

Gender Pay Gap Report



Foreword

AstraZeneca is a global, science-led biopharmaceutical business and our innovative medicines are used by millions of patients worldwide.



AstraZeneca hourly median pay gap

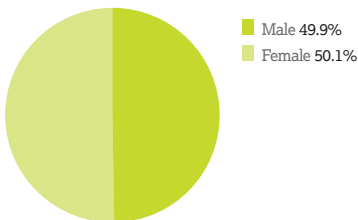
13.5%

ONS national average hourly median pay gap 18.4%

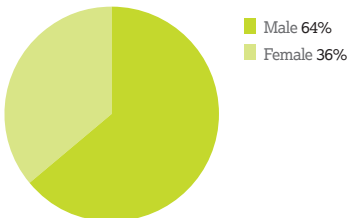
Median bonus gap

25.2%

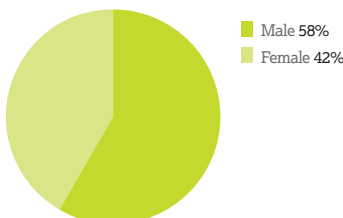
AstraZeneca employees (global)



Senior Executive Team



Board



“We are making good progress in increasing the number of women leaders.”

Diversity is key to innovation and discovery – a diverse workforce brings different perspectives and ideas, enabling us to identify solutions and seize opportunities more quickly and, ultimately, to deliver our medicines to people across the globe more quickly. For these reasons, diversity remains a focus for us as a key element of our efforts to ensure AstraZeneca is a great place to work.

In our first Gender Pay Gap Report, we provide gender pay information for AstraZeneca in the UK and outline our plans for supporting women, as well as continuing to improve the diversity of our company globally.

Gender pay information

The charts, left, show our headline UK gender pay information. This is a snapshot of the difference in average pay between women and men across all levels of seniority. It does not measure equal pay, which refers to how much a man or woman is paid for doing the same, or similar work. At AstraZeneca, we are committed to ensuring equal pay for equal work, regardless of an employee's gender, and ensuring we have pay parity.

Our figures show that the median gap in hourly pay between men and women who work for AstraZeneca in the UK is 13.5%. While this is significantly lower than the Office of National Statistics UK average of 18.4%, we have more to do. This gap arises because there are currently fewer women in Senior and Leadership roles. The median gap in bonuses is 25.2% and is also principally due to the current underrepresentation of women in these roles. Additionally, it arises because more women than men have chosen part-time roles, reflecting our approach to flexibility and work/life balance. These roles receive pro-rated bonuses based on the number of hours worked, which are commensurately lower than those of full-time employees.

Diversity

AstraZeneca employs more than 61,000 people in 100+ countries. Around the world, women make up half our workforce, five out of 12 members of our Board, and five out of our 14 Senior Executive Team members. These figures reflect our efforts to increase the number of women in leadership positions: globally, since 2012, the number of women in Senior and Leadership roles has risen from some 39% to over 44% at the end of 2017, but we will not stop here.

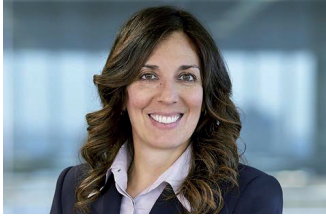
We are committed to building a strong and diverse pipeline of leaders, and supporting an inclusive workplace to ensure people from all backgrounds can build meaningful careers at AstraZeneca, and have the opportunity to take up leadership positions in our company.

Our efforts to encourage women include a 'Women as Leaders' programme to accelerate development, as well as the creation of women's networks and summits to support women at all career levels. We are also taking steps to inspire the next generation of female leaders in our industry, including encouraging more women to seek careers in STEM (Science, Technology, Engineering and Mathematics). As part of our approach, we are always seeking new ways to improve, and I look forward to reporting on our progress in subsequent years.

I believe that by truly representing the communities in which we operate, we will both be more successful in developing life-changing medicines and in creating a work environment where everyone can fulfil their potential. That's why my senior leadership team and I are committed to gender parity and improving diversity at AstraZeneca. Finally, I confirm the gender pay information and data reported for AstraZeneca and its legal entities in the UK are accurate as at 5 April 2017.

Pascal Soriot
Chief Executive Officer

How do we calculate our pay information?



