

camurus®

CORPORATE GOVERNANCE REPORT 2017

CORPORATE GOVERNANCE REPORT

Camurus is a Swedish public limited liability company with its registered office in Lund, Sweden. The company's 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. During 2017, Camurus applied to the Code without deviations.

This report pertains to the 2017 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.

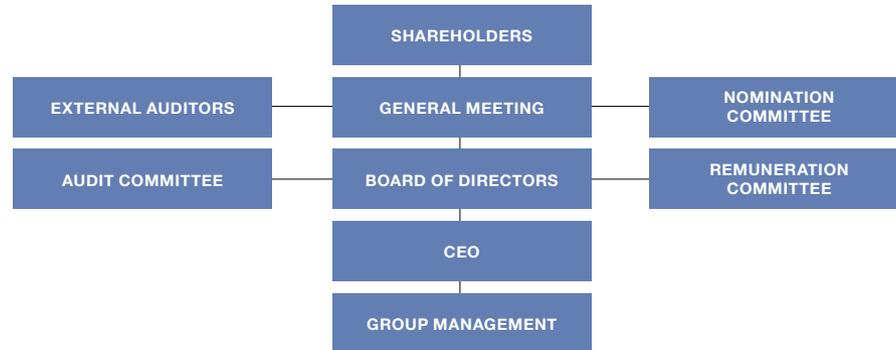
EXTERNAL REGULATORY FRAMEWORKS THAT INFLUENCE CORPORATE GOVERNANCE

- The Swedish Companies Act
- Regulatory frameworks for external reporting
- Nasdaq Stockholm's Rule Book for Issuers, nasdaqomxnordic.com
- The Swedish Corporate Governance code, corporategovernanceboard.se
- 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
- Instructions relating to the allocation of work between the board and the CEO as well as the financial reporting
- Guidelines for remuneration to senior executives
- IT Policy
- Financial Manual
- Personnel Manual
- Code of Conduct
- Communication/information Policy
- Insider Policy

Corporate governance structure



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 2017 and camurus.com.

GENERAL MEETINGS OF SHAREHOLDERS

Shareholders' exercise their influence at the general meeting, which is Camurus' highest decision-making 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 have the right to participate and vote for all of their 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.

2017 ANNUAL GENERAL MEETING (AGM)

The AGM for 2017 was held on May 3. At the meeting, approximately 64 percent of the total votes were represented. Attorney Jakob Wijkander was elected Chairman of the meeting.

The AGM resolutions:

- Re-election of the Board members Per Olof Wallström, Per-Anders Abrahamsson, Marianne Dicander Alexandersson, Martin Jonsson, Svein Mathisen, Fredrik Tiberger and Kerstin Valinder Strinnholm. Per Sandberg had declined re-election. As chairman of the Board, Per Olof Wallström was re-elected.
- Re-election of PricewaterhouseCoopers AB, with Ola Bjärehäll as authorised public accountant
- Remuneration to the Chairman of the Board and Board members elected by the AGM, and the auditor.
- Proposed guidelines for remuneration to senior executives were resolved.
- Implementation of incentive program in accordance with the Board's proposal for the company's employees by way of directed issue of subscription warrants.
- Authorization for the Board to decide on a new issue of

shares with or without deviation from shareholders' preferential rights. The authorization may be exercised on one or more occasions until the Annual General Meeting 2018 and a total of 3 728 148 shares may be issued, corresponding to 10 per cent of the company's share capital.

– Resolution on discharge from liability in relation to the company for the Board members and the CEO for the financial year 2017.

The minutes and information from the 2017 AGM are available on camurus.com.

2018 AGM

Camurus' 2018 AGM will be held on Thursday May 3, 2018 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 2017 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 31 August 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. In addition, the nomination committee's mission includes proposing fees to the members of the Board, members

of the Board's committees and the auditors. The Nomination Committee's duties also include proposing fees to Board members, committee members and auditors.

In 2017, 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 some individual Board members. Furthermore, the Chairman of the Board and the CEO has reported the development of the Company's operations, goals and strategy.

The Nomination Committee has prepared proposals to the Annual General Meeting regarding proposal for election of the chairman and other members of the Board, remuneration to board members and committee members, election of auditors and remuneration to them.

As in previous years, the Nomination Committee has devoted special attention to issues of diversity. From the Nomination Committee's proposal to the 2017 Annual General Meeting it shows that the Nomination Committee, when preparing its proposal of Board of Directors, has applied paragraph 4.1 of the Code as Diversity Policy. The aim of the policy is that, with regards to the company's operations, development stages and circumstances, the Board should have a purposeful composition, characterized by versatility and breadth regarding the members' skills, experience and background as well as the need for an even gender distribution. With regards to gender distribution in the Board, the Nomination Committee's ambition is to work towards the goals set by the College of Swedish Corporate Governance. The Annual General Meeting 2017 decided to appoint members of the Board in accordance with the nomination committee's proposal, which meant that seven members were elected, of which two women and five men (corresponding to 29 and 71 per cent respectively).

The Nomination Committee in respect of the Annual General Meeting 2018 consists of the Chairman of the Board and the three largest shareholders in terms of voting rights as of August 31, 2017, who together represents approximately 63 percent of the number of shares and votes in the company.

