

camurus®

CORPORATE GOVERNANCE REPORT 2016

CORPORATE GOVERNANCE REPORT

Camurus is a Swedish public limited liability company with its registered office in Lund, Sweden. The company's is since December 3, 2015, listed on Nasdaq OMX Stockholm and is traded under the ticker symbol, CAMX.

Camurus' corporate governance is based on the laws, regulations and recommendations applicable to listed companies, such as the Swedish Corporate Governance Code (the "Code"), the Nasdaq Stockholm Rule Book for Issuers, Camurus' Articles of Association and other rules and guidelines specific to the company. Camurus applies the Code without deviations.

This report pertains to the 2016 financial year and has been reviewed by the company's auditors.

CORPORATE GOVERNANCE AT CAMURUS

The aim of Camurus' corporate governance is to create a distinct allocation of roles and responsibilities between shareholders, the Board of Directors and the company's management.

The governance, management and control of Camurus is distributed between the general meeting of shareholders, Board of Directors and its elected Committees, and the CEO.

EXTERNAL REGULATORY FRAMEWORKS THAT INFLUENCE CORPORATE GOVERNANCE

- The Swedish Companies Act
- Regulatory frameworks for external reporting
- Nasdaq Stockholm's Rule Book for Issuers
- The Swedish Corporate Governance code
- Other applicable rules and recommendations

INTERNAL REGULATORY FRAMEWORKS OF SIGNIFICANCE TO CORPORATE GOVERNANCE

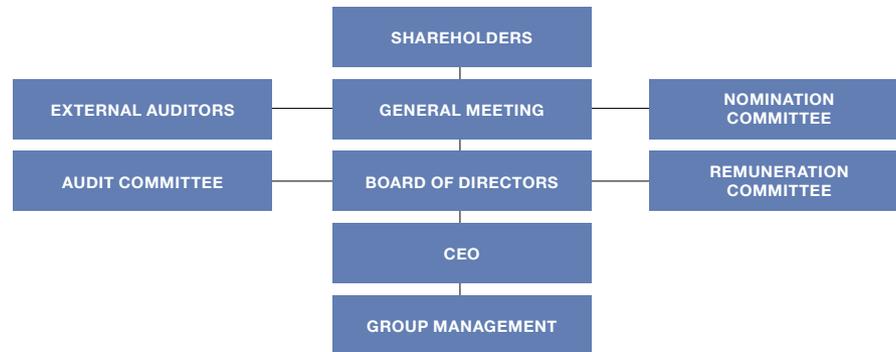
- Articles of Association
- Board of Directors' rules of procedure including instructions to the Board's Committees
- CEO's instructions
- Guidelines for remuneration to senior executives
- IT Policy
- Financial Manual
- Code of Conduct
- Communication/information Policy
- Insider Policy

Corporate governance structure

SHAREHOLDERS AND THE SHARE

Camurus AB's share capital comprises one class of shares that entitles the holders to equal voting rights and equal rights to the company's assets. For information about shareholders and the Camurus share, see pages 36-37 of the annual report 2016 and camurus.com.

Corporate governance structure



GENERAL MEETINGS OF SHAREHOLDERS

Shareholders' exercise their influence at the general meeting, which is Camurus' highest decisionmaking body. The general meeting decides on the Articles of Association and at the Annual General Meeting (AGM), which is the scheduled annual general meeting of shareholders, shareholders elect the Board members, the Chairman of the Board and auditors, and resolve on their fees.

In addition, the AGM makes decisions on the adoption of the income statement and balance sheet, on the appropriation of the company's profits and on the discharge of Board members and the CEO from liability to the company. The AGM also makes decisions on the composition and work of the

Nomination Committee, and on remuneration guidelines and terms of employment for the CEO and other senior executives.

Shareholders are entitled to participate in the general meetings and to vote for their own shares.

Shareholders are also entitled to be represented by proxy at the meeting. The AGM is to be held in Lund each year before the end of June. Extraordinary general meetings (EGMs) are convened as needed.

Notice convening the annual general meetings and extraordinary general meetings where amendments to the articles of association are to be addressed, must be done no earlier than six weeks and no later than four weeks prior to the meeting. Notice convening other extraordinary general meetings must be done no earlier than six weeks and no later than three weeks prior to the meeting. Official notice must be given through an announcement in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and on the company's website. Simultaneously therewith, the fact that notice has been given must be published in Svenska Dagbladet.