“We are making good progress in increasing the number of women leaders in AstraZeneca, which has grown consistently in recent years. However, it doesn't stop there – we are dedicated to supporting people from all backgrounds at different stages of their career, enabling us to harness the power of diversity in our company.”

Fiona Cicconi
Executive Vice-President, Human Resources

2017 Hampton-Alexander Review

15th

in the FTSE 100 Rankings for Women on Boards

9th

in the FTSE 100 Rankings for Women on Executive Committees and Direct Reports

Under the new UK Gender Pay Gap Information Regulations (the ‘Regulations’) that came into force in April 2017, each UK employer with 250 or more employees is required to publish statutory calculations on their gender pay gap on an annual basis.

Gender pay and equal pay

The gender pay gap shows the difference in average pay between women and men across all levels of seniority in a company. It does not measure equal pay, which refers to how much a man or woman is paid for doing the same, or similar work. We are committed to ensuring equal pay for equal work, regardless of an employee's gender, and ensuring we have pay parity.

Calculating gender pay

The UK Regulations require us to calculate both median (mid-point distribution) and mean (average) values. The median is calculated by lining up all salaries for qualifying employees, from the lowest to the highest, and selecting the middle salary. The mean is the overall average. Both are impacted, in different ways, by the number of women and men at different salary levels within a company. A higher proportion of one gender in a salary level will influence the overall median and mean figures.

Our UK companies

In April 2017, we employed approximately 6,240 people across the three legal entities in the UK covered by the Regulations. These companies reflect acquisitions made in previous years.

- > AstraZeneca UK Limited employed approximately 5,500 people, who are involved across the full range of our activities: research, development, production and commercialisation of our medicines, as well as those working in support and global functions.
- > MedImmune Limited employed approximately 460 people who work mainly on research and development.
- > MedImmune UK Limited employed approximately 280 people who work on supply and quality operations, as well as some working in biopharmaceutical development activities.

Basis of analysis

In this Report, we show the combined pay gap results across all three companies in the UK, as well as the statutory declarations for each separate legal entity required by the Regulations (see page 7).

The figures show the median and mean pay gap based on data as at 5 April 2017 and for bonuses paid in the year ended 5 April 2017. We have followed the statutory Regulations in calculating our gender pay results. In line with the Regulations, we have excluded those people where data required to calculate the gender pay gap is not readily available. We have also excluded contractors who are engaged through third party agency providers.

What does our pay information tell us?

Pay gap

The median gap in hourly pay between AstraZeneca men and women in the UK is 13.5%, which is significantly lower than the Office of National Statistics UK median gap average of 18.4%. Our analysis shows that this gap arises because there are currently fewer women in Senior and Leadership roles.

The overall gender split in the UK is 54% men to 46% women, with women constituting 49% of the population across our Technical and Specialist roles. And, while the proportion is increasing sharply, women are still less well represented in the Senior and Leadership roles, as shown in the figures to the right.

Bonus gap

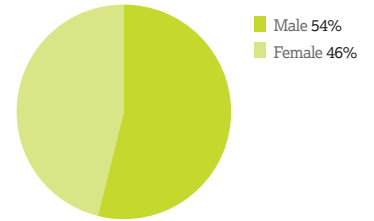
Our analysis shows that our bonus gap is largely driven by two factors. The principal factor is that there are more men in senior roles which attract higher bonus targets. Additionally, more women than men have chosen to take up the opportunity of part-time roles which reflects our approach to flexibility and work/life balance. These roles receive pro-rated bonuses based on the number of hours worked, which are commensurately lower than those of full-time employees. However, the statutory calculations do not allow any adjustment to be made to reflect this employment flexibility.

