

Corporate Governance Report

The Medivir Group comprises eight companies. The Parent Company of the Group is the Swedish public limited company Medivir AB, whose shares are quoted on the Nasdaq Stockholm Stock Exchange.

Good corporate governance is an essential component of Medivir's efforts to create value for its shareholders and to this end, we endeavour at all times to:

- Generate optimum conditions for active and responsible corporate governance.
- Achieve a well-balanced division of responsibility between owners, the Board of Directors, and the company management.
- Maintain a high level of transparency in relationships with owners, the capital market, employees and society at large.



The above chart illustrates Medivir's corporate governance model and the way in which the central bodies function. The model reflects the situation as of 31 December 2014.

External regulations

As a Swedish public limited company with securities quoted on the Nasdaq Stockholm Stock Exchange, Medivir is obliged to comply with a variety of different regulations that impact on the company's governance.

The most important external regulations include:

- The Swedish Companies Act.
- Accounting regulations.
- The Nasdaq Stockholm Stock Exchange's Rules for Issuers.
- The Swedish Code of Corporate Governance.

Regulatory compliance

There were no breaches of applicable stock market regulations in 2014 and Medivir's operations have been conducted in accordance with good stock market practice.

Compliance with the Swedish Code of Corporate Governance

Medivir has applied the Swedish Code of Corporate Governance since 1 July 2008 and has undertaken to follow best practice, wherever possible, with regard to corporate governance. Medivir has not deviated from any of the regulations specified in the Code. The Code can be viewed on the website of the Swedish Corporate Governance Board, which is responsible for the administration of the Code (www.bolagsstyrning.se).

Internal regulations

Medivir has also established internal regulations in order to comply with legislative and regulatory provisions and with the high ethical standards that we have set for ourselves. These regulations include:

- The Articles of Association.
- The Board of Directors' Rules of Procedure and the CEO Instructions.
- The Board Committees' Rules of Procedure.
- Guidelines for remuneration to senior executives.
- The Financial Policy.
- The Information Policy.
- The IT Policy.
- The Accounting and HR Manual.
- The Code of Conduct.

Significant events in 2014

- A new Board of Directors was appointed at the 2014 Annual General Meeting of the company's shareholders through the re-election of Björn C Andersson, Anders Hallberg, Anna Malm Bernsten and Birgitta Stymne Göransson (Chairman) and the new election of Anders Ekblom, Niklas Prager and Bertil Samuelsson.
- Maris Hartmanis left Medivir on 1 September after approximately three years as its President & CEO.
- Niklas Prager took over as the new President & CEO on 1 September at which time he also resigned his seats on the Board of Directors and various committees within Medivir.

Decision-making at shareholders' meetings

Medivir's shareholders exercise their right of decision at the Annual General Meeting and any Extraordinary General Meetings. Class A shares carry ten votes, while class B shares carry one vote. Most of the decisions at the shareholders' meetings are taken with a simple majority. In some cases, however, the Swedish Companies Act prescribes that decisions shall be taken by a qualified majority.

Annual General Meeting

Shareholders exercise their control over the company at the Annual General Meeting or, if called, at Extraordinary General Meetings, which constitute Medivir's supreme decision-making body. The Annual General Meeting shall be held within six months of the end of the financial year. The items on the agenda of the Annual General Meeting for resolution shall include the election of the Board of Directors and the Chairman of the Board, the appointment of auditors, the adoption of Income Statements and Balance Sheets, the appropriation of the company's unappropriated earnings, and the discharge from liability for the Members of the Board and the CEO, the Nomination Committee and its work, and guidelines on remuneration for senior executives. Details of the company's previous Annual General Meetings can be found on Medivir's website, which also includes information on shareholders' entitlement to raise matters for consideration at the Annual General Meeting, and on when such requests for consideration should be received by Medivir.

