



Draft – Subject to AGM approval

Compensation Principles - Supervisory Board

Compensation governance

The supervisory board of ProQR Therapeutics N.V. (the "**Company**") (the "**Supervisory Board**") has established a compensation committee (the "**Compensation Committee**") from among its members. The Compensation Committee is responsible for reviewing and, if appropriate, recommending changes to the compensation of the Supervisory Board.

These compensation principles (the "**Compensation Principles**") were adopted by the Company's general meeting of shareholders on June 23, 2019 with effect from January 1, 2020 and replaces the previous Compensation Principles of the Company's Supervisory Board.

Summary Overview of Compensation Components

In compliance with the Dutch Corporate Governance Code, the compensation of the Supervisory Board is not dependent on the financial results of the Company (without prejudice to the development of the value of the equity compensation) and the Supervisory Board does not receive benefits upon termination of the Supervisory Board membership.

Fee levels

The fee levels of the members of the Supervisory Board shall have as a reference the median of the fee levels for supervisory board positions in comparable companies and are set at:

Role	Annual Fixed fee (USD)	Audit Committee (USD)	Compensation Committee (USD)	Nomination Committee (USD)
Chairman	70,000	15,000	10,000	8,000
Member	35,000	7,500	5,000	4,000

The fee levels shall be reviewed annually, taking into account developments in the International Biotechnology / Pharma sector.

Members of the Supervisory Board may be granted an annual compensation in cash as part of their annual fixed fee instead of a grant of equity awards as referred to below. In that event the value of the additional fixed fee will be set at 50% of the value of the alternative equity award. Therefore, where the overall annual grant of equity is set at an underlying value of USD 155,000 per member of the Supervisory Board, the annual fixed fee will be increased with USD 77,500.



Equity Compensation

Based on market practice within the biotechnology sector, but in deviation of the best practice provisions of the Dutch Corporate Governance Code, the members of the Supervisory Board may be granted equity awards, in accordance with these Principles.

The equity awards are granted under the terms and conditions of the Equity Incentive Plan adopted at the 2020AGM ("Equity Incentive Plan") and may consist of either grants of options to acquire ordinary shares in the capital of the Company ("Options") or grants of restricted stock units ("RSUs") (the Options and RSUs together the "Awards"), or a combination thereof.. Stock Options are conditional rights to acquire ordinary shares in the capital of the Company against an exercise price. RSUs are conditional right to receive ordinary shares in the capital of the Company.

The amount of Awards to be granted will be determined annually by the Supervisory Board and the overall annual grant is set at an underlying value of USD 155,000 per member of the Supervisory Board. The number of Awards to be granted will be based on a fair value approach (Black-Scholes).

Members of the Supervisory Board may also elect an additional equity based compensation instead of the cash component, with a value equal to the cash fee, based on a fair value approach (Black-Scholes). Supervisory Board members electing such additional equity compensation shall notify the Company in writing of such decision each year before December 31 for the following year, and shall subsequently receive such grant as per the first day of the first month after the AGM held in that following year. In case the Supervisory Board member concerned equity compensation instead of cash and this is granted in Options, the average shareprice of the 20 day period preceding such following year's AGM shall serve as the exercise price for such Option grant, and if it is granted RSUs the amount shall be determined based on the closing price on the day of such following year's AGM.

This option grant policy will apply to all members of the Supervisory Board for equity awards made on or after 1 January 2020.

Options will only deliver value to the Supervisory Board if, and to the extent, the value of the underlying stock exceeds the exercise price of the Options. The Options granted have a 10 year term following the grant date. The RSUs granted vest in quarterly tranches over a period of three years, starting for the first time on the first anniversary of the date of grant. Vesting of the Options may be subject to other conditions which are specified in the notice of grant. In the event of a change of control of the Company the vesting of Options shall be accelerated, and/or the Supervisory Board may decide to exchange, or cancel and settle in cash the outstanding Options, or the Supervisory Board may take whatever step considered appropriate with respect to the outstanding Options.. The exercise price of Options will be equal to the closing price on NASDAQ Global Market the business day preceding the date of grant, unless specified otherwise in these principles.

Each RSU gives, upon vesting, right to one ordinary share in the capital of the Company. The RSUs granted vest in quarterly tranches over a period of three years, starting for the first time on the first anniversary of the date of grant. Vesting of the RSUs may be subject to other conditions which are specified in the notice of grant. In the event of a change of control of the Company the



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Share ownership

Members of the Supervisory Board are free to acquire or dispose shares or execute vested options for their own account, provided they comply with the applicable Securities Trading Policy of the Company.

Loans

The Company does not grant any (personal) loans or guarantees to any of the members of the Supervisory Board.