
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 6, 2018

WALGREENS BOOTS ALLIANCE, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36759
(Commission
File Number)

47-1758322
(IRS Employer
Identification Number)

108 Wilmot Road, Deerfield, Illinois
(Address of principal executive offices)

60015
(Zip Code)

Registrant's telephone number, including area code: (847) 315-2500

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b-c), (e). On March 6, 2018, the Board of Directors (the “Board”) of Walgreens Boots Alliance, Inc. (the “Company”) elected James Kehoe as Executive Vice President and Global Chief Financial Officer of the Company, effective June 1, 2018. Mr. Kehoe will succeed George Fairweather, who is stepping down as Executive Vice President and Global Chief Financial Officer of the Company effective June 1, 2018. Mr. Fairweather will remain with the Company and move to a new role as senior advisor to the Company’s Chief Executive Officer for business development and finance.

Mr. Kehoe, age 55, joins the Company from Takeda Pharmaceutical Company Limited, where he served as Chief Financial Officer and Corporate Officer since June 2016 and as a director since June 2017. He previously served as Executive Vice President and Chief Financial Officer of Kraft Foods Group, Inc. from February 2015 to July 2015. Previously, he worked for Gildan Activewear Inc., a supplier of branded family apparel in Canada, where he served as Executive Vice President and Chief Financial and Administrative Officer earlier in 2015. Prior to that, he was Senior Vice President, Operating Excellence at Mondelēz International, Inc. from November 2013 until December 2014. Mr. Kehoe joined Kraft in 1988 and held a variety of senior-level positions, including serving as Senior Vice President, Corporate Finance from October 2012 to October 2013, and Senior Vice President, Finance of Kraft Foods North America from November 2010 until September 2012.

The Company entered into an employment offer letter with Mr. Kehoe, following approval by the Compensation Committee of the Board, effective as of March 6, 2018. The letter has no specified term, and his employment with the Company will be on an at-will basis. His initial annualized base salary will be \$900,000, and his target annual cash incentive opportunity will be 125% of his base salary (prorated in the case of the current fiscal year) under the Company’s management incentive program (the “MIP”). Mr. Kehoe also will be eligible to participate in the Company’s stock-based incentive program providing for annual stock option and performance share grants described in the Company’s Proxy Statement filed with the Securities and Exchange Commission on November 29, 2017, with the total combined target grant date award value for this position currently being \$3.5 million. Mr. Kehoe will also be covered by the Company’s Executive Severance and Change in Control Plan, a copy of which was filed as Exhibit 10.4 to the Company’s Current Report on Form 8-K12B filed with the Securities and Exchange Commission on December 31, 2014, and which is incorporated herein by reference. He will receive relocation benefits in accordance with Company policy and other employee benefits consistent with those received by the Company’s other U.S.-based senior executives and as otherwise set forth in his offer letter agreement.

In part to compensate Mr. Kehoe for compensation foregone at his prior employer, he will receive a \$2.5 million cash bonus, payable as to 50% within 30 calendar days of the first day of his employment and as to the remaining 50% within 30 calendar days of the first anniversary of his employment (in each case subject to a one-year clawback policy as outlined in his offer letter agreement), as well as a one-time restricted stock unit grant (the “New Hire RSU Grant”) on the first day of the fiscal quarter on or next following the effective date of his employment. The New Hire RSU Grant will have a grant date value of \$4.5 million with the number of shares to be calculated based on the market closing price of Company stock on the grant date. The New Hire RSU Grant will vest in one-third increments on each of the first, second, and third anniversaries of the grant date.

The foregoing summary is qualified in its entirety by reference to the full text of the offer letter agreement with Mr. Kehoe, a copy of which is filed as Exhibit 10.1 hereto and which is incorporated herein by reference.