2014 Annual General Meeting

The 2014 Annual General Meeting was held on 8 May 2014. 155 (72) shareholders attended the Meeting, either in person or through proxies, representing approximately 54.5 per cent (40.9%) of the votes. Attorney at Law, Erik Sjöman, was elected Chairman of the Meeting. All Members of the Board elected by the Meeting were present. The Minutes of the Meeting are available on Medivir's website, www.medivir.se. The matters resolved by the Meeting included:

- The re-election of Board Members Björn C Andersson, Anders Hallberg, Anna Malm Bernsten and Birgitta Stymne Göransson. The new election of three Board Members, namely Anders Ekblom, Niklas Prager and Bertil Samuelsson. Birgitta Stymne Göransson was elected Chairman of the Board.
- SEK 20,000 shall, over and above their ordinary fee, be payable to Board Members resident outside Europe for every physical Board Meeting attended, up to an annual cap of SEK 100,000 per Member.
- The Auditor's fee for the period until the next Annual General Meeting shall, as before, be payable upon account.
- Guidelines for remuneration to senior executives.
- Procedures for the appointment of the Nomination Committee and its work.
- The Directors' fees for the period until the next Annual General Meeting were maximised at SEK 2,530,000, divided between them as follows:

Chairman	500,000
Six Members (SEK 230,000 each)	1,380,000
Audit Committee (convening: SEK 80,000); two members (SEK 65,000 each)	210,000
Remuneration Committee (convening: SEK 65,000); two members (SEK 50,000 each)	165,000
R&D Committee (convening: SEK 80,000); three members (SEK 65,000 each)	275,000
Total	2,530,000

- Authorisation of the Board of Directors on one or more occasions before the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, to approve the new issue of class B shares in a number that shall not, collectively, exceed 10 per cent of the total number of class B shares outstanding after utilisation of the authorisation.¹⁾
- The adoption of a long-term incentive plan for the employees of Medivir and the authorisation of the Board to issue warrants as a hedging measure for the long-term incentive plan.

1) The authorisation was not utilised in 2014.

2015 Annual General Meeting

Medivir's 2015 Annual General Meeting will be held at 14.00 (CET) on 5 May at the "IVAs Konferenscenter" facility at Grev Turegatan 16 in Stockholm. Shareholders wishing to raise a matter for consideration by the Annual General Meeting must submit a written request to the Board of Directors in good time prior to the Meeting. For further information, see Medivir's website, www.medivir.se

Nomination Committee

The Nomination Committee procedure adopted at the 2014 Annual General Meeting means that the Chairman of the Board shall contact the three biggest shareholders in terms of the number of votes at the end of the third quarter of the year and offer them the opportunity to each appoint a representative to the Nomination Committee. If any of these shareholders waive their right to appoint a representative, the right shall pass to the shareholder with the next largest shareholding after these shareholders. The Chairman of the Board shall, in accordance with the procedure, also be a member of the Nomination Committee. The Nomination Committee members shall jointly elect a Chairman to lead the work of the Committee.

The Nomination Committee shall draw up proposals for the nomination and remuneration of the Board of Directors, the Chairman of the Board and, where relevant, auditors. It shall, furthermore, develop methods of appointing the Nomination Committee and its Chairman. The findings of the Nomination Committee shall be submitted to the Annual General Meeting for adoption. Shareholders may submit proposals to the Nomination Committee by means including emails to valberedning@medivir.se

The names of the shareholder representatives who make up the Nomination Committee shall be published no later than six months before the Annual General Meeting.

