

Walgreen Co.
Finance Committee Charter

Purpose

The Board of Directors (the “**Board**”) of Walgreen Co. (the “**Company**”) has established the Finance Committee (the “**Committee**”) to discharge the Board’s responsibilities relating to the review of the financial requirements and practices of the Company.

Composition

The Committee must be comprised of three or more directors. The members of the Committee are appointed by the Board upon recommendation of the Nominating and Governance Committee and the Chairman of the Board, and serve at the discretion of the Board. One member of the Committee is appointed by the Board as Chair, upon recommendation of the Nominating and Governance Committee and the Chairman of the Board.

Authority

The Committee has the authority to retain consultants, outside counsel and other advisors as the Committee deems appropriate in its sole discretion. The Committee is authorized to approve related fees and retention terms.

The Committee may also delegate to one or more subcommittees such of its duties as the Committee deems necessary and appropriate.

Meetings

The Committee must meet at least quarterly, and may hold such additional meetings as it deems necessary. A majority of the members will constitute a quorum. A majority of the members present at a duly constituted meeting may decide any question brought before the Committee.

The Committee may request that members of management, the Secretary of the Company and any advisors retained by the Committee be present at its meetings.

Minutes

The Secretary of the Company or the Chair’s designate will prepare the minutes of the Committee’s meetings. Minutes will be distributed to Committee members and to the Company’s directors who are not Committee members. The Secretary of the Company will maintain copies of all minutes as permanent records.

Specific Duties

Acting in a manner that is consistent with the purpose and authority described above, the Committee will perform such specific duties as it deems appropriate, including the following:

1. Review the Company's financial policies and make recommendations to the Board in respect thereof, including without limitation:
 - the Company's dividend policy, including payment of dividends;
 - policies and guidelines for investment of cash;
 - short- and long-term financing;
 - issuance of the Company's capital stock; and
 - policies and guidelines related to the Company's capital structure.
2. Review with management the Company's capital structure and financing requirements and, to the extent deemed necessary, recommend to the Board programs for obtaining funds.
3. Periodically review the Company's estimates of capital expenditures, operating income, cash balances and cash flow.
4. Review the Company's expansion programs, including proposed acquisitions and divestitures.
5. Periodically review the investment policies and results of the Retirement and Profit Sharing Plans.
6. Periodically review the Company's insurance and self-insurance programs.
7. Periodically review the Company's policies regarding derivatives.
8. Periodically review the Company's Investor Relations program.
9. Report to the Board any significant determinations, recommendations and other matters as it deems appropriate.
10. At least annually, evaluate the Committee's performance.
11. At least annually, review the adequacy of this Charter and recommend any proposed changes to the Board for approval.
12. Perform such other duties and responsibilities as may be assigned to the Committee by law, the Company's by-laws or the Board.

In carrying out its responsibilities, the Committee's practices and policies should remain flexible, in order for the Committee to respond to changing facts and circumstances.