

Sustainability at AstraZeneca

Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Sustainability at AstraZeneca

As a global biopharmaceutical business, we want to be valued and trusted by our stakeholders as a source of great medicines over the long term. We are committed to operating in a way that recognises the interconnection between business growth, the needs of society and the limitations of our planet. Our sustainability commitments, which are driven by our Purpose and Values, underpin our business model and support the delivery of our business strategy.



Access to healthcare

We aim to improve access to healthcare around the world by tailoring our programmes to the communities they will serve. In some cases this means looking at pricing, in others it involves overcoming other barriers to healthcare.

2.7 million

patients screened for hypertension in Kenya as part of our Healthy Heart Africa programme

+1.6 million

young people engaged through our Young Health Programme since 2010

Highest climber

from 15th in 2014 to 7th in 2016 in the Access to Medicine Foundation global index



Environmental protection

As we push the boundaries of science and develop new medicines, we know how important it is to follow the science and conserve natural resources to protect the planet.

5%

cut in emissions down to 1,657 ktCO₂e since 2015, exceeding our 2016 target

A List

ranking for climate change and water stewardship by CDP

100%

of AstraZeneca supply sites demonstrated safe active pharmaceutical ingredient (API) discharges



Ethics and transparency

We want to be valued for the medicines we provide and trusted for the way we work. That means demonstrating ethical business practices and a high level of integrity in everything we do.

8,977

supplier assessments carried out in 2016

100%

of active employees trained on the Code of Conduct

Signed

the Davos Declaration on Combating Antimicrobial Resistance with over 100 other companies



Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

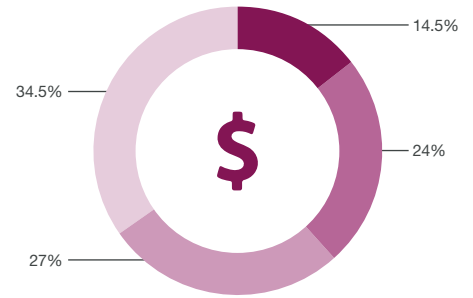
About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

About us

We are a global biopharmaceutical business delivering medicines to patients through innovative science and excellence in development and commercialisation.



Global commercial presence with strength in Emerging Markets

Product Sales:

- Established Rest Of World* \$3,096m
- Europe \$5,064m
- Emerging Markets \$5,794m
- US \$7,365m

Our Purpose

We push the boundaries of science to deliver life-changing medicines

\$23 billion

Total Revenue in 2016

Our people

59,700

employees globally

92%

of employees feel able to bring our Values to life in their daily work

R&D

Around 8,400

employees co-locating around three strategic R&D centres: Cambridge, UK; Gaithersburg, US and Gothenburg, Sweden

\$5,890 million

invested in our R&D organisation in 2016

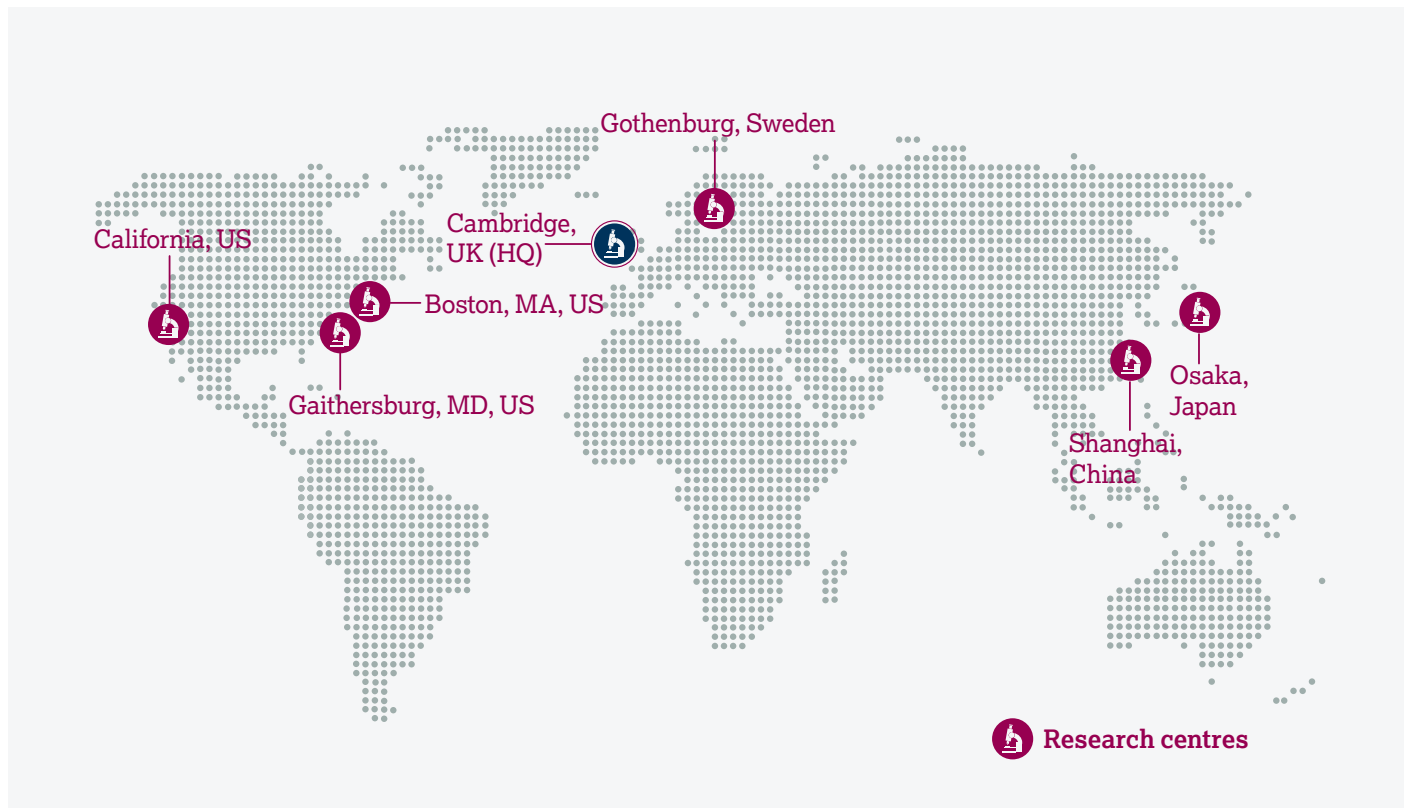
Manufacturing

Approx. 12,200

people employed at 31 Operations sites in 18 countries

132

projects in our pipeline, of which 120 are in the clinical phase of development



* Established Rest Of World comprises Japan, Canada, Australia and New Zealand.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Our sustainability strategy

To achieve long-term success, we aim to deliver our business strategy in a way that delivers wider value to society and the planet. To do this, we focus on maintaining ethics and transparency in everything we do, increasing access to healthcare for more people and minimising the environmental impact of our products and processes.

In 2016, we embarked on a robust process to re-focus our sustainability programme and embed it deeper into our core business. We worked with an independent think-tank to complete a [sustainability materiality assessment](#) to shape our priorities. It identified 27 sustainability issues that are most relevant to AstraZeneca. These became the basis for benchmarking analysis, engagement with external and internal stakeholders and an internal review that examined our areas of strength, weakness and opportunity. We undertook a process to begin aligning our new priorities and commitments with the [UN Sustainable Development Goals](#).

Our new strategy has been shaped through broad engagement with stakeholders and sustainability experts including socially responsible investors, non-governmental organisations (NGOs), trade organisations and others.

Securing our future priorities for 2017–2025



*Access to
healthcare*

Given their alignment with our business strategy, we have identified these three priorities as the areas that will allow us to have the most impact in creating value for our patients, our company, broader society and the planet.

Our focus on these areas does not diminish our commitment to other areas of our sustainability agenda, which we refer to as our Sustainability foundations and which include:



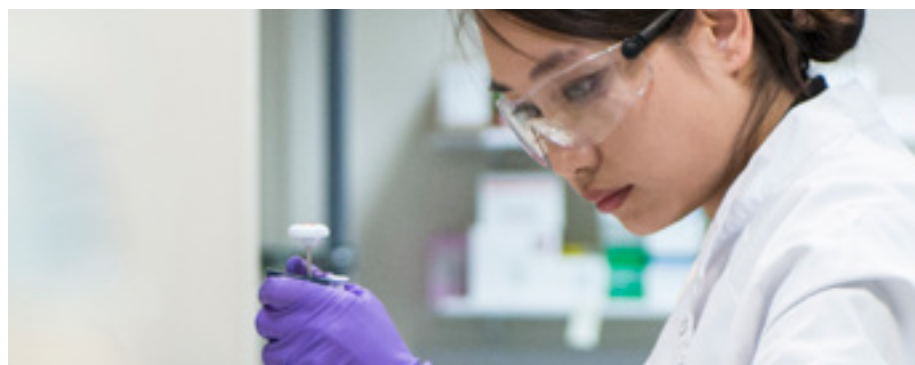
*Environmental
protection*

- > Ensuring diversity, in its broadest sense, is reflected in our leadership and people strategies
- > Continuing to develop and embed a consistent approach to human rights across our worldwide activities
- > Promoting the safety, health and wellbeing of all our people worldwide.

[See the full picture of our strategy and priorities >](#)



*Ethics and
transparency*



What science can do

At AstraZeneca, we believe that science should be the driver for everything we do and the design and delivery of our sustainability strategy is no exception. Science can change the way we see the world, help us understand our challenges and unlock our opportunities. It ensures we monitor and manage our social, economic and environmental impacts.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Securing our future 2017–2025

Our strategic business priorities



Achieve scientific leadership



Return to growth



Be a great place to work

Our Purpose

We push the boundaries of science to deliver life-changing medicines.

Our Values



We follow the science



We put patients first



We play to win



We do the right thing



We are entrepreneurial

Our sustainability priorities



Access to healthcare

Through collaboration and innovation we strive to address global health issues by:

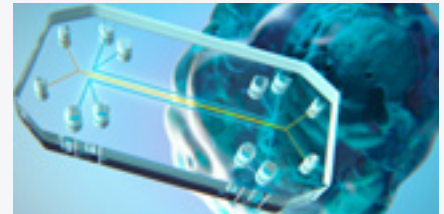
- > Exploring innovative ways of increasing access to healthcare for more people, tailored to meet differing patient needs and circumstances
- > Making a positive contribution to our local communities around the world, through community support programmes consistent with improving health and promoting science.



Environmental protection

We follow the science to protect the planet by:

- > Managing our impact on the environment, across all our activities, with a particular focus on greenhouse gas (GHG) emissions, waste and water use
- > Minimising the environmental impact of our products.



Ethics and transparency

We will maintain integrity in everything we do by:

- > Working to consistent global standards of ethical sales and marketing practices in all our markets
- > Working only with suppliers who have standards consistent with our own
- > Working on continued transparency with our data in clinical trials
- > Enhancing the understanding of how our medicines work and benefit patients
- > Applying sound bioethics to all our work
- > Maintaining a strong focus on patient safety.

Sustainability foundations

Beyond our three priorities, we will continue to ensure strong performance in core areas such as: diversity; human rights; workplace health and safety; product quality and security; and public policy and advocacy.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Our global contribution

Launched in September 2015, the United Nations 2030 Agenda for Sustainable Development is a global action plan for people, planet and prosperity. As a healthcare company, we have an important role in contributing to the delivery of the UN Sustainable Development Goals (SDGs).

