

# **Nomination and Remuneration Committee Regulation**

**AUSTRIACARD HOLDINGS AG**

**12.12.2023**

## 1. Introduction

- 1.1 The company AUSTRIACARD HOLDINGS AG (the “**Company**”) has established in compliance with the Articles 41 - 43 of the Austrian Corporate Governance Code (the “**Corporate Governance Code**”) a Nomination and Remuneration Committee as committee of the Supervisory Board.
- 1.2 This regulation (the “**Regulation**”) has been prepared taking into account the best practices generally accepted in international markets and sets out the responsibilities, composition as well as the functioning and decision making by the Nomination and Remuneration Committee.
- 1.3 This regulation has been approved by the Supervisory Board in its meeting held on [12 December 2023].
- 1.4 The Regulation forms integral part of the bylaws of the Company’s Supervisory Board.

## 2. Role

- 2.1 The Nomination and Remuneration Committee assists the Supervisory Board in fulfilling its corporate governance responsibilities regarding all matters related to the appointment and termination as well as the remuneration of the members of the Supervisory Board or the Management Board.
- 2.2 The Company makes available to the Nomination and Remuneration Committee all resources the latter deems necessary for fulfilling its mission, including the engagement of external consultants to provide advisory or support services.

## 3. Responsibilities

The following responsibilities are assigned to the Nomination and Remuneration Committee:

- (i) to identify and propose to the Supervisory Board any persons that are suitable to be members of the Supervisory Board and the Management Board, where a position becomes vacant, pursuant to the Company’s Suitability Policy concerning the members of the Supervisory Board and the Management Board, which was drafted and approved by the Supervisory Board (the “**Suitability Policy**”);
- (ii) to identify any issues relating to succession planning for the Members of the Management Board and the Supervisory Board;
- (iii) to submit proposals to the Supervisory Board concerning the Company’s remuneration policy for the members of the Management Board and the Supervisory Board pursuant to Article 78a of the Austrian Stock Corporation Act (*Aktiengesetz*), to be approved by the Company’s shareholders’ meeting pursuant to Article 78b of the Austrian Stock Corporation Act (*Aktiengesetz*);
- (iv) to submit proposals to the Supervisory Board on the remuneration of the members of the Management Board and the Supervisory Board and the senior management, including the internal audit function; and
- (v) to review the information included in the final draft of the annual remuneration report and express its opinion to the Supervisory Board prior

to the submission thereof to the General Meetings for approval pursuant to Article 78d of the Austrian Stock Corporation Act (*Aktiengesetz*).

#### **4. Membership**

- 4.1 The Nomination and Remuneration Committee consists of at least three (3) members of the Supervisory Board. The majority of the Members of the Nomination and Remuneration Committee, including its Chairman, must fulfil the independence criteria set out in the Company's Suitability Policy.
- 4.2 The term of office of the members of the Nomination and Remuneration Committee coincides with the term of office of the Supervisory Board.
- 4.3 The Chairman of the Nomination and Remuneration Committee shall be independent member of the Supervisory Board fulfilling the independence criteria set out in the Company's Suitability Policy. The Supervisory Board may appoint any of its independent members as Deputy Chairman of the Nomination and Remuneration Committee.
- 4.4 The Chairman of the Supervisory Board shall be member of the Nomination and Remuneration Committee (in compliance with Art 43 Austrian Corporate Governance Code), but may not be Chairman of the Nomination and Remuneration Committee unless the Chairman of the Supervisory Board fulfils the independence criteria set out in the Company's Suitability Policy.
- 4.5 Members of the Supervisory Board which hold positions or enter into transactions which are incompatible with the duties of the Nomination and Remuneration Committee shall not be appointed as members of the Nomination and Remuneration Committee.
- 4.6 All members of the Nomination and Remuneration Committee have adequate knowledge and experience in personnel matters and human resources management. At least one member of the Nomination and Remuneration Committee shall be required to have knowledge and experience in the area of remuneration policy (Art 43 Austrian Corporate Governance Code).
- 4.7 The appointment of a member of the Supervisory Board as member of the Nomination and Remuneration Committee does not prohibit its appointment to any other committee of the Supervisory Board, to the extent that sufficient time commitment to perform its responsibilities is ensured.
- 4.8 The members of the Nomination and Remuneration Committee are appointed by resolution of the Supervisory Board which shall adequately justify the suitability of the appointees. In case any member of the Nomination and Remuneration Committee ceases to hold office for any reason, the Supervisory Board shall replace the member as soon as possible.

