



Public Policy and Political Activities

Walgreens is actively involved in public policy and political activities as they relate to our business - from a pharmacy, health care and retail perspective. In an effort to provide greater transparency to our shareholders, information about these activities is provided in this new section of our website. Please check back periodically for the most up to date disclosures.

- Our Philosophy

Walgreens participates in the federal, state and local political process to ensure that elected officials and regulatory agencies overseeing our industry are well informed about issues that impact our business and the markets in which we operate. The Company advocates for policies that are consistent with our purpose to help people get, stay and live well, and that are aligned with the interests of the business, our customers and our investors. We take positions on public policy issues pending before federal, state and municipal governments that have the ability to support our three key strategies to create the “Well Experience,” transform community pharmacy, and establish an efficient global platform.

Walgreens also supports candidates with positions on pharmacy, health care and retail business issues that align with company priorities. Contributions are made to candidates for elected office at the federal, state, and municipal level through the Walgreen Co. Political Action Committee (“PAC”) and/or corporate funds. A decision to support a candidate is made carefully with close attention paid to a candidate’s background and positions taken on public policy issues.

- Oversight and Governance

Walgreens has an established Government Relations department under the leadership of Thomas J. Sabatino, Executive Vice President, General Counsel & Corporate Secretary, with team members based at corporate headquarters and in Washington DC. Our Government Relations team works under the guidance and direction of senior management, and our Board of Directors provides appropriate oversight to senior management about these matters.

Government Relations department leadership closely monitors relevant legislation and regulations pending before the federal, state and local governments. Where appropriate, the Government Relations team works with company leadership to formulate positions on public policy issues. In addition, we may seek input from outside parties and experts on particular issues as needed.

The Nominating & Governance Committee of the Board is responsible for oversight of the Company's policies and activities regarding political donations. The Committee receives a report from Mr. Sabatino on the Company's political activities and contributions at least annually. They also have the opportunity to discuss relevant issues with senior executives as needed.

Where appropriate, the Government Relations team engages with elected officials and their staff to advance the Company's position. The Government Relations team works with company lobbyists and industry trade associations to ensure that elected leaders understand Walgreens position on legislation or a regulation. The leadership of the Government Relations department is routinely in contact with the business unit leaders to ensure that Walgreens positions on issues of public policy reflect the current company strategy and priorities.

Walgreens is committed to compliance with all government ethics and campaign finance laws. The Government Relations department receives regular training and updates on laws impacting lobbying and campaign contributions. In addition, other Walgreen departments that interact with government officials and staff receive training to ensure compliance with applicable government ethics and campaign finance laws.

- Public Policy Issues

Walgreens takes positions on public policy issues pending before federal, state and municipal governments that impact pharmacy, health care or retail business. Positions will most likely be taken on issues related to reimbursement for pharmacist delivered clinical services, the expansion of the role of pharmacists in the health care delivery system and retail business regulation or taxation. Government Relations works with company leadership, internal stakeholders and external groups to formulate positions on issues. Once a position is taken, Government Relations engages with elected officials and their staff to advance the company position.

As described below under "Political Contributions," Walgreens contributes to candidates for elected office at the federal, state, and municipal level that have or will likely support public policy that will advance company priorities and that aligns with the interests of our key stakeholders. These contributions are made directly by the corporation (as permitted by law) and by the Walgreen Co. Political Action Committee.

- Political Contributions

Walgreens contributes to candidates for elected office at the federal, state, and municipal level that have or will likely support public policy that will advance company priorities and that aligns with the interests of our key stakeholders. The two sources of contributions to candidates are corporate funds and the Walgreen Co. Political Action Committee (“PAC”).

Federal law prohibits corporations such as Walgreens from making contributions to candidates running for federal office and national party committees and many state’s laws prohibit contributions from corporations as well. As a result, the PAC was formed to allow eligible Walgreens employees to contribute to a fund to support candidates that cannot accept contributions from corporations. The PAC solicits contributions from eligible employees and supports candidates for elected office in manner consistent with federal and state law. The PAC is governed by a board of directors consisting of Walgreens employees from a cross-section of corporate and operations leadership. All contributions to candidates are made in consultation with the board of directors of the PAC.

In full compliance with state or local law Walgreens contributes directly to candidates for elected office in states and municipalities that allow contributions from corporations. Contributions are made in accordance with the philosophy described above.

- Campaign Finance & Lobbying Disclosure

We disclose our campaign contributions and lobbying activities through a number of different means in full compliance with federal or state law. All contributions from the PAC to candidates for federal office are disclosed to the Federal Election Commission. Disclosure reports are made monthly, with additional reports made during election years.

The disclosure of contributions by the PAC or Walgreens to state and municipal candidates is governed by individual state and municipal law and requirements vary greatly. The PAC and Walgreens reports all contributions to candidates for state or municipal office to the appropriate oversight body as required by law.

Walgreens lobbyist reports are filed with the appropriate jurisdiction as required by law. Federal lobbyist activity is reported quarterly to the US House and Senate. The reports disclose legislation and issues Walgreens lobbied upon as well as expenditures related to lobbying. In states and municipalities where Walgreens is registered to lobby, reports are filed with the appropriate government agency as required by law.