2016 ANNUAL GENERAL MEETING (AGM)

The AGM for 2016 was held on May 3. At the meeting, approximately 80 percent of the total votes were represented. Attorney Hans Petersson was elected Chairman of the meeting.

The AGM resolved that:

- Re-election of the Board members Per Olof Wallström, Per-Anders Abrahamsson, Marianne Dicander Alexandersson, Martin Jonsson, Svein Mathisen, Per Sandberg, Fredrik Tiberg and Kerstin Valinder Strinnholm. As chairman of the Board, Per Olof Wallström was proposed to be re-elected. It was informed that Björn Olsson had declined re-election.
- Re-election of PricewaterhouseCoopers AB, with Ola Bjärehäll as authorised public accountant
- Resolution on remuneration to the Chairman of the Board and Board members elected by the AGM, and the auditor.
- Resolution on the proposed guidelines on remuneration to senior executives.
- Resolution on implementation of incentive program for the company's employees by way of directed issue of subscription warrants.
- Resolution on discharge from liability in relation to the company for the Board members and the CEO.

The minutes and information from the 2016 AGM are available on camurus.com.

2017 AGM

Camurus' 2017 AGM will be held on Wednesday May 3, 2017 at 5:00 p.m. at Elite Hotel Ideon, on Scheelevägen 27, Ideon Science Park, 223 63 Lund, Sweden. For further information and the right to participate, see page 93 of Camurus' annual report or Camurus.com.

The minutes of the AGM will be available at camurus.com.

NOMINATION COMMITTEE

The Nomination Committee represents Camurus' shareholders and has the task of preparing resolutions on election and reimbursement issues at the AGM. According to the instructions and statutes adopted by the AGM on May 3, 2016, the Nomination Committee is to consist of four members, three of whom are to represent the company's three largest shareholders based on the ownership according to Euroclear Sweden AB as per August 31, of the year before the annual general meeting. As stipulated in the same resolution, the fourth person is to be the Chairman of the Board. The Nomination Committee observes the rules that apply to Board members' independence under the Swedish Corporate Governance Code. Furthermore, the composition of the Nomination Committee is to be announced no later than six months before the annual general meeting. The Nomination Committee of Camurus is tasked with assignments including the preparation and drafting of proposals for the election of Board members, the Chairman of the Board, the Chairman of the Meeting and the auditors. The Nomination Committee's duties also include the proposal of fees to Board members, committee members and auditors.

In 2016, the Nomination Committee held three meetings and also maintained contact by telephone. As a basis for its work, the Nomination Committee has taken note of the Chairman's presentation of the Board's work, including an anonymous external evaluation with the help of an independent part, of the Board's performance, as well as interviews with all Board members and the Chairman of the audit committee, and the Chairman of the Board's and the CEO's report from the development of the Company's operations and goals. The Nomination Committee has prepared proposals to the

Annual General Meeting, including proposals for Board members, remuneration to Board and Committee members, proposals for auditors and fees to the auditors, and principles for appointing the Nomination Committee.

The Nomination Committee in respect of the Annual General Meeting 2017 consists of the three largest shareholders in terms of voting rights as of August 31, 2016, who together represents approximately 65 percent of the number of shares and votes in the company.

The Nomination Committee for the AGM 2017 consists of the following¹

Representatives	Shareholders
Martin Jonsson	Sandberg Development AB
Jan Andersson	Swedbank Robur Fonder
Pär Josefsson	Fredrik Tiberg
Per Olof Wallström	Chairman of the Board of Camurus AB

1) The shareholder statistics used must be sorted according to voting power (shareholder groups) and comprise the 25 largest shareholders. In the event that these shareholder statistics comprises nominee- registered holdings, such holdings will only be taken into consideration if the administrator has declared the underlying shareholder's identity to Euroclear Sweden, or if the company – without implementing any own measures – obtains other information to indicate the underlying shareholder's identity.

Board of Directors

COMPOSITION AND INDEPENDENCE

In accordance with the Articles of Association, Camurus' Board of Directors is to comprise a minimum of three and maximum of ten Board members elected by the AGM, for the period until the end of the next AGM. At the 2016 AGM, eight (8) Board members were elected. Camurus' CEO is included among the Board of Directors and the company's CFO functions as the Secretary to the Board. Other executives of Camurus participate at Board meetings to report on specific topics.

