

[Director's name and address]

[Date]

Dear [Name]

On behalf of AstraZeneca PLC (the **Company**), I am writing to set out various matters relating to your appointment as a Non-Executive Director of the Company (the **Appointment**) with effect from [Date]. The terms of the Appointment are set out below. [You will become a member of the [Name of Committee] from the effective date of your appointment.]

It is agreed that, on acceptance of this offer, this letter will constitute a contract for services and not a contract of employment.

Appointment

- 1 The Appointment is subject to the Company's articles of association. Nothing in this letter shall be taken to exclude or vary the terms of the articles of association as they apply to you as a Non-Executive Director of the Company.
- 2 The continuation of the Appointment is subject to your re-election by the Company's shareholders at the Company's Annual General Meeting (the **AGM**). Under the Company's articles of association, at the Company's AGM each year all Directors must retire but are eligible for re-election. Current UK corporate governance guidelines mean that the overall term for a Non-Executive Director would not normally exceed nine years.
- 3 The Company may terminate the Appointment with immediate effect if you:
 - (a) commit a material breach of your obligations under this letter; or
 - (b) commit any serious or repeated breach or non-observance of your obligations to the Company (which include the obligation not to breach your duties to the Company, whether statutory, fiduciary or common law); or

- (c) are guilty of any fraud or dishonesty or act in a manner which, in the opinion of the Company acting reasonably, brings or is likely to bring you or the Company into disrepute or is materially adverse to the interests of the Company; or
 - (d) are convicted of any arrestable criminal offence other than an offence under road traffic legislation in the UK or elsewhere for which a fine or non-custodial penalty is imposed; or
 - (e) are declared bankrupt or have made an arrangement with or for the benefit of your creditors; or
 - (f) are disqualified from acting as a director.
- 4 You may terminate the Appointment by giving not less than three months' notice in writing to the Company.
- 5 On termination of the Appointment, you shall at the request of the Company resign from your office as a Non-Executive Director of the Company.

Duties

- 6 As a Non-Executive Director, you have the same general legal responsibilities to the Company as any other Director. You are expected to perform your duties (whether statutory, fiduciary or common law) faithfully, diligently and to a standard commensurate with the functions of your role and your knowledge, skills and experience.
- 7 You will exercise your powers in your role as a Non-Executive Director having regard to the relevant obligations under prevailing law and regulation, including the Companies Act 2006, the UK Corporate Governance Code and associated guidance and the UK Listing Authority's Listing, Prospectus, and Disclosure and Transparency Rules. You are also required to comply with the requirements of the New York Stock Exchange and the Stockholm Stock Exchange in relation to the Company's securities. You will be advised where these differ from requirements in the UK.
- 8 You will have particular regard to the general duties of directors as set out in Part 10, Chapter 2 of the Companies Act 2006, including the duty to promote the success of the Company:
- "A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to –*
- (a) *the likely consequences of any decision in the long term,*
 - (b) *the interests of the company's employees,*
 - (c) *the need to foster the company's business relationships with suppliers, customer and others,*
 - (d) *the impact of the company's operations on the community and the environment,*

(e) *the desirability of the company maintaining a reputation for high standards of business conduct, and,*

(f) *the need to act fairly as between members of the company.”*

- 9 You will not enter into any legal or other commitment or contract on behalf of the Company unless specifically authorised to do so by the Board.

