

## **Walgreens Boots Alliance publication of UK Tax Strategy**

### **Context**

This document sets out the Walgreens Boots Alliance UK Group approach to tax in accordance with section 16(2) Schedule 19 Finance Act 2016 and relates to the year ended 31 August 2023. This statement applies for all UK entities in the group headed by Walgreens Boots Alliance, Inc. for the period. This document is subject to annual review.

### **Walgreens Boots Alliance**

Walgreens Boots Alliance (Nasdaq: WBA) is an integrated healthcare, pharmacy and retail leader serving millions of customers and patients every day, with a 170-year heritage of caring for communities.

A trusted, global innovator in retail pharmacy with approximately 13,000 locations across the U.S., Europe and Latin America, WBA plays a critical role in the healthcare ecosystem. The company is reimagining local healthcare and well-being for all as part of its purpose – to create more joyful lives through better health. Through dispensing medicines, improving access to a wide range of health services, providing high quality health and beauty products and offering anytime, anywhere convenience across its digital platforms, WBA is shaping the future of healthcare.

WBA has more than 325,000 team members and a presence in nine countries through its portfolio of consumer brands, including Walgreens, Boots, Duane Reade, the No7 Beauty Company and Benavides in Mexico. Additionally, WBA has a portfolio of healthcare-focused investments located in several countries, including China and the U.S.

The company is proud of its contributions to healthy communities, a healthy planet, an inclusive workplace and a sustainable marketplace. WBA has been recognized for its commitment to operating sustainably: the company is an index component of the Dow Jones Sustainability Indices (DJSI) and was named to the 100 Best Corporate Citizens 2022.

### **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 experienced 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.



### **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.