

RESOLVED: Shareholders request the Board of Directors issue a report within six months of the 2017 annual meeting, at reasonable expense and excluding proprietary information, assessing the financial risk, including long-term legal and reputational risk, of continued sales of tobacco products in our stores.

Supporting Statement: Walgreens Boots Alliance's mission statement is: We help people around the world lead healthier and happier lives;

Cigarette smoking has been identified by the Centers for Disease Control and Prevention and nearly every public health organization as the leading contributor to the nation's top four causes of death: heart disease, cancer, stroke, and emphysema, which take the lives of an estimated 480,000 Americans each year;

The impact of tobacco consumption on health, wealth, and development was formally recognized through the adoption of the 2030 Sustainable Development Goals and the WHO Framework Convention on Tobacco Control (FCTC)ⁱ which commits member governments to combat the ongoing tobacco epidemic;

JAMAⁱⁱ reported that research on smoker behavior reveals that reducing the number of tobacco sales outlets reduces smoking among young people.

The United States remains the last country in the industrial world in which cigarettes can be purchased in pharmacies;

In March of 2014, a group of 28 U.S. attorneys general wrote a letter urging the CEOs of five major retailers, including Walgreens, to stop selling tobacco products, saying it is contradictory to carry such items in stores that also provide health care services.

Leading U.S. medical authorities including The American Pharmacists Associationⁱⁱⁱ, The American Medical Association House of Delegates^{iv}, The National Physicians Alliance, The American Academy of Pediatrics and the American Lung Association have all highlighted^v the inherent conflict of tobacco sales in retail pharmacies.

In 2015, CVS Caremark eliminated all tobacco products from its stores, and the company was rebranded CVS Health to reflect "its broader healthcare commitment";

Leading national retail chains with pharmacies such as Wegmans and Target have stopped selling tobacco products arguing that it undermines the health and well-being of their customers and presents reputational risks;

In a CVS-commissioned study^{vi}, the company found a significant decrease in cigarette consumption in states where cigarette sales were discontinued in their stores;

Walgreens' continued sale of tobacco continues to be questioned in press reports including:

* The New York Times: <http://nyti.ms/1evUBWs>

* Forbes: <http://bit.ly/2ad7sFb>

* The Chicago Tribune: <http://trib.in/1nANg3t>

* The Wall Street Journal: <http://on.wsj.com/29X4F4W>;

SUMMARY: The medical community is in consensus around the contradictions of health care companies such as pharmacies continuing to sell tobacco which seriously undermines health. Moreover, U.S. officials have made clear their intention to pursue legal means to end tobacco sales in pharmacies. In light of this, we believe the legal, reputational and public health risks of tobacco sales in our stores presents significant risks to our investments and that these risks should be assessed and publicly reported.

For these reasons we urge you to vote FOR this proposal.

i <http://bit.ly/1VOZ90u>

ii <http://bit.ly/1bqDC6v>

iii <http://bit.ly/2a9WKxk>

iv <http://bit.ly/2aheFDL>

v <http://bit.ly/2a4RVDN>

vi <http://bit.ly/2axbyJx>