

The Board of Directors' proposed guidelines for remuneration of senior executives

The Board of Directors proposes that the Annual General Meeting on 9 September 2020 resolves to adopt the following guidelines for remuneration to senior executives.

These guidelines shall be applied to remuneration to the Chief Executive Officer, other members of Oasmia's executive management and, where applicable, remuneration to Directors of the Board of Directors in addition to Directors fees.

The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting. These guidelines do not apply to remuneration decided by the General Meeting.

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

Successful implementation of Oasmia's business strategy and safeguarding the Company's long-term interests, including its sustainability, require the Company to recruit and retain highly qualified employees. In order to do so, the Company must offer competitive total remuneration, which these guidelines enable.

Types of remuneration

The remuneration shall be in line with market conditions and be competitive and may consist of fixed salary, variable remuneration, other customary benefits and pension. The General Meeting can also, irrespective of these guidelines, resolve on, among other things, share and share price-related remuneration.

The fixed salary shall consist of fixed cash salary. The fixed salary is to be on market terms and is determined in light of area of responsibility, expertise and performance.

In addition to the fixed salary, variable remuneration may be offered. The variable remuneration shall be linked to predetermined and measurable criteria, which can be financial or non-financial and shall be designed in such a way that they promote the Company's business strategy, long-term interests and sustainability.

Eventual variable remuneration during one and the same financial year may amount to not more than 50 percent of the fixed salary for the Chief Executive Officer. For other members of Oasmia's executive management the variable remuneration during one and the same financial year may amount to not more than 50 percent of the fixed salary. The fulfilment of criteria for payment of variable remuneration must be measurable during a period of one year.

To which extent the criteria for awarding variable remuneration have been satisfied shall be evaluated when the measurement period has ended. The remuneration committee is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the Company. Further, the Board of Directors has the right to reclaim variable remuneration that has been paid on the basis of information that later has turned out to be inaccurate and provided with a deceptive purpose.

Pension benefits, including health insurance, shall be premium defined and may not exceed 30 percent of the fixed annual salary. Variable remuneration shall not qualify for pension benefits.

Other benefits may include, for example, medical insurance, company car and wellness allowance. Where such benefits are provided, they shall be in line with market conditions and only constitute a limited part of the total remuneration. Premiums and other costs due to such benefits may amount to a maximum of 30 percent of the fixed annual salary.

For employments governed by rules other than Swedish, the components of the total remuneration may be duly adjusted for compliance with mandatory rules or local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Termination of employment and severance pay

In the event of termination of the Chief Executive Officer the mutual notice period shall be no more than 12 months. In case of termination by the Company, severance pay may be payable in an amount corresponding to a maximum of six months' salary. For other people in the executive management, the period of notice shall normally be six months if termination is initiated by the Company, and three months if termination is initiated by the employee. No special severance pay shall be paid.

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. This was made by including information on the employees' total income, the components of the remuneration and remuneration development 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.

Fees to Directors of Board of Directors

If a Director of the Board of Directors (including through a wholly-owned subsidiary) should carry out services to Oasmia in addition to the board assignment, specific fees for this can be paid out (consultancy fees), provided that such services contribute to the implementation of Oasmia business strategy and the safeguarding of Oasmia long-term interests, including its sustainability. The annual consultancy fee for a Director may not exceed the annual Directors' fee for such Director. The fee shall be in line with market practice.

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 remuneration to the senior executives. 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 senior executives, the application of the guidelines for remuneration as well as the current remuneration structures and compensation levels in Oasmia. The members of the remuneration committee are independent of Oasmia and its management. The Chief Executive Officer and the 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.

Deviation 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 Oasmia's long-term interests, including its sustainability, or to ensure Oasmia'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

Oasmia Pharmaceutical AB

Uppsala in August 2020

The Board of Directors