



## Corporate Governance and Nominating Committee Charter

This charter (the “**Charter**”) sets forth the purpose, composition, responsibilities and authority of the Corporate Governance and Nominating Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Hudson’s Bay Company (the “**Company**”).

### 1.0 Purpose

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- | developing corporate governance guidelines and principles for the Company;
- | identifying individuals qualified to be nominated as members of the Board;
- | the structure and composition of Board committees; and
- | evaluating the performance and effectiveness of the Board.

### 2.0 Composition and Membership

(a) The Board will appoint the members (“Members”) of the Committee. The Members will be appointed to hold office until the next annual general meeting of shareholders of the Company or until their successors are appointed. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will automatically cease to be a Member upon ceasing to be a director.

(b) The Committee will consist of at least three directors. All Members will meet the criteria for independence established by applicable laws and the rules of any stock exchanges upon which the Company’s securities are listed, including section 1.4 of National Instrument 52-110 - Audit Committees. All Members will have a working familiarity with corporate governance practices.

(c) The Board will appoint one of the Members to act as the chairman of the Committee (the “Chairman”). The secretary of the Company (the “Secretary”) will be the secretary of all meetings and will maintain minutes of all meetings and deliberations of the Committee. If the Secretary is not in attendance at any meeting, the Committee will appoint another person who may, but need not, be a Member to act as the secretary of that meeting.

(d) The Committee may delegate any or all of its functions to any of its Members or any sub-set thereof, or other persons, from time to time as it sees fit.

### 3.0 Meetings

(a) Meetings of the Committee will be held at such times and places as the Chairman may determine, but in any event not less than two times per year.

(b) Twenty-four (24) hours advance notice of each meeting will be given to each Member orally, by telephone, by facsimile or email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting.

(c) Members may attend all meetings either in person, videoconferencing or by telephone.

(d) The Chairman, if present, will act as the chairman of meetings of the Committee. If the Chairman is not present at a meeting of the Committee the Members in attendance may select one of their number to act as chairman of the meeting.

(e) A majority of Members will constitute a quorum for a meeting of the Committee.

(f) Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chairman will not have a deciding or casting vote in the case of an equality of votes. Powers of the Committee may also be exercised by written resolutions signed by all Members.

(g) The Committee may invite from time to time such persons as it sees fit to attend its meetings and to take part in the discussion and consideration of the affairs of the Committee.

(h) The Committee should meet in camera without members of management in attendance for a portion of each meeting of the Committee.

(i) In advance of every regular meeting of the Committee, the Chairman, with the assistance of the Secretary, should prepare and distribute to the Members and others as deemed appropriate by the Chairman, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of the Company to produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.

## **4.0 Duties and Responsibilities**

The duties and responsibilities of the Committee, as they relate to the following matters, are as follows:

### **4.1 Corporate Governance Documents**

(a) annually review the Company's Corporate Governance Guidelines, Board Mandate, Position Descriptions for the Governor and Chief Executive Officer, Committee Charters and principal corporate policies including the Code of Conduct, Corporate Disclosure Policy, and the Insider Trading Policy, and, in the Committee's discretion, recommend any changes to the Board for consideration;

### **4.2 Nomination of Directors**

(a) annually (i) review and assess the size, composition and operation of the Board to ensure effective decision making; (ii) review and assess the size, composition and chairmen of all of the Committees of the Board; (iii) identify and review candidates for appointment or nomination to the Board based upon an assessment of the independence, skills, qualifications and experience of the candidate, and make recommendations to the Board for consideration;

(b) prior to nominating new directors, first consider the obligations of the Company under any nominating rights agreements to which the Company is a party, and then:

(a) consider what competencies and skills the Board, as a whole, should possess;

(b) assess what competencies and skills each existing director possesses. The board should be considered as a group, with each individual making his or her own contribution. Attention should also be paid to the personality and other qualities of each director, as these may ultimately determine the boardroom dynamic;

(c) consider the competencies and skills each new nominee will bring to the boardroom; and

(d) consider whether or not each new nominee can devote sufficient time and resources to his or her duties as a board member.

(d) recommend to the Board the necessary and desirable competencies of directors;

(e) identifying individuals qualified to become new Board members and recommending to the Board the new director nominees for the next annual meeting of shareholders;

### **4.3 Board and Director Performance Evaluations**

(a) annually conduct, review and report to the Board the results of an assessment of the Board's performance and effectiveness;

### **4.4 Orientation and Continuing Education of Directors**

(a) provide all new directors with comprehensive orientation to, among other things, fully understand the role of the Board and its committees, the contribution individual directors are expected to make, and the nature and operation of the Company's business;

(b) provide continuing education opportunities for all directors so that individual directors may maintain or enhance their

skills and abilities as directors, as well as to ensure their knowledge and understanding of the Company's business remains current;

#### **4.5 Succession Planning**

(a) annually prepare and review a succession plan for the Governor, the Chief Executive Officer or any person acting in such capacity, and the executive management of the Company;

(b) if and when necessary, identify and recommend to the Board a candidate qualified to become the Governor of the Company;

#### **4.6 Other**

(a) engage and compensate outside professionals where the Members believe it is necessary to carry out their duties and responsibilities;

(b) direct and supervise the investigation into any matter brought to its attention within the scope of its duties; and

(c) perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable regulatory authorities or legislation.

### **5.0 Reporting**

The Chairman should report to the Board at each Board meeting on the Committee's activities since the last Board meeting. The Secretary should circulate the minutes of each meeting of the Committee to the members of the Board.

### **6.0 Access to Information and Authority**

The Committee will be granted unrestricted access to all information regarding the Company that is necessary or desirable to fulfill its duties and all directors, officers and employees will be directed to cooperate as requested by Members.

The Committee has the authority to retain, at the Company's expense, independent legal, financial and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities (including executive search firms to assist the Committee in identifying director candidates), including sole authority to retain and to approve any such firm's fees and other retention terms without prior approval of the Board.

### **7.0 Review of Charter**

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration. The Board may amend from time to time this Charter.

The Board may, from time to time, permit departures from the terms of this Charter, either prospectively or retrospectively. The terms of this Charter are not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

Dated: December 2012; amended March 2017  
Corporate Governance and Nominating  
Approved by: Committee  
Board of Directors