According to the Code, a majority of the AGM-elected Board members must be independent in relation to the company and the company's management.

With the exception of CEO Fredrik Tiberg, all Board members are deemed to be independent in relation to the company and the company's management. Five of these Board members are also deemed to be independent in relation to the company's major shareholders. Camurus' thus meets the requirements of the Code on independence.

At the close of the financial year, Camurus' Board of Directors comprised eight (8) Board members:

Chairman of the Board Per Olof Wallström and the Board members, Per-Anders Abrahamsson, Marianne Dicander Alexandersson, Martin Jonsson, Svein Mathisen, Per Sandberg, Fredrik Tiberg and Kerstin Valinder Strinnholm. Information about the Board members, with data about birth years, year of election to the Board of Directors, experience, ongoing and previous assignments, holdings of shares in the company at March 2, 2017 are presented on pages 88-89 in the annual report 2016. Holdings in the company include the individual's personal holdings and/or the holdings of closely related parties. Other Group assignments are not presented.

RESPONSIBILITY AND DUTIES OF THE BOARD OF DIRECTORS

The duties of the Board of Directors are regulated under the Swedish Companies Act and the Articles of Association, and, following the listing on Nasdaq Stockholm, the Swedish

Corporate Governance Code. The work of the Board of Directors is further regulated by the written Rules of Procedure, which is adopted each year by the Board. The Rules of Procedure regulate the division of duties and responsibilities between the Board, the Chairman of the Board and the CEO. In addition, the Rules of Procedure govern the resolutions procedure within the Board, the Board's meeting plans and the work of the Board on financial reporting and auditing issues, as well as the financial statements. The Board has also established instructions for the CEO and adopted other separate policy documents.

The Board is responsible for the Group's organization and the management of its affairs, the establishment of the Group's overall objectives, development and follow-up activities pertaining to the overall strategies, resolutions regarding major acquisitions, divestments and capital expenditures, resolutions regarding possible investments and loans in accordance with financial policy, continuous monitoring of operations, the adoption of quarterly and year-end accounts, and the continuous assessment of the CEO and other members of Group management. The Board is also responsible for ensuring quality in financial reporting, including systems for the monitoring and internal control of Camurus' financial statements and financial position (see also "Internal controls" below). Furthermore, the Board is to ensure that Camurus' external disclosure is characterized by transparency and is correct, relevant and reliable. The Board is also responsible for the establishment of the requisite guidelines and other policy documents, such as a Communication Policy and Insider Policy. At Board meetings, the following recurring items are on the agenda: state of business, project status, market issues, adoption of interim and annual reports, strategic review, future prospects and economic and financial reporting.

The Chairman of the Board monitors Camurus' operations through continuous contact with the CEO. The Chairman organizes and directs the work of the Board and is responsible for ensuring that other Board members receive satisfactory information and decision data. The Chairman is also responsible for ensuring that both existing and new Board members continuously update and deepen their knowledge of Camurus

and that they otherwise receive further training required for the work of the board to operate effectively. It is also the Chairman who is responsible for managing contacts with shareholders on ownership issues and for the annual evaluation of work of the Board of Directors. In 2016, an anonymous survey-based evaluation was performed, through which all the Board members received the opportunity to express themselves about the work of the Board of the company. This information has been collected, compiled and presented by the company's solicitors. The Nomination Committee, through the Chairman of the Board, has reviewed the evaluation of the Board and received information about the company's development.

The principal requirements that should be imposed on Camurus' Board of Directors and the importance of independent Board members have been discussed.

In addition to the inaugurating Board meeting, a minimum of five ordinary Board meetings are to be held. The Board meets with auditors at the Board meeting when the audit is reviewed.

BOARD OF DIRECTORS' WORK DURING 2016

During the year, the Board held nine (9) meetings. One of these pertained to decisions made per capsulam. The Board's work during the year has been dominated by handling and making strategic decisions on issues concerning the Company's organizational and product development, including the decision to set up subsidiaries in England and Germany, business development, partnerships, and the company's commercialization of CAM2038 in key markets in Europe. The Board has made decisions regarding Camurus financial targets and dividend policy, financial reports and developed a new long-term incentive plan for the Company's management and staff for proposal to the AGM 2017.

