Chairman's Address to Shareholders

Ladies and Gentlemen,

A very warm welcome to all the esteemed shareholders, members of the board and distinguished ladies and gentlemen to the **43rd Annual General Meeting** of your company AstraZeneca. I hope that you and your family members are doing well and safe!

We are yet again gathering virtually for this annual meet but I am confident that our next edition will provide us a long awaited opportunity for a physical meet.

The Director's Report and Audited Financial Statements for the financial year ended March 31, 2022 have been with you for some time now. I will, with your kind permission, take them as read. Let me take this opportunity to share key information pieces about the progress AstraZeneca India has made in the previous financial year.

COVID-19 posed a severe threat to the entire world in the past couple of years. The organization globally has created class apart research capabilities over the years. A global and constant focus over enriching this function within the organization formed the bedrock for one of the historic partnerships with Oxford. With right partnerships at the right time, AstraZeneca global was able to produce life-saving vaccine to beat COVID-19 virus worldwide. AstraZeneca globally **is estimated to have helped prevent 6 million+ excess deaths between 08 December 2020 and 08 December 2021. It is also estimated to have helped save over 6 million lives between 08 December 2020 and 08 December 2021. In India specifically, the vaccine is estimated to have helped save over 3.8 million lives between 08 December 2020 and 08 December 2021."**

AstraZeneca is proud to have made a significant contribution to the fight against COVID-19 on a global scale and you all should share that pride with us for the rest of our lives.

Dear Shareholders,

We all together faced multiple threats created by COVID-19 in the past couple of years. With its recurring variants, it disrupted lives in many ways. Your company was no different and the past two years led us to take many decisions in the benefit of our employees, partners and our primary stakeholders-patients.

During these challenging times, Safety, Health and well-being of employees continued to be the focus of the Company, as we provided medical counselling, and helplines including dedicated ones for mental well-being have been made available for all employees and their families. The hybrid working models –

integrating work from home alongside physical workspaces has ensured business continuity while at the same time facilitating a more inclusive and engaged workforce. The return to office has been meticulously planned with adequate provisions to ensure safety and well-being of all employees.

These initiatives and facilities have helped the Company achieve its financial goals for 2021 and it remains firmly on track to deliver its strategic goals.

We have emphasized on a futuristic approach in everything we do. Much before the lockdowns were forced upon us due to COVID-19, we started a project to leverage technology and craft an omnichannel approach interlaced virtual solutions to connect with HCPs on a day to day basis. The pandemic encouraged the use of this model across functions in the organization and was well-received by all partners. Also, this futuristic thinking gave us an edge and saved a lot of time for us just when we needed it the most. Today, this approach has increased flexibility and productivity of our employees while being able to connect with HCPs and make high quality interactions.

Our people have shown remarkable dedication, agility and resilience through the year in unprecedented circumstances. This includes the hundreds of employees who have continued to work in our manufacturing facilities throughout the pandemic to ensure our vital medicines continued to reach patients and healthcare professionals. Their efforts have meant that despite the challenges, we enter 2022 with a pipeline that is stronger, commercial execution that is sharper and a higher level of confidence in our ability to provide patients with life-saving medications.

Fiscal Year 2021-22

Moving to your Company's performance, during FY 2021-22, significant progress was made in delivering its science-led and patient focused strategy in India. Your Company's business has been growing, driven by an innovative portfolio in therapy areas of high disease burden, rich global R&D pipeline, good governance and commercial excellence.

The Company has registered sales of Rs. 7,614 million as against the last year sales of Rs. 7,768 million and achieved a total comprehensive income of Rs. 599 million, during the financial year 2021-22.

The growth platform of the Company continues to perform well with innovative molecules like Forxiga, Xigduo, Symbicort, Onglyza, Kombiglyze, Brilinta continuing to deliver. The newer launches of innovative molecules like Imfinzi and increasing potential of indications for molecules like Lynparza have begun to make an impact in improving the lives of cancer patients and cater to hitherto an unmet need.

