



**CHARTER OF THE  
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
HD SUPPLY HOLDINGS, INC.**

Pursuant to the duly adopted Third Amended and Restated By-Laws of the Company (the “By-Laws”), the Board of Directors (the “Board”) of HD Supply Holdings, Inc. (the “Company”) has determined that the Nominating and Corporate Governance Committee (the “Committee”) of the Board shall assist the Board in fulfilling certain of its oversight responsibilities. The Board has adopted this Charter to establish the governing principles of the Committee. This Charter shall become effective upon the closing of the initial public offering of the Company’s common stock.

**Purposes**

The primary purposes of the Committee are: (i) to identify individuals qualified and suitable to become Board members consistent with criteria approved by the Board (including individuals proposed by stockholders) and recommend to the Board the director nominees for each annual meeting of stockholders; (ii) to develop and recommend to the Board a set of corporate governance guidelines applicable to the Company; and (iii) to otherwise take a leadership role in shaping the corporate governance of the Company.

**Membership**

The Committee shall consist of no fewer than three (3) directors, unless otherwise determined by the Board. Members of the Committee shall be appointed, and may be removed, by the Board on the recommendation of the Committee in accordance with the By-Laws of the Company. Committee members shall serve for such term or terms as the Board may determine. The Committee shall have the authority to establish subcommittees and to delegate any of its responsibilities to such subcommittees as the Committee may deem appropriate, provided that, at such time as the Company ceases to be a “controlled company” under the rules of the Nasdaq Stock Market (the “Nasdaq”), any such subcommittee is composed entirely of directors that meet the independence standards provided herein. Unless a Chairman of the Committee is elected by the Board, the Committee may designate its Chairman by majority vote of the full Committee membership.

At such time as the Company ceases to be a “controlled company” under the rules of the Nasdaq, the Board will determine whether or not each member of the Committee should be required to satisfy the director independence standards of Nasdaq.

**Powers and Responsibilities**

Subject to the then-applicable terms, if any, of the Third Amended and Restated Stockholders Agreement, among the Company and certain of its stockholders, as amended from time to time, the Committee’s duties and responsibilities shall include the matters enumerated

below, as well as such other matters as may be delegated to the Committee by the Board from time to time:

1. Recommend to the Board appropriate criteria for the selection of new directors and will periodically review the criteria adopted by the Board and, if deemed desirable, recommend to the Board changes to such criteria.
2. Identify and recommend to the Board candidates the Committee believes are qualified and suitable to become members of the Board consistent with criteria for selection of new directors adopted from time to time by the Board; and recommend to the Board the nominees to stand for election as directors at each annual meeting of stockholders or, if applicable, at any special meeting of stockholders. In the case of a vacancy in the office of a director (including a vacancy created by an increase in the size of the Board), the Committee will recommend to the Board an individual to fill such vacancy through appointment by a majority of the Company's directors. The Committee will also evaluate directors for re-nomination to the Board and in doing so, assess the performance of such directors.
3. Identify Board members qualified to fill vacancies on any committee of the Board (including the Committee), and recommend that the Board appoint the identified member or members to the respective committee. In recommending a member for committee membership, the Committee will take into consideration the factors set forth in the charter of the committee, if any, as well as any other factors it deems appropriate, including without limitation, the Company's Corporate Governance Guidelines, the consistency of the member's experience with the goals of the committee and the interplay of the member's experience with the experience of the other committee members. The Committee will also evaluate current directors for re-appointment to committees of the Board and in doing so, assess the performance of such directors.
4. Periodically review the size of the Board and make recommendations to the Board from time to time as to changes in the size of the Board that the Committee believes to be desirable. The Committee will periodically review the composition of the Board and its committees in light of the then current needs of the Board and consider rotation of committee members and committee chairpersons.
5. Oversee the system of corporate governance of the Company, including:
  - (a) developing and recommending to the Board a set of corporate governance guidelines for the Company;
  - (b) reviewing and reassessing the adequacy of such guidelines periodically; and
  - (c) recommending to the Board for approval any such changes to such guidelines as the Committee believes are appropriate. The Committee will oversee compliance with the Company's corporate governance guidelines and report on such compliance to the Board and review and approve any requests for waivers of such guidelines.

6. Oversee the evaluation of the Board and management. At least annually, the Committee will lead the Board in a self-evaluation to determine whether it and the Board's committees are functioning effectively and review the evaluations to consider any recommendations for proposed changes to the Board. The performance evaluation of the Board shall be conducted in such manner as the Committee deems appropriate.
7. Oversee the Company's "Board of Directors Communication Policy" and periodically review the policy and recommend any changes to the Board.
8. Conduct an annual self-evaluation of the Committee's performance, comparing the performance of the Committee with the requirements of this Charter, and set forth the goals and objectives of the Committee for the upcoming year. The Committee shall conduct such performance evaluation, and report the results to the Board, in such manner as the Committee deems appropriate.
9. Report to the Board periodically on all matters for which the Committee has responsibility.
10. At least annually, review and assess the adequacy of this Charter and recommend to the Board for approval any changes that the Committee believes are appropriate.
11. Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein or as may from time to time be delegated to the Committee.

### **Meetings and Procedures**

The Committee shall meet as frequently as necessary to carry out its responsibilities under this Charter. The meetings and other actions of the Committee shall be governed by the provisions of the Company's By-Laws applicable to meetings and actions of the committees of the Board. Meetings of the Committee may be called by the Chairman of the Board or any member of the Committee. The Chair of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with this Charter. Committee members shall be given notice of a meeting at least 24 hours in advance by telephone, facsimile or electronic transmission. Any such notice need not be given to any Committee member who attends such meeting without protesting the lack of notice to him or her, prior to or at the commencement of such meeting, or to any member who submits a signed waiver of notice, whether before or after such meeting. In the event the number of Committee members voting in favor of a proposal and the number of Committee members voting against such proposal are equal, the proposal shall be submitted to a vote of the Board, subject to applicable law. The Committee shall be afforded the opportunity, as it deems necessary and at the Committee's discretion, to meet in separate executive session meetings with (a) members of management and (b) consultants and advisors. In addition, the Committee may adopt rules of governance, not inconsistent with this Charter.

## **Authority and Resources**

The Committee shall have appropriate resources and authority to discharge its functions and responsibilities, including appropriate funding in any such amount as the Committee deems necessary (i) to compensate any consultant, independent counsel, expert or advisor (collectively, “Advisors”) retained by the Committee, and (ii) for ordinary administrative expenses of the Committee in carrying out its duties. The Committee may, without further approval from the Board, select, retain and terminate, as it deems necessary or advisable, a consultant or search firm to be used to identify director candidates and to approve any compensation payable by the Company to such consultant or search firm, including the fees, terms and other conditions for the performance of such services. The Committee may also obtain such advice and assistance from in-house counsel or outside legal or other Advisors as the Committee determines to be necessary or advisable in connection with the discharge of its duties and responsibilities hereunder. Any consultant, search firm, legal or other Advisor retained by the Committee shall meet any independence requirements imposed by the Nasdaq or applicable law. Any consultant, search firm, legal or other advisor engaged or retained by the Committee may, but need not, be otherwise engaged by the Company for any other purpose.

## **Miscellaneous**

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. This Charter is, and any amendments hereto will be, displayed on the Company’s website and a printed copy will be made available to any shareholder of the Company who requests such.