Directors' Remuneration Policy

Approved by shareholders at the AGM on 11 April 2024 and effective from the date of approval.
Extracted from the AstraZeneca Annual Report and Form 20-F 2023.

Directors' Remuneration Policy

Changes to Remuneration Policy and its implementation

The table below summarises the main proposed changes to the Directors' Remuneration Policy (the Policy), the intended changes to implementation of the Policy in 2024 and the rationale for each change.

The full Policy that shareholders will be asked to approve is set out from page 128.

2024 Policy Summary

Element	Proposed change to Policy	Implementation in 2024	Rationale for change
Base pay	No change.	Increase for CEO or CFO in line with the workforce.	
Pension	No change.	Pension allowance of 11% of base pay, aligned with the wider UK workforce.	
Annual bonus	Increase maximum opportunity from 250% to 300% of base pay.	CEO bonus: > Target: 150% of base pay (2023: 125%) > Max: 300% of base pay (2023: 250%) CFO bonus: > Target: 100% of base pay (No change) > Max: 200% of base pay (No change)	Increased maximum opportunity to bring AstraZeneca in line with relevant market pay levels, reflecting the size, scope and ambition of the Company, enabling market competitive opportunities underpinned by exceptional performance.
	Any shares awarded under the Deferred Bonus Plan (DBP) will now ordinarily be retained in the event of a resignation of an Executive Director and vest at the end of the relevant deferral period, with the Committee retaining its discretion to lapse awards on resignation should it deem it necessary to do so.		Simplifies the operation of the DBP and aligns Executive Directors with the treatment of deferred shares for the other members of the Senior Executive Team (SET). The Committee currently has discretion to allow awards to be retained by an Executive Director following their resignation, but the default treatment under the previous Policy is for any awards to lapse.
Performance Share Plan (PSP)	Increase maximum opportunity from 650% to 850% of base pay.	Increase CEO PSP award from 650% to 850% of base pay. Increase CFO PSP award from 450% to 550% of base pay.	Recognition of CEO's and CFO's criticality to future business success and delivery of our 2030 Bold Ambition. Continuing to close the gap to market pay levels and address the pay compression issue within the competitive global and European pharmaceutical talent pool. Increased weighting on long-term performance and further shareholder alignment with a greater emphasis on variable pay, reflecting the size, scope and ambition of the Company, enabling market competitive opportunities underpinned by exceptional performance.
Shareholding requirements		Increase shareholding requirements to mirror the maximum value of their variable pay opportunity (annual bonus and long-term incentives): > Shareholding requirement for CEO increases from 650% to 1,150% of base pay > Shareholding requirement for CFO increases from 450% to 750% of base pay Executive Directors will have a period of five years to build a shareholding to meet this requirement. For two years following cessation of employment, Executive Directors are required to hold shares to the value of their shareholding requirement that applied at the cessation of their employment; or, in cases where the individual has not had sufficient time to build up shares to meet their guideline, the actual level of shareholding at cessation.	Ensures further alignment with shareholders during and post-employment.

Remuneration Policy

This section sets out the Policy proposed for approval by shareholders at the Company's AGM on 11 April 2024. Subject to shareholder approval, the Policy is intended to remain in effect for three years from the 2024 AGM. The previous page summarises how the new Policy differs from the Policy which was approved by shareholders at the 2021 AGM.

Setting the Policy

The Remuneration Committee (the Committee) is responsible for setting overall remuneration policy and makes decisions about specific remuneration arrangements in the broader context of employee remuneration throughout the Group. The Committee reviews remuneration data for the wider workforce at several points during the year, including ratios of average employee pay to senior executive pay; bonus and base pay data; as well as gender and geographical data in relation to base pay and variable compensation. This includes a workforce remuneration review to understand the ways in which reward is differentiated by contribution across the population.

