



DURECT Corporation



DRRX NASDAQ

Pharmaceuticals - Generic / Specialty

Market Capitalization USD:

\$140.79 mm

CONCERN LEVEL: LOW

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less. 
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: James E. Brown

Age: 55

CEO Since: 1998

	2009	2010	2011
Base Salary	\$461,965	\$486,204	\$500,791
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$24,530	\$230,461	\$0
Benefits and Perquisites	\$16,798	\$18,631	\$20,247
TOTAL ANNUAL COMPENSATION	\$503,293	\$735,296	\$521,038
Increase in Post-Retirement Benefits	\$0	\$0	\$0
Stock Option Awards	\$643,682	\$428,116	\$460,404
Stock Awards	\$0	\$0	\$0
TOTAL COMPENSATION	\$1,146,975	\$1,163,412	\$981,442
Median of Other Named Executive Officers Total Compensation	\$835,919	\$834,068	\$722,699
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$0	\$0	\$0
TOTAL REALIZED EQUITY COMPENSATION	\$0	\$0	\$0

Proxy Date: 26 Apr 2012

Annual Meeting Date: 20 Jun 2012

Equity Reserves: 32.08%

Stock Option Run Rate: 4.52%

DURECT Corporation

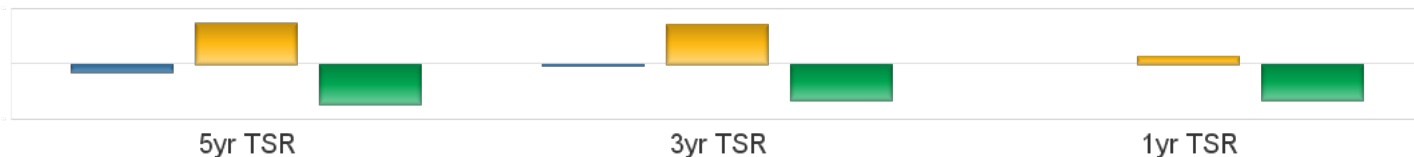
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Performance Comparison

■ S&P500 ■ Industry ■ DRRX



Peer Comparisons (TRBC) =Pharmaceuticals - Generic / Specialty

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
DRRX	DURECT Corporation	\$1,146,975	\$1,163,412	\$981,442	\$140,794,583
AVNR	Avanir Pharmaceuticals, Inc.	\$1,293,328	\$1,323,960		\$354,551,278
ENZN	Enzon Pharmaceuticals, Inc.	\$4,075,426	\$1,234,897	\$1,243,570	\$342,764,118
WNI	Schiff Nutrition International, Inc.	\$531,649	\$1,970,156		\$322,287,018
AMAG	AMAG Pharmaceuticals, Inc.	\$5,837,447	\$2,208,017	\$5,365,978	\$312,955,674
ZIOP	ZIOPHARM Oncology, Inc.	\$2,127,343	\$1,248,704	\$1,066,332	\$301,652,859
DEPO	DepoMed, Inc.	\$960,154	\$1,129,636	\$3,274,307	\$298,959,757

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps.

Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Affymax, Alexza Pharmaceuticals, Cytokinetics, Depomed, Dyax, Dynavax Technologies, Ligand Pharmaceuticals, Maxygen, Neurocrine Biosciences, Pain Therapeutics, Pozen, Sangamo, Vical, and Xenoport.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Armand P. Neukermans	Chairman	71	Male	11	Outside Related
David R. Hoffmann	Member	67	Male	10	Outside Related
Jon S. Saxe	Member	75	Male	9	Outside
Michael D. Casey	Member	66	Male	8	Outside

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