AstraZeneca in the UK

Number of employees

6,240

Employees



Hourly pay gap

Median gap between male and female hourly pay

13.5%

Mean gap between male and female hourly pay

14.3%

Bonus pay gap

Median gap between male and female bonuses

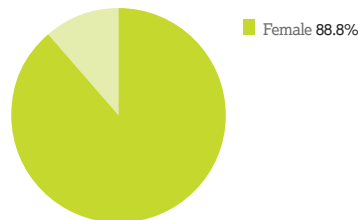
25.2%

Mean gap between male and female bonuses

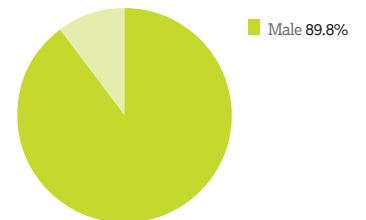
46.1%

Proportion of males and females receiving a bonus

Proportion receiving a bonus – female



Proportion receiving a bonus – male



Gender split by hourly pay quartile

Upper quartile



Upper middle quartile



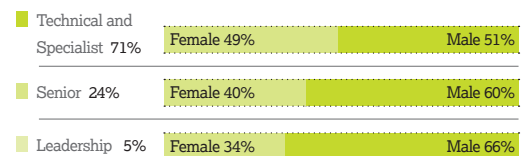
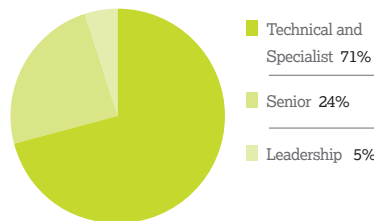
Lower middle quartile



Lower quartile



Employees in role levels



Supporting women in the UK and globally

As a science-led company, we are committed to improving the diversity of our workforce to ensure we continue to push the boundaries of science and deliver life-changing medicines to patients.



Increasing the number of women in Senior or Leadership roles

In our IMED science unit, the number of women in Senior or Leadership roles has increased from 30% in 2012 to over 40% in 2017. This results from a series of targeted actions, including accelerated development plans, mentoring, coaching and training all managers in unconscious bias.

320

Completed Women as Leaders programme

Diversity and inclusion are part of our core Values, and we aim to leverage the strengths and diversity of our workforce to achieve our goals. We support gender diversity through initiatives aimed at increasing the number of women in our Senior and Leadership roles, encouraging more women to seek careers in STEM (Science, Technology, Engineering and Mathematics) fields and supporting the next generation of female leaders. This is part of a broader approach to inclusion which seeks to create a work environment where everyone can flourish and do their best work.

Improving representation of women in leadership roles

We have seen steady progress in increasing the number of women in Leadership roles in recent years – see chart, right. However, we know there is more to do.

In 2017, we launched our global Women as Leaders programme to support and accelerate the career and personal goals for women in our company. To date, 320 women have completed the programme with an anticipated 200 more to complete it in 2018. 35% of attendees in 2016 and 33% in 2017 were women from the UK.

Women in Senior and Leadership roles (global)

| | |
|------|-------|
| 2017 | 44.4% |
| 2016 | 43.2% |
| 2015 | 41.9% |
| 2014 | 40.5% |
| 2013 | 40.0% |
| 2012 | 39.1% |



“Since beginning my career as a clinical oncologist, and now working on innovative oncology medicines at AstraZeneca, there has been good progress in the presence and impact of women across leadership roles in science and medicine, and increasing numbers of young women entering the life sciences. But we have more to do – young women need to be encouraged and supported to gain the experiences, leadership skills and self-confidence necessary to realise their career goals and reach higher levels of leadership. I’m proud to work for a company that is dedicated to this effort.”

Susan Galbraith
Head of Oncology,
Innovative Medicines

Supporting women in the UK and globally *continued*



Leveraging diversity to bring new medicines to patients

In the photo, above, Bahija Jallal is working with a student on the MDBio Mobile eXploration lab, America's largest, most advanced mobile laboratory. MXLab is custom-designed to expand new technology and laboratory science experiences to pique students' interest in science, technology, engineering and mathematics (STEM) learning and careers.

Dr Jallal was honoured as the 2017 Woman of the Year by the Healthcare Businesswomen's Association in part for her dedication in working towards gender parity in the bioscience sector.

"I'm proud of our commitment to diversity at AstraZeneca, which is a central part of our core values. We believe diversity of thought drives innovation, and is an important driver of our business. From the launch of our annual Women's Summits to the continued growth in the number of women leaders, we are leveraging diversity to bring new medicines to patients."

Bahija Jallal
Executive Vice-President,
MedImmune



"I began my career with AstraZeneca in 1993, joining what was then a small biotech, Cambridge Antibody Technology. Today, we are building a new research and development facility in Cambridge, the heart of the largest biotech cluster in Europe. The building is designed to facilitate collaborative interactions and drive innovation, enabling our scientists to continue to build the fantastic scientific and learning environment already in place in Cambridge."

