly certified or verified sources. Walgreens carries out random audits to help ensure compliance.

In addition, effective fiscal 2016, Walgreens implemented a new process for sourcing paper product goods not for resale, designed to ensure that all products within this group came from credibly certified or verified sources. This enabled traceability and accountability within the chain of custody.

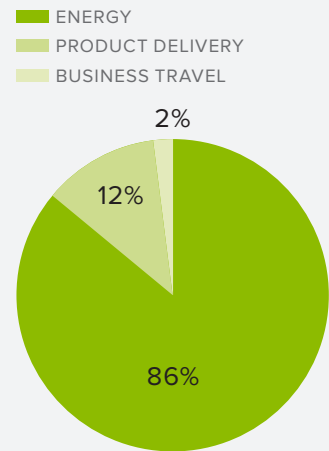


In fiscal 2016, Alliance Healthcare España achieved its zero waste to landfill target for the first time at its largest warehouse, located in Polinya, not including customer returns, damaged and out of date stock. The warehouse decreased waste sent to landfill by 41 metric tonnes over the two calendar years ending 30 December 2015.

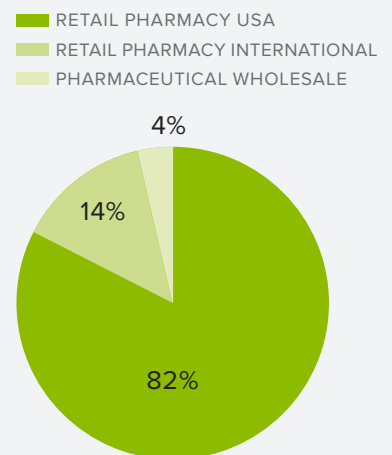
Environment data

We measured our fiscal 2016 carbon emissions and energy use to establish baselines as well as track our progress in the future. See pages 38-39 of this report for additional data.

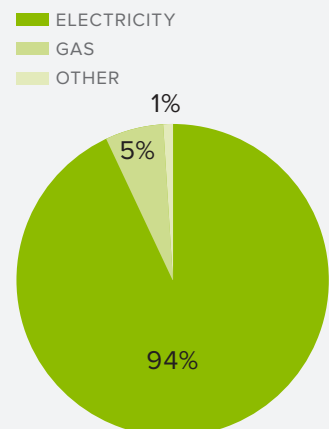
Total Company CO₂e emissions by source*



Energy use by Division (GWh)*



CO₂e emissions from energy, by type*



*Within Deloitte & Touche LLP's review scope as detailed on page 42

Marketplace

Our approach to the way we operate sustainably in the marketplace is simple. We aim to do business fairly and with integrity.

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

Through our assessment process we've identified three key areas that will guide our approach to marketplace sustainability.

Transparency: To create a global process that enables transparency of ingredients and their traceability for the exclusive consumer retail product brands that we sell

Ethical Sourcing: To continue to drive ethical sourcing practices, protecting human rights across our supply chain

External Stakeholders: To work collaboratively with a global network of key external organizations engaging in issues that carry the greatest social relevance to the markets and in the communities we serve





Sustainable ingredients in our product brands are important to us. Our external Advisory Panel for Sustainability guided us on traceability issues in fiscal 2016.

Transparency

Created in 2015, our external Advisory Panel for Sustainability is comprised of seven independent experts from industry, civil society, and corporate governance. The panel is chaired by Mark Goyder, founder and chief executive of Tomorrow's Company, and the other members are Oonagh Harpur, senior advisor on strategy, reputation and governance; Tobias Webb, founder of Innovation Forum; Stephanie Draper, deputy chief executive of Forum for the Future; community development consultant Tom Levitt; Alex Maitland, corporate relations manager at Tomorrow's Company; and Yogesh Chauhan, director of corporate sustainability at Tata Consultancy Services. The panel offers insights, anticipates opportunities and responds to risks.

During fiscal 2016, the panel helped guide a sustainability assessment covering our product brands such as No7, Botanics, Soap & Glory and Liz Earle. This process was conducted with 150 stakeholders, including suppliers, sustainability experts, investor houses and consumers, and collated more than 2,000 data points.

We received views on transparency and traceability of product ingredients and on how to ensure we address issues around manufacturing, climate change and supply chains. The panel helped us identify business targets for fiscal 2017 to build responsible and sustainable supply chains, create brands with a caring social purpose and build engagement on sustainability and CSR across our company.

Within their end of year review the panel stated: "We warmly welcome the high level ambitions expressed by the leadership of the Company in relation to social and environmental supply chain issues and the steps they are considering making towards creating a sustainable supply chain. If these ambitions are fulfilled then, in our view, the Company has the potential to become a recognized leader among sustainable brands."

Another example of how the Company has worked with external stakeholders on traceability is the issue of plastic microbeads, a type of waste that can enter watercourses and oceans and contribute to marine litter.

The Company has worked with a range of stakeholders, including UK industry group the Cosmetic, Toiletry & Perfumery Association, to understand and address this industry-wide issue. We have also been working with our suppliers, many of whom have already committed to phase out plastic microbeads, to develop further measures in this area.

