

DIRECTORS' REMUNERATION REPORT



“Our role in the Remuneration Committee is to provide governance and strategic oversight of remuneration on behalf of

the Board. Our objective is to ensure that our compensation policies and practices support the generation of growth, and facilitate thereby the generation of value for shareholders. Meeting those objectives dominated our agenda during 2007. This included creating the appropriate compensation structures for the new MedImmune business.”

JOHN VARLEY
Chairman of the Remuneration Committee

At the request of the Remuneration Committee, the Chief Executive Officer and certain senior managers were invited to attend meetings of the Remuneration Committee throughout the year. Accordingly, the following attended meetings of the Remuneration Committee in 2007, except where their own remuneration was being discussed: David Brennan (Chief Executive Officer); Tony Bloxham (formerly Executive Vice-President, Human Resources) and, following his retirement, Lynn Tetrault (Executive Vice-President, Human Resources and Corporate Affairs); Peter Brown (formerly Vice-President, Global Compensation and Benefits) and, following his retirement, Simon Appleby (Vice President, Performance and Reward); and (prior to his becoming a Remuneration Committee member and when the business of the meeting was better served by his attendance) Louis Schweitzer. These individuals provided advice and services that materially assisted the Remuneration Committee during the year. In so doing, Mr Brown (and following his retirement, Mr Appleby) drew on various sources of data concerning directors' and executives' salaries, bonus levels and other incentives including general pharmaceutical industry reports and surveys, as well as surveys specifically carried out for the Company, such as those prepared by Towers Perrin.

During 2007, Carol Arrowsmith of Deloitte & Touche LLP (Deloitte) was appointed by the Remuneration Committee to provide it with independent advice on all matters being considered by it. Deloitte also provided taxation advice and other non-audit services to the Company.

REMUNERATION COMMITTEE REMIT AND KEY ACTIVITIES DURING THE YEAR

Remit

During 2007, the Remuneration Committee undertook a review of its own remit. This led to a proposal to adopt a revised remit, building on the model remit prepared by the Institute of Chartered Secretaries and Administrators (ICSA), which was subsequently approved by the Board. This revised remit reflects AstraZeneca's commitment to operate in a way which is consistent with the highest standards of corporate governance.

The revised Remuneration Committee remit covers, amongst other things:

- > The requirement that the Remuneration Committee takes into account all factors which it deems necessary in order to achieve a competitive and fair remuneration structure which operates in the interests

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REMUNERATION COMMITTEE MEMBERSHIP AND MEETINGS

The members of the Remuneration Committee are John Varley (who became the Chairman of the Committee on 26 April 2007), John Buchanan, Louis Schweitzer (since 12 September 2007) and Nancy Rothwell (since 26 April 2007). They are all Non-Executive Directors. The Board considers them all to be independent with the exception of Louis Schweitzer who was considered independent upon his appointment as Chairman of the Board. (The independence of the Non-Executive Directors is discussed in more detail in the Directors' Report on page 43). During 2007, three members resigned from the Remuneration Committee because they retired or resigned from the Board, namely Peter Bonfield (following his retirement from the Board on 26 April 2007), Erna Möller (following her retirement from the Board on 26 April 2007) and Joe Jimenez (following his resignation from the Board on 12 April 2007). The Company Secretary acts as the secretary to the Remuneration Committee.

The Remuneration Committee met six times in 2007. Each meeting was attended by all of its members, except that other commitments prevented John Varley (prior to his appointment as Chairman of the Committee) and John Buchanan from each attending one meeting. Nancy Rothwell and Louis Schweitzer joined the Committee on 26 April 2007 and 12 September 2007 respectively and have attended all meetings from these dates, except that both Nancy Rothwell and Louis Schweitzer were unable to attend the meeting on 3 December 2007 as this was set up with short notice as it was an urgent meeting.

This Directors' Remuneration Report has been prepared in accordance with the Directors' Remuneration Report Regulations 2002 (the Regulations) and meets the relevant requirements of the Financial Services Authority's (FSA) Listing Rules. As required by the Regulations, a resolution to approve the report will be proposed at the Annual General Meeting (AGM) on Thursday 24 April 2008.

The following sections of the Directors' Remuneration Report up to and including the section titled 'Non-Executive Directors' page 105 were not subject to audit by KPMG Audit Plc.

of shareholders and to the benefit of the financial and commercial health of the Company.

- > The constitution of the Remuneration Committee, including membership criteria and the process for the appointment of independent Non-Executive Directors to the Remuneration Committee.
- > The operation of the Remuneration Committee, by ensuring compliance to the fullest extent appropriate and practicable with the best practice principles contained within the UK Combined Code on Corporate Governance (annexed to the FSA's Listing Rules).
- > The remuneration policy of the Group. This includes the Remuneration Committee's responsibility, after appropriate consultation with the Chairman and the Chief Executive Officer, to make recommendations to the Board in respect of the Company's policy for Executive Director and senior executive remuneration; to make decisions, on an individual basis, regarding each element of remuneration, including the terms and conditions of employment and the retirement/severance provisions for the Chairman, the Deputy Chairman, the Chief Executive Officer, the Executive Directors, the Company Secretary and those within the wider senior executive population that fall within the Remuneration Committee's remit.

In formulating its proposals, the Remuneration Committee seeks to provide key executives every encouragement to enhance the Company's performance and to ensure that individuals are fairly, but responsibly, rewarded for their contribution to the creation of shareholder value.

- > The duties of the Remuneration Committee, including a description of the routine or annual matters that fall to the Remuneration Committee to consider.
- > The responsibility of the members of the Remuneration Committee to report to shareholders annually, and to be available at the AGM to address questions arising.
- > The duty of the Remuneration Committee to review its own performance, constitution and remit at least once a year in order to ensure that it is operating effectively.

A copy of the Remuneration Committee's remit is available on the Company's website, astrazeneca.com.

Key activities during the year

The Remuneration Committee considered the following matters, amongst other things, during 2007:

- > The terms of senior executive packages on appointment and termination.
- > The remuneration principles relating to the newly enlarged biologics business operating under the MedImmune name, in order to ensure that the dynamic and entrepreneurial ethos of a biotechnology company is maintained, whilst ensuring that there is proper alignment with the strategic objectives of the Group as a whole to deliver shareholder value.
- > As described above, a review of its own remit and the development of a revised remit which has been adopted by the Board.

ASTRAZENECA'S OVERALL REMUNERATION POLICY AND PURPOSE

The Board is committed to maintaining a dynamic performance culture, in which the Group can compete strongly by employing and developing the best talent and where every employee is clear about the Company's objectives, how their work will impact on those objectives and how they will benefit from achieving high levels of performance.

To underpin these objectives, in addition to fixed remuneration (basic pay, pension and certain other benefits) benchmarked against appropriate external comparators, the majority of employees are eligible to receive an annual cash incentive, with a component based on corporate financial performance in the form of earnings per share (EPS) and/or individual performance. Whilst details of bonus plans differ from country to country, the EPS component ensures that all eligible employees receive an element of reward based on the Company's overall financial performance. In addition, long-term incentive awards are provided to selected employees in order to align their interests closely with those of the shareholders.

These pay-for-performance principles apply throughout the Group, and provide a consistent framework within which executive remuneration decisions are made. The Remuneration Committee seeks to ensure that the overall proportion of variable pay (bonuses and share-based awards) to which Directors and members of the Senior Executive Team (SET) may become entitled makes up a significant proportion of their overall remuneration package. The Remuneration Committee's objective is to ensure that such variable pay

is linked to a range of measures designed to promote both individual and team behaviour and performance that genuinely contributes to the success of AstraZeneca and which ultimately creates value for shareholders. Such measures are designed to be stretching and challenging.

Consistent with its approach during the year, the Board has confirmed that the Company's overall remuneration policy and purpose going forward will continue to be to:

- > Attract and retain people of the quality necessary to sustain the Company as one of the best pharmaceutical companies in the world.
- > Motivate these people in order to achieve the level of performance necessary to create sustained growth in shareholder value.