Remuneration for all roles within the organisation is benchmarked against that for comparable roles in similar organisations and in the employee's local market. Executive Directors' remuneration is benchmarked against global and European pharmaceutical peer groups. In reviewing the base pay of Executive Directors, the Committee considers the overall level of any base pay increases being awarded to employees in the Executive Director's local market in the relevant year. In setting, reviewing and implementing the Policy, the Committee seeks independent advice and ensures that no Director makes decisions relating to their own remuneration. The Committee connects with the Audit Committee to ensure that the Group's remuneration policies and practices achieve the right balance between appropriate incentives to reward good performance, management of risk, and the pursuit of the Company's strategic objectives.

The Board as a whole takes responsibility for gathering the views of AstraZeneca's workforce, and does so through multiple channels of engagement. While the Committee does not consult employees specifically when setting the Policy, the Company engages with employees, either on a Group-wide basis or in the context of smaller focus groups, to solicit feedback generally on a wide range of matters, including pay. Details of our approach to executive remuneration and its implementation are available to employees on our intranet site, Nucleus. Many employees are also shareholders in the Company and therefore have the opportunity to vote on the Policy at the 2024 AGM.

In all aspects of its work, the Committee considers both the external environment in which the Company operates and the guidance issued by organisations representing institutional shareholders. It consults the Company's major investors on general and specific remuneration matters and provides opportunities for representatives of those investors to meet the Chair of the Committee and other Committee and Board members. It is the Company's policy to seek input from major shareholders on an ad hoc basis when significant changes to remuneration arrangements are proposed. A thorough consultation process was undertaken as this Policy was developed, with investors' feedback on the Committee's proposals influencing the final Policy. The Company's shareholders are encouraged to attend the AGM and any views expressed will be considered by Committee members.

Legacy arrangements

The Committee may approve remuneration payments and payments for loss of office on terms that differ to the terms in the Policy where the terms of the payment were agreed before the Policy came into effect or were agreed at a time when the relevant individual was not a Director of the Company (provided that, in the opinion of the Committee, the agreement was not entered into in consideration for the individual becoming a Director of the Company). This includes the exercise of any discretion available to the Committee in connection with such payments. For these purposes, payments include the Committee satisfying awards of variable remuneration, including share awards, in line with the terms agreed at the time the award was granted.

Minor amendments

The Committee may make minor amendments to the arrangements for Directors described in the Policy without shareholder approval for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation.

Fixed elements of remuneration: base pay, benefits and pension

Base pay

Purpose and link to strategy	Operation	Maximum opportunity
Intended to be sufficient to attract, retain and develop high-calibre individuals	When setting base pay, the Committee gives consideration to a number of factors, including (but not limited to): > recognition of the value of an individual's personal performance and contribution > the individual's skills and experience > internal relativities > conditions in the relevant external market Base pay is normally reviewed annually with any change usually taking effect from 1 January.	While there is no formal maximum, any increase in base pay will normally be in line with the percentage increase awarded to the employee population within the individual's country location. A higher increase may be made if the Committee considers it appropriate, for example to reflect: > an increase in the scope and/or responsibility of the individual's role; or > development of the individual within the role.

Benefits

Purpose and link to strategy	Operation	Maximum opportunity
Intended to provide a market-competitive benefits package sufficient to attract, retain and develop high-calibre individuals	UK Executive Directors may be provided with a fund, the value of which is based on a range of benefits, including private medical provision for themselves, partner and children; life assurance; company car; additional holidays; and other additional benefits made available by the Company from time to time that the Committee considers appropriate based on the Executive Director's circumstances. A Director may choose to take a proportion or the entirety of the fund as cash. Non UK-based Executive Directors will receive a range of benefits (or a fund of equivalent value) comparable to those typically offered in their local market. Depending on local market practices, they may be able to elect to take the fund as cash or elect to take one or more of these benefits and take the balance as cash. At its discretion, the Committee may consider support towards reasonable costs associated with relocation and/or provide an allowance towards reasonable fees for professional services such as legal, tax, property and financial advice. The Company may also fund the cost of a driver and car for Executive Directors and any expenses deemed to be taxable which are reasonably incurred in the course of the Company's business, together with any taxes thereon. The Company provides directors' and officers' liability insurance and an indemnity to the fullest extent permitted by law and the Company's Articles.	The maximum value of the benefits available will be equivalent to the cost to the Company of the suite of benefits available in the local market at the time. The value of the support towards the costs of relocation, professional fees and other costs will be the reasonable costs associated with the Executive Director's particular circumstances. The maximum value of the directors' and officers' liability insurance and third-party indemnity insurance is the cost at the relevant time. While the Committee has not set an overall level of benefit provision, the Committee keeps the benefit policy and benefit levels under review.