Boots brands and exclusive beauty and personal care products that contained microbeads were reformulated, and as of the end of 2015, are being produced without plastic microbeads. Boots as a retailer will no longer purchase products with plastic microbeads after December 2017. In the USA, the Company is working with its suppliers to reformulate its product brands to eliminate plastic microbeads in advance of U.S. state and federal legislation deadlines.

Boots UK has also been working collaboratively with the water treatment industry, suppliers and stakeholders to address other materials which are prone to being incorrectly disposed of in waste water systems and to develop consistent labelling for non-flushable products.

Ethical Sourcing

Walgreens Boots Alliance continues to recognize its responsibility to address and mitigate any risk of modern slavery and human trafficking in its operations. The Company took a number of actions during fiscal 2016 to help do our part to eradicate these abhorrent practices and to meet the requirements of the UK Modern Slavery Act 2015 and the California Transparency in Supply Chains Act of 2010.

The Company established a global Ethical Trading Standards Policy that consolidated vendor responsibility and ethical sourcing statements from our legacy businesses into a consistent worldwide set of standards. Primary among the provisions in the new policy is our opposition to the

exploitation of workers through any form of forced or bonded labor, slavery, human trafficking or labor practices that involve harsh or inhumane treatment.

Walgreens Boots Alliance requires its vendors to be subject to this policy and to share it with any subcontractors they use. The Company has contracted with service provider Dow Jones Risk & Compliance to provide due diligence reviews of business partners around the globe.

The Company also convened an internal global task force on the modern slavery crisis, with representation by senior managers from legal, compliance, human resources, procurement and our product

brands. In addition, we conducted more than 1,200 ethical compliance assessments on new and existing suppliers in the production of our product brands and worked with suppliers on remedial action plans where non-compliance has been identified. We also developed a formal rapid escalation process for any issues within our supply chain.

In response to the California Transparency Act, the Retail Pharmacy USA Division created an annual online training course that is required for all relevant employees.

Our 2016 Modern Slavery and Human Trafficking Statement and our Ethical Trading Standards Policy can be found on our corporate website.

External Stakeholders

Engaging with our stakeholders helps ensure that we understand and seek to address their concerns. We listen to our stakeholders to understand evolving priorities and interests, and also share our own experience in important issues to the wider community. In fiscal 2016, Walgreens Boots Alliance worked with dozens of non-governmental organizations, government bodies and agencies, employee groups, local community groups, suppliers, customer panels, pharmacist associations, academics and the media to deepen our understanding of their expectations and interests.

For example, as a model of success in hiring people with disabilities, Walgreens has been sought out by some 200 employers, civic leaders and government officials who wish to study and benchmark our disability inclusion programs and practices.

In fiscal 2016 Walgreens initiated dialogue with Safer Chemicals, Happier Families to help us understand issues around ingredients. Similarly, we engaged in dialogue with the American Chamber of Commerce around best practices in waste disposal and recycling.

An area of extensive stakeholder engagement in fiscal 2016 involved the epidemic of opioid overdoses in the United States, which Walgreens sought to contribute to solving through two initiatives.

First, Walgreens worked with state governments and regulators across the country to allow for medication take-back programs to be implemented in pharmacies. In February 2016, Walgreens announced the first ongoing national effort of its kind by a retailer to install safe medication disposal kiosks in drugstores across the country. To help combat drug abuse and reduce the misuse of medications, the kiosks provide a year-round safe and convenient method to dispose of unwanted, unused or expired prescriptions, including controlled substances, at no cost.

As of 31 August 2016, Walgreens had installed nearly 500 kiosks at pharmacies in 34 states and Washington, D.C. Since implementation of the safe medication disposal program, more than 9 metric tonnes of medications have been collected and safely disposed.

Second, Walgreens worked with regulators to help update rules to allow for dispensing the lifesaving opioid

antidote naloxone without requiring a prescription. As many states worked to update their rules, Walgreens announced plans to make naloxone available without a prescription in 35 states and in Washington D.C. As of 31 August, the naloxone program had been implemented in 18 states.

Another example of work with external stakeholders in fiscal 2016 was Walgreens adopting a policy on cage-free eggs. This was developed through work with The Humane Society of the United States animal protection group and with The Humane League, a farm animal advocacy nonprofit. Walgreens is committed to providing 100 percent cage-free shell and liquid eggs to stores nationwide by 2025, based on available supply. To read more about our cage-free statement, please visit the Walgreens website.



As of 31 August 2016 opioid overdose antidote naloxone was available in Walgreens stores in 22 U.S. states following engagement with state regulators and governments.

Workplace

The purpose of Walgreens Boots Alliance is to help people around the world lead healthier and happier lives. We do this through the hard work and dedication of our valued employees and we recognize that taking care of their health and wellbeing is a top priority.

We have a rich history of providing training programs and job opportunities for people with disabilities. By embracing diversity and inclusion, while maintaining our focus on driving operational excellence, we can improve our collective performance and profoundly impact the lives of our patients and customers.

Through the following three key goals, we strive to create a workplace that treats everyone with dignity and respect.