Time commitment, other directorships and business interests

- 10 The time commitment expected of Non-Executive Directors will necessarily vary according to business need and, for example, Board Committee positions held. Generally, as a basic commitment, it is expected that you will need to devote the equivalent of not less than 15 days per annum in the fulfilment of your duties as a Non-Executive Director of the Company, including time for Board [and Board Committee] meetings (typically one Board meeting per annum will be held outside the UK), the Company’s AGM, the annual Board strategy review and the process for the annual review of the performance of the Board, its Committees and individual Directors. The nature of the role makes it impossible to be specific about the maximum time commitment, and there is always the possibility of additional time commitment in respect of preparation time and ad hoc matters which may arise from time to time, and particularly when the Company is undergoing a period of increased activity. At certain times it may be necessary to convene additional Board, Board Committee or shareholder meetings.
- 11 By accepting the Appointment, you confirm that, taking into account your other commitments, you are able to, and will devote sufficient time to perform your role as a Non-Executive Director of the Company effectively.
- 12 The Company acknowledges that you have business interests other than those of the Company and that you have declared any conflicts that are apparent at present. In the event that you become aware of any potential conflicts of interest, these should please be disclosed to me as soon as they become apparent.
- 13 During the Appointment, you will consult the Chairman of the Board prior to accepting any other (or further) directorships of publicly quoted companies or any major external appointments.

Fees and expenses

- 14 All payments to Directors will be made in accordance with the Company’s Remuneration Policy approved by the Company’s shareholders from time to time.
- 15 Currently, the basic fee for Non-Executive Directors is [£•] per annum (gross, before deduction of any taxes and other amounts that are required to be deducted by law), paid in arrears in monthly instalments on or about the 25th day of each month. [The fee for membership of the [Name of Committee] is [£•] per annum (gross), paid in the same way.] Board and Board Committee fees are typically reviewed biennially. The next review is due to take place in [Month and year].
- 16 You will have no entitlement to any bonus during the Appointment and no entitlement to participate in any share plan or pension scheme operated by the Company.

- 17 The Company will reimburse all reasonable travelling, hotel and other expenses incurred by you in connection with the Company's business on production of appropriate receipts.
- 18 On termination of the Appointment, you will be entitled only to such fees as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred before that date.

Directors' share ownership requirement and the Board's shareholding guidelines

- 19 [Mandatory minimum shareholding requirement.]
- 20 [Board guidance as to expected minimum shareholding requirement.]

Inside information and dealing in the Company's securities

- 21 Your attention is drawn to the requirements under both law and regulation regarding the disclosure of inside information, and in particular to the European Union Market Abuse Regulation (596/2014/EU) (**MAR**), the Disclosure and Transparency Rules of the UK Listing Authority and section 52 of the Criminal Justice Act 1993 on insider dealing. You should avoid making any statements that might risk a breach of these requirements. If in doubt please contact me.
- 22 During the Appointment, you are required to comply with the provisions of the AstraZeneca Group Securities Dealing Code, and any other such code as the Company may adopt from time to time, (the **Dealing Code**), which sets out the terms for dealings by Directors in the Company's securities. A copy of the Dealing Code will be made available to you separately.
- 23 All Directors of the Company are considered to be persons discharging managerial responsibilities (**PDMRs**). MAR imposes restrictions and obligations on PDMRs and persons closely associated with PDMRs (**PCAs**), as outlined in Section B of the Dealing Code. During the Appointment, you are required to seek clearance from the Chairman of the Board before dealing in the securities of the Company; I would be happy to arrange such clearance on your behalf when required. Clearance to deal will not be granted in closed periods, other than in exceptional circumstances. Closed periods include the 30-day period before each quarterly announcement of the Company's results.
- 24 On the effective date of the Appointment, you are required to inform your PCAs in writing of their obligations in relation to dealing in the securities of the Company and to inform me of the identity of your PCAs. If you or your PCAs deal in the securities of the Company during the Appointment, you must notify me no later than one working day after the relevant transaction and must notify the UK Financial Conduct Authority (**FCA**) no later than three working days after the relevant transaction. I would be happy to arrange the notification to the FCA on your behalf.
- 25 If you are in any doubt about whether or not to deal in the Company's securities at any time, or are unclear about your obligations under the Dealing Code or applicable law and regulation, please do not hesitate to contact me for clarification. The next closed period begins on [Date] and ends with the announcement of our [•] financial results on [Date].

