ALEXION PHARMACEUTICALS INC
Form DEF 14A
April 15, 2013

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:

[ ] Preliminary Proxy Statement
[ ] 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)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.
[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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2) Aggregate number of securities to which transaction applies:
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3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
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4) Proposed maximum aggregate value of transaction:
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5) Total fee paid:

[ ] Fee paid previously with preliminary materials.
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1) Amount Previously Paid:
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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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4) Date Filed:

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352 Knotter Drive
Cheshire, Connecticut 06410
(203) 272-2596
April 15, 2013

Dear Fellow Stockholder:
You are cordially invited to attend Alexion's 2013 Annual Meeting of Stockholders on Monday, May 6, 2013, at The Study at Yale, 1157 Chapel Street, New, Haven, CT 06511, at 5:00 p.m. local time.

The enclosed proxy statement describes the business to be considered at the meeting. I look forward to greeting Alexion's stockholders 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.
Chief Executive Officer
and Treasurer

Cheshire, Connecticut

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On May 6, 2013

April 15, 2013
Alexion's 2013 Annual Meeting of Stockholders will be held on Monday, May 6, 2013, at The Study at Yale, 1157 Chapel Street, New, Haven, CT 06511, at 5:00 p.m. local time. This year, we are asking stockholders:

(1) To elect nine 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 2012 compensation paid to Alexion's named executive officers.

(3) To approve Alexion's Amended and Restated 2004 Incentive Plan, including an amendment to increase the number of shares of common stock available for issuance by 12 million shares (subject to adjustment in the event of stock splits and other similar events).

(4) To ratify the appointment of PricewaterhouseCoopers LLP as Alexion's independent registered public accounting firm.

(5) To transact such other business as may properly come before the 2013 Annual Meeting or any adjournment thereof.

Stockholders of record at the close of business on March 11, 2013 will be entitled to notice of and to vote at the 2013 Annual Meeting or any adjournment of the meeting.

All stockholders are cordially invited to attend the 2013 Annual Meeting in person. However, whether or not you plan to attend the 2013 Annual Meeting, please vote by mail, by phone or on the Internet at your earliest convenience so that your shares may be represented at the meeting and to ensure a quorum.

Important Notice Regarding the Availability of Proxy Materials for
the 2013 Annual Meeting to be held on May 6, 2013.
This Proxy Statement and our 2012 Annual Report are available at
http://ir.alexionpharm.com/annuals.cfm

Michael V. Greco
Associate General Counsel and Corporate Secretary

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 stockholders on or about April 17, 2013. 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 stockholders, 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. We have no present plans to hire special employees or paid solicitors to assist in obtaining proxies, but may decide to do so prior to the 2013 Annual Meeting. If any special employees or solicitors are retained, we will bear the expense.

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 2013 Annual Meeting.

When and where is the 2013 Annual Meeting?

The 2013 Annual Meeting will be held on Monday, May 6, 2013, at The Study at Yale, 1157 Chapel Street, New, Haven, CT 06511, at 5:00 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 2013 Annual Meeting?

The business to be considered at the 2013 Annual Meeting is described in the accompanying Notice of 2013 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 11, 2013. Only stockholders of record at the close of business on March 11, 2013 are entitled to notice of and to vote at the 2013 Annual Meeting and any adjournment or postponement of the meeting. On March 11, 2013, there were 194,897,643 shares of our common stock outstanding. Each share is entitled to one vote on each of the matters to be presented at the 2013 Annual Meeting.

Who can attend the 2013 Annual Meeting?

Attendance at the 2013 Annual Meeting will be limited to record or beneficial owners of Alexion common stock as of March 11, 2013 (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 2013 Annual Meeting. Alexion reserves the right to deny admittance to anyone who cannot show sufficient proof of share ownership as of March 11, 2013.

How do I vote?

Whether or not you plan to attend the 2013 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, 2013.
- 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, 2013.
- 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, 2013.
- In Person: You can attend the 2013 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 stockholders 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 2013 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 2013 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 2013 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 2013 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 amendment to the 2004 Incentive Plan or the advisory vote on executive compensation.
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?
Election of Directors: Proposal No. 1. In the election of directors, you may either vote "for," "against" or "abstain." Under our majority voting standard, the affirmative vote of a majority of the votes cast by the shares present or represented and entitled to vote at the 2013 Annual Meeting, in person or by proxy, is required for the election of each nominee. A "majority of the votes cast" means that the number of votes cast "for" a nominee exceeds the number of votes cast "against" the nominee. Abstentions and broker non-votes will have no effect in determining whether a nominee has received a majority of the votes cast.
Advisory Vote on Executive Compensation - Say-on-Pay: Proposal No. 2. For the advisory vote to approve named executive officer compensation, you may either vote "for," "against" or "abstain." Because this proposal asks for a non-binding, advisory vote, there is no "required vote" that would constitute approval. We value the opinions expressed by our stockholders in this advisory vote, and our Compensation Committee, which is responsible for overseeing and administering our executive compensation programs, will consider the outcome of the vote when designing our compensation programs and making future compensation decisions for our named executive officers. Abstentions and broker non-votes will not have any effect on the results of those deliberations.

Approval of Alexion's Amended and Restated 2004 Incentive Plan: Proposal No. 3. For the proposal to approve Alexion's Amended and Restated 2004 Incentive Plan, you may either vote "for", "against" or "abstain." The affirmative vote of a majority of the shares of common stock present or represented and entitled to vote at the 2013 Annual Meeting, in person or by proxy, is required to approve Proposal No. 3. Abstentions and broker non-vote will have the same effect as votes against the proposal.

Ratification of Alexion's Independent Registered Public Accounting Firm: Proposal No. 4. For the proposal to ratify the appointment of PricewaterhouseCoopers LLP as Alexion's independent registered public accounting firm, you may either vote "for", "against" or "abstain." The affirmative vote of a majority of the shares of common stock present or represented and entitled to vote at the 2013 Annual Meeting, in person or by proxy, is required to approve Proposal No. 4. Abstentions will have the same effect as votes against Proposal No. 4. The approval of Proposal No. 4 is considered to be routine and a broker or other nominee is generally empowered to vote on such routine proposals.

BENEFICIAL OWNERSHIP OF COMMON STOCK

The following table sets forth certain information as of March 11, 2013 (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 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	21,006,846	10.80	%
T. Rowe Price Associates, Inc. [4] 100 E. Pratt Street Baltimore, MD 21202	18,500,374	9.50	%
FMR LLC [5] 82 Devonshire Street Boston, MA 02109	14,952,509	7.70	%
BlackRock, Inc. [6] 40 East 52nd Street New York, NY 10022	13,308,771	6.85	%
Prudential Financial, Inc. [7] 751 Broad Street Newark, NJ 07102-3777	10,417,095	5.40	%
Jennison Associates LLC [8] 466 Lexington Avenue New York, NY 10017	10,056,686	5.20	%
Leonard Bell, M.D. [9][22]	3,601,917	1.85	%
Stephen P. Squinto, Ph.D. [10][22]	218,966	*	
Vikas Sinha, M.B.A., C.A. [11][22]	582,581	*	
David Hallal [12][22]	437,614	*	
Patrice Coissac [13][22]	158,750	*	
Max Link, Ph.D. [14]	203,604	*	
William R. Keller [15]	28,736	*	
Joseph A. Madri, M.D., Ph.D. [16]	350,231	*	
Larry L. Mathis [17]	109,603	*	
R. Douglas Norby [18]	123,161	*	
Alvin S. Parven [19]	67,138	*	
Andreas Rummelt, Ph.D. [20]	21,075	*	
Ann M. Veneman, J.D. [21]	24,497	*	
All directors and executive officers as a group (16 persons) [23]	5,995,148	3.08	%

* Less than one percent.

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

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(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 March 8, 2013. These securities are owned by various investment companies registered under Section 8 of the Investment Company Act of 1940 which Capital Research Global Investors, or CRGI, serves as investment advisor with power to direct investments and/or sole power to vote the securities. For the purposes of the reporting requirements of the Securities Exchange Act of 1934, CRGI is deemed to be a beneficial owner of such securities; however, CRGI expressly disclaims that it is, in fact, the beneficial owner of such securities.
(4) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 13, 2013. 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. 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.
(5) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 14, 2013. FMR LLC has sole voting power with respect to 130,123 of the shares listed and sole dispositive power over all of the shares.
(6) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 6, 2013. BlackRock, Inc. has sole voting power with respect to 13,308,771 of the shares listed.
(7) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 13, 2013. Prudential Financial, Inc. is a parent holding company and may have direct or indirect voting and/or investment discretion with respect to 10,417,095 of the shares, which are owned by its subsidiaries. The following subsidiaries of Prudential Financial, Inc. are the beneficial owners of the number of shares listed: The Prudential Insurance Company of America, 3,200 shares; Jennison Associates LLC, 10,044,569 shares; and Quantitative Management Associates LLC, 369,326 shares.
(8) These figures are based upon information set forth in Schedule 13G filed with the SEC on February 11, 2013. Jennison Associates LLC has shared dispositive power over 10,056,686 of the shares listed. Jennison may deemed to be the beneficial owner of the shares held by Jennison's clients. Prudential indirectly owns 100% of equity interests of Jennison. As a result, Prudential may be deemed to have the power to exercise or to direct the exercise of such voting and/or dispositive power that Jennison may have with respect to the shares held by its clients. Jennison does not file jointly with Prudential, and, shares of Alexion’s common stock reported on Jennison’s Schedule 13G may be included in the shares reported on the Schedule 13G filed by Prudential.
(9) Includes 2,078,405 shares of common stock that may be acquired upon the exercise of options that are exercisable within 60 days of March 11, 2013, and 521,910 shares held in various trusts of which Dr. Bell or his spouse is a trustee
(10) Includes 129,455 shares of common stock which may be acquired by Dr. Squinto upon the exercise of options that are exercisable within 60 days of March 11, 2013, and 4,209 shares, in aggregate, held in the name of one of Dr. Squinto's children. Excludes 8,418 shares held in trust for two of Dr. Squinto's children. Dr. Squinto disclaims beneficial ownership of the shares held in trust for his three children.
(11) Includes 446,413 shares of common stock which may be acquired by Mr. Sinha upon the exercise of options that are exercisable within 60 days of March 11, 2013 and 89,240 shares held in a trust of which Mr. Sinha is a trustee.
(12) Includes 341,468 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 11, 2013, and of these shares, Mr. Hallal is the indirect beneficial owner of 60,000 shares which may be acquired by a family trust upon the exercise of fully exercisable options.
(13) Includes 129,750 shares of common stock which may be acquired by Mr. Coissac upon the exercise of options that are exercisable within 60 days of March 11, 2013.

(14) Includes 29,017 shares of common stock which may be acquired by Dr. Link upon the exercise of options that are exercisable within 60 days of March 11, 2013.

