



## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY STATEMENTS

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## Chemical Policy Statement and Restricted Substances List

Walgreens Boots Alliance is committed to continuing to drive transparency and proactive chemicals management for the products we sell, starting with our owned brands, in order to enable us to develop more sustainable products and to ensure consumers continue to be provided with meaningful product sustainability and safety information.

In addition to meeting relevant regulatory requirements in the markets we operate in around the world, Walgreens Boots Alliance will monitor progress against this Chemical Policy Statement and will communicate progress annually in our Corporate Social Responsibility (CSR) Report, which is available on our website.

**Supply Chain Transparency:** Walgreens Boots Alliance will strive for increased levels of visibility into the chemicals used in the products we sell, starting with our owned brands.

- Walgreens Boots Alliance will pursue a long-term goal of full ingredient transparency, including generic terms such as ‘fragrance,’ for Walgreens and Boots owned brand and exclusive consumer retail formulated products in the baby, beauty, personal care, and household cleaning product categories. Annually, we will measure and report our progress toward fuller ingredient disclosure.
- Walgreens Boots Alliance aims to continually improve product transparency and will add additional product categories to achieve a more comprehensive impact over time.

**Chemicals Management for More Sustainable Products:** Walgreens Boots Alliance will collaborate with partners across the value chain to help develop and implement practices and tools that facilitate the management of chemicals in order to offer more sustainable products. Beginning with Walgreens and Boots owned brand and exclusive consumer retail formulated products in the baby, beauty, personal care, and household cleaning product categories, we will utilize our own Restricted Substances and Stewardship Lists – as described below - together with third-party informed chemical lists.

- [Walgreens Boots Alliance Restricted Substances List](#) - It is our intent to work collaboratively with our suppliers to address these identified chemicals of concern and to facilitate the elimination of these materials through reformulation of products, by the end of 2021. In moving to eliminate these substances, we encourage suppliers to select ingredients identified as Safer Chemicals by the U.S. Environmental Protection Agency (EPA) Safer Choice program, or to use EPA Safer Choice criteria or ChemSec safer alternatives marketplace to evaluate and select safe substitutions. Annually, we will report the percentage of owned brand products in these product categories that do not contain chemicals on our Restricted Substances List.
- Walgreens Boots Alliance Stewardship List - We have developed a list of chemicals that we are monitoring and that, over time, we are looking to restrict and/or minimize across our product portfolio. This list will be used to update our Restricted Substances List.

For the beauty and personal care subcategories only, chemicals on the six authoritative and regulatory lists that comprise the BPC stewardship list – as described below – will also apply. We will monitor the presence of publicly disclosed chemicals on these six lists and expect all suppliers (for owned brand and third party brands) to monitor the use of these chemicals within their beauty and personal care portfolios. Where ingredients are regulated we expect all our suppliers to comply with regulation and in accordance to the regulatory safety framework.

- Chemicals on the BPC stewardship list - Walgreens Boots Alliance worked in recent years with the BPC leadership group – a group of leading companies in the beauty and personal care industry, guided by Forum for the Future and The Sustainability Consortium – to develop a common rating system that retailers may use, voluntarily and independently, to evaluate beauty and personal care product sustainability. As part of this project, the group identified the chemicals on the following six publicly available regulatory and authoritative lists as the stewardship list in the BPC Rating System:
  - CA Prop 65 – Reproductive and Developmental Toxicants, Carcinogens
  - EPA Toxics Release Inventory PBTs
  - EU – Cosmetics Regulation Annex II
  - EU – Priority Endocrine Disruptors (Categories 1, 2)
  - EU REACH – Annex XVII CMRs (Appendices 1-6)
  - IARC – Categories 1, 2A, 2B

Transparent and Meaningful Communication: We aim to provide consumers with chemical information that is comprehensive, understandable, and meaningful in order to enable them to make informed choices.