In order to achieve this, the remuneration policy and practice are designed to:

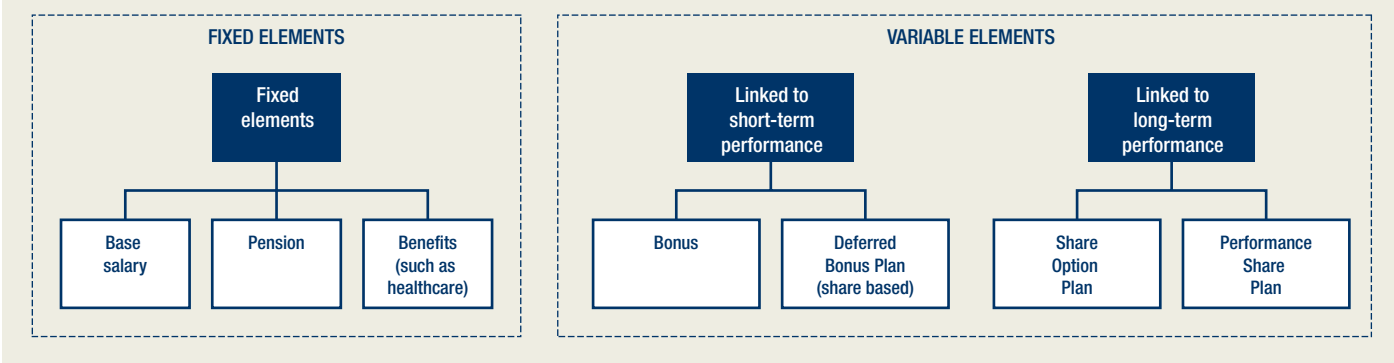
- > Closely align individual and team reward with business performance at each level.
- > Encourage employees to perform to their fullest capacity.
- > Encourage employees to align their interests with those of shareholders.
- > Support managers' responsibility to achieve improvements in business performance through people and to recognise superior performance, in the short and longer term.
- > Be internally consistent, as far as practicable and beneficial, but taking due account of local market needs and permitting flexibility where this is beneficial.
- > Be competitive and cost-effective in each of the relevant employment markets.

The cost and value of the components of the remuneration package are considered as a whole and are designed to:

- > Ensure a proper balance of fixed pay and variable performance-related pay (linked to short- and long-term objectives).
- > Reflect market competitiveness.

During 2008, the Remuneration Committee intends to review the current remuneration policy for members of the SET with a view to benchmarking reward against the companies and markets with which AstraZeneca should

COMPONENTS OF REMUNERATION – FIXED AND VARIABLE



appropriately reference competitive levels of reward. This is partly the consequence of the changing composition of the senior leadership group, which has become increasingly international and partly because we have added significant capability in our pursuit of growth (the best example being the biologics businesses which we have acquired over the last two years). In seeking to attract, develop and retain the best human capital in the industry, we must remain very attentive to the wider industry practice and the impact of the international pay environment.

We expect to report to our shareholders the key findings, and any changes to the remuneration policy as a consequence of this review, in next year's Annual Report and Form 20-F Information.

COMPONENTS OF REMUNERATION

During 2007, the components of employee remuneration (including that of the Executive Directors and SET members) comprised of fixed and variable (ie performance-related) elements, as illustrated below.

Throughout 2007, as in 2006, the principal components of the total remuneration package comprised:

- > Annual salary – based on conditions in the relevant geographic market and the value of an individual's sustained personal performance to the business, resulting from their ability and experience.
- > Pension arrangements – appropriate to the relevant national market.
- > Benefits (such as healthcare) – cost-effective and compatible with relevant welfare arrangements.

- > Short-term bonus – a lump-sum payment related to the targeted achievement of corporate, functional and individual goals, measured over a year and contained within a specific plan. The corporate goals are derived from the annual financial targets set by the Board and take into account external expectations of performance. The functional goals are agreed by the Remuneration Committee at the start of, and are monitored throughout, the year. Bonuses are not pensionable. Individual goals are based on annual objectives which are linked to functional goals.

- > Long-term incentive plans – for selected groups, targeted at the achievement of strategic objectives closely aligned with the interests of shareholders, namely the AstraZeneca Performance Share Plan (PSP) described on pages 103 to 104, the AstraZeneca Share Option Plan described on pages 104 to 105 and in line with market practice. Some individuals (primarily those based in the US, but excluding Executive Directors), participate in the Restricted Stock Unit Plan(s) described on page 105.

- > Share participation – various plans provide the opportunity for employees to take a personal stake in the Company's wealth creation as shareholders. These plans are described in Note 26 to the Financial Statements.

The way in which these elements of remuneration were combined and applied varies according to a range of factors including specific business needs and practices in different geographic markets, although, in general, the more senior the role within the business, the greater the proportion of total remuneration was made up from variable pay.

EXECUTIVE DIRECTORS' AND SENIOR EXECUTIVE TEAM'S REMUNERATION AND TERMS OF EMPLOYMENT
Illustration of fixed and variable remuneration

Based on our remuneration policy, the charts at the top of page 101 illustrate the potential weighting given to fixed and variable elements of the remuneration package at Executive Director level. Performance-related elements of the package are shown on an 'Expected Value' basis, and in the event that performance conditions are not met, such elements would not deliver any value. The Expected Value approach considers the range of possible outcomes and the probability attached to each, in order to provide a value that represents the average that would be delivered if the arrangements were operated over many years. The Expected Value for bonus payment is taken to be the target payout level.

Fixed remuneration

Basic salary

The basic salary for each Executive Director and SET member is determined by the Remuneration Committee. The Company's policy is currently to set Executive Directors' base salary levels by reference to practice across the UK FTSE 30. Other SET members are benchmarked against comparable jobs in the countries in which they normally work (primarily referenced against industry comparators or companies with levels of global operation and complexity similar to those of AstraZeneca).

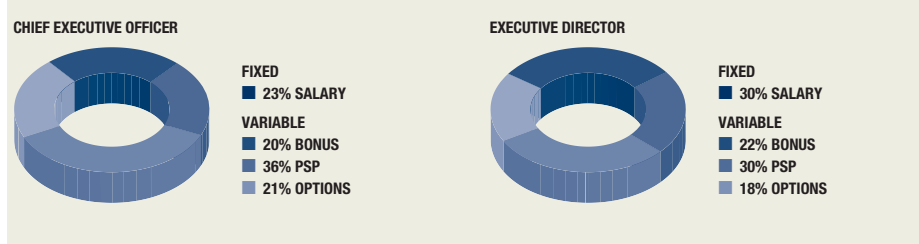
Salary decisions reflect the experience and sustained performance of the individuals to whom they apply, taking account of market competitiveness and the level of increases applicable to employees in the wider Group. For the Executive Directors and other members of the SET, the policy has been to position salaries at or slightly above the median of the relevant market.

EXECUTIVE DIRECTORS' SALARIES 2008

Executive Director	Annual salary in 2007 £	Annual salary in 2008 £	% Increase
David Brennan	940,000	972,900	3.5
John Patterson	504,692	540,000	7.0
Simon Lowth	550,000 ¹	550,000	0.0

¹ Simon Lowth was paid £91,700 during 2007 as he was only appointed as a Director from 5 November 2007.

COMPONENTS OF REMUNERATION – EXPECTED VALUE BASIS



All Executive Directors' terms and conditions are UK-based, apart from David Brennan's pension (including health insurance) arrangements, which are described below.

For 2008, the Executive Directors' revised annual salaries are shown in the table at the top of this page.

Pension arrangements

The table on page 108 gives details of the changes in the value of the Executive Directors' accrued pensions during 2007.

US Executive Directors' pension arrangements

David Brennan is a member of the AstraZeneca US Defined Benefit Pension Plan, by virtue of his membership of pension plans applicable to legacy Astra Merck employees. Benefits for members of this plan are delivered on a tax-qualified basis, with accrued benefits that exceed specific limits under the plan's formula and the US Tax Code being delivered through a supplementary, non-qualified plan. The normal pension age under both plans is 65.

In September 2008, David Brennan will satisfy a condition in the plan relating to combined age and service exceeding 85 years, which is a condition that applies to all members within the plan. Thereafter, on leaving or retiring from employment, he would be eligible to take a pension or lump sum equivalent based on accrued service and final pensionable pay (ie, without actuarial reduction). This change in status under the plan will trigger an increase in transfer value during 2008.

David Brennan's participation in the pension plan is subject to a service cap at 35 years' service, which will be attained in January 2011, after which no further service accrual can be earned.

Members and, in the event of death, surviving spouses/dependants can elect to take pensions in lump-sum form based on actuarial valuation.

In addition, David Brennan is a contributing member of the US 401(k) savings plan², as applies to all US employees. For 2008, David Brennan, along with all eligible US employees, will receive an up-lift to the contributions paid into the 401(k) and associated non-qualified saving plans.

UK Executive Directors' pension arrangements

UK Executive Directors have the option to participate in the UK Pension Fund according to their eligibility, or to take a cash allowance in lieu of pension. The cash allowance is consistent with the appropriate cost of the alternative gross pension benefit.