Employee Health and Wellbeing: To proactively support the personal health and wellbeing of our employees

Equal Opportunities: To deliver our commitment to equal opportunities for everyone across our employment practices, policies and procedures

Health and Safety: To continuously improve our robust approach to health and safety, actively caring for our colleagues and customers, throughout the Company

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



17 PARTNERSHIPS FOR THE GOALS





Boots UK's new healthcare apprenticeship program is designed to generate excitement about careers in community pharmacy.

Employee Health and Wellbeing



The benefits of having women in leadership was discussed at the Walgreens Boots Alliance Global Executive Women's Conference in July 2016.

Supporting young people in work and education, training and developing our employees in healthcare, retail and other careers, and providing them with tools to stay healthy are part of the heritage of our legacy companies. At Walgreens Boots Alliance, we launched or expanded on several initiatives in these areas in fiscal 2016.

More than 50 young people, aged 16 to 18, participated in Boots UK's new healthcare apprenticeship program, which is designed to generate excitement about careers in community pharmacy. The apprentices learn on the job in paid positions at the most vibrant Boots stores across the UK. During their 12-month program, apprentices are trained to offer industry-leading healthcare advice and dispense medication within the pharmacy. Boots UK plans to expand the program in fiscal 2017.

In the USA, the Balance Rewards wellness engagement program continued to grow in fiscal 2016. The program, which

has seen increased and sustained engagement since it began in 2013, is repeated two or three times each year, with approximately 10 activities offered each period. More than 45,000 employees enrolled in the Walgreens medical plan participated in healthy activities in January-April 2016, earning points that are redeemable at Walgreen stores and at Walgreens.com. The points are earned by completing wellness programs and activities such as health coaching, getting a flu shot, joining a weight management or smoking cessation program and more.

The Walgreen Benefit Fund assists employees experiencing hardship. The employee-supported non-profit organization, established in 1939, assists employees and retirees facing financial difficulty due to accidents, long illnesses or natural disasters. In fiscal 2016 the Benefit Fund provided more than \$2 million in assistance to 1,406 employees and retirees.

Employees give directly to the Benefit Fund or donate through the Charity Choice payroll deduction plan.

Walgreens employees donated more than \$700,000 through Charity Choice in fiscal 2016, with the five choices for payroll deduction being United Way, the American Cancer Society, the American Heart Association, the Juvenile Diabetes Research Foundation and the Walgreen Benefit Fund.

Another ongoing initiative that promotes wellbeing for our employees is Walgreens University, which helps our people build their careers by providing them with the tools and resources to learn and grow. Every year, Walgreens University delivers hundreds of hours of training courses that are developed both internally and through other educational institutions. In fiscal 2016 the University launched an exciting new career development platform that aims to help employees grow their careers. Also in fiscal 2016, more than 2,200 employees participated in leadership development programs, including LEAP, Walgreens award-winning program for assistant store managers. Employees who complete training through Walgreens University can also receive college credit through our university partners.

Education providers to Walgreens University include DePaul University; Loyola University of Chicago; Lake Forest Graduate School of Management, University of Maryland University College (UMUC); Webster University; the University of Phoenix; and DeVry University. Tuition discounts of 10 percent to 25 percent are available to many Walgreens team members and their families.

In collaboration with business-led charity Business in the Community (BITC), Boots UK and Alliance Healthcare in the UK have continued to lead the Reducing Re-offending through Employment network, which has convened 19 different member companies since 2012, primarily from the Boots supply chain. The network builds partnerships with prisons and social enterprises to offer employment opportunities to ex-offenders to help them rebuild their lives free from crime. Boots UK was also one of the earliest companies to sign up to the international Ban the Box campaign, which encourages employers to give ex-offenders a fair chance to compete for jobs by removing the criminal record check box from hiring applications.

Through a three-year partnership with HM Prison & Young Offenders Institute Sudbury, as of 31 August 2016 Boots UK had supported 82 ex-offenders through temporary paid work placements in

warehouse positions. These jobs provided the candidates with accredited training and skills building to gain confidence about sustaining a life without crime. The candidates applied through two recruitment agencies and went through a formal interview process.

In fiscal 2016, our human resources and CSR teams launched the Global Citizen Initiative, where 10 colleagues from across Walgreens Boots Alliance were nominated to attend the Developing Global Citizens event in London.

During the two-day program, participants discussed critical CSR topics, networked and met with senior leaders to gain a broader understanding of our Company.

They also attended the “Future Leaders Summit,” sponsored by Fujitsu, which formed part of the annual Business in the Community Responsible Business Awards Gala. The summit and awards dinner, which celebrated the role businesses play in creating a fairer society and a more sustainable future in the UK and internationally, brought together approximately 1,600 guests from business, communities, non-governmental organizations, government and the media at the O2 arena in London on 11 July 2016.



Colleagues attend the two-day Developing Global Citizens event in London.

Equal Opportunities

“Walgreens is on the cutting edge in believing that people with disabilities can do the same work as anyone else.”

—Carla Gaouette, associate vice president of the national job training and placement program for Community Enterprise.

In fiscal 2016 Walgreens continued to build on its reputation for integrating people with disabilities throughout our U.S. workplaces, welcoming diverse suppliers, recruiting military veterans, tapping into business resource groups representing diverse communities among employees, and partnering with community and professional groups representing people of color.

