

UK TAX STRATEGY

Alexion is a global biopharmaceutical company focused on developing and delivering life-transforming therapies for patients with devastating and rare disorders. Alexion has patients in more than 50 countries with operations in many countries including the UK to serve local patients.

This document sets out Alexion's approach and strategy for handling the tax affairs and tax risks of its UK companies Alexion Pharma UK Limited and Synegeva Biopharma Limited (UK) (Alexion UK entities) and is regarded as satisfying its statutory obligation, under Paragraph 19(2), Schedule 19 Finance Act 2016, to publish its UK tax Strategy for all UK companies in the Alexion Group.

Alexion is committed to being compliant with all regulatory and tax requirements and paying the right amount of tax at the right time in jurisdictions in which it operates. Balanced with our responsibility to shareholders, Alexion utilizes tax incentives or opportunities which are compliant with UK tax legislation. Alexion discloses all relevant facts and circumstances to the tax authorities and claims relief and incentives where available and are consistent with the commitments of this policy.

Ensuring that we pay the correct amount of tax in a timely manner is one of our core responsibilities, meaning that all relevant facts and circumstances are disclosed to the tax authorities in an open and constructive manner.

We maintain policies, procedures and processes to ensure accuracy and compliance of our UK tax returns and tax payments. These policies, procedures and processes are reviewed regularly by our internal audit department and external audit service providers.

Alexion's UK Tax Strategy is reviewed and approved annually by the UK Board of Directors. The most recent review and approval took place on the 2nd of October 2018.

1. Our approach to risk management and governance arrangements in relation to UK taxation

As emphasized in our Code of Ethics and Business Conduct, Alexion is committed to complying with all legal requirements that affect the manner in which Alexion conducts its business, including industry guidelines and laws, regulations, and guidance in each country where we do business. With respect to managing tax risks, our policy is to comply with all applicable regulatory requirements and tax laws.

Alexion aims to ensure that its tax team has the necessary skills and technical knowledge to comply with its UK tax obligations. Regular training and opportunities to engage in continuous professional development are provided. External advice may be sought where we do not have the relevant knowledge or expertise within the tax team or there is uncertainty in the application of the law or practice.

Tax is part of the finance function in Alexion. Day to day responsibility for risk management and compliance is with the Chief of Tax who reports into the Chief Financial Officer of Alexion Pharmaceuticals Inc.

2. Our attitude towards tax planning

Alexion does not engage in planning of artificial tax arrangements. All transactions between Alexion UK companies and related parties are conducted on an arm's-length basis in accordance with OECD principles.

External advice may be sought in relation to tax strategy or areas of complexity or uncertainty to support Alexion in complying with its tax strategy and mitigation of risk.

3. Our approach to UK tax risk mitigation

Our approach to tax risk is integral to our broader risk management and compliance framework. Given the scale of our business and volume of tax obligations, risks will inevitably arise from time to time in relation to the interpretation of tax law and nature of our compliance arrangements. Our processes, policies, and governance are designed and operated to ensure compliance with tax laws and regulations in addition to identifying and mitigating material tax risks

From time to time, interpretation of tax law may give rise to uncertainty and accordingly tax risk in relation to our compliance arrangements. We proactively identify, assess and manage tax risks and account for them appropriately. Where there is uncertainty or complexity, we may seek external advice to mitigate risk.

4. Our approach towards interactions with HM Revenue & Customs ('HMRC')

Alexion is committed to being open and transparent with HMRC regarding its UK tax affairs. Alexion is also committed to building a positive relationship with HMRC by doing its utmost to meet all compliance obligations in a timely manner. If there is uncertainty in relation to any tax issue we are prepared to work collaboratively with HMRC to achieve agreement.