

Corporate Social Responsibility Report 2017



Walgreens Boots Alliance

Equal Opportunities

GRI Disclosures 102-8, 103-1, 103-2, 103-3, 204-1, 404-2, 405-1, 406-1



Walgreens distribution centers disability inclusion model includes training and specialized work stations.

Disability inclusion model

Fostering a disability inclusive workplace and culture enables Walgreens to tap into a wider pool of talent, retain valued team members and gain insight into the needs of an important and expanding segment of the customer base. The guiding philosophy of our disability inclusion programs is that people with and without disabilities can work collaboratively and effectively, side by side, doing the same jobs, for the same pay and performing at the same high levels.

Walgreens has two programs to train and hire people with disabilities, one in its stores and the second in its distribution centers.



Other companies are learning from the Walgreens model.

Retail training

Since 2012, the Retail Employees with Disabilities Initiative (REDI) has prepared externs for work in retail pharmacies, and it expanded to a total of more than 200 stores in 31 states during the reporting year. As of 31 August 2017 the REDI program has enrolled more than 1,500 externs, identified by publicly funded community providers, each of whom completes up to four weeks of in-store training. Of the externs who registered, 77 percent completed training. All REDI training graduates are encouraged to apply for positions with Walgreens.

A model program

Walgreens distribution centers in the U.S. and Puerto Rico have initiatives to hire people with disabilities. As of 31 August 2017, more than 10 percent of employees at the distribution centers are self-identified as individuals with disabilities.

Walgreens disability inclusion program has become a model for other U.S. companies. Since 2015, 84 companies have been approved for tours of Walgreens distribution centers to learn from our model, which includes training and specialized work stations and equipment. One recent visitor was Sephora Vice President of Human Resources and Logistics Tom Gustafson.

"After walking the floor at Walgreens, I was inspired by the idea of removing barriers so that people with disabilities can be successful. So many employers today are afraid of hiring people with disabilities. At Sephora, our purpose is to Inspire Fearlessness with our Clients. This program fits that purpose. It's a good business decision and it's good for the community. We believe in this strategy so much, that we've decided to adopt a similar model in our supply chain," Gustafson said after his visit.



REDI externs receive in-store training.

"The REDI training enables trainees to experience every aspect of the job including the cash register in a supported manner, which gives trainees a true retail experience. This is invaluable knowledge for someone to know if retail is the right employment choice for them."

—Carla Gaouette, associate vice president of the national job training and placement program for Viability human services agency

Top scores for disability inclusion and LGBTQ equality

Walgreens earned a top score of 100 percent on the 2017 Disability Equality Index (DEI) and the 2017 Corporate Equality Index (CEI), national benchmarking surveys and reports on corporate policies and practices related to disability inclusion and LGBTQ workplace equality, respectively. It was the third time Walgreens received a Best Place to Work for Disability Inclusion qualification on the DEI, while it has received perfect scores for 11 years in a row on the CEI.

The DEI is administered by the U.S. Business Leadership Network and the American Association of People with Disabilities; the CEI is administered by the Human Rights Campaign Foundation.

Hiring and supporting military veterans

Walgreens actively encourages military veterans to consider career opportunities across all areas of our business. Employment outreach includes strategic recruiting relationships with Hirepurpose, GettingHired and RecruitMilitary, targeted advertising in Diversity in Action magazine and U.S. Veterans Magazine, and collaboration with our Business Resource Groups. U.S. Veterans Magazine has recognized



Walgreens Business Resource Groups employee networks help attract, engage, develop and retain diverse talent.

Walgreens as a Top Veteran-Friendly Company and Diverse Supplier Partner for 2016 and 2017.

Business Resource Groups

Walgreens has nine active Business Resource Groups (BRGs), grassroots networks of employees committed to making Walgreens an even more diverse and inclusive employer and retailer of choice. These include the Walgreens African American Leadership Network, the Walgreens Disability Inclusion Network, the Walgreens Latino Professionals Network, Women of Walgreens, Walgreens Next Gen Empowerment Network, Walgreens Pride Alliance and others.

