ALEXION PHARMACEUTICALS INC
Form DEF 14A
April 08, 2015

SCHEDULE 14A
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934
Filed by the Registrant [X]
Filed by a Party other than the Registrant [ ]
Check the appropriate box:
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[ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
[X] Definitive Proxy Statement
[ ] Definitive Additional Materials
[ ] Soliciting Material Pursuant to §240.14a-12
ALEXION PHARMACEUTICALS, INC.
(Name of Registrant as Specified In Its Charter)
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)
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4) Date Filed:
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352 Knotter Drive
Cheshire, Connecticut 06410
(203) 272-2596

April 8, 2015

Dear Fellow Shareholder:

You are cordially invited to attend Alexion's 2015 Annual Meeting of Shareholders on Wednesday, May 6, 2015, at The Study at Yale, 1157 Chapel Street, New, Haven, CT 06511, at 5:30 p.m. local time.

The enclosed proxy statement describes the business to be considered at the meeting. I look forward to greeting Alexion's shareholders who are present at the meeting; however, whether or not you plan to be with us, your vote is extremely important. I urge you to vote your shares by mail, by phone, or on the Internet. Thank you.

Very truly yours,

Leonard Bell, M.D.

Chairman

352 Knotter Drive
Cheshire, Connecticut 06410

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

May 6, 2015

Alexion's 2015 Annual Meeting of Shareholders will be held on Wednesday, May 6, 2015, at The Study at Yale, 1157 Chapel Street, New, Haven, CT 06511, at 5:30 p.m. local time. This year, we are asking shareholders:

(1) To elect ten directors to Alexion's Board of Directors, constituting the entire Board, to serve for the ensuing year.
(2) To consider a non-binding advisory vote on 2014 compensation paid to Alexion's named executive officers.
(3) To ratify the appointment of PricewaterhouseCoopers LLP as Alexion's independent registered public accounting firm.
(4) To approve Alexion’s 2015 Employee Stock Purchase Plan.
(5) To vote upon two proposals submitted by shareholders, if properly presented at the 2015 Annual Meeting; and
(6) To transact such other business as may properly come before the 2015 Annual Meeting or any adjournment thereof.

Shareholders of record at the close of business on March 13, 2015 will be entitled to notice of and to vote at the 2015 Annual Meeting or any adjournment of the meeting.

All shareholders are cordially invited to attend the 2015 Annual Meeting in person. However, whether or not you plan to attend the 2015 Annual Meeting, please vote by completing and returning your proxy card, or by voting on the Internet or by phone at your earliest convenience so that your shares may be represented at the meeting.

Important Notice Regarding the Availability of Proxy Materials for the 2015 Annual Meeting to be held on May 6, 2015.
This Proxy Statement and our 2014 Annual Report are available at
http://ir.alexionpharm.com/annuals.cfm
www.proxyvote.com

April 8, 2015
Michael V. Greco
Vice President of Law and Corporate Secretary

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ALEXION PHARMACEUTICALS, INC. PROXY STATEMENT

General Information

The mailing address of our principal executive offices is Alexion Pharmaceuticals, Inc., 352 Knotter Drive, Cheshire, Connecticut, 06410. Proxies will be mailed to shareholders on or about April 8, 2015. We will make arrangements with brokerage houses and other custodians, nominees and fiduciaries to send proxies and proxy materials to the beneficial owners of shares and will reimburse them for their expenses in so doing. Proxies may be solicited, without extra compensation, by officers, agents and employees of Alexion who may communicate with shareholders, banks, brokerage houses and others by telephone, facsimile, email or in person to request that proxies be furnished. All expenses incurred in connection with this solicitation will be paid for by Alexion.

Why are we soliciting proxies?

We are furnishing this proxy statement and form of proxy to the holders of Alexion's common stock, par value $0.0001 per share, in connection with the solicitation by our Board of Directors of proxies for use at our 2015 Annual Meeting.

When and where is the 2015 Annual Meeting?

The 2015 Annual Meeting will be held on Wednesday, May 6, 2015, at The Study at Yale, 1157 Chapel Street, New, Haven, CT 06511, at 5:30 p.m. local time, or at any future date and time following an adjournment or postponement of the meeting.

What business will be conducted at the 2015 Annual Meeting?

The business to be considered at the 2015 Annual Meeting is described in the accompanying Notice of 2015 Annual Meeting. Alexion's Board of Directors is not currently aware of any other business that will come before the meeting.

Who can vote?

The record date for voting is March 13, 2015. Only shareholders of record at the close of business on

March 13, 2015 are entitled to notice of and to vote at the 2015 Annual Meeting and any adjournment or postponement of the meeting. On March 13, 2015, there were 199,637,362 shares of our common stock outstanding. Each share is entitled to one vote on each of the matters to be presented at the 2015 Annual Meeting.

Who can attend the 2015 Annual Meeting?

Attendance at the 2015 Annual Meeting will be limited to record or beneficial owners of Alexion common stock as of March 13, 2015 (or their authorized representatives). When you arrive at the meeting, you must present photo identification, such as a driver's license. If your shares are held by a bank, broker or other nominee, you must also present your bank or broker statement evidencing your beneficial ownership of Alexion common stock to gain admission to the 2015 Annual Meeting. Alexion reserves the right to deny admittance to anyone who cannot show sufficient proof of share ownership as of March 13, 2015.

Can I access the proxy materials on the Internet?

This Notice of Annual Meeting and Proxy Statement and our 2014 Annual Report are available at www.proxyvote.com. Instead of receiving future proxy statements and accompanying materials by mail, most shareholders can elect to receive an email that will provide electronic links to them. Opting to receive your proxy materials online will conserve natural resources and will save us the cost of producing documents and mailing them to you, and will also give you an electronic link to the proxy voting site.

How do I vote?

Whether or not you plan to attend the 2015 Annual Meeting, it is important that you vote.

If you own shares in your own name (a record owner), you can vote any one of four ways:

- By Internet: Go to the Internet website – www.proxyvote.com – and follow the instructions. You must vote by 11:59 P.M. Eastern on May 5, 2015.
- By Telephone: Call the toll-free number 800-690-6903 to vote by telephone. You must follow the instructions on your proxy card and the recorded telephone instructions. You must vote by 11:59 P.M. Eastern on May 5, 2015.
- By Mail: Mark, sign and date the proxy card and return it promptly in the self-addressed, stamped envelope. If a proxy card is signed and returned without instructions, your shares will be voted in the manner recommended by our Board of Directors. Your proxy card must be received by May 5, 2015.
- In Person: You can attend the 2015 Annual Meeting to vote by ballot.

If your shares are held in a brokerage account in your broker's name, you will receive voting instructions from your bank, broker or other nominee that you must follow in order for your shares to be voted. Internet and telephone voting also will be offered to shareholders owning shares through most banks and brokers.

If you vote via the Internet or by telephone, your electronic vote authorizes the named proxies in the same manner as if you signed, dated and returned your proxy card. If you vote via the Internet or by telephone, you should not mail a proxy card.

How can I change or revoke my vote?

You may revoke the authority granted by your execution of a proxy at any time prior to the 2015 Annual Meeting by:

- filing a timely written notice of revocation with the Corporate Secretary, Alexion Pharmaceuticals, Inc., 352 Knotter Drive, Cheshire, CT 06410;
- mailing a duly executed proxy bearing a later date;
- re-voting by phone or the Internet prior to the date and time described on the proxy; or
- voting in person at the 2015 Annual Meeting.

Only your latest vote will be counted.

What constitutes a quorum?

The holders of a majority of the outstanding shares of common stock entitled to vote must be present in person or represented by proxy to constitute a quorum at the 2015 Annual Meeting. Abstentions and "broker non-votes" will be counted for purposes of determining the presence or absence of a quorum.

How do I make sure my vote will be counted?

If you are a record holder you must vote by telephone, by Internet, by signing, dating and returning a printed proxy card, or by attending the 2015 Annual Meeting.

If you are the beneficial owner of shares held in "street name," your bank, broker or other nominee, as the record holder of the shares, is required to vote those shares in accordance with your instructions. If instructions are not provided, the broker's ability to vote the shares depends on the proposal. Your bank, broker or other nominee has discretionary authority to vote your shares on "routine" matters, even absent instructions. A broker may not, however, vote on "non-routine" matters without receiving specific voting instructions from you. Uninstructed shares whose votes cannot be counted on non-routine matters result in what are commonly referred to as "broker non-votes."

If you do not give your broker voting instructions, your broker (1) will be entitled to vote your shares on the ratification of our independent accounting firm and (2) will not be entitled to vote your shares on the election of directors, the advisory vote on executive compensation, the employee stock purchase plan, or the shareholder proposals.

We urge you to provide instructions to your bank, broker or other nominee so that your votes may be counted on all of these important matters.

What vote is required for each proposal?

		Board's Recommendation	Broker Discretionary Voting Allowed	Abstentions	Required Vote
Proposal 1	Election of Directors	FOR ALL Nominees	No	No affect	Majority of votes cast
Proposal 2	Non-binding Advisory Vote on Executive Compensations	FOR	No	No affect	Majority of votes cast
Proposal 3	Ratification of PricewaterhouseCoopers as independent auditors	FOR	Yes	No affect	Majority of votes cast
Proposal 4	Approval of Employee Stock Purchase Plan	FOR	No	Treated as a vote Against	Majority of votes cast
Shareholder Proposals					
Proposal 5	Proxy Access	AGAINST	No	Treated as a vote Against	Majority of votes cast
Proposal 6	10% Ownership to Call a Special Meeting	AGAINST	No	Treated as a Vote Against	Majority of votes cast

Beneficial Ownership Of Common Stock

The following table sets forth certain information as of March 9, 2015 (except as otherwise noted) regarding the beneficial ownership (as defined by the Securities and Exchange Commission, or SEC) of our common stock of: (i) each person known by us to own beneficially more than five percent of our outstanding common stock; (ii) each named executive officer (NEO) listed in the Summary Compensation Table below; (iii) each director; and (iv) all directors and executive officers of Alexion as a group.

Name and Address of Beneficial Owner [1]	Number of Shares of Common Stock Beneficially Owned [2]	Percentage of Outstanding Shares of Common Stock	
Capital Research Global Investors [3] 333 South Hope Street Los Angeles, CA 90071	24,290,100	12.20	%
FMR LLC [4] 245 Summer Street Boston, MA 02210	22,145,257	11.17	%
T. Rowe Price Associates, Inc. [5] 100 E. Pratt Street Baltimore, MD 21202	20,175,391	10.10	%
BlackRock, Inc. [6] 55 East 52nd Street New York, NY 10022	13,455,313	6.80	%
The Vanguard Group [7] 100 Vanguard Blvd. Malvern, PA 19355	10,660,348	5.37	%
Leonard Bell, M.D. [8][20]	1,690,924	*	
David Hallal [9][20]	397,338	*	
Martin Mackay, Ph.D. [10][20]	36,189	*	
Vikas Sinha, M.B.A., C.A. [11][20]	403,421	*	
Stephen P. Squinto, Ph.D. [12][20]	67,014	*	
David Brennan [13]	500	*	
M. Michele Burns [13]	20	*	
Christopher J. Coughlin [13]	0	*	
William R. Keller [14]	3,598	*	
John T. Mollen [15]	2785	*	
R. Douglas Norby [16]	65,903	*	
Alvin S. Parven [17]	43,161	*	
Andreas Rummelt, Ph.D. [18]	23,308	*	
Ann M. Veneman, J.D. [19]	29,342	*	
All directors and executive officers as a group (21 persons) [21]	2,982,796	1.49	%

* Less than one percent.

(1) Unless otherwise indicated, the address of all persons is 352 Knotter Drive, Cheshire, Connecticut 06410.

(2) To our knowledge, except as set forth below, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to community property laws where applicable and the information contained in the footnotes in this table.

(3) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 13, 2015. Capital Research Global Investors (CRGI) is a division of Capital Research and Management Company (CRMC). CRGI is deemed to be the beneficial owner of these securities as a result of CRMC acting as investment advisor to various investment companies registered under Section 8 of the Investment Company Act of 1940. These securities are owned by accounts under the discretionary investment management of CRGI. CRGI serves as investment advisor with power to direct investments and/or sole power to vote the securities.

(4) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 13, 2015. FMR LLC has sole voting power with respect to 926,852 of the shares listed and sole dispositive power over all of the shares.

(5) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 13, 2015. These securities are owned by various individual and institutional investors which T. Rowe Price Associates, Inc., or Price Associates, serves as investment adviser with power to direct investments and/or sole power to vote the securities. T. Rowe Price Associates, Inc., has sole voting power with respect to 6,330,424 of the shares listed and sole dispositive power over all of the shares. For the purposes of the reporting requirements of the Securities Exchange Act of 1934, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities.

(6) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 9, 2015. BlackRock, Inc. has sole voting power with respect to 11,814,968 of the shares listed and sole dispositive power over all of the shares.

(7) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 11, 2015. Vanguard Group Inc. has sole voting power with respect to 343,010 of the shares listed and sole dispositive power over 10,336,803 of the shares.

(8) Includes 1,218,245 shares of common stock that may be acquired upon the exercise of options that are exercisable within 60 days of March 9, 2015, and 9,000 shares held in a family trust.

(9) Includes 300,260 shares of common stock which may be acquired, directly or indirectly, by Mr. Hallal upon the exercise of options that are exercisable within 60 days of March 9, 2015, and 44,577 shares held in a family.

(10) Includes 31,050 shares of common stock which may be acquired by Dr. Mackay upon the exercise of options that are exercisable within 60 days of March 9, 2015.

(11) Includes 318,613 shares of common stock which may be acquired by Mr. Sinha upon the exercise of options that are exercisable within 60 days of March 9, 2015 and 4,808 shares held in a family trust.

(12)Includes 337 shares of common stock which may be acquired by Dr. Squinto upon the exercise of options that are exercisable within 60 days of March 9, 2015, and 2,526 shares held in a family trust. Dr. Squinto retired and his employment with Alexion ended on December 31, 2014.

(13) Mr. Brennan, Ms. Burns and Mr. Coughlin joined the Board of Directors in July 2014. In connection with their appointments, they were each granted 2,706 options and 768 restricted stock units.

(14) Includes 2,785 shares of common stock which may be acquired by Mr. Keller upon the exercise of options that are exercisable within 60 days of March 9, 2015. Mr. Keller will retire from the Board of Directors at the 2015 Annual Meeting.

(15) Mr. Mollen joined the Board of Directors in April 2014. In connection with his appointment, Mr. Mollen was granted 2,785 options and 768 restricted stock units.

(16)Includes 48,227 shares of common stock which may be acquired by Mr. Norby upon the exercise of options that are exercisable within 60 days of March 9, 2015.

(17)Includes 37,951 shares of common stock which may be acquired by Mr. Parven upon the exercise of options that are exercisable within 60 days of March 9, 2015.

(18)Includes 9,447 shares of common stock which may be acquired by Dr. Rummelt upon the exercise of options that are exercisable within 60 days of March 9, 2015.

(19)Includes 24,997 shares of common stock which may be acquired by Ms. Veneman upon the exercise of options that are exercisable within 60 days of March 9, 2015.

(20)Named executive officer under Item 402 of Regulation S-K.

(21)Includes 2,176,359 shares of common stock which may be acquired by all directors and officers as a group upon the exercise of options that are exercisable within 60 days of March 9, 2015, and 12,500 shares of common stock which will be acquired upon the vesting of restricted stock units that will vest within 60 days of March 9, 2015.

Proposal No. 1 – Election Of Directors

Ten directors have been nominated for re-election at the 2015 Annual Meeting to serve until the next annual meeting of shareholders and until their successors have been duly elected and qualified. In the event any of the nominees are unable to serve as a director, the shares represented by the proxy will be voted for such other candidate, if any, who is nominated by the Board of Directors to replace the nominee. All nominees have consented to be named in the proxy statement and have indicated their intent to serve if elected. The Board of Directors has no reason to believe that any of the nominees will be unable to serve.

In March 2015, Alexion announced that Mr. William Keller would not stand for re-election. Subsequent to the announced retirement, the Board of Directors determined that effective as of the 2015 Annual Meeting, the size of the Board would be reduced from eleven members to ten.