John Patterson (Executive Director, Development) has elected to remain a member of the AstraZeneca Group's main UK Defined Benefit Pension Plan for the option year 2007/2008 rather than take the cash allowance. The normal pension age under this plan is 62. However, a member's accrued pension is available from age 60 without any actuarial reduction. In addition, the accrued pension is available, unreduced, from age 57 if the Group consents to a request for early retirement and from age 50 if the retirement is at the Group's request. John Patterson reached age 60 in January 2008

and hereafter, on leaving or retiring from the Group, will be eligible to take a pension based on accrued service and final pensionable pay.

On death in retirement, the accrued pension is guaranteed payable for the first five years of retirement and then reduces to two-thirds of this amount should there be a surviving spouse or other dependant. Any member may choose higher or lower levels of survivor's pensions at retirement, subject to HM Revenue & Customs limits, in return for an adjustment to their own pension of equivalent actuarial value. Pensions are also payable to dependent children.

Pensions in payment are increased annually in line with inflation, as measured by the UK Retail Prices Index, up to a maximum of 5%.

Simon Lowth (the Chief Financial Officer) is eligible to join the Group's main defined contribution plan at a Group contribution rate of 24% of annual basic salary, or alternatively, to take the Group contribution as a cash allowance. For the option year 2007/2008, he has elected to take the cash allowance (as detailed beneath the pensions table on page 108).

Jonathan Symonds (the former Chief Financial Officer) benefited from a pension promise equivalent to membership of the UK Defined Benefit Pension Plan. This was delivered in 2007 through a combination of an annual payment by the Company of 26% of base salary paid into a personal pension, and an unfunded top-up benefit to deliver the balance. The aggregate benefits are shown in the table on page 108 as if the scheme were a defined benefit arrangement.

Following Jonathan Symonds' resignation in July 2007, his pension arrangements were terminated in accordance with pre-existing rights under the governing documentation. Accordingly, the Company exercised its power to wind up the pension arrangement and pay out the accrued capital value of the unfunded top-up benefit. In so doing, the Committee took external independent actuarial advice as to what would be a reasonable valuation, resulting in a cash lump sum payment of £3.27 million being made.

The payment extinguishes all pension liabilities the Company has in respect of Jonathan Symonds.

² The 401(k) savings plan is a qualified plan to which eligible employees may make salary-deferral contributions on a post-tax and/or pre-tax basis. Employers may also make matching or non-elective contributions to the plan.

DIRECTORS' REMUNERATION REPORT CONTINUED

In the event of a senior employee in the main UK Defined Benefit Pension Plan becoming incapacitated, then a pension is payable immediately as if such person had reached normal retirement age (subject to a maximum of 10 years' additional service), based on current pensionable salary. In the event of a member's death prior to retirement, dependants are entitled to a pension of two-thirds of the pension that would have been earned had the deceased remained in service to age 62, plus a capital sum of four times pensionable pay.

In the event of a senior employee in the main UK Defined Contribution Pension Plan (or where an alternative cash allowance has been taken) becoming incapacitated, then Permanent Health Insurance provides continuation of a proportion of salary subject to satisfying medical criteria. In the event of death prior to retirement, dependants are entitled to a pension and/or lump sum secured from a multiple of ten times salary.

Benefits

In conjunction with the majority of employers, certain benefits are made available to the Executive Directors and members of the SET via a flexible benefits programme offered by AstraZeneca. Under this programme, participants may elect to purchase certain benefits such as funding to facilitate the purchase of a company car and additional insurance from a fund calculated by reference to basic salary.

Variable remuneration

Executive Directors and members of the SET are eligible to participate in a number of different elements of variable pay, which are described below. The decision as to whether or not in any given year the Executive Directors and members of the SET receive any or all of their elements of variable pay is determined by the Remuneration Committee, who will typically have regard to the performance of the individual and will consider the elements of variable pay applicable to senior employees in other comparable organisations in making such a determination.

Short-term bonus

Performance criteria

All Executive Directors and members of the SET are eligible for a short-term bonus.

The basis for the payment of any short-term bonus is determined by reference to a range of factors linked to the underlying performance of AstraZeneca's business, the performance of the functional area for which the individual is responsible and the performance of the

individual in his or her role. Further discussion of the weighting of each of these factors is set out under the heading 'Structure and Assessment of Performance' below.

In respect of the assessment of bonuses for 2007, EPS (excluding restructuring and synergy costs) increased by 7%; global sales increased by 7% overall; and operating profit (excluding restructuring and synergy costs) increased by 8%. The development pipeline was strengthened and now comprises 95 clinical projects. The size of the phase III portfolio doubled from five to 10 projects (covering nine new compounds). It was a record year in terms of the number of new molecules entering phase I compared with 2006 (24 in 2007, 12 in 2006). During 2007, there were significant externalisation developments, including the acquisition of MedImmune, Inc. which is described in detail on page 25. Good progress was made in product development life cycle management. These achievements were underpinned by a continuing emphasis on cost discipline, improved productivity and performance management. During 2007, the Business Performance Management framework was reviewed, with a view to further enhancing focus on AstraZeneca's strategic objectives. Bonus outcomes for 2007 reflected overall corporate and relevant functional performance in 2007 against clear objectives in relation to the following categories:

- > Performance (financial and operational).
- > Patients.
- > Products.
- > People.

Bonus outcomes for 2008 will reflect overall corporate financial and relevant functional performance against clear objectives in relation to the following categories which are consistent with delivering shareholder value:

- > Strengthening the pipeline.
- > Growing the business.
- > Reshaping the business.
- > Promoting a culture of responsibility and accountability.

More information about these objectives is set out in the section Goals, Strategy and Performance Measurement on pages 9 to 12.

Structure and assessment of performance

Since consultation with shareholders in 2004, the performance criteria for determining the annual bonus for Executive Directors (and other SET members) have been as follows:

- > 50% by reference to EPS.
- > 25% by measures relating to the individual's particular area of responsibility (or, in the case of the Chief Executive Officer, the average of these individual outcomes for the other members of the SET).
- > 25% by a balance of qualitative and quantitative measures that address overall business performance.

Consistent with best practice, the Remuneration Committee has put in place a requirement that a certain proportion of any short-term bonus payment should be deferred and invested into Ordinary Shares (or ADSs) in the Company acquired on the open market at the prevailing market price and held on behalf of the individual Executive Director by the Company for a period of three years from the date of acquisition. This arrangement is intended as one of the ways in which, over time, Executive Directors will be able to build up a significant shareholding in the business. Although the delivery of these shares to the individual after three years is not contingent on the continued performance of the business, the Remuneration Committee has reserved the right to retrospectively alter bonus outcomes in circumstances where it does not consider that the delivery of shares is warranted by the underlying performance of the business. The proportion currently deferred into shares is one third of the pre-tax bonus for Executive Directors and one sixth for all other SET members. On leaving, participants would normally have to wait for the shares to be released at the end of the three year period. For 2007, the short-term bonuses awarded to the Executive Directors are set out on page 103.

Bonus outcomes for 2007

The bonus outcomes for 2007 are shown in the table at the top of page 103. Bonuses are not pensionable.

For 2008, the bonus ranges for each Executive Director are shown on page 103 and are the same as for 2007.

Long-term incentive plans

Executive Directors and members of the SET may also be granted share options under the AstraZeneca Share Option Plan and awards under the AstraZeneca Performance Share Plan. The grant of such options and award of such shares are determined by the Remuneration Committee, as are the performance targets that apply to their vesting and/or exercise. Both of these schemes are

BONUS OUTCOMES FOR 2007

Executive Director	Short-term bonus (delivered as a combination of cash and shares, as shown in the table of emoluments) £	Percentage of salary %
David Brennan	1,008,150	107.3
John Patterson	468,425	92.8
Simon Lowth ¹	80,381	87.7

BONUS RANGES FOR 2008

Executive Director	Bonus range for 2008 %
David Brennan	0 – 180
Simon Lowth	0 – 150
John Patterson	0 – 150

¹ Part year only as appointed Director on 5 November 2007.

intended to align the interests of Executive Directors and members of the SET with those of shareholders. Following the exercise of an option under the AstraZeneca Share Option Plan it is the expectation of the Remuneration Committee that the Executive Directors will retain the net number of shares from the exercise for a period of not less than six months from the date of exercise.

Shareholding guidelines

For the Executive Directors and members of the SET, the Remuneration Committee has established target shareholding guidelines in which it is expected that Executive Directors build up their own holding of shares in the Company, equivalent to one times their basic salary. It is expected that these shareholding targets will be reached in part through shares delivered from the various long-term incentive arrangements as well as the deferred part of the short-term bonus (described above).