In 2012, Walgreens launched the nationwide Retail Employees with Disabilities Initiative (REDI), which continued to grow in fiscal 2016. As of 31 August 2016 the program has enrolled more than 1,200 externs, identified by publicly funded community providers, each of whom completes up to six weeks of in-store training on cash register operation, customer service, stocking and loading.

More than 65 percent of REDI externs have completed the training and received a minimum evaluation score of 3.0, allowing them to apply for employment with a “recommended for hire” flag. Walgreens is casting a wider net for talent by working to include more people with disabilities at the corporate level through partnerships with U.S. Leaders Business Network, Talent Acquisition Portal (TAP) and GettingHired.

Walgreens distribution centers are built for access with touch screens, adjustable work stations and iconography. As of 31 August 2016, more than 900 employees at 18 Walgreens distribution centers, 17 in the USA and one in Puerto Rico, are self-identified as individuals with disabilities, which is more than 10 percent of total employees in those workplaces.

Walgreens expanded strategic recruiting relationships with external organizations in fiscal 2016 to encourage more military veterans and individuals with disabilities to consider careers at Walgreens. Partners for this initiative include Hirepurpose, which shares job opportunities with transitioning veterans at military bases and career events, full-service disability recruitment solution GettingHired, and RecruitMilitary, which hosts the nation’s largest single-source veteran database. Additionally, Walgreens Veteran Network members engaged with newly hired employees through networking and peer mentoring.

Walgreens has long-standing partnerships with the League of Latin American Citizens (LULAC), the National Council of La Raza (NCLR) and the Hispanic Alliance for Career Advancement (HACE). In November 2015, Walgreens co-sponsored LULAC’s Latinos Living Healthy: Feria de Salud in Brownsville, Texas, an event that encourages healthy eating habits and regular exercise. Additionally, Walgreens has sponsored the Health/Tu Salud Pavilion at NCLR’s annual conference for the past five years.

The Company strives to promote the diverse experiences and voices of its employees through engagement with employee-driven business resource groups (BRGs). A number of important initiatives grew out of this engagement in fiscal 2016. One example was the two-day Walgreens Boots Alliance Global Executive Women’s Conference in July 2016. More than 250 female directors and vice presidents from across the Company gathered for the event in Wheeling, Illinois, near our support office, to discuss topics related to the benefits of women in leadership. The event, hosted by the Diversity & Inclusion department and the Women of Walgreens (WOW) BRG, underscored the importance of hiring and retaining women and other diverse talent, both in the support office and in stores.

Our global cross divisional function, Global Brands, established a Diversity and Inclusion team in December 2015, focused on engaging senior team members and driving awareness and education about diversity and inclusion. The function’s leadership team participated in a coaching session on inclusive leadership and unconscious bias, and this workshop was rolled out to extended leadership teams.

Health and Safety

We are dedicated to conducting our worldwide business operations with the utmost concern for the health and safety of all employees, agency staff, customers, business partners, contractors and the general public. We fully recognize the duties placed upon ourselves under relevant health and safety regulations in all countries in which we operate, and encourage open dialogue with all stakeholders.

A global chief risk officer chairs the Walgreens Boots Alliance Health, Safety and Environmental Committee that is responsible for the effective management of all health, safety and environmental matters throughout the worldwide organization. All Divisions are required to have processes to govern the management and performance of health, safety and environmental matters in their business operations.

Several health and safety initiatives were launched in fiscal 2016 at Walgreens, including safety training programs for employees engaged in stockroom activities and for awareness and prevention of slips and falls. Additionally, Walgreens launched a safety award program in retail stores and distribution centers. Walgreens also launched a Seniors Safety Outreach program that enabled pharmacists to engage more than 250,000 seniors and provide tips on living, shopping experience and medication safety.

The Walgreens Security Operations Center provided critical support on several emergencies, including winter storm Jonas in January 2016, which closed 800 Walgreens stores and left 98 stores without power along the U.S. East Coast. We also provided support during severe flooding in August 2016 in southeast Louisiana, which impacted approximately 260 employees, some of whom lost homes, cars and personal possessions. During these emergencies the Security Operations Center and support office teams expedited plans for the resumption of business operations and supported the needs of employees and their communities.

Boots UK relaunched its compliance audit program on a digital platform in fiscal 2016 to include a range of safety standards that better support and inform store leadership. This program has already delivered improved store performance, as demonstrated by a rise in the number of stores achieving the top score between January and July 2016. Boots UK also launched a program aimed at reducing the frequency of store employees falling on stairs.

Workplace data

We measured our one-year and five-year retention rates as of 31 August 2016. The five-year figures include existing employees of businesses that have become part of Walgreens Boots Alliance. See pages 38-39 of this report for additional data.

Employee retention*



WORKING FOR WALGREENS BOOTS ALLIANCE FOR MORE THAN 1 YEAR



WORKING FOR WALGREENS BOOTS ALLIANCE FOR MORE THAN 5 YEARS

*Within Deloitte & Touche LLP's review scope as detailed on page 42

Walgreens supported Louisiana employees during severe flooding in August 2016.



