



Draft – Subject to AGM approval

Compensation Principles 2016 - 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 21, 2016 with effect from January 1, 2016 and replaces the previous Compensation Principles of the Company.

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 stock options) 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 (EUR)	Audit Committee (EUR)	Compensation Committee (EUR)	Nomination Committee (EUR)
Chairman	30,000	5,000	5,000	3,000
Member	25,000	3,000	3,000	3,000

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

New appointed 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 stock options 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 option grant. Therefore, where the overall annual grant of options is set at an underlying value of USD 110,000 per member of the Supervisory Board, the annual fixed fee will be increased with USD 55,000.

Stock Option Compensation

Based on market practice within the Bio-technology sector, but in deviation of the best practice provisions of the Dutch Corporate Governance Code, the members of the Supervisory Board may be granted stock options.

The stock options are granted under the terms and conditions of the Stock Option Plan (2014 Stock Option Plan). The Stock Option Plan provides for the grant of options to acquire ordinary shares. The Supervisory Board may select members of the Supervisory Board as eligible



individuals under the Stock Option Plan and as such grant stock options to the members of the Supervisory Board. The amount of stock options to be granted will be determined annually by the Supervisory Board and the overall annual grant of options is set at an underlying value of USD 110,000 per member of the Supervisory Board. The number of stock options to be granted will be based on a fair value approach.

This option grant policy will apply to all members of the Supervisory Board for stock option grants made on or after 1 January 2016.

Stock 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 stock options granted have a 10 year life following the grant date. Generally, the stock options granted vest in four annual equal tranches of 25% starting for the first time as from the first anniversary of the date of grant. Vesting of the stock options may be subject to other conditions or in exceptional cases, stock options may vest immediately, which is specified in the notice of grant. The Supervisory Board may in the event of a change of control of the Company decide to exchange, cancel and settle in cash and/or accelerate the vesting of the outstanding stock options or the Supervisory Board may take whatever step considered appropriate with respect to the outstanding stock 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.

Share ownership

Members of the Supervisory Board are free to acquire or dispose shares or options for their own account, provided they comply with the applicable Insider 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.