Pension

Purpose and link to strategy	Operation	Maximum opportunity
Provision of retirement benefits to attract, retain and develop high-calibre individuals	UK-based Executive Directors receive a pension allowance based on a percentage of base pay, which the Director may elect to pay into a pension scheme (or an equivalent arrangement) or take as cash. Non UK-based Executive Directors will receive an allowance for the purpose of providing retirement benefits in line with local market practice. A non UK-based Executive Director may be offered the opportunity to elect to take some or all of the allowance as cash.	The maximum pension allowance that may be provided to UK-based Executive Directors shall be capped at a level in line with the pension arrangements of other UK employees. The maximum value that may be provided to non UK-based Executive Directors will be aligned with employees in the relevant local market.

Variable elements of remuneration: annual bonus and Long-term incentive (LTI)

Annual bonus and Deferred Bonus Plan (DBP)

Purpose and link to strategy	Operation	Maximum opportunity
The annual bonus incentivises and rewards short-term performance against Group targets and individual objectives that are closely aligned to the Company's strategy **The deferred share element of the annual bonus is designed to align Executive Directors' interests with those of shareholders**	Annual bonus awards are conditional on performance. Performance is measured over one year and the bonus, if awarded, is paid after the year end. Normally, half of the bonus is delivered in cash and half is delivered in shares, which are deferred for three years under the DBP. DBP awards may consist of Ordinary Shares or American Depositary Shares (ADSs) depending on the country in which the Director is based. In line with the approach for other employees, a Director may be offered the opportunity to elect to defer part of their cash bonus into pension. Stretching Group targets are set annually by the Committee based on the key strategic priorities for the year. The performance targets form a Group scorecard, which is closely aligned to the Company's strategy, and are currently designed to reward scientific, commercial and financial delivery. Performance is assessed in relation to each performance target on a standalone basis. A threshold level of performance is specified; if performance falls below this level, there will be no payout for that proportion of the award. Payout levels are determined by the Committee after the year end, based on performance against the Group scorecard targets as well as each Executive Director's individual performance. The Committee may use its discretion to ensure that a fair and balanced outcome is achieved, taking into account the overall performance of the Company and the experience of shareholders. On vesting of the deferred shares, additional shares (or cash) equivalent in value to the dividends that would have been paid during the deferral period will be awarded to the Director. These additional shares (or cash) may be calculated on a cumulative dividend reinvestment basis or otherwise. Malus and clawback provisions apply to the annual bonus and shares awarded under the DBP, as set out within the AstraZeneca Global Standard on Malus and Clawback. The triggers whereby the Committee has the discretion to apply malus and/or clawback include: a) serious misconduct; b) material misstatement or restatement of the audited results of the Group; or c) AstraZeneca suffering: i) significant reputational damage; ii) a material adverse effect on its financial position; or iii) a material adverse effect on its business opportunities and prospects for sustained performance or profitability.	The maximum annual bonus amount that can be awarded is equivalent to 300% of base pay.

Long-term incentive (LTI): Performance Share Plan (PSP)