AstraZeneca Performance Share Plan

The AstraZeneca Performance Share Plan (PSP) was approved by shareholders at the AGM in 2005 and provides for the grant of performance share awards (Awards) over Ordinary Shares or American Depositary Shares in AstraZeneca PLC (together, the Shares).

Basis of participation

The Remuneration Committee is responsible for setting the policy for the way in which the PSP should be operated, including agreeing performance targets, identifying which employees should be invited to participate in the PSP and the level of Awards. Participation is highly selective and tends to only include senior employees on the basis of their performance. Awards are not pensionable and may not generally be assigned or transferred.

Generally, Awards can be granted at any time (although in practice they are awarded annually), but not during a close period of the Company. In 2007, the main grant of Awards was made on 30 March, with other awards approved by the Remuneration Committee in relation to, for example new appointments or promotions granted on 24 August and 16 November. The value of the shares subject to the Award is determined by reference to the market price of Shares over the three-day period immediately preceding the date of grant.

Details of Awards to Executive Directors are shown in the table on page 111.

Performance conditions

Save in exceptional circumstances, which are prescribed in the PSP rules, the vesting of Awards is contingent on the satisfaction of specified performance targets and continued employment with the Group. In addition to the satisfaction of these performance targets, Awards will generally not vest until the third anniversary of the date of grant although Awards may vest in part on a time pro-rated basis where a participant ceases to be in relevant employment under certain circumstances during the vesting period to the extent that the performance targets have been met.

Performance period and vesting dates

In the case of all Awards granted so far, the performance target relates to the three-year period commencing on 1 January of the year of grant. Thus, for the Awards made in 2007, the performance period runs from 1 January 2007 to 31 December 2009. The vesting date is the third anniversary of the date of grant.

Performance targets

For all Awards so far, the performance target is the Company's total shareholder return (TSR) over the relevant three-year period compared with the TSR of a selected peer group of pharmaceutical companies for the same period. These companies are currently a total of 12: Abbott Laboratories, Bristol-Myers Squibb, Eli Lilly, GlaxoSmithKline, Johnson & Johnson, Merck, Novartis, Pfizer, Roche, Sanofi-Aventis, Schering-Plough and Wyeth.

TSR looks at share price increase and dividends re-invested in respect of a notional number of shares, from the beginning of the relevant performance period to the end of it, and ranks the companies in the selected comparator group by reference to their TSR achieved over that period. The rank which the Company's TSR achieves over the performance period will determine how many Shares will vest under the relevant Award, as per the vesting schedule shown in the table below:

TSR ranking of the Company	Vesting percentage of Shares under Award %
Below median	0
Median	30
Upper quartile	100
Between median and upper quartile	Pro rata
Significantly above upper quartile	up to 125

To alleviate any short-term volatility, the return index is averaged in the TSR calculations for each company over the three months prior to the start and end of the relevant performance period.

In addition to the TSR performance target being met for each Award as set out above, the Remuneration Committee also has to satisfy itself that achievement of the TSR performance target is a genuine reflection of the Company's underlying financial performance and has the discretion to not allow Awards to vest or to only allow them to partially vest where this appears to the Remuneration Committee to be warranted.

The Remuneration Committee has the discretion to award Shares up to a further 25% over and above the Shares subject to the Award, if the Company's TSR performance is substantially better than that of the upper quartile of the comparator group.

DIRECTORS' REMUNERATION REPORT CONTINUED

Individual limit

In respect of any financial year, the maximum market value of Shares that may be put under Award in respect of an employee is 500% of that employee's basic salary. This limit excludes the above 25% maximum additional Shares that may vest, at the sole discretion of the Remuneration Committee, if the Company's TSR performance is substantially above that of the upper quartile of the comparator group. For Awards to vest at this level, the Company would need to have sustained a level of performance well in excess of upper quartile over a period of years and the Remuneration Committee would need to be satisfied that this was warranted.

The actual individual limits that apply under the PSP, subject to this maximum, are set by the Remuneration Committee from time to time.

Performance under the AstraZeneca Performance Share Plan in 2007

The Peer Group Graphs on page 109 show, for each Award, how the Company's TSR performance has compared with the TSR for the companies in the comparator group from the first day of the relevant performance period to 31 December 2007 and how the Company ranks against those other peer companies on this basis. We will continue to report on the performance of each Award against the relevant performance target during the relevant vesting period.

Change in control provisions

On a change in control of the Company as a result of a general offer to acquire the whole of the issued ordinary share capital of the Company, Awards will vest pro-rata to the time elapsed between the date of grant of the Award and the date of the change in control to the extent that the relevant performance targets have been met up to the date of the change in control (or the most practicable earlier date). The Remuneration Committee will, however, have discretion to take into account any other factors it believes to be relevant in determining the extent to which Awards will vest in these circumstances.

AstraZeneca Share Option Plan

The AstraZeneca Share Option Plan (SOP) was approved by shareholders at the AGM in 2000 and provides for the grant of share option awards (Awards) over Ordinary Shares or American Depositary Shares in AstraZeneca PLC (together, the Shares).

Basis of participation

The Remuneration Committee is responsible for setting the policy for the way in which the SOP should be operated, including agreeing

performance targets and identifying which employees should be invited to participate and the level of Awards. Participation is highly selective and tends to only include senior employees on the basis of their performance (except in the US where for cultural reasons, participation in the SOP is more widespread). Awards are not pensionable and may not generally be assigned or transferred.

Generally, Awards can be granted at any time, but not during a close period of the Company. In 2007, grants of Awards were made on 30 March, 24 August and 16 November. The exercise price is fixed by reference to the market price of Shares over the three day period immediately preceding the date of grant.

Details of Awards to Executive Directors are shown in the table on page 113.

Performance conditions

The Remuneration Committee must, before agreeing to grant an Award to Executive Directors and others, be satisfied that both the most recent and the underlying performance of the business justify each grant and that each individual to whom an Award is proposed to be granted has achieved a level of performance in his or her role considered by the Remuneration Committee as being able to justify in the interests of the business, the grant of such an Award.

In agreeing grants of Awards in March 2007, the Remuneration Committee took into account strong underlying financial performance and progress towards achieving longer-term goals. In particular, in coming to its view, it noted that during 2006: sales increased by 11% to \$26.5 billion and operating profits increased by 28% to \$8.2 billion on a constant exchange rate basis; earnings per share, at \$3.36 (excluding *Toprol*), were 34.4% higher and dividends, at \$1.72, 32% higher than in 2005; and costs were managed in a disciplined way. In addition, in 2006, the Company had announced a programme to rationalise production assets and to reduce headcount. Investment in R&D grew by 16% in 2006, to \$3.9 billion; there were 120 development projects; 49 in pre-clinical, 23 in clinical phase I, 20 in phase II, and 28 in phase III; five new chemical entities were in late stage development; 11 applications were made to regulatory authorities for new indications for existing products; for example to the FDA for *Seroquel* in bipolar depression; 10 of these were approved; and 325 further R&D collaborations with outside agencies were agreed. In order to both supplement the short-term pipeline and to accelerate access

to the new science of biopharmaceuticals, in 2006 AstraZeneca acquired Cambridge Antibody Technology Group.

As well as taking into account these performance considerations at the point of granting Awards, the Remuneration Committee imposed performance conditions in respect of the exercise of such Awards in respect of members of the SET (including the Executive Directors) which, in the view of the Remuneration Committee were considered appropriately stretching. In order for Awards to vest, the EPS of the Group must increase at least in line with the UK Retail Price Index plus 5% per annum on average, over a three year period, the base figure being the EPS for the financial year preceding the date of grant, with no re-testing. In addition, since the review of executive remuneration in 2004, the Remuneration Committee has included a condition to the effect that, if an event occurs which causes material reputational damage to the Company, such that it is not appropriate for the Awards to vest and become exercisable, the Remuneration Committee can make a determination to that effect.

The Remuneration Committee also sought and received assurances that each individual proposed for the grant of an Award has been performing in a manner that justified a grant to them. There was some variation in the level of grants being proposed between individuals, to reflect differing levels of performance and their seniority within the business.

Change in control provisions

On a change in control of the Company as a result of a general offer to acquire the whole of the issued ordinary share capital of the Company, any unvested Awards vest immediately following the change in control. All outstanding vested Awards can be exercised during the period of six months from the date of the change in control. The Company will use its best endeavours to ensure that any shares acquired from an exercise following a change in control are subject to the same terms as shares of the same class were acquired under the general offer. Unexercised Awards will lapse at the end of the six-month period following a change in control or, if the Award is exchanged for an option relating to shares in a different company, the date of exchange, whichever is earlier.

