

ARGEN-X N.V.

REMUNERATION AND NOMINATION COMMITTEE - TERMS OF REFERENCE

1. BACKGROUND

1.1 These terms of reference of the Remuneration and Nomination Committee (the *Terms of Reference*) have been established by the non-executive directors of the board of directors (the *Non-Executive Directors*) of arGEN-X N.V. (the *Company*) pursuant to article 4 paragraph 2 of the board rules of the Company (the *Board Rules*) on 9 July 2014.

2. DUTIES OF THE REMUNERATION AND NOMINATION COMMITTEE

2.1 The Remuneration and Nomination Committee shall have the following duties:

- (a) drafting a proposal to the Non-Executive Directors for the remuneration policy to be pursued, which policy shall be adopted by the general meeting;
- (b) recommending to the Non-Executive Directors and making a proposal for the remuneration of each director of the board of the directors of the Company (together: the *Directors*), within the limits of the remuneration policy. Such proposal shall, in any event, deal with:
 - (i) the remuneration structure; and
 - (ii) the amount of the fixed remuneration, the shares and/or options to be granted and/or other variable remuneration components, pension rights, redundancy pay and other forms of compensation to be awarded, as well as the performance criteria and their application;
- (c) preparing the remuneration report;
- (d) to be aware of and advise the board of directors of the Company (the *Board*) on any major changes in employee benefit structures throughout the Company or its subsidiaries (the *Group*);
- (e) to administer all aspects of any executive share scheme operated by or to be established by the Company including but not limited to (subject always to

the rules of that scheme and any applicable legal and stock exchange requirements):

- (i) the selection of those eligible executives of the Company and its subsidiary companies to whom options or awards should be granted;
 - (ii) the timing of any grant;
 - (iii) the numbers of shares over which options or awards are to be granted;
 - (iv) the exercise price at which options or awards are to be granted; and
 - (v) the imposition of any objective condition which must be complied with before any option or award may be exercised;
- (f) to be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Remuneration and Nomination Committee within any budgetary restraints imposed by the Board and considering any other connection that they may have with the Company or Group;
- (g) to consider contractual termination provisions to ensure that they are fair and fully recognise the duty to mitigate;
- (h) drawing up selection criteria and appointment procedures for the Directors;
- (i) periodically assessing the size and composition of the Board, and making a proposal for a composition profile of the Non-Executive Directors;
- (j) periodically assessing the functioning of individual Directors, and reporting on this to the Non-Executive Directors;
- (k) making proposals for appointments and reappointments;
- (l) supervising the policy of the Board on the selection criteria and appointment procedures for senior management; and
- (m) to consider any other matters as may be requested by the Board.

2.2 In relation to the above, the Remuneration and Nomination Committee shall at all times give due regard to published or other available information relating to pay, bonuses and other benefits of executives in companies which are comparable to the Company.

3. COMPOSITION, EXPERTISE AND INDEPENDENCE

3.1 Members of the Remuneration and Nomination Committee shall be appointed and dismissed by the Non-Executive Directors. The Remuneration and Nomination Committee shall be comprised of at least three members. Only Non-Executive Directors shall qualify for membership of the Remuneration and Nomination Committee. All members of the Remuneration and Nomination Committee, with the exception of no more than one member, shall be independent Non-Executive Directors, within the meaning of the Dutch Corporate Governance Code. The Remuneration and Nomination Committee may not be chaired by the chairperson of the Board, or by a former executive director of the Board, or by a Non-Executive Director who is an executive director of another Dutch listed company.

3.2 No more than one member of the Remuneration and Nomination Committee may be an executive director of another Dutch listed company.

3.3 In the event that a member of the Remuneration and Nomination Committee is or becomes aware of any circumstance which may reasonably impair or affect his independence or the perception of his independence, he shall inform the chairperson of the Remuneration and Nomination Committee (or in the case of the chairperson, the other members of the Remuneration and Nomination Committee) thereof promptly. The Remuneration and Nomination Committee shall consult with the board of directors in order to determine whether there is sufficient cause for resignation from, or termination of, the member's membership on the Remuneration and Nomination Committee.

3.4 Only members of the Remuneration and Nomination Committee have the right to attend Remuneration and Nomination Committee meetings. However other individuals may be invited to attend all or part of any meeting.

3.5 The Non-Executive Directors shall appoint one member of the Remuneration and Nomination Committee to act as its chairperson who shall be an independent Non-Executive Director. In the absence of the chairperson of the Remuneration and Nomination Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

4. QUORUM

4.1 The quorum necessary for the transaction of business shall be two members.

4.2 A duly convened meeting of the Remuneration and Nomination Committee at which a quorum is present shall be competent to exercise all or any of the

authorities, powers and discretions vested in or exercisable by the Remuneration and Nomination Committee.