The Board has planned a total of nine (9) meetings for 2017.

BOARD COMMITTEES

Within itself, the Board of Directors has established two committees, an Audit Committee and a remuneration Committee, which operates according to rules of procedure adopted by the Board of Directors.

Audit Committee

The main duties of the Audit Committee are to supervise the Company's financial reporting, monitor efficiency in its internal controls, and apprise itself of information regarding the audit of the annual report and consolidated financial statements, review and monitor the auditor's impartiality and independence and, in so doing take particularly into account whether the auditor provides Camurus with services other than audit services. The Audit Committee shall also assist the Nomination Committee with proposal to the general meeting for election of auditors. The Audit Committee has regular contacts with the auditors of Camurus. The members of the Audit Committee are Martin Jonsson (Chairman), Marianne Dicander Alexandersson, Svein Mathisen and Per Olof Wallström. The committee complies with the Companies Act's requirements for independence and accounting and auditing expertise. The Committee has convened seven times during the year. Camurus' auditors were present at four of these meetings. The meetings addressed items such as the audit plan, the auditors' observations and the review of the company and the company's financial reports.

Remuneration Committee

The main duties of the Remuneration Committee are to prepare decisions by the Board of Directors on issues concerning remuneration principles, remuneration and other employment terms for the CEO and other members of the Group management, and to monitor and assess ongoing programs for variable remuneration to the Group management, as well as such programs as have been completed during the year. Furthermore, the Committee shall monitor and assess the application of the guidelines for remuneration to the executive management resolved by the annual general meeting, as well as applicable remuneration structures and

remuneration levels in the Company. The members of the Remuneration Committee are Per Olof Wallström (Chairman), Martin Jonsson, Svein Mathisen and Kerstin Valinder Strinholm. The Committee is assessed to comply with the Code's requirements for independence and appropriate knowledge and experience in questions related to remuneration of executive management.

The Committee convened three times during the year. At these meetings, the Committee discussed the company's existing remuneration systems, proposed guidelines for the remuneration of the CEO and senior executives, and the focus of future share-based incentive programs aimed at attracting and retaining competent and motivated employees. The incentive program will be presented at the AGM in May 2017, for resolution by the shareholders.

Information regarding salaries and fees to the CEO and senior executives is provided in Note 9 in the annual report 2016.

CEO AND GROUP MANAGEMENT

The CEO is responsible for the ongoing administration and development of Camurus in accordance with applicable legislation and rules, including the Nasdaq Stockholm Rule Book for Issuers and the Code, as well as the guidelines, instructions and strategies established by the Board of Directors.

The CEO is to ensure that the Board of Directors receives the requisite factual and relevant information to enable taking well-founded decisions. Furthermore, the CEO is to ensure adherence to Camurus' goals, policies and strategic plans as established by the Board of Directors and the CEO is responsible for keeping the Board updated on Camurus' development in-between Board meetings.

The CEO directs the work of the Group management, which is responsible for overall business development. In addition to the CEO, Camurus' Group management comprises the CFO, the Vice President for Project Management and Planning, the Vice President for Pharmaceutical and Analytical Development, the Vice President for Technical Operations, the Vice President for Clinical and Regulatory Development, Vice President for Business Development and Alliance Manage-

ment, Chief Commercial Officer and the Vice President for Investor Relations (a total of nine individuals).

During the year the Group management convened 24 times. For information about current senior executives at Camurus, when they assumed their positions and their year of birth, education, experience, holdings in the Company and current and previous assignments, see pages 90-91. Their holdings in the Company at March 2, 2017 are also presented. Holdings in the Company include the individual's personal holdings and/or the holdings of closely related parties. Other Group assignments are not presented.

Remuneration for Board of Directors and senior executives

REMUNERATION FOR BOARD MEMBERS

The AGM of May 3, 2016 resolved that for the period up to the closing of the 2017 AGM, fees to the Board members are as follows: SEK 350,000 to the Chairman of the Board and SEK 150,000 to each of the other Board members. The AGM further resolved that for committee work, a fee of SEK 100,000 to be paid to the Chairman of the Audit Committee and SEK 50,000 to each other member of the Committee, while no fees be paid for work in the Remuneration Committee.

