



### **The Board's report on the remuneration committee's evaluation of remuneration to senior executives.**

The Board has appointed a remuneration commission consisting of Claus Asbjørn Andersson (Chairman), Magnus Persson and Thoas Fioretos. The Remuneration committee has evaluated variable remuneration to company management, the application of guidelines for remuneration to senior executives and the current remuneration structures and levels in the company in 2018.

The Company's management consists of five people: the Managing director, VP Operations, VP Clinical Development, VP Cancer Research and CFO.

The Guidelines for remuneration to senior executives essentially mean that the company is to offer its senior executives market consistent remuneration, that the remuneration should be prepared by the remuneration committee and that the criteria shall include the responsibility, role, competence and position of the senior executive.

Remuneration to senior executives may consist of fixed remuneration, variable remuneration, non-monetary benefits, pension and other benefits and share-based incentive schemes as decided by the general meeting. Variable remuneration shall be on a market-based basis and shall depend on the outcome of predetermined financial and individual targets. The terms and calculation for variable salary shall be fixed for each year of operation.

The Remuneration Committee considers that the application of the guidelines for remuneration to senior executives has been correct and no deviation from the agreed guidelines is deemed to have taken place.

The Remuneration Committee may conclude that the benefits paid are well in accordance with the principles agreed and meet the objectives underlying them. However, the Remuneration Committee considers that there is a need for increased equity-related Incentive in the company, as reflected in the proposal for an incentive program as set out in the notice to the AGM.

The Remuneration committee also believes that there is a well-functioning process for evaluating remuneration within the company.

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*The board of directors*