- Walgreens Boots Alliance intends to list the ingredients in all owned brand household cleaners on their respective product labels by the end of 2019, ahead of regulatory requirements.
- Walgreens Boots Alliance encourages all suppliers of formulated products to endeavour to publicly disclose intentionally added ingredients (either on package labelling or digitally).
- Walgreens Boots Alliance will work to enable consumers to make informed choices by encouraging suppliers to obtain credible certifications (including third-party certifications such as EPA Safer Choice and Cradle to Cradle Certified) and will make it easy for consumers to find these more sustainable products.



## Charity Policy Statement

Walgreens Boots Alliance's policy is to support worthwhile causes that make an impact on people's wellbeing. We provide financial support to such causes and strive to assist them by building awareness of their mission and goals, and by inspiring our customers and employees to become involved.

We believe that our relationships with charitable organizations make a positive impact on the lives of our neighbours, our communities and our society. Our dedication to helping others is evident in our retail stores, distribution centres, factories and offices. We are proud to be an organization that is dedicated to caring and making a difference in the community.

We support a number of charitable organizations, often through forming partnerships or building long-term relationships. Our businesses are given the opportunity to regularly nominate and support local charities. We also make contributions to relief funds set up following major incidents. From time to time, marketing initiatives are also developed with partners where sales are linked to charitable contributions.

Charitable support is overseen at the corporate level and managed through local businesses. The local businesses make three types of charitable contributions:

- International
- National
- Local charities

Fundraising activities carried out by our people are organized either by teams or individuals. We encourage employees to actively involve themselves in these activities. Contributions we make must be to organizations that fall within the following criteria:

- be a charitable organization
- focus primarily on well-being
- demonstrate that they have maintained up to date financial records and are financially sound

Walgreens Boots Alliance must have certainty that any charitable contribution is for proper charitable purposes, and that it will not violate any requirements of the Walgreens Boots Alliance Anti-corruption, bribery and conflicts of interest policy or any relevant Anti-bribery, Anti-corruption laws anywhere in the world.

For the long term strategic charitable partners that Walgreens Boots Alliance supports, on an annual basis, the business that support the charity must carry out a review of the financial status of that charity. The Finance Director for each business and Walgreens Boots Alliance VP of Financial Planning & Analysis must review:

- the charity's goals and track record of delivery against such goals
- suitability of charity's Board and senior management
- adequacy of governance arrangements



- financial statements, including timeliness and adequacy of disclosure, external auditor's report, funding, investment policy, and funding ratio (funding and administrative expenses as percentage of gross funds raised).
- potential reputational issues through a simple online check



## Customer Product Safety Policy Statement

Walgreens Boots Alliance endeavours to sell safe, effective, accessible and affordable retail products, and to market and communicate their benefits responsibly.

Customers trust us to provide them and their families with products that are safe for their intended use. We recognize that customers may be concerned about the use of certain chemicals in products and we work with research organizations, industry partners and regulators towards enhancing consumer confidence in chemicals, while trying to find alternatives where appropriate. We seek to address safety concerns with high priority.

We follow four principles in our communications with consumers:

- building trust through responsible practices and through transparent communication – both directly to consumers and indirectly through other key stakeholders and thought-leaders
- seeking to engage in the sale of products that are safe for their intended use and that are accompanied by appropriate information on their use and any significant risks that are associated with their intended use
- helping consumers to better understand what is in products we sell and being transparent in terms of ingredients, nutrition values and the health and beauty properties of those products
- using a combination of channels, including product labels, our websites and/or consumer leaflets to communicate openly with our consumers



## Diversity and Inclusion Policy Statement

Walgreens Boots Alliance regards diversity and inclusion as key drivers in our vision to be the first choice for pharmacy, well-being and beauty for people and communities around the world. We recognize the significant impact diversity and inclusion have on our overall global business strategy. We leverage the diverse experiences and perspectives of our workforce to better serve our customers and consumers across the globe and to drive superior business performance.