Alexion's directors are elected by majority vote in uncontested director elections, such as this one. The voting standard for contested director elections is a plurality standard. The majority voting standard provides that a nominee for director in an uncontested election will be elected to Alexion's Board if the votes cast "for" such nominee's election exceed the votes cast "against"

such nominee's election. In an uncontested election, an incumbent director nominee who does not receive the required votes for re-election is required to tender his or her resignation and the Nominating and Corporate Governance Committee will recommend to the Board whether to accept or reject the resignation. Within 90 days following certification of the election results, the Board will act on the committee's recommendation and publicly disclose the Board's decision regarding the tendered resignation, including the rationale for the decision.

The number of candidates for election as directors at the 2015 Annual Meeting is the same as the number of directors to be elected at the meeting. Therefore, this is an uncontested election and directors will be elected by the affirmative vote of a majority of the votes cast by the shares present or represented and entitled to vote at the 2015 Annual Meeting, in person or by proxy.

THE BOARD OF DIRECTORS DEEMS "PROPOSAL NO. 1 – ELECTION OF DIRECTORS" TO BE IN THE BEST INTERESTS OF ALEXION AND OUR SHAREHOLDERS AND RECOMMENDS A VOTE "FOR" EACH NOMINEE.

General Information About The Board Of Directors
Below please find information about the nominees for directors:

Name	Age	Year First Became Director	Position	Audit and Finance	Comp.	Nom. and Corp. Gov.	Pharm. Comp. and Quality	Strategy & Risk
Leonard Bell	56	1992	Chairman					
David Brennan	61	2014	Director				n	n
M. Michele Burns	57	2014	Director		n	n		Chair
Christopher J. Coughlin	62	2014	Director	n			n	
David Hallal	48	2014	CEO and Director					
John T. Mollen	64	2014	Director	n	n			
R. Douglas Norby	79	1999	Lead Independent Director	Chair		n	n	
Alvin S. Parven	74	1999	Director	n	Chair	n		
Andreas Rummelt	58	2010	Director				Chair	n
Ann M. Veneman	65	2010	Director			Chair	n	n

Mr. Brennan, Ms. Burns and Mr. Coughlin were each appointed to the Board in July 2014. Until April 1, 2015, Dr. Bell was Alexion's Chief Executive Officer. Mr. Hallal, Alexion's CEO effective April 1, 2015, was appointed to the Board in September 2014 at the time of his promotion to Chief Operating Officer. Mr. Larry Mathis and Dr. Joseph Madri retired from the Board in May 2014, and Mr. William Keller, director since 2009, notified the Board in March 2015 that he would retire from the Board at the 2015 annual meeting.

Each director nominee, if re-elected, will hold office until the next annual meeting of shareholders and until his or her successor is elected and qualified or until his or her earlier resignation or removal. Each officer of the company serves at the discretion of the Board of Directors. Dr. Bell and Mr. Hallal are each party to an employment agreement with Alexion.

The Board seeks independent directors who represent a range of viewpoints, backgrounds,

skills, experience and expertise. Directors should possess the attributes necessary to be an effective member of the Board, including the following: personal and professional integrity, high ethical values, sound business judgment, demonstrated exceptional business and professional skills and experience, teamwork and a commitment to the long-term interests of Alexion and its shareholders. In evaluating candidates, the Nominating and Corporate Governance Committee also considers potential conflicts of interest, diversity, the requirement to maintain a Board that is composed of a majority of independent directors, and the extent to which a candidate would fill a present or anticipated need. In any particular situation, the Nominating and Corporate Governance Committee may focus on individuals possessing a particular background, experience or qualifications which the committee believes would be important to enhance the effectiveness of the Board.

The current Alexion directors possess the individual attributes described above and represent a desirable range of viewpoints, backgrounds, skills, experience and expertise. The biography of each director and a description of certain specific experiences, qualifications, attributes and skills of each director that led the

Board to conclude that the individual should serve as a director are below:

Director Biography	Qualifications
Leonard Bell, M.D. The principal founder of Alexion and a director of Alexion since February 1992. Dr. Bell was Alexion's Chief Executive Officer since its founding in January 1992 until he retired as CEO on March 31, 2015. Dr. Bell was appointed Chairman of the Board in October 2014. From 1991 to 1992, Dr. Bell was an Assistant Professor of Medicine and Pathology and co-Director of the program in Vascular Biology at the Yale University School of Medicine. From 1990 to 1992, Dr. Bell was an attending physician at the Yale-New Haven Hospital and an Assistant Professor in the Department of Internal Medicine at the Yale University School of Medicine. Dr. Bell was a recipient of the Physician Scientist Award from the National Institutes of Health and Grant-in-Aid from the American Heart Association as well as various honors and awards from academic and professional organizations. His work has resulted in more than 20 scientific publications and 9 patent applications. Dr. Bell received his A.B. from Brown University and M.D. from Yale University School of Medicine. Dr. Bell is currently an Adjunct Assistant Professor of Medicine and Pathology at the Yale University School of Medicine.	n Principal founder of Alexion n Unique combination of scientific, clinical and business skills employed throughout career n Depth of operating, research and development and commercial experience in the biotechnology industry
David Brennan A director of Alexion since July, 2014. Mr. Brennan served as Chief Executive Officer and Executive Director of Astrazeneca PLC, one of the world's largest pharmaceutical companies, from 2006 to 2012. Mr. Brennan worked for Astrazeneca in increasing roles of responsibility from 1992 through 2012, including as Executive Vice President of North America from 2001 to 2006, and as Senior Vice President of Commercialization and Portfolio Management from 1999 to 2001. Prior to the merger of Astra AB and Zeneca Plc, he served as Senior Vice President of Business Planning and Development of Astra Pharmaceuticals LP, the American subsidiary of Astra AB. Mr. Brennan began his career in 1975 at Merck and Co. Inc., where he rose from Sales Representative in the U.S. Division to General Manager of Chibret International, a French subsidiary of Merck. Mr. Brennan currently serves on the Board of Directors of Innocoll, Inc. and Insmed Incorporated, and previously served on the Board of Directors of Astrazeneca PLC, Reed Elsevier PLC, and the Pharmaceutical Research & Manufacturers of America (PhRMA). He received a BA in business administration from Gettysburg College, where he is a member of the Board of Trustees.	n Extensive experience as an executive leader in the pharmaceutical industry, serving as chief executive officer of one of the largest multinational pharmaceutical companies in the world n Significant industry and regulatory knowledge from a more than 39 year career in the pharmaceutical industry and serving as a director on multiple public company and industry trade group boards n Extensive experience evaluating and developing complex strategic business plans

Director Biography	Qualifications
M. Michele Burns A director of Alexion since July 2014. Ms. Burns is the former Chairwoman and Chief Executive Officer of Mercer LLC, a subsidiary of Marsh & McLennan Companies, Inc. (MMC), from 2006 to 2012. She currently serves as Center Fellow and Strategic Advisor, Stanford University Center on Longevity. She served in senior executive roles with MMC, including as Chief Executive Officer, Retirement Policy Center sponsored by MMC from 2012 to 2014, Chief Executive Officer of Mercer from 2006 to 2012, and Executive Vice President and Chief Financial Officer of MMC in 2006. From 2004 to 2006, Ms. Burns served as Executive Vice President, Chief Financial and Chief Restructuring Officer for Mirant Corporation. From 1999 to 2004 she worked in increasing roles of responsibility at Delta Air Lines, serving as Executive Vice President and Chief Financial Officer of Delta from 2000 to 2004. Michele began her career with Arthur Andersen, and over an 18-year tenure rose to Senior Partner, leading Andersen's Southern Region Federal Tax Practice, heading its U.S. Healthcare Tax Practice and its Southeastern Region Financial Services Tax Practice, and serving on its Global Advisory Council. Ms. Burns currently serves on the Board of Directors of The Goldman Sachs Group, Cisco Systems, Etsy, and Circle Internet Financial. She also serves on the Executive Board and as Treasurer of the Elton John Aids Foundation. She previously served on the Board of Directors of Wal-Mart Stores, Ivan Allen Company, and Orbitz. She received a BBA in business administration and a Master of Accountancy from the University of Georgia.	n Extensive experience and expertise in executive management, human resources, finance, strategy and operations of global organizations n Broad experience serving on public company and non-profit boards provides valued perspective on corporate governance, executive compensation and strategic matters n Extensive experience in financial accounting and reporting
Christopher Coughlin A director of Alexion since July 2014. Mr. Coughlin is currently a Senior Advisor, McKinsey & Co., where he has served since 2012. He served as Advisor to the Chairman and CEO of Tyco International Ltd., a global provider of diversified products, services and industries, from 2010 to 2012, and as Executive Vice President and Chief Financial Officer of Tyco from 2005 to 2010, during a period of significant international growth and restructuring. Mr. Coughlin previously served at the Interpublic Group of Companies, Inc. as Executive Vice President, Chief Operating Officer from 2003 to 2004. From 1998 to 2003, he served as Executive Vice President and Chief Financial Officer of Pharmacia Corporation. From 1997 to1998 he was President, International at Nabisco Group Holdings and from 1996 to 1997 was Executive Vice President and Chief Financial Officer of Nabisco. From 1981 to 1996, Mr. Coughlin held various positions with Sterling Winthrop Incorporated, including Chief Financial Officer. Mr. Coughlin currently serves on the Board of Directors of Actavis plc, and Dun & Bradstreet. He previously served on the Board of Directors of Covidien Ltd. (acquired by Medtronic),	n Extensive experience in complex financial and accounting matters, including public accounting and reporting n Extensive experience evaluating and developing strategic goals for global organizations n Broad experience serving on public international and domestic company boards provides valued perspective on corporate governance and financial matters

Forest Laboratories (acquired by Actavis plc), Dipexium Pharmaceuticals, Inc., The Interpublic Group of Companies, Monsanto Company, and Perrigo Company. Mr. Coughlin received a BS in accounting from Boston College.

Director Biography	Qualifications
David Hallal	
A director of Alexion since September 2014. Mr. Hallal assumed the role of Chief Executive Officer on April 1, 2015. Previously, he was Alexion's Chief Operating Officer since September 2014. From October 2012 to September 2014, Mr. Hallal served as Alexion's Executive Vice President, Chief Commercial Officer. From May 2010 until October 2012, Mr. Hallal was Senior Vice President, Global Commercial Operations and was Senior Vice President, Commercial Operations, Americas from May 2008 until May 2010. Mr. Hallal joined Alexion in June 2006 to lead the first company product launch. Prior to joining Alexon in 2006, he had 18 years of commercial operations and leadership experience at a number of companies, including OSI Eyetech, Biogen, Amgen, and Upjohn and he was involved in multiple blockbuster product launches in the areas of hematology, oncology, nephrology and immunology. Mr. Hallal holds a BA in Psychology from the University of New Hampshire.	n Extensive experience managing biopharmaceutical global commercial operations n More than 25 years of experience in the biopharmaceutical industry n Extensive knowledge of all aspects of Alexion's business
John T. Mollen	
A director of Alexion since April 2014. From May 2006 until his retirement in February 2014, Mr. Mollen served as Executive Vice President, Human Resources of EMC Corporation and special advisor to the Chairman. He joined EMC as Senior Vice President, Human Resources in September 1999. Prior to joining EMC, Mr. Mollen was Senior Vice President of Human Resources with Citigroup Inc., a financial services company, from July 1997 - September 1999. Prior to Citigroup, he held a number of positions of increasing responsibility with Harris Corp., an international communications and technology company, including Vice President of Administration. Mr. Mollen serves as a director for a number of not-for-profit and professional boards, including the New England Healthcare Institute, the HR Policy Association, and the Center on Executive Compensation, and is an advisory board member for Working Mother magazine, and he is a member of the Board of Trustees of Worcester Polytechnic Institute and Chairman of the Compensation Committee. Mr. Mollen received a B.A. in Economics from St. John Fisher College, and a Master's degree in Labor Relations from St. Francis College in Pennsylvania.	n Significant experience in executive compensation policy and administration n More than 30 years as chief human resources senior executive n Extensive operational experience leading human resource function for large, public, complex, global organizations, including a Fortune 200 company n Brings valued operational perspectives to the Board on matters of talent recruiting and development, executive compensation, benefits and leadership n Extensive global and deep M&A experience

Director Biography	Qualifications
R. Douglas Norby A director of Alexion since September 1999. From July 2003 and until January 31, 2006, Mr. Norby has been Sr. Vice-President and Chief Financial Officer of Tessera Technologies, Inc., a provider of intellectual property for advanced semiconductor packaging. From March 2002 to February 2003, Mr. Norby served as Senior Vice President and Chief Financial Officer of Zambeel, Inc., a data storage systems company. From December 2000 to March 2002, Mr. Norby served as Senior Vice President and Chief Financial Officer of Novalux, Inc., a manufacturer of lasers for optical networks. From 1996 until December 2000, Mr. Norby served as Executive Vice President and Chief Financial Officer of LSI Logic Corporation, a semiconductor company, and he has also served as a director of LSI Logic Corporation since 1993. From July 1993 until November 1996, he served as Senior Vice President and Chief Financial Officer of Mentor Graphics Corporation, a software company. Mr. Norby served as President of Pharmetrix Corporation, a drug delivery company, from July 1992 to September 1993, and from 1985 to 1992, he was President and Chief Operating Officer of Lucasfilm, Ltd., an entertainment company. From 1979 to 1985, Mr. Norby was Senior Vice President and Chief Financial Officer of Syntex Corporation, a pharmaceutical company. Mr. Norby is a director of STATS Chip PAC, Ltd., a semiconductor company listed on the Singapore stock exchange, MagnaChip Semiconductor LLC, a semiconductor company listed on the NYSE, and Singulex, Inc., a private medical diagnostic company. From 2011 to 2014, Mr. Norby served as a director of Ikanos Communications, Inc., from 2009 to 2014 he served as a director of Invensense, from 2007 to 2009, he served as a director of Intellon Corporation and from 2005 to 2009 served as a director of Neterion, Inc. Mr. Norby received a B.A. in Economics from Harvard University and an M.B.A. from Harvard Business School.	n Extensive experience in financial and accounting matters, including public accounting and reporting n 40 year career, served in executive management positions at several multinational organizations, including as president, chief operating officer and chief financial officer n Extensive experience in financial and accounting reporting processes and internal control systems n Experience serving on public company boards provides valued perspective on corporate governance and financial matters
Alvin S. Parven A director of Alexion since May 1999. Since 1997, Mr. Parven has been President of ASP Associates, a management and strategic consulting firm. From 1994 to 1997, Mr. Parven was Vice President at Aetna Business Consulting, reporting to the Office of the Chairman of Aetna. From 1987 to 1994, Mr. Parven was Vice President, Operations at Aetna Health Plans. Prior to 1987, he served in various capacities at Aetna including Vice President, Pension Services from 1983 to 1987. Mr. Parven is a trustee of the Employee Retirement Board of the Town of Palm Beach and a director of the Palm Beach Civic Association. Mr. Parven received his B.A. from Northeastern University.	n More than 30 years in executive management positions at a multinational insurance company n Extensive experience in managing developed organizations that provide specialized and technical services, particularly in the areas of health insurance and benefits n Possesses extensive experience in provider operations, which brings an

important perspective to the Board and to management on matters of reimbursement

Director Biography	Qualifications
Andreas Rummelt, Ph.D. A director of Alexion since February 2010. Since January 2011, he has served as the Chief Executive Officer of InterPharmaLink AG, a management consulting firm focused on advising companies in the healthcare industry. From December 2008 until January 2010, Dr. Rummelt was Group Head of Quality Assurance and Technical Operations at Novartis. He had been a member of the Executive Committee of Novartis from January 2006 until his resignation in January 2010. He joined Sandoz Pharma Ltd. in 1985 and held various positions of increasing responsibility in development. In 1994, he was appointed Head of Worldwide Technical Research and Development, a position he retained following the merger that created Novartis in 1996. From 1999 to 2004, Dr. Rummelt served as Head of Technical Operations of the Novartis Pharmaceuticals Division and from 2004 to 2008 as Head of Sandoz. Dr. Rummelt is a director of Habasit AG, a private belting company located in Switzerland, Mipharm s.p.a., a private contract manufacturer located in Italy, Selica International Co. Limited, a private company providing radiolabelling and drug discovery services located in the United Kingdom and Xellia Pharmaceuticals, a private specialty pharmaceutical company focused on providing anti-infective treatments against serious and life-threatening infections located in Denmark. Dr. Rummelt graduated with a Ph.D. in pharmaceutical sciences from the University of Erlangen-Nuernberg, Germany.	n Dedicated most of his career in the areas of pharmaceutical manufacturing, quality and technical development, providing an important perspective to the Board and to management n Served more than 20 years in executive management positions in the pharmaceutical industry, including as a chief executive officer and as a senior executive of a large, multinational pharmaceutical company n Possesses a broad understanding of international business operations, particularly with respect to manufacturing, quality and technical matters
Ann M. Veneman, J.D. A director of Alexion since May 2010. From May 2005 until April 2010, she served as Executive Director of UNICEF, appointed by the United Nations Secretary General. As Executive Director, Ms. Veneman worked on behalf of the United Nations children's agency to help children around the world by advocating for and protecting their rights. Ms. Veneman was responsible for more than 11,000 UNICEF staff members in more than 150 countries. Prior to joining UNICEF, Ms. Veneman served as Secretary of the U.S. Department of Agriculture, or USDA, from January 2001 until January 2005. From 1986 until 1993, she served in various positions at the USDA, including Deputy Secretary, Deputy Undersecretary for International Affairs and Commodity Programs, and Associate Administer of the Foreign Agricultural Service. From 1995 until 1999, Ms. Veneman served as Secretary of the California Department of Food and Agriculture. Ms. Veneman has also practiced law in Washington, DC and California in both the private and public sectors. Ms. Veneman is a director of Nestlé, S.A., a global nutrition, health and wellness company listed on the Swiss stock exchange. She was formerly a director of S&W Seed. Ms. Veneman serves on the not-for-profit boards of the Global Health Innovative Technology Fund, the Close Up Foundation, the	n An attorney who has dedicated more than 25 years to government service, including senior national and international positions n Led state and federal government agencies and an international organization n Possesses extensive experience working with government leaders and organizations n Worked closely with national governments throughout the world and possesses a deep understanding of international political organizations n Public service experience brings an important perspective to the Board and an important understanding of state and federal government and international organizations

National 4-H Council, Malaria No More, and Landesa. Ms. Veneman received a B.A. from the University of California, Davis, a Master's degree in Public Policy from the University of California, Berkeley, and a J.D. from the University of California, Hastings College of Law.