(15) Includes 9,770 shares of common stock which may be acquired by Mr. Keller upon the exercise of options that are exercisable within 60 days of March 11, 2013.

(16) Includes 179,017 shares of common stock which may be acquired by Dr. Madri upon the exercise of options that are exercisable within 60 days of March 11, 2013.

(17) Includes 104,017 shares of common stock which may be acquired by Mr. Mathis upon the exercise of options that are exercisable within 60 days of March 11, 2013.

(18) Includes 82,017 shares of common stock which may be acquired by Mr. Norby upon the exercise of options that are exercisable within 60 days of March 11, 2013.

(19) Includes 59,017 shares of common stock which may be acquired by Mr. Parven upon the exercise of options that are exercisable within 60 days of March 11, 2013.

(20) Includes 8,289 shares of common stock which may be acquired by Dr. Rummelt upon the exercise of options that are exercisable within 60 days of March 11, 2013.

(21) Includes 15,461 shares of common stock which may be acquired by Ms. Veneman upon the exercise of options that are exercisable within 60 days of March 11, 2013.

(22) Named executive officer under Item 402 of Regulation S-K.
(23) Includes 3,636,771 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 11, 2013.

PROPOSAL NO. 1 - ELECTION OF DIRECTORS

Nine directors have been nominated for re-election at the 2013 Annual Meeting to serve until the next annual meeting of stockholders 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.

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 reelection 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 2013 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 2013 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 ITS STOCKHOLDERS 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	Compensation	Nominating and Corp. Gov.	Pharm. Compliance and Quality
Leonard Bell, M.D.	54	1992	CEO, Treasurer, Director				
Max Link, Ph.D.	72	1992	Chairman of the Board				
William R. Keller	65	2009	Director				
Joseph A. Madri, M.D., Ph.D.	66	1992	Director				
Larry L. Mathis	69	2004	Director			Chair	
R. Douglas Norby	77	1999	Director	Chair			
Alvin S. Parven	72	1999	Director		Chair		
Andreas Rummelt, Ph.D.	56	2010	Director				Chair
Ann M. Veneman, J.D.	63	2010	Director				

Each director nominee, if re-elected, will hold office until the next annual meeting of stockholders 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 is a party to an employment agreement with us.

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 stockholders. 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 and Alexion's Chief Executive Officer since January 1992. 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.	Principal founder of Alexion Unique combination of scientific, clinical and business skills employed throughout career Depth of operating, research and development and commercial experience in the biotechnology industry
Max Link, Ph.D. Chairman of our Board of Directors since December 2002 and a director of Alexion since April 1992. From March 2001 to September 2003, Dr. Link was Chairman of the Board and CEO of Centerpulse AG, a medical implant company. From May 1993 to June 1994, Dr. Link was Chief Executive Officer of Corange (Bermuda), the parent company of Boehringer Mannheim Therapeutics, Boehringer Mannheim Diagnostics and DePuy Orthopedics. From 1992 to 1993, Dr. Link was Chairman of the Board of Sandoz Pharma, Ltd., a manufacturer of pharmaceutical products. From 1987 to 1992, Dr. Link was the Chief Executive Officer of Sandoz Pharma and a member of the Executive Board of Sandoz, Ltd., Basel. Prior to 1987, Dr. Link served in various capacities with the United States operations of Sandoz, including as President and Chief Executive Officer. Dr. Link is the chairman of the board of directors of Aeon Scientific AG, a privately held Swiss medical device company, CytRx Corporation, a biopharmaceutical research and development company listed on Nasdaq, and Celsion Corporation, a biopharmaceutical research and development company listed on Nasdaq. Dr. Link was also a director of Discovery Laboratories, Inc. from 1996 to 2012, Human Genome Sciences, Inc. from 1995 to 2008, PDL BioPharma Inc. from 1993 to 2007, and Cell Therapeutics, Inc. from 1995 to 2005. Dr. Link holds a Ph.D. in economics from University of St. Gallen (Switzerland).	Continuity of leadership in Chairman role is important to the Board More than thirty years of executive management experience in the pharmaceutical industry, including as chief executive officer of multiple multinational pharmaceutical companies, and extensive experience in international business operations and financial matters Extensive experience serving on the boards of international pharmaceutical and healthcare companies, both public and private, and we value his corporate governance experience resulting from his service on public company boards

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Director Biography	Qualifications
William R. Keller A director of Alexion since December 2009. Mr. Keller is the founder of, and since September 2009 a principal of, Keller Pharma Consultancy, a pharmaceutical consulting firm in China. He is also a senior consultant to the Shanghai Foreign Investment Development Board and the deputy general manager of Zhangjiang Biotech & Pharmaceutical Base Development Co., Ltd. From 2007 to September 2009, Mr. Keller was the chairman of HBM Biomed China Partners, a specialized venture capital organization dedicated exclusively to life sciences in China. From 1994 to 2003, Mr. Keller was the general manager of Roche China Ltd. and Shanghai Roche Pharmaceutical Ltd. From 1974 to 2003, Mr. Keller served in various positions at Roche Group in South America and Asia. Mr. Keller is the honorary president of the R&D-based Pharmaceutical Association in China, the vice chairman of the Shanghai Association of Foreign Investment Enterprises and holds directorships in Cathay Industrial Biotech Ltd., Shanghai Fosun Pharmaceutical Development Co. Ltd., TaiGen Biotechnology Co., Ltd., each of which are privately held, and Coland Pharmaceutical Co., Ltd., which is a pharmaceutical company listed on the Taiwan stock exchange. Mr. Keller graduated from the School of Economics and Business Administration (Zurich) and is Honorary Citizen of Shanghai.	Lives and works in China and possesses extensive working knowledge and experience of the pharmaceutical industry in China More than thirty years of executive management experience in the pharmaceutical industry: ô Former chief executive officer in China ô Led the Latin American expansion and operations for a major pharmaceutical company in markets where Alexion is currently focused
Joseph A. Madri, M.D., Ph.D. A director of Alexion since February 1992. Since 1980, Dr. Madri has been on the faculty of the Yale University School of Medicine and is currently a Professor of Pathology and Molecular, Cellular and Developmental Biology. Dr. Madri serves on the editorial boards of numerous scientific journals and he is the author of over 243 scientific publications. Dr. Madri works in the areas of regulation of angiogenesis, vascular cell-matrix interactions, cell-cell interactions, lymphocyte-endothelial cell interactions and endothelial and smooth muscle cell biology and neural stem biology, and has been awarded a Merit award from the National Institutes of Health. Dr. Madri received his B.S. and M.S. in Biology from St. John's University and M.D. and Ph.D. in Biological Chemistry from Indiana University.	Long and distinguished career as a faculty member of Yale The only current director who dedicated his entire career in research and academia Brings valued perspective to the Board on matters of research, medicine and academia as it relates to Alexion's scientific, research and development activities
Larry L. Mathis A director of Alexion since March 2004. From 1971 until 1998, he served as an executive at The Methodist Hospital System in Houston, Texas - an organization comprising 16 corporations and 37 hospital affiliates in the U.S. and abroad. During the last fourteen years of his tenure, Mr. Mathis served as President and CEO and as a member of the Executive Committee and the Board of Directors. Following his executive service, he was an organization, management and leadership consultant with D.	27 years of service within one of the country's leading teaching hospital systems, including 14 years as CEO Provides the Board with a valued perspective of the healthcare industry, hospital administration and leadership

Peterson & Associates in Houston. Mr. Mathis is also director of Healthcare Trust of America, Inc., a real estate investment trust listed on the NYSE. Mr. Mathis received a Master's degree in Health Administration from Washington University in St. Louis, and a B.A. in Social Sciences from Pittsburg State University in Kansas.	Chairmanship of the boards of national and international industry and professional associations and federal government commissions provides insight into healthcare policy development

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, InvenSense, Inc. a semiconductor company listed on the NYSE, MagnaChip Semiconductor LLC, a semiconductor company listed on the NYSE, and Singulex, Inc., a private medical diagnostic company. From 2011 to 2013, Mr. Norby also served as a director of Ikanos Communications, Inc., 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.	Extensive experience in financial and accounting matters, including public accounting and reporting 40 year career, served in executive management positions at several multinational organizations, including as president, chief operating officer and chief financial officer Extensive experience in financial and accounting reporting processes and internal control systems 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.	More than 30 years in executive management positions at a multinational insurance company Extensive experience in managing developed organizations that provide specialized and technical services, particularly in the areas of health insurance and benefits 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 Acino Holding AG, a pharmaceutical company focused on novel delivery forms listed on the Swiss stock exchange, Selica 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 Norway. Dr. Rummelt graduated with a Ph.D. in pharmaceutical sciences from the University of Erlangen-Nuernberg, Germany.	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 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 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, and The Climate Corporation, a private technology and insurance company focused on financially protecting farmers affected by adverse weather conditions. 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	An attorney who has dedicated more than 25 years to government service, including senior national and international positions Led state and federal government agencies and an international organization Possesses extensive experience working with government leaders and organizations Worked closely with national governments throughout the world and possesses a deep understanding of international political organizations Public service experience brings an important perspective to the Board and an important understanding of state and federal government and

of Law.	international organizations

Meetings and Committees

During the year ended December 31, 2012, the Board of Directors held 10 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

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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 2013 Annual Meeting and all incumbent directors attended the 2012 Annual Meeting.

The Board of Directors has determined that eight of its nine members (Drs. Link, Madri, and Rummelt, Messrs. Keller, Mathis, Norby, and Parven 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 all of the regularly scheduled meetings in fiscal year 2012, that is five of the ten meetings held during 2012, 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 stockholders, or any of their respective associates are a party. We do not believe that any of our directors, officers, affiliates, 5% or more stockholders, 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 the standing committees of the Board are provided below:

Audit Members: Dr. Link Mr. Mathis Mr. Norby (Chair) Dr. Rummelt No. of Meetings during 2012: 8 Charter: http://alxn.com/pdfs/Audit_Comm_Charter.pdf	In February 1993, the Board established a separately designated standing Audit 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 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 Committee. The Board of Directors has determined that each member of the Audit 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 Members: Mr. Keller Dr. Madri Mr. Parven (Chair) Ms. Veneman No. of Meetings during 2012: 5 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 Members: Dr. Link Dr. Madri Dr. Rummelt (Chair) No. of Meetings during 2012: 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 Members: Mr. Keller Mr. Mathis (Chair) Mr. Norby Mr. Parven Ms. Veneman No. of Meetings during 2012: 4 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.