Members of the Nomination Committee

The current Nomination Committee comprises the Chairman of the Board and three members appointed by the three shareholders with the largest shareholdings on 30 September 2014:

Nomination Committee ahead of the 2015 AGM

Name	Representing	Proportion of votes, %, on 30 Sept. 2014
Bo Öberg	Class A shareholders	18.7
Maria Rengefors	Nordea Fonder	4.56
Anders Algotsson	AFA Försäkring	4.4
Birgitta Stymne Göransson	Medivir's Board of Directors	0
Total		27.66

Nomination Committee duties

The duties of the Nomination Committee have changed over the years in order to comply with the requirements of the Swedish Code of Corporate Governance. The primary duty of the Nomination Committee continues, however, to be to propose candidates for election to the Board of Directors. The Nomination Committee must, in order to ensure its ability to evaluate the expertise and experience required of the Board Members, keep itself informed of the Group's strategy and the challenges it will face in the years ahead.

The Nomination Committee must also take into consideration all applicable rules governing the independence of the Members of the Board. The Nomination Committee shall also draw up proposals for resolution by the Annual General Meeting regarding the remuneration and fees payable to:

- Members of the Board who are not employed by the company and who are elected by the Annual General Meeting.
- The Auditor.
- The members of the Nomination Committee.

The Nomination Committee has not, to date, proposed the payment of any remuneration to its members. The Nomination Committee proposes candidate auditors in consultation with the Board's Audit Committee. The Nomination Committee is also tasked with proposing a candidate for election as Chairman of the Annual General Meeting.

The work of the Nomination Committee ahead of the 2015 Annual General Meeting

The work of the Nomination Committee begins with a review of a checklist detailing all of the duties of the Nomination

Committee as prescribed by the Swedish Code of Corporate Governance and by the Nomination Committee's Rules of Procedure as adopted by the Annual General Meeting. A timetable is also set for the work to be carried out. A good understanding of Medivir's operations is vital in enabling the members of the Nomination Committee to carry out their duties.

The Chairman of the Board is responsible for the annual appraisal of the work of the Board of Directors, including the efforts of the individual Members of the Board. The Nomination Committee has been informed of the results of these appraisals, including the appraisal of the Chairman of the Board. The Nomination Committee is able, on the basis of this information, to adjudge the expertise and experience required on the part of the Members of the Board.

The Nomination Committee has also studied the Group's and Audit Committee's appraisals of the quality and efficiency of the Auditor's work, including recommendations for auditors and audit fees.

The Nomination Committee has held five meetings, at which all members were present, by 17 February 2015. The Nomination Committee's full proposal for the 2015 Annual General Meeting was published in conjunction with the issue of the notice convening the Annual General Meeting.

Attendance by Members of the Board at meetings held in 2014¹⁾

Members elected by the AGM	Elected	Born	Board Meetings, Attendance/total number of Board Meetings	Remuneration Committee, Attendance/ total number of Committee meetings	Audit Committee, Attendance/total number of Committee meetings	R&D Committee, Attendance/total number of Committee meetings
Björn C Andersson	2008	1946	14 of 14		7 of 7	
Rolf Classon ²⁾	2012	1945	3 of 4		2 of 3	
Anders Ekblom ³⁾	2014	1954	10 of 10	2 of 2		2 of 2
Anders Hallberg ⁴⁾	2012	1945	14 of 14			2 of 2
Ingemar Kihlström ²⁾	2008	1952	3 of 4	3 of 3		
Anna Malm Bernsten	2006	1961	12 of 14	5 of 5	7 of 7	
Göran Pettersson ²⁾	2008	1945	4 of 4			
Niklas Prager ^{3,5)}	2014	1970	4 of 6		1 of 1	
Bertil Samuelsson ^{3,4)}	2014	1950	10 of 10			2 of 2
Birgitta Stymne Göransson, Chairman	2013	1957	14 of 14		3 of 3	2 of 2
Bo Öberg ^{2,6)}	2013	1939	4 of 4			
Members elected by the local trade union organisations						
Susana Ayesa Alvarez	2013	1970	14 of 14			
Christian Sund	2013	1958	14 of 14			
Stina Lundgren, Deputy Member	2013	1979	10 of 14			
Veronica Werlinder, Deputy Member	2013	1966	13 of 14			

1) Members prevented from attending a Board Meeting have been afforded the opportunity to submit their views to the Chairman before the Meeting.