Below and throughout the report we highlight some of the ways we are currently contributing to delivering the SDGs. As we move forward with our strategy we will look to deepen our alignment and commitment to the SDGs.



Ensure healthy lives and promote well-being for all at all ages

Our contribution: Our three main therapy areas focus on: eliminating cancer as a cause of death through scientific discovery and collaborations; addressing multiple risk factors to reduce cardiovascular morbidity, mortality and organ damage; and transforming the treatment of respiratory disease.

Increasing [access to healthcare](#) for more people is one of our strategic priorities and a key focus of our sustainability strategy. We tailor our activity according to local issues, making it easier for people to afford our medicines. We also focus on developing strong collaborations with

a wide range of partners to strengthen healthcare capabilities, particularly in developing economies.

Target 3.4: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

A key target of this SDG is to reduce premature mortality from non-communicable diseases (NCDs) through prevention and treatment by one third by 2030. Launched in October 2014, Healthy Heart Africa is our flagship programme which aims to help combat NCDs. It has already delivered over 2 million hypertension screenings in the community and local healthcare facilities. In 2016, we

expanded into Kenya and launched Phase III of the programme in India with commitments to 2020. To improve access to our medicines, we have been exploring how we can use economic data to link an individual's ability to pay with the price of our medicines, supporting our work with lifestyle and disease awareness advice. This latest approach builds on our [Faz Bem](#) programme, which has helped some 2.5 million patients since it was launched in 2008. We have also reached more than 1.6 million people and worked with over 30 expert organisations through our Young Health Programme (YHP), which targets the four most prevalent risk factors for NCDs: tobacco use, harmful use of alcohol, lack of exercise and unhealthy eating.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Our contribution: As a company built on science and the skills of our scientists, we've supported science, technology, engineering and maths

(STEM) education since 2014 through our [partnership with Career Ready](#) in the UK and we aim to inspire more young people around the world to take up STEM education and careers. Bahija Jallal, Executive Vice-President, MedImmune, is president of the [Association for Women in Science](#), the largest multi-disciplinary organisation

for women in STEM. In 2016, she gave a [speech](#) at the second annual International Day of Women and Girls in Science conference in New York (also relates to SDG 5 Gender Equality).



Achieve gender equality and empower all women and girls

Our contribution: We continue to focus on diversity and inclusion with a goal to increase the presence of women on our leadership teams. Women comprise 49.9% of our global workforce and, in 2016, there were

three women on our Board (30%). [Representation of women in senior roles](#) increased to 43.2% in 2016. To ensure our senior leadership reflects our diverse geographic footprint, we track the country of origin of senior leaders and reflect this in our diversity targets. In 2016, 14.5% of leadership roles that reported to our Senior

Executive Team (SET) had a country of origin that is an Emerging Market or Japan (up from 5% in 2012). In Europe, we have piloted a European Women as Leaders programme to support the accelerated development of high-potential women in AstraZeneca.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement



Ensure availability and sustainable management of water and sanitation

Our contribution: We are committed to achieving scientific leadership to help our industry and the scientific community understand the risks of pharmaceuticals in the environment. This includes setting safe thresholds

for discharges of APIs and leading industry understanding of the impacts of pharmaceuticals on the aquatic environment. We completed 81 supplier assessments to ensure safe discharges of APIs across our global supply chain in 2016 and 100% of AstraZeneca supply sites demonstrated safe API discharges. We recognise the need to ensure water sources are used

responsibly and equitably, as a shared public resource. Managing our impact on water resources in one of the key aspects of our environmental strategy. This year, we were included on CDP's Water A List, placing us among the leading 25 companies in the world for water stewardship.

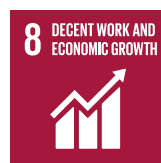


Ensure access to affordable, reliable, sustainable and modern energy for all

Our contribution: Our commitment is to source 100% renewable power globally by 2025. We are committed

to RE100. Compared with 2015, our sourcing of certified zero carbon power from renewable sources quadrupled in 2016 and accounted for 58% of our global imported power. Our commitment is also inspiring our sites to substitute imported energy

with on-site renewables, such as at Macclesfield in the UK and at Frederick in the US. Further on-site projects are planned in the US and Australia in 2017.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Our contribution: Being a great place to work is one of our three strategic priorities. We directly employ around

59,700 people globally and we are dedicated to building an inclusive, open and trusting organisation that embraces the skills, knowledge and unique abilities of our employees. Ensuring there is no modern slavery or human trafficking in any part of our business or supply chain is a key commitment and our standards comply

with all national and international laws, regulations and codes for preventing trafficking and slavery. We are an accredited Living Wage Employer in the UK and we partner with others to address manufacturing skills gaps at the industry level, for example our partnership with Tianjin University in China.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Our contribution: Our science-led innovation strategy aims to push the boundaries of science to create life-changing medicines. In 2016, \$154 billion was invested in pharmaceutical R&D worldwide and we made a significant contribution to

this by accelerating our \$5.9 billion investment in key R&D programmes. We are focused on delivering innovative medicines by investing in Emerging Market capabilities, such as China and other leading markets.



Ensure sustainable consumption and production patterns

Our contribution: We are committed to effective environmental management across the product life cycle. We take a whole life-cycle view and work with

all those involved throughout the lifespan of a product – from discovery and development through to patient use and end-of-life disposal. In 2016, we committed around \$25 million to natural resource efficiency projects to reduce environmental impacts at our sites. These projects are expected

to accelerate our resource efficiency performance. We plan to invest another \$22 million in resource efficiency in 2017 and will ensure all sites have natural resource plans that align with our environmental targets.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement



Take urgent action to combat climate change and its impacts

Our contribution: Climate change has many negative health impacts for society. We make it a priority to contribute towards the united global effort that involves business, governments, NGOs and communities working together. Measuring and reporting emissions, and setting and achieving science-based targets to manage our direct and indirect contribution, are central to

our approach. We are making good progress: in 2016, we were listed on the Climate A List by CDP, placing us among the top 9% of corporations participating in CDP's climate change programme. Our efforts to measure and manage our supply chain footprint also led to our inclusion in CDP's Supply Chain Climate A List and, as of October 2016, AstraZeneca was one of only four FTSE 350 companies to have had its climate change targets approved by the Science Based Targets (SBT) initiative.

The extra energy in the climate system is likely to increase the incidence and severity of some extreme weather events. As well as managing our impacts, we partner with others such as the British Red Cross to respond to natural catastrophes when and where emergency medical need is greatest. In 2016, we donated \$200,000 to the Kuala Lumpur Emergency Response Unit and \$25,000 towards hygiene kits following Hurricane Matthew.



Protect, restore and promote sustainable use of terrestrial ecosystems and halt biodiversity loss

Our contribution: Although our land holdings are relatively small, we manage our sites to support sustainable ecosystems for the benefit of our employees, the communities that surround them and wildlife. We actively support the principles of the

Convention on Biological Diversity and we continue to apply best practice, actively managing biodiversity on our sites through local biodiversity action plans. We sometimes use genetic resources that occur naturally on the planet to help deliver life-changing medicines. We acknowledge our responsibilities under the Nagoya Protocol to access and use this material in a transparent and fair way. In 2016, we joined the Prince of

Wales at the Cambridge Institute for Sustainability Leadership's (CISL's) Natural Capital Leaders Platform. We are exploring the value that Natural Capital Assessments might bring to our business decisions by integrating the financial impacts of our investments that are associated with natural capital into our financial analysis. We will report on the outcomes of our trial in 2017.



Promote peaceful and inclusive societies and build effective, accountable and inclusive institutions at all levels

Our contribution: We aim to lead our industry in demonstrating ethical business practices and integrity in everything we do. It is why human rights, safety and health, and business ethics are core to AstraZeneca's

approach to sustainability. We are committed to the United Nations Global Compact and its ten principles. In 2016, we conducted our third global Human Rights labour review, which focuses on the International Labour Organization's (ILO's) core themes. We also strive to deliver consistently high standards of sales and marketing practices worldwide and we only work with those third parties who

embrace the same high standards of ethical behaviour as our own. We do not tolerate any form of bribery and corruption, either among our own employees or the third parties we work with.



Partnership for the goals

Our contribution: We cannot solve these challenges alone, so we strive to develop long-term, collaborative partnerships that support our own sustainability commitments and help to deliver the SDGs.

Examples of the global partnerships and initiatives we are involved in include:





- > Healthy Heart Africa partnerships including with the Federal Ministry of Health in Ethiopia and the US President's Emergency Plan for AIDS Relief (PEPFAR)
- > YHP and other coordinating groups that promote adolescent health within the broader NCD agenda
- > Partnerships for climate change, including the SBT initiative and RE100
- > Industry bodies such as the Coalition for Sustainable Pharmaceuticals and Medical Devices and the Pharmaceutical Supply Chain Initiative
- > UN Global Compact.

Goals for securing our future

As we embark on our new strategy, our sustainability targets aim to drive continuous improvement and stretch what we achieve across our business. This year, we made good progress in a number of areas. In others, we faced challenges and we continue to look for ways to expand our positive impact.

Here, we provide an overview of our approach and the progress we have made against our commitments in 2016.

Key





-  Target exceeded
-  Full target achieved
-  Ongoing progress
-  Target not achieved, some progress



Our access to healthcare strategy aims to increase access to healthcare for under-served patient populations and comprises three elements: providing high-quality, effective and appropriate medicines to those who need them; improving affordability, particularly among the growing middle class in Emerging Markets; bringing down healthcare barriers, particularly in developing countries.

Our strategy helps us to address affordability and other healthcare barriers, while ensuring we continue to provide high-quality medicines to those who need them. We are reviewing our goals in the light of the Access to Medicine Index Report and our new strategy.

Access to healthcare

Goals	Target progress	Progress highlights
Expand sustainable patient access to our medicines to reach 3 million patients by 2016		4.49 million patients in Emerging Markets served by patient access programmes
Young Health Programme After exceeding initial goal to reach 1 million people through the Young Health Programme by 2015, aim to renew in five markets and expand into three markets by 2018		Renewed in Canada, Germany, China and India and expanded into Kenya Total reach in 2016 of 166,000 and 1.6 million youth since 2010 Proposals for expansion are in development for Brazil and Australia and for renewal in Portugal
Healthy Heart Africa Reach 10 million hypertensive patients across Sub-Saharan Africa by 2025		Since 2014, we have conducted over 2.7 million screenings and started treatment for over 100,000 hypertensive patients
Healthy Heart Africa Screen over 1.4 million people for hypertension by end of 2016		

For more information please see [Access to healthcare](#)

Sustainability at AstraZeneca
Goals for securing our future
 Accountable and inclusive governance

About us
 Benchmarking and recognition
 Sustainability foundations

Our sustainability strategy
 Materiality

Our global contribution
 Stakeholder engagement



We follow the science to protect the planet. We are committed to operating in a way that respects and protects our climate and natural resources through a science-based approach that drives continuous improvement across our value chain. In 2016, we embarked on a new strategy that set ambitious commitments up until 2025:

Protecting natural resources by improving the environmental performance of our operations and supply chain, including reducing our GHG footprint. This includes limiting our 2025 extended operational GHG footprint to 2015 levels.

Ensuring the environmental safety of our products by reducing environmental impacts throughout the entire life cycle of our medicines, including understanding and minimising the long-term effects of PIE.