There are no arrangements or understandings between Mr. Kehoe and any other persons pursuant to which he was elected as an officer of the Company, he has no family relationships with any of the Company's directors or executive officers, and he is not a party to, and he does not have any direct or indirect material interest in, any transaction requiring disclosure under Item 404(a) of Regulation S-K.

Contract Amendment with Mr. Fairweather. Following approval by the Compensation Committee of the Board, the Company entered into a Contract Amendment (the "Amendment") with Mr. Fairweather effective as of March 6, 2018. Pursuant to the Amendment, Mr. Fairweather will become senior advisor to the Company's Chief Executive Officer for business development and finance effective June 1, 2018, and will continue on a full-time basis until June 30, 2018 (the "Transition Date") and on a reduced basis thereafter. Prior to the Transition Date, Mr. Fairweather will continue to receive the same compensation and benefits as he currently receives. Following the Transition Date, Mr. Fairweather will receive an annualized base salary of £210,347 (approximately \$292,300 based on exchange rates as of March 6, 2018) in lieu of his current salary to reflect a reduction in days worked to 65 per year, and he will remain eligible to participate in the Company's stock-based incentive program providing for stock option and performance share grants described in the Company's Proxy Statement filed with the Securities and Exchange Commission on November 29, 2017, subject to adjustment as provided in the Amendment. Mr. Fairweather's target annual cash incentive opportunity under the MIP for the fiscal year ending August 31, 2018 will be based on his base salary in effect prior to the Transition Date, and in future fiscal years will be based on his base salary in effect after the Transition Date, subject to adjustment in accordance with the Amendment. The Amendment also addresses various other aspects of Mr. Fairweather's employment arrangements, including adjustments to his pay in lieu of pension to reflect his reduced base salary after the Transition Date. The foregoing summary is qualified in its entirety by reference to the full text of the Amendment with Mr. Fairweather, a copy of which is filed as Exhibit 10.2 hereto and which is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

The Company issued a press release on March 8, 2018 announcing the leadership transition described in Item 5.02 above, which is furnished as Exhibit 99.1 to this report.

The information in this Item 7.01 and Exhibit 99.1 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section. This information shall not be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference to such disclosure in this Form 8-K in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	<u>Offer letter agreement dated as of March 6, 2018 between James Kehoe and Walgreens Boots Alliance, Inc.</u>
10.2	<u>Contract amendment dated as of March 6, 2018 between George Fairweather and Walgreens Boots Alliance, Inc.</u>
99.1	<u>Press Release of Walgreens Boots Alliance, Inc. dated March 8, 2018</u>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WALGREENS BOOTS ALLIANCE, INC.

Date: March 8, 2018

By: /s/ Marco Pagni

Title: Executive Vice President,
Global Chief Administrative
Officer and General Counsel



Walgreens Boots Alliance, Inc.
102 Wilmot Road
Deerfield, IL 60015
wba.com

March 6, 2018

Mr. James Kehoe

Dear James,

We are pleased to offer you the position of Executive Vice President and Global Chief Financial Officer, currently reporting to Stefano Pessina, Executive Vice-Chairman and Chief Executive Officer. We look forward to you joining our team. As a U.S.-based team member working at the Walgreens Boots Alliance (“WBA”) group level, your employer for payroll, benefits and tax (W-2) purposes will be within the Walgreen Co. U.S. family of companies. The terms of this offer are subject to the final approval of the Compensation Committee of the Board of Directors of WBA and securing valid authorization for US employment. Below are the terms of your offer:

Base Salary. Your salary will be \$900,000 annually, less all applicable tax withholdings and benefit deductions – paid monthly in accordance with our salaried team member payroll cycle.

Annual Bonus Opportunity. Based on your position, you will be eligible for annual bonuses under the WBA corporate bonus program, which is based on the Company’s fiscal year running from September 1 through August 31. You will be eligible for a pro-rated bonus for the remainder of the current fiscal year. The current bonus target for your position is 125% of your eligible earnings. Your actual bonus each year is subject to Company performance and your individual performance, and all bonuses are subject to the discretion and approval of the Compensation Committee of our Board of Directors.