Meetings and Committees

During the year ended December 31, 2014, the Board of Directors held 9 meetings. No incumbent director attended fewer than 75% of the total number of meetings of the Board of Directors and

the committees of the Board of Directors on which he or she served. It is our policy that members of the Board of Directors should attend and be present at the annual shareholders meeting and all incumbent directors attended the 2014 Annual

Meeting, other than Mr. Mollen, who joined the Board approximately one month prior to the meeting and was not able to attend due to pre-existing commitments.

The Board of Directors has determined that eight of the ten nominees (Ms. Burns, Mssrs. Brennan, Coughlin, Keller, Mollen, Norby, and Parven, Dr. Rummelt and Ms. Veneman) are "independent directors" as that term is defined under the NASDAQ Stock Market Listing Standards and the SEC rules and regulations. During a majority of the five regularly scheduled meetings in fiscal year 2014 the Board of Directors met in executive session where only the independent directors were

present without any members of Alexion's management.

Neither we nor any of our subsidiaries are party to any material proceedings to which any of our directors, officers, affiliates, 5% or more shareholders, or any of their respective associates are a party. We do not believe that any of our directors, officers, affiliates, 5% or more shareholders, or any of their respective associates are adverse to us or any of our subsidiaries or have a material interest that is adverse to us or any of our subsidiaries.

A description of each standing committee of the Board is provided below:

Audit and Finance
Current Members:
Mr. Norby (Chair)
Mr. Coughlin
Mr. Mollen
Mr. Parven

No. of Meetings during 2014:
8

Charter:
http://alxn.com.pdfs?Audit_and_Finance_Comm_Charter.pdf

In February 1993, the Board established a separately designated standing Audit Committee, now called the Audit and Finance Committee, to review the internal accounting procedures of Alexion, consult with our independent registered public accounting firm and review the services provided by the independent registered public accounting firm. The Audit and Finance Committee operates pursuant to a charter which has been approved and adopted by the Board of Directors and is reviewed and reassessed annually by the Audit and Finance Committee. The Board of Directors has determined that each member of the Audit and Finance Committee is an "independent director" as that term is defined under the NASDAQ Stock Market Listing Standards and the SEC rules and regulations. Our Board of Directors has also determined that Mr. Norby is an "audit committee financial expert" as that term is defined under the NASDAQ Stock Market Listing Standards and the SEC rules and regulations.

Compensation
Current Members:
Mr. Parven (Chair)
Ms. Burns
Mr. Keller[1]
Mr. Mollen

No. of Meetings during 2014:
6

Charter:
http://alxn.com/pdfs/Comp_Comm_Charter.pdf

In February 1993, the Board of Directors established a Compensation Committee. The Compensation Committee reviews compensation practices, determines and approves compensation of our chief executive officer and all other executive officers, and administers our equity compensation and incentive plans. The Compensation Committee operates pursuant to a charter which has been approved and adopted by the Board of Directors and is reviewed and reassessed annually by the committee. The Board of Directors has determined that each member of the Compensation Committee is an "independent director" as that term is defined under the NASDAQ Stock Market Listing Standards and the SEC rules and regulations. For more information on the responsibilities and activities of the Compensation Committee, including the committee's processes for determining executive compensation, see the Compensation Discussion and Analysis below in this proxy statement.

Pharmaceutical Compliance and Quality Current Members: Dr. Rummelt (Chair) Mr. Brennan Mr. Coughlin Mr. Norby Ms. Veneman No. of Meetings during 2014: 4 Charter: http://alxn.com/pdfs/Pharm_Comp_Quality_Comm.pdf	In December 2004, the Board established a Compliance and Quality Committee. In December 2009, the committee changed its name to the Pharmaceutical Compliance and Quality Committee. The Pharmaceutical Compliance and Quality Committee provides leadership and guidance to Alexion on aspects of pharmaceutical compliance and regulatory matters, except where those matters involve financial controls or the financial audit function. The Pharmaceutical Compliance and Quality Committee operates pursuant to a charter which has been approved and adopted by the Board of Directors and is reviewed and reassessed annually by the committee. The Board of Directors has determined that each member of the Pharmaceutical Compliance and Quality Committee is an "independent director" as that term is defined under the NASDAQ Stock Market Listing Standards.
Nominating and Corporate Governance Current Members: Ms. Veneman (Chair) Ms. Burns Mr. Keller[(1)] Mr. Norby Mr. Parven No. of Meetings during 2014: 5 Charter: http://alxn.com/pdfs/Nom_Corp_Gov_Comm.pdf	In June 2003, the Board of Directors established the Nominating and Corporate Governance Committee to provide leadership and guidance to Alexion, review and recommend new directors to the Board of Directors, establish the necessary Board committees to provide oversight to Alexion, and make recommendations regarding committee membership. The Nominating and Corporate Governance Committee operates pursuant to a charter which has been approved and adopted by the Board of Directors and is reviewed and reassessed annually by the committee. The Board of Directors has determined that each member is an "independent director" as that term is defined under the NASDAQ Stock Market Listing Standards.
Strategy and Risk Members: Ms. Burns (Chair) Mr. Brennan Mr. Keller[(1)] Dr. Rummelt Ms. Veneman No. of Meetings during 2014: 4 Charter: http://alxn.com/pdfs/Risk_and_Strategy_Comm_Charter.pdf	In May 2013, the Board of Directors established the Risk Committee, now called the Strategy and Risk Committee. The Committee oversees Alexion's strategic planning process and risk management processes. The Strategy and Risk Committee operates pursuant to a charter which has been approved and adopted by the Board of Directors and will be reviewed and reassessed annually by the committee. The Board of Directors has determined that each member is an "independent director" as that term is defined under the NASDAQ Stock Market Listing Standards.

(1) Mr. Keller will retire from the Board at the 2015 Annual Meeting.

Corporate Governance

Alexion strives to maintain strong corporate governance practices that protect and enhance accountability for the benefit of all of Alexion's shareholders. We regularly review our practices. We continually refine our governance policies and procedures to align with evolving practices and issues raised by our shareholders.

Below are key corporate governance facts about our Company.

Majority voting for directors	Yes
Annual elections for all directors	Yes
Board-Level Strategy and Risk Committee	Yes
Annual Board and Committee evaluations	Yes
Separation of Chairman and CEO	Yes (1)
Lead Independent Director	Yes
All Board Committees are composed exclusively of independent directors	Yes
Size of the Board	10
Number of Independent Directors	8
Average Age of Directors	62.8
Average Director Tenure (in years)	6.6
n Tenure 5 years or less (6 directors)	60%
n Tenure between 5 and 10 years (1 director)	10%
n Tenure more than 10 years (3 directors)	30%
Annual Advisory Vote of Executive Compensation	Yes
Shareholder Ability to Call a Special Meeting	Yes
Rights Plan, or "Poison Pill"	No
Supermajority voting provisions	No

(1) Dr. Bell served as both CEO and Chairman from October 2014, until his retirement as CEO on March 31, 2015. See "Board Leadership Structure."

Process for Selecting Nominees and Shareholder Nominations

The Nominating and Corporate Governance Committee considers candidates for Board membership recommended by Nominating and Corporate Governance Committee members and other Board members, management, our shareholders, third party search firms, and any other appropriate sources. If a shareholder submits a nominee, the Nominating and Corporate Governance Committee will evaluate the qualifications of such shareholder nominee using the same selection criteria the committee uses to evaluate other potential nominees.

In accordance with Alexion's Bylaws, a shareholder may recommend a person for consideration as a nominee for director at an annual meeting by giving timely notice of the nomination in proper form, including a completed and signed questionnaire, representation and agreement required by Alexion's By-Laws, as described below, and timely updates and supplements relating to the nomination.

To be timely, assuming the date of the 2016 annual meeting of shareholders is not more than 30 days before or more than 60 days after the anniversary of the 2015 annual meeting, a shareholder’s notice and recommendation must be received no earlier than the close of business on January 8, 2016, and not later than the close of business on February 6, 2016.

In addition, to be considered timely, a shareholder’s notice shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to the Secretary at Alexion's principal executive offices not later than

five (5) business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight (8) business days prior to the date for the meeting or any adjournment or postponement thereof in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof.

Our Bylaws provide that a shareholder's advance notice of a nomination must contain the following information for each person whom the shareholder proposes to nominate for election or reelection to the Board: (1) all information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the Exchange Act), and the rules and regulations promulgated thereunder, including such person’s written consent to being named in the proxy statement as a nominee and to serving as a director if elected, (2) a detailed description of all direct and indirect compensation and other monetary agreements, arrangements and understandings during the prior 3 years, and any other material relationships, between or among such shareholder and beneficial owner, if any, and their respective affiliates and associates, or others acting in concert, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K; (3) a completed and signed questionnaire, provided by the Corporate Secretary upon written request, with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made, and (4) a written representation and agreement, provided by the Corporate Secretary upon written request, that such person (a) is not and will not become a party to (i) any agreement, arrangement or

understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director, will act or vote on any issue or question (a Voting Commitment) that has not been disclosed to Alexion or (ii) any Voting Commitment that could limit or interfere with such person’s ability to comply, if elected as a director, with such person’s fiduciary duties under applicable law, (b) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than Alexion with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed in accordance with Alexion's Bylaws, (c) in such person’s individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director, and will comply, with all applicable corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of Alexion publicly disclosed from time to time, and (d) will abide by the requirements of the director voting provisions of Alexion's Bylaws. In addition, Alexion may require any proposed nominee to furnish such other information as may reasonably be required by Alexion to determine the eligibility of such proposed nominee to serve as an independent director or that could affect a reasonable shareholder’s understanding of the independence, or lack thereof, of such nominee.

In addition, our Bylaws provide that to be in proper form, a shareholder’s notice must set forth, with respect to the shareholder, beneficial owner and their respective affiliate or associate acting in concert, giving notice of the nomination: (1) the name and address of the shareholder, as they appear on Alexion’s books, or such beneficial owner, if any, and of their respective affiliates or associates or others acting in concert, (2) (a) the class or series and number of shares of Alexion which are, directly or indirectly, owned beneficially and of record by such shareholder, beneficial owner and their respective affiliates or associates or others acting in concert, (b) any "derivative instrument" directly or indirectly owned beneficially by such shareholder, the beneficial owner, if any, or any affiliates or associates or others acting in concert, (c) any proxy, contract, arrangement, understanding, or relationship pursuant to which such shareholder has a right to vote any class or series of shares of Alexion, (d) any "short interest" involving such shareholder, the beneficial owner, if any, or any affiliates or associates or others acting in concert, (e) any rights to dividends on the shares of Alexion owned beneficially by such shareholder that are separated or separable from the underlying shares of Alexion, (f) any proportionate interest in shares of Alexion or "derivative instruments" held, directly or indirectly, by a general or limited partnership in which such shareholder is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership, (g) any performance-related fees (other than an asset-based fee) that such shareholder is entitled to based on any increase or decrease in the value of Alexion's shares or "derivative instruments," (h) any significant equity interests or any "derivative instruments" or "short interests" in any principal competitor of Alexion held by such shareholder, and (i) any direct or indirect interest of such shareholder in any contract with Alexion, any affiliate of Alexion or any principal competitor of Alexion, and (3) any other information relating to such shareholder and beneficial owner, if any, that would be required to be disclosed in a proxy statement and form or proxy or other filings required to be made in connection with solicitations of proxies for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder.

You may write to our Corporate Secretary at our principal executive office - Alexion Pharmaceuticals, Inc., 352 Knotter Drive, Cheshire, Connecticut 06410, Attn: Corporate Secretary - to deliver the notices discussed above and for a copy of the relevant Bylaw provisions regarding the

requirements for nominating director candidates pursuant to our Bylaws.

Board Diversity

While we do not have a specific policy on diversity of the Board, Alexion's Nominating and Corporate Governance Committee is responsible for advising the Board on diversity, including gender, ethnic background, country of citizenship and professional experience. The committee is responsible for recommending, as necessary, measures that contribute to a Board that, as a whole, reflects a range of viewpoints, backgrounds, skills, experience and expertise. Alexion's Board is diverse, and our nominees reflect a Board of diverse gender, age, skills, experiences and points of view. We believe that diversity enhances the overall effectiveness of our Board by presenting different perspectives inside the boardroom and to management, and we encourage diversity within all levels of our global organization.

The committee reviews Board composition on an annual basis. The committee assesses the effectiveness of its responsibilities concerning diversity at least once each year, and takes action as warranted. For example, in conducting director searches in early 2014, we instructed our search agency to identify female candidates and candidates of diverse race and ethnicity for consideration by the committee.

For the 2015 annual meeting, two nominees for election at the annual meeting are female: Ms. Burns, Chair of the Strategy and Risk Committee, and Ms. Veneman, Chair of the Nominating and Corporate Governance Committee.

Board Leadership Structure

Dr. Bell, Alexion's Chief Executive Officer until March 31, 2015, has served as Chairman of the Board since October 2014. Prior to Dr. Bell's appointment as Chairman and from the Company's inception in 1992, Alexion had separated the positions of Chairman and CEO. Dr. Bell is the principal founder of Alexion and has been Chief Executive Officer since 1992. He assumed the role

of Chairman immediately following the sudden death of the Board's longtime Chairman, Dr. Max Link. At the same time of Dr. Bell's appointment to Chairman, the Board appointed Mr. Norby as the lead independent director.
Dr. Bell retired as CEO effective March 31, 2015, and continues to serve as Chairman of our Board. Assuming that the director nominees are elected to the Board at the annual meeting, Dr. Bell will continue in the position of Chairman as a non-independent director.
At the time of Dr. Bell's appointment as Chairman, the Board determined that having Dr. Bell serve as non-independent Chairman, in conjunction with a lead independent director, was the most effective leadership structure for Alexion. The Board determined that a departure from its longstanding practice of separating the role of Chairman and CEO was warranted at the time, and in the best interests of the Company. As founder of Alexion and the only Chief Executive Officer in the Company's history, until April 1, 2015, Dr. Bell brings a unique perspective to our boardroom. He possesses a thorough knowledge of Alexion's business; he was a key contributor to its significant growth and maturation; and he possesses an in-depth understanding of the biotechnology industry and the challenges of operating a global organization that serves patients suffering from rare diseases. At the time of Dr. Bell's appointment as Chairman, the Board also recognized the importance of continuity after the sudden death of Dr. Link. Four directors joined the Board less than three months prior to Dr. Link's death, and one director joined the Board less than six months prior. At the time of Dr. Link's death, eight of eleven directors had tenure of less than six years. The Board recognizes Alexion's strong performance under Dr. Bell's leadership and the value created for our shareholders during his time as CEO, and the Board believes that Dr. Bell's intimate knowledge of Alexion's business will enable the Board to more effectively oversee execution of the Company's strategic priorities.

