



Approved by Board of Directors  
September 1, 2016

## Antares Pharma, Inc. Compensation Philosophy Statement

**Antares** prides itself in its specialty pharmaceutical products and innovative technologies for delivering drugs across the skin. The success of **Antares** depends upon a group of highly qualified employees dedicated to the smooth operation and strong performance of the Company. Competent and motivated employees greatly enhance **Antares'** ability to produce superior products and be a leader within its industry. The main focus of the Compensation Philosophy is to increase stockholder value for stockholders of **Antares**. In addition, Senior Management<sup>1</sup> of the Company run the business from the perspective of stockholders with an equity stake in **Antares**.

In order to accomplish its goals and to ensure that the compensation program is consistent with its direction, stated mission, and goals, **Antares** commits to the following philosophy statements:

1. **Antares** strives to provide competitive compensation programs that will help to attract highly qualified individuals necessary to expand our business. Once on board, our desire is to retain and motivate employees to achieve higher levels of performance and be appropriately rewarded for that effort.
2. Compensation programs which have been developed with the assistance of independent compensation consultants, are intended to emphasize a “pay-for-performance” philosophy, in which an individual’s future monetary growth and career advancement are dependent upon the individual’s level of responsibility and ability to influence Company performance, individual and Company performance, while supporting Company goals, with a view toward increasing stockholder value. If the individual or the Company does not meet its objectives, or falls short, the awards may be reduced.
3. There are three (3) basic components to the Company’s “pay-for-performance” philosophy including base salary, annual incentive/bonus, and longer-term incentive compensation. Each component addresses individual and Company performance, competitive conditions, and **Antares'** overall financial performance.

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<sup>1</sup> Senior Management includes the Chief Executive Officer and all direct reports to this position.

4. Base salary will be targeted at the fiftieth percentile of the relevant competitive marketplaces in which we compete, and we may determine to use different targets based on the individual's experience or other factors in order to remain competitive in the marketplace. The marketplace is established on a periodic basis with input from independent compensation consultants. Factors such as sector, market capitalization, revenue, and number of employees are the basis for establishing the relevant competitive marketplace. Our goal is to attract the most qualified applicants to fuel the growth of the Company. Future salary increases will be based on an individual's evaluated performance against pre-established objectives, as well as **Antares'** ability to pay.
5. One of our core beliefs is that the opportunity to earn competitive annual and longer-term incentive awards will help drive the focus of business. Competitive incentive compensation will be based upon the achievement of expected performance targets, with substantial upside potential tied to achieving superior performance. Performance goals and objectives will be developed by Senior Management and finalized by the Compensation Committee, consistent with **Antares'** identified business strategies and financial objectives.
6. For Senior Management, longer-term incentive awards will comprise a significant portion of the total compensation package, as it is necessary to link their compensation to the future growth of the Company, and to stockholder value.
7. **Antares** intends to provide a quality and supportive work environment with development opportunities and the necessary resources to enhance growth in order to attract, retain, and motivate a highly qualified and experienced staff.
8. All compensation programs will be administered without regard to race, religion, national origin, color, sex, age, disability, sexual orientation or gender identity and will adhere to all federal and state laws and regulations.
9. **Antares** intends to conduct all business in a moral and ethical fashion, and maintain the highest levels of personal conduct and professional standards.
10. The Compensation Committee, which is solely made up of independent Board members, is tasked with overseeing this Compensation Philosophy.

*All of the above has to be within **Antares'** ability to fund, based on its financial resources.*