

The board of directors' proposal regarding resolution on guidelines for remuneration to the executive management (item 17)

The board of directors proposes that the annual general meeting resolves to approve the board of directors' proposal concerning principles and guidelines for the remuneration of the company's executive management in accordance with what is stated below.

The executive management of Orexo falls within the provisions of these guidelines. Executive management refers to board members, the CEO and other members of the executive management, which comprised six persons by the end of 2025. The guidelines are forwardlooking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2026. These guidelines do not apply to any remuneration decided or approved by the general meeting.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

The company's business strategy is the following.

Orexo's business strategy aims to leverage the company's leading position in the development of intranasal, powder based pharmaceuticals. At the core of the business is the proprietary formulation technology AmorphOX®, which improves the bioavailability and stability of both small and large molecules. The technology enables new and more effective solutions for route of administration, manufacturing, and distribution.

The strategy focuses on advancing proprietary developed projects toward defined value inflection point, with the objective of attracting partnerships for continued development and commercialization. At the same time, the technology is being expanded into new areas of application, particularly within peptides and vaccines, and made available to other pharmaceutical companies for use in their own development programs. The strategy is designed to enable scalable growth and strengthen Orexo's position in innovative drug delivery.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the executive management a competitive total remuneration.

Long-term share-related incentive plans have been implemented in the company. Such plans have been resolved by the general meeting and are therefore excluded from these guidelines.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.

Orexo shall offer terms of employment that are in line with market rates so that the company can recruit and retain skilled personnel. Remuneration to the executive management shall comprise a fixed salary, variable remuneration, long-term incentive programs, pensions and other customary benefits. Remuneration is based on the individual's commitment and performance in relation to

previously established goals, both individual goals and goals for the entire company. Individual performance is continuously evaluated.

Fixed salary is generally reviewed on an annual basis and shall be based on the qualitative performance of the individual. The fixed salary of the executive management shall be in line with market conditions.

The executive management may be offered cash bonuses. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. Variable remuneration shall take into account the individual's level of responsibility and degree of influence. The size of variable remuneration is based on the percentage of predetermined and measurable criteria which can be financial or non-financial. They may also be individualized, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promoting the executive's long-term development. To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation of the variable cash remuneration to the CEO and the other executives. For financial objectives, the evaluation shall be based on the latest financial information made public by the company. The variable remuneration shall amount to a maximum of 40 percent of the annual fixed cash salary for the CEO, up to 30 percent of the annual fixed cash salary for other members of the executive management in Sweden and up to 35 percent of the annual fixed cash salary for members of the executive management employed in the US subsidiary. The majority of the variable remuneration shall be based on progress in business development, development programs and the financial results at group level. The percentage rate in relation to US employees reflects the American labor market that is requiring an increased share of variable remuneration in order to attract and retain key employees. Furthermore, the board of directors shall have the option of allocating further variable non-recurring remuneration to the management when the board deems it to be appropriate. Such allocation of non-recurring remuneration may, after consolidation with other variable remuneration, amount to a maximum of 70 percent of the annual fixed cash salary.

The CEO and the other members of the executive management are covered by defined contribution pension plans, including health insurance (Sw. sjukförsäkring). Variable cash remuneration shall not qualify for pension benefits except to the extent required by mandatory collective agreement provisions applicable to the executive. The pension premiums paid by the company to the CEO amount to 20 percent of the annual fixed cash salary and amount to not more than 25 percent of the annual fixed cash salary for other members of the executive management team.

The employment agreement with the CEO may be terminated with six months' notice. Employment agreements with the other members of the executive management may be terminated with a notice of between zero and six months. The CEO is entitled to severance pay equivalent to six months' salary if employment is terminated by the company. The other members of the executive management are entitled to severance pay equivalent to between 3 and 6 months' salary if employment is terminated by the company. Upon notice from the executive, there is no right to severance pay.

In addition, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration shall be based on the fixed cash salary at the time of termination of employment and be paid during the time the non-compete undertaking applies, however not for more than 12 months following termination of employment.

Executives may be awarded customary other benefits, such as company car and travel between the place of residence and the workplace. Such other benefits may amount to not more than 20 percent of the fixed annual cash salary.

The board is entitled, if it assesses that this is warranted in an individual case, to assign company work to a board member over and above the board assignment, in which case the board member may be granted reasonable remuneration.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines. Executives who are expatriates to or from Sweden may receive additional remuneration and other benefits to the extent reasonable in light of the special circumstances associated with the expat arrangement, taking into account, to the extent possible, the overall purpose of these guidelines. Such benefits may not in total exceed 30 percent of the fixed annual cash salary.

Salary and employment conditions for employees

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The board of directors has established a remuneration committee. The committee's tasks include preparing the board of directors' decision to propose guidelines for executive remuneration. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting.

The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the remuneration committee are independent of the company and its executive management. The CEO and other members of the executive management do not participate in the board of directors' processing of and resolutions regarding remuneration related matters in so far as they are affected by such matters.

Derogation from the guidelines

The board of directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the board of directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Description of significant changes to the guidelines and shareholders' comments

In relation to the current guidelines, adopted by the 2022 annual general meeting, the proposal to the 2026 annual general meeting entails editorial adjustments and adaptations to current operations.

The board has not received any comments from shareholders regarding the guidelines for remuneration to senior executives.