
TERMS OF REFERENCE OF THE NOMINATING
COMMITTEE

SCHMID GROUP N.V.

ADOPTED BY THE BOARD ON 30 APRIL 2024

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TERMS OF REFERENCE OF THE NOMINATING COMMITTEE

SCHMID GROUP N.V.

These are the terms of reference (the "**Terms of Reference**") of the nominating committee (the "**Nominating Committee**") of the board of SCHMID Group N.V. (the "**Board**") (the "**Company**" and together with its subsidiaries, the "**Group**") adopted by the Board on 30 April 2024. These Terms of Reference are posted on the Company's website.

INTRODUCTION

- (1) These Terms of Reference have been drawn up by the Board pursuant to clause 14.6 of the Articles of Association and clause 7.3 of the Board rules (the "**Board Rules**").
- (2) The Nominating Committee is a standing committee of the Board.
- (3) Certain capitalised or uncapitalised terms used but not defined in these Terms of Reference have the meanings given to them in the Board Rules and the List of Definitions attached to the Board Rules as Annex 1 (*List of Definitions*).
- (4) Words and expressions expressed in the masculine form include all forms and genders.

1. COMPOSITION

- 1.1 The Board determines the size of the Nominating Committee, provided that the Nominating Committee shall consist of at least three (3) members.
- 1.2 All members of the Nominating Committee must be Non-Executive Directors and more than half of these members shall be independent within the meaning of applicable rules and regulations (including the CGC as well as SEC rules and NASDAQ rules).
- 1.3 The members of the Nominating Committee shall be appointed, and may be replaced from their position at any time, by the Board. The Board shall appoint one of the members of the Nominating Committee as chairperson of the Nominating Committee.
- 1.4 The term of office of a member of the Nominating Committee will generally not be set beforehand. It will, *inter alia*, depend on the composition of the Board as a whole and that of other Committees from time to time.
- 1.5 The Company Secretary, his deputy as designated by the Company Secretary in accordance with the Board Rules, or any other person as may be designated by the chairperson of the Nominating Committee, shall act as secretary to the Nominating Committee.

2. DUTIES AND POWERS

- 2.1 The Nominating Committee prepares the Board's decision-making in relation to the selection and appointment of Directors and is, within the Board, especially charged with the following:
 - (a) drawing up selection criteria and appointment procedures for Directors;

- (b) periodically, and at least once a year, assessing the size and composition of the Board, and making proposals for the Board Profile;
 - (c) overseeing the self-evaluation of the Board and its committees to determine whether they are functioning effectively; and
 - (d) making proposals for (re)appointments.
- 2.2 The Nominating Committee's authority does not include the right to adopt resolutions on behalf of the Board.
- 2.3 The Nominating Committee may only exercise such powers as are explicitly attributed to it by the Board and may never exercise powers beyond those exercisable by the Board as a whole.
3. **MEETINGS**
- 3.1 The Nominating Committee shall meet as often as required for a proper functioning of the Nominating Committee, but at least once a year. The Nominating Committee shall furthermore meet if this is deemed necessary by the chairperson of the Nominating Committee, or by two other members of the Nominating Committee.
- 3.2 Meetings of the Nominating Committee are, in principle, called by the Company Secretary, in consultation with the chairperson of the Nominating Committee, at a reasonable notice period. Save in urgent cases (to be determined by the chairperson of the Nominating Committee), the agenda for a meeting shall be sent to all members of the Nominating Committee at least seven (7) calendar days before the meeting. To the extent possible, for each item on the agenda an explanation in writing shall be provided, and/or, where possible, other related documentation will be attached.
- 3.3 Meetings of the Nominating Committee are generally held at the offices of the Company, but may also take place elsewhere. In addition, meetings of the Nominating Committee may be held by telephone, video conference or other means of communication (whether or not electronic), provided all participants can communicate with each other simultaneously.
- 3.4 The Nominating Committee may decide if and when the CEO should attend its meetings. In addition, the head of the Human Resources department of the Group and/or independent experts may be invited to attend the meetings of the Nominating Committee. Each Non-Executive Director may attend meetings of the Nominating Committee.
- 3.5 Meetings of the Nominating Committee are chaired by the chairperson of the Nominating Committee, or, in his absence, by any other member of the Nominating Committee elected by a majority of the members of the Nominating Committee present at the meeting.
- 3.6 Each member of the Nominating Committee has the right to cast one (1) vote in meetings.

- 3.7 All resolutions shall be adopted by an absolute majority of the votes validly cast. If there is a tie of votes, the chairperson of the Nominating Committee shall have a decisive vote.
- 3.8 The Company Secretary, or any other person designated for such purpose by the chairperson of the meeting, shall draw up minutes of the meeting. The minutes should provide insight into the decision-making process at the meeting. The minutes shall in evidence of their adoption be signed by the chairperson of the meeting at the same meeting, or the next meeting.
- 3.9 In general, resolutions of the Nominating Committee are adopted at a meeting.
- 3.10 Resolutions of the Nominating Committee may also be adopted without holding a meeting, provided that (i) all members of the Nominating Committee have been given the opportunity to express their opinion on the proposed resolution, (ii) the required majority of the members of the Nominating Committee has expressed themselves in favour of the relevant proposal in writing and (iii) none of them have objected, on reasonable grounds, to this manner of decision-making process. Adoption of resolutions without holding a meeting shall be effected by statements in writing from all members of the Nominating Committee. A statement from a member of the Nominating Committee who wishes to abstain from voting on a particular resolution which is to be adopted in writing, or who wishes to vote against a particular resolution, must reflect the fact that he does not object to this manner of decision-making process.

4. REPORTING TO THE BOARD

- 4.1 The Nominating Committee must inform the Board in a clear and timely manner about the way it has used its powers and of major developments in the area of its responsibilities.
- 4.2 The Board shall receive from the Nominating Committee a report of its deliberations and findings. In addition, to ensure that all Non-Executive Directors will have all relevant information, the minutes of the meetings of the Nominating Committee shall be circulated among all Non-Executive Directors as soon as possible after each meeting.
- 4.3 If requested, the chairperson of the Nominating Committee shall, at Board meetings, provide the Board with further information on the deliberations and findings of the Nominating Committee.

5. MISCELLANEOUS

- 5.1 Each member of the Nominating Committee shall have unrestricted access to all relevant books, records and offices of the Company to the extent necessary or useful for the proper performance of his duties. Members of the Nominating Committee shall exercise this right in consultation with the chairperson of the Nominating Committee and the Company Secretary.
- 5.2 The chairperson of the Nominating Committee (or one of the other members of the Nominating Committee) shall be available to answer questions regarding the Nominating Committee's activities at the General Meeting.

- 5.3 The Nominating Committee shall annually perform a review and evaluation of (i) the performance of its members, (ii) the compliance of the Nominating Committee with these Terms of Reference and (iii) the adequacy of these Terms of Reference. The Nominating Committee shall report its review and evaluation, and recommend, where appropriate, any proposed changes to the Board.
- 5.4 The Nominating Committee may occasionally decide not to comply with these Terms of Reference, but only to the extent that the non-compliance with these Terms of Reference does not contradict the Articles of Association and the Board Rules, with due observance of applicable laws and regulations and with the prior approval of the Chairperson.
- 5.5 These Terms of Reference may be amended by the Board and/or any powers granted by the Board to the Nominating Committee may be revoked by it, by means of a resolution adopted with an absolute majority of the votes validly cast, provided that in any case an affirmative vote of the CEO is required.

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