



CDISCOUNT & NOVA PONTOCOM

**NOMINATION AND REMUNERATION COMMITTEE  
CHARTER**

## CNOVA N.V.

### **NOMINATION AND REMUNERATION COMMITTEE CHARTER**

#### **Purpose**

The nomination and remuneration committee (the “**Committee**”) of Cnova N.V. (the “**Company**”) is established by the Company’s board of directors (the “**Board**”) to assist the Board with:

- (i) drawing up selection criteria and appointment procedures for members of the Board (including the CEO) ;
- (ii) periodically assessing the size and composition of the Board;
- (iii) recommending to the Board persons to be proposed by the Board to the Company’s general meeting of shareholders for appointments and reappointments of members of the Board;
- (iv) recommending to the Board persons to serve on each committee of the Board;
- (v) periodically assessing the functioning of individual members of the Board, and reporting on this to the Board;
- (vi) supervising the policy of the Company’s CEO on the selection criteria and appointment procedures for the executive officers of the Company;
- (vii) making a proposal to the Board for the remuneration policy to be pursued;
- (viii) making a proposal, for adoption by the Board, for the remuneration of the individual members of the Board, the other executive members of the Management and Strategy Committee and such other members of senior management as the Board may determine;
- (ix) preparing the remuneration report as referred to in best practice provision II.2.12 of the Dutch corporate governance code; and
- (x) recommending to the Board the corporate governance policies and procedures applicable to the Company.

Nothing herein is intended to expand applicable standards of liability under Dutch and U.S. federal law for directors of a company.

#### **Membership**

The Committee shall consist of no fewer than three members. The members of the Committee shall be non-executive directors of the Board of which at least one shall qualify as independent under (i) the corporate governance standards of the NASDAQ Stock Market and the requirements of the U.S. Securities Exchange Act of 1934, in each case as applicable to the Company and (ii) the Dutch corporate governance code. No more than one member of the Committee may be a member of the management board or an executive director of another Dutch listed company. Members of the Committee shall be appointed by the non-executive directors of the Board and may be removed by the non-executive directors of the Board in their discretion. The Committee shall appoint a chairperson of the Committee (the “**Committee Chairperson**”), who shall not be the chairman of the Board or any former executive member of the Board or any person who is a member of the supervisory board or a non-executive director of another listed company.

## **Meetings and Reporting**

The Committee shall meet as often as it determines necessary or appropriate, but no fewer than two times per year. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Notices for meetings of the Committee shall be given in accordance with the relevant provisions in the Company's Board Rules. Resolutions of the Committee may, instead of in a meeting, be passed in writing, provided that all Committee members are familiar with the resolution to be passed and none of them objects to this decision-making process. A Committee member can be represented by another Committee member holding a written proxy to that effect. Each Committee member may cast one vote at a meeting of the Committee. Invalid votes and blank votes shall not be counted as votes cast. Resolutions of the Committee shall be passed, irrespective of whether this occurs at a meeting or otherwise, by simple majority of the votes cast. Written minutes of Committee meetings shall be maintained in accordance with the relevant provision in the Company's Board Rules.

The Committee Chairperson shall preside at each meeting. If the Committee Chairperson is not present at a meeting, the Committee members present at that meeting shall designate one of its members as the acting chair of such meeting. A majority of the members of the Committee shall constitute a quorum.

The Committee will apprise the Board regularly of its decisions and recommendations and of significant developments in the course of performing its responsibilities and duties set forth herein.

## **Delegation to Subcommittees**

The Committee may form and delegate authority to subcommittees consisting of one or more Committee members when the Committee deems appropriate.

## **Committee Authority and Responsibilities**

The Committee shall annually review its own performance and the adequacy of this Charter. The Committee shall make regular reports to the Board (which reports may be delivered orally or in writing), including with respect to the activities of the Committee and its compliance with, and any proposed changes to, this Charter. Every non-executive member of the Board shall have unrestricted access to all records of the Committee.