The table below shows the fees paid to the elected Board members in 2016.

Resolved fees and benefits 2016

Board member	Function	Independence	Remuneration, SEK ⁷⁾				Attendance ¹⁾		
			Directors' fee	Audit Committee	Remuneration Committee	Total	Board of Directors	Audit Committee	Remuneration Committee
Björn Olsson ⁴⁾	Board member	3)	–	–	–	–	3/9	3/7	–
Per-Anders Abrahamsson	Board member	•	150	–	–	150	9/9	–	–
Marianne Dicander Alexandersson ⁵⁾	Board member	•	150	50	–	200	9/9	4/7 ⁸⁾	–
Martin Jonsson	Board member	3)	150	100	–	250	9/9	7/7	3/3
Svein Mathisen ⁵⁾	Board member	•	150	50	–	200	9/9	7/7	3/3
Per Sandberg	Board member	3)	150	–	–	150	7/9	–	–
Fredrik Tibergh ⁶⁾	Board member, President and CEO	2)	–	–	–	–	9/9	–	–
Kerstin Valinder Strinnholm	Board member	•	150	–	–	150	9/9	–	1/3 ⁸⁾
Per Olof Wallström ⁵⁾	Chairman of the Board	•	350	50	–	400	9/9	7/7	3/3
Totalt			1,250	250	0	1,500			

1) The figures in the table show total attendance/meetings. In 2016, the Board held a total of 9 meetings.

2) The Board member is to be regarded as dependent in relation to the company and its Management.

3) The Board member is to be regarded as dependent in relation to major shareholders.

4) The company's Chairman of the Board up to and including Mars 25, 2015. Board member until AGM May 3, 2016, when re-election was declined.

5) The fee refers to directors' fees excluding social security contributions paid to the Board member's company.

6) For remuneration to the CEO, refer to Note 29 in the annual report 2016.

7) AGM resolved fees excluding social security fee, proportionally accounted, for the period May 2016 – May 2017.

8) Elected to the committee May 3, 2016.

REMUNERATION TO GROUP MANAGEMENT

The remuneration committee of the Board of Directors handles questions of remuneration to the senior executives. Remuneration to the CEO is resolved by the Board of Directors upon the remuneration committee's proposal.

GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES

The AGM of May 3, 2016 resolved to approve the Board of Directors' proposal on the principles of remuneration to the company's senior executives as follows, until the time of the 2017 AGM. In this context, the term senior executives refers to Camurus' CEO and the managers reporting to the CEO at any time, who are part of the company's management team.

Reason for the motion

The company is to offer a market-aligned terms that facilitate the recruitment and retention of qualified senior executives. Remuneration comprises a balanced composition of fixed salary, variable remuneration, pension benefits, other benefits as well as conditions for termination. Cash remuneration comprises fixed salary and, when applicable, variable remuneration. The fixed salary and variable remuneration should be proportionate to the executive's responsibilities and authorities.

Long-term incentive programs may be offered as a complement to the above, but must be referred to the general meeting for adoption. Remuneration is primarily based on the individual's position and performance, and the company's and the individual's fulfilment of pre-defined targets.

Fixed salary

The fixed salary of the CEO and other senior executives should be monthly, at market rates, and reflect the requirements and responsibilities that their positions entail.

Variable salaries

Variable remuneration is based on outcomes in relation to pre-determined, well-defined targets.

These targets are set with the aim of promoting the company's/Group's development, and to generate value and financial growth in the long term. Variable remuneration payments are to be maximised and may not exceed forty (40) percent of the fixed annual salary for the CEO and thirty (30) percent of the fixed salary for other senior executives. Variable remuneration may also be paid in the form of long-term incentive programs.

Share-based program

Decisions on share-based programs are made by the general meeting. Programs for variable remuneration should be designed to allow the Board of Directors, if exceptional financial conditions prevail, to restrict or omit payment of the variable remuneration if such action is deemed reasonable and consistent with the company's responsibility towards shareholders, employees and other stakeholders.