About this report

As Walgreens Boots Alliance becomes a fully integrated company, we are developing a plan to publish a more comprehensive CSR report over the course of the next three years. In order to achieve this, we have begun to align the contents of this report against the Global Reporting Initiative (GRI) Standards. Just as GRI is evolving to a new modular structure that will continually be updated to address the most critical, up-to-date sustainability issues, we too anticipate that our alignment to this framework will hold us accountable to evolve our CSR program to address these key issues. Although this report is currently not “in accordance” with the core GRI option, we have taken initial steps to address GRI disclosures. The location of these disclosures can be found in our GRI content index at the end of this report on page 41.

This report covers data and progress from fiscal year 2016 and includes content from all our global operations. The prior report from fiscal 2015 can be found on the sustainability section of our corporate website. We plan to continue to report on an annual basis moving forward.

We welcome feedback on the contents of this report as well as our CSR strategy. Please contact us at CSR@wba.com.

Data management process:

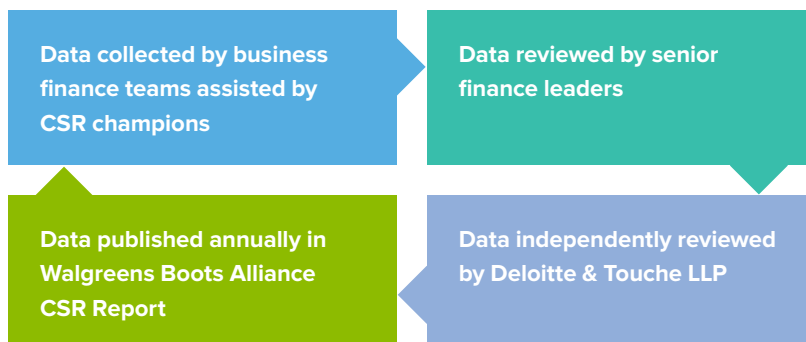
We have a Company-wide approach to recording, measuring and reporting CSR performance, including a set of reporting criteria and a set of CSR measures and performance indicators that are applicable across the Company. We capture data on community contributions, carbon

emissions, energy use, waste disposal, employee retention and employee gender, and use the data to inform and assist in the development of individual CSR programs in each business.

The data presented within this report reflect the ongoing operations of the Company and were produced in accordance with the Walgreens Boots Alliance Corporate Social Responsibility Performance Data Basis of Preparation, which can be found in the Corporate Responsibility area of the Company’s corporate website in the “About this report” section.

CSR performance data is collected comprehensively on an annual basis. All submissions by individual businesses are prepared by local finance teams and local CSR champions and are reviewed by senior finance leaders. In addition to internal reviews, we believe external assurance enhances the credibility and transparency of information reported. Deloitte & Touche LLP conducted a review of selected indicators within this report in accordance with attestation standards established by the American Institute of Certified Public Accountants. Their assurance report can be found on page 42.

The fiscal year that ended 31 August 2016 represents the first year that CSR data was collected across the entire Company. Therefore, no prior year comparatives are presented in the summary tables and the CSR data provided will form the baseline for future reporting.



Data

Walgreens Boots Alliance gathered fiscal 2016 data in a number of areas to establish a baseline for our future CSR reporting. We plan to use these externally assured metrics to evaluate our progress in the coming years.

The data on contributions will help us measure our impact in our three Community goals by showing how the Company supports organizations that work in areas such as health, education and social welfare.

The data on carbon emissions, energy use and waste disposal allow us to track our progress on two of our Environment goals: reducing energy consumption and emissions and reducing the waste we create. And the figures on employee retention and employees by gender will provide insight into our progress in our Workplace goals of fostering employee wellbeing and equal opportunity.

Community data

For the 12 months ending 31 August 2016

Community contributions by Division*	
	\$million
Retail Pharmacy USA	31.1
Retail Pharmacy International	7.8
Pharmaceutical Wholesale	1.2
	40.1

How the Company contributes*	
	\$million
Cash	
Charitable	22.1
Other	2.5
	24.6
Non-cash	
Employee time	5.7
In kind	7.6
Management costs	2.2
	15.5
	40.1

Areas impacted by the Company's contributions*	
	\$million
Health	23.5
Education	3.0
Social welfare	10.3
Other	3.3
	40.1

The types of groups the Company contributes to*	
	\$million
Local organizations	16.6
National organizations	9.8
International organizations	13.7
	40.1

Environment data

Our energy data combine emissions generated directly from sources owned or controlled by the Company (Scope 1) and those generated by purchased electricity, heat and steam consumed by the Company (Scope 2).

Our product delivery and business travel data include emissions generated directly from sources owned or controlled by the Company (Scope 1) and indirectly by Company operations (Scope 3).

Our total carbon footprint in fiscal 2016 was 2.5 million metric tonnes of CO₂e (carbon dioxide equivalent). Energy used to power stores and warehouses was the biggest contributor, accounting for 86 percent. Emissions from product delivery accounted for 12 percent of the Company's carbon emissions, while emissions from business travel accounted for 2 percent, driven by road travel in the USA.

The Retail Pharmacy USA Division accounted for more than 80 percent of the Walgreens Boots Alliance carbon footprint and energy usage, reflecting the size and scale of the U.S. retail operation.

