

AstraZeneca PLC Long Term Incentive Plans for Executive Directors

Performance Measures and Targets for Awards made in 2015

Performance Share Plan (“PSP”)

Awards under the PSP are subject to a combination of performance measures focused on our scientific, commercial and financial performance assessed over a three-year performance period (1 January 2015 to 31 December 2017). Awards are subject to a two-year holding period commencing three years from the date of grant. During the holding period, no further performance measures will apply as performance has already been assessed.

Twenty-five per cent of the award is based on the relative total shareholder return (“TSR”) performance of the Company against a pre-determined peer group of global pharmaceutical companies over the performance period. The companies that form the peer group remain the same as for awards granted in 2013 and 2014. The names of the peer group companies, together with charts showing AstraZeneca’s relative TSR performance so far against those companies in respect of the awards granted in 2013 and 2014, can be found on page 111 of the Company’s Annual Report and Form 20-F Information 2014.

The rank which the Company’s TSR achieves over the performance period will determine the percentage of this part of the award that will vest as follows:

| TSR ranking of the Company | % of award under TSR performance measure that vests |
|-----------------------------------|--|
| Below median | 0% |
| Median | 25% |
| Between median and upper quartile | <i>Pro rata</i> between 25% and 75% |
| Upper quartile | 75% |
| Above upper quartile | 75% to 100% at the Remuneration Committee’s discretion |

Twenty-five per cent of the award is based on the achievement of a cumulative free cash flow target over the performance period. The definition of cash flow is net cash flow before distributions and other adjustments required by the performance conditions (subject to any further adjustments the Remuneration Committee chooses

to make using its judgement, but always in accordance with the Plan Rules) and thus referred to as 'adjusted cumulative cash flow'.

The cumulative free cash flow target is the same as the target in each of the 2013 and 2014 awards. The level of vesting for this part of the award is based on a sliding scale between a threshold and upper target as follows:

| Adjusted cumulative cash flow | % of award under cash flow performance measure that vests |
|---------------------------------------|---|
| Less than \$9 billion | 0% |
| \$9 billion | 25% |
| Between \$9 billion and \$11 billion | <i>Pro rata</i> between 25% and 75% |
| \$11 billion | 75% |
| Between \$11 billion and \$13 billion | <i>Pro rata</i> between 75% and 100% |
| \$13 billion and above | 100% |

Twenty-five percent of the award is based on Achieve Scientific Leadership measures covering five areas: a new molecular entity target, which reflects the Company's ability to deliver innovation to the market; major life-cycle management approvals, which represent a good proxy for near-to-mid term growth; the volume of new molecular entities in Phase III and their registration; a target for peak-year sales, to track the value of pipeline output; and delivery from our research and early development organisation, assessed by Phase II starts.

Twenty-five percent of the award is based on Return to Growth measures based on quantitative sales targets relating to the Company's six growth platforms: Brilinta/Brilique, diabetes, respiratory, Emerging Markets, Japan and oncology. The oncology growth measure is new in 2015, reflecting the future strategic importance of this therapy area to the business.

Although the relative measures and weightings are set out in full in the Implementation Report, the performance targets for the Achieve Scientific Leadership and Return to Growth measures are considered to be commercially sensitive, as they are an indicator of the Company's longer term strategic priorities. We will make retrospective disclosure when the targets are deemed to be no longer commercially sensitive, which we currently anticipate to be immediately following the end of the performance period. This means that the performance measures for the 2015 award will be disclosed in the Annual Report and Form 20-F Information 2017, which will be published in March 2018.

AstraZeneca Investment Plan (“AZIP”)

Awards under the AZIP are subject to two performance hurdles; both must be achieved in each year of the four-year performance period (1 January 2015 to 31 December 2018) for the award to vest. Awards are subject to a four-year holding period, commencing at the end of the performance period.

- Dividend per share of \$2.80 maintained, or increased over the performance period
- Dividend cover of 1.5 maintained over the performance period, calculated on the basis of Core EPS.

A C N Kemp
Company Secretary
27 March 2015