



## Walgreens Boots Alliance publication of UK Tax Strategy

### Context

This document sets out Walgreens Boots Alliance UK Group approach to tax in accordance with Finance Act 2016 and relates to the year ended 31 August 2020. This document is subject to annual review.

### Walgreens Boots Alliance

Walgreens Boots Alliance (“WBA”) is the first global, pharmacy-led health and wellbeing enterprise. Our purpose is to help people across the world lead healthier and happier lives. The Company’s heritage of trusted healthcare services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years.

WBA and the companies in which it has equity method investments together have a presence in more than 25\* countries and employs more than 440,000\* people. It has over 18,750\* stores in 11\* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with over 400\* distribution centres delivering to more than 240,000\*\* pharmacies, doctors, health centres and hospitals each year in more than 20\* countries. In addition, WBA is one of the world’s largest purchasers of prescription drugs and many other health and wellbeing products.

WBA is proud to be a force for good, leveraging many decades of experience and its international scale, to care for people and the planet through numerous social responsibility and sustainability initiatives that have an impact on the health and wellbeing of millions of people.

\* As of 31 August 2019, using publicly available information for AmerisourceBergen.

\*\* For 12 months ending 31 August 2019, using publicly available information for AmerisourceBergen.

### Approach to Tax Management and Governance

The WBA Senior Vice President, Global Tax (“SVP Tax”) owns and manages WBA’s approach to tax. There are clearly defined roles and responsibilities which aim to ensure consistent and effective standards of tax management throughout WBA. The values and behaviours which apply to all employees are set out in WBA’s Code of Conduct and Business Ethics. The SVP Tax has functional responsibility for the management of most taxes. The governance of this responsibility is documented in the WBA Internal Tax Policy.



Significant tax issues and risks are communicated to the WBA Global Chief Financial Officer and are approved pursuant to our Internal Tax Policy. We are accountable to our Board of Directors and its Audit Committee for the maintenance and execution of our policies and processes.

On a periodic basis, independent assurance oversight is provided by WBA Internal Audit who report to the Audit Committee.

The Tax department, in partnership with the Business and Finance Leaders, who are close to and therefore most familiar with the local businesses, have responsibility for the day to day management of all taxes.

WBA's in-house tax team comprises suitably qualified and experience tax professionals. The SVP Tax is responsible for the ongoing training and development (via Continued Professional Development of relevant Taxation Institutes) of all tax professionals within WBA.

### **Approach to Tax Risk and Dealing with Tax Authorities**

When considering the approach to tax risk and dealing with tax authorities, WBA's approach is to:

- Seek to comply with all laws to which it is subject;
- Absolutely prohibit illegal tax evasion in any of its business operations;
- Not to enter into transactions purely for the avoidance of tax;
- Seek to develop strong professional working relationships with tax authorities in countries in which it does business;
- Seek to manage its tax compliance activities to comply with taxation laws and regulations of countries in which it does business, and require that tax returns are accurate and are filed on time in accordance with the deadlines in each country. Positions taken in tax returns must be supported adequately;
- Seek to pay tax liabilities on a timely basis in accordance with the deadlines for payment in each country in which it does business;
- Seek an external tax opinion or advice in relation to complex and significant issues or where there may be uncertainty.

We endeavour to have an open and transparent relationship with HM Revenue and Customs ("HMRC") and other tax authorities. With regard to HMRC we are in regular dialogue with our Customer Compliance Manager (who is our central point of contact) to discuss and ensure we are meeting our UK tax compliance obligations. In circumstances where there may be uncertainty on a tax related matter, we will generally seek to discuss the matter with the relevant tax authorities in order to obtain certainty for both the Group and the tax authority concerned.



**Walgreens Boots Alliance**

## **Tax Planning**

WBA Tax works in partnership with the relevant Divisional Business Leaders to identify and evaluate the tax implications of all complex and significant business transactions. WBA's practice is not to enter into transactions purely for the avoidance of tax.

Where tax incentives, reliefs, exemptions and deductions are made available by Tax Authorities WBA will, where applicable, claim the benefit of these.

WBA seeks to apply the "arm's length" standard to all intercompany transactions, to comply with applicable local tax laws and regulations and give due consideration to internationally accepted methodologies and standards for intercompany transactions.