#### **5. Meetings**

- 5.1 The Nomination and Remuneration Committee meets regularly, at least two (2) times a year. The Chairman may convene additional meetings as are deemed necessary.

- 5.2 The Chairman sets the items of the agenda, the frequency, and the duration of the meetings and has the overall responsibility to ensure that the Nomination and Remuneration Committee exercises its duties effectively. In case of absence or inability to attend the meeting, the Chairman's duties are assumed by the longest serving member of the Nomination and Remuneration Committee.
- 5.3 Each member shall be timely informed as to the time, date and place of each meeting. The items of the agenda of each meeting as well as the relevant documents shall be made available to each member [at least three (3) business days prior to the meeting. If the items of the agenda and the relevant accompanying documents are sent in less than three (3) business days prior to the date of the meeting, the relevant items will be discussed in the meeting only if all members of the Nomination and Remuneration Committee agree. The accompanying documents may be sent via email.
- 5.4 The Nomination and Remuneration Committee may also meet via phone or video conference by decision of the Chairman, whereas the participation of the members via phone or video conference is considered acceptable for the purposes of calculating the quorum.
- 5.5 The Nomination and Remuneration Committee will be provided with secretarial functions by the Secretary of the Supervisory or Management Board or any other person appointed by the Chairman of the Nomination and Remuneration Committee to keep the minutes of the meetings.
- 5.6 The Nomination and Remuneration Committee may ask any member of the Management Board and/or the Supervisory Board or other executive or any other person to assist with discussions on any particular matter. The Committee may ask any of those present to withdraw to facilitate open and frank discussion on any matter.

## **6. Quorum – Decision Making**

- 6.1 The meetings of the Nomination and Remuneration Committee will be considered quorate when at least two (2) of its members are present.
- 6.2 Resolutions of the Nomination and Remuneration Committee are passed by the majority of the present members. In the event of a tie, the Chairman shall have a casting vote.
- 6.3 Resolutions of the Nomination and Remuneration Committee are recorded in minutes. In case of non-unanimous resolutions, the minority vote shall be included in the minutes.

## **7. Relationship with other bodies/ persons**

- 7.1 The Nomination and Remuneration Committee may cooperate with other Committees, or internal units and executives of the Company in order to ensure that the assessment of the individual and collective suitability of the members of the Supervisory Board and of the Management Board is adequate.
- 7.2 The Supervisory Board requests the opinion of the Nomination and Remuneration Committee prior to any resolution concerning the remuneration of the members of the Management Board and of the Supervisory Board, the Remuneration Policy and the

Remuneration Report. It also requests the opinion of the Nomination and Remuneration Committee prior to any resolution or submission of proposal to the General Meeting regarding any stock option plan for the members of the Management Board, the Supervisory Board or any Company's employees as well as any resolution relation to the free distribution of shares to the above persons.

## **8. Records and Activity Reports**

- 8.1 The Nomination and Remuneration Committee keeps records of the minutes and its annual reports for a period of at least five (5) years.

## **9. Remuneration**

- 9.1 The remuneration of the member of the Nomination and Remuneration Committee is determined in accordance with the Company's Remuneration Policy.
- 9.2 The remuneration shall reflect the scope of duties of the members of the Nomination and Remuneration Committee by taking into consideration, among others, the complexity and the scope of their work, the time commitment required, the degree of their responsibility and the remuneration levels of other members of the Supervisory Board.

## **10. Personal Data**

- 10.1 The Nomination and Remuneration Committee does not process special categories of personal data within the meaning of article 9 par. 1 of Regulation (EU) 2016/679 or personal data relating to family status of the members of the Supervisory Board and of the Management Board.
- 10.2 The Nomination and Remuneration Committee processes, to the extent necessary for the exercise of its duties or the fulfillment of its legal obligations, personal data of the candidates in order to strengthen accountability of the members and supervision of the selection process of the members of the Supervisory Board and of the Management Board towards the Company's shareholders.

## **11. Approval – Publication -Revision**

- 11.1 The Regulation is approved by the Supervisory Board.
- 11.2 The Regulation is reviewed by the Nomination and Remuneration Committee, which may propose relevant amendments to the Supervisory Board, if necessary. The Regulation is amended by resolution of the Supervisory Board following relevant recommendation by the Nomination and Remuneration Committee.
- 11.3 The Regulation enters into force upon its approval by the Supervisory Board. The above applies also in relation to any amendments of the Regulation.