Long-Term Incentives. You will also be eligible for long-term incentives granted under the terms and conditions of the WBA 2013 Omnibus Incentive Plan. You will be eligible for market-competitive award levels granted at the discretion of the Compensation Committee of our Board of Directors. For your position, long-term incentives currently consist of the programs listed below and a combined target award equal in economic value to \$3,500,000 annually. You will receive your first award on the next annual grant date following your hire date, subject to approval by the Compensation Committee of the Board of Directors of WBA. As shown below, the allocation among the two types of awards is roughly 50% in stock options and 50% in performance shares. In making award decisions each year, the Compensation Committee considers target award levels, budget levels, relative individual performance, and other factors consistent with our pay for performance philosophy.

Stock Options: Stock options are currently awarded annually. One-third of the award vests on the first, second and third anniversaries of the grant date and may be exercised up to 10 years after the grant date. Stock options currently make up 50% of your total annual target award described above.



Performance Shares: The performance share program provides an award of contingent shares with each year's grant. Contingent shares are earned and settled in shares of WBA stock at the end of a three-year performance period, and the final award is based on the performance of the Company over that three-year period. Performance shares currently make up 50% of your total target award.

The annual and long-term incentives described above, including program components and target award levels, are subject to adjustments over time, as we continually review our program features to align with market practices and other total rewards objectives.

Other Employee Benefits. See the attached "Overview of Management Benefits," briefly describing the employee benefits that are applicable. In addition, you will be entitled to participate in the WBA Executive Severance and Change in Control Plan and other benefit plans and programs that are generally applicable to U.S.-based executive officers of WBA, in all cases subject to changes of general application from time to time.

Relocation. It is understood that you will relocate to the Chicagoland area during calendar year 2018, and you will be eligible for relocation benefits in accordance with Company policy for management employees, as summarized in the WBA Global Permanent Transfer Policy provided to you, which includes temporary living (including subsidized lodging, transportation and meals) in the U.S. until such time as you are relocated to the U.S. WBA further agrees to cooperate with you to allow you to make periodic trips to Japan to visit your family until they are relocated to the U.S. and to provide your airfare for up to three (3) such trips (in addition to the subsidized airfare already contemplated under the WBA Global Permanent Transfer Policy). Upon offer acceptance, a member of our HR Shared Services Department will be in contact with you to walk you through the details and process.

Other Compensation. In consideration for your overall benefit package with your prior employer, you will receive the following sign-on incentives:

- **Cash Sign-on/Retention Payment:** A one-time sign-on/retention bonus of \$2,500,000 to be paid in two installments, $\frac{1}{2}$ within 30 days following your first day of employment and $\frac{1}{2}$ within 30 days of your first anniversary of employment, both payments are subject to normal tax withholding. This bonus is subject to the terms and conditions of a retention bonus agreement that you are required to sign as a condition to this benefit, and which is attached to this letter. In particular, this agreement spells out that your continued employment is required in order to receive and retain each installment payment, and if you voluntarily leave the Company or you are involuntarily terminated for "cause" (as defined in the attached retention bonus agreement) prior to the one-year anniversary of each installment payment date, you will be required to reimburse the Company for the full amount of such payment.
- **Special Restricted Stock Unit ("RSU") Award:** A one-time award of RSUs equal in economic value to \$4,500,000. This special award will be granted on the first day of the quarter on or next following your date of hire and will vest $\frac{1}{3}$ on each of the first, second and third anniversaries of the date of grant. This award will be subject to the terms and conditions of the WBA 2013 Omnibus Incentive Plan and the applicable award agreement.



Mr. James Kehoe

Non-Compete. As a condition to this offer of employment, you will be required to sign a Non-Competition, Non-Solicitation and Confidentiality Agreement when you begin employment. This is a standard agreement, with certain terms tailored to your area and position. A copy of this Agreement can be provided in advance upon request. A similar agreement may also be included as part of RSU and stock option award agreements.

