

# **Build-A-Bear Workshop, Inc.**

## **NOMINATING AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS**

### **CHARTER**

#### **I. PURPOSE**

The Nominating and Corporate Governance Committee (the “Committee”) shall aid the Board of Directors of the Corporation (the “Board”) in evaluating potential director nominees, overseeing the composition and structure of the Board and the committees thereof and developing and implementing the Corporation’s corporate governance policies and practices.

#### **II. COMPOSITION**

The Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be independent directors, as defined in the rules of any national securities exchange on which the Corporation’s shares may be listed from time to time, and be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

The members of the Committee shall be recommended by the Committee and elected by the Board at the annual organizational meeting of the Board and shall serve until their successors shall be duly elected and qualified or their earlier removal by the Board with or without cause at its discretion. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

#### **III. MEETINGS**

The Committee shall meet at least four times per year or more often as the Committee may from time to time determine may be appropriate or as circumstances dictate.

Additional meetings may also be held at such other times as shall be reasonably requested by the Chair of the Board or the Chair of the Committee. Members of the Committee may participate in meetings by means of teleconference, telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and such participation shall constitute presence at the meeting. A majority of the members of the Committee shall constitute a quorum sufficient for the taking of any action by the Committee. The act of a majority of the members present at a meeting at which a quorum is present shall be the act of the Committee. The Committee may also act as otherwise permitted by law or the Corporation’s Bylaws.

At the invitation of the Committee Chair, the meetings will be attended by the Chair of the Board, the Chief Executive Officer, representatives of any director search firm retained by the Committee and/or other persons as are appropriate to matters under consideration. The Committee may hold executive sessions at which no members of management of the Corporation are present at its discretion.

The Corporate Secretary of the Corporation, or their delegate, shall maintain minutes and other records of the meetings and activities of the Committee.

#### **IV. RESPONSIBILITIES AND DUTIES**

The responsibilities and duties the Committee shall include the following:

1. Oversee the structure and operations of the Board and suggest to the Board any recommended changes thereto.
2. Recommend to the Board for nomination potential nominees for Board membership, whether for the slate of director nominees to be proposed to shareholders or for director nominees to be elected by the Board to fill vacancies on the Board.
3. Establish criteria for evaluating new directors which shall reflect any requirements of applicable law or listing standards, as well as the nominee's character, judgment, business experience and areas of expertise as factors relating to the composition of the Board, including its size, structure and diversity.
4. Evaluate potential nominees for Board positions pursuant to the standards, policies and minimum requirements established by the Committee. The Committee will evaluate nominees recommended by shareholders of the Corporation if such recommendations are received in accordance with requirements established by the Board and/or in the Corporation's Bylaws, as amended from time to time, and disclosed in the Corporation's annual proxy statement and will recommend candidates to the Board.
5. Identify potential Director nominees from numerous sources as determined by the Board from time to time, including, but not limited to, other members of the Board, members of the Corporation's management, director search firms and the Corporation's shareholders.
6. Recommend to the Board committee structure and responsibilities, committee appointments, committee chairs and the rotation of chairperson and committee appointments as the Committee may determine to be in the best interests of the Corporation.
7. Evaluate the effect of any change in the personal or professional status of any director and request that the Board request the resignation of any such director if necessary.

8. Establish and oversee an orientation and continuing education program for all directors.
9. Monitor and keep current the Corporation's director succession plan.
10. Periodically review the Corporation's director independence standards and make evaluations of director independence pursuant thereto.
11. Establish and oversee compliance with the Corporation's Whistleblower Policy, corporate governance rules and policies and codes of legal and ethical conduct and review issues that arise in connection with such rules, policies and codes, including the approval of any related party transactions between the Corporation and any of its directors, executive officers, nominees for director and/or 5% shareholders (or any of their immediate family members).
12. Periodically review the Corporation's Corporate Governance Guidelines, Business Conduct Policy and Code of Ethics Applicable to Senior Executives and ensure that management has established a system of enforcement relating thereto.
13. Review management's monitoring of the Corporation's compliance with the organization's Business Conduct Policy and Code of Ethics Applicable to Senior Executives.
14. Periodically review the Corporation's Articles of Incorporation and Bylaws and recommend to the Board any changes necessary or appropriate.
15. Oversee the annual performance evaluation of the Board and the committees thereof.
16. Review with the Corporation's counsel legal compliance matters including corporate securities trading policies.
17. The Committee shall have the authority to engage independent advisors, including director search firms, at the Corporation's expense, as the Committee may determine necessary in carrying out its responsibilities hereunder. The Committee shall have the sole authority to retain and terminate any such search firm and to approve any such search firm's fees and other terms of retention. The Corporation shall provide the Committee with adequate funding, as determined by the Committee, for payment of compensation to any advisors engaged by the Committee. The Committee is authorized to have direct, independent and confidential access to the Corporation's other directors, management and personnel to carry out the Committee's purpose.
18. Report actions of the Committee periodically to the Board with such recommendations for action as the Committee deems appropriate.

19. Review and reassess the adequacy of this Charter on an annual basis and make recommendations to the Board concerning any changes deemed appropriate.
20. Review shareholder proposals relating to corporate governance matters and recommend to the Board proposed responses by the Corporation.
21. Conduct an annual self-evaluation of Committee performance.
22. Perform any other activities consistent with this Charter, the Corporation's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.