CORPORATE GOVERNANCE

Process for Selecting Nominees and Stockholder Nominations

It is the policy of the Nominating and Corporate Governance Committee to consider candidates for Board membership recommended by the Nominating and Corporate Governance Committee and other Board members, management, our stockholders, third-party search firms and any other appropriate sources. If a consulting firm is retained to assist in the search process for a director, a fee is typically paid to such firm whether or not a candidate proposed by the consulting firm is elected to the Board or is recommended to the Board by the Nominating and Corporate Governance Committee for inclusion in the slate of nominees to be elected at the annual meeting of stockholders. As a stockholder, you may recommend a person for consideration as a nominee for director by writing to the Nominating and Corporate

Governance Committee of the Board of Directors, c/o Alexion Pharmaceuticals, Inc., 352 Knotter Drive, Cheshire, Connecticut 06410, Attention: Corporate Secretary. Recommendations must be received by December 11, 2013 to be considered for the 2014 Annual Meeting of Stockholders. Recommendations must include the name and address of the stockholder making the recommendation, a representation setting forth the number of shares of our common stock beneficially owned by the recommending stockholder, a statement from the recommended nominee that expresses his or her intent to serve on the Board if elected, biographical information about the recommended nominee, any other information the stockholder believes would be helpful to the Nominating and Corporate Governance Committee in evaluating the recommended nominee and a description of all arrangements or understandings between the recommending stockholder and each nominee and any other person concerning the nomination. The evaluation process for nominees recommended by stockholders is the same as for candidates recommended by any other source.

Board Diversity

Diversity enhances the overall effectiveness of our Board by ensuring that different perspectives, skills and experiences are presented to directors and to management. In accordance with its charter, the Nominating and Corporate Governance Committee is responsible for advising the Board on diversity, including gender, ethnic background, country of citizenship and professional experience, and recommending, as necessary, measures that contribute to a Board that, as a whole, reflects a range of viewpoints, backgrounds, skills, experience and expertise. The committee reviews Board composition on an annual basis to ensure that the Board reflects the knowledge, experience, skills, expertise and diversity required for the Board to fulfill its duties. The Board defines diversity broadly and does not limit its assessment to gender, race or ethnic diversity. The committee assesses the effectiveness of its diversity policy at least once each year.

Board Leadership Structure

Since its founding in 1992, Alexion has separated the positions of Chairman and CEO, and the Board believes that separating the roles continues to be the most appropriate structure for Alexion. The Board believes that an independent chairman enables the Board to more effectively and objectively monitor the performance of Alexion, the CEO and management. By separating the positions, the Board believes that Dr. Bell may devote his attention to Alexion's global operations and strategy while Dr. Link can take responsibility for leading the Board.

Board's Role in Risk Oversight

The Board is responsible for overseeing Alexion's risk management processes. The full Board performs a periodic risk assessment with management to review the primary risks facing Alexion and to manage the activities of Alexion in identifying and mitigating such risks. Management identifies risks in multiple areas, including compliance, financial, strategic, political and operational risks, and on a regular basis the Board reviews together with management. The Board recognizes that Alexion is subject to both internal and external risks, within and outside its control, and that management and the Board should regularly seek to identify those risks and mitigate to the extent possible. As part of the risk management process and consistent with its standing oversight role, each Board committee considers the risks within its areas of responsibility and assists the Board in its oversight of the risk management process.

In reviewing Alexion's compensation programs, Alexion has reviewed whether compensation policies and practices create risks that are reasonably likely to have a material adverse effect on Alexion and has concluded that they do not create such risks as presently constituted.

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.

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Stockholder Communications with the Board of Directors

Our Board of Directors has provided a process for stockholders to send communications to the Board. Stockholders 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 stockholder setting forth the stockholder's address and the number of shares of Alexion common stock beneficially owned by the stockholder.

The Corporate Secretary will (i) be primarily responsible for monitoring communications from stockholders 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 stockholder 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, stockholder communications relating to corporate governance and long-term corporate strategy are more likely to be forwarded than stockholder 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 Market. Our code of ethics is located on our website at -- http://alxn.com/pdfs/Global_Code_of_Conduct.pdf. We amended the code of ethics in April 2011 and any future amendments or waivers to our code of ethics will be promptly disclosed on our website and as required by 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 stockholders. 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.

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, 2012 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.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Introduction

This Compensation Discussion and Analysis, or CD&A, describes Alexion's executive compensation program, philosophy and objectives, and the primary considerations used by the Compensation Committee of the Board to approve 2012 executive compensation for the following executive officers, referred to as the named executive officers:

Name	Position
Leonard Bell, M.D.	Chief Executive Officer
Stephen P. Squinto, Ph.D.	Executive Vice President Head of Research and Development(1)
Vikas Sinha, M.B.A., C.A.	Executive Vice President and Chief Financial Officer
David Hallal	Executive Vice President Chief Commercial Officer(2)
Patrice Coissac	Senior Vice President President of Alexion Pharma International Sàrl(3)

(1) During 2012, Mr. Sinha was promoted from Senior Vice President to Executive Vice President.

(2) During 2012, Mr. Hallal was promoted from Senior Vice President, Global Commercial Operations to Executive Vice President, Chief Commercial Officer.

(3) In January 2013, Mr. Frank Wright assumed the duties of President of Alexion Pharma International Sàrl, and Mr. Coissac left the company in February 2013.

The Compensation Committee regularly evaluates best practices, trends, and legal developments to enhance Alexion's compensation programs. The committee believes that its approach to executive compensation and its compensation-related decisions, have meaningfully contributed to Alexion's strong performance over the last several years. Notably, among many other achievements, Alexion's stock price has increased by approximately 824% between January 1, 2007 and December 31, 2012.

The committee believes that Alexion's executive compensation programs must be tested against peer companies, and at the same time recognizes that a "one size fits all" approach is not appropriate for our company. Executive compensation must be evaluated by taking into consideration the particular company, its industry and culture, as well as trends, best practices and governance developments.

Until 2013, the committee delivered its performance-based compensation in the form of annual cash incentives, and time-vesting long-term incentive awards (LTIs) such as stock options, restricted stock and restricted stock unit awards. The committee has maintained discretion to award cash and long-term incentive awards, but importantly, such decisions have been exercised within the constraints the committee imposes and consistent with the philosophy and objectives described in this CD&A. The committee believes that it has exercised this discretion responsibly, in the best interests of our stockholders, and in a manner that has incentivized exceptional performance from Alexion's employees, including its executive officers.

In 2013, as part of its evaluation of Alexion's executive compensation program, the committee decided to supplement our performance-based compensation with performance-based stock units that will only be earned if certain pre-established financial targets are achieved. The committee will continue to evaluate our executive compensation programs, and how best to use compensation to incentivize high performance.

Summary

Executive compensation for 2012 was aligned with Alexion's performance and Alexion's compensation objectives.

Alexion demonstrated strong, disciplined financial performance. Alexion's 2012 net product sales increased 45% from the previous year to $1.134 billion and GAAP and non-GAAP net income increased 45% and 60%, respectively, from the previous year to $254.8 million and $425.2 million, respectively. See Appendix A attached to this proxy statement for a full reconciliation of non-GAAP results.

Alexion's stock performance and annualized total stockholder return (TSR) outperformed most of Alexion's peers and continues to provide stockholders with strong returns. A substantial portion of our named executive officer's compensation is provided as equity-based compensation. This serves to align the long-term interests of our executives with those of our stockholders. Alexion's annualized TSR for the 1-year period ending in December 2012 was above the median of our 2012 peer group, which is identified and discussed below. Alexion's annualized TSR for the 3- and 5- year periods ending in December 2012 exceeded TSR for all but two members of our 2012 peers group.

	1-Year TSR	3-Year TSR	5-Year TSR
Alexion Actual	31%	57%	37%
Peer Group Median Actual	26%	17%	11%
Alexion Percentile Rank	63%	89%	90%

Alexion enhanced its product pipeline by completing the acquisition of Enobia Pharma Corp. Alexion acquired rights to asfotase alfa, a human recombinant targeted alkaline phosphatase enzyme-replacement therapy for patients suffering with hypophosphatasia, an ultra-rare, life-threatening, genetic metabolic disease for which there are no approved treatments.

Corporate Governance and Compensation Program Highlights

Our compensation practices take into account corporate governance considerations and market practices. Below is a description of some of our practices that highlight our commitment to governance principles:

Perquisites: There are no perquisites offered to our named executive officers that are not also offered to all employees. Named executive officers, other than Mr. Coissac, received company match under our 401(k) plan, partial gym membership reimbursement and a gift from the company due to years of service. Mr. Coissac, pursuant to his ex-patriate arrangement, was entitled to certain benefits under such arrangement that are described in the footnotes to the Summary Compensation Table.

Stock Ownership Guidelines: We have stock ownership guidelines that require our named executive officers to own certain levels of our common stock. The guidelines are designed to further align the long-term interests of our executives with the long-term interests of Alexion's stockholders.

Recoupment Policy: We adopted a compensation recoupment policy, or clawback, which covers our Chief Executive Officer and his direct reports. The policy is discussed further below.

Anti-Hedging Policy: We adopted an anti-hedging policy that prohibits any of our employees, including our executives, from entering into any hedging or derivative transactions in our stock.

No Tax Gross-Ups in Future Employment Agreements: We determined not to enter into new employment agreements that include 280(G) tax gross-up provisions and did not enter into any such agreements in 2012 .

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Effect of 2012 Say-on-Pay Vote

At the 2012 Annual Meeting, stockholders were asked to approve Alexion's 2011 executive compensation programs. Approximately 94% of the votes cast on the advisory vote on executive compensation were in favor of Alexion's executive compensation disclosed in the proxy statement. After considering these results and other factors that the Compensation Committee evaluates on a regular basis, the committee concluded that Alexion's existing executive compensation programs continue to be the most appropriate to support Alexion's compensation philosophy and objectives and that no significant changes were necessary. Notwithstanding the vote in 2012, the committee continues to review, assess and adjust Alexion's compensation programs on a regular basis. The introduction of performance-based restricted stock unit awards in 2013 is an example of the committee's commitment to regularly evaluate its practices and to adjust Alexion's compensation programs in a manner that best positions the company to achieve its compensation objectives.

Executive Compensation Philosophy

The primary objective of Alexion's executive compensation programs is to attract, retain and motivate the key executives necessary for Alexion's short- and long-term success. Alexion seeks to tie short- and long-term cash and equity incentives to company and individual performance, including the achievement of measurable corporate and individual objectives, and to align executives' incentives with those of our stockholders. The Compensation Committee seeks to implement its compensation programs in a way that ties a substantial portion of an executive's overall compensation to Alexion's performance. Each element of an individual's compensation is evaluated and determined in consideration of such person's contribution and performance. No executive is guaranteed a cash or equity incentive award and incentives are determined at levels that the committee believes drives performance.

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

- Attract, retain and motivate. Our commitment to attracting, retaining and motivating industry-leading talented individuals to execute our business strategies and contribute to our short and long-term success by targeting compensation levels that are competitive when measured against other companies in our peer group.