Dilution

The dilutive effect of the proposed grants of Awards on the Company's issued share capital was also considered by the Remuneration Committee, in accordance

with its commitment, reflecting the ABI's guidance, that the percentage of the issued share capital that could be allocated under all of the Company's employee share plans over a period of 10 years should be under 10%. This commitment is applied by the Remuneration Committee in practice as a limit, on average, of under 1% per annum. The Remuneration Committee concluded that a grant of Awards to those plan participants and individual Executive Directors proposed for a grant was appropriate given the level of performance achieved. None of the other long-term incentive plans currently operated by the Company have a dilutive effect because they do not involve the issue and allotment of new Shares or ADSs in the Company but rather rely on the market purchase of Shares or ADSs that have already been issued.

Zeneca 1994 Executive Share Option Scheme

This plan was replaced by the AstraZeneca Share Option Plan. The last grant of options under this plan was in March 2000. Certain Executive Directors and members of the SET have options outstanding under this plan, all of which are exercisable, the performance conditions having been satisfied. A description of this plan can be found on page 156.

Other plans

In addition to the plans described above, the Company operates a Share Incentive Plan and a Savings-Related Share Option Plan, both of which are UK HM Revenue & Customs approved plans. Certain Executive Directors and members of the SET are eligible to participate in these plans, more detailed descriptions of which can be found on pages 154 and 156.

Restricted Stock Unit Plans

The AstraZeneca Pharmaceuticals LP Restricted Stock Unit Award Plan (RSU Plan) was introduced in 2007 and provides for the grant of restricted stock unit awards (Awards) to selected employees (predominantly in the US). The RSU Plan is used in conjunction with the AstraZeneca Share Option Plan to provide a mix of restricted stock units and share options. Awards typically vest on the third anniversary of the date of grant and are contingent on continued employment with AstraZeneca. In 2007, Awards were made on 30 March and 24 August. In addition, the RSU Plan has also been used in 2007 to make Awards to certain employees within the MedImmune part of the Group as previously described.

Service contracts

Details of the service contracts for each of the Executive Directors, including their notice periods, are set out in the table below. The notice periods in the Executive Directors' service contracts are 12 months, but in the case of Simon Lowth his 12 month notice may not expire prior to the second anniversary of his employment commencing. To recruit Simon Lowth it was necessary to offer him an initial one year period before the 12 month notice could be served. It is the Board's intention that all Executive Directors should have notice periods that do not exceed 12 months. Where it is necessary to offer longer notice periods to new directors it is the Board's intention that the notice period should reduce to a maximum of 12 months after the initial period, such as in Simon Lowth's case.

It is the Board's intention that, in the event of early termination of an Executive Director's employment, any compensation payable under the service contract should not exceed the salary and benefits that would have been received had the contractual notice period been worked and this may be further reduced in line with the Executive Director's duty to mitigate losses. Compensation for any bonus entitlement will be assessed initially as 'on target' but subject to adjustment by the Remuneration Committee to take account of the particular circumstances of the termination. In addition, in the case of the Executive Director Development only, the unreduced pension entitlement described under the Pensions section on page 108 would be payable. In the case of Simon Lowth only, his service contract provides that, in the event of termination during the first 12 months of his employment, his entitlement to compensation payable for the balance of the initial 12 month period in which he has not worked will be less than any salary and benefits to which he would have been entitled had he worked during that period.

Policy on external appointments and retention of fees

Subject to the specific approval of the Board in each case, Executive Directors and members of the SET may accept external appointments as non-executive directors of other companies and retain any related fees paid to them provided always that such external appointments are not considered by the Board to prevent or reduce the ability of the executive to perform his or her role to the required standard. Such appointments are seen as a way in which executives can gain a broader business experience and, in turn, benefit the Company.

In respect of any external appointments held by Executive Directors and in relation to the retention of any such fees, John Patterson is a non-executive director of Cobham plc. In respect of such position, he retained the fees paid to him for his services which, in 2007, totalled £51,500.

Non-Executive Directors

None of the Non-Executive Directors has a service contract. They are not eligible for performance-related bonuses or the grant of share options. No pension contributions are made on their behalf. None of the Non-Executive Directors have participated or will participate in any decision made by the Board in relation to the determination of their fees.

The remainder of this report was subject to audit by KPMG Audit Plc.

AUDIT

The Directors' emoluments in 2007 and the details of the Directors' interests in the Company's Ordinary Shares disclosed in the Directors' Emoluments section on pages 106 to 114 have been audited by the Company's external auditor.

DETAILS OF EXECUTIVE DIRECTORS' SERVICE CONTRACTS AT 31 DECEMBER 2007

Executive Director ¹	Date of service contract	Unexpired term at 31 December 2007	Notice period
David Brennan	1 January 2006	12 months	12 months
Simon Lowth ²	5 November 2007	22 months	12 months
John Patterson	1 January 2005	12 months	12 months

¹ None of the Executive Directors have any provision in their service contracts giving them a right to liquidated damages or an automatic entitlement to bonus for the duration of their notice period.

² Simon Lowth's notice period was set at 24 months from the effective date of the contract. After an initial 12 month period, this reduces to and remains at 12 months.

DIRECTORS' REMUNERATION REPORT CONTINUED

DIRECTORS' EMOLUMENTS IN 2007

The aggregate remuneration, excluding pension contributions and the value of shares under option and shares subject to performance share plan awards, paid to or accrued for all Directors of the Company for services in all capacities during the year ended 31 December 2007 was £4.5 million (\$9.0 million). The remuneration of individual Directors is set out below in sterling and US dollars. All salaries, fees, bonuses and other benefits for Directors are established in sterling.

DIRECTORS' REMUNERATION – STERLING

	Salary and fees £000	Cash £000	Bonuses Shares ¹ £000	Taxable benefits £000	Other £000	Total 2007 £000	Total 2006 £000	Total 2005 £000
Louis Schweitzer	260	–	–	–	–	260	260	260
David Brennan	992	672	336	19	131 ²	2,150	2,663	819
John Patterson	500	312	156	14	–	982	1,007	1,049
Simon Lowth ³	91	53	27	1	–	172	–	–
John Buchanan	69	–	–	–	–	69	69	69
Jane Henney	57	–	–	–	–	57	57	57
Michele Hooper	64	–	–	–	–	64	49	49
Håkan Mogren	100	–	–	–	–	100	100	100
Nancy Rothwell	54	–	–	–	–	54	30	–
John Varley	56	–	–	–	–	56	21	–
Marcus Wallenberg	40	–	–	–	–	40	40	49
Bo Angelin ⁴	21	–	–	–	–	21	–	–
Former Directors								
Jonathan Symonds ⁵	404	–	–	1	–	405	1,176	1,269
Peter Bonfield ⁶	26	–	–	–	–	26	82	82
Joe Jimenez ⁷	14	–	–	–	–	14	49	49
Erna Möller ⁸	18	–	–	–	–	18	57	57
Others	–	–	–	–	–	–	18 ⁸	2,346 ⁹
Total	2,766	1,037	519	35	131	4,488	5,678	6,255

¹ These figures represent that portion of the 2007 bonuses required to be deferred into shares to be held for a three-year period, as explained on page 102.

² Relates to relocation allowances.

³ Part year only as appointed Director on 5 November 2007.

⁴ Part year only as appointed Director on 25 July 2007.

⁵ Part year only as ceased to be Director on 31 July 2007.

⁶ Part year only as ceased to be Director on 26 April 2007.

⁷ Part year only as ceased to be Director on 12 April 2007.

⁸ This comprises Bridget Ogilvie's 2006 total of £18,000 (\$34,000).

⁹ This comprises Tom McKillop's 2005 total of £2,253,000 (\$4,125,000), Bridget Ogilvie's 2005 total of £57,000 (\$104,000) and Åke Stavling's final payment of £36,000 (\$66,000).

DIRECTORS' REMUNERATION – US DOLLARS

	Salary and fees \$000	Cash \$000	Bonuses Shares ¹ \$000	Taxable benefits \$000	Other \$000	Total 2007 \$000	Total 2006 \$000	Total 2005 \$000
Louis Schweitzer	520	–	–	–	–	520	475	476
David Brennan	1,984	1,344	672	38	262 ²	4,300	4,865	1,499
John Patterson	1,000	625	312	28	–	1,965	1,839	1,918
Simon Lowth ³	182	107	54	2	–	345	–	–
John Buchanan	138	–	–	–	–	138	126	126
Jane Henney	114	–	–	–	–	114	104	104
Michele Hooper	128	–	–	–	–	128	89	90
Håkan Mogren	200	–	–	–	–	200	183	183
Nancy Rothwell	108	–	–	–	–	108	56	–
John Varley	113	–	–	–	–	113	39	–
Marcus Wallenberg	80	–	–	–	–	80	73	90
Bo Angelin ⁴	42	–	–	–	–	42	–	–
Former Directors								
Jonathan Symonds ⁵	809	–	–	2	–	811	2,149	2,321
Peter Bonfield ⁶	53	–	–	–	–	53	150	150
Joe Jimenez ⁷	28	–	–	–	–	28	89	90
Erna Möller ⁸	37	–	–	–	–	37	104	104
Others	–	–	–	–	–	–	34 ⁹	4,295 ⁹
Total	5,536	2,076	1,038	70	262	8,982	10,375	11,446

¹ These figures represent that portion of the 2007 bonuses required to be deferred into shares to be held for a three-year period, as explained on page 102.

