

Equitable Access: Research & Development resource allocation



Equitable access means embedding practices into our product portfolio to drive equitable access to healthcare — including in our research and development activities and resource allocation, for example, clinical trial diversity, investment in rare diseases, open innovation, and IP-sharing arrangements.

R&D resource allocation¹

	2021 \$m	2020 \$m	Growth CER %
Total Research & Development	9,736	5,991	59
Core Research & Development	7,987	5,872	33

In 2021 R&D expenditure was \$9,736m an increase of 59% at CER on 2020 reflecting the acquisition of Alexion in July 2021, ongoing significant investment in the development of our COVID-19 assets, *Vaxzevria* and *Evusheld*, and including an increase in restructuring costs and intangible impairments. Core R&D investment was \$7,987m (21% of Total Revenue) and a growth of 33% at CER compared with 2020.

The Core R&D investment growth in 2021 was primarily driven by:

- Acquisition of Alexion in July 2021.
- Significant investment in *Vaxzevria* our COVID-19 vaccine developed in partnership with Oxford University and *Evusheld*, a long acting antibody combination as a pre-exposure prophylaxis for COVID-19 that was authorised in the US in 2021 and EU in Q1 2022. *Vaxzevria* has now been shipped to over 180 countries around the world with in excess of 2.5bn doses supplied (AZ and sub-license partners).
- Significant investment in our key therapy areas, delivering 5 new NMEs in 2021; and the progression of key programmes including *Enhertu* our anti-body drug conjugate developed and commercialised in partnership with Daiichi-Sankyo; *Imfinzi* with new data supporting launches in GI cancers, and *Tezspire* our human monoclonal antibody developed in partnership with Amgen and recently receiving its first approval in the US.

This increase in investment was partially offset by government grants supporting *Vaxzevria* and *Evusheld* and increasing digitisation of the clinical development process, as we embrace the productivity and efficiency that this can bring to Research and Development.

1. 2021 Annual Report