Confidentiality

- 26 You acknowledge that all information acquired in relation to the Appointment is confidential to the Company and should not be released, communicated or disclosed either during the Appointment or following its termination (by whatever means) to third parties without the prior consent of the Company.
- 27 The restriction shall not apply to any confidential information which may (other than by reason of your breach) become available to the public generally.
- 28 You acknowledge the need to hold and retain confidential Company information (in whatever format you may receive it) under appropriately secure conditions.
- 29 On termination of the Appointment you will deliver to the Company all books, documents, papers and other property of or relating to the business of the Company or any AstraZeneca Group company which are in your possession, custody or power by virtue of your position as a Non-Executive Director of the Company. The Company is able to arrange the disposal of papers that you no longer require.
- 30 You hereby waive all rights arising by virtue of Chapter IV of Part I of the Copyright Designs and Patents Act 1988, or any similar provisions of law in any jurisdiction, in respect of all copyright works created by you in the course of performing your duties as a Non-Executive Director.

Data Protection

- 31 By signing this letter, you consent to the Company holding and processing information about you for legal, personnel, administrative and management purposes and in particular to the processing of any sensitive personal data (as defined in the Data Protection Act 1998) including, as and when appropriate.
- 32 You consent to the transfer of such personal information to other offices the Company may have or to other third parties, whether or not outside the European Economic Area, for administrative purposes and other purposes in connection with the Appointment, where it is necessary or desirable to do so.

Insurance and indemnity

- 33 The Company has directors' and officers' liability insurance in place and it is intended to maintain such cover for the full term of the Appointment.
- 34 The Board has approved the grant of deeds of indemnity to each individual Director against certain liabilities that may be incurred as a result of you holding the office of Non-Executive Director to the extent permitted by section 234 of the Companies Act 2006 and by the Company's articles of association. Two copies of an indemnity between the Company and you are enclosed. Please sign both copies where indicated, in the presence of a witness (who is not a relative) who should also sign, and print their name and address. Please then return one copy to me and keep the other for your records.

Performance review process

- 35 The performance of the whole Board, its Committees and individual Directors is evaluated annually. If, in the interim, there are any matters which cause you concern about your role you should discuss them with me as soon as is appropriate.

Administrative matters

- 36 We are required to notify the UK Registrar of Companies of your appointment. You are required to sign Companies House form AP01, to confirm your consent to act as a Director. The form will be provided to you separately. Your home address will not be disclosed on the public register.
- 37 We use a secure, electronic portal – Boardvantage MeetX – for the despatch of Board, Board Committee and other papers to Board members. Although we are also able to despatch hard copies of papers to Board members who wish to receive them, we do encourage all Directors to make use of the electronic portal wherever possible. We also use the portal to make available to Board members various reference sources and information relating to the Company, the Board, its Committee and your role as a Non-Executive Director.

Induction / training

- 38 A comprehensive and tailored induction programme is being developed for you and I will be in touch in due course to seek your input to this. On an ongoing basis, we will make arrangements for you to develop and refresh your skills and knowledge in areas which we mutually identify as being likely to be required, or of benefit to you, in carrying out your duties effectively.

Rights of third parties

- 39 The Contracts (Rights of Third Parties) Act 1999 shall not apply to this letter. No person other than you and the Company shall have any rights under this letter and the terms of this letter shall not be enforceable by any other person other than you and the Company.

Law

- 40 Your engagement with the Company and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) is governed by and shall be construed in accordance with the laws of England and Wales and your engagement shall be subject to the jurisdiction of the courts of England and Wales.
- 41 This letter constitutes the entire terms and conditions of the Appointment and no waiver or modification thereof shall be valid unless in writing and signed by the parties hereto.

If you are willing to accept these terms of appointment, please confirm your acceptance by signing and returning to me the enclosed duplicate of this letter.

I look forward to working with you and hope that your time with the Company is enjoyable and fulfilling. Please don't hesitate to contact me if you have any questions or concerns.

Yours sincerely

Company Secretary

I confirm and agree to the terms of my appointment as a Non-Executive Director of AstraZeneca PLC as set out in this letter:

Signed

Date