Through their programs, events and initiatives, Walgreens BRGs help attract, engage, develop and retain diverse talent.

Just three highlights of numerous BRG initiatives during fiscal 2017 are the following.

- The Walgreens Veterans Network (W-VET) was instrumental in Walgreens new collaboration with the U.S. Department of Veterans Affairs and the Veterans of Foreign Wars of the U.S., which focuses on improving mental healthcare for veterans.
- The Walgreens Asian Network (WAN) partnered with the Walgreens marketing department and Hallmark Cards to launch a new seasonal card assortment and displays targeting Chinese American and Asian Indian American consumers in a number of stores.
- The Walgreens African American Leadership Network brought inspiring retail industry executives to speak at events and panels at the Walgreens support office in Deerfield, Illinois during Black History Month.

Walgreens sponsors veterans' health events.



Expanding diversity awareness globally

Boots UK and Global Brands, our cross divisional function that oversees our innovative and competitive product brands, both extended their diversity and inclusion strategies during fiscal 2017.

Boots UK formed a three-person policy, diversity and inclusion team in May 2017 and is in the process of creating a diversity and inclusion strategy and associated policy.

Global Brands has established a three-part strategy to attract diverse team members through an open and inclusive recruitment process, increase opportunities through transparent career progression plans and promote an agile and flexible working culture.

Gender pay

Walgreens Boots Alliance works to ensure that our employees are paid fairly and equitably. In the U.S., we have made the commitment to conduct proactive pay reviews to confirm that pay practices are applied without regard to gender, race or ethnicity.

In July 2015, the UK government committed to closing the gender pay gap in a generation. To support this commitment, legislation was introduced in April 2017 requiring all organizations with 250 or more employees to publish their gender pay gap. In compliance with the new mandatory gender pay reporting, our UK businesses are preparing to report gender pay figures during the first part of the 2018 calendar year. As a significant employer of women in the UK, we are committed to reducing the gender pay gap where necessary in the future.

Non-sexist language manual in Spain

On 8 March 2017, International Women's Day, Alliance Healthcare España launched a non-sexist language manual for all employees, aiming to ensure that internal and external communications reflect a culture committed to equality and sensitizing staff to act and work

together on equal opportunities for women and men. The goal of non-sexist language is to end discrimination on the basis of gender. The manual, which offers examples and resources to achieve non-sexist language in written and spoken communication, was mailed to all staff and was made available on the business's website.

Employees by gender

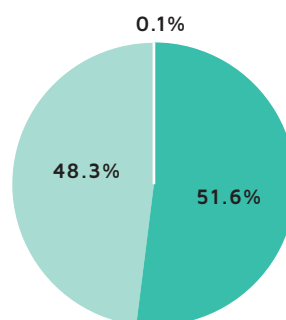
	As of 31 August 2017 ^{1,2}	As of 31 August 2016
Men	34%	34%
Women	66%	66%

Women employees by Division and in the Company

	As of 31 August 2017 ^{1,2}	As of 31 August 2016
Retail Pharmacy USA	66%	66%
Retail Pharmacy International	77%	77%
Pharmaceutical Wholesale	34%	35%
Walgreens Boots Alliance	66%	66%

Race, ethnicity of Retail Pharmacy USA employees^{1,2,3}

■ WHITE
■ PEOPLE OF COLOR
■ NON-RESPONDENTS



¹ Fiscal 2017 data within Deloitte & Touche LLP's review scope as detailed on pages 87-88.

² On 31 March 2017 Walgreens Boots Alliance closed a transaction with Prime Therapeutics LLC (Prime) to form a combined central specialty pharmacy and mail services company, AllianceRx Walgreens Prime, as part of a strategic alliance. Our fiscal 2017 workplace data include the Prime specialty and mail order business that became part of the combined company, but our corporate giving and environment data do not.

³ Racial, ethnic diversity data for our largest Division included for the first time for fiscal 2017.