5. MEETING ADMINISTRATION

5.1 The Remuneration and Nomination Committee shall meet at least twice a year at the times as may be agreed by the members and at such other times as determined by the chairperson of the Remuneration and Nomination Committee.

5.2 The meetings of the Remuneration and Nomination Committee are called by the chairperson of the Remuneration and Nomination Committee at the request of any of its members.

5.3 Unless otherwise agreed by all Remuneration and Nomination Committee members, notice of each meeting, confirming the venue, the time and date, any dial-in details and the agenda shall be forwarded to each member of the Remuneration and Nomination Committee, any other person required to attend and all other Non-Executive Directors, as soon as practicable and in any event no later than five working days before the date of the meeting.

5.4 Only members of the Remuneration and Nomination Committee have the right to attend Remuneration and Nomination Committee meetings. The Remuneration and Nomination Committee may invite other Company officers to attend the meetings, as it deems appropriate. However, the Remuneration and Nomination Committee shall meet without such officers at meeting at which their compensation or performance is discussed or determined. For the avoidance of doubt, no executive director shall participate in the decision making relating to the compensation of executive directors.

5.5 Decisions must be taken by a simple majority of the members present or represented. In case of an equality of votes, the chairperson of the Remuneration and Nomination Committee has the casting vote.

6. MINUTES

6.1 Minutes must be kept of the proceedings at the Remuneration and Nomination Committee meetings. The minutes of Remuneration and Nomination Committee meetings will state the time and place of the meeting, list the persons attending the meeting, state the existence of any conflict of interest, summarize matters discussed and important accounting and internal control matters questioned in the meeting. The minutes of Remuneration and Nomination Committee meetings shall be signed by the chairperson of the Remuneration and Nomination Committee

or in his absence, those members of the Remuneration and Nomination Committee attending the meeting.

6.2 Minutes of Remuneration and Nomination Committee meetings shall be circulated promptly to all members of the Remuneration and Nomination Committee and, once agreed, to all members of the Board, unless a conflict of interest exists.

7. SELF EVALUATION

The Remuneration and Nomination Committee shall, at least once a year, review its own performance, composition and Terms of Reference and recommend any changes it considers necessary to the Board for approval.

8. REPORTING RESPONSIBILITIES

8.1 The chairperson of the Remuneration and Nomination Committee shall report formally to the Board on the Remuneration and Nomination Committee's deliberations, findings and proceedings after each meeting on all matters within its duties and responsibilities. Furthermore, the Remuneration and Nomination Committee will report to the Board or separately to the Non-Executive Directors if and when so requested in individual cases by the chairperson of the Board or by two Non-Executive Directors.

8.2 The Remuneration and Nomination Committee shall produce such recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is desirable.

8.3 The Remuneration and Nomination Committee shall produce an annual report of the Company's remuneration policy and practices, which shall include a statement about the Remuneration and Nomination Committee's composition, activities, the number of meetings held and the main issues dealt with at these meetings and shall form part of the Company's annual report.

8.4 The chairperson of the Remuneration and Nomination Committee shall attend the annual general meeting of shareholders prepared to respond to any shareholder questions on the Remuneration and Nomination Committee's activities.

9. OTHER MATTERS

The Remuneration and Nomination Committee shall:

- (a) have access to sufficient resources in order to carry out its duties;

- (b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- (c) give due consideration to all applicable laws and regulations, including (but not limited to) the provisions of the Dutch Civil Code, the Dutch Corporate Governance Code and the Dutch Financial Supervision Act (*Wet op het financieel toezicht*); and
- (d) oversee any investigation of activities which are within its Terms of Reference.

10. AUTHORITY

10.1 The Remuneration and Nomination Committee is authorised by the Board to:

- (a) undertake any activity within its Terms of Reference;
- (b) seek any information that it requires from any Group employee in order to perform its duties;
- (c) obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference and to invite those persons to attend at meetings of the Remuneration and Nomination Committee, provided that in case the Remuneration and Nomination Committee makes use of the services of a remuneration consultant, it must verify that the consultant concerned does not provide advice to any executive directors of the Board;
- (d) call any Group employee to be questioned at a meeting of the Remuneration and Nomination Committee, as and when required; and
- (e) delegate any of its powers to one or more of its members, independent counsel and other advisors, as it deems necessary to carry out its duties.
