



5 July 2022

## **B&M European Value Retail S.A.**

### **Appointment of CFO**

B&M European Value Retail S.A. ("the Group"), the UK's leading variety goods value retailer, is pleased to announce that Mike Schmidt is to be appointed as an Executive Director and Chief Financial Officer ("CFO") of the Group. He will join the Group on a mutually agreed start date to be announced shortly and which is expected to be no later than 3 January 2023.

Mike is currently Executive Director and Group CFO of DFS Furniture plc, having been in that role for the last 3 years. He initially joined the business in March 2014 as a senior member of the finance team, later becoming Chief Development Officer. DFS is the UK's leading retailer of living room and upholstered furniture and is listed on the London Stock Exchange. Prior to joining DFS, Mike spent 13 years in corporate finance roles at leading investment banks including Citi and UBS, where he gained experience advising a wide range of consumer focused companies.

Mike will succeed Alex Russo as Group CFO, who will be stepping up to Group Chief Executive Officer, as previously announced on 31 May 2022. Further information relating to the timing of the management transition will be provided in due course.

#### **Peter Bamford, Chairman, said,**

*"I am delighted that Mike has agreed to join B&M as Group CFO. His previous roles in both retail and investment banking will bring valuable experience and insight to the Board alongside the continuity provided by Alex Russo's appointment as future CEO. I look forward to working closely with Mike over the coming years."*

#### **Mike Schmidt, said,**

*"I am excited by the opportunity to join B&M. It is a business that has experienced a period of rapid growth over recent years and has a clearly defined growth strategy for the future. I am very much looking forward to contributing to its ongoing success."*

#### **Remuneration**

Mike Schmidt will be paid as follows in accordance with the Company's Directors' Remuneration Policy approved by shareholders and as set out in the Company's Annual Report:

- **Base Salary:** He will receive a base salary of £450,000 per annum.
- **Pension and other benefits:** He will receive pension payments (cash allowance or contribution) equal to 3% of base salary, plus other standard contractual benefits.
- **Bonus:** He will be eligible for participation in the B&M Annual Incentive Plan ("AIP") with a maximum bonus opportunity per annum of 150% of base salary. As his appointment will commence part way through a financial year his participation will be pro-rated on a time basis relative to the actual period of employment in that year. Bonuses are paid half in cash and half in nil-cost options deferred for 3 years.
- **Long Term Incentive Plan ("LTIP"):** He will be eligible for participation in the B&M Share Option Long Term Incentive Plan. The annual grant of share options under the LTIP will ordinarily be based on 175% of base salary. Currently awards are made with a 3 year vesting period, together with a further 2 year holding period. Subject to the discretion of the Remuneration Committee, it is intended that Mike will be eligible to be awarded a grant under the LTIP whose performance period commenced on 27 March 2022, with pro-rating of the normal 175% of base salary award size to reflect the remaining performance period at the

point of appointment. Full details of the current LTIP policy and shareholding guidelines are set out in the Directors' Remuneration Report in the Company's Annual Report. AIP and LTIP awards are non-contractual awards made in the discretion of the Remuneration Committee of B&M and any payments are generally contingent on continued employment and not being under notice.

- **Notice period:** The notice period will be 12 months by B&M or by Mike Schmidt.
- **Buy-out:** The Company has also agreed the following buy-out arrangements to compensate for the forfeiture of incentive compensation from Mike Schmidt's current employment. The recruitment provisions of the Directors' Remuneration Policy approved by shareholders allow the Company to compensate a new Executive Director for amounts foregone from the individual's former employer, taking account of the amount forfeited, the extent of any performance conditions, the nature of the award and the time period to vesting. Accordingly, following the commencement of Mike Schmidt's appointment with B&M, share based buy-out awards will be granted to him by B&M, as follows:
  - An award of nil-cost options with a face value of £250,000 to be granted on or shortly after appointment, with 50% vesting after 1 year from grant and 50% vesting after 2 years from grant;
  - Vesting of the award is contingent on continued employment and on Mike Schmidt performing satisfactorily up to each vesting date;
  - Malus and clawback provisions will apply to the award; and
  - Any shares realised from the exercise of options will be subject to the shareholding requirement under the prevailing Directors' Remuneration Policy.

The value of the buyout awards is no higher than the expected value of the awards being forfeited and the timing of vesting is expected to be similar to the case for the awards being forfeited.

- **Travel and accommodation:** He will also receive a non-pensionable payment of up to a maximum of £50,000 for the first twelve months of employment for travel and overnight accommodation.

Details of Mike Schmidt's remuneration will be disclosed in the Company's Directors' Remuneration Report for the year ending March 2023.

This announcement contains inside information which is disclosed in accordance with the Market Abuse Regulation. There is no further information to be disclosed in accordance with Listing Rule 9.6.13.

#### **B&M European Value Retail S.A.**

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