Key

- Target exceeded
- Full target achieved
- Ongoing progress
- Target not achieved, some progress

Environmental protection

Goals	Target progress	Progress highlights
Reduce operational GHG footprint ² by 2% (against a 2015 baseline) to 1,708,335 tonnes CO ₂ e by 2016		Our operational GHG footprint totalled 1,656,917 metric tonnes in 2016, a 5% reduction from our 2015 baseline
Have our climate change targets approved by the SBT initiative by 2016		We attained verification that our climate change targets are science based
Set out a target for 100% renewable power by 2016		We launched our commitment to 100% renewable power consumption globally by 2025 and in the US and Europe by 2020 through the RE100 initiative
Publicly disclose information associated with our climate change performance by 2016		We increased the scope of our operational carbon footprint reporting in 2016
Reduce waste generation by 2% (against a 2015 baseline) to 36,760 tonnes by 2016		In 2016, our total waste was 37,923 metric tonnes, a 1% increase on 2015
Reduce water use by 2% to 4.13 million m ³ (against a 2015 baseline) by 2016		In 2016, our water footprint was 3.99 million m ³ , a 5% reduction compared with 2015
90% of API syntheses meet resource efficiency targets at launch by 2016		100% of API syntheses (avibactam) met launch target in 2016. In addition we achieved 9% reduction in our resource efficiency metric, process mass intensity (PMI), across the portfolio
Ensure effective environmental management of our products from pre-launch through to product end-of-life by 2016		Safe API discharges were confirmed for 100% of our own and >90% globally managed supplier sites in 2016 We completed a comprehensive review for our EcoPharmacoVigilance programme

For more information please see [Environmental protection](#)

² Extended operational footprint includes: Scope 1, Scope 2 and some Scope 3 emissions. It covers energy use, road fleet, process emissions, waste incineration, business air travel, primary distribution (freight and logistics), first tier outsourced supply of API and Formulation & Packing (90% of spend, energy only) and patient use of pressurised metered dose inhalers (pMDIs), measured in tonnes carbon dioxide equivalent (tCO₂e).

Sustainability at AstraZeneca
Goals for securing our future
 Accountable and inclusive governance

About us
 Benchmarking and recognition
 Sustainability foundations

Our sustainability strategy
 Materiality

Our global contribution
 Stakeholder engagement



As a global, science-led biopharmaceutical business, we have a responsibility to hold ourselves to high ethical standards. We strive for high levels of integrity in everything we do, whether it's our approach to bioethics, including patient safety, the way we treat the participants in our clinical trials and the use of animals in science, or our approach to human rights, or the scrutiny of our supply chain to ensure our suppliers meet our high standards.

Our performance in 2016 against the goals we set ourselves is described opposite. We are also reviewing our commitments and goals and strengthening our strategy in key areas such as our supply chain.

Key

- Target exceeded
- Full target achieved
- Ongoing progress
- Target not achieved, some progress

Ethics and transparency

Goals	Target progress	Progress highlights
All active employees to be trained on our Code of Conduct by 2016		100% of active employees trained on the Code of Conduct in 2016 Achieved a 100% score for Code of Conduct from the Dow Jones Sustainability Index
Communicate clear policies to employees by 2016		Updated our annual Code of Conduct training to provide greater clarity and simplicity for the business as well as improved accessibility via mobile devices since 2016
Ensure employees can raise concerns and that they are properly addressed by 2016		320 reports of alleged compliance breaches or other ethical concerns made through the AZethics Helpline in 2016
Meet high ethical standards across all our procurement activities and decisions worldwide by 2016		Conducted 66 high-risk supplier audits in 2016
Collate a suite of 'Culture of Care' pledges from all of our R&D sites, demonstrating our daily commitment to high standards of animal welfare by 2016		Two winners of a newly introduced 'Culture of Care' award recognising the day-to-day commitment to excellence in animal care and welfare, including one attracting the attention of the National Centre for the Replacement, Refinement and Reduction of Animals in Research (NC3Rs) for further development as a project initiative
Continue to promote scientific excellence in animal care and use through a programme of global roundtable workshops by 2016		In 2016, we prepared to meet the Redacted Clinical Report Package of the European Medicines Agency (EMA) Publication of Clinical Data Policy. The policy is designed to further improve transparency and access to research information

For more information please see [Ethics and transparency](#)

Sustainability at AstraZeneca
Goals for securing our future
 Accountable and inclusive governance

About us
 Benchmarking and recognition
 Sustainability foundations

Our sustainability strategy
 Materiality

Our global contribution
 Stakeholder engagement



We are dedicated to creating an inclusive, open and trusting organisation that embraces the skills, knowledge and unique abilities of our employees who interact with thousands of suppliers and partners all over the world.

Our Sustainability foundations reflect our abiding commitment to people: our staff, patients, suppliers and wider stakeholders. Our targets reflect our commitment to workplace diversity and inclusion, health and safety and employee engagement.

Key

- Target exceeded
- Full target achieved
- Ongoing progress
- Target not achieved, some progress

Sustainability foundations

Goals	Target progress	Progress highlights
Increase female representation at Global Career Level F and above from 42% (2015) to 42.5% by 2016		We exceeded this target, reaching 43.2% Our target for women in senior roles by end of 2017 is 43.5%
Increase representation of employees from Emerging Markets and Japan in roles that report to our SET to at least 16% by 2016		Representation was 14.5% at the end of 2016
75% reduction in total injury rate by 2025 from 2015 baseline		Total injury rate of 1.45 in 2016, exceeding our annual target of 1.64
Reduce injury rate to 1.64 in 2016, against the 2015 baseline of 1.73 (reportable injuries per million hours worked)		
55% reduction in collisions per million kilometres driven by 2025		3.62 collisions per million kilometres driven in 2016, exceeding our annual target of 4.00
Reduce the collision rate to 4.00 in 2016, against the baseline of 4.13 in 2015 (collisions per million kilometres driven)		
Develop a health and wellbeing framework for launch in 2017		Framework development on track for 2017 launch
80% of sites/marketing companies have all four Essential Health Activities ³ by 2025		
Achieve target (83%) employee survey score in 2016 for AstraZeneca as a great place to work		The outcome of our December 2016 Pulse survey was 74% ⁴
Improve employee perception of the opportunities for personal development and growth in AstraZeneca to 77% in 2016		The outcome of our December 2016 Pulse survey was 73% ⁴
Deliver further organisational simplification (target, relevant Pulse survey score to be over 62%) by 2016		The outcome of our December 2016 Pulse survey was 59% ⁴
All employees have a development plan in place by end Q3 (target 95%) by 2016		The outcome in December 2016 was that 93% of employees had a development plan in place
All employees to have had at least one quality development discussion with their line manager by the end of Q3 (the target was over 85%) by 2016		The outcome of our December 2016 Pulse survey was 82%

For more information please see [Sustainability foundations](#)

³Healthy eating and drinking, tobacco cessation, physical fitness, workplace pressure management.

⁴The decline in scores in our most recent employee survey reflects the impact of reshaping the business. We are focused on improving performance in those areas identified as important drivers of employee engagement, such as people development and line manager communication.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Benchmarking and recognition

We are proud of the external recognition we received for our work in 2016. The feedback we receive helps us identify gaps and continually strengthen our strategy and performance.



CDP

Climate A List: In the top 9% of corporations participating in CDP's climate change programme in recognition of our actions to reduce emissions and mitigate climate change.

As of October 2016, one of only four FTSE 350 companies to have received approval of our science-based targets to reduce carbon footprint.

Water A List: Among the leading 25 companies for our commitment to transparency around environmental risks and for pursuing best practice.

Supplier Climate A List: Among the 3% of companies awarded an A Grade for our efforts and actions to combat climate change by implementing programmes to reduce emissions in both direct operations and our supply chain.



DJSI

Second in Pharmaceuticals, Biotechnology and Life Sciences industry group

Score of 86%, up two points from 2015

Significant improvement in the environmental dimension of the index, gaining 18 percentage points.

Sector best scores for: Occupational Health and Safety (86%), Code of Conduct (100%), Marketing Practices (93%), Climate Strategy (100%) and Health Outcomes Contribution (100%).



Access to Medicine Index

Biggest riser, moving to 7th place in 2016 from 15th in 2014.

Industry best practice recognition for our transparent approach to intellectual property in relation to Index Countries: disclosing where we will not enforce patents, where we would consider granting a licence, and disclosing the status of our patents for products used to treat Index Diseases.



RobecoSAM

Silver Class distinction rating in the RobecoSAM index, the global sustainability investment rating which identifies companies that are strongly positioned to create long-term shareholder value.



Prime

AstraZeneca is rated 'Prime' by oekom research. Prime status is awarded to companies that meet the sustainability management requirements of 100 social and environmental criteria. Companies are also screened against several controversial business fields and practices. There are currently around 550 companies holding oekom research's prime status.



I'm proud that AstraZeneca has received significant external recognition for our environmental leadership by adopting a science-based climate target. Setting science-based targets is the right thing to do and perfectly aligned with our commitment to follow the science."

Katarina Ageborg, Chief Compliance Officer, AstraZeneca

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Materiality

Global trends and the pace of change affecting society mean it is vital we stay on top of emerging risks and respond quickly. Our goal is to embed sustainability in our business strategy and all areas of our operations. To do that, we need to understand the most important issues for our business and our stakeholders and ensure our strategy is designed in such a way as to drive our effective response.

In 2016, we worked with an independent think-tank to complete a new sustainability materiality assessment to help identify the priorities that would shape our new sustainability strategy. Materiality is the principle of defining the social, environmental and governance issues that matter most to our business and our stakeholders.

The assessment process identified 27 sustainability issues relevant to AstraZeneca. These became the basis for benchmarking analysis, engagement with external and internal stakeholders and an internal review that examined our areas of strength, weakness and opportunity and our alignment with the UN SDGs.

The outcome of our materiality assessment was validated by the members of our SAB.

Materiality assessment process

The following six steps provide an overview of the process we undertook to identify our material issues.



Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

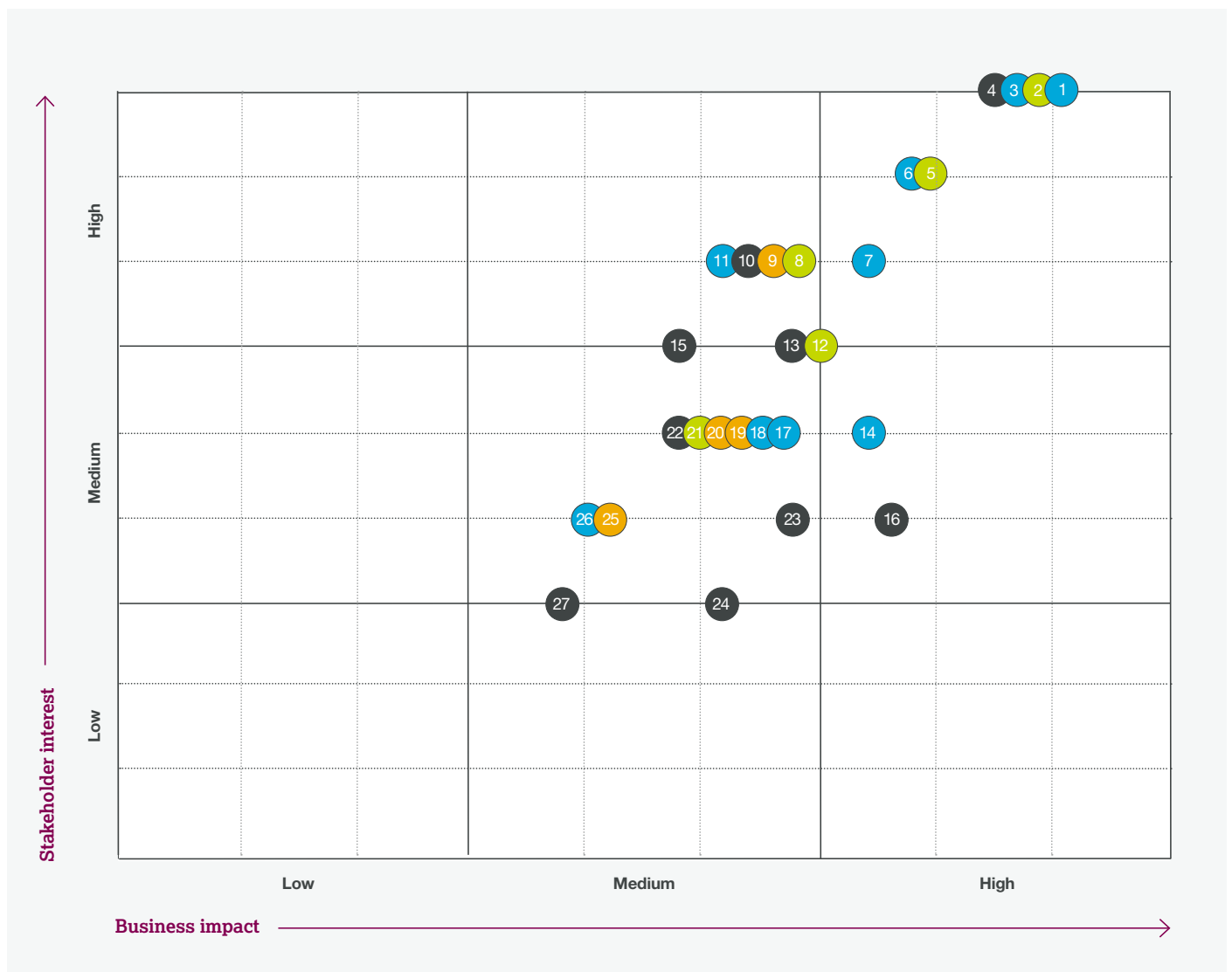
Our sustainability material issues

The 27 sustainability issues identified have been mapped on a materiality matrix to show their relative level of stakeholder interest and potential business impact.

Key

- Access to healthcare
- Environmental protection
- Ethics and transparency
- Sustainability foundations

- 1 Ethical sales and marketing
- 2 Health outcome contribution
- 3 Bribery and corruption
- 4 Product safety and quality
- 5 Product affordability
- 6 Clinical trials
- 7 Supply chain management
- 8 Healthcare reform
- 9 Pharmaceuticals in the environment
- 10 Public policy and advocacy
- 11 Intellectual property
- 12 Health systems development
- 13 Compensation
- 14 Product counterfeiting
- 15 Fair taxation
- 16 Employee retention
- 17 Bioethics
- 18 Patient interaction
- 19 Resource efficiency
- 20 Climate change
- 21 Disease prevention
- 22 Human rights
- 23 Workplace health and safety
- 24 Diversity and inclusion
- 25 Biodiversity
- 26 Research with animals
- 27 Community investment



Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Stakeholder engagement

We believe our long-term success lies in strengthening our connections with stakeholders, understanding their worlds and combining forces to achieve common goals. The feedback we receive from stakeholders, through both the materiality assessment process and ongoing stakeholder dialogue, informs our sustainability approach, commitments and actions.

Our Global Policy on [Ethical Interactions and Anti-Bribery/Anti-Corruption Policy](#) guide our approach to stakeholder engagement. You can read more about how we enable stakeholders to raise concerns with us in our [2016 Ethics and Transparency update](#).

We define a stakeholder as any individual or group who can affect, or is affected by, our business. The benefits of dialogue with our stakeholders include:

- > **Better healthcare solutions** – deeper stakeholder relationships will help us come up with creative ways to tackle healthcare challenges
- > **Better decision-making** – listening to stakeholders will improve our knowledge of present and future risks and opportunities, helping us to make good business decisions
- > **Better reputation** – responding appropriately to the changing expectations and concerns of our stakeholders will strengthen our reputation
- > **Better informed stakeholders** – information presented as part of a dialogue is more easily digested and understood, helping stakeholders to understand our business.


How we engage with stakeholders

The insight and challenge we gain from our stakeholders play an important part in shaping our business strategy and sustainability commitments. We value their feedback and we aim to develop open and trusting relationships with our stakeholder groups.

We use a wide range of channels to carry out regular formal and informal engagement – from digital to face-to-face dialogue. Through a multi-stakeholder engagement approach, we identify systematic activities to create opportunities for interaction with groups of our stakeholders. We continue to use feedback from our stakeholder dialogues as an input into our strategy development and risk management planning.

All our relationships and engagement, including with patient groups and other healthcare organisations, are based on transparent and shared objectives to improve the lives of patients and in compliance with local laws and regulations.

Here, we summarise our key stakeholder groups and outcomes of our engagement in 2016.



Stakeholder group	How we engage with them	Key outcomes in 2016
 <p>Employees</p>	<p>We are dedicated to creating an inclusive, open and trusting organisation that embraces the skills, knowledge and unique abilities of our employees. To foster innovation and achieve our strategic priority of being a great place to work, we seek to harness the different perspectives, talents and ideas of our employees and ensure they feel valued for their contribution.</p> <p>Employee opinion surveys help us measure employee satisfaction and engagement and how we are doing in our aim of being a great place to work.</p>	<p>In December 2016, we completed a Pulse survey which showed 80% employee belief in our strategy (2015: 89%, 2014: 86%). This is a key indicator of employee engagement.</p> <p>74% of employees also said they would recommend AstraZeneca as a great place to work (2015: 83%, 2014: 82%).</p>

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Stakeholder group	How we engage with them	Key outcomes in 2016
 <p>Suppliers and third parties</p>	<p>Our future success depends on developing strong relationships with suppliers and third parties that uphold our high ethical standards.</p> <p>Our commitment to ethics and transparency requires us to set clear standards for those suppliers and to have strong processes in place to ensure suppliers are meeting those standards.</p> <p>We develop and implement ongoing <u>supplier engagement programmes</u> that reflect areas of specific geographical and/or supply sector risk, with a focus on and key gaps in third-party understanding.</p> <p>We provide incentives for suppliers through a number of means from specialist training to profit-sharing of any costs saved/revenue generated through our improvement initiatives.</p>	<p>In 2016, we focused on increasing our coverage of third-party activities, providing greater senior leader insight and ensuring quality and depth of compliance assessments.</p> <p>At the end of 2016, 20,613 suppliers had completed compliance assessments, a 96% completion rate. As a result, we identified 40 suppliers who did not meet our standards.</p> <p>We implemented 1,101 action plans to help third parties drive improvements in their business.</p> <p>We also conducted 66 audits on high-risk suppliers, seeking to ensure that they employ appropriate practices and controls.</p>
 <p>Patient groups⁵ and patient communities⁶</p>	<p>Our engagement with patient groups and community engagement supports us to improve health and quality of life, and demonstrates the value of science to patients and society.</p> <p>Our relationships with patient groups comply with relevant legal and regulatory requirements in each country, as well as applicable codes and our own supporting policies.</p> <p>To demonstrate this, we publish our patient group relationships on country-level websites, including but not limited to our R&D centres of excellence in <u>Sweden</u>, the <u>United Kingdom</u> and the <u>United States</u>.</p>	<p>Over 70,000 patients have been connected to AstraZeneca research and development through our five-year collaboration with the PatientsLikeMe online research community.</p> <p>Our Patient Partnership Program (PPP) is a new initiative which aims to infuse the patient voice throughout our drug discovery, development and patient support activities.</p> <p>In 2016, we established the first two PPP patient expert groups in ovarian cancer and asthma.</p>
 <p>Local communities</p>	<p>Wherever we work in the world, we aim to make a positive impact on our local communities. We maintain open dialogue with our local communities, keeping them informed of our business activities and plans, and giving them the opportunity to raise any concerns.</p> <p>We target our global community investment towards promoting healthcare in the community and supporting science-based education and careers.</p>	<p>In 2016, we spent over \$500 million on community investment sponsorships, partnerships and charitable donations worldwide, including our product donation and patient assistance programmes which make our medicines available free of charge or at reduced prices.</p> <p>We extended our YHP into Kenya. We have now reached over 1.6 million young people in 21 countries with health information for the prevention of NCDs, engaged over 40,000 young people to share health information with their peers and the community, and trained more than 12,600 frontline health providers.</p>

⁵ Patient groups are independent organisations that provide advice and support to patients and their families and other caregivers.



⁶ Patient communities are communities of interest online for people with specific diseases and conditions.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Stakeholder group	How we engage with them	Key outcomes in 2016
 <p>Shareholders/investors and analysts</p>	<p>We are committed to fulfilling our requirements as a publicly listed company and to further engaging with the financial community to communicate strategy, performance and other relevant metrics to assess the investment proposition. We also listen to our shareholders and external experts to help shape our future business.</p> <p>We make information available to the financial community through a range of media, including:</p> <ul style="list-style-type: none"> > Year-to-date and quarterly results announcements and presentations > Corporate website and other electronic media > Roadshows, investor conferences, and topical and educational investor science webcasts and events > Incoming telephone and email enquiries. 	<p>Four quarterly results announcements/presentations.</p> <p>An unprecedented number of meetings during investor roadshows and conferences at more than 25 global investment centres.</p> <p>A number of educational and pipeline-focused investor science events, typically related to new data presented at key medical meetings.</p> <p>Bus tour visits to main offices and facilities.</p> <p>Other investor outreach activities, including to fixed-income investors, socially responsible investors and Chartered Financial Analyst societies in the US.</p>
 <p>Government bodies and regulators</p>	<p>We, along with other pharmaceutical companies, continue to work openly and transparently with policymakers and regulators to increase access, improve outcomes and to support an environment that fosters medical and scientific innovation and value.</p>	<p>Key areas of engagement with governments and regulators in 2016 include:</p> <ul style="list-style-type: none"> > Partnering directly with governments to improve healthcare infrastructure and access to medical treatment > Flagship programmes to promote access to healthcare where it is needed most, such as through our new collaboration with PEPFAR > Engagement with governments and other bodies to uphold our responsibilities under the Nagoya Protocol. <p>Neither AstraZeneca nor its subsidiaries made any EU political donations or incurred any EU political expenditure in 2016. In 2016, the Group's US legal entities made contributions amounting in aggregate to \$1,568,250 (2015: \$1,224,550) to national political organisations, state-level political party committees and to campaign committees of various state candidates.</p>
 <p>NGOs and sustainability experts</p>	<p>Our SAB comprises five world-class thought leaders in their fields who provide the expertise, challenge and insight we need to deliver our sustainability strategy and respond to changing developments.</p>	<p>In 2016, the SAB provided feedback on our priorities and approach that was integral to the shaping of our new sustainability strategy.</p> <p>As part of our materiality assessment, we also engaged with a number of NGOs, socially responsible investors and multilateral institutions to share insights on key trends, risks and opportunities to shape our new sustainability strategy.</p>

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Our work with patient groups

Patient groups are independent organisations that provide resources and support to patients, families and caregivers and work to advocate on behalf of patients in the healthcare environment. As a company committed to improving health and quality of life, we support patient groups in their mission to bring the value of science to patients and society alike. We value sustainable engagement with our patient group partners and are committed to initiatives that elevate the patient voice and aim to improve patient outcomes.