Other remuneration and terms of employment

Pension benefits are payable in accordance with applicable ITP plans or otherwise be premium-based and amount to a maximum of thirty five (35) percent of the salary. Benefits other than fixed salary, variable remuneration and pension benefits are to be applied with restriction. Salary exchange against car allowance or pension benefit may occur. Fixed salary during the notice period and severance pay shall in total not exceed an amount equal to the fixed salary for 12 months; or for the CEO, the fixed salary for 18 months.

To the extent that a member of the Board performs work for the company, besides the board membership, consultant fee and other remuneration may be granted for such work. The remuneration shall correspond to relevant market conditions and shall, as well as other conditions, be determined by the Board.

Deviation from the guidelines

The Board of Directors may derogate from these guidelines in certain cases if there are special reasons for doing so. Reasons for derogation must be reported at the next annual general meeting. The following two deviations are explained below:

In order to market-align the remuneration to the CEO, the Board of Directors resolved at their meeting in February 2016, a maximum variable salary of forty (40) percent of the fixed annual salary. This represented a deviation against the resolution by the EGM October 7, 2015. The AGM May 3, 2016 resolved that the CEO should be entitled to a maximum variable remuneration of forty (40) percent of the fixed annual salary.

In order to attract employees with key skills, an agreement was reached on the maximum variable compensation of forty-five (45) percent of the fixed annual salary in connection with the recruitment of a senior executive in December 2015. Information on the deviation from the guidelines resolved by the EGM October 7, 2015 was provided in the Corporate governance report and the annual report 2015. It is hereby informed that the deviation remains even against the guidelines resolved by the AGM on May 3, 2016.

Guidelines for remuneration to senior executives 2017

In essence it is proposed that the guidelines in its design is unchanged against the decision by the AGM of May 3, 2016 but with the change to variable cash remuneration which shall not exceed fifty (50) percent of the fixed salary for the CEO and other senior executives.

EXTERNAL AUDITORS

Camurus' auditor is the auditing firm PricewaterhouseCoopers AB (PwC), with Authorised Public Accountant Ola Bjärehall as auditor in charge. PwC was elected as Camurus' auditor at the AGM 2016, until the end of the AGM 2017, and are elected auditors since the AGM May 11, 2015.

The auditors perform a review of the interim report for the third quarter, and audit the annual accounts and consolidated financial statements. The auditors also express an opinion on whether this Corporate Governance Report has been prepared in accordance with, and whether certain disclosures herein are consistent with, the annual accounts and consolidated financial statements.

The auditors report the results of their audit of the annual accounts and consolidated financial statements, [their review of the Corporate Governance Report in the auditor's report], and separate opinions on the Corporate Governance Report and guidelines for remuneration to senior executives in a presentation to the AGM. In addition, the auditors present detailed findings from their reviews to the Audit Committee three times per year, and to the Board in its entirety once per year. The fees invoiced by the auditors over the past two financial years are reported in note 8 of the annual report for 2016.

Internal control and risk management

The Board of Directors' responsibility for internal controls are regulated by the Companies Act, the Annual Accounts Act – which includes requirements that the Corporate Governance Report must contain disclosures concerning the principal features of Camurus' internal-control and riskmanagement systems in connection with the annual financial reporting and the preparation of the consolidated financial statements – and the Code. The Board of Directors is to ensure that Camurus has appropriate internal controls and formalized procedures to ensure its compliance with established policies for financial reporting and internal controls, and the existence of appropriate systems for the monitoring and control of the company's activities and the risks associated with the company and its operations.

Camurus applies COSO's framework for the internal control of financial reporting. The procedures for internal controls on financial reporting were designed with the aim of ensuring reliable overall financial reporting and external reporting in accordance with IFRS, applicable laws and regulations, and other requirements applicable to companies listed on Nasdaq Stockholm. This work involves the Board of Directors, Group management and other employees.

Control environment

The Board of Directors has established instructions and governing documents with the aim of regulating the CEO's and the Board of Directors' roles and division of responsibilities. The manner in which the Board of Directors monitors and assures the quality of internal controls is documented in the Board of Directors' rules of procedure and Camurus' financial policy, as well as the policy for internal control, where the Board of Directors has established a number of fundamental guidelines of significance to the work with internal control. These guidelines include the regular control and follow-up of outcomes in comparison with expectations and preceding years, as well as supervision of the accounting policies applied by Camurus. The responsibility for maintaining an effective control environment and the ongoing work on risk assessment and internal control over the financial

reporting is delegated to the CEO. However, the Board of Directors has ultimate responsibility. In turn, managers at various levels at Camurus have corresponding responsibilities within their respective spheres of responsibility.