- Brilinta continues to be the market leader in Oral antiplatelet (OAP) category. We have witnessed the launch of over 30 generics in the past year, following the patent expiry of Ticagrelor in 2019, but due to its value proposition, we believe that it will sustain its market leadership and save even more patient lives in the coming years.
- The Company's innovator brands of SGLT2i have felt the impact of 100+ generic brands which have been launched, as the portfolio which has traditionally been a growth engine with double digit growth, registering in value terms decline in FY21-22. The Company hopes to prioritise brands of Dapagliflozin, by kickstarting a new growth phase for the brand, and maximize its potential for newer indications.
- Symbicort – the Company's ICS/LABA inhaler with an innovative delivery mechanism continues to be one of the fastest growing ICS/LABA brands.
- Fasenra has seen good patient enrolments, while gaining a lot of interest from HCPs. We hope that Fasenra with its superior value proposition will redefine the standard of care for the management of severe asthma.
- Company's oncology portfolio spans the areas of women's cancer, lung cancer, prostrate and hematology, and has been the growth engine for the Company. The Company was the second fastest growing MNC in India

last year as per IPSOS market data, and ranked fifth in terms of value, moving up in ranking by 2 spots from 2020.

- Tagrisso is the leading brand in lung cancer by sales value, while Lynparza is the number one ovarian cancer brand.
- Imfinzi continues to recruit newer patients and make significant contributions to the lung franchise.
- The growing preference for Calquence and steady rise in patient enrolments since its launch in October 2020, marks our foray into the space of hemat-oncology as a safer BTKi option for patients suffering with CLL and R/R MCL.

MACRO ECONOMIC OVERVIEW

India is the 6th largest economy in terms of 2022 GDP rankings, with an estimated GDP of USD 3.29 trillion. The Country was the fastest growing major economy in 2021 with a GDP growth of 8.9%;

With the government's attention focused on containing the outbreak, progress on the delivery of key healthcare reforms is likely to slow temporarily, given the toll the disaster has taken on government finances. In the medium to longer term, it is hoped that the crisis will lead to an increase in government healthcare spending and more effective approach to reform of the healthcare.

Several key initiatives and structural reforms are expected to exert a positive influence on the economy, with the notable ones being PM Gatishakti, aimed at developing infrastructure for improving connectivity and commerce; Aatmanirbhar Bharat; focus on augmenting capacity for sustainable energy; and proliferation of technology, and digital solutions across sectors.

Indian Pharmaceutical Market (IPM)

The estimated size of IPM for FY 2021-22 is Rs. 185,498 crore (USD 24.7 billion). The growth of 18.2% (Value, FY 2021-22 over FY 2020-21) is a significant increase from prior year's growth of 4.3% (Value, FY 2020-21 over FY 2019-20). This can be attributed to a surge in uptake of acute therapies such as respiratory and Covid-related therapies of anti-infectives, pain management and vitamins and supplements.

Domestic Indian Companies accounted for 82% share of the market (value) with a growth of 19.7% (Value, FY 2021-22 over FY 2020-21), while the MNC's grew at 11.9%. Some of the growth drivers behind this growth are: Shift from communicable to Lifestyle diseases or NCDs; Quicker regulatory approvals;

Public initiatives to improve access to healthcare; increasing health insurance coverage; increasing adoption of telemedicine and digital platforms; and increasing proliferation of e-pharmacies.

OPERATIONS

Excellent safety and quality performance at manufacturing site continued with zero Lost Time Injury and no critical observations in both internal and external quality audits. Through focus on lean, significant tangible benefits were derived. Simplification and digitalization moved to the next level with adoption of simple but effective tools like Batch Release visualization. The Company’s lean journey continues to focus on uplifting people and machine capabilities. Manufacturing operations executed several projects to meet supply, safety, quality and sustainability related requirements.

OUTLOOK

In FY 2022-23, the Company will continue to prioritise investments in its focus areas in-line with its global growth platforms. The Company continues to be committed in making novel therapies/indications available for patients in India. A conducive regulatory pathway remains key for determining feasibility, and speed of new launches, and the Company will continue to pursue accelerated regulatory milestones – leveraging its stellar clinical operations, and evidence generation capabilities wherever applicable.

Your Company has introduced a couple of new indications and products in the recent past. Notable launches in the Cardiovascular – Renal – Metabolics (CVRM) business include Heart Failure (HF), and Chronic Kidney Disease (CKD) indications for Forxiga (Dapagliflozin). Our respiratory franchise also had a new inclusion into the portfolio last year. Fasenra (Benralizumab) is helping redefine management of severe asthma in the country. A few notable recent approvals in the Oncology include – use of Tagrisso (Osimertinib) in early-stage Non-Small Cell Lung Cancer (NSCLC) in patients with positive EGFR mutation, and use of Lynparza (Olaparib) in pancreatic, prostate and ovarian cancers.

Your Company will maintain a strong focus on cost optimization and controls. Management is undertaking measures to reduce unproductive discretionary and non-customer facing spends. Management also continues to develop simple and more efficient processes to encourage accountability and improve decision making and communication.