Our support may include financial contributions and in-kind donations that seek to enhance patient welfare. Our relationships with patient groups must always comply with relevant legal and regulatory requirements in each country, as well as applicable codes and our own supporting policies. We publish our relationships with patient groups on AstraZeneca's country-level websites in our R&D centres of excellence in Sweden, the United Kingdom and the United States.

Phase III clinical trials

We are committed to developing more patient-friendly trials by integrating patient insights early on in protocol design planning. Our ambition is for AstraZeneca trials to be simpler for our patients and for faster delivery of data to answer scientific questions in protocols.

Clinical teams are supported to connect with various external patient organisations to collect insight directly from patients. Teams have access to a range of patient insight tools including: patient preference surveys; protocol simulations; patient advisory boards; clinical site; and patient focus groups. Once patient insights are reviewed by teams, we identify and implement agreed actions to optimise our protocols and then measure the impact of our actions.

We are currently implementing a consistent patient-centred approach across targeted trials to encourage and implement positive change through patient engagement.

Patient communities

Through our five-year collaboration with the PatientsLikeMe online research community, over 70,000 patients have been connected to AstraZeneca's research and development. The data patients share improves our understanding of the symptoms and outcomes that matter most, ensuring we deliver medicines that patients value. Patients have also told us how to improve studies in our key therapy areas. As a result, we acted to simplify studies, removing barriers to participation and making it easier for patients to complete on studies. AstraZeneca and PatientsLikeMe shared the results of their research and actions taken with participants, showing that the contribution of patients is valued and has an impact.

Delivering patient-centred medicines through the Patient Partnership Programme

The Patient Partnership Programme (PPP) is a new initiative that aims to infuse the patient voice throughout all our company's drug discovery, development and patient support activities. The PPP provides an open line of communication between AstraZeneca and groups of patients with functional expertise in a given disease area to learn from each other and co-create patient-centric products and services in a fast and efficient manner.

In 2016, we established the first two PPP patient expert groups in ovarian cancer and asthma. Together with global cross-functional teams working in severe asthma and ovarian cancer, our Patient Centricity team ran very successful global PPP Summits for each disease area to kick off the programmes. As a result, disease teams across a variety of functions are now engaging with key patient experts for the development of our medicines and disease management tools in severe asthma and ovarian cancer. To find out more about this programme, please refer to www.azpatientpartners.com

Responsible partnering

Partnering is an important element of our business model. It supplements and strengthens our pipeline and our efforts to achieve scientific leadership. We partner with others around the world including academia, governments, industry, scientific organisations and patient groups. These partnerships enable us to access the best science, stimulate innovation and accelerate the delivery of new medicines to target unmet medical need. We currently have more than 600 collaborations around the world.

To advance our strategy, in April 2016, we announced plans to increase partnering in relation to projects in our inflammation, infection and neuroscience disease areas and to products in markets where there is a clear rationale.

Ensuring these partnerships are transparent and uphold our high ethical standards is vital to our reputation. When making new acquisitions and developing partnership opportunities, our ethical standards are integral to our due diligence and partnering activities. We assess all projects against our 5Rs evaluation criteria: Right Target, Right Tissue or Exposure, Right Safety, Right Patients and Right Commercial. We also consider ethical conduct in sales and marketing, safety, environmental management and other sustainability issues – including the historical liabilities of potential partners and the practices they currently have in place – and we work only with those whose standards of ethical behaviour are consistent with our own.



Accountable and inclusive governance

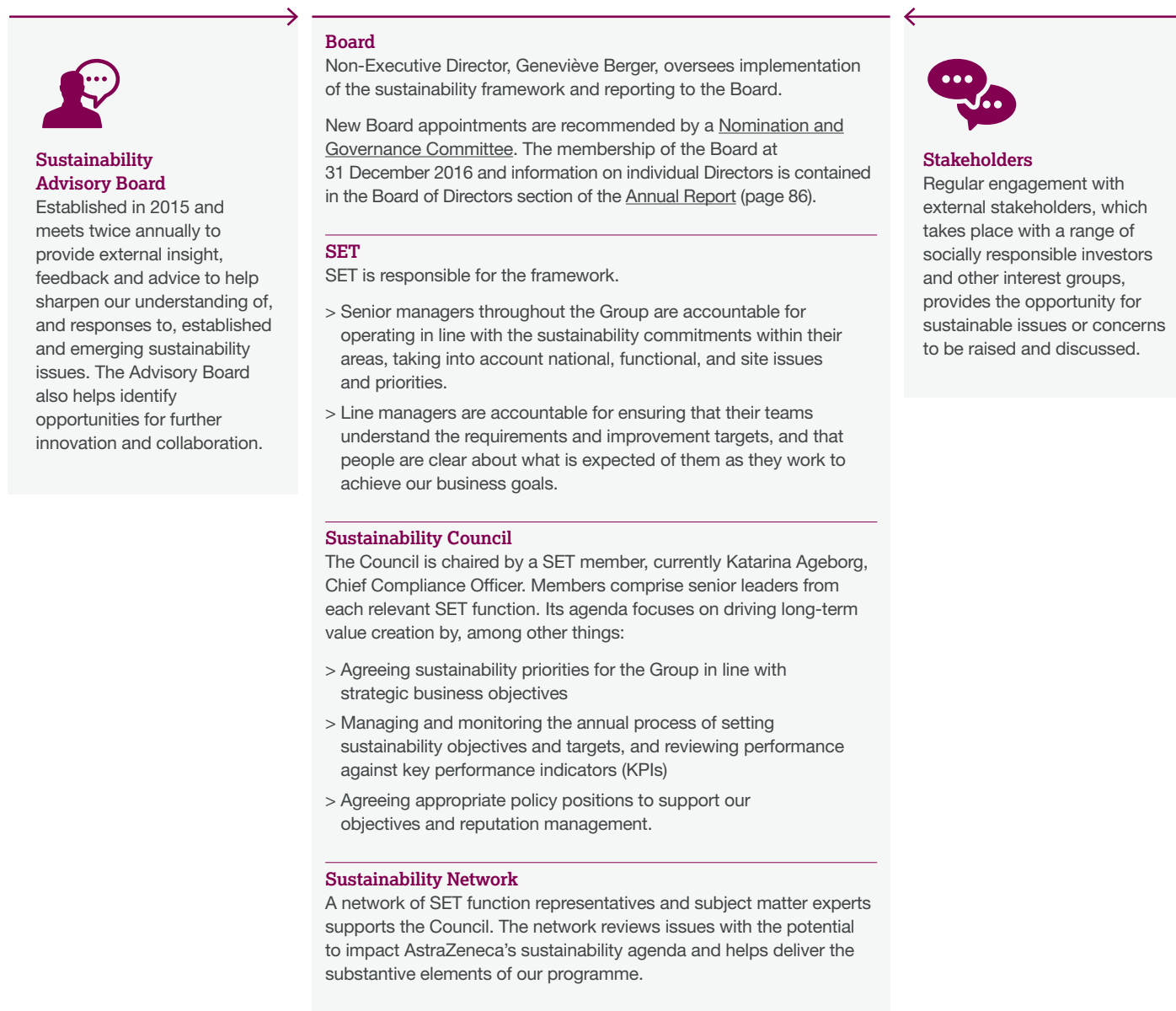
Our commitment to growing our business in a sustainable way also helps us protect our licence to operate, attract and retain talent, manage risk and, most importantly, deliver life-changing medicines to patients. The Senior Executive Team (SET) and Board regularly review our sustainability work as part of their business review activities.

How we govern sustainability

Our well-established robust governance model helps us deliver, monitor and report progress on the framework across the business. In early 2016, we recruited a new Sustainability Director to lead the transformation of our sustainability approach across the company. We have also repositioned the sustainability function within Global Compliance.

Sustainability framework

A sustainability framework is embedded in the way we operate:



Sustainability at AstraZeneca
Goals for securing our future

Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Managing risk

We strive to embed sound risk management in our strategy, planning, budgeting and performance management processes. We have an established risk management framework which sets out roles, responsibilities and methodology for managing risk across all areas of our business.

Members of the Board are experienced senior leaders who are adept at risk management for their specific functional areas. The Board defines the Group's risk appetite using three key dimensions: earnings and cash flow; return on investment; and ethics and reputation. Our risk management approach feeds into our strategy and business planning processes.

Line managers are accountable for identifying and managing risks and for delivering business objectives in accordance with the Group's risk appetite. The SET is required by the Board to oversee and monitor the effectiveness of our risk management processes.

Within each SET function, leadership teams discuss the risks their business faces. Annually, we map these risks to AstraZeneca's risk taxonomy. This provides a Group-wide assessment for Board, Audit Committee and SET. Changes to these risks, new and emerging risks and mitigation plans are assessed quarterly within each SET function and presented to Board, Audit Committee and SET in a Group Risk Report. A Group-wide risk network includes representatives from every material part of the business to aid communication and collation of this information.

For full details of the risks and uncertainties that we consider material to our business in that they may have a significant effect on our financial condition, results of operations and/or reputation, please see page 20 and page 214 of our [2016 Annual Report](#).

Incorporating external perspectives

Our SAB provides the expertise, challenge and insight we need to deliver our sustainability strategy and respond to changing developments.

The purpose of the SAB is to:

- > Provide feedback, constructive challenges and advice on the full range of issues relevant to AstraZeneca's sustainability agenda
- > Provide an external perspective on our sustainability plans and targets, helping to improve and evolve our long-term sustainability strategy
- > Forecast trends, emerging issues, challenges and opportunities in national and global contexts, and provide guidance on how to respond to them
- > Help AstraZeneca to develop and maintain links with external industry experts.

The SAB includes five world-class thought leaders in their fields, including several who have been instrumental in integrating positive sustainability practices in large organisations.

Current external members are:

- > Pankaj Bhatia: Deputy Director, World Resources Institute
- > Polly Courtice: Director of the University of Cambridge Institute for Sustainability Leadership
- > José Lopez: Former Executive Vice President of Operations, Nestlé SA
- > Mary-Jane Morifi: Global Capital Campaign Lead, Nelson Mandela Children's Hospital Trust
- > Jorgen Randers: Professor Emeritus, BI Norwegian Business School.

The Board met twice in 2016 to help inform the development of our new sustainability strategy and endorse our approach, priorities and overall framework. At the first meeting, in January 2016, members helped to challenge and validate the first phase of our materiality assessment, shaping the resulting priority focus areas of our strategy and discussing implementation.

At the second meeting, in September 2016, members reviewed the completion of the materiality assessment. They also reviewed the draft strategy to inform its development.

The main focus of the SAB in 2017 will be on helping to drive delivery of our new strategy, especially by contributing guidance on integration into functional business plans and activities, incorporation into leadership development and how to further productively engage stakeholders.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Sustainability foundations

We are dedicated to creating an inclusive, open and trusting organisation that embraces the skills, knowledge and unique abilities of our employees. Our global workforce includes 59,700 employees in over 100 countries who interact with thousands of suppliers and partners all over the world.