Group management reports regularly to the Board of Directors in accordance with established procedures. The financial reporting control environment collectively comprises various responsibilities and authorities, instructions, guidelines, manuals and policies, in combination with laws and regulations.

Based on an efficient control environment and external reviews by auditors, the Board of Directors has deemed that there are no special circumstances in Camurus' operations or other circumstances to warrant the establishment of an internal audit function.

Risk assessment

Camurus performs continuous risk assessment to identify risks pertaining to financial reporting, as well as risks associated with the company's operations. These risks include inaccurate reporting as well as impropriety and fraud. Risk management is incorporated in each process and various methods are used to evaluate, identify and curtail risks, and to ensure that the risks to which Camurus is exposed are managed in line with the set policies, instructions and monitoring procedures.

Control activities

The formulation of control activities is of particular importance to Camurus' work to prevent and identify risks and shortcomings in the financial reporting. The control structure comprises distinct roles in the organization that facilitate an efficient division of responsibilities for specific control activities, including authorization control, IT systems and attestation control. The continuous analyses carried out of the financial reporting are crucial to ensuring that the financial reports do not include any material errors.

Information and communication

Camurus has information and communication procedures aimed at promoting completeness and accuracy in financial reporting. Policies, guidelines and internal instructions with regard to financial reporting are available in digital and printed form. Regular updates on amendments to accounting policies, reporting requirements or other forms of information disclosure are accessible and known to the employees concerned. For external disclosure of information, guidelines have been designed with the aim of ensuring that Camurus meets the requirements covering the disclosure of accurate information to the market.

Monitoring, evaluation and reporting

The Board of Directors continuously evaluates the information submitted by Group management. The Board of Directors obtains regularly updated financial information about Camurus' development between Board meetings. The Group's financial position, strategies and capital expenditures are discussed at each Board meeting. The Board of Directors is also responsible for monitoring internal controls. This work entails ensuring that measures are taken to manage any shortcomings, as well as following-up on any proposed measures highlighted in connection with external reviews. The company performs an annual self-assessment of its work with risk management and internal controls. This process includes a review of the manner in which established procedures and guidelines are applied. The Board of Directors receives information about important conclusions from this annual assessment process, and about proposed actions, if any, with regard to the company's internal control environment. In addition, the external auditors report on a regular basis to the Board of Directors, partly through the Audit Committee and partly to the Board of Directors in its entirety.

External audit

The AGM appoints external auditors for a period of one year at a time. The auditors review the annual accounts and book-keeping, as well as the Board of Directors' and CEO's administration in accordance with an audit plan established in consultation with the Board's Audit Committee. In connection with the review, the auditors report their findings to Group Management for discussion and subsequently to the Board of Directors through the Audit Committee. Reporting to the Audit Committee is carried out in conjunction with the completion of the examination of the administration and the review of the hard close of the annual accounts. The Board of Directors meets with the auditors not less than once a year, when the auditors report their observations directly to the Board of Directors without the presence of Camurus' CEO and CFO. The auditor's also participate at the AGM, where they present a summary of their auditing work and their recommendations in the audit report.

Lund, March 2017

Board of Directors

More information on Camurus's corporate governance and the Board of Directors can be found in the section on corporate governance at camurus.com.

THE AUDITORS' EXAMINATION OF THE CORPORATE GOVERNANCE REPORT

To the general meeting of the shareholders of Camurus AB (publ),
corporate identity number 556667-9105

Engagement and responsibility

The Board of Directors is responsible for the Corporate Governance Report for the year 2016 on pages 80-86 of the printed version of this document having been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination of the corporate governance report is conducted in accordance with FAR's auditing standard RevU 16. The auditor's examination of the corporate governance report. This means that our examination of the corporate governance report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance report has been prepared. Disclosures in accordance with Chapter 6, Section 6, the second paragraph, points 2-6 of the Annual Accounts Act and Chapter 7, Section 31, the second paragraph of the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, March 30, 2017

PricewaterhouseCoopers AB
Ola Bjärehäll
Authorized public accountant
Auditor in charge

camurus[®]

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