Corporate Social Responsibility (CSR)

Inspired by our values and what science can do, the Company is focused on accelerating the delivery of life changing medicines that create enduring value for patients and society. The Company is committed to operating in a way that recognises the interconnection between business growth, the needs of society and the limitations of our planet. In the year 2021, while at one end the Company continued our focus on access to healthcare, the Company also looked at ways we can contribute in protecting the environment.

The Company's flagship initiative "Ganga Godavari Screening Programme" continued its focus on early detection via preventive screening of non-communicable diseases in the under resourced communities. We touched over 6500 beneficiaries through the program. We also focused on better heart health. In Jammu & Kashmir, we collaborated with UMMEEDD Foundation and joined a 'No heart Attack' mission envisaged by Padmashri Dr. Upendra Kaul.

Our global 'Young Health Programme' expanded its boundaries from Delhi to Karnataka this year. An over a decade old programme implemented in multiple communities of Delhi helped us build a model 'community development' approach that could influence behaviours especially in youngsters between 10-

24 years of age. Thus far, the programme has over 21 ‘Health Information Centers’- that are the focal points in identified communities helping us spread the right information on NCD Prevention and Management from generating awareness to identifying sustainable solutions to influence behavior.

‘AZ Forest’ initiative by the Company looks forward to restoring forests and biodiversity by planting trees worldwide in partnership with local governments and non-profit organisations. In India with an aim to convert a denuded area of land into a lush green forest to create an ecosystem involving community, the Company collaborated with SankalpTaru Foundation, focused on afforestation throughout India and providing livelihood to farmers along the way. We flagged off a mass sapling plantation campaign in Bengaluru and committed to planting 5,000 smartly geo-tagged trees in phase 1 that would enable individualistic tracking of each plant remotely.

Taking the promise of care forward with an underlying objective of adherence to treatment, the Company committed to fulfil the wishes of about 830 children suffering from critical ailments across the country in collaboration with Make-A-Wish Foundation. The Company supported a series of 11 events organised either virtually or on-ground across Bengaluru, Goa, Mumbai, Kolkata, Jaipur, Delhi, Pune, Hyderabad, Chennai, Ahmedabad and Baroda in an effort to reach out as many children between the age of 3 to 18 years as possible and leave them with joyous memories.

Our community level support during COVID-19 was also a multi-pronged one. Once the vaccination drive against COVID-19 began in India, vaccine hesitancy became the next big matter of concern. There were multiple reports emerging from different regions where general pubic was hesitant to administer their dose due to myths, fear of side effects and misconceptions. This needed quick and strong community intervention to ensure that more and more people came forward for vaccination of both the doses to curb the spread of COVID-19 infection. AstraZeneca recognising the gap, made an effort to strengthen community action for the COVID vaccination drive through Plan India. 'Vaccine Hesitancy Program' was curated with two-fold objectives: supporting government efforts to combat the outbreak of COVID-19 in the country by addressing vaccination hesitancy and promoting COVID appropriate behaviour through community-led action. AstraZeneca India collaborated to curate and support "COVID Vaccination Campaign" for end-to-end outreach in Bawana and Jahangirpuri area of North Delhi to promote Covid appropriate behaviour and thereby improve the vaccine uptake through community mobilization. The target groups in the project included men, women and children from these resettlement colonies. Over 11,000 people were vaccinated, about 40,000 reached with targeted messages through 7300 household visits and over 395,000 people were sensitized on COVID Appropriate Behavior and COVID-19 Vaccination through mass awareness.

The Company's 'Back2school' campaign was curated given a need found at the ground level where people started putting their children away from school once the lockdown were lifted. This 3-month long campaign in two communities of New Delhi had a straight forward objective to mobilise parents and nudge them to ensure that the education for their children continued. With the help of local youth and peer educators, this programme saw a participation from 5,400 parents, over 1,500 education kits distribution to young girls, and 1,200 safety kits were distributed to help children return to school.

ACKNOWLEDGMENTS

Finally, I take this opportunity to express my sincere appreciation for the support of all our stakeholders including shareholders, employees, business associates, bankers, Government departments, State Government of Karnataka, the health care community and last but not the least, patients, for their confidence reposed in AstraZeneca. I place on record the Board's deep appreciation of the active assistance given by the AstraZeneca Group in addressing and responding to many complex issues and challenges encountered by the Company during the year. Finally, I thank my colleagues on the Board for their contribution and commitment to the growth of the Company and for their wise counsel and support.

Narayan K Seshadri

Chairman