U.S. Employment Authorization. This offer is contingent upon obtaining and maintaining O-1 Nonimmigrant visa status. The O-1 provides temporary U.S. employment authorization. Subject to the continuation of employment in the aforementioned role, the O-1 can be extended in one-year increments. Our internal immigration counsel will assist you with obtaining the O-1 and extending the O-1 visa at WBA's cost. Subsequently, upon your request and following at least one year of employment, WBA will support a green card application in connection with continued employment with WBA. This is of course subject to your continued employment up to and through the application process, and is further subject to there being no undue restrictions placed on your ability to travel internationally on WBA business during the application process. Our immigration counsel will assist you with the green card application process at WBA's cost.

Your start date will be June 1, 2018. On your start date, please bring proof of your identity and eligibility for employment.

Please note that WBA, in an effort to maintain our strong sense of pride in the way we conduct our business, requires all employees to dress in business casual attire while at work or on travel representing the company.

Our offer of employment is contingent on your passing a pre-employment applicant background check and a pre-employment drug screen under our Drug Free Work Place Policy. It is our policy that the pre-employment drug screen test be completed within 48 hours of your arrival in the US following receipt of this offer packet. We will work with you to find your nearest drug testing location when you return to the US. Enclosed are the "Forensic Drug Testing Custody and Control Form" and the "Drug Test Consent/Release Form". Please complete and return the consent/release form with the offer letter. You will need to bring the Forensic Drug Testing Custody and Control Form with you to the drug test facility along with a valid photo I.D. accepted by the state.

If you want to accept this offer of employment, please sign your name on the line below, fill in the date, and return the signed letter in the enclosed envelope. The duplicate of this letter is for your records. By signing below, you are confirming that no actual breach, threatened breach or other violation of any past, current or contemplated oral or written contractual arrangement to which you are a party (including, but not limited to, any non-compete, non-solicitation or confidentiality agreement with any former employer) has or will occur by virtue of your acceptance of this offer of employment or your performing services for WBA. Failure to comply can result in the rescission of this offer or termination of employment.



Walgreens Boots Alliance

Mr. James Kehoe

You should not consider our offer of employment to be a contract or guarantee of indefinite employment. Employment at WBA is at will, for no definite term, and is subject to WBA policies, which can be changed from time to time.

This offer letter may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. One or more counterparts of this offer letter may be delivered by facsimile or PDF electronic file with the intention that delivery by such means shall have the same effect as delivery of an original counterpart thereof.

If you have any questions please call me at [phone number].

Sincerely,

/s/ Lisa Hare

Lisa Hare
VP, Global Talent Acquisition
Walgreens Boots Alliance, Inc.

Enclosures

cc: Kathleen Wilson-Thompson

I accept the offer of employment as of the date first written above and understand that the offer is not intended to be a guarantee of continued employment.

Name: /s/ James Kehoe
James Kehoe



**CORPORATE RECRUITMENT RETENTION BONUS PROGRAM
AGREEMENT**

This Retention Bonus Agreement (“Agreement”) is entered into by and between **James Kehoe** (the “Employee”) and Walgreen Co., an Illinois corporation, including any applicable subsidiary or other affiliate of Walgreen Co. that serves as the Employee’s employer (collectively, “Walgreens”), and is effective as of the Employee’s date of hire with Walgreens (the “Hire Date”).