We use these interactions as an opportunity to influence, learn from others and share our policies – ensuring the organisations we work with share our Values. Our Sustainability foundations reflect our abiding commitment to people: our staff, patients, suppliers and wider stakeholders.



Great place to work

To stay at the cutting edge of scientific innovation, we seek to harness the diverse perspectives, talents and ideas of our employees.

43.2%

of employees at Career Level F (our six highest bands) or above are women



Workplace health and safety

We aim to have a safe and healthy work environment for our employees and we have set ambitious targets for 2016 to 2025 to drive continuous improvement.

1.45

injuries per million hours worked, down from 1.73 in 2015

3.62

collisions per million kilometres driven, down from 4.13 in 2015



Community investment

Wherever we work in the world, we aim to make a positive impact on our local communities.

+1.6 million

young people reached through the Young Health Programme

\$501 million

community investment to support healthcare and further science education and skills development

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Human and employee rights

Human rights is a central foundation of the way we work. It is an area in which we can use our relationships to positively influence our suppliers and partners so that they reflect and help us deliver our human rights commitments.

We are committed to respecting and promoting international human rights – not only in our own operations but across our wider spheres of influence, including our supply chain. To that end, we integrate human rights considerations into our policies, processes and practices. We are committed to ensuring there is no modern slavery or human trafficking in our supply chains or any part of our business. We will publish our full statement under Section 54 of the UK Modern Slavery Act on our website in 2017.

AstraZeneca supports the principles set out in the UN Universal Declaration of Human Rights and our policies detail our high standards of employment practice. These include respecting diversity and, as a minimum, complying with national legal requirements regarding wages and working hours. We also support the ILO standards on child labour and minimum age, and we are members of the United Nations Global Compact.

In 2016, we began conducting our third (bi-annual) human rights labour review in all countries where we have an employee presence. The survey was conducted across 106 countries and included five sections with 34 related questions. The review focused on ILO core themes including: freedom of association and collective bargaining; child labour; discrimination; working hours and wages (including questions on the Living Wage). The overall results of the survey show 100% legal compliance on employment-related matters and only two areas where a gap in meeting ILO minimum standards was identified. We are developing plans to address these gaps, which require four countries to introduce a formal grievance procedure and seven countries to increase maternity leave to the minimum 14 week ILO standard.

Living Wage

We have assessed Living Wage progress, both internally and globally, and we are satisfied that we meet or beat any government or locally recognised bodies' definition of a Living Wage. In the survey mentioned above, 84% of countries stated that there is a locally recognised definition of a 'Living Wage' and, in all instances, they had adopted or bettered the stated rate. This rate is also paid to third-party providers. We carried out our own independent external review in 2016 to assess developments in this area to inform our global approach. In 2016, we achieved Living Wage Foundation accreditation in the UK. Since then, we have been monitoring the impact on our cost base and will use our evaluation to develop our global position.

Promoting the rights of employees

We seek to follow a global approach to employee relations guided by global employment principles and standards, local laws and good practice. We work to develop and maintain good relations with local workforces and work closely with recognised national trade unions. We also regularly consult with employee representatives or, where applicable, trade unions, who share our aim of retaining key skills and mitigating job losses.

Labour rights assessments are an integral part of our Third Party Risk Management approach. We use both external intelligence, relating to geography-related labour rights risks and our own knowledge to ensure we focus on those areas of our supply chain facing the greatest risk.

Our recent global labour rights survey found:

- > 100% positive response to the question 'Does the company respect the right of its workers to join and form trade unions and to bargain collectively?'
- > 58% of countries have a relationship with trade unions and 98% of these have collective bargaining arrangements
- > Where trade unions do not have a presence, 99% of countries have established arrangements to inform, communicate and consult employees on a wide range of business matters that may have an impact on employment.

Modern slavery

The Modern Slavery Act came into force in the UK in April 2016 and supports those subjected to human trafficking and slavery. We are committed to ensuring that we identify and eliminate to the fullest extent practicable modern slavery or human trafficking risks in our supply chains and in any part of our business. Our standards comply with all national and international laws, regulations and codes for preventing trafficking and slavery in our own business operations. Furthermore, we require our contracting partners and those companies within our supply chain to do the same, as set out in our Global Standard Expectations of Third Parties. In 2017, we intend to release a public statement covering the 2016 financial year which outlines our approach to preventing modern slavery from occurring within our business and our supply chains.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Diversity and inclusion

To stay at the cutting edge of scientific innovation, we seek to harness diverse perspectives, talents and ideas and ensure our employees reflect the diversity of the communities in which we operate. We are committed to promoting and maintaining a culture of respect and equal opportunity. In 2016, we implemented a new talent management and succession planning process. It focuses on identifying, sourcing and accelerating the development of our highest potential talent to ensure we have credible successors to drive our future business growth.

Our policies and procedures are designed to help protect against discrimination on any grounds, including disability. These cover recruitment and selection, performance management, career development and promotion, transfer, training, retraining (including retraining, if needed, for people who have become disabled) and reward.

Gender diversity

We continue to focus on diversity and inclusion with a goal to increase the presence of women on our leadership teams. In 2016, we piloted a European Women as Leaders programme to support the accelerated development of high-potential women in AstraZeneca. We will roll out this programme globally in 2017.

At the end of 2016, women made up 49.9% of our global workforce. There were three women on our Board (30%). Below Board level, the representation of women in senior roles (roles at Career Level F or above, which constitute the six highest bands of our employee population) increased to 43.2% in 2016, exceeding our target of 42.5%.

Gender diversity at AstraZeneca % of women

Board of Directors of the company

2015	33%
2016	30%

SET

2015	31%
2016	33%

Directors of the company's subsidiaries

2015	27.9%
2016	27.9%

AstraZeneca employees

2015	49.8%
2016	49.9%

Geographical diversity

To ensure our senior leadership reflects our diverse geographic footprint, we track the country of origin of senior leaders and reflect this in our diversity targets. In 2016, 14.5% of leadership roles that report to the SET have a country of origin that is an Emerging Market or Japan (an increase from 5% in 2012).



Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Workplace health and safety

We believe that a safe and healthy work environment is a fundamental right of our employees and suppliers. We have set ambitious targets around workplace injuries, driver safety and promoting good health within our workplaces.

We have worked hard to create a culture of safety, health and wellbeing in our sites all over the world and have achieved considerable success. In 2016, we were recognised in the Dow Jones Sustainability Index (DJSI) when we achieved the Pharmaceuticals, Biotechnology & Life Sciences sector best score for occupational health and safety.

We made good progress against our new strategic targets in 2016, achieving a 16% reduction in the reportable injury rate and a 12% reduction in the vehicle collision rate from the 2015 baseline.

Building on our previous success in establishing a culture of health and wellbeing, we are developing a health and wellbeing framework that is based on the World Health Organization’s Healthy Workplace Model. It will give sites and AstraZeneca marketing companies a blueprint for continuous improvement in health promotion. The framework will allow all sites and AstraZeneca marketing companies the flexibility to develop towards our 2025 goal through three levels of maturity. In 2017, we will conduct a global assessment of health and wellbeing maturity against the framework.

What we achieved

2025 commitment	2015 baseline	2016 target	2016 actual
75% reduction in total injury rate by 2025 from 2015 baseline (Reportable injuries per million hours worked)	1.73	1.64	1.45
55% reduction in collisions per million kilometres driven by 2025	4.13	4.00	3.62
80% of sites/marketing companies actively promote all four Essential Health Activities ⁷ by 2025	63%	Develop a health and wellbeing framework for launch in 2017	Framework development on track for 2017 launch

Promoting healthy lifestyles through the Global Corporate Challenge™

In 2016, AstraZeneca participated in the Global Corporate Challenge™ for the ninth successive year. In addition to a pedometer challenge, the programme included nutrition and weight loss advice and a tracker, heart health assessment, a sleep health module and a mental wellbeing module. 2,429 AstraZeneca employees in 347 teams took part from 28 countries and achieved a daily average of 13,204 steps. Together they clocked up 1,110,154 miles, equivalent to walking 44.85 times round the world. In the process, they burnt off the equivalent of 448,792 slices of cake! Teams from Kazakhstan swept the board taking the top three places.



Reportable injuries

In 2016, a total of 177 reportable injuries occurred including 127 lost time injuries. Vehicle accidents and ‘slips and falls’ were the two main accident categories, together accounting for 65% of all reportable injuries. In addition, 28 occupational illnesses were reported, including 21 lost time cases. Musculoskeletal disorders and work-related stress were the two main categories of occupational illness. Approximately 3,381 working days were lost due to work-related injuries and illnesses in 2016, down 27% on the previous year.

Year	Reportable injury rate per million hours worked	Target
2016	1.45	1.64
2015	1.73	-
2014	1.93	-

Note: This is a new injury metric for our 2016–2025 strategy. There is no target set for 2014–2015 as these years focused on lost time injury/illness rate only.

⁷Healthy eating and drinking, tobacco cessation, physical fitness, workplace pressure management.

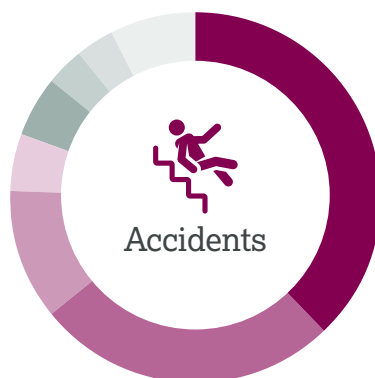
Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Accident categories in 2016
Reportable injuries by category



- Vehicle 67
- Slips, trips and falls 47
- Injured while handling, lifting or carrying 20
- Hit by moving, flying or falling object 9
- Fall from height 9
- Cut 6
- Hit something fixed or stationary 6
- Other 13

In 2016, we carried out a number of activities and initiatives focused on delivery of improvements in key areas of concern, including driver safety, fall prevention, behavioural Safety, Health and Environment (SHE), risk management, industrial hygiene and stress management. We also continued to focus on learning from incidents, using a dedicated website to communicate relevant learning from workplace incidents and how they can be prevented in the future. This website is available to all staff to help improve their safety knowledge.

Driver safety

Driving is our highest risk area for serious injury and fatality. This is why improving driver safety is our highest priority, particularly among our sales force, which is the largest group of employees that drives on AstraZeneca business.

Our focus is on promoting driver safety through awareness and training programmes among our sales force. This includes all employees in the sales force who drive on AstraZeneca business including contractors on temporary contracts who drive our vehicles, but it does not cover third-party suppliers. We monitor performance centrally to assess progress and identify areas for attention.

In 2016, we set ourselves new targets for reducing collisions per million kilometres driven. Having reduced collisions by 55% over the previous seven years, our new target is for a 55% reduction from the 2015 baseline by 2025. We surpassed our 2016 annual target achieving a 12% reduction in collision rate against baseline, with all regions showing improvement. The reduction in collisions was also reflected in the rate of vehicle accidents with reportable injury per million business kilometres driven, which improved by 25% in 2016.

Following the death of an employee while driving in 2015 and the subsequent investigation, we held training workshops in early 2016 for all employees who drive for work in the International sales region. The campaign was championed by senior commercial leadership and focused on time pressure, distracted driving and fatigue. We also reviewed our global procedure on the use of electronic devices while driving and rolled out a campaign to ensure all employees are aware of our policy and the reasons behind it. Over the last four years there have been two driving fatalities, one in 2014 and one in 2015. There were no driving fatalities in 2016.