Electricity accounted for more than 90 percent of the Walgreens Boots Alliance carbon footprint from energy, reflecting the reliance on electricity to power our retail stores and warehouses. Natural gas accounted for around 5 percent, primarily for heating buildings.

Walgreens Boots Alliance businesses generated nearly 17,000 mWh of electricity through solar panels during fiscal 2016.

For the 12 months ending 31 August 2016

Total Company CO ₂ e emissions by source*	
	000 metric tonnes
Energy	2,142
Product delivery	305
Business travel	57
	2,504

Total Company CO ₂ e emissions by Division*	
	000 metric tonnes
Retail Pharmacy USA	2,010
Retail Pharmacy International	310
Pharmaceutical Wholesale	184
	2,504

Energy use by Division*	
	GWh
Retail Pharmacy USA	3,860
Retail Pharmacy International	656
Pharmaceutical Wholesale	170
	4,686

CO ₂ e emissions from energy, by Division*	
	000 metric tonnes
Retail Pharmacy USA	1,857
Retail Pharmacy International	242
Pharmaceutical Wholesale	43
	2,142

CO ₂ e emissions from energy, by type*	
	000 metric tonnes
Electricity	2,022
Gas	102
Other	18
	2,142

CO ₂ e emissions from product delivery, by Division*	
	000 metric tonnes
Retail Pharmacy USA	127
Retail Pharmacy International	51
Pharmaceutical Wholesale	127
	305

CO ₂ e emissions from business travel, by type*	
	000 metric tonnes
Road	31
Air	25
Rail	1
	57

Business travel – air (by length of haul)*	
	000 km
Short haul	66,795
Long haul	24,397
	91,192

CO ₂ e emissions from business travel, by Division*	
	000 metric tonnes
Retail Pharmacy USA	26
Retail Pharmacy International	17
Pharmaceutical Wholesale	14
	57

CO ₂ e emissions from business travel, per 1,000 employees, by Division and for the Company*	
	metric tonnes
Retail Pharmacy USA	108
Retail Pharmacy International	186
Pharmaceutical Wholesale	529
Walgreens Boots Alliance	157

The Company generated 549,000 metric tonnes of waste in fiscal 2016, of which approximately 50 percent was recycled. The Retail Pharmacy International Division achieved the highest recycling rate, more than 70 percent, followed by Pharmaceutical Wholesale's more than 60 percent and Retail Pharmacy USA's nearly 50 percent.

Our businesses in Norway and the Netherlands have achieved zero waste to landfill.

For the 12 months ending 31 August 2016

Waste by method of disposal*	
	000 metric tonnes
Landfill	265
Incinerated ¹	10
Recycled ²	274
	549

¹Without heat recovery

²Includes materials recovered via incineration with heat recovery

Waste by Division*	
	000 metric tonnes
Retail Pharmacy USA	467
Retail Pharmacy International	62
Pharmaceutical Wholesale	20
	549

Workplace data

As of 31 August 2016

Employees by Division*	
Retail Pharmacy USA	247,000
Retail Pharmacy International	89,000
Pharmaceutical Wholesale	26,000
	362,000¹

¹Employees of fully owned Walgreens Boots Alliance businesses; does not include employees of companies in which Walgreens Boots Alliance has equity method investments

Employee retention*	
	%
Working for Walgreens Boots Alliance > 1 year	68
Working for Walgreens Boots Alliance > 5 year ¹	34

¹Includes existing employees of businesses that have become part of Walgreens Boots Alliance

Employees by gender*	
	%
Men	34
Women	66
	100

Women employees by Division and in the Company*	
	%
Retail Pharmacy USA	66
Retail Pharmacy International	77
Pharmaceutical Wholesale	35
Walgreens Boots Alliance	66

*Within Deloitte & Touche LLP's review scope as detailed on page 42

Corporate governance

Walgreens Boots Alliance believes that strong corporate governance is an essential element of achieving our overall objectives and acting as a responsible organization.

The Board of Directors of Walgreens Boots Alliance is committed to sound corporate governance and sets high standards for employees, officers and directors. Our governance structure helps enable the Board to fulfill its fiduciary duties to our stockholders and helps ensure the long-term success of the Company. The Board exercises oversight of the Company's strategic, operational and financial matters, including the elements and dimensions of major risks facing the Company and which may include risk management with respect to CSR matters.

In furtherance of those goals, the Board has charged its Nominating and Governance Committee with reviewing, at least annually, the Company's policies and activities regarding CSR.

The Walgreens Boots Alliance Code of Conduct and Business Ethics supports good governance of our behaviors and approach to Corporate Social Responsibility. It sets out the ethics and principles which are to be upheld by each Division, business, corporate function and team member within Walgreens Boots Alliance.

Additionally, Walgreens Boots Alliance annually reviews our policy statements. These statements shape our approach to CSR activities and help ensure our Divisions and businesses are working within the same parameters.

During fiscal 2016 we established a global Ethical Trading Standards Policy that consolidated standards for our business partners from the legacy businesses of Walgreens Boots Alliance. Primary among the provisions in the consolidated Policy is our opposition to the exploitation of workers through any form of forced or bonded labor, slavery, human trafficking or labor practices that involve harsh or inhumane treatment. To read more about our 2016 Modern Slavery and Human Trafficking Statement, please see the Marketplace Section of this report.