NOW THEREFORE, in consideration of the covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

A. SIGN-ON AND RETENTION BONUSES

Subject to the remaining terms and conditions of this Agreement, Walgreens agrees to pay to the Employee the following bonuses:

- (1) **Sign-On Bonus of \$1,250,000**. This bonus is in consideration of the Employee’s commitment to remain employed with Walgreens from the Hire Date through the one-year anniversary of the Hire Date (the “Sign-On Bonus Retention Period”). The sign-on bonus (less applicable withholdings and deductions) will be paid within 30 days after both the Hire Date and the Employee’s execution of this Agreement.
- (2) **Retention Bonus of \$1,250,000**. This bonus is in consideration of the Employee’s commitment to remain employed with Walgreens from the Hire Date through the one-year anniversary of the Hire Date and then for an additional one year thereafter (collectively, the “Retention Bonus Retention Period”). This retention bonus (less applicable withholdings and deductions) will be paid within 30 days after the one-year anniversary of the Hire Date.

B. TERMINATION OF EMPLOYMENT; PAYBACK REQUIREMENT

- (1) For each of the bonuses listed above, if prior to the end of the Retention Period applicable to such bonus, the Employee resigns from Walgreens or his or her employment is terminated by Walgreens for “Cause,” as defined in Part C below, then the Employee shall not receive any bonuses not yet paid and shall be obligated to repay to Walgreens the entire amount of such bonus already paid. This amount shall be due and payable within 30 days of the Employee’s separation from Walgreens, and Walgreens may then deduct any sum owed to Walgreens from any salary or other wages which would otherwise be payable to the Employee at that time. The Employee waives presentment for payment, notice of dishonor, protest, and notice of protest.
- (2) For each of the bonuses listed above, if prior to the end of the Retention Period applicable to such bonus, the Employee’s employment is terminated by Walgreens without “Cause,” as defined in Part C below, or upon the death or “Disability” (as defined in part C below) of the Employee, then the Employee shall receive any bonuses not yet



paid, which shall be paid to the Employee (less applicable withholdings and deductions) within 30 days after the date of termination, and the Employee shall not be obligated to repay to Walgreens any bonus already paid. The foregoing shall be subject to Employee's execution and non-revocation of a general waiver and release reasonably acceptable to Walgreens. If the period during which the Employee may consider whether to execute or revoke such waiver and release begins in one calendar year and ends in a subsequent calendar year, the payment of the bonus pursuant to this Part B(2) shall be paid in the subsequent calendar year.

C. OTHER TERMS AND CONDITIONS

- (1) "Cause" and "Disability" shall be as defined in the Walgreens Boots Alliance, Inc. Executive Severance and Change in Control Plan.
- (2) The terms of this Agreement must remain strictly confidential at all times; provided however that, disclosure by the Employee is permitted to immediate family members and legal/financial advisors. Failure to comply with this requirement can result in forfeiture of the sign-on and/or retention bonus and/or disciplinary action.
- (3) The Employee agrees and understands that employment with Walgreens is for no definite period and may be terminated at any time, with or without cause, at the option of either Walgreens or the Employee.
- (4) The Employee understands the terms and conditions of this Agreement, has had an opportunity to consult with counsel, and agrees to abide by the terms of this Agreement.
- (5) This Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and shall be interpreted and construed consistently with such intent. For purposes of Section 409A of the Code, each payment shall constitute a "separately identified" amount within the meaning of Treasury Regulation §1.409A-2(b)(2). In the event the terms of this Agreement would subject the Employee to taxes or penalties under Section 409A of the Code ("409A Penalties"), Walgreens and the Employee shall cooperate to amend the terms of this Agreement to avoid such 409A Penalties, to the extent possible; provided that in no event shall Walgreens be responsible for any 409A Penalties that arise in connection with any amounts payable under this Agreement. To the extent any amounts under this Agreement are payable by reference to the Employee's "termination of employment," such term shall be deemed to refer to the Employee's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, if the Employee is a "specified employee," as defined in Section 409A of the Code, as of the date of the Employee's separation from service, then to the extent any amount payable to the Employee (i) constitutes the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, (ii) is payable upon the Employee's separation from service and (iii) under the terms of this Agreement would be payable prior to the six-month anniversary of the Employee's separation from service, such payment shall be delayed until the earlier to occur of (a) the 30-day period following the six-month anniversary of the separation from service and (b) the date of the Employee's death.