Improving the safety of female employees in India



Our SHE and administration team in India was awarded an AstraZeneca SHE Excellence Award in 2016 for the delivery of a campaign to improve the safety of women in the field sales workforce. As well as being the right thing to do, ensuring a safe work environment for women was seen as important for the recruitment and retention of female employees. Projects over the year included personal safety basics with guidance on travel, hotel stays, parking and safe walking, all aimed at raising the level of safety consciousness in female employees. Special arrangements were made for late working, transport provision and vehicle breakdown, and a list of recommended hotels based on safety criteria was established. In addition, a committee was set up to provide female employees with a forum to resolve issues of sexual harassment headed by an independent advocate.

Awarding-winning campaigns and employee engagement



Our global and regional driver safety leads were awarded an AstraZeneca SHE Excellence Award in 2016 for their outstanding driver safety campaigns. The ‘Spotlight on Safety’ campaign was focused on the International sales area, covering more than 15,000 employees, and launched with senior commercial leadership championing the campaign. The Executive Vice-President for the area took part in one of the workshops in Singapore. AstraZeneca internal engagement was high throughout the #SpotlightonSafety campaign. The ‘Distracted Driving’ campaign was focused on all commercial markets and included a pledge not to use a mobile phone while driving. Both campaigns within the sales force had a measured impact on the driving safety of employees, with a 12% reduction in the collision rate and a 22% reduction in the vehicle injury rate compared to the previous year. Feedback from employees was very positive.

“This workshop made me think about my attitude while driving and how important it is to be careful, it’s for my family.” (Philippines)

“At the end of the session, so many positive responses from people participating and how this session will help to remind them to stay safe on the road.” (Indonesia)

Year	Collisions per million km	
	Target (not to exceed)	Actual
2016	4.00	3.62
2015	5.60	4.13
2014	6.10	4.66

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Talent management

To underpin our sustainable business growth, we need to attract the best people in our industry. We aim to identify individuals with the required capabilities to achieve our priorities and we work collectively to purposely accelerate their development.

At AstraZeneca, we strive to create and maintain a culture of excellence and ambition. Our people are committed to developing products that will improve the lives of patients all over the world. We communicate our strategies widely to ensure all staff understand our shared goals and help us work towards achieving them.

Our ambition is to create a culture of high performance, from our leaders and scientists to facilities staff and our sales force. Once an employee arrives at AstraZeneca, we invest in their ongoing professional development and training to ensure they have a clear career path that inspires them to work towards their own and our shared goals. Within this, we also work to identify those individuals with the potential to one day lead AstraZeneca.

Developing talent

Good leadership is critical for achieving high levels of performance and engagement. We strive to attract talent by offering rewarding careers that connect the potential of our people with the capabilities required by our business. We are focusing on ensuring development opportunities are available to all employees, alongside our investment in our highest potential talent.

In 2016, we launched our new Hi-Potential Strategy. It recognises the unique contributions of individuals with particular skills and capabilities against newly defined business-critical roles to help us achieve both our short and our long-term aims. The new programme puts the primary emphasis on identifying credible successors and looks at those who are 'Ready Now'. This means identifying employees who demonstrate great potential and who, with the right support, training and development, will be ready to take on one of those critical roles in anything up to five years.

We encourage employees to take ownership of their own development and encourage leaders to spend time supporting their employees' development. To support this, in 2016 we implemented a global platform to increase the visibility and accessibility of job opportunities.

We are continuing to develop high-quality leaders. In 2016, 15% of the approximately 130 people in leadership roles that report to our SET were either promoted into the leadership population or moved roles within the leadership population.

In 2016, we also piloted a new best-practice technology-enabled leadership experience, rooted in social learning, with 180 supply and manufacturing leaders based in West Chester and Mount Vernon in the US and Vorsino in Russia. As a result of the success of these pilots, over 700 senior leaders across the organisation had enrolled on the programme by the end of the year. This experience can be accessed on any device at any time, with the goal of implementing global technology-enabled development programmes in 2017.

Employee engagement

Employee opinion surveys help us measure employee satisfaction and engagement and how we are doing in our aim of being a great place to work. Our most recent survey, carried out in December 2016, showed a decline compared to the survey at the start of the year in scores for all 10 items common to both surveys. Although this might not be unexpected given the action we are taking to re-shape our business to improve long-term competitiveness, we are continuing to focus on improving areas identified in our surveys as being important drivers of employee engagement. For example, we are driving our agenda around people development, encouraging improved dialogue between colleagues and their line managers on development. We have also continued our efforts to simplify the work environment for colleagues, whether this be through simplifying business processes or improving the IT tools we use in the workplace.

Managing change

In 2013, we announced plans to invest in three strategic R&D centres. This affected employees in the US and the UK. We encouraged and supported employees to relocate and have made good progress.

One of the programmes that is key to reinventing our company is our new R&D centre in Cambridge. As of 31 December 2016, 2,000 employees were working in Cambridge and, of these, 500 had relocated from other sites in the UK. In addition to the 750 employees hired in 2015 and 2016, we expect to hire a further approximately 350 employees in Cambridge in 2017. We have created a Cambridge Campus of eight interim sites in and around Cambridge where staff will be located until we are ready to move to the final site.

With our new facility taking shape, we begin the staged occupation of our new state-of-the-art building in 2018. For employees who do not accept offers to relocate to Cambridge, we provide career support, outplacement support and competitive severance packages.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Community investment

Wherever we work in the world, we aim to make a positive impact on our local communities. Our global workforce has the potential to be a force for good and we support our employees to take up volunteering opportunities that benefit local, national and global projects. We also focus on leveraging our contribution in areas affected by disasters through the provision of medical products and other support.

We target our global community investment towards promoting healthcare in the community and supporting science-based education and careers. The main focus of our community investment strategy is our [YHP](#), which addresses NCD prevention. We also coordinate patient assistance programmes and support for global disaster relief.

Currently, our global approach to community investment is outlined in and governed by our [Community Investment Contributions Standard](#) which allows our country operations to develop local strategies and tailor activities based on local need. The [Standard](#) provides guidance for community investment and helps us to ensure a consistent, transparent and ethical approach around the world. It also provides guidance on how to define which contributions may be classified as community investment.

In 2016, we spent a total of approximately \$501 million (2015: approximately \$680 million) on community investment, sponsorships, partnerships and charitable donations worldwide, including our product donation and patient assistance programmes, which make our medicines available free of charge or at reduced prices.

AstraZeneca provided more than \$466 million in savings to almost 200,000 patients in the United States and Puerto Rico through our AZ&Me Prescription Savings Program in 2016. Additionally, we donated over \$20 million in products across multiple therapeutic areas to our NGO partners Américas and Direct Relief International in support of public health needs and disaster relief.

Benefits of our community investment activities include:

- > Disease prevention programming
- > Access to affordable medicines
- > Education and empowerment to improve health
- > Investment in future scientists
- > Improved understanding of risk factors in adolescents from research
- > Engagement of local communities
- > Emergency relief through drug and medical assistance.

Young Health Programme

The Young Health Programme (YHP) is an NCD prevention programme developed in partnership with Johns Hopkins Bloomberg School of Public Health and Plan International. It aims to reduce the uptake of unhealthy behaviours in young people.

Today, more people die or become ill from NCDs than from communicable diseases. Conditions like hypertension, diabetes, lung cancer and chronic respiratory disease devastate lives, place a significant burden on global health systems and threaten the productivity of nations.

NCDs are often causally linked to risk behaviours such as tobacco use, physical inactivity, unhealthy diet and the harmful use of alcohol. These are behaviours we learn, often in adolescence. They are heavily influenced by our culture, our geography and our socio-economic conditions. Once they are learned, they become difficult habits to break.

We aim to improve health outcomes for young people and reduce the burden of NCDs on healthcare systems by investing in disease prevention, specifically on addressing the risk factors that are precursors to the most common NCDs with a unique focus on adolescents aged 10 to 19. We deliver this programme through a three-pillared approach:

- > On-the-ground programming
- > Investment in research and evidence generation to address gaps in knowledge
- > Investment and active engagement in advocacy for the inclusion of adolescents in the global and local dialogue on NCD prevention.

We have reached 1.6 million young people with important information about healthy lifestyles through the YHP since it launched in 2010. We work with over 30 partner organisations across five continents, combining on-the-ground programmes with research and advocacy to target the four most prevalent risk factors for NCDs: tobacco use, alcohol abuse, lack of exercise and unhealthy diet. In Kenya and India, we also look at sexual and reproductive health as an additional risk factor based on a recognition that these behaviours are inextricably connected to the others and greatly influence health choices that are made and the ability for youth to participate in positive health creating behaviours.



We are proud co-founders of the Young Health Programme with AstraZeneca. Disease prevention programmes that are focused on youth contribute to addressing a serious global health issue. They help empower youth with the knowledge and the confidence to make informed choices about their health, leading to healthier societies and stronger nations in the future.”

**Tanya Barron, OBE, CEO,
Plan International UK**

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

YHP on the ground

With our partners, we have reached over 40,000 young people to share health information with their peers and the community, and trained more than 12,600 frontline health providers since 2010.

In 2016, we introduced the programme to Kenya, renewed the programme in Canada, Germany and China and extended the India programme to 2020.

YHP research and evidence generation

Through YHP, we fund research and evidence needed to prioritise policies and services for adolescent health and NCD prevention. Targeted activities connected with this pillar of the programme include:

- > A global study on the Well-being of Adolescents in Vulnerable Environments (WAVE), undertaken by Johns Hopkins Bloomberg School of Public Health, which enables better understanding of the impact of both the physical and social environment on adolescent health (2014)
- > Two in-depth reviews of the prevalence of NCD risk behaviours among adolescents across Africa and Asia, published by the Population Reference Bureau in April 2015 and March 2016 respectively. The research is accompanied by detailed data sheets and policy briefs outlining the potential implications for each continent and recommended policy and programmatic interventions to address these trends
- > Support for an Adolescent Risk Factor Surveillance study in eight African countries where up-to-date data on adolescent health behaviours and protective factors is not available
- > A modelling analysis of risk factors among adolescents and potential impact on future NCD development and mortality undertaken by Imperial College London and due for publication in late 2017.

Young Health Programme Kenya

In 2016, we launched YHP in Nairobi, Kenya where there is a 27% prevalence of NCD-caused deaths. Using the experience gained from India and Brazil, Kenya is implementing programme strategies that include youth empowerment through peer education, community mobilisation, health service strengthening and local advocacy.

Kenya is also adapting its own brand of support for young people, which includes creating a supportive environment for young people within the targeted communities. This environment allows young people to take action on their new behaviours through reducing social stigma and empowering youth.

The overall objective of the programme is to contribute to improved health and gender equality of girls and boys between 10 and 24 years of age; specifically, by ensuring that adolescent girls and boys are practising fewer risk behaviours due to an increased capacity to make informed choices and to protect their health, now and in the future.

During this first year, the YHP team laid the foundations for success through engagement with community leaders, school teachers and administrators, religious leaders, young people, sub-county administrators, gate-keepers, caregivers, local Community Based Organisations, local NGOs and health services providers. They conducted a baseline study to identify the prevalence of risk behaviours that will inform their work moving forward.

Elsewhere in year one, the YHP Kenya team selected eight villages in Kibera to work in and selected and trained 40 Peer Educators to conduct outreach in their local communities. They also conducted training for health centre workers, engaged teachers in the YHP mandate and held meetings with government representatives. Additionally, 14 schools have launched health clubs through which programming will be provided.