The Board believes that its governance practices and leadership structure achieve independent oversight and management accountability, and enhance the Board's ability to objectively monitor the performance of the Company, the CEO, and management. The independent directors designated a Lead Independent Director, which is a role that is similar to the role of an independent Chairman. Mr. Norby has served as Lead Independent Director since the date of Dr. Bell's appointment as Chairman of the Board. As set forth in the Lead Independent Director Charter adopted by our Board, the Lead Independent Director is selected annually by the independent directors, presides at meetings of the Board at which the Chairman is not present, including executive sessions of our independent directors, serves as a liaison and supplemental channel of communication between directors and the Chairman, serves as an independent point of contact for shareholders wishing to communicate with the Board other than through the Chairman, and has other duties described in the charter. A more detailed description of the responsibilities of the Lead Independent Director is included in our Corporate Governance Guidelines, which are available on our website at http://alxn.com/pdfs/Lead_Ind_Director_Charter.pdf.

Board's Role in Risk Oversight

The Board has ultimate responsibility for overseeing Alexion's risk management processes. In May 2013, the Board formed a Risk Committee, now called the Strategy and Risk Committee, to assist the Board in its oversight of enterprise risk management processes. The committee also has responsibility for overseeing Alexion's strategic planning process on behalf of the Board, which the Board believes is important to align Alexion's strategic priorities with the Company's risk assessments. The committee evaluates management's processes for reviewing, refreshing and modifying its enterprise risk management system and processes. Alexion is committed to fostering a company culture of risk-adjusted decision-making without constraining reasonable risk-taking and innovation, and the committee oversees the Company's efforts to foster this culture. The committee reviews with management, internal auditors and external advisors the identification, prioritization and management of risks, the accountabilities and roles of the company functions involved with enterprise risk management, the risk portfolio and the corresponding actions implemented by management. The committee regularly informs the full Board of Alexion's most significant risks and how these risks are managed. The Strategy and Risk Committee seeks to inform the Board of enterprise risks that are or should be delegated to other committees of the Board for review or monitoring.

Succession Planning

An important responsibility of the Board and the CEO is to ensure long term continuity of leadership. The Nominating and Corporate Governance Committee annually reviews and makes recommendations to the Board relating to management succession planning, including policies and plans for succession. In addition, the CEO and Alexion's senior executives discuss future candidates for leadership positions at all levels within Alexion's global organization. The Board considers succession planning to be an important factor in managing the long term planning and success of Alexion's business.

In January 2014, Alexion announced the retirement of Dr. Bell, principal founder of Alexion and its only Chief Executive Officer since its inception in 1992, and the election of Mr. Hallal as the Company's second CEO effective April 1, 2015. The Board's succession planning oversight enabled the Company to implement the important transition in a manner that promotes the continued successful performance of the Company's business and employees. The Board and management, particularly during the last several years, have sought to hire and develop experienced and effective leaders throughout all levels within our global organization to position Alexion for success in its next stages of growth and innovation. Mr. Hallal, an Alexion executive since 2006, has been a key contributor to Alexion's success and a member

of Alexion's senior leadership team, and his appointment is in-line with the Board's long-term succession plan.

The Board has also been thoughtful and deliberate in its approach to succession planning for the Board. In 2014, the Board appointed four independent directors, each of whom bring significant commercial, financial, risk management and operational expertise to the Board. Their global operational expertise and experience serving on the boards of other multinational organizations have been important for our growing business.

Shareholder Communications with the Board of Directors

Our Board of Directors has provided a process for shareholders to send communications to the Board. Shareholders who wish to send communications to the Board, or any particular director, should address such communications to the Board of Directors, c/o Alexion Pharmaceuticals, Inc., 352 Knotter Drive, Cheshire, Connecticut 06410, Attention: Corporate Secretary. All such communications should include a representation from the submitting shareholder setting forth the shareholder's address and the number of shares of Alexion common stock beneficially owned by the shareholder.

The Corporate Secretary will (i) be primarily responsible for monitoring communications from shareholders and (ii) provide copies or summaries of such communications to the Board, or the director to whom such communication is addressed, as the Corporate Secretary considers appropriate. Each shareholder communication will be forwarded if it relates to a substantive matter and includes suggestions or comments that the Corporate Secretary considers to be important for the directors, or director, to know. In general, shareholder communications relating to corporate governance and long-term corporate strategy are more likely to be forwarded than shareholder communications relating to personal grievances and matters as to which we tend to receive repetitive or duplicative communications. The

Board will give appropriate attention to written communications on such issues and will respond as appropriate.

Code of Ethics

We adopted the Alexion Pharmaceuticals, Inc. Global Code of Conduct, or code of ethics, that applies to directors, officers and employees of Alexion and its subsidiaries and complies with SEC rules and regulations and the listing standards of the NASDAQ Global Select Market. Our directors, officers and employees are required to comply with the Code. The Code is intended to focus our directors and employees on individual ethical and professional accountability to ensure they follow appropriate standards and comply with legal requirements concerning Alexion's business. The Code covers areas of professional conduct relating to individual's service to Alexion, including conflicts of interest, unfair or unethical use of corporate opportunities, strict protection of confidential information, compliance with applicable laws and regulations, and oversight of ethics and compliance by employees of the Company. The Code is located on our website at — http://alxn.com/pdfs/Global_Code_of_Conduct.pdf. We will disclose any future amendments to, or waivers from, provisions of these ethics policies and standards on our website as promptly as practicable, as may be required under applicable laws, rules and regulations of the SEC and NASDAQ.

Corporate Governance Guidelines

The Board believes that sound governance practices and policies provide an important framework to assist it in fulfilling its duty to shareholders. The Board has adopted Corporate Governance Guidelines and relies on the guidelines to provide that framework. The guidelines are not absolute rules, and can be modified to reflect changes in Alexion's organization or business environment. The Board reviews the guidelines on an annual basis and if necessary, modifies the guidelines to reflect current good governance practices and policies. Alexion's Corporate Governance Guidelines are located on our website

at -- http://alxn.com/pdfs/Corp_Gov_Guidelines.pdf.

Recent Actions in Response to Shareholder Feedback – Alexion's Rights Plan (Poison Pill)

We regularly analyze shareholder feedback and incorporate such feedback into our assessment of our governance practices. In March 2015, we announced that our Board decided to accelerate the expiration of Alexion’s shareholder rights plan, or poison pill. After reviewing Alexion's governance profile and current practices, considering the vote results on a related non-binding shareholder proposal presented at Alexion’s 2014 annual meeting of shareholders, and determining that it was in the best interests of Alexion and its shareholders, the Board accelerated the expiration of the rights plan, effective March 23, 2015.

Further, the Board considered and adopted a policy concerning future rights plans. It is the Board's current policy that if the Board was to adopt a rights plan without prior shareholder approval, the Board will submit the rights plan to shareholders for ratification within 12 months of adoption, and if the rights plan is not ratified, the Board will terminate or allow the plan to expire no later than one year after its adoption.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act of 1934, as amended, requires our directors, executive officers and persons who beneficially own more than ten percent of our common stock, to file initial reports of beneficial ownership of our stock and reports of changes in beneficial ownership of our stock with the SEC. Executive officers, directors and greater than ten percent beneficial owners are required by the SEC to furnish us with copies of all Section 16(a) forms they file.

Based solely upon a review of the copies of such forms furnished to us and written representations from our executive officers and directors, we believe that during the year ended December 31, 2014 all Section 16(a) filing requirements applicable to our executive officers, directors and greater than ten percent beneficial owners were complied with on a timely basis, other than the Form 4 filed by Mr. Edward Miller on September 12, 2014.

Executive Compensation

Compensation Discussion and Analysis

Executive Summary

Alexion's executive compensation program is designed to attract, retain, incentivize and reward performance. The Compensation Committee seeks to deliver competitive compensation to help us retain and motivate our key talent, and to recognize our executives for their contributions to Alexion and our patients, and for the value they create for all of our shareholders.

The Committee regularly reviews our executive program, taking into account best practices, competitive market information, shareholder feedback, including high "say-on-pay" results year after year, and the Committee's assessment of whether the program drives performance and is consistent with the Committee's compensation philosophy. Over the last several years, the Committee has considered and adopted a number of governance practices to enhance the overall effectiveness of our executive compensation program, such as stock ownership guidelines, and recoupment and antihedging policies – see "Compensation Practices – What We Do and Don't Do" on page 26. The Committee made a substantial modification to the long-term incentive portion of our executive compensation program plan design in 2013 when we introduced performance share units (PSUs), which comprise a significant portion of an executive's long-term incentive awards. PSUs originally vested solely based on the achievement of certain revenue and earnings per share (EPS) targets. As part of its evaluation of our executive compensation programs, to further align the interests of our executives with the interests of our shareholders, the Committee decided to introduce a total shareholder return component for 2014 PSU awards (TSR-PSUs), as well as opportunity to increase awards upon achievement of aggressive development milestones.

Other than the introduction of PSUs and TSR-PSUs, the plan design of our executive compensation program has remained generally constant over the last several years. The Committee believes that its consistent approach has contributed to Alexion's long-term success and has driven exceptional company and individual performance, and at the same time has provided predictability for our executives and other key employees and motivated them to achieve outcomes year after year that benefit Alexion, our shareholders, and the patients we serve.

2014 Performance

Overall, in 2014 we delivered strong operational performance, generated solid financial results, and achieved several significant milestones across our pipeline. We brought Soliris® to an increasing number of patients with PNH and aHUS across the world, while at the same time investing in preparations for the anticipated 2015 launch of our second commercial product, asfotase alfa for the treatment of Hypophosphatasia (HPP). Despite foreign exchange pressures and challenging macroeconomic conditions, we executed on our commercial and financial priorities.

For the last several years, we have focused on positioning Alexion for its next stages of growth and innovation, and to this end have successfully executed on several company priorities in 2014 that we believe will have long-term benefits for Alexion, our patients and our shareholders.

- We completed marketing authorization submissions in the U.S., Europe and Japan for asfotase alfa, which we expect to be Alexion's second marketed product in its history.
- We commenced enrollment in three registration trials for Soliris (neuromyelitis optica, myasthenia gravis, and delayed kidney transplant graft function).

- We initiated Phase 1 studies for 2 next-generation molecules.
- We are now focused on advancing 17 pre-clinical programs, many of which originate from collaborations and partnerships finalized in 2013 and 2014, such as the collaboration with Moderna that we announced in early 2014.

During 2014, we also focused on enhancing our manufacturing, supply chain and quality capabilities. We acquired a vialing facility in Athlone, Ireland, and began construction of a new global supply chain facility in College Park outside of Dublin, Ireland. We committed significant resources and expertise to enhancing our manufacturing and quality functions, which we believe will result in meaningful long-term benefits for Alexion and the patients we serve.

We promoted Ms. Julie O'Neill to Executive Vice President, Global Operations following the retirement of Dr. Stephen Squinto on December 31, 2014. Dr. Squinto, co-founder of Alexion in 1992 with Dr. Bell, held numerous leadership positions at Alexion prior to his retirement, including Executive Vice President, Head of Research and Development. Dr. Squinto will continue to contribute to Alexion and our mission in a non-employee capacity as Chair of Alexion's newly formed Scientific Advisory Board, which provides strategic input into Alexion's discovery science and pipeline.

We attribute our consistently strong performance to our people. Dr. Bell, Alexion's principal founder and Chief Executive Officer for 23 years, retired as Chief Executive Officer on March 31, 2015. Our Board of Directors elected Mr. David Hallal, Chief Operating Officer, to be Alexion's next and second Chief Executive Officer and Mr. Hallal assumed the role on April 1, 2015. Mr. Hallal was promoted to Chief Operating Officer and appointed to the Board of Directors in September 2014. Mr. Hallal joined Alexion in 2006 to initiate commercial operations, and has served in key leadership positions at Alexion, including as Executive Vice President, Chief Commercial Officer. Mr. Hallal played a principal role in leading many of Alexion's key growth initiatives, including the highly successful

launches of Soliris in PNH and aHUS and the building of Alexion's 50-country operating platform.

We have built a world-class organization to execute on our business priorities and focus on serving more patients with severe and rare disorders worldwide. We have built a premier executive management team, attracting seasoned, experienced executives from many of the world's leading pharmaceutical and biotechnology companies.

Our Board has also positioned itself for Alexion's future. Following the sudden passing of Alexion's long-time Chairman, Dr. Max Link, the Board appointed Dr. Bell Chairman of our Board in October 2014, and Mr. Doug Norby as Lead Independent Director. Dr. Bell continues to serve as Chairman following his retirement as CEO, and he will also serve as a consultant to the Company following his retirement as CEO. The Board of Directors appointed 4 new independent directors in 2014, each of whom have substantial business experience and who bring diverse perspectives to our Board and our business.

2014 Business Highlights

Below are business highlights from 2014.

Financial Results

Soliris net product sales increased 44% to $2.234 billion, and excluding the impact of $88 million for reimbursement of prior year shipments, Soliris net product sales increased 38% to $2.146 billion.

2014 non-GAAP EPS increased 69% to $5.21 per share, and excluding $0.37 per share related to reimbursement of prior year shipments, non-GAAP EPS increased 57% to $4.84 per share. See Appendix A attached to this proxy statement for a full reconciliation of non-GAAP results.

2014 non-GAAP net income increased 71%, to $1.066 billion.

Operational Performance

We completed agreement with the French government for prospective reimbursement of Soliris for the treatment of PNH and aHUS.

The National Institute for Health and Care Excellence Highly Specialised Technologies Evaluation Committee, or NICE, issued a final positive recommendation for national commissioning of Soliris for all patients with aHUS in England, leading to ongoing access to Soliris for patients in England with aHUS.

Clinical and Regulatory

We received FDA approval of conversion from accelerated to regular approval for Soliris in aHUS; the revised label now specifies important longer-term clinical benefits associated with chronic and sustained Soliris treatment with inclusion of results from two years of ongoing treatment.

We made significant progress to bring asfotase alfa to patients as a treatment for HPP – we completed a rolling BLA submission to the FDA; the European Medicines Agency accepted a marketing authorization application; and we submitted a new drug application in Japan.

We initiated and commenced enrollment of multinational registration trials of eculizumab as a potential treatment for patients with relapsing neuromyelitis optica (NMO), refractory generalized myasthenia gravis (MG), and prevention of delayed graft function (DGF) after kidney transplantation.

The Phase 2 living-donor kidney transplant antibody-mediated rejection (AMR) prevention trial we conducted did not meet its primary endpoint, and, as a result, we announced plans to commence an AMR treatment trial.

Manufacturing

We successfully executed on our 2013 decision to centralize global supply chain and external quality assurance operations in Dublin, Ireland, which is expected to have a positive long-term impact on our

technical operations execution and financial performance.

We announced plans for future strategic expansion in Ireland with the purchase of a vialing facility in Athlone, Ireland, and the construction of a new global supply chain facility at College Park, Blanchardstown, Dublin, Ireland.

Board of Directors

With the passing of Dr. Max Link in October 2014, the Board appointed Dr. Bell as Chairman, and Mr. Doug Norby as our Lead Independent Director.

Two directors retired in May 2014, and the Board appointed four new independent directors in 2014. Six of the Board's eight non-employee nominees have tenure of five years or less.

We enhanced the diversity of our Board in July 2014 with the appointment of Ms. Burns.

CEO Transition and Executive Management

We successfully implemented a CEO succession plan, with Mr. Hallal assuming the role of CEO effective April 1, 2015.