2) Resigned at the 2014 AGM.

3) Appointed at the 2014 AGM.

4) Independent in relation to the company's major shareholders but not independent in relation to the company and the company management.

5) Left the Board on 31 August 2014.

6) Not independent in relation either to the company and the company management or to the company's major shareholders.

Duties and work of the Board of Directors

The primary duty of the Board of Directors is to manage the Group's operations on behalf of the owners in such a way that the owners' interests, in terms of a long-term healthy return on capital invested, are optimally protected. The work of the Board is regulated by means of, amongst other things, the Swedish Companies Act, the Swedish Code of Corporate Governance, the Articles of Association, and the Rules of Procedure adopted by the Board for its work. Medivir's Articles of Association are available on the company's website. The Board of Directors manages and decides on Group-wide issues such as:

- Strategic orientation and significant objectives.
- Significant issues in relation to the optimisation of capital structure, investment, acquisitions and divestments.
- Following up and monitoring of operations, information provision and organisational issues, including appraisals of the Group's executive management.
- Appointment and, when required, dismissal of the company's CEO.
- Overall responsibility for setting up efficient systems for internal monitoring and risk management.
- Significant policies.

The composition of the Board of Directors

The Board of Directors shall, in accordance with the Articles of Association, comprise a minimum of three and a maximum of ten Members and a maximum of two Deputy Members. The Members shall serve from the end of the Annual General Meeting at which they were elected until the end of the next Annual General Meeting. There is no limit on the number of consecutive periods during which a person may be a Member of the Board. The CEO may be elected to the Board but under the provisions of the Swedish Companies Act, a CEO of a public limited company may not be appointed Chairman of the Board of a company in which he or she is active. The Board of Directors elected by the shareholders at the 2014 Annual General Meeting for the period until the end of the 2015 Annual General Meeting comprised seven Members of the Board and no Deputy Members, including the Chairman of the Board. The Board also includes two Members elected by the local trade union organisations, each with their own Deputy Members.

Neither the CEO, the CFO or the Secretary to the Board are Members of the Board, but do, however, attend the Board Meetings with the exception of agenda items where a conflict of interest may arise or when it is otherwise inappropriate for them to be present, e.g. in conjunction with the appraisal of the work of the CEO.

See pages 48-49 for a presentation of the Members of the Board.

Independence

Several different types of independence requirement apply to the Board of Directors and its Committees. Medivir applies independence requirements taken from applicable Swedish legislation, the Swedish Code of Corporate Governance, and the rules of the Nasdaq Stockholm Stock Exchange.

The Nomination Committee evaluates the Board's independence ahead of the Annual General Meeting. The Board has been adjudged to fulfil the applicable requirements for independence. The evaluation of each Member of the Board's independence is presented in the table above. Anders Hallberg and Bertil Samuelsson have been adjudged to be independent in relation to the company's major shareholders, but not independent in relation to the company and the company's management. Anders Hallberg and Bertil Samuelsson are part of a consortium of people who, under the terms of an agreement with Medivir, are entitled to receive certain royalty payments on products that the company has developed, based on patented inventions previously acquired from the consortium.

Rules of Procedure and Board Meetings

The Board of Directors adopts written Rules of Procedure every year in accordance with the provisions of the Swedish Companies Act, clarifying the duties of the Board and regulating the division of labour of the Board and its Committees, including the role of the Chairman, the decision-making process within the Board, the Board's schedule of meetings, notices convening Board meetings, agendas and minutes. The Rules of Procedure also regulate the ways in which the Board shall receive information and documentation in order to ensure its ability to take well-founded decisions. The Board of Directors also adopts written instructions for the Chief Executive Officer each year, clarifying the CEO's responsibility for the ongoing administration, methods of reporting to the Board, the requirement for internal control instruments, and other matters requiring a decision by the Board or which must be reported to the Board.