Purpose and link to strategy	Operation	Maximum opportunity
The PSP is designed to align the variable pay of Executive Directors with the successful execution of the Company's strategy over the longer term	PSP awards are conditional awards and may be granted over Ordinary Shares or ADSs depending on the country in which the Director is based. Vesting is dependent on the achievement of stretching performance targets and continued employment, as further described in the Treatment of LTI and Deferred Bonus Plan awards on cessation of employment section on page 136. Stretching performance targets are set by the Committee at the beginning of the relevant performance period. Performance measures are closely aligned to the Company's strategy and are currently designed to reward scientific, ESG, commercial and financial success. The Committee will consult with major shareholders in advance if it proposes any material changes to the PSP performance measures. When selecting the performance measures for each award, the Committee weights the performance measures as it considers appropriate, taking into account strategic priorities. The Committee's intention is to exercise appropriate judgement both when setting performance targets and assessing formulaic outcomes, in particular so that the experience of shareholders over time is taken into account. Performance is normally assessed over a three-year period commencing on 1 January in the year of grant. Shares are subject to a two-year holding period following the performance period, so vesting takes place on the fifth anniversary of grant. During the holding period, no further performance measures apply. Typically, 20% of the proportion of a PSP award linked to a performance measure will vest on achievement of the threshold level of performance and 100% will vest if the maximum level of performance is achieved in full. For relative measures (such as relative total shareholder return (TSR)) the threshold performance will be performance at or above median, and maximum performance will usually be set as achievement of performance at the upper quartile level of the peer group. Where a performance measure permits, there will be further vesting points between threshold and maximum vesting levels. The Committee may (acting fairly and reasonably) adjust or waive a performance target if an event occurs that causes it to believe that the performance target is no longer appropriate. Additional shares (or cash) equivalent in value to the dividends that would have been paid on the vesting shares during the performance and holding periods will be awarded to the Director. These additional shares (or cash award) may be calculated on a cumulative dividend reinvestment basis or otherwise. Malus and clawback provisions apply to all PSP awards, as set out within the AstraZeneca Global Standard on Malus and Clawback. The triggers whereby the Committee has the discretion to apply malus and/or clawback include: a) serious misconduct; b) material misstatement or restatement of the audited results of the Group; or c) AstraZeneca suffering: i) significant reputational damage; ii) a material adverse effect on its financial position; or iii) a material adverse effect on its business opportunities and prospects for sustained performance or profitability.	The maximum market value of shares that may be awarded under the PSP in respect of any year is equivalent to 850% of the participant's annual base pay at the date of grant.

UK Employee Share Plans

Share Incentive Plan (SIP)

Purpose and link to strategy	Operation	Maximum opportunity
Encouraging employee share ownership	The Company operates an HM Revenue & Customs (HMRC)-approved SIP whereby UK employees, including Executive Directors, may elect to save a regular amount to be used to purchase shares. The Company currently grants one matching share in respect of every four shares purchased by the participant.	Participants may contribute up to £150 per month from pre-tax pay or such other maximum amount as determined by the Company within the parameters of applicable legislation.

Save As You Earn Share Option Scheme (SAYE)

Purpose and link to strategy	Operation	Maximum opportunity
Encouraging employee share ownership	The Company operates an HMRC-approved SAYE whereby UK employees, including Executive Directors, may save a regular amount over three or five years and are granted options to purchase shares at the end of the saving period. A maximum discount of 20% to the market price prevailing at the date of the commencement of the scheme applies to the option price.	Participants may save up to £500 per month from post-tax pay or such other maximum amount as determined by the Company within the parameters of applicable legislation. The maximum opportunity available to participants in a non UK-based all-employee share scheme will be determined by the Company within the parameters of applicable legislation.

Differences in remuneration policy for other employees

The Company's approach to determining and reviewing the base pay of the Executive Directors and the employee population as a whole is the same. On an annual basis, the base pay for individual roles are reviewed in the context of the external market. AstraZeneca participates in annual global compensation surveys, which provide benchmarking data for all roles within the organisation, ensuring a robust base pay review process for all roles. The Company seeks to provide an appropriate range of competitive benefits, including healthcare and pension, to all employees (including Executive Directors) in the context of their local market.

Employees globally may be eligible for LTI awards in the form of the PSP and/or restricted stock units depending on their level and market. The occupants of senior roles in the Company are currently eligible for PSP awards – these are the leaders who have the ability to directly influence the execution of the Company's strategic goals. A proportion of each Senior Executive Team (SET) member's annual bonus is deferred into shares under the DBP. An LTI award may be used for the same purpose as described above on the recruitment of employees, or for employees other than Directors, for retention.