Walgreens Boots Alliance

Mr. James Kehoe

- (6) This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. One or more counterparts of this Agreement may be delivered by facsimile or PDF electronic file with the intention that delivery by such means shall have the same effect as delivery of an original counterpart thereof.

EMPLOYEE

/s/ James Kehoe

James Kehoe

WALGREEN CO.

By: /s/ Lisa T. Hare

Name and Title:

Lisa T. Hare

VP, Global Talent Acquisition



Walgreens Boots Alliance

6 March 2018

Private & Confidential

Mr G R Fairweather
[Address]

Dear George,

Contract Amendment

Further to our recent discussions, I set out below the proposed arrangements with regards to your decision to retire from the role of Global CFO, on 1 June 2018, and your appointment as Senior Adviser, Business Development and Finance on the same date, as detailed below.

1. You will step down from your role as Global CFO on 1 June 2018 but will continue on a full time basis and provide advice and support to the incoming Global CFO to effect an orderly and smooth handover of ongoing business and ensure a smooth transition up until 30 June 2018.
2. You will be paid your current contractual salary and benefits up until 30 June 2018. Your bonus entitlement for fiscal 2018 under the WBA Management Incentive Plan (the "MIP") will be based on your current salary, notwithstanding the salary adjustment to occur as of 1 July 2018, as described in clause 3.5 below.
3. From 1 July 2018, your terms and conditions contained in your Contract of Employment dated 31 July 2006 will continue to apply, save for the following changes as discussed and agreed:
 - 3.1. The notice period required (for you and the Company) to terminate your employment will be reduced from 12 months to 3 months;
 - 3.2. The requirement for you to retire at the age of 60 under clause 16 your Contract of Employment has been removed;
 - 3.3. You will reduce your working days from full time to 65 days per year. You will keep a record of your working days and, in the event that you work, at my request, in excess of 65 days per year there will be an adjustment to your salary, pay in lieu of pension and MIP entitlements at the end of the fiscal year to reflect the increased number of days worked;

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T +44 (0)20 7138 1132 | www.walgreensbootsalliance.com

Walgreens Boots Alliance Services Limited, a member of Walgreens Boots Alliance
Registered office: 2 The Heights, Brooklands, Weybridge, Surrey KT13 0NY. Registered in England and Wales: number 7073433

- 3.4. You may take up other roles and/or activities outside of the Company, provided that those activities do not have an impact on the time you are required to devote to your new role and as long as there are no conflicts with your role, Senior Adviser, Business Development and Finance. Any external appointment also requires the necessary approvals under the WBA Advisory and External Board Membership Policy. Any such consent shall not be unreasonably withheld or delayed;
 - 3.5. Your basic salary will be reduced to £210,347 per annum to reflect your reduced number of working days. Your basic salary will continue to be paid monthly in arrears;
 - 3.6. Your pay in lieu of pension calculation will be amended to reflect your reduced basic salary as contained at clause 3.5 above, and your car allowance will be pro – rated;
 - 3.7. Your bonus entitlements under the MIP will remain at the same target level, subject to changes of general application to WBA executives, and will be based on your reduced basic salary as contained at clause 3.5 above beginning in fiscal year 2019 (i.e., as of 1 September 2018);
 - 3.8. You will continue to receive all of your other benefits, namely health, travel and life insurance, however excluding holiday entitlements; and
 - 3.9. Your duties and responsibilities will include, but not limited to the provision of business development and finance advice and support. In addition, you will be required to carry out any other duties as agreed between you and me from time to time.
4. Your Corporate Travel and Expense Support remains unchanged and subject to the terms set out in the letter dated 7 October 2015.
 5. Pursuant to the Walgreens Boots Alliance, Inc. 2013 Omnibus Incentive Plan Amended and Restated Effective July 11, 2017 (“the Plan”), your entitlements to your existing awards remain unchanged as set out in Schedule 1 to this letter.
 6. You will continue to remain eligible to participate in the Plan, and to participate in the MIP as described above. Future awards under the Plan will remain at their current levels, subject to any changes of general application to WBA executives and subject to pro—ration to reflect your reduced working days and any adjustments referred to in paragraph 3.3 above.