We continued to build and strengthen Alexion's executive management team. Eight of nine executives reporting to Mr. Hallal as CEO have joined Alexion's executive management team since August 2011.

Shareholder Return

Alexion develops its long-term strategic priorities and its annual objectives with an aim to deliver annual and, importantly, long-term increased value to our shareholders. Since launching Soliris in 2007, Alexion has consistently returned significant value to our shareholders in terms of stock price appreciation.

n Alexion's stock price has increased by approximately 1,723% between January 1, 2007 and December 31, 2014.

n Alexion's 1, 3 and 5 year annualized total shareholder return (TSR) through December 31, 2014 was 39%, 37% and 51%, respectively.

- A $100 investment in Alexion's common stock on December 31, 2009 would have grown to $758.01 on December 31, 2014.

Alexion's stock performance has been strong in absolute terms and also compared to its self-selected peers. As seen in the table below, Alexion's

strong operational performance has delivered substantial value creation for our shareholders year-to-year and over the long-term.

Compensation Committee Decisions for Dr. Bell

After considering Alexion's operating performance, return to shareholders, and Dr. Bell's individual contributions and strong leadership, the Compensation Committee took the following actions with respect to Dr. Bell's 2014 compensation:

Base Salary: Dr. Bell's salary increased by approximately 7% from $1.20 million to $1.28 million, which was at approximately the median of Alexion's peer group (described below).

Annual Incentive Target: Dr. Bell's annual cash incentive target did not change for 2014 and remained at 120% of base salary.

Actual Annual Cash Incentive: Dr. Bell's annual cash incentive was earned at 132% of his target amount. The amount awarded to Dr. Bell was approximately 15% lower than the prior year. The amount reflected Dr. Bell's personal achievements, and another strong year of operational performance and return to shareholders, as highlighted above. The Compensation Committee determined that the

amount awarded to Dr. Bell was appropriate based on its assessment of the Company's strong performance and Dr. Bell's achievements, as well as in consideration of the peer group market information.

Long-Term Incentives: The Committee endeavored to deliver a significant portion of Dr. Bell's compensation in the form of performance-based equity. Approximately 90% of the long-term equity incentives (LTIs) awarded to Dr. Bell were performance-based (PSUs and stock options). Only approximately 9% of Dr. Bell's total direct compensation -- base salary, annual cash incentive and grant-date value of LTIs -- was delivered in restricted stock units, which are time-based and not considered to be performance-based compensation by the Committee.

Overall, approximately 85% of Dr. Bell's 2014 total direct compensation was delivered as performance-based compensation. Approximately 94% of Dr. Bell's total direct compensation was variable, or at-risk, compensation based on our operating performance and/or stock price, as shown below:

Compensation Practices – What We Do And Don't Do

Below is a description of some of our compensation practices that highlight our commitment to compensation governance and paying for performance:

- Review of Pay for Performance. The Committee regularly reviews the alignment of executive compensation and company performance. A substantial portion of an executive's compensation is delivered through performance-based compensation. We introduced PSUs to our program in 2013, and in 2014 introduced a TSR component to further align the interests of our executives with our shareholders – see page 28
- Stock Ownership Guidelines. Our executives are required to comply with our stock ownership guidelines to encourage a long-term perspective and align their interests with our shareholders. Our directors are also required to comply with stock ownership guidelines. Our requirements are in the highest range of our peers – see page 47
- Cap on Cash Incentives. Annual cash incentives are capped at 300% of target
- Recoupment Policy. We have adopted a clawback policy under which the incentive compensation

of our CEO and his direct reports may be recovered by Alexion in the event of a financial restatement – see page 47

- No Hedging or Pledging of Stock. All employees, including the named executive officers discussed later in this proxy statement (NEOs), are prohibited from entering into any hedging or derivative transactions in our stock – see page 47
- Tax Gross-Ups. Beginning in 2013, we determined not to enter into new employment agreements that include tax gross-ups upon a change of control; agreements entered into prior to 2013, continue to include tax gross-ups.
- No Re-Pricing of Underwater Stock Options. Our equity incentive plan prohibits the repricing or exchange of stock options without shareholder approval.
- Limited Perquisites. We provide limited perquisites and there are no perquisites offered to executives that are not also offered to our employees.
- Independent Compensation Consultant. The Compensation Committee retains an independent compensation consulting firm.
- Review of Compensation Peer Group. Our peer group is reviewed annually by the Committee and adjusted, when necessary, to ensure that the

peer group remains an appropriate comparison for our executive compensation program.

- Review of Committee Charter. The Committee reviews its charter regularly to incorporate best-in-class governance practices.

Effect Of 2014 Say-On-Pay Vote

At the 2014 Annual Meeting, approximately 99% of the votes cast on the advisory vote on executive compensation were in favor of Alexion's executive compensation disclosed in the proxy statement. These results convey strong shareholder support for Alexion's executive compensation programs and the Compensation Committee's decisions. The Committee did not make any significant adjustments to its executive compensation program during 2014 as a result of the vote.

While our shareholders have consistently overwhelmingly supported our compensation decisions, the Compensation Committee will continue to regularly review, assess and when appropriate adjust Alexion's compensation programs based on feedback from our shareholders or other determinations informed by best practices and trends. In particular, the Compensation Committee continues to evaluate the PSU component of our executive compensation program, which it currently believes enhances the Company's pay for performance alignment.

At the 2015 Annual Meeting, we will again hold an advisory vote to approve executive compensation. The Compensation Committee will continue to consider the results of this year's vote as well as the feedback from our shareholders.

Pay For Performance Summary

How Compensation is Linked to Performance

We believe that a significant portion of each executive's compensation should be variable and tied to the achievement of pre-established company and/or individual performance metrics, or an increase in our stock price. The Compensation Committee measures performance using several corporate, business and individual measures. We select the specific metrics because we believe that they are important to Alexion’s financial and operational success over the short- or long-term, as applicable. As we evaluate and implement our executive compensation programs, we measure our performance in three primary ways:

- Alexion's operating performance – particularly revenue performance and pipeline development – which is driven by and evaluated against annual objectives – see "2014 Business Highlights" on page 23
- Alexion's return to our shareholders, compared against peers and also on an absolute basis – see "Shareholder Return" on page 24; and
- Individual contributions that impact outcomes and provide a concrete, identifiable impact on our success – see "Annual Cash Incentives - Drive Performance" on page 39.

How Does the Compensation Committee Define Performance-based Compensation

As illustrated in the table below, in 2014, a substantial portion of each NEO's total actual compensation was delivered in the form of performance-based compensation.

Note: Amounts disclosed above for Dr. Squinto exclude the incremental fair value associated with the accelerated vesting of 50% of his outstanding stock options of $2,333,827 and 2013 earned PSUs of $139,246 in connection with his retirement on December 31, 2014.

The Compensation Committee considers the following to be performance-based compensation:

2014 PSUs

- Only earned if Alexion achieves pre-established financial metrics associated with revenue, non-GAAP EPS and TSR
- The higher, or lower, Alexion's performance against these metrics, the greater, or smaller, the number of PSUs earned by the executive
- Opportunity to earn greater number of PSUs if aggressive development milestones relating to FDA and EMA approval and other milestones are achieved on an accelerated basis
- TSR measured based on performance relative to Nasdaq Biotechnology Index
- See "2014 Long-Term Incentive Awards – Align with Shareholders" on page 44

Stock Options

- Part of our compensation program since the founding of the Company
- Widely used in our industry
- Our industry requires long term capital investments and the rewards from those investments are at substantial risk or may not be realized for many years

- A stock option has no value to the executive unless Alexion's stock value increases
- The Compensation Committee strongly believes that stock options incentivize long-term performance. In order for the executives to realize meaningful pay from stock options at today's valuation, the executive must create meaningful additional value and this can only be achieved with the methodical execution of operational objectives and exceptional performance over a sustained period of time

Annual Cash Incentives

- Each NEO's cash incentive opportunity is based on the NEO's pre-established target, which ranges from 70% to 120% of base salary earned for 2014
- The Compensation Committee determines the actual amount for the CEO based on the Committee's assessment of corporate performance and the CEO's performance
- For the other NEOs, the Committee considers the CEO's assessment of each executive's performance and the CEO's compensation recommendations when determining the amounts to be paid
- The Compensation Committee does not use a formula to determine actual bonuses and

retains discretion to award an amount higher or lower than target, but not more than 300% of the individual's target

- For 2014 performance, the Compensation Committee strongly believed that the CEO's bonus should be paid meaningfully above target because:
- Alexion exceeded rigorous corporate objectives as discussed below under "Annual Cash Incentives – Drive Performance"
- Alexion had another very strong year of operating performance as discussed above under "2014 Business Highlights "
- Alexion again delivered high shareholder return and has done so on a continuous, sustained basis, as discussed above under "Shareholder Return"
- The Compensation Committee endeavored to deliver an incentive cash award above target to reward exceptional performance, as described above. However, Dr. Bell's 2014 annual cash incentive was also approximately 15% lower than 2013.

Executive Compensation Philosophy

The primary objective of Alexion's executive compensation programs is to attract, retain and incentivize the key executives necessary for Alexion's short- and long-term successful performance. As stated above, as it relates to our executive compensation programs, the Compensation Committee views performance as operating performance, return to shareholders and individual contribution.

The Compensation Committee considers and approves compensation programs based on our compensation philosophies, which include the following:

Attract, retain and incentivize

- We are deeply committed to attracting and retaining industry-leading talented individuals to Alexion.
- Well-designed compensation programs incentivize our employees to achieve rigorous corporate and individual objectives that are important to our business and success.

Pay for performance

- Performance is measured by operating performance, return to shareholders and individual contribution.
- We establish competitive opportunities to incentivize high performance and deliver greater rewards when corporate and individual performance exceed expectations and lower compensation when corporate or individual performance falls short.

Competitive with peer group

- We believe that compensation paid by market peers matters.
- When we set targets, or determine payouts, we evaluate the practices of our peers to validate that Alexion is competitive with other companies who compete with us for talent.
- We carefully review our peer group each year, including an assessment of the companies from which we have recently hired executive-level employees.

Balanced combination of compensation elements

- We strive for an appropriate balance between cash and equity incentives.
- The annual cash incentive is intended to motivate individuals to successfully execute on short-term operational objectives.
- Equity incentives are intended to focus executives on the long-term success of the organization, as well as, in the case of PSUs, the achievement of pre-established performance metrics.
- The actions of an executive can and should influence the ultimate value of a long-term incentive equity (LTI) award and greater value is realized by the executive if he or she is focused on long-term outcomes – decisions and actions

today may impact Company performance years from now. LTIs are intended to drive executive accountability for the Company's long-term performance by delivering greater, or lesser, value in the future.

Fair and consistent

- We are committed to making the overall structure of our compensation programs similar across our global organization, taking into account level, geography and local considerations.
- We strive to develop compensation and reward opportunities for all employees based on responsibility and performance.

Our Process

Key Decisions

The Compensation Committee approved 2014 (i) base salaries, (ii) annual cash incentive targets, and (iii) LTI awards, including PSUs, stock options and restricted stock units in February 2014 for the NEOs.

In February 2015, the Compensation Committee reviewed company and individual performance for 2014 and determined the actual 2014 cash incentive bonus payment for all NEOs.

Role of the Compensation Committee

The Compensation Committee determines the compensation of Alexion's executive officers and approves and evaluates Alexion's compensation programs. The Committee makes its executive compensation decisions based on many factors, including:

- First and in great depth, the Committee reviews in detail the corporate results against stated and Board-approved weighted corporate objectives and assigns a performance rating versus 100% of target
- The Board's rating of the CEO's performance – the CEO's objectives are substantially based on the corporate objectives and take into consideration TSR performance as well as the

CEO's accomplishments addressing unforeseen events which contribute to successful overall performance

- An annual benchmarking exercise to obtain competitive market information and compare each executive's compensation to individuals in similar positions at Alexion's self-selected peer group of companies
- The CEO's assessment of the performance of his direct reports measured against their objectives
- The CEO's compensation recommendations for his direct reports

Role of Executives in 2014 Compensation Decisions

No NEO participates in discussions about or makes recommendations with respect to his own compensation.

A small number of executives typically attend Compensation Committee meetings, including our CEO, and Chief Human Resources Officer, or CHRO. In 2014, all other directors were invited to attend, and typically did attend, Committee meetings. Typically special sessions of the Compensation Committee are conducted with the CEO and CHRO only.

Dr. Bell, with limited staff and management support, works with the Committee and our compensation adviser to develop compensation recommendations for the NEOs other than himself. Dr. Bell discusses his evaluation of the individual performance of the other NEOs. The Compensation Committee, however, is responsible for making all decisions regarding the compensation of the other NEOs.

The Compensation Committee is responsible for evaluating and determining Dr. Bell's compensation and works directly with the compensation adviser, as discussed below, with limited support from Alexion staff. Dr. Bell is not present when the Committee discusses and approves his compensation.

Role of the Compensation Adviser

According to its charter, the Compensation Committee is authorized to retain and terminate consultants to assist it in any aspect of the evaluation of CEO or executive officer compensation, and approve such consultant's fees and retention terms. The Compensation Committee also has authority to obtain advice from internal or external legal and other advisors. The Committee retained Radford, the Life Sciences Compensation Consulting practice of Aon Hewitt, a business unit of Aon plc, as its compensation consultant to advise on 2014 executive compensation matters. Radford provides analysis, research, data, peer and competitive information, survey information and program-design experience in evaluating and developing the Company's compensation programs for executives as well as incentive programs. Radford also keeps the Committee informed of market trends and legal developments. Representatives of Radford generally attend meetings of the Committee and communicate with the Committee chairman between meetings. The Compensation Committee, however, makes all decisions regarding the compensation of our executive officers.

The Committee retained Radford in 2014 after assessing its independence, taking into account many factors, including:

- any other services Radford provides to the Company;
- the amount of fees received from the Company by Radford as a percentage of Radford's total revenue;
- Radford's conflicts of interest policies and procedures;
- any business or personal relationship of the consultant with a member of the Compensation Committee;
- any stock of the Company owned by the consultant; and
- any business or personal relationship of the consultant and Radford with an executive officer of the Company.

The Committee believes that Radford is independent and that there are no conflicts of interest that would impact the advice to the Committee from Radford and the representatives of Radford who advise the Committee on executive compensation matters.

The Elements Of Compensation And Why We Pay

The three primary elements of compensation paid to our NEOs are: base salary, annual cash incentive bonus and LTIs. Our executives also receive modest other compensation that is generally available to other employees, such as 401(k) matching, and relocation benefits. They are also able to participate in Alexion's non-qualified deferred compensation plan along with other employees of the Company.

In 2014, approximately 82% of the reported NEO total direct compensation was performance-based and approximately 82% was in the form of long-term equity compensation.

The Compensation Committee believes that each element of compensation should be used in a manner that drives certain conduct, recognizing that different elements may be effectively used to drive different conduct.

Compensation Element	Primary Purpose
Base salary	Provide a secure, fixed amount of compensation to attract and retain executive officers.
Annual cash incentives	Motivate executives to achieve short-term, annual success.
Long-term incentive awards	Align the interests of our executives with those of our shareholders, to retain talent, and to motivate executives to achieve longer-term success.

The charts below describe the mix of total cash compensation and total compensation for our NEOs.

Note: Less than 1% of total compensation consisted of Other Compensation, such as 401(k) and non-qualified deferred compensation plan matching, and relocation costs, as described more full in the Summary Compensation Table.

In making compensation determinations, the Compensation Committee considers each individual element of compensation relative to the total direct compensation awarded to an NEO, and whether the compensation package as a whole is aligned with the Company's executive compensation philosophy and market practice.
The Compensation Committee monitors the risks associated with our executive compensation programs and individual compensation decisions. We have concluded that it is within our ability to effectively monitor and manage risks associated with our compensation policies and practices and that the risks are not reasonably likely to have a material adverse effect on Alexion.
Each component of our compensation program is discussed in greater detail below, including the rationale for 2014 compensation decisions.