Remuneration scenarios for Executive Directors

The charts below illustrate how much the current Executive Directors could receive under different performance scenarios in 2024. Dividend equivalents payable in respect of PSP awards are not included in the scenarios. To compile the charts, the following assumptions have been made:

Minimum remuneration

- Base pay is that applicable in 2024.
- Taxable benefits are those included in the Executive Directors' realised pay table for 2023, as set out in the table on page 106.
- Pension value is 11% of base pay.

	Base pay £'000	Taxable benefits £'000	Pension £'000	Total £'000
Pascal Soriot (CEO)	1,486	140	163	1,789
Aradhana Sarin (CFO)	951	46	105	1,102

Remuneration for performance in line with the Company's expectations

- Annual bonus payout is equivalent to 150% of 2024 base pay for Pascal Soriot and 100% of 2024 base pay for Aradhana Sarin.
- PSP share award vesting at 425% of 2024 base pay for Pascal Soriot and 275% of 2024 base pay for Aradhana Sarin (representing 50% of the face value of the PSP award).

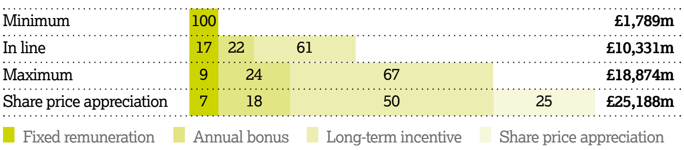
Maximum remuneration

- Annual bonus payout equivalent to 300% of 2024 base pay for Pascal Soriot and 200% of 2024 base pay for Aradhana Sarin.
- PSP share award vesting at 850% of 2024 base pay for Pascal Soriot and 550% of 2024 base pay for Aradhana Sarin (representing 100% of the face value of the PSP award).

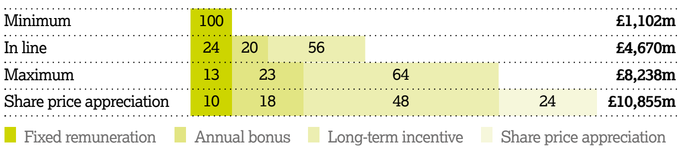
Share price appreciation

- The potential impact of share price appreciation on PSP award values in the maximum remuneration scenario is illustrated, assuming a 50% increase on the share price at grant.

Pascal Soriot (%)



Aradhana Sarin (%)



Approach to recruitment remuneration for Executive Directors

On the recruitment of a new Executive Director, the Committee seeks to pay no more than is necessary to attract and retain the best candidate available, within the limits of our approved Policy. The Committee will offer a remuneration package that it considers appropriate in the particular circumstances of the recruitment, giving due regard to the interests of the Company's shareholders and taking into account factors such as typical market practice, existing arrangements for the other Executive Directors, internal relativities and market positioning.

The pharmaceutical industry is global, and future Executive Directors might be recruited from organisations with pay structures and practices that differ from AstraZeneca's usual Policy. The Committee believes that it is in the interests of shareholders for it to retain an element of flexibility in its approach to recruitment to enable it to attract the best candidates; however, this flexibility is limited.

The Committee may find it necessary to compensate a new recruit for forfeiture of entitlements as a consequence of the recruit leaving their previous employment to join AstraZeneca. There is no limit to the value of such compensation arrangements, however the Committee will rigorously consider the appropriate value so as not to pay more than the compensation being forfeited. The Committee will seek to offer a package weighted towards equity in the Company, and will usually seek to use the PSP as the primary vehicle for buy-out awards where possible; however, the precise nature of the compensation arrangement will depend on the type of entitlement being forfeited. The arrangement might therefore comprise a combination of cash, share awards granted under the PSP (subject to the Policy maximum), and other restricted shares. The Committee may introduce a one-off arrangement as permitted under Listing Rule 9.4.2 in order to deliver a restricted share award. Malus and clawback provisions would normally apply to buy-out awards, for the same reasons as detailed under the DBP and PSP.

Restricted share awards will only be granted as part of the recruitment arrangements to compensate for loss of remuneration opportunities suffered on leaving previous employment.

