

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) POLICY STATEMENTS

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## Policy statements effective from 28 August 2025

These policy statements are reviewed annually by The Boots Group Environmental, Social and Governance (ESG) committee (“ESG Committee”). The ESG Committee consist of members of The Boots Group senior leadership team which includes:

- Chief Executive Officer
- SVP & General Counsel
- VP, Human Resources
- SVP and Managing Director, Boots
- SVP, Chief Administrative Officer
- VP, Chief Financial Officer
- VP, Environment, Social & Governance and DE&I
- Director of Global Events Management
- Chief Customer and Commercial Officer
- Managing Director, Alliance Healthcare Deutschland

These policy statements apply to all The Boots Group (also referred as “TBG”), its Businesses, and Group Functions.

In addition, The Boots Group requires companies in which The Boots Group has a controlling interest and all parties acting on behalf of The Boots Group or its subsidiaries, including consultants, agents, suppliers, intermediaries, or representatives to uphold the principles outlined in this policy and to develop specific policies, procedures and standards to that end.

The Board Committee or any of its Delegated Committees has overall responsibility for ESG at The Boots Group, The Board Committee or any of its Delegated Committees has responsibility for the relationship with our auditors, currently Deloitte, and has oversight of governance and reporting requirements. The Boots Group Finance team chooses our ESG assurance partner based on our financial auditors.

All businesses within The Boots Group need to have a designated ESG Lead and Champion. Training is mandatory for the designated ESG Leads and ESG Champions. Specialist training is undertaken on latest innovations, regulations and thinking. For others where ESG is part of a broader role, training is encouraged but is not mandatory.

The Company aims to ensure the seamless transition or integration for any business partner and entity acquired<sup>1</sup> by the Company and to quickly and effectively establish ESG data and reporting standards compliance and alignment to all ESG policies. There are four key phases:

1. In the first year of an acquisition, the acquired company is required to report on the documented Healthy and Inclusive Workplace metrics following the definitions document provided by Group Accounting;
2. The year after acquisition, the acquired company is required to report on all areas of ESG (Healthy Community, Healthy and Inclusive Workplace, Sustainable Marketplace, Healthy Planet);
3. The acquired business must produce a signed certification provided by Group Accounting. The business’ Chief Financial Officer or highest-ranking finance officer, VP, Human Resources or highest ranking HR officer, and ESG Champion all need to sign the document;
4. The business must appoint an official ESG Champion prior to submission of their first ESG data pack. The ESG Champion is not required to hold an ESG title or serve in the capacity of an ESG role within the business. This role includes sign-off on Q3 and Q4 data packs and compilation of the business’ annual ESG Targets.

The ESG Champion for the acquired entity will be responsible for alignment to the above process and will provide feedback and compliance updates to The Boots Group VP, Environment, Social & Governance and DE&I.

## Corporate and Community Giving Policy Statement

The Boots Group believes that relationships with organisations make a positive impact on the lives of our neighbours, our local communities, our planet, and our society. In line with our Environmental, Social and Governance (ESG) community goals, we partner with organisations that support the physical and mental health wellbeing and vitality of the communities we serve and of vulnerable communities around the world, that enable young people to achieve their potential, that work to fight cancer, and that combat hygiene poverty. We have a strong focus on health equity.

We engage with communities through frequent dialogue, response to their needs and incorporation of their feedback on our programs. We communicate the results and impacts of our partnerships and programs, and regularly review our initiatives.

Our partnerships aim to empower our customers and energize our employees to give back and to have an impact on the health, wellbeing, and vitality of the communities we serve and of vulnerable communities around the world.

The Boots Group partners with qualifying organisations that meet our purpose, values and ethical standards, as laid down in The Boots Group Code of Conduct and Ethics. We support these qualifying organisations with financial (e.g., sponsorship, product donations) and non-financial donations (e.g., employee volunteering) as well as through fundraising activities. Organisations are selected by The Boots Group businesses and donations are permitted only if the following requirements are met:

- It is clear and agreed how and where the donation will be used to support the qualifying organisation's bone-fide mission.
- The qualifying organisation has a specific focus on at least one of the following:
  - improving access to health, educational and wellness programs; or
  - improving the standard of care and quality of life for patients and consumers through medical research, treatment, or services for specific diseases; or
  - civic and community outreach; or
  - The Boots Group's long term ESG goals (please refer to [The Boots Group Environment, Social and Governance page](#)); or
  - emergency or disaster relief.
- The purpose, values and ethics of the qualifying organisation are in line with The Boots Group's ESG strategy, long term ESG goals, and/or business interests.
- Donation requests from the qualifying organisation provide sufficient detail to assess that the contribution will be used solely for reasonable and necessary costs that are directly related to its charitable mission.