The Rules of Procedure require an inaugural Board Meeting to be held immediately after the Annual General Meeting. The Board normally also holds a minimum of six further Meetings each year. Four of these Meetings are held in conjunction with the publication of the Group's annual and interim financial reports. At least one of the Meetings deals with the research portfolio and at least one deals with specific strategic issues. The budget and economic outlook are addressed during the final Meeting of each calendar year. Additional Meetings, including telephone conferences, are held as required.

The duties of the Chairman of the Board

The Chairman of the Board is responsible for ensuring that the work of the Board is well-organised, conducted efficiently, and that the Board fulfils its obligations. The Chairman monitors company operations in dialogue with the CEO and is also responsible for ensuring that other Board Members receive the information and documentation required to enable a high standard of discussion and decision-making, and for monitoring the implementation of the Board's decisions. The Chairman is, furthermore, responsible for conducting an annual appraisal of the Board's work and for ensuring that the Nomination Committee is provided with the results of the appraisals. The Chairman represents Medivir on ownership issues.

The work of the Board of Directors in 2014

The Board of Directors has held 14 minuted Meetings in 2014. The attendance of the individual Members of the Board at these Meetings is shown in the table on page 42. All of the Meetings during the year have followed an approved agenda which, together with the documentation for every item on the agenda, was supplied to the Members before the relevant Board Meeting. An ordinary Board Meeting usually lasts for half a day in order to ensure sufficient time for presentations and discussions. An appointed Attorney-at-Law has acted as Secretary at the majority of Board Meetings. The CEO and CFO participate in the majority of Board Meetings. Reviews of the current business position, the Group's results and financial position, and the outlook for the rest of the year are conducted at every ordinary Board Meeting. A member of the Group's management group will usually also review a relevant strategic issue. Reports on the work of the Committees are usually also presented at each Board Meeting by the Chairmen of the respective Committees. The work of the Board during the year has largely focused on:

- Interim Reports, the full-year financial statement, and the annual accounts.
- Financial performance, optimisation of the Group's capital structure.
- Development of the project portfolio.
- Partnerships and collaborations.
- Strategic orientation.
- Recruitment of a new CEO.

Board Committees

There are three consultative committees within the Board of Directors: the Remuneration Committee, the Audit Committee, and the R&D Committee.

The Remuneration Committee

The 2014 Remuneration Committee comprised Anna Malm Bernsten (Chairman), Anders Ekblom (September-December), Ingemar Kihlström (January-May) and Niklas Prager (May-August). The Committee advises the Board of Directors and has no independent right of decision.

The primary duty of the Remuneration Committee is to represent the Board of Directors on issues relating to remuneration and employment terms for the CEO and senior executives who report directly to the CEO, based on remuneration and employment terms for the CEO and other senior executives adopted by the Annual General Meeting. The Committee reports continuously on its work to the Board of Directors.

The Remuneration Committee has held five minuted Meetings in 2014. The attendance of individual Board Members is shown in the table on page 42. The Committee has also held a number of consultations by telephone and email. The Committee has largely focused on:

- Reviews of proposals regarding salaries and remuneration for the CEO and other senior executives.
- Reviews of proposals for a programme for short-term performance-related pay.

- Reviews of proposals for a programme for long-term performance-related pay.

The Audit Committee

The 2014 Audit Committee has comprised Björn C Andersson (Chairman), Anna Malm Bernsten, Rolf Classon (January-May), Niklas Prager (May-August) and Birgitta Stymne Göransson (January-May). The members are independent and have audit competence. The Committee advises the Board of Directors and has no independent right of decision.

The primary duty of the Audit Committee is to support the Board of Directors in its work with Medivir's risk management, governance and internal control, and to quality assure the financial reporting. The Committee considers significant auditing issues that affect the Group and meets on an ongoing basis with Medivir's auditors and evaluates the audit process. The Committee also assists the Nomination Committee in the production of proposals for auditors and the fees payable to auditors, and approves the supplementary services that the company may purchase from its external auditors. The Chairman of the Audit Committee is responsible for ensuring that the entire Board of Directors is kept continuously informed of the work of the Committee and, when necessary, submits matters to the Board for decision.