The Committee considers whether the lost incentives were subject to performance targets and their probability of vesting. The normal approach is to seek broadly to mirror the timing of vesting and application of performance targets of the compensation being forfeited. For example, a buy-out award may be granted without performance conditions where the foregone compensation was not subject to performance testing, however the Committee may apply appropriate performance measures if it considers it appropriate.

The Committee may allow a restricted share award to vest in tranches at different dates. If no performance targets are attached to a compensatory award, it will vest in full if the individual remains in employment on the vesting date. On vesting, additional shares (or cash) equivalent in value to the dividends that would have been paid during the vesting period will be awarded to the Director. These additional shares (or cash) may be calculated on a cumulative dividend reinvestment basis or otherwise.

All other aspects of a new recruit's compensation opportunity will be subject to the maximum variable pay stated in the Policy table. In the case of Group employees who are promoted internally to the position of Executive Director, the Committee expects to honour all remuneration arrangements entered into before the promotion.

The Company may reimburse the costs of financial planning, legal and tax advice and reasonable costs incurred on recruitment, including relocation support.

Service contracts for Executive Directors

Save as noted below, it is not intended that service contracts for new Executive Directors will contain terms that are materially different from those summarised below or contained in the Policy. The contractual obligations below are applicable to each of the current Executive Directors unless stated otherwise. Copies of the Executive Directors' service contracts can be inspected at the Company's Registered Office.

Notice period	The service contracts of Executive Directors do not have a fixed term but the Company may terminate employment by giving not less than 12 months' written notice. The Company may agree on appointment that any notice given by the Company will not expire prior to the second anniversary of the commencement date of the Executive Director's appointment. Executive Directors may terminate their employment on 12 months' written notice.
Payments in lieu of notice	The Company may terminate an Executive Director's contract at any time with immediate effect and pay a sum in lieu of notice. This sum will consist of (i) the base pay that they would have been entitled to receive during the notice period and, (ii) the cost to the Company of funding the benefit arrangements for this period, including the Company's contribution in respect of pension.
Garden leave	The Company has the right to place the Executive Director on 'garden leave'.
Summary termination	The Company may terminate employment summarily in particular defined circumstances, such as gross misconduct, with no further payment.
Payments in lieu of holiday	If, on termination, the Executive Director has exceeded their accrued holiday entitlement, the value of this excess may be deducted by the Company from any sums payable. If the Executive Director has unused holiday entitlement, the Committee has discretion to require the Executive Director to take such unused holiday during any notice period or make a payment in lieu of it calculated in the same way as the value of any excess holiday.
Directors' and officers' liability insurance	Directors' and officers' liability insurance and an indemnity, to the fullest extent permitted by law and the Company's Articles, is provided for the duration of an Executive Director's employment and for a minimum of five years following termination.

Principles of payment for loss of office for Executive Directors

The Company does not make additional payments for loss of office, other than, as appropriate, payments in lieu of notice as described above, or payments in respect of damages if the Company terminates an Executive Director's service contract in breach of contract (taking into account, as appropriate, the Director's responsibility to mitigate any losses). The Committee has discretion to award payments in certain circumstances, as set out on the following page, depending on the nature of the termination and the Executive Director's performance. The LTI plans are governed by plan rules, which define how individual awards under those plans should be treated upon termination of employment and corporate activity, including sale of a business outside the Group. The treatment of awards in these circumstances will be determined according to the rules and subject to Committee discretion. Aside from the reasons relating to corporate activity, generally, awards under LTI plans will be allowed to vest for those Executive Directors who leave the Company in circumstances such as ill health, injury, disability, redundancy or retirement, or any other reason the Committee considers appropriate, or where employment terminates by reason of the Executive Director's death (see the table on page 136 for further information). Awards that are allowed to vest will typically be pro-rated for time, subject to the Committee's discretion. In addition to any payment in lieu of notice, the individual components of remuneration and other payments which may be payable on loss of office are set out on the following pages, subject to the terms of any applicable bonus rules or share plan rules. No awards will vest where an individual has been dismissed for cause.