The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain and terminate (or obtain the advice of) any adviser to assist it in the performance of its duties, after taking into consideration all factors relevant to the adviser's independence from management, including the following:

- (a) the provision of other services to the Company by the "person" (which term, for purposes of this subheading, shall include any natural person, partnership, corporation, association, or other legal entity) that employs the adviser;
- (b) the amount of fees received from the Company by the person that employs the adviser, as a percentage of the total revenue of the person that employs the adviser;
- (c) the policies and procedures of the person that employs the adviser that are designed to prevent conflicts of interest;

- (d) any business or personal relationship of the adviser with a member of the Committee;
- (e) any ordinary shares of the Company owned by the adviser; and
- (f) any business or personal relationship of the adviser or the person employing the adviser with an executive officer of the Company.

The Committee shall have the authority to approve the adviser's fees and the other terms and conditions of the adviser's retention. The Committee shall provide advance notice to the Board of its intention to retain or seek the advice of any adviser. The Company shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee and ordinary administrative expenses of the Committee that are necessary or appropriate in the carrying out of its duties.

None of the above independence criteria shall: (a) require the Committee to implement or act consistently with the advice or recommendations of the adviser to the Committee; or (b) affect the ability or obligation of the Committee to exercise its own judgment in fulfilment of the duties of the Committee.

Furthermore, none of the above criteria need be considered by the Committee in retaining an adviser who only provides: (i) consulting on any broad-based plan that does not discriminate in scope, terms or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees of the Company; or (ii) information that either is not customized for the Company or that is customized based on parameters that are not developed by the adviser.

In the event Committee determines to make use of the services of a consultant or advisor it shall verify that the consultant concerned does not provide advice to the members of the Board.

The primary responsibilities of the Committee are set forth below. In addition to such other matters as are consistent with the purpose of the Committee and are delegated to the Committee by the Board from time to time, the Committee shall, to the extent it deems necessary or appropriate:

*Nomination and Corporate Governance Matters*

1. Have the authority to retain and terminate any search firm to be used to identify director candidates and have sole authority to approve the search firm's reasonable fees and other customary retention terms.
2. Have authority to obtain advice and assistance from internal or external legal, accounting or other advisers.
3. Actively seek, identify and recommend to the Board for proposal by the Board to the general meeting of shareholders, individuals qualified to be appointed or reappointed as members of the Board.
4. Propose selection criteria and appointment procedures for Board members.
5. Assess at least annually the size and composition (including the balance of skills, knowledge, experience, independence and diversity) of the Board.
6. Receive comments from all members of the Board and report at least annually to the Board with the findings following an assessment of the Board's performance and the functioning of the individual members of the Board, to be discussed with the full Board following the end of each fiscal year.

7. Review and reassess the adequacy of the corporate governance policies and procedures of the Company and recommend any proposed changes to the Board.

*Remuneration Matters*

8. Draft proposals to the Board for the remuneration policy to be pursued for members of the Board.
9. Draft proposals for the remuneration of the individual members of the Board (which shall in any event deal with (i) the remuneration structure and (ii) the amount of the fixed remuneration, shares and/or options to be granted and/or other variable remuneration components, pension rights, redundancy pay and other forms of compensation or benefits awarded, as well as the performance criteria and their application).
10. Annually review and, if deemed appropriate, make recommendations to the Board for changes to the remuneration and benefits of the individual members of the Board, including under any incentive compensation plans and equity-based compensation plans.
11. At least annually, review and make recommendations to the Board with respect to the remuneration of the Company's CEO, the other executive members of the Management and Strategy Committee and such other members of senior management as the Board may determine, including (a) their annual base salaries and annual incentive opportunities, (b) all other incentive awards and opportunities, including both cash-based and equity-based awards and opportunities, (c) any employment agreements and severance arrangements, (d) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits and (e) any special or supplemental compensation and benefits for such individuals and individuals who formerly served in such capacities (including supplemental retirement benefits and any perquisites provided to them during and after employment).
12. Prepare, discuss and make recommendations to the Board with respect to the annual Compensation Committee Report required by SEC rules to be included in the Company's annual proxy statement or Form 20-F, and based on such review and discussion, recommend to the Board whether to include disclosure of compensation information in the Company's proxy statement or Form 20-F, as applicable.
13. Prepare the remuneration report referred to in best practice provision II.2.12 of the Dutch corporate governance code.
14. Review the peer group(s) and criteria for benchmarking used to assess performance and compensation levels.
15. Receive periodic reports on the Company's compensation programs as they affect all employees.

This Charter and the composition of the Committee are posted on the Company's website.