Young Health Programme China: Volunteerism at work

AstraZeneca employee volunteers are at the heart of the YHP in China. The programme aims to educate children in vulnerable communities about air pollution, water pollution and safety. It is delivered through a curriculum that has been developed in partnership with NGO partner Horizon Corporate Volunteer Consultancy.

In 2016, 309 employees spent almost 1,000 hours at schools, sharing the curriculum and providing training and support services. Since its launch in 2013, nearly 6,000 children in 25 cities have received curriculum training from over 1,200 Chinese employees. Feedback from school surveys shows that 90% of participants have increased knowledge on health issues related to pollution.

This success has resulted in an expansion of scope for YHP China. In 2016, YHP China entered into a collaboration with NGO partner the Chinese People's Association for Friendship with Foreign Countries to provide essential training for school doctors in rural areas to support children's physical and mental health development. In 2016, AstraZeneca China received the silver award in the Third Chinese Youth Volunteer Service Project Competition, which is one of the most authoritative volunteer awards in China.



Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

YHP advocacy

The YHP funds and champions global and local advocacy to put the prevention of adolescent NCD-related risk behaviours on the global and local policy agenda.

Funding provided through YHP facilitated the following activities:

- > The delivery of four advocacy workshops by NCD Child in Peru, India, Kenya and Canada to engage and teach clinicians, community service organisations and academics about youth advocacy
- > The delivery of advocacy workshops by the Public Health Institute's Rise Up Initiative that led to the development of the Coalition of Youth Advocates (COYA) in Kenya, a network of organisations calling for new solutions and financial support to raise the need for NCD prevention programmes focused on youth
- > Ongoing collaboration with NCD Child to ensure NCDs and adolescents are included in post-2015 health, development and NCD plans, including side meetings to World Health Assembly Geneva 2016 and UN General Assembly New York 2016
- > Represented by the YHP Advocacy manager from Plan International, YHP was a participant in the Global Co-ordination Mechanism on NCDs in New York
- > Collaboration with UNICEF throughout 2016, to progress the new NCD-focused chapter in the UN 'Facts for Life' publication, which is awaiting UN agency approvals. YHP representatives participated in UNICEF technical review meetings, and young people and NGO staff from YHP programmes in Brazil, India, Portugal and Romania participated in the UNICEF youth consultation on the chapter content.

Looking ahead to 2017

Over the coming year, we will extend YHP by re-launching the programme in Brazil and developing programme proposals for Australia, Serbia, the US and Portugal. As with other local programmes, these will focus on NCD prevention priorities that are relevant to each local market and will be delivered in partnership with local NGOs.

In 2017, we will continue to fund Rise Up, which will in turn support COYA and the projects their coalition members are delivering. Through this advocacy effort, YHP funding facilitates the delivery of workshops, advisory services and a conference that focuses on NCD prevention.

YHP will continue to provide core funding for NCD Child, through their secretariat the American Academy of Pediatrics, to deliver their agenda to advocate for NCD prevention and to raise the profile and voice of youth in global discussions.

Imperial College London will complete its young health research in 2017 with publication due in early 2018. We will also fund research into risk factors in the Middle East and Africa through the Population Reference Bureau and work with the International School Health Network to deliver a report on the use of schools as a conduit for delivering health promotion and disease prevention programming.

In 2017, we will conduct an evaluation of YHP to better understand the impact of our programmes at the local and global level and to better understand the value created for communities and governments.

Working with our NGO partners, we will continue to advocate for the inclusion of adolescents in the global dialogue on NCDs, which includes YHP's continued presence as a member of the Global Coordinating Mechanism on NCDs.

You can find stories of the young people helped by the programme at www.yhpvoices.com and further information at www.younghealthprogrammeyhp.com.

Investing in the next generation of scientists

Our company is built on the scientific talent and expertise of its people and we depend on a strong talent pipeline to meet our future needs. For this reason, we support STEM education. In 2014, we signed a three-year agreement with Career Ready, a UK youth employment charity, to encourage more young people in the UK to study STEM subjects and to pursue STEM-related careers. We extended this partnership to 2017 and expanded into Scotland in 2016 with the addition of 21 schools and reaching an additional 120 students.

In 2016, we:

- > Provided STEM career academies to 885 students, 43% of whom are female
- > Offered nine internships at sites in Alderley Park and Macclesfield lasting four to six weeks
- > Awarded the AstraZeneca STEM Student of the Year awards to eight students, five of whom were girls
- > Supported 14 STEM students on internships in small to medium sized enterprises.

The success of the AstraZeneca relationship and growth in STEM activities has enabled Career Ready to engage more effectively with other STEM employers to secure additional funding for programming, internships and bursaries. Included is the development of the Think Build project to attract engineers with more than £100,000 in funding secured, and new schools and colleges engaged in multiple cities across the UK. Additionally, the Health Education England project delivered over 70 paid internships in summer 2016 in Yorkshire, Humberside, the North West and Kent, Surrey and Sussex.

By supporting STEM education, we are investing in a healthy pipeline of future talent and helping to ensure the ongoing success of research at AstraZeneca.

Disaster relief

The British Red Cross is our global disaster relief partner and it is through this partnership that we channel the bulk of our disaster relief donations. The disaster relief strand of our community investment work enables us to respond when and where emergency medical need is greatest.

In July 2016, we donated \$200,000 via the British Red Cross to the Kuala Lumpur Emergency Response Unit, bringing our total donation to this Unit to \$400,000 over two years. In October 2016, we provided a further \$25,000 to replenish stocks of hygiene kits at the British Red Cross/Crescent Panama Warehouse following Hurricane Matthew.

Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Product donations

As part of our commitment to healthcare and our desire to be a responsible business, we support product donations for humanitarian or public health needs. The framework for making product donations is outlined in our [Global Guidance on Product Donations](#) which in turn is supported by our [Community Investment Contributions Standard](#).

In the main, product donations are made for use within the country making the donation. As a result, the governance and accountability for such schemes sits within the country of donation and usually is given in the case of a national emergency, international disaster relief or other genuine public health need. In some circumstances, we may make other donations across country borders, which would be classified as an international product donation programme.

Product donations for humanitarian or disaster relief purposes can only be made through established product donation partners. For international product donations, our processes are aligned with the [World Health Organization Guideline for Medicine Donations](#) with regard to the selection, quality assurance, presentation, packing and labelling, and the management of appropriate distribution of donated medicines.

All product donations must be recorded into the Global Community Investment Database.

In 2016, we donated medicines worth \$20 million (US Wholesale Acquisition Cost Value) in response to disasters and humanitarian needs all over the world and across all AstraZeneca therapy areas: cardiovascular disease and diabetes, oncology, infection, respiratory and inflammation, neuroscience and gastrointestinal medicines. These donations are in addition to the \$466 million worth of products we release at discounted prices through our affordability programme, AZ&Me.

The majority of donations we made were in response to local relief or appeals from our US-based partners, AmeriCares and Direct Relief International. To a lesser extent, we worked with Health Partners International of Canada (HPIC) to provide medicines for their Humanitarian Mission Packs and to respond to special requests connected to humanitarian mission work. We also worked with agencies in China and The Philippines to respond to natural disasters in those regions.

In 2016, our work with the AmeriCares US Medical Assistance Program allowed for AstraZeneca products to be distributed to 212 clinics in 42 states. Through HPIC, we provided additional medicines to replenish stock following Hurricane Matthew and to support ongoing relief efforts in Haiti. Through HPIC, we also responded to requests from physicians who volunteered their time to deliver healthcare services and provide training for local healthcare providers in countries around the world. Examples of this work include:

- > A donation of meropenem (Merrem®) for a paediatrician working with Angkor Hospital for Children in Siem Reap, Cambodia for use in a Sepsis Program for children arriving in medical distress
- > A donation of ropivacaine (Naropin®), lidocaine (Xylocaine®), bupivacaine (Sensorcaine®) and propofol (Diprivan®) to support a team of orthopaedic surgeons, anaesthesiologists, nurses and support staff travelling on a medical mission to Cuenca, Ecuador to provide free total hip replacements for patients unable to afford surgery who are unable to work or care for their families due to their condition
- > A donation of propofol (Diprivan®) and lidocaine (Xylocaine®) to support a team of plastic surgeons, anaesthetists and nurses from the Canada Ukraine Foundation working at the Kiev Central Hospital to conduct reconstructive surgeries (maxillofacial, hand, skin grafting, nerve repair), promote education, and share strategies and expertise.

In addition to our donations in response to disasters and public health needs, we also entered our 9th year in our partnership with AmeriCares on a target initiative in Cambodia at the Sihanouk Hospital Center of HOPE. The initiative focuses on early detection of breast cancer through patient, provider and peer education as well as treatment and management of disease post diagnosis.

In 2017, we will conduct a review of our product donation programme with an aim to identify a new structured programme that we can support through a combination of financial and product donations.



Sustainability at AstraZeneca
Goals for securing our future
Accountable and inclusive governance

About us
Benchmarking and recognition
Sustainability foundations

Our sustainability strategy
Materiality

Our global contribution
Stakeholder engagement

Employee giving and volunteering

AstraZeneca recognises the giving and volunteer efforts of its employees and provides support for these activities in alignment with our Global Procedure and Guidance on Community Investment. Local programmes vary from market to market to reflect local needs and resourcing. Volunteering time allowances vary and can range from between one to five days annually per employee for volunteer work done during work hours. Some local markets have programmes to recognise and reward volunteer work that occurs outside of work time. Here are a few of the different ways employees around the world get involved in their communities.

In April 2016, AstraZeneca US launched the Power of Us, a brand-new employee giving programme that enables all US-based employees to give back through time, talent and/or financial resources. AstraZeneca US will match 100% of employee donations to eligible charities up to \$2,500 per year, capped at \$1 million for the US operating company each year. So far, AstraZeneca's US employees have contributed 20,000 hours of volunteer service and donated more than \$1.8 million to non-profit organisations across the country through the Power of Us.

In AstraZeneca UK's North West Region, employees have revitalised their volunteering with iVolunteer, a platform that makes it easy for employees to find opportunities that are right for them. There are many different opportunities for both teams and individuals to get involved with in their local community. In 2016, employees spent more than 1,000 days volunteering. This platform has been so successful there are plans for its expansion into Cambridge, AstraZeneca's new head office community, in 2017.

Mentoring to make a difference

AstraZeneca supports Mentor Sweden in its work to use mentoring to give young people self-esteem and thus make positive decisions. This is achieved through individual mentor programmes, short-term programmes in groups and inspirational activities. AstraZeneca employees can get involved in different ways.

Cecilia is a process engineer at AstraZeneca who was paired with a teenager named Evin.

Evin says: "Cecilia has helped me to find my way. Not only when it comes to which high school programmes I should choose or what summer jobs I should apply for, but she has also encouraged me to try new things."

Despite the gap in age and experience, the pair have discovered that they are often thinking about the same things but from slightly different perspectives. Cecilia says: "As I've spent time with Evin, she has become more courageous, both in terms of things she gets involved in and the things she dares to discuss and tell me. Now she can travel in the subway and she says what she thinks and wants."

Even though the official year is over, Cecilia and Evin are still in touch. Evin adds: "Cecilia is an adult that I can talk to and ask questions. I have been able to do things that I haven't done before and see things I haven't seen before."

