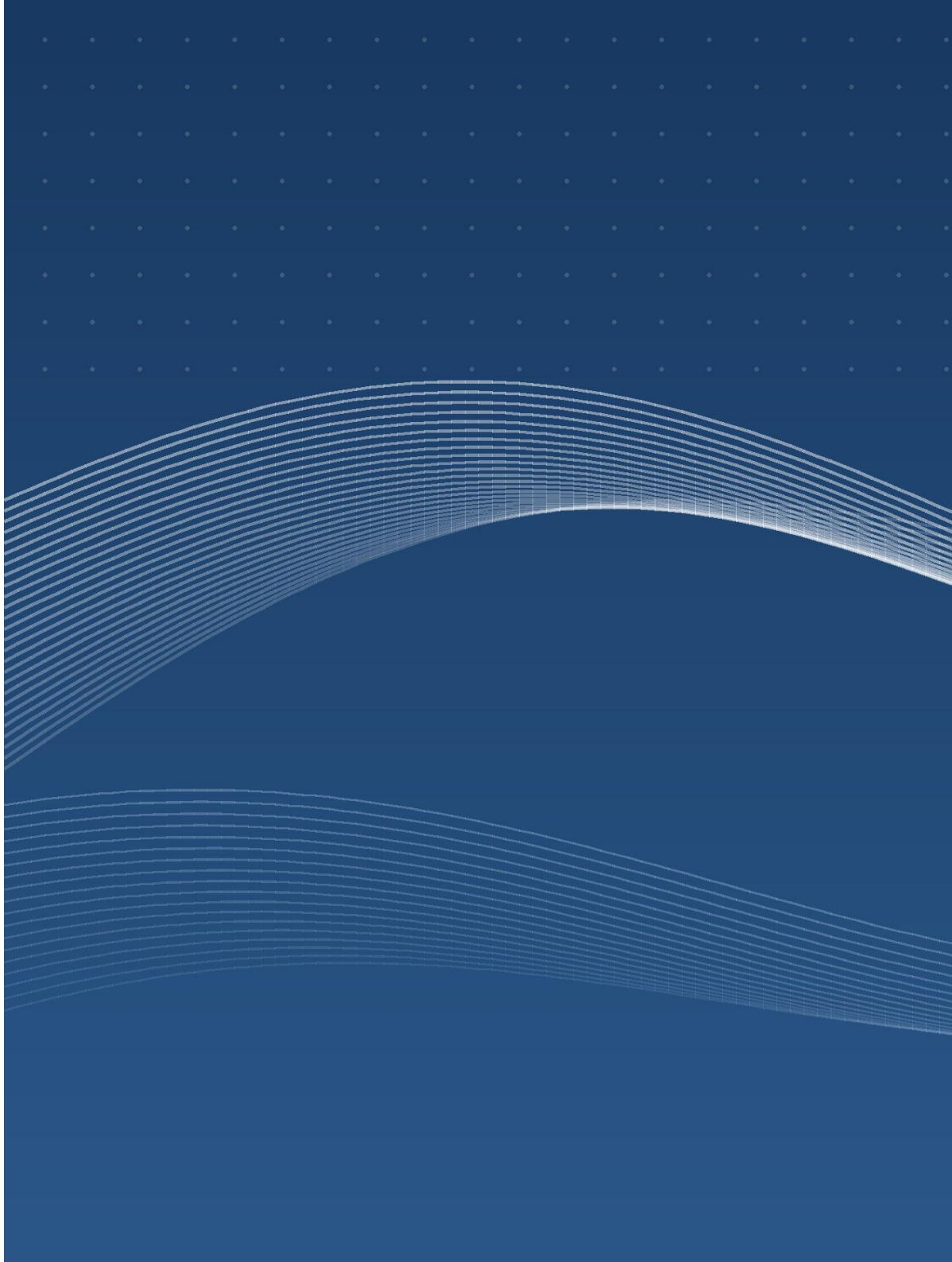
SCHMID GROUP SUPPLIER CODE

Supplier Code of Conduct

Integrity, responsibility and partnership

As of November 18, 2026



Foreword

Good machines are built in good supply chains.