- Pay for performance. Our commitment to incentivize performance by delivering greater rewards when corporate and individual performance exceed expectations and by providing lower compensation when corporate or individual performance falls short of expectations. Compensation for Alexion's executive officers is based substantially on corporate performance and is intended to align such executives officers' interests with that of our stockholders by incentivizing our executive officers to increase stockholder value.

- Competitive with peer group. Compensation paid by market peers matters. When we set targets, or determine payouts, we evaluate 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.

- Balanced combination of compensation elements. Our commitment to strike the appropriate balance of cash and equity incentives to reward short-term and long-term performance. Each element of compensation is used in a way that drives certain behavior, recognizing that different elements may be effectively used to drive different behavior. LTIs are intended to align the interests of our executive officers more closely with stockholders through equity ownership, and annual cash incentives are intended to motivate individuals to achieve short-term objectives.

- Fair and consistent. Our commitment to ensuring that the overall structure of Alexion's compensation programs be similar across our global organization, taking into account level, geography and local considerations, and to drive reward opportunities for all employees based on responsibilities and performance.

Our Process

Summary of Compensation Analysis

The Compensation Committee believes that its executive compensation programs, as described in this CD&A, substantially achieved its objectives for 2012 and is well aligned with our compensation philosophies described above.

Key decisions regarding Alexion's 2012 executive officer compensation were made in February 2012 and February 2013.

- February 2012. The Compensation Committee approved 2012 base salaries, annual cash incentive targets, and LTIs. The Board of Directors approved Alexion's 2012 corporate objectives.

- February 2013. The Compensation Committee approved the 2012 actual annual cash incentive bonus payment.

Role of the Compensation Committee

Our executive compensation policy is set by the Compensation Committee. The committee regularly evaluates Alexion's compensation programs and considers whether changes are necessary or advisable due to changed conditions, company performance, best practices or otherwise. As part of this evaluation, the committee considers whether new programs or strategies should be introduced.

Compensation determinations are based on multiple factors. The committee undertakes an annual benchmarking exercise to compare each executive's actual and proposed compensation to that of individuals in similar positions at a peer group of companies. The committee also evaluates the annual performance of Alexion and the CEO by assessing the achievement of Alexion's objectives, which are approved at the beginning of each performance period, and determining the level of achievement which is calculated as a percentage of the objective. The committee reviews and approves the CEO's evaluation of individual performance of Alexion's other executive officers, including an assessment of achievement of individual objectives. Finally, the Compensation Committee takes into account each individual's contributions in resolving unanticipated matters, general economic conditions, and any other factors the committee deems relevant. Under its charter, the Compensation Committee may form subcommittees and delegate authority to any subcommittee or other administrator, as appropriate.

Role of Executives in 2012 Compensation Decisions

No named executive officer participates in discussions about or makes recommendations with respect to his or her own compensation.

A small number of executives typically attend Compensation Committee meetings, including our CEO, and Chief Human Resources Officer, or CHRO. In addition to the committee members, all other independent directors are invited to attend, and typically do attend, committee meetings. Modified executive sessions of the Compensation Committee are conducted with the CEO and CHRO.

Dr. Bell, with limited staff and management support, works with the committee and our compensation adviser to develop compensation recommendations for our named executive officers other than himself. Dr. Bell also submits his evaluation of the individual performance of the other named executive officers as described above. Dr. Bell's recommendations are submitted to the committee for review, discussion, modification and approval.

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

In 2012, after compensation decisions were made with respect to 2012 annual base salaries, target cash incentive awards and LTIs, the Compensation Committee retained Radford as an external, independent executive compensation adviser. The Compensation Committee uses the analysis prepared by Radford as part of its periodic review of Alexion's executive and director compensation practices.

The adviser is appointed by and reports to the committee. The committee evaluates the compensation adviser on an annual basis, and has the final authority to hire and terminate the compensation adviser. Our adviser attends meetings of the committee, as requested, and communicates with the committee chairman between meetings; however, the committee makes all decisions regarding the compensation of our executive officers.

The committee assessed Radford's independence in 2013. The committee determined that Radford was independent and there were no conflicts of interest that would impact the advice to the committee from Radford and the representative of Radford who advises the committee on executive compensation matters.

Prior to retaining Radford, the Compensation Committee had retained Meridian Compensation Partners LLC, or Meridian, as the Compensation Committee's compensation adviser. Meridian advised the Compensation Committee with respect to the determination of base salaries and LTIs, as well as setting targets for annual cash incentive awards in 2012, for our executives, including our named executive officers. For additional information, see “2011 Peer Group Analysis” below.

Components of Compensation - General

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

Compensation Component	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	To align the interests of our executives with those of our stockholders and to motivate executives to achieve longer-term success.

In making compensation determinations, the Compensation Committee considers each component of compensation in relation to the total amount of compensation awarded or paid and whether the compensation package as a whole adequately compensates each executive for Alexion's performance during the past year and each executive's contribution to such performance.

The Compensation Committee monitors the risks associated with our executive compensation programs and individual compensation decisions. We have concluded that risks associated with our compensation policies and practices are within our ability to effectively monitor and manage 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 2012 compensation decisions.

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Peer Group Analysis

The Compensation Committee believes that executive compensation should be considered in comparison with compensation paid by market peers to ensure that Alexion is competitive with other companies who compete with us for talent. The Compensation Committee, together with Radford, reviews the peer group on a regular basis. The committee approves the peer group annually. The committee believes that the factors listed below are the most important to consider for its determination of the Alexion peer group:

Consideration	Purpose
Recruiting	A peer company should compete with Alexion for talent.
Annual Revenues	A peer company's financial performance should be similar to Alexion's. The committee believes revenue is the appropriate financial metric and is a financial metric used by many companies and proxy advisory firms.
Market Capitalization	A peer company's market capitalization should be similar, but not necessarily identical, to Alexion's market capitalization as an indicator of financial performance, investment and size.
Number of Employees	As a secondary financial criterion, the number of individuals employed by a peer company tends to be a reflection of the organization's operational complexity.
Global Presence	A peer company should conduct global commercial operations and maintain a worldwide presence.
Orphan Disease Focus	A peer company should be exclusively focused on the development and commercialization of therapeutic products for ultra-rare diseases.

The committee endeavors to select peer companies that exhibit all of the factors set forth above but recognizes that it cannot develop a peer group in which all companies exhibit all factors. All of Alexion's peer companies are in the same industry and are companies within a Global Industry Classification Standard code of biotechnology or pharmaceuticals. However, the similarities between Alexion and a particular peer company with respect to any of the other factors listed above, such as market capitalization, will vary. Further, with respect to a particular factor, such as orphan disease focus, there may be no similarity. The committee believes that the peer group should include companies with both higher as well as lower annual revenues, market capitalization and number of employees than Alexion to fairly represent the median compensation paid to executives at such companies as a group. In some cases, the lack of similarity of a peer company to Alexion is not by design of the peer group, but rather because there are 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 global presence. The committee believes that it is not possible to eliminate such differences entirely and recognizes the possibility that shifts in its peer group selection could influence executive compensation decisions. The committee seeks to mitigate such risk by not relying entirely on any one or two factors, but to include companies that represent many of the factors listed above. The committee also seeks to avoid reliance on one or two factors alone, such as financial metrics and market capitalization, because doing so would likely alter, possibly significantly, the results of the benchmarking exercise and the committee's determinations. The committee believes that the mix of factors listed above results in a balanced and representative peer group taking into consideration Alexion's operations and needs, and the committee expects that use of such peer group will result in compensation decisions that support the company's compensation philosophy and objectives.

The committee generally compares the compensation of each named executive officer 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 2012 decision making:

- 2011 Analysis: used to determine 2012 base salaries, targets for annual incentive awards, and LTIs.
- 2012 Analysis: used to determine 2012 annual incentive bonus payments and 2013 base salaries, targets for annual incentive awards and LTIs.

2011 Peer Group Analysis

Our former compensation adviser, Meridian, advised the committee in January of 2012 in its determination of base salaries and LTIs for 2012 as well as setting targets for annual cash incentive awards for 2012 for our executives, including our named executive officers. The compensation adviser assisted the committee by providing comparative market data for 2012 programs and practices based on an analysis of executive compensation at the peer group companies identified below.

The peer group used by the committee to assist in the determination of 2012 base salaries, 2012 targets for annual incentive awards, and 2012 LTIs, comprised of the following companies:

Allergan, Inc.	Cubist Pharmaceuticals, Inc.	Regeneron Pharmaceuticals, Inc.
Amgen, Inc.	Forest Laboratories, Inc.	United Therapeutics Corporation
Biogen Idec, Inc.	Gilead Sciences, Inc.	ViroPharma Incorporated
BioMarin Pharmaceuticals, Inc.	Human Genome Sciences, Inc.	Vertex Pharmaceuticals, Inc.
Celgene Corporation	Medicis Pharmaceutical Corporation	

The compensation adviser collected its data from peer group proxy statements and from the 2011 Radford Global Life Sciences Survey.

2012 Peer Group Analysis

At the end of 2012, the committee, together with the committee's compensation adviser engaged during 2012, Radford, reviewed the peer group that had been selected in the beginning of the year and modified the group based on its evaluation of several factors, including the factors described above under Peer Group Analysis.

The peer group used by the committee to assist in the determination of 2012 annual incentive bonuses comprised of the following companies:

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

Elements of 2012 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. To assist in the determination of (a) 2012 base salaries, (b) 2012 targets for annual incentive awards, and (c) 2012 LTIs, the committee evaluated Alexion's 2011 performance in February of 2012. The committee determined that Alexion exceeded its corporate objectives and achieved 135% of its approved corporate goals for 2011. Specifically, performance milestones included:

- Receipt of marketing approval of Soliris® (eculizumab) for the treatment of patients with atypical hemolytic uremic syndrome in the United States and European Union;
- Execution of a definitive agreement to acquire all of the capital stock of Enobia Pharma Corp. and rights to asfotase alfa, a product then in Phase II clinical trials for the treatment of patients with hypophosphatasia;
- Completion of the acquisition of all of the capital stock of Taligen Therapeutics, Inc. and the purchase of certain assets from Orphatec Pharmaceuticals GmBH;
- Exceeding revenue, net income and expense targets - net product sales increased 45%, net income increased 81%, and earnings per share increased 75%; and
- Recognition that 1-year TSR was 78% and higher than all but one of the companies in Alexion's 2011 peer group, and 3- and 5- year TSR was 58% and 48%, respectively, which was significantly higher than every company in the 2011 peer group.

Actual annual cash incentives for 2012 were approved in February 2013 and are discussed in more detail below.

Base Salary

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 take into account an annual review of marketplace competitiveness with the peer group. We believe that base salaries for our executives are competitive in the industry and that Alexion's base salary levels have contributed to our ability to successfully attract and retain highly talented executives.