All other terms and conditions as detailed in your Contract of Employment remain unchanged.

Please note the terms of this Contract Amendment are subject to the final approval of the Compensation Committee of the Board of Directors of WBA.

Walgreens Boots Alliance | 4th Floor, Sedley Place | 361 Oxford Street | London W1C 2JL | UK
T +44 (0) 207 138 1132 | walgreensbootsalliance.com

Walgreens Boots Alliance Services Limited, a member of Walgreens Boots Alliance
Registered office: 2 The Heights, Brooklands, Weybridge, Surrey KT13 0NY. Registered in England and Wales: number 7073433

Once approved by the Compensation Committee of the Board of Directors of WBA, this letter will form a variation to your Contract of Employment, and by signing and dating it you are signifying your acceptance to the changes and that your Contract of Employment will be varied by this letter agreement.

Please confirm your agreement to these changes by signing and dating both copies of this letter and returning one copy to me. The second copy should be retained for your own records.

Yours sincerely,

/s/ Stefano Pessina

Stefano Pessina

Executive Vice Chairman and Chief Executive Officer of Walgreens Boots Alliance, Inc.

For and on behalf of the Company

I accept the terms set out above.

Signed /s/ George Fairweather
George Fairweather

Dated 6 March 2018

Walgreens Boots Alliance | 4th Floor, Sedley Place | 361 Oxford Street | London W1C 2JL | UK
T +44 (0) 207 138 1132 | walgreensbootsalliance.com

Walgreens Boots Alliance Services Limited, a member of Walgreens Boots Alliance
Registered office: 2 The Heights, Brooklands, Weybridge, Surrey KT13 0NY. Registered in England and Wales: number 7073433

**Walgreens Boots Alliance Appoints James Kehoe Global Chief Financial Officer**

- Kehoe previously served as chief financial officer and board director of Takeda Pharmaceutical Company Limited.
- Kehoe takes over from George Fairweather, who played a key role in the Walgreens-Alliance Boots merger and subsequent integration and development, and has decided to step down after a combined 16 years in the senior finance leadership position in Walgreens Boots Alliance and legacy companies.
- Fairweather to serve as senior advisor to CEO Stefano Pessina for business development and finance, and as part of this role help ensure the smooth transition of financial operations.

DEERFIELD, Ill., 8 March 2018 — Walgreens Boots Alliance, Inc. (Nasdaq: WBA) today announced the appointment of James Kehoe, recently chief financial officer and board director of Takeda Pharmaceutical Company Limited, as the company's executive vice president and global chief financial officer, effective June 1. He will be based at the company's headquarters in Deerfield, Ill.

Kehoe will succeed George Fairweather, who has served as Walgreens Boots Alliance global chief financial officer since February 2015. Fairweather has been instrumental in the formation of Walgreens Boots Alliance, the subsequent integration of the legacy companies, the new enterprise's major cost-transformation program and the establishment of the combined global financial organization.

Fairweather will become a senior advisor to Chief Executive Officer Stefano Pessina for business development and finance, also effective June 1.

Kehoe has been chief financial officer of Takeda Pharmaceutical since June 2016 and was based in Tokyo, reporting directly to the company's president and CEO. He was appointed to the Takeda Pharmaceutical board of directors in June 2017. Kehoe is an accomplished finance executive from the consumer goods sector and a strong business leader with a track record of driving operational business performance. He joined Takeda Pharmaceutical from Kraft Foods Group in the U.S., where he last held the role of executive vice president, chief financial officer. Prior to that, he held a number of finance-related positions over 25 years with assignments based in Ireland, Germany, Italy, U.S., Austria, Switzerland and Canada.