Dear business partners,

Every system SCHMID Group delivers contains components, materials and services from our suppliers. Quality, reliability and trust are therefore the result of our joint work.

Customers, investors and legislators rightly ask today under what conditions products are made, where raw materials come from and how data, the environment and people are treated. As a company listed on NASDAQ, we bear particular responsibility here.

This Code sets out concisely what we expect from our suppliers. Many of you have long lived by these principles. We ask you to pass them on to your own suppliers as well and to speak to us openly if something is not right.

Thank you for your partnership.

Yours sincerely,

Christian Schmid
CEO, SCHMID Group N.V.

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Preamble

Integrity, responsibility and fair partnership are the foundation of our collaboration.



What it is about

This Code defines what SCHMID Group expects from its suppliers. Violations in the supply chain can harm SCHMID legally, financially and in its reputation – with customers, employees and, as a company listed on NASDAQ, also with investors.

Who it applies to

All suppliers, service providers, subcontractors, sales agents and consultants of SCHMID Group N.V. and its affiliated companies worldwide (hereinafter “Suppliers”).

How binding it is

The Code forms part of our contracts and purchasing terms and conditions. By accepting an order or concluding a contract, the Supplier commits to complying with it. Suppliers comply with all applicable laws – without exception for industry or regional customs – and pass these principles on to their own suppliers. Where laws go further than this Code, the laws prevail.

OUR FOUNDATIONS

- ✓ UN Global Compact
- ✓ Universal Declaration of Human Rights
- ✓ UN Guiding Principles on Business and Human Rights
- ✓ OECD Guidelines for Multinational Enterprises
- ✓ ILO Core Labour Standards

1

Integrity in business dealings

Fair competition and clean business are the basis of every collaboration with SCHMID.



AT A GLANCE

- ✓ No advantages to influence decisions
- ✓ No cash, no vouchers, no facilitation payments
- ✓ No agreements with competitors
- ✓ Payments only to own accounts

1.1 Corruption, gifts and conflicts of interest

Suppliers do not offer or grant advantages, either directly or through intermediaries, sales agents or affiliated companies, in order to influence business decisions. Facilitation payments to public officials are prohibited, including on behalf of SCHMID. Only customary courtesies of low value that are given openly are permitted – no cash, no vouchers or gift cards, no travel or leisure activities without a predominant business purpose. Our employees are bound by internal value limits; please respect this. Suppliers disclose without delay any shareholdings, activities or payments in favor of SCHMID employees or their relatives.

1.2 Fair competition

Suppliers comply with competition and antitrust law. They do not make agreements on prices, terms, bids, capacities or the allocation of markets, customers or territories, and they do not abuse a dominant market position. Offers to SCHMID are prepared independently.

1.3 Money laundering, taxes and customs

Suppliers comply with the rules against money laundering and terrorist financing as well as tax and customs law. SCHMID pays only into accounts held in the Supplier's name and maintained in the country of its registered office or the place of delivery – never in cash, to third parties or to countries unrelated to the delivery. Commissions to intermediaries are appropriate and agreed in writing. Invoices, proofs of origin and customs documents state goods, values, quantities and origin completely and truthfully.

2

Information and data

Anyone who works with SCHMID receives confidential information. It deserves special protection.



AT A GLANCE

- ✓ Confidential stays confidential
- ✓ No trading on insider knowledge
- ✓ Report security incidents immediately
- ✓ No SCHMID data in public AI tools

2.1 Confidentiality and insider information

Drawings, design and process data, know-how, prices and customer data are confidential, including after the end of the collaboration, and serve solely to fulfill orders. Because the shares of SCHMID Group N.V. are traded on NASDAQ, information about orders, projects or business figures may constitute insider information: no trading in securities, no recommendations, no disclosure. Photos and social media posts about SCHMID machines, projects or customers only with written consent.

