

REMUNERATION POLICY FOR THE MANAGING DIRECTORS OF

ALFEN N.V.

1. GENERAL

This remuneration policy of Alfen N.V. (the **Company**) is based on the following principles:

- (a) The Company's remuneration policy aims to attract, motivate and retain highly qualified individuals and reward them with a market competitive remuneration package that focuses on achieving sustainable financial results aligned with the long-term business strategy of the Company and fosters alignment of interests of the managing directors of the Company (the **Managing Directors**) with its shareholders.
- (b) The total remuneration of the Managing Directors reflects the expected growth of the Company pursuant to its strategy.

Based on the remuneration policy, the remuneration of the Managing Directors consists of the following components:

- annual base salary; and
- pension and other benefits.

Contracts may include a severance pay clause.

This remuneration policy takes into accounts all applicable laws and regulations, such as but not limited to article 2:135 of the Dutch Civil Code, the Dutch Corporate Governance Code, the articles of association of the Company (the **Articles of Association**), the rules of the supervisory board of the Company as applicable from time to time (the **Supervisory Board**, and such rules, the **Supervisory Board Rules**) and the rules of the management board of the Company, as applicable from time to time.

2. GOVERNANCE OF REMUNERATION

In line with article 13.4 of the Articles of Association, this remuneration policy is determined by the general meeting of shareholders of the Company (the **General Meeting**) on 11 March 2018, after the works council of the Company has been granted the opportunity to determine its point of view hereon.

Pursuant to article 12 of the Supervisory Board Rules and article 13.4 of the Articles of Association, the Supervisory Board is responsible for formulating this remuneration policy of the management board of the Company (the **Management Board**), and its implementation.

The remuneration of, and other agreements with, the Managing Directors are required to be determined by the Supervisory Board, with due observance of the remuneration policy.

3. OBJECTIVES OF THE REMUNERATION POLICY

The Company holds the view that its remuneration policy, including severance payment, for the Managing Directors should serve the following objectives (the **Remuneration Objectives**):

- (i) reflect the interests of all stakeholders;
- (ii) attract and retain the Managing Directors that have the talent and skills to develop and expand the business;
- (iii) takes into account the internal pay ratios within the Company;
- (iv) does not encourage Managing Directors to act in their own interest, nor to take risks that are not in line with the strategy formulated and the risk appetite that has been established; and
- (v) create long-term value and enhance the sustainable development of the Company.

4. BASE FEE

The annual base fee of the Managing Directors will be set on a level reflecting the responsibilities of the Managing Directors.

Base salaries are based on a function-related pay system and are in line with market developments. The Supervisory Board has established that the current remuneration of the Managing Directors is in line with the Remuneration Objectives.

Annually, the Supervisory Board will re-evaluate the base fee. Base fee levels will be reviewed, taking into account developments in the pay market and other factors (including potential changes in job sizes). The Supervisory Board at its sole discretion will decide if and to what extent the base fee will be amended and the criteria for such amendment.

5. PENSIONS AND OTHER BENEFITS

Managing Directors are eligible to participate in the Company's pension scheme similar to the other employees of the Company in the Netherlands. In addition, the Managing Directors are eligible for other pension related benefits, such as old-age and life insurance, as determined by the Supervisory Board from time to time.

The Company may provide a company car to the Managing Directors and the Company may also pay the premiums of a medical insurance of the Managing Directors in line with their current employment agreements.

Apart from their remuneration, Management Directors shall be reimbursed for all reasonable costs incurred with the consent of the CEO, or, with respect to the CEO, incurred with the consent of the chairman of the Supervisory Board. The Company will arrange for and pay a directors and officers (D&O) liability insurance for the Managing Directors.

The Company and any of its subsidiaries shall not grant personal loans, guarantees or the like to Managing Directors except within the framework of its usual business operations, on conditions which apply to all employees and with the approval of the Supervisory Board. Loans are not remitted.

6. SEVERANCE PAYMENT

In line with their current employment agreements, the maximum severance payment applicable to Managing Directors amounts to 100% of the annual base fee.

For new Managing Directors and in line with best-practice principles of the Dutch Corporate Governance Code, the maximum severance payment also amounts to 100% of the annual base fee.

No severance payment will be awarded if the Managing Director's agreement is terminated early at the initiative of the Managing Director, or in the event of seriously culpable or negligent behaviour on the part of the Managing Director.

Next to severance, a Managing Director may also be entitled to a payment in lieu of a notice period.

7. ADJUSTMENT AND CLAWBACK

The remuneration policy is intended to provide for an attractive, market competitive remuneration package where sustainable performance is delivered. Reward for failure should in all cases be avoided. For the Managing Directors this means that the Supervisory Board has the discretionary authority to adjust actual pay-outs under both the short-term incentive and the long-term incentive, if any, where the outcomes are not considered a fair representation of actual performance delivered, in line with article 2:135 of the Dutch Civil Code.

Furthermore, where pay-outs have been made based upon incorrect financial and other data, the Supervisory Board has the discretion to decide to claw-back any pay-outs made or shares delivered under the incentives schemes, if any, in line with article 2:135 of the Dutch Civil Code.

If a variable remuneration component conditionally awarded in a previous financial year would, in the opinion of the Supervisory Board, produce an unfair result due to extraordinary circumstances during the period in which the predetermined performance criteria have been or should have been achieved, the Supervisory Board has the power to adjust the value downwards or upwards, in line with article 2:135 of the Dutch Civil Code.

8. AMENDMENTS

Any amendments to this remuneration policy are subject to adoption by the General Meeting.