Annual bonus

At the discretion of the Committee, an Executive Director may receive a bonus for the performance year in which they leave the Company. Typically, this sum will reflect a bonus pro-rated for the part of the year in which they worked. This will depend on the circumstances, including an assessment of performance against the scorecard and the Executive Director's performance in the relevant period and the circumstances of their departure, and may be in such proportion of cash and/or shares as the Committee will determine. The deferred share element of previous bonuses granted, and any deferred share element of the bonus awarded in respect of the departing year, may still vest for the benefit of the departing Executive Director at the end of the period of deferral. The Committee has the discretion to accelerate and/or retain the deferral period and allow shares to vest for the benefit of the Executive Director on their departure and/or in accordance with the vesting schedule as the case may be.

LTI plans

The LTI plan rules envisage circumstances under which some, all or none of the shares held under LTI plans will vest in connection with departure. The exact timing and number of shares vesting will depend on the circumstances, including the reason for leaving (as set out in the table on the next page) and may be subject to Committee discretion, depending on what it considers to be fair and reasonable in the circumstances.

Restricted share awards

The treatment on termination will depend upon the terms of the individual Executive Director's awards on recruitment. The Committee has discretion to determine the treatment at the time of departure based on what it considers to be fair and reasonable in the circumstances.

Non-statutory redundancy payments

Executive Directors are not entitled to non-statutory redundancy payments.

Pension allowance and other benefits

Pension allowance and other benefits for Executive Directors will be payable up to the termination date and/or as part of a payment in lieu of notice as described on page 134.

Payments in relation to statutory rights

The amount considered reasonable to pay by the Committee in respect of statutory rights may be included in the overall termination payment.

Payments required by law

The Committee reserves the right to make any other payments in connection with an Executive Director's cessation of office or employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation), or by way of settlement of any claim arising in connection with the cessation of an Executive Director's office or employment.

Mitigation

The departing Executive Director will be required to mitigate their loss by using reasonable efforts to secure new employment.

Professional fees

The Company may pay an amount considered reasonable by the Committee in respect of fees for legal and tax advice, and outplacement support for the departing Executive Director.

Treatment of LTI and Deferred Bonus Plan awards on cessation of employment

Plan	Termination by mutual agreement (broadly in circumstances of ill-health, injury, disability, redundancy or retirement and in the case of death and certain corporate events, e.g. sale of a business outside the Group)	Other leaver scenarios
Deferred Bonus Plan (Annual bonus)	Awards will vest at the end of the relevant deferral period, unless the Committee decides otherwise.	In the case of dismissal for gross misconduct, the awards will lapse. In other circumstances, the shares will be retained in full and vest at the end of the deferral period, unless the Committee decides otherwise.
PSP	Where cessation of employment occurs within three years of the date of grant, awards will vest, pro rata, to the time elapsed between the date of grant of the award and the date of cessation of employment, after the end of the performance period, to the extent that the performance target(s) measured over the performance period has been met. However, the Committee has discretion to permit the award to vest immediately on cessation of employment to the extent that the performance target(s) has, in the opinion of the Committee, been satisfied from the date of grant to the date of cessation of employment. However, if the Committee believes that exceptional circumstances warrant this, it may exercise its discretion to vest the award on another basis. Where cessation of employment occurs during any holding period, the award will vest in respect of all the shares that continue to be subject to the award as soon as practicable following the cessation of employment. However, the Committee has discretion to require the award to vest only at the end of the holding period.	Where cessation of employment occurs within three years of the date of grant, ordinarily awards will lapse unless the Committee exercises its discretion to preserve all or part of an award and apply the default treatment for leavers by mutual agreement as described in this table. This discretion will not be exercised in the case of dismissal for gross misconduct. Where cessation of employment occurs during any holding period, the award will vest in respect of all the shares that continue to be subject to the award as soon as practicable following the cessation of employment. However, the Committee has discretion to require the award to vest only at the end of the holding period. This discretion will not be exercised in the case of dismissal for gross misconduct and the award will lapse on termination.
Restricted shares	In relation to awards granted at the time of the Executive Director's recruitment to the Company in compensation for any awards or bonuses forfeited at their previous employer, the award will vest on the date their employment ceases. The Committee will, in its discretion, determine the proportion of shares which vests, and (unless exceptional circumstances apply) take into account the period elapsed between the date of grant and the date of cessation of employment.	Ordinarily awards will lapse unless the Committee exercises its discretion to preserve all or part of an award.