More information on our corporate governance guidelines can be found on our corporate website.

Our code of ethics:

The Code of Conduct and Business Ethics ("the Code") extends to all our officers and employees no matter where they are located in the world. It also extends to other parties acting on behalf of Walgreens Boots Alliance, Inc. or any of its subsidiaries, such as consultants, agents, intermediaries or other representatives of Walgreens Boots Alliance, including our Board of Directors.

The confidential reporting telephone lines/website addresses listed in Appendix A of the Code are managed for Walgreens Boots Alliance by independent companies that provide reporting services for hundreds of companies worldwide. They are available 24 hours a day, seven days a week and in local languages. Information received by the independent companies is relayed to the Walgreens Boots Alliance Compliance Office for further investigation and review as appropriate.

To view the Code in its entirety, please visit our corporate website.

GRI content index

Although this report is currently not “in accordance” with the core GRI option, we are beginning to align our content to the GRI framework and have compiled

the following content index as a first step to address which GRI standards and disclosures are referenced within this report.

GRI content index

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 102: General Disclosures 2016	102-1: Name of the organization	Overview, About our Company; pages 10-11
GRI 102: General Disclosures 2016	102-2: Activities, brands, products, and services	Overview, About our Company; pages 10-11
GRI 102: General Disclosures 2016	102-3: Location of headquarters	Overview, About our Company; pages 10-11
GRI 102: General Disclosures 2016	102-4: Location of operations	Overview, About our Company; pages 10-11
GRI 102: General Disclosures 2016	102-6: Markets served	Overview, About our Company; pages 10-11
GRI 102: General Disclosures 2016	102-7: Scale of the organization	Overview, About our Company; pages 10-11
GRI 102: General Disclosures 2016	102-8: Information on employees and other workers	Data, Workplace data; page 39
GRI 102: General Disclosures 2016	102-12: External initiatives	Marketplace, Ethical Sourcing; page 30
GRI 102: General Disclosures 2016	102-14: Statement from senior decision-maker	Overview, Introduction; page 1
GRI 102: General Disclosures 2016	102-16: Values, principle, standards and norms of behavior	Overview, Our vision, purpose and values; page 3 Overview, Our approach to CSR; pages 4-5
GRI 102: General Disclosures 2016	102-17: Mechanisms for advice and concerns about ethics	Corporate governance; page 40
GRI 102: General Disclosures 2016	102-26: Role of highest governance body in setting purpose, values and strategy	Corporate governance; page 40
GRI 102: General Disclosures 2016	102-40: List of stakeholder groups	Overview, Stakeholder engagement; page 12
GRI 102: General Disclosures 2016	102-43: Approach to stakeholder engagement	Overview, Stakeholder engagement; page 12
GRI 102: General Disclosures 2016	102-44: Key topics and concerns raised	Overview, Stakeholder engagement; page 12
GRI 102: General Disclosures 2016	102-49: Changes in reporting	About this report; page 38
GRI 102: General Disclosures 2016	102-50: Reporting period	About this report; page 38
GRI 102: General Disclosures 2016	102-51: Date of most recent report	About this report; page 38
GRI 102: General Disclosures 2016	102-52: Reporting cycle	About this report; page 38
GRI 102: General Disclosures 2016	102-53: Contact point for questions regarding the report	About this report; page 38
GRI 102: General Disclosures 2016	102-54: Claims of reporting accordance with the GRI Standards	About this report; page 38 GRI content index; page 41
GRI 102: General Disclosures 2016	102-55: GRI content index	GRI content index; page 41
GRI 102: General Disclosures 2016	102-56: External assurance	Assurance report; page 42
GRI 203: Indirect Economic Impacts	203-1: Infrastructure investments and services supported	Community, Health and Wellbeing; page 16 Community, Young People; pages 17-19 Community, Cancer Programs; pages 20-21
GRI 203: Indirect Economic Impacts	203-2: Significant indirect economic impacts	Community, Health and Wellbeing; page 16 Community, Young People; pages 17-19 Community, Cancer Programs; pages 20-21
GRI 302: Energy 2016	302-1: Energy consumption within the organization	Data, Environment data; page 39
GRI 302: Energy 2016	302-4: Reduction of energy consumption	Environment, Energy; page 24
GRI 305: Emissions 2016	305-1: Energy direct (Scope 1) GHG emissions	Data, Environment data; page 39
GRI 305: Emissions 2016	305-2: Energy indirect (Scope 2) GHG emissions	Data, Environment data; page 39
GRI 305: Emissions 2016	305-3: Other indirect (Scope 3) GHG emissions	Data, Environment data; page 39
GRI 306: Effluents and Waste 2016	306-2: Waste by type and disposal method	Data, Environment data; page 39
GRI 409: Forced or Compulsory Labor	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	Marketplace, Ethical Sourcing; page 30
GRI 413: Local Communities 2016	413-1: Operations and local community engagement, impact assessments, and developing programs	Community, Health and Wellbeing; page 16 Community, Young People; pages 17-19 Community, Cancer Programs; pages 20-21

Assurance report

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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