When a relationship with a qualifying organisation is considered strategic in nature, a strategic partnership may be formed. Regularly, our businesses review their written agreements with strategic partners to ensure that clear ambitions and targets remain in place and carry out a performance review including an assessment of the social impact of the partnership.

## Diversity, Equity, and Inclusion Policy Statement

The Boots Group regards diversity, equity, and inclusion as key drivers in our vision to be the leading partner in reimagining local healthcare and wellbeing for all. We recognise the significant impact diversity, equity and inclusion have on our overall global business strategy. We leverage the diverse experiences and perspectives of our workforce to serve our customers and patients and to drive superior business performance. We also believe in equal opportunity and our team members must treat one another with courtesy, dignity, and respect, regardless of race, color, national origin, ethnicity, pregnancy and maternity, age, gender identity or expression, trans status, disability, marital status, veteran status, sexual orientation, religion, belief, socio-economic background, or any other protected status. Our DEI Vision is to keep diversity, equity, and inclusion at the center of everything we do, by:

- promoting and maintaining a culture of integrity, equitable treatment, dignity and mutual respect;
- recruiting, retaining, engaging and developing a high performing and engaged workforce with diverse backgrounds, abilities, perspectives and beliefs;
- driving diversity, equity and inclusion objectives and targets;
- building a culture of innovation through inclusion, openness and valuing differences;
- prioritising accessible work environments and providing equal opportunities for all;
- building valued partnerships with external organisations to advance our diversity, equity, and inclusion efforts; and
- connecting small and diverse-owned businesses with opportunities to partner with The Boots Group.

The Boots Group employees, customers, patients, and partners reflect many diverse cultures and values. Fostering an inclusive work environment positions us to leverage different ways of thinking and working to be successful. Any country specific employment legislation is included in the relevant local internal policies.

## Environment Policy Statement

The Boots Group regards the care of the environment as an integral part of running a responsible and successful business. We therefore seek to conduct our business activities in a way that reduces as much as is reasonably possible our direct and indirect impacts on the environment, while at the same time promoting practices that help to protect the environment and support sustainable development. The Boots Group is committed to reporting annually on environmental, social and governance issues and progress.

The Boots Group is committed to ensuring that due consideration is given to the impact our operations have on the environment at all levels. The Boots Group has in place a Boots Group Governance and Oversight Policy with a dedicated section for Environmental that includes expectations for every location, function, department and team members related to the management of environmental matters and to drive ongoing improvements even when it exceeds local legislative requirements<sup>1</sup>. In addition, the Company maintains environment-related objectives that are tracked and monitored and cascaded to each business to align with local objectives and initiatives. Each business is responsible for continuously demonstrating its management of environmental matters. Monthly reports are provided to relevant Executive Committee or any of its Delegated Committees offering insights into environmental incidents across businesses.

In carrying out our business activities, The Boots Group endeavors to:

- engage in due diligence processes, including environmental, as it relates to mergers, acquisitions divestiture activities, and new business initiatives;
- responsibly source the materials, water and energy that we use – we hold suppliers and vendors for our owned brand products and our goods not for resale to our own environmental standards;
- promote and encourage re-use and recycling where practical, and ensure responsible management of any unavoidable waste materials;
- minimize impacts from emissions or wastes that cannot be avoided;
- provide our people access to environmental management systems, information and resources to manage and support our objectives;
- be transparent and open with our customers and other stakeholders;
- regularly consult with internal and external stakeholders to seek feedback on our performance in areas where we have environmental and social impact; regularly complete internal and external environmental audits;
- seek to continually improve the environmental performance of our operations;
- ensuring compliance with relevant environmental laws and regulations;
- seek to educate and empower our customers on key environmental issues such as waste and carbon emissions reduction by introducing new innovations and solutions such as recycling schemes and online healthcare services.

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<sup>1</sup> Given the global footprint of our operations, local legislative requirements will vary by market

## Health and Safety Policy Statement

As a leader in pharmacy-led, health and wellbeing retail, The Boots Group puts safety at the heart of its business. The Boots Group is committed to the safe dispensing of medicines, to the sale of high-quality health and beauty products and to the wholesaling and distribution of products in a safe environment.

The Boots Group is also committed to conducting its business operations with the utmost concern for the health and safety of all team members, customers, business partners, contractors, and the general public. A safe work environment is a shared responsibility of the Company and each employee.

The Boots Group fully recognises its duties under the relevant health and safety regulations in the countries in which it operates. The Company strives always to achieve best practice in health and safety management. The Boots Group has in place a Boots Group Governance and Oversight Policy with a dedicated section for Health & Safety that includes expectations for every function, department and team member related to the management of health and safety matters and to drive ongoing improvements even when it exceeds legislative requirements. Each operating business is responsible for continuously demonstrating its management of health and safety. Monthly reports are provided to select Boots Group executives, offering insights into health and safety incidents across each operating business. The Boots Group strives to apply high quality, appropriate risk-based standards of management and control throughout the Company to ensure that anybody in contact with our operations, services and products is safeguarded.