The Audit Committee has held seven minuted meetings in 2014. The attendance of the respective Board Members is shown in the table on page 42. The CEO and CFO have attended all meetings. The Committee has largely focused on:

- The scope and accuracy of the year-end financial statement.
- Reviews of the company's risk management, governance and internal controls.
- Significant audit issues.
- Reviews of reports from the company's Auditor elected by the Annual General Meeting, including the Auditor's audit plan.

The R&D Committee

The 2014 R&D Committee has comprised Anders Hallberg (Chairman), Anders Ekblom (May-December), Bertil Samuelsson (May-December), Birgitta Stymne Göransson (May-December) and Bo Öberg (January-May). The Committee's meetings were also attended by Board Member, Susana Ayesa Alvarez. The Committee is an advisory one and has no independent right of decision.

The primary duties of the R&D Committee are to review and evaluate the R&D portfolio and to provide the Board with supporting data ahead of decisions on the strategic orientation of the R&D portfolio. The R&D Committee also has an advisory role in relation to the company management with regard to specific scientific matters.

The R&D Committee has held two minuted meetings in 2014. A number of physical, non-minuted working meetings and telephone conferences have also been held during the year. The attendance of the respective Board Members is shown in the table on page 42. The Committee has largely focused on 6-monthly reviews and evaluations of the R&D portfolio.

The Group management

The Board appoints the CEO and, where necessary, the Deputy CEO. The CEO leads the work of the Group management and is, together with the Group management, responsible for ensuring that the operating activities are conducted in accordance with the provisions of the Swedish Companies Act, other legislation and regulations, applicable regulations for listed companies, the Articles of Association, and the CEO's Instructions. In 2014, the Group management, including the CEO, comprised eight people (two women and six men). The Group management has a broad composition of individuals with in-depth and extensive experience of research and development, the marketing and sale of pharmaceuticals, and the requisite expertise in accounting, finance and communication. For a presentation of the Group management, see page 47.

The role of the Group management is to:

- Set goals, allocate resources, and follow up on the operating units' results.
- Produce information and documentation as support data that enables the Board to take well-founded decisions.
- Goals are updated for the year ahead on the basis of the annual strategic work. Goals are communicated throughout the organisation. The goals are a management tool used to adapt the goals of the operating units and employees in line with the company's goals and to monitor goal fulfilment and identified risks.

Election of Auditors

The duties of the Nomination Committee include proposing an auditor to the Annual General Meeting.

Öhrlings PricewaterhouseCoopers AB (PwC) was appointed as the company's external auditors for a one-year period up to and including the 2015 Annual General Meeting. Authorised Public Accountant, Hans Jönsson, is the Auditor-in-Charge for Medivir.

- The auditors work to an audit plan and report their observations on a rolling basis to the Audit Committee and the Board, both during the course of the audit and in conjunction with the preparation of the annual accounts.
- The auditors review one interim report and the annual financial statement in order to assess their accuracy, completeness and the correspondence of the accounts with generally accepted accounting practice and relevant accounting principles.

- The Auditor-in-Charge attends the Annual General Meeting at which he or she presents details of the audit work and observations made.

When additional services are requested from PwC over and above the audit engagement, such as consultancy on tax issues and on a range of different accounting and financial issues, such services are provided only to the extent that is compatible with the provisions of the Swedish Audit Act and the professional ethics guidelines issued by FAR (Sweden's professional institute for authorised public accountants) with regard to the impartiality and independence of auditors.