Consistent with previous annual base salary evaluations, the Compensation Committee determined that 2012 base salaries for our named executive officers should be within approximately 10% of the market median of Alexion's peer group. The increases in base salary for the named executive officers, detailed in the table below, were approved by the committee in February 2012 to achieve this desired level.

Named Executive Officer	2011 Base Salary	2012 Base Salary	% Change
Leonard Bell, M.D.	$950,000	$1,100,000	15.8%
Stephen P. Squinto, Ph.D.	$475,000	$540,000	13.7%
Vikas Sinha, M.B.A., C.A.	$475,000	$530,000	11.6%
David Hallal	$460,000	$525,000	14.1%
Patrice Coissac (1)	€315,000	€347,000	10.2%

(1) Mr. Coissac's base salary was evaluated and fixed in euros each year under his employment contract.

Annual Incentives Bonuses

Annual cash incentive bonuses are designed to reward annual achievements and to be commensurate with each executive officer's scope of responsibilities, demonstrated leadership, management abilities and effectiveness in his role. Annual incentive bonuses are also intended to retain executives, to motivate executives to achieve short-term (annual) success, and to reward, in the short-term, significant contributions to the success of Alexion. While Alexion's policy is to pay a significant portion of its senior executives' cash compensation in the form of annual incentive bonuses, no senior executive of Alexion is guaranteed an annual incentive bonus. The Compensation Committee retains discretion to increase or decrease an executive's bonus payment based on an executive's individual performance during a given year.

The Compensation Committee approves each executive's target annual incentive bonus (a percentage of base salary) at the beginning of the relevant fiscal year, and then determines the actual amount of the annual incentive bonus to be paid based on company and individual performance during the year, as well as other factors considered by the committee.

In February 2012, the committee established the following annual incentive bonus targets as a percentage of base salary for 2012: 100% for Dr. Bell, 60% for Dr. Squinto, and 60% for Mssrs. Sinha, Mr. Hallal and Mr. Coissac. The targets for Dr. Squinto and Mssrs. Sinha and Hallal were increased to 70% at the time Mssrs. Sinha and Hallal were promoted to Executive Vice President.

The awards of 2012 annual incentive bonuses were approved by the committee in February 2013. The actual payments were based on multiple factors, including the executive's incentive target, the committee's assessment of Alexion's performance and the executive's contribution to Alexion's performance, the executive's total compensation compared to individuals in similar positions at the peer group of companies, and other individual accomplishments. The Compensation Committee also takes into account the executive's contributions in resolving unanticipated matters, general economic conditions, and any other factors the Compensation Committee deems relevant.

Review and evaluation of the achievement of the pre-determined annual corporate goals is of primary importance. At the beginning of each calendar year, the Compensation Committee establishes annual corporate performance goals. Corporate goals are proposed by management, reviewed and approved by the committee and also approved by the Board of Directors. The committee considers and assigns a relative weight to focus the efforts of our executives on specific strategic objectives. In February 2013, prior to approving 2012 incentive bonuses, the committee evaluated Alexion's 2012 performance by assessing if, and the extent to which, Alexion achieved or failed to achieve the corporate goals approved by the committee and the Board of Directors for 2012. The committee conducted this evaluation in February of 2013 and it was determined that Alexion's 2012 performance far exceeded the approved corporate goals.

Corporate Goal	Relative Weight	2012 Achievement
Revenue Specific global and regional revenue targets for PNH and aHUS; specific global and regional targets for the number of patients treated with Soliris; initiate market authorization process in a specific number of other countries.	50	150%
Pipeline Complete marketing approval submissions in certain countries for aHUS; achieve clinical study enrollment targets; initiate clinical development in specific number of conditions with eculizumab; initiate clinical development for additional product candidates.	20	110%
Quality, Manufacturing, Supply and Distribution Ensure ongoing supply for clinical and commercial products; optimize distribution models for various regions; optimize manufacturing processes for various product candidates; validate additional vialers.	10	130%
Global Execution Enhance organizational structure of certain functional teams to support late stage programs, registrations and launches; implement global human resources reporting structure and talent development initiatives; maintain global pricing and reimbursement programs; complete specified number of strategic transactions.	10	130%
Finance Limit operating expenses to a budgeted target; achieve a target pre-tax profit.	10	140%
Total:	100	137%

We have not disclosed the targets or actual performance against each target because we believe that disclosing such targets 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.

Corporate goals are typically set by the Compensation Committee at a level that is achievable only as a result of superior performance (i.e., stretch goals). The Compensation Committee takes this factor into account in determining annual incentive bonuses.

To optimize achievement of corporate goals, individual goals are established to support the corporate goals. The 2012 individual goals for the named executive officers are described below:

Dr. Bell, CEO

Dr. Bell's individual goals were identical to Alexion's corporate goals and Dr. Bell's performance for 2012 was evaluated against achievement of Alexion's goals.

Dr. Squinto, Executive Vice President, Head of Research and Development

- complete registration and extension studies;
- complete enrollment for specified studies;
- initiate clinical development of product candidates;
- advance clinical development of product candidates;
- define registration strategies;

- submit regulatory dossiers in multiple countries;
- develop disease education materials;
- grow and develop ongoing registries;

- ensure uninterrupted commercial supply chain;
- ensure clinical supply for certain product candidates;
- increase number of validated drug vialers;
- manage global quality programs;
- complete preclinical evaluations for certain programs;
- manage expenses within a pre-determined budget.

Mr. Sinha, Executive Vice President and Chief Financial Officer
- monitor and manage global revenues, cash balances and expenses against a pre-determined budget;
- manage cost of goods planning for multiple products;
- build and implement strategic planning process;
- manage and implement international tax strategies;
- review and recommend strategic risk mitigation strategies;
- evaluate and execute on business development opportunities;
- manage foreign currency and investment risk;
- manage IT system implementation, IT security and global disaster recovery;
- obtain favorable price rulings;
- build corporate brand within and outside Alexion.

Mr. Hallal, Executive Vice President, Chief Commercial Officer
- achieve global, regional and therapeutic area revenue targets;
- develop and support initiatives and strategies for patient identification, patient access and pricing;
- optimize global marketing and operations teams;
- develop and support global marketing initiatives for therapeutic areas;
- complete global commercial assessments for product candidates and new indications;
- develop and harmonize global commercial analytics to measure performance;
- optimize global commercial leadership talent and development opportunities; and
- manage expenses within a pre-determined budget.

Mr. Coissac, Senior Vice President, President of Alexion Pharma International Sàrl
- achieve regional, country and therapeutic area revenue targets for Europe, the Middle East and Africa;
- complete favorable reimbursement rulings in various countries;
- develop operational teams for commercial markets;
- recruit and develop leadership to support changing organization; and
- manage expenses within a pre-determined budget.

Prior to the February 2013 committee meeting, Dr. Bell reviewed in detail the individual performance of each named executive officer, excluding himself, and considered such individual's contributions to Alexion's success in 2012. In making his recommendations, Dr. Bell worked closely with the Compensation Committee and received limited support from staff and other members of management.

During discussions regarding the 2012 annual incentive bonus for Alexion's executives, the committee also considered the following factors in assessing Alexion's 2012 performance:

Achievement of Alexion's 2012 corporate objectives. The Compensation Committee determined that Alexion achieved 137% of its corporate objective targets for 2012.

Increase in stockholder value. The committee reviewed Alexion's one, three and five year annualized TSR against the peer group. Alexion's 1-, 3- and 5- year annualized TSR was 31%, 57% and 37%, respectively. The committee recognized the role of the named executive officers in returning short-term and long-term stockholder value. The committee considered this metric particularly important in making final decisions for annual cash incentive awards.

Strong financial results. Alexion exceeded revenue and expense targets. Net product sales increased 45%, and non-GAAP net income increased 60%. See Appendix A attached to this proxy statement for a full reconciliation of non-GAAP results.

Strengthen Pipeline. Alexion strengthened its product pipeline by completing the acquisition of Enobia Pharma Corp.
Dr. Bell recommended annual cash incentives based on strong individual and corporate performance in 2012. The Compensation Committee discussed Dr. Bell's recommendations for the named executive officers and determined that annual cash incentive decisions for the named executive officers, including Dr. Bell, should reflect Alexion's strong performance in 2012 and recognition of significant achievements. The committee approved the following annual cash incentive payments for 2012 performance:

Named Executive Officer	2012 Target	Annual Cash Incentive Paid 02/23/2013	% of Target
Leonard Bell, M.D.	100%	$2,800,000	255%
Stephen P. Squinto, Ph.D.	70%	$600,000	159%
Vikas Sinha, M.B.A., C.A.	70%	$600,000	162%
David Hallal	70%	$650,000	177%
Patrice Coissac	60%	$252,000	92%

The committee determined that payment of significant bonuses, substantially above target, for Drs. Bell and Squinto, and Mssrs. Sinha and Hallal, was appropriate in 2012 to reflect superior corporate and individual performance.
The committee believed that Dr. Bell's annual incentive bonus should reflect Alexion's overall exceptional performance and the committee's assessment of Dr. Bell's contributions to the company's success in 2012. The committee concluded that Dr. Bell's leadership and exceptional performance was instrumental to Alexion's overall 2012 performance.
The Compensation Committee did not award special bonuses to its named executive officers in 2012.

2012 Long-Term Incentive Awards
The 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 named executive officers. Together with the compensation adviser, the committee conducts a benchmarking exercise to evaluate 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.

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. For this reason, Alexion considers stock options to be performance-based. A portion of each named executive officer's LTI value is also delivered in restricted stock units. Restricted stock units provide value when stock options may not, which the committee believes is useful in retaining executives. Generally, LTI awards vest over four years. The individual must be employed by Alexion as an employee, director or adviser for such awards to vest. The Compensation Committee believes that conditioning these awards on employment also serves as a valuable retention tool. In February 2013, as part of its evaluation of Alexion's compensation programs, the committee introduced performance-based stock units for executives that will only be vested upon the achievement of pre-defined financial performance targets. Such awards previously granted in February 2013 are contingent on stockholder approval of Proposal No. 3 and will be rescinded if such approval is not obtained.

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 executive, is guaranteed to receive an award or a certain value. In determining 2012 grant levels, which were evaluated in February 2012, the committee recognized the importance of maintaining this alignment and considered Alexion's strong 2011 performance.

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 stockholders. LTIs were granted to executive officers (and other employees) in February 2012. The Compensation Committee approved LTIs to Dr. Bell, Dr. Squinto, Mr. Sinha, Mr. Hallal and Mr. Coissac in the amounts set forth in the table under the heading "Grants of Plan-Based Awards."