"We are pleased to welcome James Kehoe to lead the Walgreens Boots Alliance global finance operations as the company now moves into our exciting future as a global leader in health and wellbeing," said Jim Skinner, Walgreens Boots Alliance executive chairman. "His significant leadership experience in both health care and consumer goods makes him an exceptional fit and addition to Stefano Pessina's senior executive team and the company.

Walgreens Boots Alliance, Inc. | walgreensbootsalliance.com

“On behalf of the board, I also wish to thank George Fairweather for his steady and skilled leadership as he played a central role in the successful merger and integration of Walgreens Boots Alliance, and in building our global financial group,” Skinner said. “We are pleased that George will continue to serve the company by providing his experience and expertise as a senior advisor to Stefano.”

Pessina said, “We are excited to have another world-class chief financial officer join Walgreens Boots Alliance and the senior management team to follow George. James’s extensive experience in finance in the pharma-related health care and consumer goods sectors, as well as helping ensure optimal business performance, will be instrumental as we move to the next phase of our long-term strategy for growth and value creation.

“After working and collaborating for over 16 years with George going back to Alliance UniChem, I want to extend my personal heartfelt appreciation for his invaluable leadership, counsel and significant contributions to our enterprise. He was indispensable to the formation of Alliance Boots and the successful creation of Walgreens Boots Alliance. Over the past three years, George has led key integration efforts, the successful cost-transformation program and the establishment of an outstanding global financial team and function.

“As we thank him for his service and contributions, I am also grateful that George will be providing advice and counsel to me and the company in a senior advisory role. His knowledge and experience with the company from its inception will continue to be invaluable going forward.”

Fairweather said, “Working and collaborating with Stefano over the years and helping to establish Walgreens Boots Alliance has been the opportunity of a lifetime. Stefano is a true visionary who is changing our industry for the better, and I appreciate the opportunity to continue providing advice and counsel to him and WBA.”

Kehoe said, “I believe there is no more important company at the junction of health care and retail than Walgreens Boots Alliance, and I am excited to be joining the team at such a pivotal moment in the company’s continuing transformation. Moving forward, I appreciate that George will continue serving in an advisory role to help ensure a smooth transition and further success for the company.”

Cautionary Note Regarding Forward-Looking Statements: All statements in this release that are not historical are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not guarantees of future performance or outcomes and involve risks, assumptions and uncertainties, including those described in Item 1A (Risk Factors) of our Form 10-K for the fiscal year ended August 31, 2017, and our Form 10-Q for the fiscal quarter ended November 30, 2017, each of which is incorporated herein by reference, and in other documents that we file or furnish with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially. These forward-looking statements speak only as of the date they are made. Except to the extent required by law, we do not undertake, and expressly disclaim, any duty or obligation to update publicly any forward-looking statement after the date of this release, whether as a result of new information, future events, changes in assumptions or otherwise.

ENDS

Notes to Editors:

About Walgreens Boots Alliance

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The company's heritage of trusted health care services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25* countries and employ more than 385,000* people. The company is a global leader in pharmacy-led, health and wellbeing retail and, together with the companies in which it has equity method investments, has more than 13,200* stores in 11* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 390* distribution centers delivering to more than 230,000** pharmacies, doctors, health centers and hospitals each year in more than 20* countries. In addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and wellbeing products.

The company's portfolio of retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare, as well as increasingly global health and beauty product brands, such as No7, Soap & Glory, Liz Earle, Sleek MakeUP and Botanics.

More company information is available at www.walgreensbootsalliance.com.

* As of 31 August 2017, using publicly available information for AmerisourceBergen.

** For 12 months ending 31 August 2017, using publicly available information for AmerisourceBergen

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