2.2 Data protection and cybersecurity

Personal data is processed only lawfully and to the extent necessary. IT systems, equipment and access to SCHMID are protected in line with the state of the art, for example through multi-factor authentication, up-to-date software and data backups; remote maintenance only via approved procedures. Suppliers report security incidents immediately, even on mere suspicion. For software, controls and networked components, the requirements of the EU Machinery Regulation and the Cyber Resilience Act apply.

2.3 Protection against fraud

Suppliers announce changes to bank details and master data in writing. SCHMID confirms them – like any unusual payment request – through a second, known communication channel. This protects both sides against fake e-mails, invoices and deepfakes.

2.4 Artificial intelligence

AI is used responsibly and in accordance with the EU AI Act, data protection and copyright law. Confidential SCHMID data belongs only in systems that ensure confidentiality and do not train on the data. AI results are reviewed by a human; they do not infringe the rights of third parties. Documents created substantially by AI are labeled on request. If products contain AI functions, Suppliers inform SCHMID in advance.

3

Human rights and working conditions

Suppliers respect internationally recognized human rights, identify risks in their own operations and supply chain, and act accordingly.



AT A GLANCE

- ✓ No child or forced labor
- ✓ Fair wages and working hours
- ✓ No discrimination or harassment
- ✓ Freedom of association and grievance channels

3.1 Child and forced labor

Child labor is prohibited; the statutory minimum age and, at a minimum, ILO Conventions 138 and 182 apply. Young workers work neither at night nor in hazardous workplaces. Forced labor, debt bondage and human trafficking are excluded: identity documents are not withheld, and recruitment fees are not borne by workers. Products made with forced labor must not be supplied to SCHMID (EU Forced Labour Regulation 2024/3015).

3.2 Working hours and remuneration

Working and rest hours comply with the law; at least one day off per week, overtime is voluntary. Wages at least at the level of the minimum wage, paid on time, transparently and without disciplinary deductions; equal pay for work of equal value. Remuneration should enable an adequate standard of living.

3.3 Equal treatment and respect

No one is disadvantaged on the basis of origin, skin color, gender, religion, belief, disability, age, sexual identity, social background, pregnancy, political opinion or trade union membership. Harassment, intimidation, bullying and corporal punishment are prohibited; freedom of expression and privacy are respected.

3.4 Freedom of association and grievances

Employees may associate, bargain collectively and strike without suffering disadvantages. They can report grievances confidentially and without fear of reprisal.

3.5 Land and security forces

No unlawful forced evictions, no unlawful deprivation of land, forests or waters. Security forces deployed must not mistreat or injure anyone or impair freedom of association.

4

Health and occupational safety

Everyone should return home from work healthy. When in doubt, safety comes first.



4.1 Safe workplace

Suppliers comply with occupational safety and health regulations and strive for a high level of protection. They assess hazards, take appropriate protective measures, provide personal protective equipment free of charge and train their employees in its use.

4.2 Health and hygiene

Exposure to hazardous substances, noise or dust is assessed and reduced primarily through technical and organizational measures, supplemented by protective equipment. Clean drinking water and hygienic sanitary facilities are accessible at all times; accommodation and canteens provided meet appropriate safety and hygiene standards.

4.3 Emergency preparedness

Suppliers identify potential emergencies such as fires, accidents or chemical spills, maintain emergency plans, escape routes and alarm and first-aid facilities, and train their employees regularly.

AT A GLANCE

- ✓ Assess hazards
- ✓ Provide protective equipment free of charge
- ✓ Plan and practice for emergencies
- ✓ Drinking water and clean sanitary facilities

5

Environment and climate

We expect Suppliers to consistently avoid environmental impacts and to contribute to climate protection.



5.1 Environmental protection

Suppliers comply with environmental and energy laws as well as official permits and handle hazardous substances, waste, wastewater and emissions safely. Harmful soil, water and air pollution, noise and excessive water consumption that impair people or their livelihoods are to be avoided. The Minamata (mercury), Stockholm (persistent organic pollutants) and Basel (hazardous waste) Conventions are complied with. We expect an environmental and energy management system, e.g. in accordance with ISO 14001 or ISO 50001.