Remuneration Policy for Non-Executive Directors

Non-Executive Directors, including the Chair, receive annual Board fees. With the exception of the Chair, Non-Executive Directors receive additional fees for membership and for holding the position of Chair of a Board Committee or senior independent Non-Executive Director. Non-Executive Directors are not eligible for performance-related bonuses or to participate in any of the Company's share-based incentive plans. No pension contributions are made on their behalf. The annual Board fees applicable to Non-Executive Directors are set out in the Annual Report on Remuneration. Changes to these fees in future years will be set out in the corresponding year's Annual Report on Remuneration. The remuneration of Non-Executive Directors (excluding the Chair) is determined by the Chair and the Executive Directors. The remuneration of the Chair is determined by the other members of the Committee and the senior independent Non-Executive Director.

Annual Board fees

Purpose and link to strategy	Operation	Maximum opportunity
Intended to attract, retain and develop high-calibre individuals	Board fees for Non-Executive Directors are subject to periodic review and may be increased in the future to ensure that they remain sufficient to attract high-calibre individuals while remaining fair and proportionate. Although Non-Executive Directors currently receive their fees in cash, the Company may pay part or all of their fees in the form of shares. Non-Executive Directors are eligible to receive a base fee and additional fees where appropriate to reflect any additional time commitment or duties (e.g. being the Chair of a Committee). The fee structure is set out in the Annual Report on Remuneration.	The aggregate ordinary remuneration of the Non-Executive Directors shall not exceed the maximum specified in Articles 88 and 89 of the Company's Articles, as approved by the Company's shareholders. As at the date of this Policy, the maximum aggregate remuneration is £3,000,000 per annum and any Non-Executive Director who serves on any Board Committee may be paid such extra remuneration as the Board may determine.

Benefits

Purpose and link to strategy	Operation	Maximum opportunity
Intended to attract and retain high-calibre individuals	The Company provides directors' and officers' liability insurance and an indemnity to the fullest extent permitted by law and the Company's Articles and may also reimburse the costs of financial planning and tax advice.	The maximum amount payable in respect of these costs and the cost of insurance will be the reimbursement of the Non-Executive Directors' benefits grossed up for any tax payable by the individual.

Other costs and expenses

Purpose and link to strategy	Operation	Maximum opportunity
Intended to reimburse individuals for legitimately incurred costs and expenses	The Committee has the discretion to reimburse contributions by the Company to office costs of the Chair and other Non-Executive Directors in circumstances where such payments are deemed proportionate and reasonable. The Company will pay for all travel (including travel to the Company's offices), hotel and other expenses reasonably incurred by Non-Executive Directors (and any associated tax thereon) in the course of the Company's business, e.g., professional fees such as secretarial support, and reimbursement for domestic security arrangements such as lights and alarms following a security assessment. There are no contractual provisions for clawback or malus of other costs and expenses.	The maximum amounts payable in respect of these costs and expenses will be the reimbursement of the Non-Executive Directors' costs and expenses grossed up for any tax payable by the individual.

Remuneration Policy
continued

Letters of appointment

None of the Non-Executive Directors has a service contract but each has a letter of appointment. The terms and conditions of appointment of Non-Executive Directors may be viewed on the Governance page of the AstraZeneca website, at www.astrazeneca.com. In accordance with the Company's Articles, following their appointment, all Directors must retire at each AGM and may present themselves for re-election. The Company is mindful of the director independence provisions of the 2018 UK Corporate Governance Code and, in this regard, a Non-Executive Director's overall tenure will not normally exceed nine years. The Chair may terminate his appointment at any time, on three months' notice. None of the other Non-Executive Directors has a notice period or any provision in their letter of appointment giving them a right to compensation upon early termination of appointment.

On behalf of the Board

A C N Kemp
Company Secretary
8 February 2024