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Camurus AB (publ)

Report by the Board of Directors on the Remuneration Committee's evaluation of remuneration to senior executives etc.

The Board of Directors of Camurus AB (publ) has established a Remuneration Committee, comprised of Per Olof Wallström (chairman), Martin Jonsson, Svein Mathisen and Kerstin Valinder Strinnholm. The Remuneration Committee's tasks includes to monitor and evaluate programs for variable remuneration for executive management, the application of the guidelines for remuneration to senior executives adopted by the general meeting, and current remuneration structures and levels in the company. The Remuneration Committee has since appointed on 3 May 2016 held three meetings and has had regular contacts as necessary. In accordance with rule 10.3 of the Swedish Corporate Governance Code, the Board of Directors hereby gives the following report on the results of the evaluation performed by the Remuneration Committee.

It is the Remuneration Committee's opinion that the current guidelines for remuneration to senior executives principally are well balanced and has been well functioning during the past year. The guidelines have been applied in a correct manner, with two exceptions, without deviations. Based on the possibility for the Board to deviate from the guidelines in certain cases where the Board assesses that there are special reasons for doing so, the company entered into an agreement entailing a maximum variable compensation of 45 per cent of the fixed annual salary in connection with the recruitment of a senior executive in December 2015, and this continues to be a deviation from the guidelines resolved by the annual general meeting on 3 May 2016. Furthermore, the Board decided that the CEO, with effect from 1 January 2016, shall be able to receive variable cash remuneration of a maximum of 40 per cent of the fixed annual salary, which constituted a deviation from the guidelines resolved by the extraordinary general meeting on 7 October 2015. The annual general meeting on 3 May 2016 resolved that the maximum variable compensation for the CEO shall be 40 per cent of the fixed annual salary.

Further, the Remuneration Committee has evaluated the remuneration structures and remuneration levels for the executive management and concluded that these, with regard to the long-term incentive program for all employees (Warrants Program 2016/2019) established at the annual general meeting 2016, are in accordance with market terms and are well balanced. Against this background, and in line with the ambition expressed when Warrants Program 2016/2019 was established, the Remuneration Committee and the Board of Directors propose that the annual general meeting 2017 resolves to adopt a corresponding warrants program.

Lund in March 2017
Camurus AB (publ)
The Board of Directors