² Relates to relocation allowances.

³ Part year only as appointed Director on 5 November 2007.

⁴ Part year only as appointed Director on 25 July 2007.

⁵ Part year only as ceased to be Director on 31 July 2007.

⁶ Part year only as ceased to be Director on 26 April 2007.

⁷ Part year only as ceased to be Director on 12 April 2007.

⁸ This comprises Bridget Ogilvie's 2006 total of £18,000 (\$34,000).

⁹ This comprises Tom McKillop's 2005 total of £2,253,000 (\$4,125,000), Bridget Ogilvie's 2005 total of £57,000 (\$104,000) and Åke Stavling's final payment of £36,000 (\$66,000).

In the tables on this page and page 106, salaries have been converted between sterling and US dollars at the average exchange rate for the year in question. These rates were:

	GBP/USD
2005	0.546
2006	0.547
2007	0.500

The Executive Directors were also granted options to subscribe for Ordinary Shares and awards of Ordinary Shares under the Company's long-term incentive plans (the AstraZeneca Share Option Plan and the AstraZeneca Performance Share Plan). Details of share options granted to, and exercised by, Directors and the aggregate of gains realised on the exercise of options, and of awards under the long-term incentive plans, in the year are given on pages 110 to 114.

No Director has a family relationship with any other Director.

DIRECTORS' REMUNERATION REPORT CONTINUED

PENSIONS

Defined benefit arrangements

Pensions are payable to Directors in sterling, with the exception of David Brennan's, whose pension is payable in US dollars. For ease of understanding, the table below has been presented in both sterling and US dollars using the exchange rates for 2007 set out on the previous page.

	David Brennan £000	John Patterson £000	Jonathan Symonds £000	David Brennan \$000	John Patterson \$000	Jonathan Symonds \$000
Defined Benefit Arrangements						
1. Accrued pension at 1 January 2007	484	313	278	969	626	556
2. Increase in accrued pension during year as a result of inflation	–	12	6	–	24	12
3. Adjustment to accrued pension as a result of salary increase relative to inflation	77	(1)	7	155	(2)	14
4. Increase in accrued pension as a result of additional service	10	11	8	21	22	16
5. Accrued pension at 31 December 2007	571	335	299	1,145	670	598
6. Employee contributions during 2007	–	–	14	–	–	28
7. Transfer value of accrued pension at 31 December 2006	3,977	6,129	3,020	7,956	12,260	6,041
8. Transfer value of accrued pension at 31 December 2007	4,986	6,833	3,559	9,973	13,668	7,119
9. Change in transfer value during the period less employee contributions	1,009	704	525	2,017	1,408	1,050
10. Age at 31 December 2007	54 $\frac{3}{12}$	59 $\frac{11}{12}$	48 $\frac{5}{12}$	54 $\frac{3}{12}$	59 $\frac{11}{12}$	48 $\frac{5}{12}$
11. Pensionable service (years) as at 31 December 2007	32	32 $\frac{7}{12}$	26 $\frac{11}{12}$	32	32 $\frac{7}{12}$	26 $\frac{11}{12}$

Notes

- > For John Patterson and Jonathan Symonds, transfer values are calculated on the market related basis used by the AstraZeneca UK Pension Plan, in line with the GN11 guidance note published by the Board for Actuarial Standards in the UK. The basis is to be reviewed during early 2008.
- > For David Brennan, transfer values are calculated to be consistent with the value of the lump sum distribution equivalent to his deferred accrued pension annuity. The minimum permissible value of such a lump sum distribution will be modified in 2008.
- > As described on page 101, David Brennan will reach age 55 during 2008 at which point he will become entitled to receive his benefits immediately on retirement without reduction for payment before normal pension age. This will result in a recalculation of his transfer value, which will be reflected in this table for 2008. The figures shown above reflect David Brennan's participation in the AstraZeneca US Defined Benefit Pension Plan (qualified and non-qualified pension plans).
- > For John Patterson, member contributions of £20,000 (\$40,000), being 4% of pensionable salary, are paid through salary sacrifice, and as such no employee contributions are shown above or included within emoluments.
- > Jonathan Symonds left the Board on 31 July 2007. The values shown in the table are as at 31 July 2007, or the period ending on that date, as appropriate. As described on page 101, Jonathan Symonds benefited from a pension promise equivalent to membership of the AstraZeneca UK Defined Benefit Pension Plan, delivered through a combination of savings vehicles and an unfunded top-up benefit to deliver the balance. Following his departure, the Company made a cash payment amounting to £3.27 million. The payment extinguishes all pension liabilities the Company has in respect of Jonathan Symonds.

Defined contribution arrangements

In addition to the defined benefit arrangements above for David Brennan, an employer matching contribution of £5,000 (\$10,000) was made to his 401(k) plan during 2007.

Simon Lowth joined the Board on 5 November 2007. As described on page 101, he has chosen to receive the cash allowance in lieu of pension, which during 2007 amounted to £22,000 (\$44,000).

TRANSACTIONS WITH DIRECTORS

There were no material recorded transactions between the Company and the Directors during 2007 or 2006.

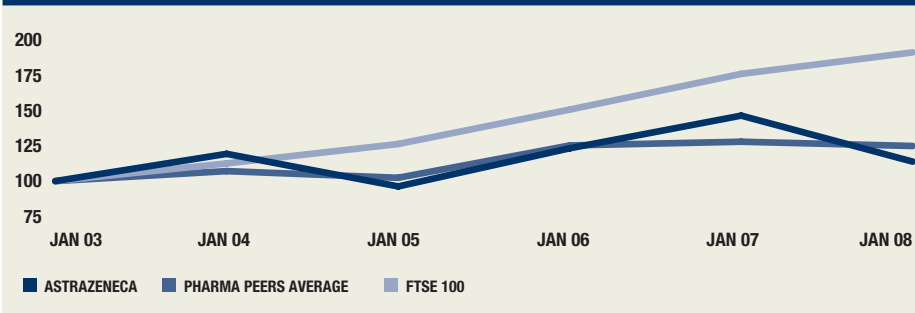
TOTAL SHAREHOLDER RETURN GRAPHS

The UK Directors' Remuneration Report Regulations 2002 require the inclusion in the Directors' Remuneration Report of a graph showing total shareholder return (TSR) over a five year period in respect of a holding of the Company's shares, plotted against TSR in respect of a hypothetical holding of shares of a similar kind and number by reference to which a broad equity market index is calculated. The Company is a member of the FTSE 100 Index and consequently, for the purposes of this graph, which is set out opposite, we have selected the FTSE 100 Index as the appropriate index. This graph is re-based to 100 at the start of the rolling five-year period. We have also included a 'Pharma Peers Average', which reflects the TSR of the same comparator group used for the Performance Share Plan graphs opposite.

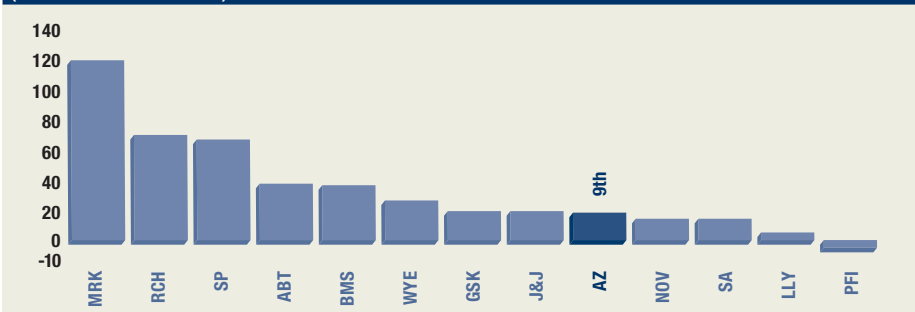
The AstraZeneca Performance Share Plan (PSP) referred to on pages 103 to 104 requires that the TSR in respect of a holding of the Company's shares over the relevant performance period be compared with the TSR of a peer group of 12 other pharmaceutical companies. The graphs opposite show how the Company's TSR performance has compared with the TSR for the companies in the comparator group from the first day in the relevant three-year performance period in respect of each Award to 31 December 2007 and how the Company ranks against those other companies on this basis.