5.2 Resources and climate protection

Suppliers use energy, water and raw materials sparingly, reduce their greenhouse gas emissions and develop climate-friendly products and processes. On request, they provide data on energy consumption, emissions and material composition. They provide data for legal obligations such as the Carbon Border Adjustment Mechanism (CBAM) in good time.

AT A GLANCE

- ✓ Comply with environmental laws and permits
- ✓ Protect soil, water and air
- ✓ Reduce emissions
- ✓ Provide environmental and CBAM data on request

6

Products and foreign trade

Whatever is built into SCHMID systems must be safe, compliant and traceable.



AT A GLANCE

- ✓ Safe, compliant and traceable
- ✓ Report SVHCs without being asked
- ✓ Check conflict minerals
- ✓ Strictly comply with sanctions

6.1 Product compliance

Products meet the specifications and all requirements on safety, substance restrictions and labeling, e.g. the EU Machinery Regulation, REACH and RoHS. The Supplier reports defects and safety risks without delay, and substances of very high concern (SVHC) above 0.1 percent by weight without being asked. Counterfeit or non-traceable parts must not enter deliveries.

6.2 Conflict minerals

For tin, tantalum, tungsten, gold and cobalt, appropriate due diligence obligations apply under the EU Conflict Minerals Regulation, Section 1502 of the Dodd-Frank Act and the OECD Due Diligence Guidance. Evidence, e.g. in CMRT or EMRT format, on request.

6.3 Export control and sanctions

Suppliers check whether products, software or technology are subject to export restrictions (including the EU Dual-Use Regulation and US EAR) and label offers and accompanying documents with the export list number or ECCN and country of origin. Sanctions and embargoes, in particular those of the EU and the US, are complied with; circumventing them via third countries, intermediaries or false information is prohibited. Suppliers cooperate in sanctions list screening, disclose their ownership structure on request, report listings immediately and do not use sanctioned inputs.

6.4 Liability

The Supplier is liable for damages resulting from breaches of these obligations, including fines and back payments of customs duties and levies.

7

Implementation, review and consequences

A code only works if it is lived and reviewed.



1 **Review** risk-based, pre-contract and ongoing

2 **Cooperation** self-assessments and audits

3 **Remediation** clarification and agreed plan

4 **Consequences** suspension or termination

7.1 Implementation at the Supplier

Suppliers embed the Code in their policies and processes, appoint responsible persons, train their employees and pass the requirements on to their suppliers, subcontractors and intermediaries.

7.2 Review by SCHMID

SCHMID reviews Suppliers on a risk basis before contract award and regularly thereafter, in particular for sanctions, corruption, human rights and environmental risks. Suppliers answer self-assessments completely and truthfully and, with reasonable advance notice, allow audits by SCHMID or commissioned third parties, subject to the protection of their trade secrets.

7.3 Remediation and consequences

Suppliers report without delay any violations that may affect deliveries to SCHMID. SCHMID expects clarification and an agreed remediation plan and may suspend the business relationship in the meantime. Serious or repeated violations – in particular corruption, sanctions violations, forced or child labor – entitle SCHMID to terminate the business relationship and to claim damages.

8

Reporting concerns

Suppliers, their employees and third parties can report violations of this Code or applicable law in connection with SCHMID at any time – including when SCHMID employees demand advantages.



WHISTLEBLOWER SYSTEM

schmid-group.hintbox.eu

confidential and anonymous if desired

E-MAIL

compliance@schmid-group.com

CONTACT

Legal Affairs

8.1 How we handle reports

SCHMID follows up on every report and treats the identity of whistleblowers confidentially, unless false information is provided knowingly. SCHMID does not tolerate any disadvantage to persons who report in good faith and expects the same of its suppliers. The presumption of innocence applies to those accused.

8.2 Your contribution

Suppliers make the whistleblower system known to their employees in an appropriate manner.

Supplier acknowledgment

With your signature, you confirm that you know and comply with the Code.



We have received and taken note of the Supplier Code of Conduct of SCHMID Group. We undertake to comply with the principles described therein and to pass them on to our own suppliers, subcontractors and intermediaries.