Termination-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. We believe that executives, particularly a company's most senior executives, often face challenges securing new employment following termination and that non-financial severance terms identify important continuing obligations of both Alexion and our named executives, such as protection against competition and solicitation. In addition, severance provisions related to a change of control also 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, and in providing the executives a sense of security and trust that they will be treated fairly during such transactions. For details on the severance payments our executives are entitled to, please refer to the section entitled "Potential Payments Upon Termination or Change of Control" in this proxy statement.

Personal Benefits
Our executives are eligible for the benefit programs provided to all employees, such as medical, dental, vision, life and disability insurance benefits. Other than certain benefits provided to Mr. Coissac as part of his ex-patriate arrangement, 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, other than Mr. Coissac. Mr. Coissac, as President of Alexion Pharma International Sàrl, received certain benefits in connection with his relocation from Paris, France to Lausanne, Switzerland in 2009 and in 2012 received certain ongoing personal benefits during his service in Switzerland, including a car allowance, housing allowance, one annual return journey to Paris for Mr. Coissac and his spouse, emergency travel if approved by Alexion, and the costs of relocation to Paris. The amounts paid to Mr. Coissac in 2012 for such benefits are reflected in the Summary Compensation Table.

Stock Ownership Guidelines
Our executives and directors are subject to stock ownership guidelines to further align the long-term interests of our executives with our stockholders and to reinforce the association that our compensation programs create between our executives and our stockholders. 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. Our policy requires directors to own shares with a value equal to 3 times the annual director cash retainer, which was $60,000 for 2012. Shares owned by

the individual, unvested restricted stock and unvested restricted stock units count towards the ownership goal. Directors and officers are required to meet these guidelines within five years of becoming subject to them.

Officer Level	Market Value as a Multiple of Base Salary
Chief Executive Officer	5x
Executive Vice Presidents and Senior Vice Presidents reporting to the CEO	3x
Other Senior Vice Presidents	1x

All of our executives and directors currently satisfy the guidelines.

Section 162(m) Policy

Under Section 162(m) of the Internal Revenue Code, publicly held corporations may be prohibited from deducting as an expense for federal income tax purposes total compensation in excess of $1 million paid to certain executive officers in a single year. However, Section 162(m) provides an exception for certain qualifying "performance-based" compensation and we have structured our stock option grants in a manner that is intended to qualify them as "performance-based" compensation under Section 162(m). If shareholders approve Proposal 3, we will be able to grant annual incentive bonuses that are intended to qualify as performance-based compensation under Section 162(m), but even if such approval is obtained, the Compensation Committee reserves the right to grant compensation that is not eligible performance-based compensation. We have in the past 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.

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 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 such provisions in the future or amend existing requirements as required by law or regulation or in accordance with best practices.

COMPENSATION COMMITTEE REPORT

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
William R. Keller
Joseph A. Madri, M.D., Ph.D.
Ann M. Veneman, J.D.

SUMMARY COMPENSATION TABLE

The following table sets forth compensation paid to or earned by (1) our Chief Executive Officer, (2) our Chief Financial Officer and (3) our three most highly compensated executive officers, other than our Chief Executive Officer and Chief Financial Officer for the years ended December 31, 2010, 2011 and 2012.

Name and Principal Position	Year	Salary	Non-Equity Incentive Plan Compensation[1]	Bonus	Stock Awards [5]	Option Awards [5]	All Other Compen-sation [6]	Total
Leonard Bell, M.D.	12/31/2012	$1,100,000	$ 2,800,000	$—	$2,839,500	$6,844,930	$ 15,021	$13,599,451
Chief Executive	12/31/2011	950,000	2,400,000	450,000[2]	2,047,440	7,170,366	12,250	13,030,056
Officer and Treasurer	12/31/2010	800,000	1,200,000	—	1,007,600	4,512,456	9,800	7,529,856
Stephen P. Squinto, Ph.D.	12/31/2012	540,000	600,000	—	1,025,375	2,149,836	15,608	4,330,819
Executive Vice President and	12/31/2011	475,000	650,000	200,000[3]	679,858	1,667,520	12,250	3,684,628
Head of Research and Development	12/31/2010	435,000	320,000	150,000[4]	412,200	1,184,520	9,800	2,511,520
Vikas Sinha, M.B.A., C.A.	12/31/2012	530,000	600,000	—	867,625	2,149,836	12,250	4,159,711
Executive Vice President and	12/31/2011	475,000	600,000	200,000[2]	597,170	1,667,520	12,250	3,551,940
Chief Financial Officer	12/31/2010	440,000	300,000	—	366,400	1,128,114	9,800	2,244,314
David Hallal	12/31/2012	525,000	650,000	—	788,750	1,913,727	13,053	3,890,530
Executive Vice President,	12/31/2011	460,000	550,000	—	511,860	1,667,520	12,250	3,201,630
Chief Commercial Officer	12/31/2010	400,000	430,000	—	274,800	940,095	9,800	2,054,695
Patrice Coissac [7]	12/31/2012	457,542	252,000	—	631,000	1,590,630	521,787	3,452,959
Senior Vice President and	12/31/2011	421,596	428,288	—	426,550	1,500,768	479,632	3,256,834
President of Alexion Pharma International Sarl	12/31/2010	464,967	374,752	—	274,800	940,095	579,759	2,634,373

(1) This column represents the annual incentive bonus earned by the named executive officer for services performed in 2010, 2011 and 2012. The annual incentive bonus was paid in February of the calendar year following the year to which the bonus relates (i.e., the 2012 annual incentive bonus was paid in February 2013).

(2) Amount represents the special bonus award paid in February 2011 and earned in connection with the completion of Alexion's acquisitions of all of the capital stock of Taligen Therapeutics, Inc. and certain assets of Orphatec Pharmaceuticals GmbH in January and February 2011, respectively.

(3) Amount represents two special bonus awards earned by Dr. Squinto in 2011: $150,000 paid in February 2011 and earned in connection with the completion of Alexion's acquisitions of all of the capital stock of Taligen and certain assets of Orphatec, and $50,000 earned in connection with FDA approval of Soliris for the treatment of patients with aHUS, one-half of which was paid in June 2011 and earned upon submission of the Biologics License Application and one-half of which was paid in October 2011 and earned upon receipt of FDA approval.

(4) Amount represents the special bonus award earned by Dr. Squinto in connection with the approval of Soliris for the treatment of patients in Japan with PNH in 2010.

(5) This column represents the grant date fair value of equity awards calculated in accordance with FASB ASC Topic 718. See our audited consolidated financial statements in our Annual Reports on Form 10-K for the years ended December 31, 2012, 2011 and 2010 for details as to the assumptions used to determine the fair value of the awards.

(6) For each named executive officer other than Mr. Coissac, represents Alexion's matching contribution of $12,500 pursuant to its 401(k) defined contribution plan and $250 for partial gym reimbursement (other than for Mr. Sinha). For 2012, also includes company gift bonus for 20 years of service for Drs. Bell and Squinto for $2,521 and $3,108, respectively, and for 5 years of service for Mr. Hallal for $553, service awards are provided to all employees for 5, 10, 15, 20 or 25 years of service. For Mr. Coissac in 2012, such amounts include the following: $38,315 car allowance; $120,052 housing allowance for Swiss residency; $32,733 cost of living adjustment;

$206,642 exchange rate gross-up paid in 2012; $90,915 in French social contributions; and $33,130 for health insurance premiums. For Mr. Coissac, 2010 and 2011 amounts represent the same items plus relocation expenses in connection with his relocation from Paris, France to Lausanne, Switzerland in 2009.

(7) Mr. Coissac's figures for 2012 compensation were converted to U.S dollars using the conversion rates of 0.75840 for euros and 0.93959 for Swiss francs. Mr. Coissac's employment terminated on February 8, 2013.

GRANTS OF PLAN-BASED AWARDS IN FISCAL 2012

The following table shows information regarding grants of equity awards during the fiscal year ended December 31, 2012 held by the executive officers named in the Summary Compensation Table.

		Estimated Possible Payouts Under Non-Equity Incentive Plan Awards [1]	All Other Stock Awards:	All Other Option Awards:		
Name	Grant Date	Target ($)	Number of Shares of Stock or Units (#)	Number of Securities Underlying Options (#)	Exercise or Base Price of Stock Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards [2]
Leonard Bell, M.D.	2/3/2012	$1,100,000	36,000	275,410	$78.88	$9,684,430
Stephen P. Squinto, Ph.D.	2/3/2012	$378,000	13,000	86,500	$78.88	$3,175,211
Vikas Sinha, M.B.A., C.A.	2/3/2012	$371,000	11,000	86,500	$78.88	$3,017,461
David Hallal	2/3/2012	$368,000	10,000	77,000	$78.88	$2,702,477
Patrice Coissac	2/3/2012	$274,525	8,000	64,000	$78.88	$2,221,630

(1) This column represents the target annual incentive bonus approved by the Compensation Committee for each named executive officer in February 2012 multiplied by such individual's base salary approved at the same time. See "Annual Incentive Bonuses" in the Compensation Discussion and Analysis. Actual amounts paid to executive officers are included in the "Non-Equity Incentive Plan Compensation" column under the "Summary Compensation Table" above.

(2) This column represents the grant date fair value of stock option awards and restricted stock unit awards granted in 2012 calculated in accordance with FASB ASC Topic 718. 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, 2012 for details as to the assumptions used to determine the fair value of the awards.

Fiscal Year 2012 Equity Awards

All of the stock option and restricted stock units disclosed in the Grants of Plan-Based Awards table were issued under our Amended and Restated 2004 Incentive Plan, or 2004 Incentive Plan. All options were granted with an exercise price per share equal to the fair market value of our common stock on the date of grant, as determined by our Board of Directors in accordance with the terms of the 2004 Incentive Plan. Subject to the terms of our 2004 Incentive Plan and the option agreements issued in connection with these grants, all options granted in 2012, including those granted to Dr. Bell, Dr. Squinto, Mr. Sinha, Mr. Hallal and Mr. Coissac, vest in sixteen quarterly installments over four years. Restricted stock units awarded to the named executive officers in 2012 vest over a four-year period, with 50% vesting on the second anniversary of the date of grant and 12.5% vesting every six months for two years thereafter.

OUTSTANDING EQUITY AWARDS AT 2012 FISCAL YEAR-END

The following table shows grants of stock options and grants of unvested restricted stock restricted stock unit awards outstanding on December 31, 2012, the last day of our fiscal year, to each of the executive officers named in the Summary Compensation Table.

