

Vote Bulletin – AstraZeneca PLC

Meeting Type – Annual

Meeting Date – 11 April 2024

Management Resolution

Item number	Item description	Management recommendation	SSGA vote
7	To approve the Directors' Remuneration Policy	FOR	FOR

Text of Proposal

To approve the Directors' Remuneration Policy, as set out on pages 127 to 138 of the Annual Report, in accordance with section 439A of the Companies Act 2006, to take effect from 11 April 2024.

Analysis

AstraZeneca PLC proposed to increase the maximum opportunity for the CEO under the annual bonus from 250 percent to 300 percent of base pay and under the long-term incentive plan from 650 percent to 850 percent of base pay. The company cited limited ability to compete for key roles, growth in size and complexity, global reach, strong performance and necessity for alignment with the 2030 strategy as key reasons behind proposed changes.

SSGA Policy

We consider it the board's responsibility to identify the appropriate level of executive compensation. There is an underlying philosophy that guides our analysis of executive compensation: we believe that there should be a direct relationship between executive compensation and company performance over the long term.

When assessing remuneration proposals, we consider factors such as adequate disclosure of various remuneration elements, absolute and relative pay levels, peer selection and benchmarking, the mix of long-term and short-term incentives, alignment of pay structures with shareholder interests, as well as with corporate strategy and performance.

SSGA Vote Rationale

Over the past few years, AstraZeneca has demonstrated strong performance and growth, in both absolute and relative terms. The business has also increased in complexity in this time. AstraZeneca has a significant global footprint. The company primarily competes with US-based pharmaceutical companies for talent with 40 percent of its workforce, including senior leaders, based in the US.

Although the proposed maximum opportunities are the highest in the FTSE 100 universe, and resulting quantum would position the company ahead of its European peers, AstraZeneca demonstrated during an engagement with SSGA that it is still below all of its US peers. The pay-for-performance culture is strong and the company is seeking to preserve performance-based pay, subject to stretching targets.

Finally, we recognize the Remuneration Committee's efforts to ensure constant and effective monitoring of pay levels and their adjustments when necessary. Over the years, the Committee has chosen to increase only at-risk pay, while keeping base salary increases aligned with those granted to the wider workforce.

SSGA Vote

For these reasons, SSGA voted FOR.

About State Street Global Advisors

For four decades, State Street Global Advisors has served the world's governments, institutions and financial advisors. With a rigorous, risk aware approach built on research, analysis and market-tested experience, we build from a breadth of index and active strategies to create cost-effective solutions. And, as pioneers in index, ETF, and ESG investing, we are always inventing new ways to invest. As a result, we have become the world's fourth largest asset manager* with US \$4.34 trillion[†] under our care.

*Pensions & Investments Research Center, as of 12/31/22.

[†]This figure is presented as of March 31, 2024 and includes ETF AUM of \$1,360.89 billion USD of which approximately \$65.87 billion USD is in gold assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated. Please note all AUM is unaudited.

Marketing Communication

Important Risk Information:

Global Entities Link

https://www.ssga.com/ae/en_gb/institutional/ic/footer/state-streetglobal-advisors-worldwide-entities

Because of their narrow focus, sector funds tend to be more volatile than funds that diversify across many sectors and companies.

The information provided does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. You should consult your tax and financial advisor.

The returns on a portfolio of securities which exclude companies that do not meet the portfolio's specified ESG criteria may trail the returns on a portfolio of securities which include such companies. A portfolio's ESG criteria may result in the portfolio investing in industry sectors or securities which underperform the market as a whole.

The trademarks and service marks referenced herein are the property of their respective owners. Third party data providers make no warranties or representations of any kind relating to the accuracy, completeness or timeliness of the data and have no liability for damages of any kind relating to the use of such data.

The information contained in this communication is not a research recommendation or 'investment research' and is classified as a 'Marketing Communication' in accordance with the applicable regional regulation. This means that this marketing communication (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research (b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This communication is directed at professional clients (this includes eligible counterparties as defined by the appropriate EU regulator) who are deemed both knowledgeable and experienced in matters relating to investments. The products and services to which this communication relates are only available to such persons and persons of any other description (including retail clients) should not rely on this communication.

Investing involves risk including the risk of loss of principal.

The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without SSGA's express written consent.

All information is from SSGA unless otherwise noted and has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. There is no representation or warranty as to the current accuracy, reliability or completeness of, nor liability for, decisions based on such information and it should not be relied on as such.

The views expressed in this material are the views of the Asset Stewardship Team through the period ended April 30, 2024 and are subject to change based on market and other conditions. This document contains certain statements that may be deemed forward looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected.

CORP-345

© 2024 State Street Corporation – All rights reserved. 6755151.1.1.GBL.RTL
Exp. Date: 9/30/2025