We realize this vision through several critical focus areas:

- promoting and maintaining a culture of integrity, respect and equal opportunity,
- recruiting, retaining and developing a high performing and engaged workforce with diverse backgrounds and perspectives, reflecting the current and future customers we serve,
- fostering an inclusive culture that encourages cultural agility,
- Creating accessible work environments and offering competitive employment for people with disabilities,
- building valued partnerships with external organizations to advance our diversity and inclusion efforts,
- connecting diverse-owned businesses with opportunities to partner with Walgreens Boots Alliance

We view diversity and inclusion as key to our future. To understand the needs of our customers and consumers, we endeavour to reflect this diversity in our employees, our suppliers and in everything we do. Offering a workplace where diversity and inclusion are valued helps us to build the high performing and engaged workforce that is crucial to our success in the global marketplace.



## Environment Policy Statement

Walgreens Boots Alliance regards the care of the environment as an integral part of running a responsible and successful business. We therefore seek to conduct our business activities in a way that reduces as much as is reasonably possible our direct and indirect impacts on the environment, while at the same time promoting practices which help to protect the environment and support sustainable development.

We endeavour to ensure that due consideration is given to the impact our operations have on the environment across the Company at all levels.

Each of our businesses is required to have a written environmental policy, relevant to its particular operation, setting out the standards its employees are expected to meet. In addition, each business is required to identify areas in its business that may have an impact on the environment, set environmental objectives and monitor compliance against these objectives.

In carrying out our business activities, we endeavour to:

- ensure appropriate use of resources and materials,
- minimize waste and encourage re-use and recycling ,
- safely handle and dispose of products,
- maintain environmental management systems,
- communicate our commitment to the environment across our Company



## Health and Safety Policy Statement

Walgreens Boots Alliance recognizes the leading position it holds in the worldwide retail pharmacy and health and beauty and pharmaceutical wholesaling industry sector. Walgreens Boots Alliance is committed to the safe dispensing of medicines in its pharmacies, to the manufacturing, distribution and sale of high quality health and beauty products and to the wholesaling and distribution of medicines in a safe environment.

Walgreens Boots Alliance is committed to conducting its 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. A safe work environment is a shared responsibility of the Company and each team member.

Walgreens Boots Alliance fully recognizes the duties placed upon it under relevant health and safety regulations in all countries in which it operates. Walgreens Boots Alliance strives always to achieve best practice in health and safety management, and, where appropriate, to disseminate that best practice via the Walgreens Boots Alliance Health and Safety and Environmental Committee to drive ongoing improvements even when it exceeds local legislative requirements. Walgreens Boots Alliance strives to apply always high quality, appropriate risk based standards of management and control throughout the worldwide organization to ensure that anybody in contact with our operations, services and products is safeguarded.

Walgreens Boots Alliance encourages open dialogue and constructive feedback from all stakeholders to ensure that all its Divisions, businesses, the Global Brands cross-divisional function, and the corporate function(s) achieve best practice in the management of health and safety at its business operations.

All Divisions, businesses, all cross-divisional functions, and the corporate function(s) must have in place comprehensive formal governance processes for health and safety and environmental matters in the business operations for which it is responsible.

## **Product Testing Policy Statement**

No animal testing is undertaken by Walgreens Boots Alliance.

For our own product brands:

- We do not conduct animal testing on products, or on ingredients used in these products.
- We do not commission animal testing on these products or on ingredients used in these products.

Until satisfactory replacements are available and all regulatory authorities stop requiring animal tests, we recognize that some other companies will continue to carry out some animal tests in order to meet legislative and regulatory requirements and protect health.

As a result, suppliers of ingredients, components and finished goods used in Walgreens Boots Alliance may have to or continue to carry out tests on animals.

Recognizing that it is necessary to develop validated alternative methods, we give financial and technical support to the development and introduction of alternative methods.