We have reviewed the following indicators presented in the 2016 Corporate Social Responsibility Report (the “specified indicators”) of Walgreens Boots Alliance, Inc. (the “Company”) for the fiscal year ended August 31, 2016:

Environmental

1. Total Company CO₂e emissions by source
2. Total Company CO₂e emissions by Division
3. Energy use by Division
4. CO₂e emissions from energy, by Division
5. CO₂e emissions from energy, by type
6. CO₂e emissions from product delivery, by Division
7. CO₂e emissions from business travel, by type
8. Business travel – air (by length of haul)
9. CO₂e emissions from business travel, by Division
10. CO₂e emissions from business travel, per 1,000 employees, by Division and for the Company
11. Waste by method of disposal
12. Waste by Division

Community

1. How the Company contributes – cash
2. How the Company contributes – non-cash
3. Areas impacted by the Company's contributions
4. The types of groups the Company contributes to
5. Contributions by Division

Workplace

1. Employees by Division
2. Employee retention
3. Employees by gender
4. Women employees by Division and in the Company

The Company's management is responsible for the specified indicators presented within the Corporate Social Responsibility Report.

We conducted our review in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review consists principally of applying analytical procedures, considering management assumptions, methods, and findings, and making inquiries of and evaluating responses from persons responsible for corporate sustainability and operational matters. It is substantially less in scope than an examination, the objective of which is the expression of an opinion on the specified indicators. Accordingly, we do not express such an opinion. A review of the specified indicators is not intended to provide assurance on the Company's compliance with laws or regulations.

The preparation of specified indicators within the Corporate Social Responsibility Report requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. Measurement of certain amounts and sustainability metrics, some of which may be referred to as estimates, is subject to substantial inherent measurement uncertainty. Obtaining sufficient, appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the amounts and metrics. The selection by management of different but acceptable measurement methods, input data, or model assumptions, or a different point value within the range of reasonable values produced by the model, may have resulted in materially different amounts or metrics being reported.

Our review was limited to those indicators specified by management and such specified indicators may not necessarily reflect the overall sustainability profile of the Company.

Based on our review, nothing came to our attention that caused us to believe that the specified indicators are not presented, in all material respects, in conformity with the Walgreens Boots Alliance Corporate Social Responsibility Performance Data Basis of Preparation, which is available in the Corporate Responsibility area of the Company's corporate website in the “About this report” section.

DELOITTE & TOUCHE LLP
Stamford, CT
16 February 2017

Legal notice

Forward-Looking Statements

All statements in this Report that are not historical, including goals and projections of future results, constitute forward-looking statements that are based on current market, competitive and regulatory expectations, and involve risks and uncertainties that may cause actual results to vary materially. Except to the extent required by the law, Walgreens Boots Alliance undertakes no obligation to update publicly any forward-looking statement included in this Report, whether as a result of new information, future events, changes in assumptions or otherwise. Please see Walgreens Boots Alliance's latest Form 10-K and subsequent SEC filings for a discussion of risk factors as they relate to forward-looking statements.

Trademarks

Walgreens Boots Alliance, the Walgreens Boots Alliance logo and the other trade names listed below are trademarks or registered trademarks of Walgreens Boots Alliance and/or its affiliates in the USA and other countries.

WALGREENS BOOTS ALLIANCE is a trademark owned by Walgreens Boots Alliance, Inc.

BALANCE REWARDS, GET A SHOT. GIVE A SHOT., W REDI, and WALGREENS are trademarks owned by Walgreen Co.

ALLIANCE BOOTS, ALLIANCE HEALTHCARE UK, ALLIANCE HEALTHCARE ESPAÑA, ALLOGA FRANCE and FARMEXPERT are trademarks owned by Alliance Unichem IP Limited.

BOOTS, BOOTS IRELAND, BOOTS OPTICIANS, BOOTS THAILAND, BOOTS UK, BOTANICS, NO7 and SOAP & GLORY are trademarks owned by The Boots Company PLC.

LIZ EARLE is a trademark owned by Liz Earle Beauty Co. Limited.

FARMACIAS BENAVIDES is a trademark owned by Farmacias Benavides, S.A.B. DE C.V.

Third party trademarks mentioned are the property of their respective owners. The use of the word "partner" does not imply a partnership relationship between Walgreens Boots Alliance and any other company.

Exchange rates basis of preparation

Foreign currency amounts have been presented in U.S. Dollars for consistency, having been translated at the average exchange rate for the 12 months ending 31 August 2016. The most significant rates being 1.44 U.S. Dollar per Pound Sterling and 1.11 U.S. Dollar per Euro.

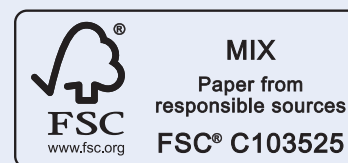
EORTC funds raised in various currencies were converted to Euros and to U.S. Dollars using average exchange rates for the reporting periods in which the funds were raised. Funds for Macmillan Cancer Support and for BBC Children in Need were raised in Pounds Sterling and converted to U.S. Dollars using average exchange rates for the reporting periods in which the funds were raised.

Page 2 photo: Diane Bondareff/UN Foundation

Page 13, 31 photos: Allison Shelley Photography

Page 26 photo: courtesy of Feeding America

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