Company

Name, position

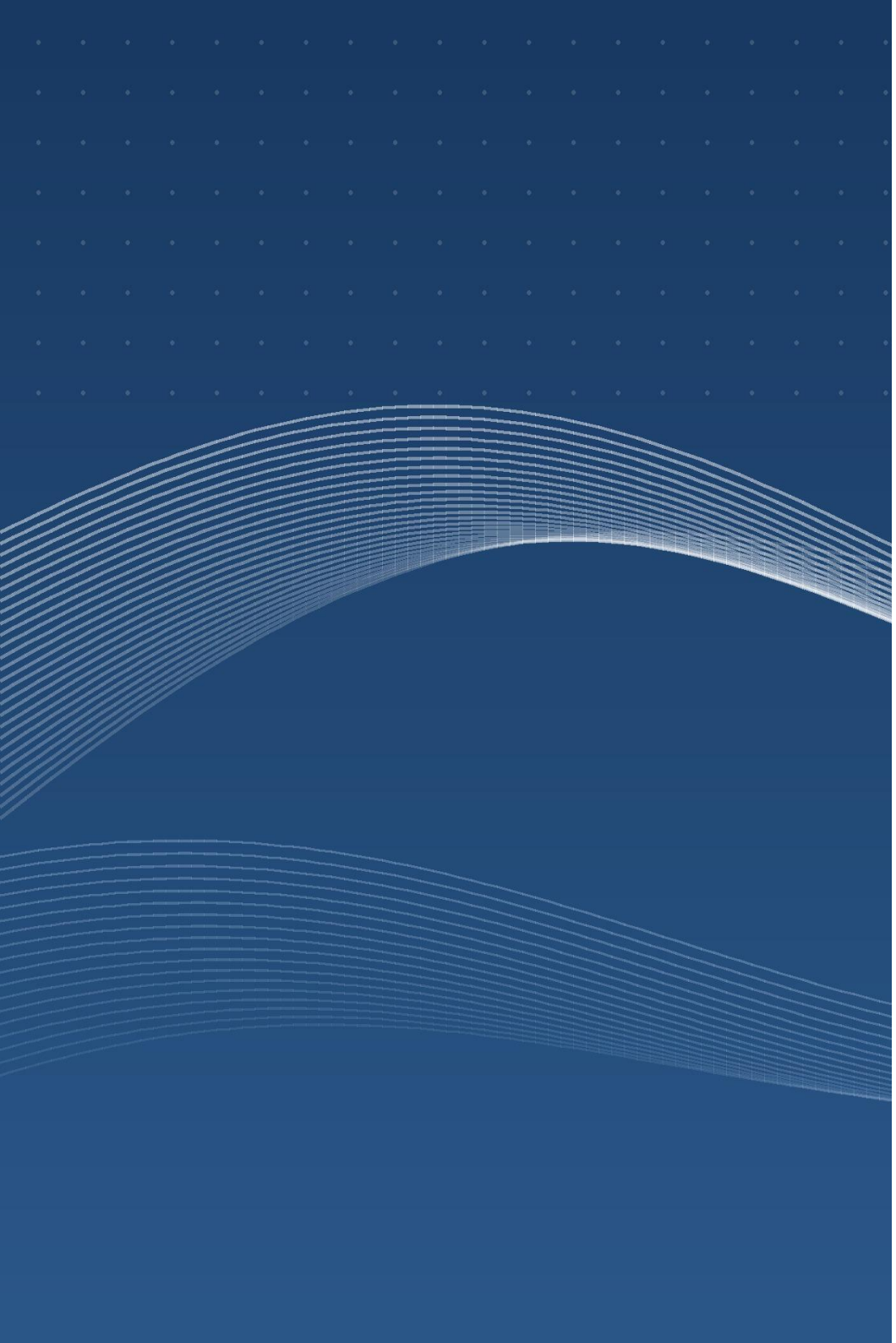
Place, date

Signature and company stamp

Contact

Questions about this Code will be answered by your contacts in SCHMID Group Purchasing and Legal Affairs.

compliance@schmid-group.com
www.schmid-group.com



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