		Option Awards					Stock Awards		
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable		Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)		Market Value of Shares or Units of Stock That Have Not Vested ($) [1]
Leonard Bell, M.D.	03/09/05	82,500	—		$5.10	03/09/15	—		$—
	09/21/05	90,000	—		$6.90	09/21/15	—		$—
	01/09/06	98,000	—		$5.18	01/09/16	—		$—
	06/07/06	65,936	—		$8.18	06/07/16	—		$—
	01/15/07	160,280	—		$10.29	01/15/17	—		$—
	07/11/07	170,000	—		$11.92	07/11/17	—		$—
	01/09/08	340,000	—		$17.65	01/09/18	—		$—
	01/26/09	318,750	21,250	(2)	$17.98	01/26/19	5,250	(3)	$492,135
	01/28/10	330,000	150,000	(2)	$22.90	01/28/20	16,500	(3)	$1,546,710
	02/02/11	188,124	241,876	(2)	$42.66	02/02/21	48,000	(3)	$4,499,520
	02/03/12	51,639	223,771	(2)	$78.88	02/03/22	36,000	(3)	$3,374,640

		Option Awards					Stock Awards		
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable		Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)		Market Value of Shares or Units of Stock That Have Not Vested ($) [1]
Stephen P. Squinto, Ph.D.	01/26/09	13,750	6,876	(2)	$17.98	01/26/19	2,000	(3)	$187,480
	01/28/10	25,998	39,376	(2)	$22.90	01/28/20	6,750	(3)	$632,745
	02/02/11	43,750	56,250	(2)	$42.66	02/02/21	14,000	(3)	$1,312,360
	09/23/11	—	—		$—	—	1,250	(3)	$117,175
	02/03/12	16,218	70,282	(2)	$78.88	02/03/22	13,000	(3)	$1,218,620

		Option Awards				Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($) [1]
Vikas Sinha, M.B.A., C.A.	07/11/07	37,496	—	$11.92	07/11/17	—	$—
	01/09/08	114,336	—	$17.65	01/09/18	—	$—
	01/26/09	103,124	6,876 [2]	$17.98	01/26/19	2,000 [3]	$187,480
	01/28/10	82,500	37,500 [2]	$22.90	01/28/20	6,000 [3]	$562,440
	02/02/11	43,750	56,250 [2]	$42.66	02/02/21	14,000 [3]	$1,312,360
	02/03/12	16,218	70,282 [2]	$78.88	02/03/22	11,000 [3]	$1,031,140

		Option Awards				Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($) [1]
David Hallal	06/19/06	524	—	$8.16	06/19/16	—	$—
	01/15/07	3,128	—	$10.29	01/15/17	—	$—
	07/11/07	5,692	—	$11.92	07/11/17	—	$—
	01/09/08	70,000	—	$17.65	01/09/18	—	$—
	01/26/09	90,000	6,000 [2]	$17.98	01/26/19	1,750 [3]	$164,045
	01/28/10	68,750	31,250 [2]	$22.90	01/28/20	4,500 [3]	$421,830
	02/02/11	43,750	56,250 [2]	$42.66	02/02/21	12,000 [3]	$1,124,880
	02/03/12	14,437	62,563 [2]	$78.88	02/03/22	10,000 [3]	$937,400

		Option Awards				Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($) [1]
Patrice Coissac [5]	01/26/09	84,374	5,626 [2]	$17.98	07/26/18	6,000 [4]	$562,440
	01/28/10	6,250	31,250 [2]	$22.90	01/28/20	4,500 [4]	$421,830
	02/02/11	5,625	50,626 [2]	$42.66	02/02/21	10,000 [4]	$937,400
	02/03/12	12,000	52,000 [2]	$78.88	02/03/22	8,000 [3]	$749,920

(1) The market value of the stock awards is determined by multiplying the number of shares subject to such award times $93.74, which represents the closing price of the Company's common stock on December 31, 2012.

(2)

These options vest in 16 quarterly installments over four years commencing on the date of grant. The options expire ten years from date of grant. The vested portion of this option grant is shown in the column directly to the left which shows the portion of the option which is currently exercisable.

(3) These awards of restricted stock vest over a four-year period, with 50% vesting on the second anniversary of the date of grant and 12.5% vesting every six months for two years thereafter.

(4) These awards of restricted stock units vest over a four year period, with 50% vesting on the second anniversary of the grant date and 50% vesting on the fourth anniversary of the grant date.

(5) All of Mr. Coissac's awards ceased to vest on February 8, 2013, the last day of his employment with the company.

OPTION EXERCISES AND STOCK VESTED FOR FISCAL 2012

The following table shows exercises of stock options and restricted stock vesting for the year ended December 31, 2012, for each of the executive officers named in the Summary Compensation Table.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)(2)
Leonard Bell, M.D.	332,284	$34,081,255	43,000	$3,580,208
Stephen P. Squinto, Ph.D.	255,260	$19,924,749	16,750	$1,397,368
Vikas Sinha, M.B.A., C.A.	117,660	$9,340,243	16,250	$1,350,428
David Hallal	124,808	$10,276,025	12,500	$1,044,168
Patrice Coissac	153,483	$10,724,799	8,500	$690,125

(1) Amounts reflect the difference between the exercise price of the option and the market price at the time of the exercise.

(2) Amounts reflect the aggregate dollar amount realized upon vesting by multiplying the number of shares of stock vested by the market value of the underlying shares on the vesting date.

Pension Benefits

We do not have any qualified or non-qualified defined benefits plans that apply to our named executive officers.

Nonqualified Deferred Compensation

We do not have any non-qualified defined contribution plans or other deferred compensation plans that apply to our named executive officers.

Potential Payments Upon Termination or Change of Control

We have entered into certain agreements and maintain certain plans that may require us to make payments and/or provide benefits to the executive officers named in the Summary Compensation Table in the event of a termination of employment or a change of control. See "Employment Agreements" below for a description of the severance and change in control arrangements for Dr. Bell, Dr. Squinto, Mr. Sinha, Mr. Hallal and Mr. Coissac. All five executive officers would only be eligible to receive severance payments if each officer signed a general release of claims.

The tables below summarize the potential payments to each named executive officer assuming that one of the events described in the table occurred. The tables assume that the relevant event occurred on December 31, 2012 and, in calculating the amounts due to the executive in connection with such event, use the closing price of a share of our common stock, $93.74, on such date. However, the executive's employment was not terminated on December 31, 2012 under such agreement and a change in control did not occur on that date. There can be no assurance that a termination of employment, a change in control or both would produce the same or similar results as those set forth below if either or both of them occur on any other date or at any other price, or if any other assumption used in calculating the benefits set forth below is not correct in fact.

Mr. Coissac's employment ended on February 8, 2013 and a description of payments made to Mr. Coissac upon the termination of his employment is provided below.

For purposes of the following tables, involuntary termination means a termination without cause, constructive termination, or good reason termination, or non-renewal, as those terms are defined below.

	Cash Severance Payments		Acceleration of time-vesting Equity Awards [1]	Health and Welfare		Excise Tax Gross Up [2]	Total Termination Benefits
Leonard Bell, M.D.							
•Death	$271,233	(3)	$37,830,484	$46,740	(4)	$—	$38,148,457
•Disability	$—	(5)	$37,830,484	$37,652	(6)	$—	$37,868,136
•Change in Control	$—		$37,830,484	$—		$—	$37,830,484
•Involuntary termination	$5,800,000	(7)	$37,830,484	$34,654	(8)	$—	$43,665,138
•Involuntary termination after a change in control	$8,700,000	(9)	$37,830,484	$51,981	(10)	$—	$46,582,465

	Cash Severance Payments		Acceleration of time-vesting Equity Awards [1]	Health and Welfare		Excise Tax Gross Up [2]	Total Termination Benefits
Stephen P. Squinto, Ph.D.							
•Death	$133,151	(3)	$10,696,658	$49,977	(4)	$—	$10,879,786
•Disability	$—	(5)	$10,696,658	$40,259	(6)	$—	$10,736,917
•Change in Control	$—		$10,696,658	$—		$—	$10,696,658
•Involuntary termination	$1,025,000	(11)	$10,696,658	$26,736	(12)	$—	$11,748,394
•Involuntary termination after a change in control	$2,050,000	(13)	$10,696,658	$36,812	(14)	$—	$12,783,470

	Cash Severance Payments		Acceleration of time-vesting Equity Awards [1]	Health and Welfare		Excise Tax Gross Up [2]	Total Termination Benefits
Vikas Sinha, M.B.A., C.A.							
•Death	$130,685	(3)	$10,188,802	$44,649	(4)	$—	$10,364,136
•Disability	$—	(5)	$10,188,802	$35,967	(6)	$—	$10,224,769
•Change in Control	$—		$10,188,802	$—		$—	$10,188,802
•Involuntary termination	$735,000	(15)	$10,188,802	$23,491	(16)	$—	$10,947,293
•Involuntary termination after a change in control	$1,470,000	(17)	$10,188,802	$24,657	(18)	$—	$11,683,459

	Cash Severance Payments		Acceleration of time-vesting Equity Awards [1]	Health and Welfare		Excise Tax Gross Up [2]	Total Termination Benefits
David Hallal							
•Death	$129,452	(3)	$9,119,712	$54,786	(4)	$—	$9,303,950
•Disability	$—	(5)	$9,119,712	$44,133	(6)	$—	$9,163,845
•Change in Control	$—		$9,119,712	$—		$—	$9,119,712
•Involuntary termination	$761,250	(15)	$9,119,712	$28,703	(16)	$—	$9,909,665
•Involuntary termination after a change in control	$1,522,500	(17)	$9,119,712	$30,014	(18)	$—	$10,672,226

	Cash Severance Payments		Acceleration of time-vesting Equity Awards (20)	Health and Welfare (21)	Non-Competition Payment (22)	Total Termination Benefits
Patrice Coissac (19)						
•Death	$—	(23)	$—	$—	$ —	$—
•Disability	$—	(23)	$—	$—	$ —	$—
•Change in Control	$—		$—	$—	$ —	$—
•Involuntary termination	$881,835	(24)	$—	$—	$ 282,756	$1,164,591
•Involuntary termination after a change in control	$1,310,253	(25)	$—	$—	$ 424,133	$1,734,386