Comparing Compensation To Peer Companies
The Compensation Committee considers the pay and practices at a peer group of companies when making executive compensation decisions.
How the Peer Group is Used
The Compensation Committee uses the peer group in the following ways:
n As input to determine base salary, annual incentive target, annual cash incentive, awards actually paid and the approximate grant-date value and form of long-term incentive awards;
n As input to determine total direct compensation;
n As input to develop the form and mix of equity;

- To assess whether Alexion’s executive compensation programs are aligned with Company performance;
- As input for designing the compensation programs; and
- To assess incentive plan burn rate, overhang and equity expense.

The peer group information is a key reference point for the Compensation Committee. Generally, the Committee targets compensation as follows to be competitive for executive talent:

- Base salary and the annual cash incentive opportunity should be, as a baseline, at approximately the median of the peer group, and
- Time-based LTI values are targeted at the 50th percentile and PSUs (determined at target) are targeted at the 65th percentile of the peer group

The Committee, however, does not adopt or interpret these peer group targets as strict boundaries when making its decisions, and will award amounts greater or lower than the targets. The Compensation Committee allocates the level of opportunity and the mix of compensation elements in this way to provide expected total direct compensation opportunities meaningfully greater than the median of the peer group, which it believes is the right level to incentivize exceptional performance.

The Compensation Committee chose to target LTI values between the 50th and 65th percentile

because it believes this level establishes the right performance incentives. Approximately 82% of NEO total compensation was delivered as long-term equity, and approximately 31% of this amount as PSUs in 2014. Thus, a significant portion of the value of an NEO's compensation – 82% -- is dependent on stock value and the achievement of key performance goals and the NEO's opportunity to realize greater pay directly correlates to Alexion's performance and the creation of shareholder value.

The Compensation Committee believes that the Company's strong operational performance and stock performance over the last several years validates this pay-for-performance approach of setting LTI targets above the median. In absolute terms, since 2009 Alexion's stock has increased each year by at least 30%.

How the Peer Group is Determined

The Compensation Committee develops the peer group based on the factors listed below. The Committee strives to select companies that are of similar size (revenues, market capitalization, number of employees), are organized like Alexion, and operate similarly (global presence, orphan disease focus). Thus, the Committee endeavors to select peer companies that exhibit all of the factors set forth below and within the prescribed parameters, but recognizes that it cannot develop a peer group in which all companies exhibit all factors.

Consideration	Purpose
Recruiting	A peer company should operate in the biotechnology or pharmaceutical industry and should compete with Alexion for talent.
Annual Revenues	Generally, companies with similar revenues to Alexion are operating businesses of a similar commercial complexity.
Market Capitalization	Generally, companies with market capitalizations similar to Alexion's are established, mature businesses with expected revenue growth and anticipated pipeline achievements.
Global Presence	A peer company should conduct global commercial operations. We look at the percent of revenues attributed to non-U.S. sales and consider companies with worldwide operations.
Number of Employees	The number of individuals employed by a peer company tends to be a reflection of the organization's operational complexity.
Orphan Disease Focus	A peer company should be exclusively focused on the development and commercialization of therapeutic products for ultra-rare diseases.

Radford assists the Compensation Committee in developing the peer group. Radford initially filters the peer group by applying the following parameters to the factors listed above:

- publicly-traded U.S.-based biotechnology and pharmaceutical companies
- annual revenue between 0.3x and 3x of Alexion annual revenue
- market capitalization between 0.3x and 3x Alexion market capitalization
- number of employees between 500 and 5,000, and
- international business scope, based on revenue generated outside the U.S.

The initial filter performed by Radford identifies many companies that are not reflective of Alexion's size or operations. Therefore, Radford expands beyond the defined parameters described above to identify companies that may be appropriate given industry and organizational complexity and companies used by proxy advisors to assess CEO pay for Alexion. In doing so, Radford will identify companies with whom Alexion competes for executive talent, larger and smaller biopharmaceutical companies that are above and below the limits for annual revenue and market capitalization, international biopharmaceutical

companies that disclose executive pay data, and similarly sized companies from peripheral life sciences industries. Radford and the Compensation Committee review the list of companies identified using the stated parameters to determine which companies are most similar to Alexion. The lack of similarity of a peer company to Alexion with respect to any single factor stated above is not by design, but rather because there is not a sufficient number of companies that are similar to Alexion with respect to such factor. For example, not all companies in Alexion's peer group have a rare disease focus. The Committee believes that it is not possible to eliminate differences entirely and recognizes the possibility that shifts in the Company's peer group selection could influence executive compensation decisions. The Committee seeks to mitigate this risk by not relying entirely on any one or two factors, such as revenue and market capitalization. The Committee believes that reliance on one or two factors alone would result in selecting a number of peers with little else in common with Alexion.

To illustrate this point, the Compensation Committee did not require every company in the 2013 peer group to fall within the parameters for both revenue and market capitalization.

- For Alexion and other biotechnology and pharmaceutical companies, the correlation of market capitalization to revenues can be irregular.
- At the time of approving the 2013 peer group, Alexion's ratio of market capitalization to revenue was 14.7 and at approximately the 90th percentile of all companies in the final peer group.
- In contrast, approximately 75% of the companies in the 2013 peer group had a market capitalization to revenue ratio of less than 10.
- 3 peer companies with revenue similar to Alexion (that is, within Alexion's revenue parameter) had a market capitalization below 0.3x of Alexion and did not meet the market capitalization parameter.
- 4 companies with market capitalization similar to Alexion (that is, within Alexion's market capitalization parameter) had revenue greater than 3x of Alexion and did not meet the revenue parameter.

With Alexion's high market capitalization to revenue ratio, it is challenging to identify companies with both similar market capitalization and similar revenue. The Compensation Committee believes that applying strict observance to the financial parameters will not yield a representative group of companies that resemble Alexion's size and operations. For example, proxy advisory firms include medical device and diagnostic companies in their list of peers because such companies strictly satisfy the financial parameters published by the proxy advisory firms, but we believe these companies are not the most appropriate peers.

The Compensation Committee believes that the mix of factors listed above results in a balanced and representative peer group taking into consideration Alexion's operations and size. The Committee includes peers that are both larger and

smaller than Alexion, in terms of both revenue and market capitalization. The Committee strongly believes that approximately half of the peers should be larger than Alexion, either in terms of revenue or market capitalization or both, to ensure that our pay programs are competitive with companies that hire and retain individuals with similar skills and experience that we seek. Although this approach could result in higher pay outcomes, the Committee believes that its approach is appropriate because it is critically important to the Company's performance to hire, and most importantly to retain, highly talented, specialized and experienced employees and these individuals typically join Alexion from larger biotechnology and pharmaceutical companies. The Committee believes that its approach has served both the Company and its shareholders very well, as demonstrated by the Company's long-term strong operational performance and high shareholder return..

Peer Groups

The Compensation Committee compares the compensation of each NEO to similar positions within the peer group. The Committee also takes into account various factors such as the unique characteristics of the individual's position, and any succession and retention considerations.

The Committee performed two peer group analyses to assist in its 2014 decision making:

- 2013 Analysis: used to determine 2014 base salaries, targets for annual incentive awards, and LTI awards.
- 2014 Analysis: used to determine actual 2014 annual cash incentive payment.

The peer group used by the Committee to assist in the determination of 2014 base salaries, targets for annual incentive awards, and target LTI awards, was comprised of the following 13 companies:

2013 Peer Group Analysis

In 2013, the Compensation Committee, together with Radford, conducted a review of the peer group and modified the group using the approach described above.

Allergan, Inc.	Forest Laboratories, Inc.	United Therapeutics Corporation
Biogen Idec, Inc.	Gilead Sciences, Inc.	Valeant Pharmaceuticals, Inc.
BioMarin Pharmaceuticals, Inc.	Jazz Pharmaceuticals, Inc.	Vertex Pharmaceuticals, Inc.
Celgene Corporation	Regeneron Pharmaceuticals, Inc.	
Cubist Pharmaceuticals, Inc.	Shire plc	

In reviewing the 2013 peer group, the Committee removed Medicis, which was acquired in 2012, and also decided to remove Amgen, which had been included in Alexion's peer group since 2010. By removing Amgen, the Committee sought to remove a peer with both greater revenue and market capitalization than Alexion. The Compensation Committee also added Jazz Pharmaceuticals, an international biopharmaceutical company focused on developing and commercializing products for unmet medical needs. At the time of the review, Jazz Pharmaceuticals' revenue and market capitalization were each less than Alexion.

At the time the peer group was established, 4 companies had both higher revenue and market capitalization than Alexion, and 4 additional peers had higher revenue. Alexion had a market capitalization higher than 9 of the peer companies and most of the companies in the group had higher market capitalization. Although Alexion was smaller in terms revenue, Alexion's workforce and product sales were growing rapidly, and the Compensation Committee believed that Alexion's executive leadership is integral to its growth and success. As stated above, it is critical to Alexion's performance to hire highly talented, specialized and experienced employees and these individuals typically join Alexion from larger biotechnology and pharmaceutical companies.

2014 Peer Group Analysis

During 2014, the Compensation Committee, together with Radford, reviewed the peer group and considered modifications based on several

factors, including the factors described above under "How the Peer Group is Determined."

In evaluating the 2014 peer group, the Compensation Committee did not make any adjustments to the existing peer group. The Committee considered 17 additional companies in its review based on the factors described above, with particular emphasis on revenues and market capitalization. The number of companies that satisfy the Committee's criteria was limited due to ongoing consolidation within the pharmaceutical and biotechnology industry and Alexion's continued revenue and value growth. The 17 companies considered by the Committee included 3 generics companies, 3 medical device companies, 3 pharma/biotech companies that satisfied the market capitalization criteria but exceeded the revenue criteria, 5 pharma/biotech companies that satisfied the revenue criteria but were below the market capitalization criteria, and 3 pharma/biotech companies that exceeded both the revenue and market capitalization criteria. After consideration, the Committee decided that including companies outside the selected criteria was not necessary and that the existing peer group was an appropriate representation of the company's peers, particularly since it was expected that multiple peers would likely be removed due to already announced acquisitions.

The peer group used by the Committee to assist in the determination of 2014 annual cash incentive payments remained composed of the following 13 companies:

Allergan, Inc.	Forest Laboratories, Inc.	United Therapeutics Corporation
Biogen Idec, Inc.	Gilead Sciences, Inc.	Valeant Pharmaceuticals, Inc.
BioMarin Pharmaceuticals, Inc.	Jazz Pharmaceuticals, Inc.	Vertex Pharmaceuticals, Inc.
Celgene Corporation	Regeneron Pharmaceuticals, Inc.	
Cubist Pharmaceuticals, Inc.	Shire plc	

Elements Of 2014 Named Executive Officer Compensation

As a baseline for awarding compensation and prior to making annual executive compensation decisions, the Compensation Committee evaluates Alexion's performance for the prior year by assessing if, and the extent to which, Alexion achieved or failed to achieve the corporate goals approved by the Compensation Committee and the Board of Directors for that year. To assist in the determination of (a) 2014 base salaries, (b) 2014 targets for annual cash incentive, and (c) the target value of 2014 LTIs, including PSUs, the Committee evaluated Alexion's 2013 performance in February of 2014. The Committee determined that Alexion exceeded its corporate objectives and achieved 126% of its approved corporate goals for 2013. Specifically, performance milestones included the following:

- Increased net product sales 37% from the previous year.
- Increased non-GAAP net income by 47%. See Appendix A attached to this proxy statement for a full reconciliation of non-GAAP results.
- Successfully executed on the Company's decision to centralize global supply chain and external quality assurance operations in Dublin, Ireland, which is expected to have a positive long-term impact on Alexion's technical operations execution and financial performance.
- Alexion's 1-, 3- and 5- year annualized TSR through December 31, 2013 was 42%, 49% and 49%, respectively

Actual annual cash incentives for 2014 were approved in February 2015 and are discussed in more detail below.

Who are the Named Executive Officers

This CD&A explains how the Compensation Committee made 2014 compensation decisions for our executives, including the following named executive officers (NEO):

Name	Position
Leonard Bell, M.D.	Chairman and Chief Executive Officer
David Hallal	Chief Operating Officer, and CEO effective April 1, 2015
Martin Mackay, Ph.D.	Executive Vice President and Global Head of Research and Development
Vikas Sinha, M.B.A., C.A.	Executive Vice President and Chief Financial Officer
Stephen P. Squinto, Ph.D.	Executive Vice President and Chief Global Operations Officer

We announced significant changes within our executive leadership in 2014 and 2015:

Chief Executive Officer. As discussed above in the "Executive Summary," Dr. Bell retired, and Mr. Hallal

became CEO, effective April 1, 2015. Dr. Bell will continue as Chairman of the Board of Directors.
Retirement of Stephen Squinto. As discussed above in the "Executive Summary," Dr. Squinto retired from the Company on December 31, 2014. He continues to serve in a non-employee capacity as Chairman of the Scientific Advisory Board.

Base Salaries Should be Competitive with Peers

Base salary represents a secure, fixed component of an executive's compensation. Determinations of base salary levels for our executives are established based on the position, the scope of responsibilities, and the prior relevant background, training and experience of each individual. Base salaries are evaluated annually for possible merit increases and take into account an annual review of marketplace competitiveness with the peer group. The

Compensation Committee believes that the merit and other increases approved for 2014 base salary for the NEO's reflects strong operational performance, both company and individual, as well as market competitiveness. Consistent with previous annual base salary evaluations, the Compensation Committee determined that if merit increases are appropriate, 2014 base salaries for the NEOs should be within approximately 10% of the market median of Alexion's peer group. The merit and other increases in base salary for the NEOs, detailed in the table below, were approved by the Committee in February 2014 to achieve this desired level.

Named Executive Officer	2013 Base Salary	2014 Base Salary	% Change
Leonard Bell, M.D.	$1,200,000	$1,280,000	6.7%
David Hallal [(1)]	$610,000	$675,000	10.7%
Martin Mackay, Ph.D.	$625,000	$650,000	4.0%
Vikas Sinha, M.B.A., C.A.	$615,000	$640,000	4.1%
Stephen P. Squinto, Ph.D.	$607,000	$635,000	4.6%

(1) In September 2014, Mr. Hallal's base salary was increased to $750,000 in connection with his promotion to Chief Operating Officer.

The Compensation Committee approved a merit increase of $80,000 for Dr. Bell, which the Committee believed was appropriate based on Alexion's 2013 financial and commercial performance, as described above, including implementation of Alexion's decision to centralize manufacturing and quality operations in Ireland, and Dr. Bell's important continued contributions to the Company's success and his strong leadership. The merit increase also positioned Dr. Bell at approximately the median of the market peers at the time of determination.
When approving 2014 base salaries, the Compensation Committee endeavored to deliver base salaries at approximately the market median of the peer group for each executive and to obtain

relative parity among executives. The increases for Mr. Sinha and Dr. Mackay positioned each at approximately the market median and took into account strong individual performance and leadership. The market median for Dr. Squinto's position was significantly lower than the market median for both Mr. Sinha and Dr. Mackay, and significantly lower than Dr. Squinto's then current salary. The Committee determined, after considering the recommendation of Dr. Bell, that the market median was not appropriate for the evaluation of Dr. Squinto's base salary and that Dr. Squinto's base salary should be similar to Mr. Sinha and Dr. Mackay.
The Compensation Committee, after considering the recommendation of Dr. Bell, approved a base

salary increase of approximately 11% for Mr. Hallal. The Committee recognized Mr. Hallal's expanded role within the Company and the executive team. 2013 was the first full year that all commercial regions and organizations reported directly into Mr. Hallal as the Chief Global Commercial Officer and global commercial performance significantly exceeded targets. In September 2014, Mr. Hallal was promoted to Chief Operating Officer of Alexion, and his base salary was increased by approximately 11%, to $750,000, to reflect Mr. Hallal's increased responsibilities, his position within the Company, and the alignment of his base salary in the position of COO with the base salaries of both Dr. Bell and Alexion's Executive Vice Presidents.

Annual Cash Incentives – Drive Performance

Summary

We pay annual cash incentive bonuses to drive the achievement of strong annual performance. The Compensation Committee endeavors to deliver a meaningful portion of cash compensation in the form of annual cash incentives. The Committee believes that doing so is critical because the opportunity for a meaningful cash award will, together with strong management and accountability, drive executives to individually and collectively achieve and exceed Alexion's annual objectives. For 2014 compensation, the actual annual cash incentive comprised:

n Approximately 10% of NEO total direct compensation, and

n Approximately 55% of NEO cash compensation.

