

GROUP 1 AUTOMOTIVE®

COMPENSATION & HUMAN RESOURCES COMMITTEE CHARTER

The Board of Directors (the “**Board**”) of Group 1 Automotive, Inc. (the “**Company**”) has heretofore constituted and established a Compensation & Human Resources Committee of the Board (the “**Committee**”) with the authority, responsibility and specific duties as described in this Compensation & Human Resources Committee Charter (this “**Charter**”).

I. Purpose

The general purpose of the Committee is to (i) discharge the Board’s responsibilities relating to compensation of the Company’s Chief Executive Officer (“**CEO**”) and other executive officers, including approving and evaluating all related compensation plans, policies and programs and (ii) oversee the Company’s practices, policies, strategies and goals relating to human capital resources management.

II. Composition

The Committee shall consist of at least three members of the Board. Each member of the Committee shall (i) satisfy the applicable independence requirements of the New York Stock Exchange, Rule 10C-1 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and any other applicable laws or regulations; and (ii) be a “Non-Employee Director” for the purposes of Rule 16b-3 under the Exchange Act. Each member of the Committee shall be appointed by, and serve at the discretion of, the Board based on the recommendation of the Governance & Corporate Responsibility Committee. Committee members may be removed from the Committee by the Board at any time, with or without cause, and any vacancies will be filled by the Board. The Chair of the Committee shall be a member of the Committee designated by the Board based on the recommendation of the Governance & Corporate Responsibility Committee or, if no such designation is made, elected by the affirmative vote of the majority of the Committee.

III. Authority and Responsibilities

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee as more specifically delineated below. Without limiting the generality of the preceding statements:

A. Authority

The Committee has the authority to:

1. Conduct or authorize investigations into any matter within the scope of the responsibilities delegated to the Committee, including to require any officer, employee or advisor of the Company to meet with the Committee or any of its advisors;

2. Retain and determine funding for, and approve or modify contractual terms and fees payable to, legal counsel, compensation consultants or other experts and advisors, in the Committee's sole discretion and as it deems necessary or appropriate in carrying out its duties. The Company must provide for payment of (a) compensation, as determined by the Committee, to such advisors engaged by the Committee and (b) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties;

3. In its discretion, exercise all of the powers delegated to the Committee under the Company's long-term incentive plans, subject to the express provisions set forth therein; and

4. Delegate to its Chair, any one of its members or any subcommittee it may form, the responsibility and authority for any particular matter, as it deems appropriate from time to time under the circumstances and consistent with applicable law. Each subcommittee will keep minutes and regularly report to the Committee.

B. Responsibilities

The Committee has the following responsibilities:

1. Annually, evaluate the performance of, and review and approve goals and objectives relevant to CEO compensation;

2. Annually, review and recommend the CEO's compensation (including annual salary, bonus, equity awards and other direct and indirect benefits), based on the evaluation above with review and approval by the full Board (absent the CEO);

3. Annually, review and approve the executive officer compensation program, including each executive officer's individual goals, in light of the Company's goals and objectives relative to executive officer compensation;

4. Annually, in consultation with the CEO, approve the compensation (including annual salary, bonus, equity awards and other direct and indirect benefits) for the other executive officers based on the CEO's recommendations, including performance evaluations and market data.

5. In determining the compensation arrangements and components, the Committee may consider, among other things, the Company's performance and relative stockholder return, the market for comparable executive talent, the value of similar incentive awards to executive officers at comparable companies and the awards given to the Company's executive officers in past years.

6. Annually, review and approve all employment agreements, severance arrangements and change-in-control agreements and provisions for executive officers.

7. Annually, review and make recommendations to the Board with respect to incentive-compensation plans and equity-based plans for executive officers.
8. Oversee compliance with applicable rules and regulations regarding stockholder approval of certain equity-compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under the NYSE rules that, with limited exceptions, stockholders approve equity compensation plans. In addition, review the say-on-pay voting results and consider whether to make any adjustments to executive officer compensation policies and practices.
9. As appropriate, review and approve the process for selecting consultants, data sources and peer groups for purposes of benchmarking.
10. Review and discuss with management the Compensation Discussion and Analysis to be included in the Company's proxy statement and, based on that review and discussion, determine whether to recommend to the Board that the CD&A be so included.
11. Annually, prepare a Compensation Committee Report for inclusion in the Company's proxy statement.
12. Review and approve the Company's clawback policy.
13. Evaluate the Company's compensation policies and practices for any material risks and mitigation strategies related thereto.
14. Review, recommend to the Board any changes to, and monitor compliance with, stock ownership guidelines for the executive officers.
15. Oversee regulatory compliance with respect to compensation matters.
16. Oversee the Company's human capital resources management practices, policies, strategies and goals and review and discuss with management disclosure regarding the same to be included in the Company's Annual Report on Form 10-K.
17. The Committee shall perform any other duties or responsibilities delegated to the Committee by the Board from time to time.

IV. Procedures

A. **Meetings.** The Committee shall meet as frequently as necessary to carry out its responsibilities. The Committee shall meet at the call of its Chair, a majority of the members of the Committee or the Chair of the Board. Meetings may, at the discretion of

the Committee, include members of the Company's management, independent consultants and such other persons as the Committee or its Chair may determine.

B. ***Quorum and Approval.*** A majority of the members of the Committee shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of a meeting.

C. ***Rules.*** The Committee may determine additional rules and procedures, including designation of a Chair pro tempore in the absence of the Chair.

D. ***Reports.*** The Committee shall maintain minutes of its meetings and make regular reports to the Board, directly or through the Chair.

E. ***Review of Charter.*** Each year, the Committee shall review the need for changes in this Charter and recommend any proposed changes to the Board for approval.

F. ***Performance Review.*** Each year, the Committee shall review and evaluate its own performance and shall submit itself to the Board's review and evaluation.

G. ***Fees.*** Each member of the Committee shall be paid the fee set by the Board for his or her services as a member of, or Chair of, the Committee.

V. **Posting Requirement**

The Company will make this Charter available on or through the Company's website as required by applicable rules and regulations. In addition, the Company will disclose in its Proxy Statement that a copy of this Charter is available on the Company's website and provide the website address.

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While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable federal or state law.