(1) Represents the value associated with cashing out all stock options and shares of restricted stock that accelerate as a result of the event described in the table, based on a stock price of $93.74, which was the closing price of Alexion's common stock on December 31, 2012, the last day of Alexion's 2012 fiscal year. Awards were valued based on the number of shares associated with each accelerated award multiplied by the difference between $93.74 and the exercise price related to such award (if any).
(2) Based on the assumptions described above, and assuming that (a) all outstanding awards are cashed out in connection with the applicable event and valued using a price per share equal to $93.74, and (b) equity awards granted within one year of the change in control transaction were presumed to be in contemplation of the transaction, no amounts payable to these executives will be subject to the so-called golden parachute tax and the executive would not be entitled to an excise tax gross-up.
(3) Represents 90 days of base salary as in effect on December 31, 2012. The executive is also entitled to receive a pro rata bonus for the year of termination, the amount of which is not included in the table because the full 2012 bonus had been earned by the executive on December 31, 2012, without regard to his employment termination.
(4) Represents the cost of Alexion's continuation of COBRA premiums for 36 months.
(5) The executive is entitled to receive a pro rata bonus for the year of termination, the amount of which is not included in the table because the full 2012 bonus had been earned by the executive on December 31, 2012, without regard to his employment termination.
(6) Represents the cost of Alexion's continuation of COBRA premiums for 29 months.
(7) Represents two times the sum of (i) the annual base salary in effect on December 31, 2012 and (ii) the greater of (x) the average of the incentive bonuses earned by the executive in 2010 and 2011 or (y) the target bonus, as set by the Board of Directors or the Compensation Committee, for 2012.
(8) Represents the value of continued health and welfare benefits for 24 months, based on the premiums paid by Alexion for medical, dental, life, short-term disability, long-term disability and accidental death and dismemberment insurance in 2012.
(9) Represents three times the sum of (i) the annual base salary in effect on December 31, 2012 and (ii) the greater of (x) the average of the incentive bonuses earned by the executive in 2010 and 2011 or (y) the target bonus, as set by the Board of Directors or the Compensation Committee, for 2012.
(10) Represents the value of continued health and welfare benefits for 36 months, based on the premiums paid by Alexion for medical, dental, life, short-term disability, long-term disability and accidental death and dismemberment insurance in 2012.
(11) Represents the sum of (i) the annual base salary in effect on December 31, 2012 and (ii) the greater of (x) the average of the incentive bonuses earned by the executive in 2010 and 2011 or (y) the target bonus, as set by the Board of Directors or the Compensation Committee, for 2012.
(12) Represents the value of continued health benefits for 18 months (the maximum period permitted by COBRA) and other welfare benefits for one year, based on the premiums paid by Alexion for medical, dental, life, short-term disability, long-term disability and accidental death and dismemberment insurance in 2012.
(13) Represents two times the sum of (i) the annual base salary in effect on December 31, 2012 and (ii) the greater of (x) the average of the incentive bonuses earned by the executive in 2010 and 2011 or (y) the target bonus, as set by

the Board of Directors or the Compensation Committee, for 2012.

(14) Represents the value of continued health and welfare benefits for 24 months, based on the premiums paid by Alexion for medical, dental, life, short-term disability, long-term disability and accidental death and dismemberment insurance in 2012.

(15) Represents 0.75 times the sum of (i) the annual base salary in effect on December 31, 2012 and (ii) the greater of (x) the average of the incentive bonuses earned by the executive in 2010 and 2011 or (y) the target bonus, as set by the Board of Directors or the Compensation Committee, for 2012.

(16) Represents the value of continued health benefits for 18 months (the maximum period permitted by COBRA) and other welfare benefits for nine months, based on the premiums paid by Alexion for medical, dental, life, short-term disability, long-term disability and accidental death and dismemberment insurance in 2012.

(17) Represents 1.5 times the sum of (i) the annual base salary in effect on December 31, 2012 and (ii) the greater of (x) the average of the incentive bonuses earned by the executive in 2010 and 2011 or (y) the target bonus, as set by the Board of Directors or the Compensation Committee, for 2012.

(18) Represents the value of continued health and welfare benefits for 18 months, based on the premiums paid by the company for medical, dental, life, short-term disability, long-term disability and accidental death and dismemberment insurance in 2012.

(19) Mr. Coissac's employment agreement did not entitle him to a so-called golden parachute excise tax gross-up. For purposes of this table, amounts denominated in Euros and payable to Mr. Coissac were converted to U.S. dollars using an exchange rate of 1 Euro to 1.3185 U.S. dollars, which was the exchange rate in effect on December 31, 2012.

(20) Mr. Coissac's outstanding equity awards did not accelerate upon a termination of employment or change of control.

(21) Mr. Coissac's severance agreement does not provide for health and welfare benefits, but does acknowledge his entitlement to benefits under the collective bargaining agreement applicable to him and statutory unemployment insurance benefits. These benefits are paid by the French government and not by Alexion.
(22) Assumes that Alexion will pay Mr. Coissac a payment in respect of his agreeing not to compete with Alexion for a period of one year following employment termination. The amount of the non-competition payment will depend on the type of termination. At Alexion's election, it may release Mr. Coissac from the non-competition obligation in the event of a voluntary termination of employment or a termination for cause, in which case no payment would be due to him.
(23) Mr. Coissac's employment agreement did not entitle him any specific benefits on death or disability beyond the coverage provided by the French government pursuant to the collective bargaining agreement applicable to him and statutory unemployment insurance benefits.
(24) Represents 12 months of annual base salary, Mr. Coissac's foreign service premium accrued during the previous year and the amount of his average bonus over the past two years (the “Involuntary Termination Payment”). In addition, Mr. Coissac is also entitled to benefits under the collective bargaining agreement applicable to him and statutory unemployment insurance benefits. These benefits would be paid by the French government and not by Alexion. Pursuant to Mr. Coissac's Expatriation Addendum, he is also entitled to the costs of repatriation to France upon termination (estimated for purposes of this table to be $25,000).
(25) Represents 1.5 times the Involuntary Termination Payment (as described in footnote (24) above). Pursuant to Mr. Coissac's Expatriation Addendum, he is also entitled to the costs of repatriation to France upon termination (estimated for purposes of this table to be $25,000).

Important definitions under the employment agreements with each of the named executive officers other than Mr. Coissac.

Cause	(1) indictment for, or conviction of, a felony or other crime involving moral turpitude, or any crime or serious offense involving money or other property which constitutes a felony in the jurisdiction involved; (2) willful and continual neglect or failure to discharge duties (including fiduciary duties), responsibilities and obligations with respect to Alexion provided such neglect or failure remains uncured for 30 days after written notice describing the same is provided to the executive and provided further that isolated and substantial neglect or failure will not constitute “cause” ; (3) violation of any of the non-competition provisions of the employment agreement or the breach of any confidentiality provisions contained in the non-competition and confidentiality agreement; or (4) any act of fraud or embezzlement involving Alexion or any of its affiliates. Dr. Bell's agreement only: all determinations of cause shall be made by the Board of Directors, and require at least a two-thirds vote of the entire Board of Directors, excluding the participation of Dr. Bell.
Constructive termination	(1) a material breach of the terms of the employment agreement by Alexion and such breach continues for 30 days after written notice is received; (2) loss of any material duties or authority of the executive, and the loss continues for 30 days after written notice; (3) a relocation of the executive's place of employment to a location beyond a 25-mile radius of such place of employment; (4) Alexion makes a general assignment for benefit of creditors; or any proceeding instituted by Alexion seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, or reorganization; (5) an involuntary petition is filed or an action or proceeding otherwise commenced against Alexion seeking reorganization, arrangement or readjustment of Alexion's debts and remains undismissed or unstayed for a period of 30 days; a receiver, assignee, liquidator, trustee or similar

officer for Alexion or for all or any part of its property shall be appointed involuntarily; or (7) a material breach by Alexion of any other material agreement with the executive and such breach continues uncured for 30 days after written notice or 10 days if such breach is for the payment of money.

Dr. Bell's agreement only: constructive termination shall also exist if a breach is uncured for 30 days following a written notice that (1) Dr. Bell is not continuously nominated to the Board of Directors and Chief Executive Officer of Alexion during the term of the employment agreement; (2) the Chief Executive Officer is not the highest ranking officer of Alexion with the power to appoint and remove all other employees of Alexion; or (3) any senior executive officer is retained by Alexion, or an offer is made to pay compensation to any senior executive of Alexion, that in either case is unacceptable to Dr. Bell, in his reasonable judgment.

	in connection with a change of control (see also "Employment Agreements" below)
Good reason	termination by the executive upon 90 days' written notice, unless cured within 30 days, upon occurrence of any of the following events: (1) any material adverse change in authority, duties, titles or offices (including reporting responsibility), or any significant increase in business travel obligations, from those existing immediately prior to the change in control or other material breach by Alexion; (2) a relocation of the place of employment to a location beyond a 25-mile radius of such place of employment; (3) a material diminution of compensation and benefits; (4) any failure by Alexion to continue in effect any compensation plan in which the executive participated immediately prior to change in control and which is material to the executive's total compensation, unless an equitable arrangement has been made with respect to such plan, or any failure by Alexion to continue the executive's participation in the plan on a basis no less favorable to the executive, both in terms of the amount of benefits provided and the level of the executive's participation relative to other participants, as existed immediately prior to the change in control; (5) any failure by Alexion to continue to provide benefits substantially similar, taken as a whole, to those enjoyed by the executive under any of Alexion's retirement, life insurance, medical, health and accident, or disability plans, programs or arrangements in which the executive was participating immediately prior to such change in control, the taking of any action by Alexion which would directly or indirectly materially reduce any of such benefits or deprive the executive of any perquisite enjoyed by the executive at the time of such change in control, or the failure by Alexion to maintain a vacation policy with respect to the executive that is at least as favorable as the vacation policy (whether formal or informal) in place with respect to the executive immediately prior to change in control; or (6) the failure of Alexion to obtain the assumption in writing of its obligation to perform under the employment agreement by any successor to all or substantially all of the assets of Alexion upon a merger, consolidation, sale or similar transaction.
Non-renewal	Alexion's decision, at the end of the term of a particular executive's employment agreement, not to continue to employ the executive (and, with respect to Dr. Bell and Mr. Squinto, employ the executive in his capacity as Chief Executive Officer or Head of Research, respectively) at least on terms substantially similar to those described in the executive's employment agreement.
Change in control	the occurrence of any of the following events: (1) any third party becomes the beneficial owner, directly or indirectly, of more than 40% of Alexion's securities representing combined voting power of the then outstanding securities entitled to vote generally in the election of directors of Alexion; (2) incumbent directors as of the beginning of any twenty-four month period cease for any reason to constitute at least a majority of the directors (excluding any individual becoming a director subsequent to the beginning of such period, whose election or nomination for election by Alexion's stockholders was approved by a vote of at least two-thirds of the directors then comprising the incumbent directors); or (3) consummation by Alexion of a recapitalization, reorganization, merger, consolidation or other similar transaction with respect to which all or substantially all of the individuals and entities who were the beneficial owners of the voting securities immediately prior to such transaction do not, following consummation of all transactions intended to constitute part of such transaction, beneficially own, directly or indirectly, 50%

or more of the voting securities of the surviving entity, in substantially the same proportion as their ownership of such voting securities immediately prior to such transaction; or

(4) consummation of a complete liquidation or dissolution of Alexion, or the sale or other disposition of all or substantially all of the assets of Alexion, other than to a corporation, business trust or other entity with respect to which, following consummation of all transactions intended to constitute part of such sale or disposition, more than 50% of the combined voting securities is then owned beneficially, directly or indirectly, by the same stockholders in substantially the same proportion as their ownership of the voting securities immediately prior to such sale or disposition.

Employment Agreements