The Boots Group encourages open dialogue and constructive feedback from all stakeholders to ensure the achievement of best practice in the management of health and safety in all business operations.

Each Business is required to have in place comprehensive formal governance processes for health and safety matters in the business operations for which it is responsible. New employees, including pharmacists and pharmacy techs are required to complete annual health and safety trainings based on their local requirements. The Boots Group has systems in place to monitor training requirements and completion compliance.

## Human Rights Policy Statement

The Boots Group recognises that it has a responsibility to respect human rights, and this is a core part of our corporate sustainability mission. We are committed to respecting and upholding the dignity, wellbeing and human rights of every individual affected by our business activities including our customers, employees, workers in our supply chain and local communities.

This commitment applies to all The Boots Group affiliates and extends to respecting all internationally recognised human rights as set out in:

- the International Bill of Human Rights; and
- the core labour standards recognised by the International Labour Organisation (ILO), as set out in the ILO Declaration on Fundamental Principles and Rights at Work.

Consistent with our commitment to respect ILO core labour standards, we respect freedom of association and the right to collective bargaining. We support the elimination of all forms of forced or compulsory labour, the effective abolition of child labour and the elimination of discrimination in respect of employment and occupation. Additionally, we are committed to respecting the ILO conventions on labour standards on working hours and health and safety of workers.

We also respect the rights of individuals belonging to groups or populations that may be particularly vulnerable to adverse human rights impacts, including indigenous persons; women; children; national, ethnic, religious, and linguistic minorities; LGBTQ+ people; persons with disabilities and migrant workers and their families.

In meeting our responsibility to respect human rights, we consider relevant international human rights standards including the United Nations (UN) Guiding Principles on Business and Human Rights and the Organisation for the Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. We are also a signatory of the UN Global Compact.

We are committed to working collaboratively with our stakeholders and other businesses on human rights to inform our approach.

### Embedding respect for human rights

We take appropriate steps to ensure our commitment to operating with respect for human rights is reflected in all relevant aspects of our business operations and is integrated in key company policies and procedures, including our Code of Conduct and Ethics and our Ethical Trading Standards policy.

We aim to identify, assess and manage the human rights impacts of our business activities based on the operational context, our leverage and business relationships. To this end, our primary focus is on our own operations, suppliers and business partners, although we aim to also prevent and

mitigate adverse human rights impacts throughout our value chain. We recognise that human rights may be impacted by many different business activities, therefore we require our businesses and segments to carry out appropriate due diligence to identify human rights risks and impacts. Where national law and international human rights standards differ, we will follow the higher standard; where they are in conflict, we will adhere to national law, while seeking ways to respect international human rights relevant to our operations.

## **Remedy**

We do not tolerate, nor condone, human rights abuses in any part of our business and supply chain and will fully investigate any alleged breaches of human rights. We place importance on the provision of effective remedy wherever human rights impacts occur through company-based grievance mechanisms. We encourage anyone who works for or on behalf of The Boots Group to speak up, without fear of retaliation, about any complaints or concerns they may have in relation to human rights. We expect our suppliers and business partners to make the same commitment.

We commit to promoting a grievance mechanism for colleagues to raise complaints or concerns. We would never impede access to state-based judicial or non-judicial mechanisms for individuals or communities who feel their human rights have been impacted.



## Product Testing Policy Statement

No animal testing is undertaken by The Boots Group.

For our own product brands:

- We do not conduct animal testing on products, or on ingredients used in these products;
- We do not commission animal testing on these products or on ingredients used in these products.

Some local markets reinforce this commitment to no animal testing through certification to recognised consumer-facing 'cruelty-free' standards.

Until satisfactory replacements are available, and all regulatory authorities stop requiring animal tests, we recognise that other companies may continue to carry out some animal testing in order to meet certain regulatory requirements and to protect the health of consumers.

As a result, suppliers of ingredients, components and finished goods used in The Boots Group may have to or continue to carry out tests on animals. Recognising that it is necessary to develop validated alternative methods, we give financial and technical support to the development and introduction of alternative methods.

## Product Transparency Policy Statement

The Boots Group endeavours to sell safe, effective, accessible and affordable retail products, and to market and communicate their benefits responsibly. Customers trust us to provide them and their families with products that are safe for their intended use.

We seek to address safety concerns with high priority. We follow three principles in our communications with consumers:

- Building trust through responsible practices and through transparent communication, both directly to consumers and indirectly through other key stakeholders and thought leaders;
- Selling products that are diligently analysed for compliance with all applicable laws and regulations, and accompanied by appropriate information on their intended use, including any significant risks associated with that use;
- Helping consumers better understand what is in the products we sell, and being transparent about the ingredients, nutritional value and health and beauty properties of those products, communicating openly through product labels, our websites, leaflets and/or other means.

