

**Walgreen Co.**  
**Finance Committee Charter**

Purpose

The Board of Directors of Walgreen Co. (the "Company") has established a Finance Committee (the "Committee") to discharge the Board of Directors' responsibilities relating to the review of the financial requirements and practices of the Company.

Composition

The Committee shall be comprised of three or more directors, who shall be appointed by the Board of Directors, upon recommendation of the Nominating and Governance Committee and the Chairman of the Board and whose term of appointment is at the discretion of the Board of Directors. The Board of Directors shall appoint one member to serve as Chair.

Authority

The Committee shall have the ability to communicate with the Company's senior management. The Committee shall have the sole authority to retain independent consulting, legal or other advisors as it shall deem appropriate, at such fees and under such other terms as the Committee determines. The Committee shall also have the authority to delegate to one or more subcommittees such of its duties as the Committee deems necessary and appropriate.

Meetings

The Committee shall meet at least quarterly. A majority of the members shall constitute a quorum. A majority of the members present shall decide any question brought before the Committee.

The Committee may request that members of management, the Secretary of the Company and representatives of any outside consulting firm or other advisors retained by the Committee be present at meetings of the Committee.

Minutes

Minutes of the meetings are to be prepared by the Secretary of the Company or the Chair's designate and sent to Committee members and to Company directors who are not Committee members. The Secretary of the Company shall maintain copies of all minutes as permanent records.

## Specific Duties

Acting in a manner that is consistent with the authority described above, the Committee shall perform such specific duties as it deems appropriate, including the following:

1. Review the Company's financial policies and make recommendations to the Board of Directors in respect thereof, including without limitation:
  - a. the Company's dividend policy, including payment of dividends;
  - b. policies and guidelines for investment of cash;
  - c. short- and long-term financing;
  - d. issuance of the Company's capital stock; and
  - e. policies and guidelines related to the Company's capital structure.
2. Review with management the Company's financing requirements and to the extent deemed necessary, recommend to the Board of Directors programs for obtaining funds.
3. Periodically review the Company's estimates of capital expenditures, operating income, cash balances and cash flow.
4. Review the Company's expansion program, including proposed acquisitions and divestitures.
5. Periodically review the investment policies and results of the Retirement and Profit Sharing Plans.
6. Periodically review the Company's insurance and self-insurance programs.
7. Periodically review the Company's policies regarding derivatives.
8. Periodically review the Company's Investor Relations program.
9. Review the adequacy of this Charter annually, and recommend to the Board of Directors any modifications that the Committee deems necessary or appropriate.
10. Evaluate annually the performance of the Committee and report the results of such review to the Board of Directors.
11. Report to the Board of Directors any significant determinations, recommendations and other matters as it deems appropriate.

12. Perform such other duties and responsibilities as may be assigned to the Finance Committee by law, the Company's bylaws or the Board of Directors.

In carrying out its responsibilities, the Committee's practices and policies should remain flexible, in order for the Committee to respond to changing facts and circumstances.