

# ASTRAZENECA GLOBAL POLICY

## PEOPLE

**THIS POLICY SETS OUT HOW WE WILL MEET OUR COMMITMENT TO PROMOTING AND MAINTAINING A CULTURE OF DIVERSITY AND EQUAL OPPORTUNITY, IN WHICH INDIVIDUAL SUCCESS DEPENDS SOLELY ON PERSONAL ABILITY AND CONTRIBUTION.**

**IT DESCRIBES THE PRINCIPLES OF OUR COMMITMENT AND PROVIDES A FRAMEWORK FOR DEVELOPING AND IMPLEMENTING THE PEOPLE PLANS NEEDED TO ENSURE WE DELIVER THESE PRINCIPLES CONSISTENTLY WORLDWIDE.**

### WHO IS THIS POLICY FOR?

**Everyone.** We all have a responsibility for behaving towards others with integrity, honesty, courtesy, consideration, respect and dignity.

**All managers** have responsibility for ensuring that the prescribed HR processes are followed and that people plans are in place in their areas.

**All Human Resources staff.**

**All relevant third parties.**

To give effect to this Policy, **all SET areas** are expected to follow any global standards and procedures or, provided they are consistent with this policy, their own local or functional standards and procedures.

### KEY POLICY PRINCIPLES

- > We must live up to our core values wherever AstraZeneca has a presence or impact.
- > We must promote and maintain a culture of diversity and equal opportunity where all decisions about recruitment, hiring, reward, development and promotion must be made solely on the basis of a person's ability, experience, behaviour, work performance and demonstrated potential in relation to the job.
- > We must ensure that we develop all the talent within our organisation and support all our staff in achieving their full potential.
- > We must comply with the legal requirements regarding wages and working hours in each country in which we operate.
- > We must only employ people who are authorised to work, as defined by the labour laws in each country in which we operate.
- > We work with trade unions in a number of countries where collective bargaining is customary practice within a country's legal framework and where employees may support it.
- > We must ensure that individuals are treated with respect, sensitivity, fairness and integrity at all times.
- > The Company supports the principles set out in the UN Universal Declaration of Human Rights and the International Labour Organisation's standards regarding child labour and minimum wage.

### ACCOUNTABILITIES AND RESPONSIBILITIES

Each SET/functional area must designate managers to develop, implement and assess applicable standards and procedures to cover the area of the Company for which they are responsible.

Managers who are responsible for the development of people plans must do so in line with the principles and guidance provided within this Policy.

All staff must contribute to maintaining an environment of mutual support and respect, in which any form of unprofessional conduct is unacceptable. You must report any inappropriate conduct directed towards you or others through the procedures outlined in the Code of Conduct.

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## FRAMEWORK FOR THE DEVELOPMENT OF PEOPLE PLANS

Managers with responsibility for the development of people plans within their areas must use the following framework. A functional people plan must include mechanisms to address the criteria listed in each section.

### SOURCING AND PEOPLE DEVELOPMENT

#### Sourcing and staffing

- > Sourcing and staffing of individuals must be an appropriate investment in the future that will bring immediate and long-term value to the business.
- > Talent must be reviewed against specific criteria established by management, aligned with local systems and procedures, and sourced both internally and externally casting the widest net possible to ensure compliance with diversity goals and, where applicable, legislation.

#### People development

- > Managers and their respective staff must share the responsibility for continuous development.
- > Mechanisms must exist to clarify the need for development, identify appropriate development opportunities and establish annual individual development goals with direct coaching and feedback for each employee.

#### Leadership development

- > Leaders must be developed who can achieve outstanding business results through an approach based on our Company's core values.
- > The following leadership capabilities must be embedded in our leadership model and expectations of our staff:
  - Demonstrated passion for customers;
  - Strategic thinking;
  - Decisive action;
  - Performance driven;
  - Collaborative work;
  - Ability to develop people and organisations;
  - Living up to our core values and ensuring they are translated into consistent actions worldwide.

#### International assignments

- > A valid business rationale must exist for an international assignment, costs must be acceptable, career management during the assignment must be consistent with personal development goals and the business need, and the contractual arrangements for the assignment must be centrally managed.

### PERFORMANCE MANAGEMENT

#### Optimise performance

- > Individual, departmental/functional and team objectives must be aligned with the business scorecard to assure line of sight and efficiency.
- > The responsibility for the performance management process must be placed on both individuals and their respective managers/project leaders.
- > Open and honest dialogue between individuals, managers and project leaders must be encouraged.
- > Staff must understand and experience the link between their performance and associated reward and recognition.
- > Compliance with the AstraZeneca Code of Conduct must be taken into account in performance evaluations.

#### Talent management

- > Key business critical roles and potential succession candidates must be identified annually.
- > An annual talent review must be conducted that identifies key talent and specific development needs.

### REMUNERATION

#### Remuneration design and success criteria

- > An employee's total remuneration package potentially consists of base salary, annual bonus, longer-term incentive, pension, risk benefits, other benefits and share participation.

#### The remuneration package must:

- > Be benchmarked against relevant national or professional markets.
- > Be effectively designed and managed on a national or market basis.
- > Have a variable, performance-related element.
- > Contain pension plans or other long term savings plans that are appropriate to our business and our staff.
- > Contain a degree of flexibility of choice for individuals.
- > Promote sustainable business performance and desired behaviour.
- > Be consistent with corporate governance, culture and other people policies and practices.
- > Compete effectively in relevant markets.
- > Balance the needs for global coherence and consistency with local business needs.

## **FRAMEWORK FOR THE DEVELOPMENT OF PEOPLE PLANS CONTINUED**

### **CULTURE OF MUTUAL RESPECT AND INCLUSION**

- > All line managers must implement measures to ensure that our values and Code of Conduct are the foundation of our employment relationships.
- > Any decision to employ, promote, demote or dismiss a member of staff, as well as to change the pay, benefits or other terms or conditions of employment, must be discussed and agreed upon by an individual who is at least one organisational level above the recommending manager.

### **GRIEVANCES AND COMPLAINTS**

- > A functional people plan must include mechanisms to address reporting grievances and complaints as specified in the AstraZeneca Code of Conduct.