## The Boots Group Responsible Chemical Management Strategy Policy Statement

### Scope:

The Boots Group is committed to responsible chemicals management<sup>1</sup> and goes beyond regulatory requirements by adopting positions on unregulated chemicals such as prohibiting, eliminating, substituting or restricting chemicals in products where we have identified a cause for concern.

The Boots Group Restricted Substances List contains chemicals of concern that must not be intentionally added, to any Boots Group product. Additionally, it also lists Chemicals of Concern that require specific restrictions on their use to ensure the safety of the consumer and/or the environment.

The Boots Group Restricted Substances List takes into account all of the following parameters:

- Potential to cause harm to the consumer and/or the environmental in both the short and long term;
- Sustainability credentials of the chemical;
- Future regulations to prohibit or restrict a chemical;
- Consumer insights into the use of a chemical;
- Potential for regrettable substitution<sup>2</sup> and the need for safer and effective alternatives.

The Boots Group Restricted Substances List also contains those chemicals identified by The Boots Group that (i) require action to prohibit or restrict within a defined time period, or (ii) do not as yet have a formal Boots Group decision on whether to prohibit or restrict but will be closely monitored with a view to adding to The Boots Group Restricted Substances List at a future date.

The Boots Group Restricted Substances List is subject to continuous review and will consider new and emerging scientific and regulatory information with the aim of keeping it up to date and relevant at all times. The Boots Group will annually measure and report progress against compliance to the Restricted Substances List.

The safety of our customers and the environment in which we live is at the core of The Boots Group and we aim to provide our consumers with chemical information that is comprehensive, understandable, and meaningful in order to enable them to make informed choices. Beginning with our formulated Cosmetic (Baby, Beauty, Personal Care) and Household Cleaning products, we provide the consumer with an accurate list of all the intentionally added ingredients present, with the ultimate aim of avoiding generic terms such as “parfum”/“fragrance” wherever possible, either on their respective product labels and/or via digital channels, as appropriate.

The Boots Group pursues a long-term goal of providing our consumers with more information on the chemicals used within other product categories.

The Boots Group strongly encourage its suppliers to investigate safer alternatives where they are using a chemical listed within The Boots Group Restricted Substances List. Additionally, we actively

encourage our suppliers to obtain credible third-party certifications, for example EPA Safer Choice, Cradle to Cradle Certified®, Blue Angel or Nordic Swan, that allows our consumers to find more sustainable products.

The Boots Group supports the principles of Green Chemistry and looks to collaborate with partners, both within and outside of the value chain to innovate and develop safer and non-regrettable alternatives to chemicals of concern.

<sup>1</sup> This policy applies to all formulated Cosmetic (Baby, Beauty and Personal Care) and Household Cleaning products sourced for retail sale by all of The Boots Group's Businesses and any entity in which the Company has a controlling interest, and the Group Function(s).

<sup>2</sup>Regrettable Substitution: "Substituting use of a toxic chemical in a product or process with another toxic chemical. Regrettable substitutions occur when decision-making is based on an insufficient amount of data on, or minimal attention paid to, the safety of the chemical substitute."

## Anti-Bribery and Anti-Corruption Policy Statement:

The Boots Group strives to maintain high ethical standards and requires our employees and others doing business with us to comply with all applicable Anti-Bribery and Corruption (“ABAC”) laws and other regulations that prohibit bribery, solicitation of bribery and the payment of kickbacks. These laws include the US Foreign Corrupt Practices Act, the UK Bribery Act and ABAC laws and regulations in all countries where we conduct business.

Bribery and corruption can have serious consequences for our communities and company. As a result, \_The Boots Group’s reputation, and that of its employees, relies on recognising potential warning signs related to bribery and corruption; refusing to tolerate bribery or any other form of corruption; and speaking up to report potential violations of the Company’s ABAC Policy or any other related concern.

### Core Principles:

- We do not pay bribes or make other improper payments. The Boots Group will not (directly or indirectly) offer, promise, authorise, facilitate, or give a bribe, kickback, or other improper payment to any healthcare professional, private individual, charitable / non-profit / non-governmental organisation, company, government official, or any other party;
- We do not accept bribes or other improper payments. The Boots Group will not (directly or indirectly) authorise, accept, or agree to accept any kind of bribe, kickback, or other improper payment;
- We conduct risk-based due diligence prior to entering into relationships with third-party vendors, agents, and other partners;
- We permit only modest and appropriate business courtesies that meet the standards and requirements outlined in the Company’s ABAC Policy;
- We prohibit facilitation payments;
- We maintain accurate corporate books and records and proper internal accounting controls over all of the Company’s transactions;
- Our team members are obligated to report any concern or any suspected violation of the Company’s ABAC Policy.