The Nomination Committee for the AGM 2018 consists of the following¹

Representatives	Shareholders
Per Sandberg, appointed by Sandberg Development AB Max Mitteregger, appointed by Gladiator Jan Andersson, appointed by Swedbank Robur Fonder Per Olof Wallström, Chairman of the Board	

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 2017 AGM, seven (7) 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 seven (7) Board members: Chairman of the Board Per Olof Wallström and the Board members Per-Anders Abrahamsson, Marianne Dicander Alexandersson, Martin Jonsson, Svein Mathisen, Fredrik Tiberg and Kerstin Valinder Strinnholm. Information about the Board members, with data about birth years, year of election to the Board of Directors, education, experience, ongoing and previous assignments, holdings of shares in the company at 15 March, 2018 are presented on pages 88-89 in the annual report 2017. 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, the Articles of Association, and, 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, resolu-

tions 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 Code of Conduct and Communication 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 2017, 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 2017

During the year, the Board held eight (8) ordinary Board meetings, and another three (3) when decisions regarding the allocation of warrants in the TO2017 / 2020 program were taken per capsulam. The Board's work during the year has been dominated by handling and make strategic decisions on issues concerning the Company's organizational and product development, business development, partnerships, and the company's commercialization of CAM2038 in key markets in Europe including decisions to establish subsidiaries in Finland, Norway and France. The Board has taken resolutions regarding Camurus financial targets and dividend policy, financial interim reports and developed a new long-term incentive program for the Company's management and staff for proposal to the AGM 2018.

The Board has planned a total of seven (7) meetings for 2018.

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 Alex-

andersson, 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 five (5) 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 Strinnholm. 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 (3) 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 2018, 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 2017.

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 during the year has comprised 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 Management, Chief Commercial Officer, Vice President Human Resources, the Vice President for Investor Relations and Vice President Corporate Development & General Counsel (a total of eleven individuals). During the year the Group management convened 23 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 as of 15 March, 2018, and current and previous assignments, see pages 90-91 of the annual report. Holdings in the Company include the individual's personal holdings and/or the holdings of closely related parties. Other Group assignments are not presented. CEO has no significant shareholdings and co-ownership in companies that have significant business relationships with Camurus.

The table below shows the fees paid to the elected Board members in 2017

Board member	Function	Independence	Directors' fee	Remuneration, SEK ¹⁾			Attendance ²⁾		
				Audit Committee	Remuneration Committee	Total	Board of Directors	Audit Committee	Remuneration Committee
Per-Anders Abrahamsson	Board member	•	175	–	–	175	8/8	–	–
Marianne Dicander Alexandersson ⁶⁾	Board member	•	175	50	–	225	8/8	5/5	–
Martin Jonsson	Board member	3)	175	100	25	300	8/8	5/5	3/3
Svein Mathisen ⁶⁾	Board member	•	175	50	25	250	8/8	5/5	3/3
Per Sandberg ⁵⁾	Board member	3)	–	–	–	–	1/8	–	–
Fredrik Tiberger ⁷⁾	Board member, President and CEO	4)	–	–	–	–	8/8	–	–
Kerstin Valinder Strinnholm	Board member	•	175	–	25	200	8/8	–	3/3
Per Olof Wallström ⁶⁾	Chairman of the Board	•	500	50	50	600	8/8	5/5	3/3
Total			1,375	250	125	1,750			

1) AGM resolved fees excluding social security fee, for the period May 2017 – May 2018.

2) The figures in the table show total attendance/meetings. In 2017, the Board held a total of 8 meetings.

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

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

5) Board member until AGM May 3, 2017.

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

7) For remuneration to the CEO, refer to Note 28 in the annual report 2017.

Remuneration for Board of Directors and senior executives

REMUNERATION FOR BOARD MEMBERS

The AGM of 3 May 2017 resolved that for the period up to the closing of the 2018 AGM, fees to the Board members are as follows: SEK 500,000 to the Chairman of the Board and SEK 175,000 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, and a fee of SEK 50,000 to be paid to the Chairman of the Remuneration Committee and SEK 25,000 to each other member of the Committee.

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, 2017 resolved to approve the Board of Directors' proposal on the principles of remuneration to the company's senior executives until the time of the 2018 AGM.

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 March 2017, that CEO from January 1, 2017 should be able to obtain a maximum variable salary of forty-five (45) percent of the fixed annual salary. This represented a deviation against the guidelines resolved by the AGM May 3, 2016.

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 this deviation from the guidelines resolved by the EGM October 7, 2015 and the AGM May 3, 2016, was provided in the Corporate governance report and the annual report 2015 and 2016.

At the AGM May 3, 2017, it was decided that the CEO and other senior executives should be able to receive a maximum variable remuneration of fifty (50) percent of the fixed annual salary.

For more information on guidelines for remuneration to the Board and senior executives, see the Annual Report 2017 Note 9 and 28.

Guidelines for remuneration to senior executives 2018

The Board proposes that the guidelines in its design is unchanged against the decision by the AGM of May 3, 2017.

EXTERNAL AUDITORS

Camurus' auditor is since the AGM May 11, 2015 the auditing firm PricewaterhouseCoopers AB (PwC), with Authorised Public Accountant Ola Bjärehäll as auditor in charge. PwC was elected as Camurus' auditor at the AGM 2017, until the end of the AGM 2018.

The auditor performs a review of the interim report for the third quarter and audit the annual accounts and consolidated financial statements. The auditor also expresses 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 auditor reports 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 auditor 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 2017.

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 risk-management 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 assessments 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.

For a description of Camurus' operational risks, see the Director's Report, pages 45-46 and for the financial risks, Note 3 Financial Risk Management, pages 58-59 in Camurus Annual Report 2017.

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, ERP system and authorization 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 is also responsible for monitoring the internal control and monitoring that reporting to the Board works satisfactorily. 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, 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 bookkeeping, 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 2018

Board of Directors

More information on Camurus's corporate governance and the Board of Directors can be found in the section of "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 2017 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 22, 2018

PricewaterhouseCoopers AB
Ola Bjärehäll
Authorized public accountant
Auditor in charge

camurus[®]

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