The Compensation Committee established the following annual cash incentive targets as a percentage of base salary for 2014: 120% for Dr. Bell, and 70% for Mr. Hallal, Dr. Mackay, Mr. Sinha, and Dr. Squinto. In connection with Mr. Hallal's promotion to COO, his incentive target was increased to 80% in September 2014.

How and Why We Set Aggressive Objectives

Early each year, the Company's leadership undertakes an objective-setting exercise and identifies operational and financial priorities that in their judgment will strengthen Alexion's long-term performance, position Alexion to execute on its strategic plan, and also create value for our shareholders. The objectives that the CEO recommends are aggressive and detailed. The objectives are reviewed, discussed and approved by the Board of Directors and the Compensation Committee. During each regularly scheduled meeting of the Board, management discusses the Company's performance and its progress against the objectives.

The objectives are "aggressive" because a significant number of our corporate objectives recommended by the CEO are set at targets and levels that the CEO believes require exceptional cross-functional performance and execution to achieve. Most objectives are detailed and granular, structured to drive performance to achieve a specific milestone which has been identified as integral to Alexion's operations. The 2014 corporate objectives covered all aspects of Alexion's business, and focused on five key areas (similar to prior years): (1) commercial operations, (2) research and development, (3) quality, manufacturing, supply and distribution, (4) global execution, and (5) financial objectives.

The Committee believes that corporate objectives are aggressive, not solely because the targets and levels are aspirational, but also because executives are expected to manage and execute on a large number of objectives within their areas of focus, and many of which require cross-functional and global leadership. For example, in 2014 corporate research and development objectives consisted of 21 distinct objectives, including specific clinical and regulatory milestones for Soliris and our product candidates, as well as organizational and systems objectives. Executives are directly responsible and held accountable for managing their organizations to perform against these corporate objectives.

How the Committee Uses Discretion

We have adhered to a philosophy of using aggressive and aspirational goal-setting to drive performance and incentivize employees, including the executives, which the Committee believes best positions Alexion to achieve critical accomplishments. The Compensation Committee considers this approach to goal-setting when deciding annual cash incentives. After each calendar year ends, the Committee reviews the level of achievement of the corporate objectives established for such year. The level of achievement of the corporate objectives, 131.5% for 2014, does not necessarily mathematically and formulaically result in the amount awarded by the Committee to an NEO. An NEO may receive more or less than target based on a number of considerations, including for example, company performance, specified individual achievements, market data, or the individual's contributions addressing unforeseen events. The Compensation Committee believes that to date, its approach has served both Alexion and our shareholders extremely well.

The Committee has considered and discussed whether annual cash incentives should be formulaic and calculated based solely on quantitative determinations, whereby each objective is assigned a value and weight and the executive would receive a fixed pre-determined amount based on the objective achievement and level of achievement. The Compensation Committee has not adopted a formulaic methodology because it believes that, as currently designed and managed, that the annual cash incentive award as utilized by the Committee is a key driver of high performance. See "2014 Business Highlights" on page 23 and "Shareholder Return" page 24. As currently designed, Alexion's approach to goal-setting has resulted in high individual and Company performance and has aligned well with the way in which the Company's business is managed. Alexion is a high-growth global organization, and solid execution on aspirational objectives can and has resulted in substantial value creation.

Decisions are Balanced

When determining the actual amount to be awarded to an NEO, the Committee's use of discretion is qualified by the following governance and other parameters to ensure that pay is commensurate with performance:

- No amount of the annual cash incentive is guaranteed.
- The annual cash incentive is capped at 300% of the executive's target.
- 100% of the annual cash incentive is at risk.
- Pay decisions are made by a Compensation Committee of all independent directors.
- The Company presents its executive compensation to shareholders every year for consideration, and our programs reflect shareholder feedback.
- Although an annual incentive measures annual performance, the Compensation Committee and the Board also reviews the Company's 1, 3 and 5-Year TSR regularly to assess company performance over the long term.

2014 Objectives

Review and evaluation by the Committee of the achievement of the pre-determined annual corporate goals is of primary importance when determining the annual incentive award. As described above, the corporate objectives for 2014 are separated into five categories. A relative weight is assigned to each of the five categories. In February 2015, prior to approving 2014 incentive bonuses, the Committee evaluated Alexion's 2014 performance by assessing if, and the extent to which, Alexion achieved or failed to achieve the corporate objectives approved by the Committee and the Board of Directors for 2014. The Committee conducted this evaluation in February of 2015 and it determined that the 2014 corporate objectives in the aggregate were achieved at 131.5% of target.

Below are the 2014 corporate objectives:

Corporate Objective[1]	Weight	Achievement
Commercial Operations	50%	150% Overachieved
Specific global revenue target; specific regional revenue targets for PNH and aHUS; specific global and regional targets for the number of patients treated with Soliris; successful product launch in a specific number of countries; execution of asfotase alfa product launch activities; successful execution of life cycle management priorities		
Research and Development	20%	95% Underachieved
Complete submissions for asfotase alfa in U.S., Europe and Japan and obtain approval in at least in one major market; complete hiring for key leadership positions; execute on internal regulatory-related initiatives; implement label changes for PNH and aHUS conversion; initiate enrollment in specific number of conditions with eculizumab; advance next generation molecules; achieve proof of concept for certain early stage product candidates		
Quality, Manufacturing, Supply, and Distribution	10%	105% Overachieved
Ensure ongoing supply for clinical and commercial products; enhance internal systems, training, and organization; successfully implement quality remedial activities; ensure global compliance with regard to all local and international manufacturing requirements; obtain highest levels of efficiency, performance and compliance of personnel; optimize manufacturing processes for various product candidates		
Global Execution	10%	130% Overachieved
Complete implementation of organizational structure for commercial organization; implement global human resources training initiatives; maintain global pricing and reimbursement programs and complete strategy for new products; complete specified number of strategic transactions; succession planning; hire and integrate new compliance function; update and implement enterprise risk management program		
Corporate Financial Objectives	10%	150% Overachieved
Limit operating expenses to a budgeted target; achieve a target pre-tax profit		
Total:	100%	131.5%

(1) We have not disclosed the target numbers or actual performance against each target. We believe that disclosing such detail will result in competitive harm to us. Such information represents confidential business information that could place us at a competitive disadvantage because it provides insight into our long-term strategic plan and financial objectives.

2014 Payouts

In considering the actual amount of the annual incentive award for each executive, the Compensation Committee considered several factors, including:

- the NEO's incentive target
- the Committee's assessment of Alexion's 2014 performance
- the Committee's assessment of the NEO's performance against the corporate goals
- the CEO's recommendations for the other NEO's

- the NEO's total compensation compared to individuals in similar positions at the peer group
- the NEO's contributions in resolving unanticipated matters

Prior to the February 2015 Committee meeting approving 2014 annual cash incentives, Dr. Bell reviewed in detail the individual performance of each NEO, excluding himself, and considered each individual's 2014 contributions. In making his

recommendations, Dr. Bell worked closely with the Compensation Committee and received limited support from staff and other members of management.
Dr. Bell recommended annual cash incentives for the other NEOs based on strong individual and corporate performance in 2014. See "2014 Business Highlights" on page 23 and "Shareholder

Return" page 24. The Compensation Committee discussed Dr. Bell's recommendations for the other NEO's and determined that annual cash incentive amounts for the NEOs, including Dr. Bell, should reflect Alexion's strong 2014 performance and recognition of its significant achievements. The Committee approved the following annual cash incentive payments for 2014 performance:

Named Executive Officer	2014 Target	Annual Cash Incentive Paid 03/06/2015	% of Target
Leonard Bell, M.D.	120%	$2,028,000	132%
David Hallal	80%	$792,000	142%
Martin Mackay	70%	$690,000	152%
Vikas Sinha, M.B.A., C.A.	70%	$690,000	154%
Stephen P. Squinto, Ph.D.	70%	$445,000	100%

By approving the amounts above, the Compensation Committee awarded annual cash incentives for the NEOs at approximately 135% of target, which resulted in a payment to the NEOs of annual cash incentives above target of approximately $1.20 million. The overall payout for the NEOs was at approximately the level of performance determined by the Committee – 131.5%. The Compensation Committee determined that the final amounts were appropriate in recognition of strong company performance in 2014.

- Strong commercial performance, including a 44% increase of net product sales.
- Strong value appreciation for shareholders during 2014, with stock appreciation of 39%.
- Significant pipeline achievements, including advancing Soliris and next generation clinical programs.

In addition to considering Company performance, the Compensation Committee made its decisions to award 2014 annual cash incentives based on the important contributions of the NEOs.

Dr. Bell. Dr. Bell's leadership and contributions were instrumental to the Company's 2014 success. Net product revenues increased 44% from the prior year and non-GAAP net income increased 57%. Alexion's 1-Year TSR was 39%. The Committee recognized that 1-Year TSR was within the median of its peers, but still very strong in absolute terms, and Alexion's long-term 5-Year TSR was in the upper quartile, which has been consistent with Alexion's strong long-term performance since commercial operations began. Dr. Bell has demonstrated exceptional leadership, integrating a new executive team, and expanding global operations. The Committee recognized that the Company effectively executed on process improvements in its technical operations and manufacturing functions, which would have long-term positive impact. The Committee also recognized important progress in the Company's clinical development programs, including initiation of enrollment in three Soliris registration trials and initiation of 2 Phase 1 trials for next generation molecules. The Committee approved an incentive bonus for Dr. Bell at 132% of his target award which was at approximately the same level of achievement, 131.5%, as determined for the Company.

Mr. Hallal. Mr. Hallal received an annual cash incentive above target primarily due to his exceptional execution of Alexion's commercial strategy, and his demonstrated leadership across functions within the Company. Soliris product sales for both PNH and aHUS exceeded targets globally, and the Company successfully maintained strong focus on PNH as it continues its global launch of Soliris for the treatment of aHUS. The commercial organization also considerably advanced preparations for the launch of asfotase alfa in 2015, which the Company anticipates will be its second commercial product in its history. As a result of Mr. Hallal's strong leadership since joining Alexion, he was promoted to Chief Operating Officer in September 2014 and became Chief Executive Officer, effective April 1, 2015. Under Mr. Hallal's leadership, Alexion has experienced significant growth in global product sales during 2014 (44%), attributed to both strong sales for PNH and strong sales for aHUS. The Committee recognized Mr. Hallal's continuous contributions to and leadership for key company initiatives.

Dr. Mackay. Dr. Mackay joined the Company as Executive Vice President and Global Head of Research and Development in May 2013. Dr. Mackay's exceptional leadership was recognized for both executing on Alexion's R&D priorities, as well as building world-class teams across functions and responsibilities. Key hires were made in 2014 to lead functions within Dr. Mackay's organization, and Dr. Mackay led the expansion of the Company's global research footprint, opening facilities in Cambridge, Massachusetts and Paris, France. Alexion successfully completed its drug application submissions for asfotase alfa in the U.S., Europe and Japan. Dr. Mackay led efforts to convert the aHUS label from accelerated to regular approval, which was an important achievement. Dr. Mackay serves in critical roles leading company regulatory-related initiatives, and supporting business development projects. Dr. Mackay oversaw substantial progress of clinical programs, including initiation of

enrollment in multiple Soliris registration trials (NMO, MG and DGF), and initiation of Phase 1 trials for next generation products. The Committee recognized Dr. Mackay's overall strong performance, leadership and successful execution on Alexion's R&D priorities.

Mr. Sinha. Mr. Sinha was paid above target based on another year of high individual and company performance, executing exceptional financial management. Mr. Sinha's contributions to financial management included disciplined management of expenses in coordination with functional area executives, management of foreign currency risks, implementation and oversight of improved financial models and structures, and disciplined management of share dilution and stock repurchases. Alexion achieved net income and other financial objectives, despite foreign currency challenges, macroeconomic conditions, unbudgeted expenses and manufacturing costs. The Committee recognized Mr. Sinha's continuous high performance, represented in particular by Alexion's strong balance sheet and financial performance.

Dr. Squinto. Dr. Squinto oversaw Alexion's technical operations during 2014. Following challenges in 2013, specifically receipt of an FDA Warning Letter relating to quality operations at the Company's Rhode Island manufacturing facility and product recalls, Dr. Squinto oversaw the Company's remedial efforts in 2014. The Committee recognized strong leadership and execution of these activities and substantial progress implementing system improvements, which positions the company's operations for the long-term. Dr. Squinto oversaw the transition of both a new head of manufacturing and a new head of quality during 2014, with a view to positioning both organizations for the next stage of growth.

2014 Long-Term Incentive Awards – Align with Shareholders

The Compensation Committee reviews and approves LTI grant guidelines for all positions and levels throughout the global organization other than senior executives (senior vice presidents and above). The LTI grant guidelines are established to ensure that Alexion's grant practices are competitive in each country where our employees are located. We review market data by position, level and geographic region and establish guidelines and award values that we believe enable us to attract, retain and motivate a talented, values driven workforce.

The Committee has not established LTI grant guidelines for its executives, including the NEOs. Together with the compensation adviser, the Committee evaluates each executive's award levels compared to market peers. In determining LTI awards for executives, the Committee considers:

- the peer group market data;
- the individual's contribution and potential contribution to Alexion's growth and financial results;
- the value of proposed awards;
- corporate performance; and
- the individual's level of responsibility within Alexion.

As is the case when the amount of base salary and annual cash incentive opportunity is determined, when determining LTI values, a review of all of the executive's compensation is conducted to ensure that an executive's total compensation conforms to our overall philosophy and objectives.

In 2014, LTIs were delivered as PSUs, stock options and restricted stock units. LTIs were granted to NEOs (and other employees) in February 2014. The Compensation Committee approved LTIs for the NEOs in the amounts set forth in the table under the heading "Grants of Plan-Based Awards."

Performance Share Units (PSUs).

The Compensation Committee introduced performance share units (PSUs) to its compensation program in 2013 to supplement Alexion’s performance-based compensation. In 2014, the Committee reviewed the program and decided to implement three key modifications to the program to enhance alignment of pay and performance. The Committee introduced a total shareholder return component with a 3 year performance period (TSR-Award), added aggressive development milestones, the achievement of which could result in additional shares earned, and expanded the program to all senior vice presidents of the Company other than for TSR-Awards. Thus, the PSUs granted in 2014 had the following features:

- The Compensation Committee aimed to deliver approximately twenty to twenty-five percent of an NEO's long-term equity incentive award grant-date value in the form of PSUs.
- The 2014 PSUs are only earned if pre-established financial targets are achieved and the Company's share performance is aligned or exceeds relative to the performance of the Nasdaq Biotechnology Index, which we view as a relevant and appropriate benchmark.
- Ninety percent (90%) of the PSUs that could be earned had a one-year performance period with the amount actually earned dependent upon operational metrics of Alexion's revenue and non-GAAP EPS results, which were equally weighted. See Appendix A attached to this proxy statement for a full reconciliation of non-GAAP results.
- Ten percent (10%) of the PSUs that could be earned had a three-year performance period with the amount actually earned dependent on Alexion's relative TSR performance compared to the Nasdaq Biotechnology Index over this three-year period.
- A performance multiplier ranging from 1.25 to 3.25 could be applied to shares earned under the operational metrics (revenues and non-

GAAP EPS) based on the achievement of one to three development milestones. The milestones were each selected to incentivize executives to achieve aggressive development milestones on an accelerated schedule.

We place significant weight on corporate revenue and non-GAAP EPS to measure Alexion's performance. We also believe that our shareholders and analysts rely heavily on the same financial metrics to understand the underlying condition, and the performance of, our business. The Committee believes revenue and non-GAAP EPS were the best metrics to incentivize executive performance for our long-term equity awards, because:

- We market and sell a single product, Soliris, and Alexion's revenue performance is equal to the commercial performance of Soliris.
- Commensurate with our commercial success and investment in Alexion's future, almost all aspects of our business are growing and how effectively we execute financial planning and

financial discipline is a strong indicator of company performance, measured in its impact on non-GAAP EPS.

- The Compensation Committee decided that setting performance objectives using these metrics would be reliable indicators of company performance, since based on past experience revenues would grow commensurate with growth in the number of patients receiving Soliris and non-GAAP EPS would increase commensurate with precise execution of a financial plan and financial discipline considering the capital necessary to operate our expanding global business.

