

## **THE BOARD OF DIRECTORS' REPORT ON THE REMUNERATION COMMITTEE'S EVALUATION OF REMUNERATION TO SENIOR MANAGEMENT, ETC.**

The Board of Directors of Oncopeptides AB (publ) ("Oncopeptides" or the "Company") has established a remuneration committee which, since the inaugural meeting on 21 May 2019, consists of the chairman Per Wold-Olsen, Jonas Brambeck and Per Samuelsson. The remuneration committee has since that date held eight meetings at which minutes have been kept and has had informal contacts in between when necessary.

The duties of the remuneration committee include, *inter alia*, to monitor and evaluate programs for variable remuneration to senior management and the application of the guidelines for remuneration to the CEO and other senior management adopted by the annual general meeting held on 21 May 2019 (the "AGM").

As set forth in Rule 10.3 of the Swedish Corporate Governance Code (the "Code"), that is to be applied from 1 January 2020 until 31 December 2020, the Board of Directors hereby gives the following report on the results of the evaluation by the remuneration committee. The report covers the period after the AGM.

During 2019, new members of the senior management have been employed and their variable remuneration has been set above the 30 percent level resolved upon by the AGM. The reason for the deviation from the guidelines was to attract suitable candidates in an international environment on market terms. In addition to the above, the remuneration committee is of the opinion that the guidelines for remuneration to the CEO and other senior management adopted by the AGM have been applied in a correct manner, and that the guidelines have fulfilled their objectives and functioned well. Further, the remuneration committee considers the Company's remuneration structures and levels to be in the range of market practice and to be well-balanced.

Oncopeptides has four ongoing share-related incentive programs directed to senior management and other employees; "Employee option program 2016/2023", which was implemented in 2016, "Co-worker LTIP 2017", which was implemented in 2017, "Co-worker LTIP 2018", which was implemented in 2018, and "Co-worker LTIP 2019", which was implemented in 2019. The purpose of the programs is to promote the Company's long-term interests by motivating and rewarding the Company's senior management and other co-workers in line with the interest of the shareholders. The Board of Directors has evaluated the suitability and appropriateness of the programs and found that they are fulfilling their purposes.