To alleviate any short-term volatility, the return index is averaged in the TSR calculations for each company over the three months prior to the start of the relevant performance period (as stipulated in the PSP) and, for the purposes of the graphs opposite, over the last three months of 2007.

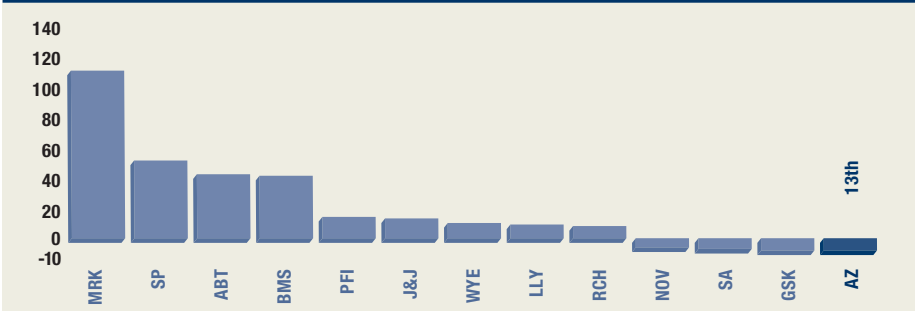
TSR OVER A FIVE YEAR PERIOD



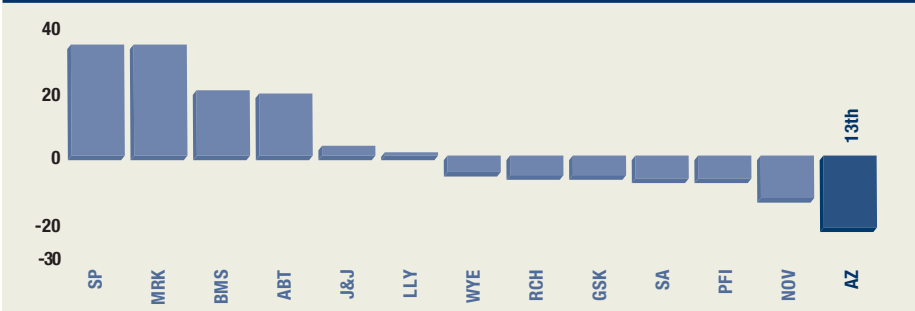
TSR – ASTRAZENECA COMPARED WITH PEER GROUP 1 JAN 2005 TO 31 DEC 2007 (FOR THE 2005 AWARD)



TSR – ASTRAZENECA COMPARED WITH PEER GROUP 1 JAN 2006 TO 31 DEC 2007 (FOR THE 2006 AWARD)



TSR – ASTRAZENECA COMPARED WITH PEER GROUP 1 JAN 2007 TO 31 DEC 2007 (FOR THE 2007 AWARD)



Source data for all graphs on this page: Thomson Financial Datastream.

DIRECTORS' REMUNERATION REPORT CONTINUED

DIRECTORS' INTERESTS IN SHARES

Beneficial interests

The table below shows the interests at 31 December 2007 or on the date of resignation (if earlier) of the persons who on that date were Directors (including the interests of their Connected Persons, as such term is defined in the Companies Act 2006) in shares and debentures of AstraZeneca PLC. All such interests were beneficial except as otherwise stated. However, interests in Ordinary Shares or American Depositary Shares (ADSs) that are the subject of awards under the AstraZeneca Performance Share Plan, the AstraZeneca Deferred Bonus Plan or the AstraZeneca US Executive Performance Share Plan discussed elsewhere, are not included in the table below but are shown on pages 111 and 112. None of the Directors has a beneficial interest in the shares of any of the Company's subsidiaries. Between 31 December 2007 and 31 January 2008 there was no change in the interests in shares and debentures shown in the table below, with the exception of John Patterson who acquired a further 625 Ordinary Shares following the exercise of an option under the AstraZeneca Savings Related Share Option Plan.

Director	Beneficial interest in Ordinary Shares at 1 Jan 2007 or appointment date	Change to beneficial interest	Beneficial interest in Ordinary Shares at 31 Dec 2007 or resignation date
Louis Schweitzer	4,000	–	4,000
David Brennan	111,788	3,856	115,644
John Patterson	8,015	–	8,015
Simon Lowth ¹	–	850	850
John Buchanan	2,500	–	2,500
Jane Henney	500	–	500
Michele Hooper	500	–	500
Håkan Mogren	62,164	–	62,164
Nancy Rothwell	500	–	500
John Varley	500	–	500
Marcus Wallenberg	67,264	–	67,264
Bo Angelin ²	–	500	500
Former Directors			
Jonathan Symonds ³	11,527	–	11,527
Peter Bonfield ⁴	500	–	500
Joe Jimenez ⁵	500	–	500
Erna Möller ⁴	2,718	–	2,718

¹ Part year only as appointed Director on 5 November 2007.

² Part year only as appointed Director on 25 July 2007.

³ Part year only as ceased to be Director on 31 July 2007.

⁴ Part year only as ceased to be Director on 26 April 2007.

⁵ Part year only as ceased to be Director on 12 April 2007.

Unitised stock plans

David Brennan, in common with other participating executives in the US, has interests awarded to him prior to becoming Group CEO in the following: the AstraZeneca Executive Deferral Plan, the AstraZeneca Executive Deferred Compensation Plan and the AstraZeneca Savings and Security Plan. These are unitised stock plans into which the value of certain previous share incentive awards has been deferred (and are not incentive awards in their own right). Participants hold units in each plan, which represents a long-term equity interest in the Company. A unit comprises part cash and part ADSs. The overall unit value can be determined daily by taking the market value of the underlying ADSs and adding the cash position. The ADSs held within these units carry both voting and dividend rights. David Brennan is deemed to have a notional interest in these ADSs, calculated by reference to the fund value and the closing price of ADSs. Therefore, the number of ADSs in which a notional interest arises can vary daily as a consequence of stock price movements.

Unitised stock plan	ADSs held at 1 Jan 2007	Net ADSs acquired/(disposed) during 2007	ADSs held at 31 Dec 2007
AstraZeneca Executive Deferral Plan	76,071	(12,282)	63,789
AstraZeneca Executive Deferred Compensation Plan	29,103	1,279	30,382
AstraZeneca Savings and Security Plan	6,456	527	6,983

No Director or senior executive beneficially owns, or has options over, 1% or more of the outstanding shares of the Company, nor do they have different voting rights to other shareholders.

AstraZeneca Performance Share Plan

The interests of Directors and former Directors at 31 December 2007, or on the date of resignation (if earlier), in shares that are the subject of Awards under the AstraZeneca Performance Share Plan are not included in the table on the previous page but are shown below:

Award	Numbers of shares	Award price	Grant date ¹	Vesting date ¹	Performance period ¹
David Brennan					
2006 Award	73,109	2975p	24.03.06	24.03.09	01.01.06 – 31.12.08
2006 Award	19,092	2848p	19.05.06	19.05.09	01.01.06 – 31.12.08
Total at 1 Jan 2007	92,201				
2007 Award	107,051	2744p	30.03.07	30.03.10	01.01.07 – 31.12.09
Total at 31 Dec 2007	199,252				
John Patterson					
2005 Award	41,945	2241p	29.06.05	29.06.08	01.01.05 – 31.12.07
2006 Award	32,319	2975p	24.03.06	24.03.09	01.01.06 – 31.12.08
Total at 1 Jan 2007	74,264				
2007 Award	36,785	2744p	30.03.07	30.03.10	01.01.07 – 31.12.09
Total at 31 Dec 2007	111,049				
Simon Lowth					
Total at 5 Nov 2007	–				
2007 Award	15,554	2210p	16.11.07	16.11.10	01.01.07 – 31.12.09
Total at 31 Dec 2007	15,554				
Jonathan Symonds					
2005 Award	47,723	2241p	29.06.05	29.06.08	01.01.05 – 31.12.07
2006 Award	41,646	2975p	24.03.06	24.03.09	01.01.06 – 31.12.08
Total at 1 Jan 2007	89,369				
2007 Award	50,291	2744p	30.03.07	30.03.10	01.01.07 – 31.12.09
Total at 31 Jul 2007	139,660 ²				
Tom McKillop ³					
2005 Award	104,417	2241p	29.06.05	29.06.08	01.01.05 – 31.12.07
Total at 1 Jan 2007	104,417				
Total at 31 Dec 2007	104,417 ⁴				

¹ UK date convention applies.