The Compensation Committee endeavored to provide approximately twenty to twenty-five percent of each NEO's LTI grant-date value in the form of PSUs. The following table shows the performance metrics and weighting that the Committee set for our 2014 PSUs and our degree of attainment of these goals.

Goal	Performance Range				
	Threshold	Target	Maximum	Results	% of Target
Revenue (45%)	$1,900M	$1,950M	$2,100M	$2,146M	>108%
Non-GAAP EPS (45%)	$3.09	$3.27	$3.80	$4.82	>108%

The Committee selected three aggressive development milestones that aimed to prioritize Alexion's resources across the Company. The Committee recognized that each milestone had a low probability of achievement during 2014 and the multiplier would only be applied as a result of exceptional performance, leadership and execution. Further, if any one of the three milestones were achieved, the Committee believed that significant value would be created for our shareholders.

None of the development milestones were achieved in 2014 and no multiplier was applied to the awards for any executive.

At the time, the Compensation Committee chose a one-year performance period and revenue and non-GAAP EPS metrics for 90% of the PSUs because the Committee believed that shareholders emphasized these same operational metrics when evaluating our performance on a year-to-year basis. Successful achievement would also be expected to result in improved stock performance and value to our shareholders. Similarly, the development milestones were "stretch" goals, and if achieved on such an accelerated basis, would deliver significant and meaningful value to shareholders on an accelerated basis.

In evaluating the 2014 program, the Committee also believed that introducing a TSR Award would even further align executive's interests with the interests of our shareholders. At the time the Committee determined that 10% was the appropriate allocation for the TSR component because it was a new component for the program and the Committee preferred to evaluate its utility by allocating a meaningful but modest proportion of the value. The Committee selected a 3 year performance period to ensure that stock performance incentives were aligned with a longer-term view, and that fluctuations during any single year would not disproportionately impact results for the benefit or detriment of the program.

Based on 2014 revenue and non-GAAP EPS performance, Dr. Bell earned 33,990 PSUs, and Mr. Hallal, Dr. Mackay and Mr. Sinha each earned 11,690 PSUs (each representing 108% of the 90% of the target award). Dr. Squinto retired from the Company prior to the time the Committee assessed whether performance was achieved and did not receive any earned PSUs. One-third of the earned PSUs vested in February 2015, and one-third vests in each of February 2016 and February 2017, subject to continuous employment or other service.

Stock Options. Stock options are granted with an exercise price equal to the fair market value of Alexion's common stock on the date of grant and, accordingly, will only have value if Alexion's stock price increases. The Compensation Committee considers stock options to be performance-based. See page 28.

Restricted Stock Units (RSUs). A portion of each NEO's LTI value is delivered in RSUs. RSUs are time-vesting awards that the Committee believes are important for retention.

Generally, stock options and RSUs vest over four years, with RSUs vesting in equal annual installments and stock options vesting 25% on the first anniversary of the grant date and every three months thereafter. The individual must be employed by Alexion as an employee, director or adviser for such awards to vest.

The Committee believes that long-term equity-based incentive awards are a critical element of compensation. However, like a short-term cash incentive award (or cash bonus), a long-term equity incentive award is a variable component of each employee's compensation and no individual, including any NEO, is guaranteed to receive an award or a certain value in respect of his awards.

The Committee believes that its practice of awarding LTIs to Alexion executives has contributed to long-term successful performance, which has been demonstrated through substantial value creation for Alexion's shareholders. See "2014 Business Highlights" on page 23 and "Shareholder Return" on page 24.

Termination and Change of Control-Based Compensation

We provide severance payments and other benefits to our executives under written employment agreements if they are terminated without cause or in certain other instances, including in connection with a change of control. Severance provisions related to a change of control assist in retaining high quality executives and keeping them focused on their responsibilities during any period in which a change of control may be contemplated or pending. We also provide for accelerated vesting of outstanding equity awards upon a change of control. For details on the severance payments our executives are entitled to, please see "Potential Payments Upon Termination or Change of Control" on page 57.

Personal Benefits

Our executives are eligible for the benefit programs provided to all employees, such as medical, dental, vision, life and disability insurance benefits. We do not provide, and executives are not entitled to, special perquisites such as permanent lodging, cars or defraying the cost of personal entertainment or family travel.

Stock Ownership Guidelines

Both our executives and directors are subject to stock ownership guidelines. Shares owned by the individual, unvested restricted stock and unvested restricted stock units count towards the ownership goal. Unearned PSUs do not count towards the ownership goal. Directors and officers are required to meet these guidelines within five years of becoming subject to them. All of our executives and directors currently satisfy the guidelines.

Executive Officers. Our current policy requires Alexion's executives to own shares with a value equal to a specific multiple of such executive's base salary as indicated in the table below.

Officer Level	Market Value as a Multiple of Base Salary
Chief Executive Officer	6x
Executive Vice Presidents and Senior Vice Presidents reporting to the CEO	3x
Other Senior Vice Presidents	1x

Directors. Directors are required to own shares with a value equal to 5 times the annual director cash retainer, which was $80,000 for 2014.

Section 162(m) Policy

Under Section 162(m) of the Internal Revenue Code, publicly held corporations are denied deducting as an expense for federal income tax purposes total compensation in excess of $1 million paid to certain executive officers. However, Section 162(m) provides an exception for certain qualifying "performance-based" compensation. The Compensation Committee believes that its primary responsibility is to provide a compensation program that attracts, retains and rewards the executive officers necessary for the company’s success, as described above. As a result, we currently and may in the future award compensation that is not fully deductible under Section 162(m) in order to ensure competitive levels of total compensation for our executive officers and when we otherwise view such compensation as consistent with our compensation policies. We have intended to structure our stock option grants and PSUs in a manner that is intended to qualify them as "performance-based" compensation under Section 162(m). Our annual cash incentives and time-bases restricted stock units do not qualify as performance-based under Section 162(m). The Compensation Committee reserves the right to grant compensation that is not eligible performance-based compensation.

Anti-hedging Policy

Our insider trading policy prohibits all directors and employees, including our executives, from pledging or engaging in hedging or similar transactions in Alexion's stock, such as prepaid variable forwards, equity swaps, collars, puts, calls, and short sales.

Recoupment Policy

We have adopted an executive compensation recoupment policy, or "clawback," that requires our independent directors to consider whether to seek reimbursement of any bonus or incentive awarded to a Section 16 officer if and to the extent: (a) the amount of the bonus or incentive compensation was calculated based upon the achievement of certain financial results that were subsequently the subject of a restatement, (b) the executive engaged in intentional misconduct that caused or partially caused the need for the restatement, and (c) the amount of the bonus or incentive compensation that would have been awarded to the executive had the financial results been properly reported would have been lower than the amount actually awarded. The Board may adopt additional recoupment provisions in the future or amend existing requirements as required by law or regulation or in accordance with best practices.

Report Of Compensation Committee

The Compensation Committee of the Board reviewed and discussed the Compensation

Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

The Compensation Committee

Alvin S. Parven, Chairman
M. Michele Burns
William R. Keller
John T. Mollen

Summary Compensation Table

The following table sets forth information regarding the compensation awarded to, earned by or paid to each of our NEOs during the fiscal years ended December 31, 2014, 2013, and (where applicable) 2012. The principal positions of Dr. Bell, Mr. Hallal and Dr. Squinto in the table below are the positions they each held on December 31, 2014. In 2015, Dr. Bell retired as Chief Executive Officer, and Mr. Hallal became our Chief Executive Officer. Dr. Squinto retired as Executive Vice President, Chief Global Operations Officer, on December 31, 2014.

Name and Principal Position	Year	Salary ($)	Non-Equity Incentive Plan Compensation ($)(1)	Bonus	Stock Awards($) (4)	Option Awards($) (4)	All Other Compen-sation($) (5)	Total ($)
Leonard Bell, M.D.	12/31/2014	1,280,000	2,028,000	—	8,165,578	9,074,125	23,000	20,570,703
Chairman and Chief	12/31/2013	1,200,000	2,400,000	—	4,270,038	5,501,012	17,654	13,388,704
Executive Officer	12/31/2012	1,100,000	2,800,000	—	2,839,500	6,844,930	15,021	13,599,451
David Hallal	12/31/2014	696,058	792,000	—	3,268,430	2,740,620	17,500	7,514,608
Chief	12/31/2013	610,000	750,000	—	1,452,629	1,825,336	15,500	4,653,465
Operating Officer	12/31/2012	525,000	650,000	—	788,750	1,913,727	13,053	3,890,530
Martin Mackay, Ph.D.	12/31/2014	650,000	690,000	—	2,738,030	2,740,620	23,000	6,841,650
Executive Vice	12/31/2013	397,000	450,000	150,000 (2)	2,621,500	2,636,150	7,212	6,261,862
President, Global Head of Research and Development	12/31/2012	—	—	—	—	—	—	—
Vikas Sinha, M.B.A., C.A.	12/31/2014	640,000	690,000	75,000 (3)	2,914,830	2,740,620	23,000	7,083,450
Executive Vice	12/31/2013	615,000	675,000	—	1,368,182	1,520,280	23,000	4,201,462
President and Chief Financial Officer	12/31/2012	530,000	600,000	—	867,625	2,149,836	12,250	4,159,711
Stephen P. Squinto, Ph.D.	12/31/2014	635,000	445,000	75,000 (3)	3,711,397	5,074,447	23,000	9,963,844
Executive Vice	12/31/2013	607,000	510,000	—	1,368,182	1,520,280	17,115	4,022,577
President, Chief Global Operations Officer	12/31/2012	540,000	600,000	—	1,025,375	2,149,836	15,608	4,330,819

(1)

Amounts represent the annual incentive bonus earned by the named executive officer for services performed in 2014, 2013, and 2012 (where applicable). The annual incentive bonus was paid in February or March of the calendar year following the year to which the bonus relates (e.g., the 2014 annual incentive bonus was paid in March 2015).

(2) Amount represents one-time transition and relocation bonus.

(3) Amounts represent a special bonus award paid to each of Dr. Squinto and Mr. Sinha for their contributions to the Company's centralization of manufacturing, supply chain, quality and technical operations in Ireland.

(4) Amounts represent the grant date fair value of equity awards granted to the named executive officer in each of 2014, 2013, and 2012 (where applicable) calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 ("FASB ASC Topic 718"). Amounts for Dr. Squinto also include the incremental fair value associated with the accelerated vesting of 50% of his outstanding stock options of $2,333,827, and stock awards of $796,567, in connection with his retirement on December 31, 2014. See our audited consolidated financial statements in our Annual Reports on Form 10-K for the years ended December 31, 2014, 2013 and 2012 for details as to the assumptions used to determine the fair value of the awards. The stock awards reported include the grant date fair

value of restricted stock units and performance share units, including TSR awards, each of which is more fully discussed in the Compensation Discussion and Analysis.

(5) Amounts represented in this column include the following: for 2014, Alexion's 401(k) matching contributions of $15,600 each of Drs. Bell, Mackay and Squinto, and Messrs. Hallal and Sinha, and Alexion's matching contributions under our non-qualified deferred compensation (NQDC) plan of $7,400 for each of Drs. Bell, Mackay, and Squinto, and of $1,900 for Mr. Hallal; for 2013, 401(k) matching contributions of $15,300 for Drs. Bell and Squinto and Messrs. Hallal and Sinha, and $7,212 for Dr. Mackay, NQDC plan matching contributions of $2,354 for Dr. Bell, $7,700 for Mr. Sinha and $1,815 for Dr. Squinto, and a $200 partial gym reimbursement for Mr. Hallal; and for 2012, Alexion's 401(k) matching contributions of $12,500, for each of Drs. Bell and Squinto and Messrs. Hallal and Sinha, and service-based gift bonuses of $2,521 for Dr. Bell (for 20 years of service), $3,108 for Dr. Squinto (for 20 years of service) and $533 for Mr. Hallal(for 5 years of service). Service-based gift bonuses are provided on a non-discretionary basis to all Alexion employees for 5, 10, 15, 20, or 25 years of service.

Grants Of Plan-Based Awards In Fiscal 2014

The following table sets forth information regarding plan-based awards made to each of our NEOs during the fiscal year ended December 31, 2014 .

		Estimated Possible Payouts Under Non-Equity Incentive Plan Awards	Estimated Possible Payouts Under Equity Incentive Plan Awards			All Other Stock Awards:	All Other Option Awards:		
Name	Grant Date	Target ($)	Threshold (#)	Target (#)	Maximum (#)	Number of Shares of Stock or Units (#)	Number of Securities Underlying Options (#)	Exercise or Base Price of Stock Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($) (6)
Leonard Bell, M.D.	2/28/14 (1)	1,536,000	—	—	—	—	—	—	—
	2/28/14 (2)	—	—	—	—	—	162,900	176.80	9,074,125
	2/28/14 (3)	—	—	—	—	10,100	—	176.80	1,785,680
	2/28/14 (4)	—	5,445	10,890	33,990	—	—	176.80	6,009,432
	2/28/14 (5)	—	605	1,210	2,420	—	—	306.17	370,466
David Hallal	2/28/14 (1)	556,846	—	—	—	—	—	—	—
	2/28/14 (2)	—	—	—	—		49,200	176.80	2,740,620
	2/28/14 (3)	—	—	—	—	6,000	—	176.80	1,060,800
	2/28/14 (4)	—	2,070	4,140	11,690	—	—	176.80	2,066,792
	2/28/14 (5)	—	230	460	920	—	—	306.17	140,838
Martin Mackay, Ph.D.	2/28/14 (1)	455,000	—	—	—	—	—	—	—
	2/28/14 (2)	—	—	—	—	—	49,200	176.80	2,740,620
	2/28/14 (3)	—	—	—	—	3,000	—	176.80	530,400
	2/28/14 (4)	—	2,070	4,140	11,690	—	—	176.80	2,066,792
	2/28/14 (5)	—	230	460	920	—	—	306.17	140,838
Vikas Sinha, M.B.A., C.A.	2/28/14 (1)	448,000	—	—	—	—	—	—	—
	2/28/14 (2)		—	—	—		49,200	176.80	2,740,620
	2/28/14 (3)		—	—	—	4,000	—	176.80	707,200
	2/28/14 (4)		2,070	4,140	11,690	—	—	176.80	2,066,792
	2/28/14 (5)		230	460	920	—	—	306.17	140,838
Stephen P. Squinto, Ph.D.	2/28/14 (1)	444,500	—	—	—	—	—	—	—
	2/28/14 (2)		—	—	—	—	49,200	176.80	5,074,447
	2/28/14 (3)		—	—	—	4,000	—	176.80	1,364,526
	2/28/14 (4)		2,070	4,140	11,690	—	—	176.80	2,206,033

2/28/14 (5)		230	460	920	—	—	306.17	140,838

(1) The amount represents the annual incentive bonus target for the NEO for 2014 multiplied by such individual's base salary. See "Annual Cash Incentives – Drive Performance" in the Compensation Discussion and Analysis. Actual amounts paid to the NEO in 2014 is included in the "Non-Equity Incentive Plan Compensation" column under the "Summary Compensation Table" above.

(2) The amount includes the number of option awards granted to the NEO in 2014.

(3) The amount includes the number of shares of common stock underlying awards of RSUs granted to the NEO in 2014.

(4) The amount represents the estimated possible payouts for PSUs, other than TSR Awards, granted to the NEO in 2014. The NEO had the opportunity to earn between 1.25 and 3.25 times the number of awards set forth in the Threshold, Target, and Maximum columns if up to three development milestones were achieved in 2014. None of the milestones were achieved in 2014. The 2014 PSUs reported vested one-third on February 5, 2015, and are scheduled to vest one-third on each anniversary thereafter.

(5) The amount represents the estimated possible payouts for TSR Awards granted to the NEO in 2014. TSR Awards are fully vested when earned.

(6) The amount represents the grant date fair value of options, RSUs and PSUs granted in 2014 calculated in accordance with FASB ASC Topic 718. Amounts for Dr. Squinto also include the incremental fair value associated with the accelerated vesting of 50% of his outstanding options of $2,333,827, RSUs of $657,326, and 2013 earned PSUs of $139,246 in connection with his retirement on December 31, 2014. See Note 1 and 11 to our audited consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2014 for details as to the assumptions used to determine the fair value of the awards.