Remuneration to the Board of Directors and senior executives

Remuneration principles

Remuneration principles for senior executives of Medivir are determined by the Annual General Meeting. The term, senior executives, refers to the CEO and other members of the management group. The Nomination Committee's proposed guidelines for remuneration to senior executives were adopted at the 2014 Annual General Meeting. These guidelines are essentially consistent with the principles previously applied. The guidelines mean, in effect, that the company shall offer a competitive total remuneration package that enables the recruitment and retention of qualified senior executives. Remuneration for senior executives may comprise a fixed salary, performance-related pay, share incentive plans approved by the Annual General Meeting, pensions and other benefits. The fixed salary shall take into account the individual's areas of responsibility and experience. Performance-related pay paid in cash may total a maximum of 50 per cent of the annual fixed salary. Performance-related pay shall be linked to predetermined and quantifiable criteria, structured with the aim of promoting the company's long-term value creation.

For additional information on remuneration, see Note 5 on page 68.

Medivir has complied, in 2014, with the remuneration principles for senior executives approved by the Annual General Meeting and the principles proposed for submission to the 2015 Annual General Meeting are the same as those previously applied. See page 33 for the Board's full proposal to the 2015 Annual General Meeting.

Remuneration to senior executives (SEK k)^{1,2,3)}

Function	Year	Fixed salary	Performance-related pay	Benefits	Severance pay	Total	Pension	Total, incl. pension
CEO, Niklas Prager ¹⁾	2014	1,279	580	3	–	1,862	298	2,160
CEO, Maris Hartmanis ²⁾	2014	2,496	–	88	4,646	7,230	826	8,056
CEO, Maris Hartmanis	2013	3,462	1,321	98	–	4,881	1,218	6,099
Other senior executives ³⁾	2014	10,811	2,394	506	5,459	19,170	2,193	21,363
	2013	9,133	1,982	433	1,104	12,653	2,053	14,706
Total	2014	14,586	2,974	597	10,105	28,262	3,317	31,579
	2013	12,595	3,303	531	1,104	17,534	3,271	20,805

1) Niklas Prager took over as President & CEO on 1 September 2014, succeeding Maris Hartmanis.

2) Severance pay refers to remuneration in conjunction with contractual cessation of employment, see Note 5.

3) At the beginning of 2013, the management group, including the CEO, comprised 7 people. At the end of the year, it comprised 8 people. Restructuring decisions were taken by the Board of Directors in 2014 and the number of other senior executives will consequently be reduced in 2015 from 7 to 5.

Directors' fees (SEK k) ^{1, 8)}

Name	Function	Director's fees		Audit Committee		Remuneration Committee		R&D Committee		Total	
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Björn C Andersson	Member	230	210	80	80	–	–	–	–	310	290
Rolf Classon	Member	–	210	–	65	–	–	–	–	–	275
Anders Hallberg ³⁾	Member	230	210	–	–	–	–	80	65	310	275
Ingemar Kihlström	Member	–	210	–	–	–	50	–	80	–	340
Anna Malm Bernsten ²⁾	Member	230	210	65	65	65	65	–	–	360	340
Göran Pettersson	Chairman, 2013	–	470	–	–	–	–	–	65	–	535
Niklas Prager ⁵⁾	Member	77	–	22	–	17	–	–	–	115	–
Birgitta Stymne Göransson ⁶⁾	Chairman, 2014 Member, 2013	500	210	–	65	–	–	65	–	565	275
Bo Öberg ⁴⁾	Member	–	175	–	–	–	–	–	65	–	240
Anders Ekblom ⁷⁾	Member	230	–	–	–	33	–	65	–	328	–
Bertil Samuelsson ¹⁾	Member	115	–	–	–	–	–	32	–	147	–
Total		1,612	1,905	167	275	115	115	242	275	2,136	2,570