² This represents the balance as at 31 July 2007, the date of Jonathan Symonds' resignation. In accordance with the plan rules, all Awards lapsed upon his resignation from the Company.

³ Ceased to be a Director on 31 December 2005.

⁴ To be pro-rated as described on page 74 of the 2005 Directors' Remuneration Report.

US Executive Performance Share Plan

The interests of David Brennan at 31 December 2007 in ADSs of AstraZeneca PLC that are the subject of awards under the AstraZeneca US Executive Performance Share Plan (established in 2000) are not included in the above tables but are shown below. One ADS equals one Ordinary Share. The number of ADSs to which David Brennan may become unconditionally entitled on the vesting date will be determined by reference to AstraZeneca's total shareholder return compared with that of other companies in the US Pharmaceutical Human Resources Association over the three year performance period from the date of first award.

Award	Number of ADSs	Award price	Grant date ¹	Vesting date ¹	Performance period ¹
David Brennan					
2004 Award	28,826	\$46.63	26.03.04	26.03.07	01.01.04 – 31.12.06
2005 Award	27,877	\$40.35	24.03.05	24.03.08	01.01.05 – 31.12.07
Total at 1 Jan 2007	56,703				
Vesting of 2004 Award	(15,566) ²				
Lapse of 2004 Award	(13,260)				
Total at 31 Dec 2007	27,877				

¹ UK date convention applies.

² Vesting of 2004 Award was paid out in the form of ADSs. The ADS price on the vesting date was \$54.73.

DIRECTORS' REMUNERATION REPORT CONTINUED

Deferred Bonus Plan

There is a requirement for SET members, including the Executive Directors, to defer a proportion of their bonus and to use it to acquire Ordinary Shares in the Company purchased on the market at the prevailing market price for a period of three years from the date on which the shares were first acquired. The proportion currently deferred into Ordinary Shares is one third of the pre-tax bonus for Executive Directors and one sixth for all other SET members. The interests of Directors and former Directors at 31 December 2007, or on the date of resignation (if earlier), in Ordinary Shares that are the subject of awards under these arrangements are not included in the table on the previous page but are shown below:

Award	Number of shares	Award price	Grant date ¹	Vesting date ¹
David Brennan 2006 Award	6,352	2639p	24.02.06	24.02.09
Total at 1 Jan 2007	6,352			
2007 Award	12,014	2911p	23.02.07	23.02.10
Total at 31 Dec 2007	18,366			
John Patterson 2006 Award	6,623	2639p	24.02.06	24.02.09
Total at 1 Jan 2007	6,623			
2007 Award	5,600	2911p	23.02.07	23.02.10
Total at 31 Dec 2007	12,223			
Jonathan Symonds 2006 Award	7,534	2639p	24.02.06	24.02.09
Total at 1 Jan 2007	7,534			
2007 Award	6,491	2911p	23.02.07	23.02.10
Total at 31 Jul 2007	14,025 ²			

¹ UK date convention applies.

² This represents the balance as at 31 July 2007, the date of Jonathan Symonds' resignation. In accordance with the plan rules, all Awards lapsed upon his resignation from the Company.

SHARE OPTIONS

The interests of Directors, and of former Directors who served during 2007, in options to subscribe for Ordinary Shares in the Company, which include options granted under the AstraZeneca Share Option Plan, the AstraZeneca Savings-Related Share Option Scheme and the 1994 Executive Share Option Scheme, together with options granted and exercised during 2007, are included in the following table. All grants in 2007 were made under the AstraZeneca Share Option Plan, unless otherwise indicated.

		Number of Ordinary Shares under option	Exercise price per Ordinary Share ¹	Market price at date of exercise	First day exercisable ^{2,3}	Last day exercisable ^{2,3}
Håkan Mogren	At 1 Jan 2007	244,896	2848p		13.12.02	24.03.13
	– market price above option price	90,422	2364p		16.03.00	24.03.13
	– market price at or below option price	154,474	3131p		13.12.02	27.03.12
	At 31 Dec 2007	244,896	2848p		13.12.02	24.03.13
	– market price above option price	–	n/a		n/a	n/a
	– market price at or below option price	244,896	2848p		13.12.02	24.03.13
David Brennan	At 1 Jan 2007 – options over ADSs	355,246	\$45.22		16.03.03	23.03.15
	At 1 Jan 2007 – options over Ordinary Shares	110,641	2949p		24.03.09	18.05.16
	– market price above option price	355,246	\$45.22		16.03.03	23.03.15
	– market price below option price	110,641	2949p		24.03.09	18.05.16
	Granted 30 March 2007	128,462	2744p		30.03.10	29.03.17
	At 31 Dec 2007 – options over ADSs	355,246	\$45.22		16.03.03	23.03.15
	At 31 Dec 2007 – options over Ordinary Shares	239,103	2839p		24.03.09	29.03.17
	– market price above options price (ADSs)	110,987	\$40.35		24.03.08	23.03.15
	– market price above option price (Ordinary Shares)	–	n/a		n/a	n/a
	– market price at or below option price (ADSs)	244,259	\$47.44		16.03.03	25.03.14
	– market price at or below option price (Ordinary Shares)	239,103	2839p		24.03.09	29.03.17
Simon Lowth	At 1 Jan 2007	–	n/a		n/a	n/a
	– market price above option price	–	n/a		n/a	n/a
	– market price at or below option price	–	n/a		n/a	n/a
	Granted 16 November 2007	18,665	2210p		16.11.10	15.11.17
	At 31 Dec 2007	18,665	2210p		16.11.10	15.11.17
	– market price above option price	–	n/a		n/a	n/a
– market price at or below option price	18,665	2210p		16.11.10	15.11.17	
John Patterson	At 1 Jan 2007	192,574	2735p		25.03.02	23.03.16
	– market price above option price	100,784	2344p		25.03.02	23.03.15
	– market price at or below option price	91,790	3163p		23.08.03	23.03.16
	Granted 30 March 2007	44,142	2744p		30.03.10	29.03.17
	Granted 21 September 2007 ⁴	443	2164p		01.12.10	31.05.11
	At 31 Dec 2007	237,159	2735p		25.03.02	29.03.17
	– market price above option price	53,282	2129p		01.12.07	23.03.15
– market price at or below option price	183,877	2911p		25.03.02	29.03.17	
Jonathan Symonds	At 1 Jan 2007	363,002	2618p		01.10.00	23.03.16
	– market price above option price	225,809	2284p		01.10.00	23.03.15
	– market price at or below option price	137,611	3166p		23.08.03	23.03.16
	Granted 30 March 2007	60,349	2744p		30.03.10	29.03.17
	Exercised	30,656	2055p	2577p	01.10.00	30.09.07
	Exercised	13,136	2398p	2577p	20.08.01	19.08.08
	Exercised	29,342	2505p	2577p	25.08.02	24.08.09
	Exercised	48,012	2231p	2577p	25.03.06	24.03.13
	Exercised	44,049	2529p	2577p	26.03.07	25.03.14
	At 31 Jul 2007	258,574 ⁵	2825p		23.08.03	29.03.17
	– market price above option price	60,614	2133p		01.12.07	23.03.15
– market price at or below option price	197,960	3037p		23.08.03	29.03.17	

¹ Exercise prices at 1 January and 31 December are weighted averages.

² First and last exercise dates of groups of options, within which period there are shorter exercise periods.

³ UK date convention applies.

⁴ Option granted under the AstraZeneca Savings Related Share Option Plan.

⁵ This represents the balance as at 31 July 2007, the date of Jonathan Symonds' resignation. In accordance with the plan rules, all Awards lapsed upon his resignation from the Company.

DIRECTORS' REMUNERATION REPORT CONTINUED

GAINS BY DIRECTORS ON EXERCISE OF SHARE OPTIONS

The aggregate amount of gains made by Directors on the exercise of share options during the year and the two previous years is set out below.

Year	Gains made by Directors on the exercise of share options \$	Gains made by the highest paid Director \$
2007	783,858.08	—
2006	2,962,173.19	2,212,636.27
2005	577,795.42	577,407.91

During 2007, the market price of shares in the Company was as follows:

Stock Exchange	Share market price as at 31 December 2007	Range of the share market price during 2007
London	2164p	2093p to 2984p
Stockholm	277.00 SEK	272.00 SEK to 414.00 SEK
New York	\$42.82	\$42.82 to \$59.04

The Register of Directors' Interests (which is open to inspection) contains full details of Directors' shareholdings and options to subscribe for Ordinary Shares.

On behalf of the Board

G H R MUSKER
Group Secretary and Solicitor

31 January 2008