Jane Osbourn
Vice-President, Research & Development,
MedImmune



"Since launching last year, the Network of Women has built a strong community of like-minded women and men dedicated to supporting women in their careers at AstraZeneca. We have the backing of our senior leadership, which has been a critical part of our success. Through this network, we provide resources that help women at AstraZeneca build their business acumen and advance their careers."

Jane Escott
Co-Chair of Network of Women UK

Supporting women in STEM

As a science-led company, we are dedicated to supporting women in pursuing careers in STEM. We are regular sponsors of Biobeat, an annual UK conference celebrating the achievements of women in bioscience, and we actively support programmes to mentor and support students in STEM fields.

Sponsoring the next generation of female leaders

Since 2012, we have hosted an annual Women's Summit across several of our offices globally to bring together like-minded employees seeking to improve opportunities for women at our company.

We support employee groups dedicated to helping women in their careers at AstraZeneca, including the UK Network of Women. The group has more than 350 members who regularly meet to share learning experiences, development opportunities, lunches with leaders and webinars to increase access to senior female role models.

In addition to our company goal to improve the number of women in Senior and Leadership roles, several of our business units have individual goals and targeted interventions as well.

Diversity beyond gender

As a global company with a broad geographic reach, we are dedicated to increasing diversity beyond gender. Operating in more than 100 countries worldwide, it is key if we are to achieve the full potential of our medicines and ensure we deliver our science to patients around the world.

We have recently strengthened our commitment to diversity with a Diversity and Inclusion programme for our leaders to improve understanding around unconscious bias and respecting differences in the workplace.

Statutory disclosures

In the UK, AstraZeneca PLC owns three legal entities for which we are required to report under the Regulations: AstraZeneca UK Limited, MedImmune Limited and MedImmune UK Limited. The required information is set out below.

AstraZeneca UK Limited

| | Female % | Male % |
|--|----------|--------|
| 5,500 employees | 46 | 54 |
| | Median % | Mean % |
| Hourly pay gap | | |
| Gap between male and female hourly pay | 13.2 | 14.3 |
| Bonus pay gap | | |
| Gap between male and female bonuses | 28.3 | 47.6 |
| | Female % | Male % |
| Proportion of males and females receiving a bonus | | |
| Proportion receiving a bonus | 88.3 | 89.1 |
| | Female % | Male % |
| Gender split by hourly pay quartile | | |
| Upper quartile | 36.7 | 63.3 |
| Upper middle quartile | 44.2 | 55.8 |
| Lower middle quartile | 53.0 | 47.0 |
| Lower quartile | 50.5 | 49.5 |

MedImmune Limited

| | Female % | Male % |
|--|----------|--------|
| 460 employees | 50 | 50 |
| | Median % | Mean % |
| Hourly pay gap | | |
| Gap between male and female hourly pay | 22.5 | 21.2 |
| Bonus pay gap | | |
| Gap between male and female bonuses | 34.4 | 38.8 |
| | Female % | Male % |
| Proportion of males and females receiving a bonus | | |
| Proportion receiving a bonus | 91.4 | 94.0 |
| | Female % | Male % |
| Gender split by hourly pay quartile | | |
| Upper quartile | 32.2 | 67.8 |
| Upper middle quartile | 43.1 | 56.9 |
| Lower middle quartile | 59.5 | 40.5 |
| Lower quartile | 65.5 | 34.5 |

MedImmune UK Limited

| | Female % | Male % |
|--|----------|--------|
| 280 employees | 37 | 63 |
| | Median % | Mean % |
| Hourly pay gap | | |
| Gap between male and female hourly pay | 9.8 | 9.5 |
| Bonus pay gap | | |
| Gap between male and female bonuses | 11.8 | 21.1 |
| | Female % | Male % |
| Proportion of males and females receiving a bonus | | |
| Proportion receiving a bonus | 95.4 | 95.5 |
| | Female % | Male % |
| Gender split by hourly pay quartile | | |
| Upper quartile | 28.6 | 71.4 |
| Upper middle quartile | 34.3 | 65.7 |
| Lower middle quartile | 42.9 | 57.1 |
| Lower quartile | 43.7 | 56.3 |