- 1) Reduction in Directors' fees and Committee Members' fees by 6/12 parts (SEK 147,500) due to employment with a salary of SEK 309,000 for the period from May to October 2014. Pursuant to an earlier agreement, royalties have, in addition to Directors' fees, been paid in the sum of SEK 24,158,000 in 2014 (-). Other remuneration paid in accordance with earlier agreements comprises travel expenses totalling SEK 60,000.
- 2) Consultancy fees, approved by the Board of Directors, have, in addition to Directors' fees, been paid to Bernsten Konsult AB in the sum of SEK 41,000 (SEK 72,000).
- 3) Pursuant to an earlier agreement, royalties have, in addition to Directors' fees, been paid to Hallbechem AB in the sum of SEK 11,057,000 (SEK 1,903,000) in 2014.
- 4) Reduction in the Directors' fees by 2/12 parts due to employment with a salary of SEK 108,000 for the period from May to June 2013.
- 5) Reduction in Directors' fees and Committee Members' fees by 8/12 parts (SEK 230,000) in that the appointment as President & CEO dated from 1 September 2014. Other remuneration paid pursuant to earlier agreements (May-August) comprises salaries and company car benefits comprising SEK 194,500 and consultancy fees comprising SEK 60,000 (-), as approved by the Board of Directors, paid to Altoni AB.
- 6) Consultancy fees (jan-apr), approved by the Board of Directors, have, in addition to Directors' fees, been paid in the sum of SEK 150,000 (-).
- 7) Reduction in Committee Members' fees by 4/12 parts as Anders Ekblom replaced Niklas Prager on the Remuneration Committee as of 1 September 2014.
- 8) The table refers to Directors' fees during the period from May 2014 to April 2015 (2014) and from May 2013 to April 2014 (2013) and are shown in SEK k. Fees to the Members of the Board elected by the Annual General Meeting are proposed by the Nomination Committee and approved by the Annual General Meeting. Directors' fees for 2013 and 2014 are shown in the table above, where travel expenses are excluded. Differences exist between the maximum fees approved by the Annual General Meeting and the actual fees, due to the reductions effected for certain Members (see notes 1-7 above).

Long-term incentive plans

The purpose of long-term incentive plans is to generate the conditions for retaining and recruiting competent personnel to the Group and promote employee shareholding in the company, so as to encourage continued company loyalty by combining the interests of the shareholders and the employees. The 2013 and 2014 Annual General Meetings accordingly each approved a three-year share saving plan, LTI 2013 and LTI 2014. Medivir believes that the plans will have a positive effect on the Group's further development and that LTI 2013 and LTI 2014 are, therefore, to the benefit of both the shareholders and the company. The Board intends to propose to the 2015 Annual General Meeting that it approves a third year plan which, in every significant respect, has the same structure as that of the previous two plans.

The Board intends to conduct an evaluation of the plans that focuses on the above-mentioned objectives and which systematically analyses the results achieved. The goal of the evaluation will be to determine whether the plans have fulfilled their stated objectives, and will also include a review of the results and costs of the plans.

Remuneration to senior executives

The term, senior executives, refers to the CEO and other members of the management group. Medivir gathers and evaluates information on competitive remuneration levels for relevant sectors and markets on a rolling basis. Remuneration payments in 2014 and 2013 are shown in the table on page 45.

Remuneration to the Board of Directors

The Director's fee payable to the Members of the Board of Medivir is determined by the Annual General Meeting in line with proposals by the Nomination Committee. Fees and remunerations in 2014 and 2013 are shown in the table above.

Auditors' fees

Fees for auditing Medivir's accounts are determined by the Annual General Meeting in line with proposals by the Nomination Committee. Auditors' fees in 2014 and 2013 are shown in the table below.

Auditors' fees (SEK k)

	2014	2013
PwC		
Audit engagement	1,294	1,047
Auditing services over and above the audit engagement	454	259
Tax advice	457	845
Other services	516	912
Subtotal	2,721	3,063
EY		
Audit engagement	33	36
Auditing services over and above the audit engagement	–	–
Other services	100	–
Subtotal	133	36
Total	2,854	3,099