

**BONMARCHE HOLDINGS PLC  
(the Company)**

**NOMINATION COMMITTEE**

**TERMS OF REFERENCE**

**1. MEMBERSHIP**

- 1.1 The Chairman and members of the Nomination Committee (the Committee) shall be appointed by the Board.
- 1.2 The Committee shall comprise of at least three (3) Directors. A majority of the members of the Committee should be independent Non-Executive Directors.
- 1.3 The Chairman of the Committee shall be the Chairman of the Company. In the absence of the Chairman of the Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these Terms of Reference, to be appointed to that position by the Board. The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chairmanship.
- 1.4 The quorum of the Committee shall be two members and a duly convened meeting of the Committee at which a quorum is present shall be authorised to exercise all of the authorities, powers and discretions vested in or exercisable by the Committee.
- 1.5 Appointments to the Committee are made by the Board and shall be for a period of up to three years, which may be extended for further periods of up to three years, provided that the Director still meets the criteria for membership of the Committee.

**2. SECRETARY**

The Secretary of the Company, or his or her nominee, shall act as Secretary of the Committee.

**3. ATTENDANCE**

Only members of the Committee have the right to attend Committee meetings, but other persons (including external advisors) may be invited to attend for all or part of any meetings, as and when appropriate and necessary.

**4. FREQUENCY OF MEETINGS**

The Committee shall meet at least twice a year and at such times as the Committee Chairman shall require.

**5. AUTHORITY**

The Committee is authorised by the Board to seek:

- 5.1 any information it requires from any employee within the organisation in order to perform its duties; and

- 5.2 appropriate professional advice inside and outside the organisation as and when it considers this necessary.

## **6. DUTIES**

- 6.1 The duties of the Committee shall be to:
- 6.1.1 regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
  - 6.1.2 give full consideration to succession planning for Directors and other senior executives within the Company, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future;
  - 6.1.3 identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise;
  - 6.1.4 before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board and in light of this evaluation prepare a description of the role and capabilities required for a particular Board appointment. In identifying suitable candidates the Committee shall consider:
    - 6.1.4.1 where necessary, the use of open advertising or services of external advisers to facilitate the search;
    - 6.1.4.2 candidates from a wide range of backgrounds;
    - 6.1.4.3 candidates on merit and against objective criteria and with due regard for the benefit of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position;
  - 6.1.5 ensure that a candidate, on appointment and thereafter, has sufficient time to undertake the role and periodically review his/her commitments. Any changes to the Chairman's commitment should be reported to the Board as they arise;
  - 6.1.6 prior to the appointment of a Director, the proposed appointee should be required to disclose any other business interests that may arise in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;
  - 6.1.7 ensure that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
  - 6.1.8 keep under review the leadership needs of the organisation, both Executive and Non-Executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
  - 6.1.9 keep up-to-date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;

- 6.1.10 review the results of the annual Board performance evaluation process that relate to the composition of the Board;
  - 6.1.11 review annually the time required to fulfil the role of Chairman, Senior Independent Director and Non-Executive Director, and to assist in the annual Board performance evaluation to ensure that they have devoted sufficient time to their duties; and
  - 6.1.12 work and liaise as necessary with all other Board Committees.
- 6.2 The Committee shall also make recommendations to the Board concerning:
- 6.2.1 succession planning for both Executive and Non-Executive Directors;
  - 6.2.2 suitable candidates for the role of Senior Independent Director;
  - 6.2.3 membership of the audit and remuneration committees, and any other Board Committees as appropriate, in consultation with the Chairman of those Committees;
  - 6.2.4 the re-appointment of any Non-Executive Director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required;
  - 6.2.5 the re-election by shareholders of any Director under the annual re-election provisions of the Code or the retirement by rotation provisions in the Company's articles of association having given due regard to their performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required and the need for progressive refreshing of the Board;
  - 6.2.6 any matters relating to the continuation in office of any Director, at any time, including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provisions of the law and their service contract; and
  - 6.2.7 the appointment of any Director to Executive or other office.

## **7. MINUTES**

- 7.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee.
- 7.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 7.3 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all members of the Board unless in the opinion of the Committee Chairman it would be inappropriate to do so.

## **8. ANNUAL GENERAL MEETING**

The Committee Chairman should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.

## **9. REPORTING RESPONSIBILITIES**

- 9.1 The Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall produce a report to be included in the Company's annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the Annual Report and a statement made as to whether it has any connection with the Company.
- 9.4 The report referred to in clause 9.3 above should include a statement of the Board's policy on diversity, including gender, any measurable objectives that it may have set for implementing the policy, and progress on achieving such objectives.

## **10. OTHER MATTERS**

The Committee shall:

- 10.1 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- 10.2 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;
- 10.3 give due consideration to laws and regulations, the provisions of the Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules, as appropriate; and
- 10.4 arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference and recommend any changes it considers necessary to the board for approval.

Approved by the Board on 17<sup>th</sup> September 2015