



COMPENSATION COMMITTEE CHARTER

Approved by the
Board of Directors
July 21, 2016

A handwritten signature in black ink, appearing to be "G.P.D.", written over a horizontal line.

Corporate Secretary

SANTANDER CONSUMER USA HOLDINGS INC.

COMPENSATION COMMITTEE CHARTER

Purpose

The Board of Directors (the “**Board**”) of Santander Consumer USA Holdings Inc. (the “**Company**”) appoints the Compensation Committee (the “**Committee**”) to assist the Board in discharging its responsibilities relating to compensation and benefit plans, performance objectives, and the talent management and performance evaluation of the Company’s Chief Executive Officer (“**CEO**”), individuals who report directly to the CEO, and other individuals as enumerated in the Company’s Governance Framework, in coordination with Banco Santander, S.A. and Santander Holdings USA, Inc. (collectively, “**Santander**”). The Committee shall perform the other duties set forth in this Charter, which shall include the following:

- (i) Reviewing and approving the establishment, maintenance and administration of the Company’s compensation policies, and practices, and recommending directors’ compensation as described in this Charter;
- (ii) Reviewing and approving the Company’s talent management and performance evaluation policies and practices;
- (iii) Ensuring adherence to applicable regulatory and industry standards for sound compensation policies, including as set forth in guidance issued by any regulatory authority that may have jurisdiction over the Company;
- (iv) Approving any compensation-related reports included in the Company’s regulatory filings; and
- (v) Overseeing qualified and non-qualified employee pension benefit plans and employee welfare benefit plans of the Company, including the Company’s tax-qualified retirement plans and any other employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended, including the authority to amend but not completely terminate or consolidate or merge any such plan.

Committee Membership

The Committee shall consist of no fewer than three and no more than seven members. Committee members shall be appointed in accordance with the Company’s Bylaws.

At least two of the Committee’s members shall qualify as “outside” directors within the meaning of Internal Revenue Code Section 162(m) (“**Section 162(m)**”) and at least two of the Committee’s members shall qualify as “non-employee” directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (“**Rule 16b-3**”). One member of the Committee shall be appointed as Chair of the Committee (the “**Committee Chair**”) by the Board. The Committee Chair shall be a non-executive director of the Board. At least one of the “outside” directors shall have a level of expertise and experience in risk management and compensation practices in the financial services industry that is appropriate for the nature, scope and complexity of the Company’s activities.

In the event that it shall be necessary or appropriate for the Committee to consider compensation matters relating to or governed by Section 162(m), the Committee shall constitute a subcommittee comprised entirely of two or more “outside” directors within the meaning of Section 162(m) and shall empower such subcommittee to establish, administer, approve and certify (for Section 162(m) purposes) performance goals for employee compensation awards, and to consider and act upon such other Section 162(m) matters as may be necessary or appropriate.

In the event that it shall be necessary or appropriate for the Committee to consider compensation matters relating to or governed by Rule 16b-3, the Committee shall constitute a subcommittee comprised entirely of two or more “non-employee” directors within the meaning of Rule 16b-3 and shall

empower such subcommittee to review and approve (for Rule 16b-3 purposes) compensation grants and awards by the Company of its securities to an officer or director of the Company, and to consider and act upon such other Rule 16b-3 matters as may be necessary or appropriate.

Committee Duties and Responsibilities

In furtherance of its purposes, the Committee's responsibilities shall include but not be limited to the following responsibilities, in coordination with Santander as required by the Group-Subsidiary Governance Model and the Company's Governance Framework, in addition to any other responsibilities delegated to it by the Board or required by applicable laws, rules or regulations.

Compensation Plans

- (i) Determine and approve the CEO's compensation based on the Board's evaluation of the CEO's performance against the Company's approved goals and objectives and in accordance with all applicable limits established by Santander with respect to variable compensation. In determining the incentive components of CEO compensation, the Committee may consider a number of factors, including, but not limited to, the Company's performance, the value of similar incentive awards to CEOs at comparable companies and the awards given to the CEO in past years.
- (ii) Review and approve the Company's compensation plans, policies and practices as they affect the CEO and the individuals who report directly to the CEO and individuals enumerated in the Company's Governance Framework and the compensation level of such individuals; ensure that such compensation plans, policies and practices comply with all applicable policies and limits established by Santander with respect to variable compensation.
- (iii) Review and approve, on an annual basis, director compensation and recommend any changes to the Board for its approval.
- (iv) Review the design and function of Incentive Compensation Agreements ("**ICAs**") and approve the ICAs as they apply to "Covered Employees" as defined in (v) below, and any material exceptions or adjustments thereto and provide guidance to the Board and management so that ICAs are appropriately carried out in a manner which achieves balance and is consistent with safety and soundness. Confirm that senior management has reviewed and approved the Company's ICAs prior to their implementation, assess whether the overall design and performance of such arrangements are consistent with the Company's safety and soundness, and make recommendations with respect to the Company's ICAs as the Committee deems appropriate.
- (v) Oversee the Company's ICAs applicable to (1) the Company's CEO, the individuals who report directly to the CEO, other individuals as enumerated in the Company's Governance Framework and others who are responsible for oversight of the Company's firm-wide activities or material business lines, (2) individual employees whose activities may expose the Company to material amounts of risk and (3) groups of employees who are subject to the same or similar compensation arrangements and who, in the aggregate, may expose the Company to material amounts of risk (the "**Covered Employees**").
- (vi) Review periodic reports that assess awards and payments under the ICAs relative to risk outcomes on a backward-looking basis to determine whether the ICAs may promote excessive risk, review clawback policies, and practices, and periodically review forward-looking scenario analyses of compensation based on a range of potential performance levels, risk outcomes and the amount of risk taken.

Talent Management and Performance Evaluation

- (i) Review and approve a written talent management policy and practices that provides for development, recruitment and succession planning for the CEO, the individuals who report

directly to the CEO, and other individuals as enumerated in the Company's Governance Framework, their direct reports and other potential successors. Review assignment of responsibilities under the talent management policy to specific individuals and oversee the efforts of those individuals to ensure effectiveness.

- (ii) Review and approve the Company's performance management program, including the performance goals and objectives of the CEO, the individuals who report directly to the CEO, and the other individuals as enumerated in the Company's Governance Framework.

Employee Benefit Plans

- (i) Oversee the Company's tax-qualified retirement plans and any other employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended, and any changes to such plans, in order to ensure compliance with applicable laws and regulations.

Disclosures

- (i) Approve the Compensation Committee Report for inclusion in the Company's Annual Report in its Form 10-K as required by SEC regulations.
- (ii) Review and discuss with management the Compensation Discussion and Analysis ("**CD&A**") included in the Company's proxy statement for the annual meeting of shareholders of the Company (or in other SEC filings of the Company), including reviewing any information concerning the ICAs and related risk management, control and governance processes that may be required by the Federal Reserve Guidance, and determine whether or not to recommend to the Board that the CD&A be so included.

Meetings

The Committee, and each member of the Committee in his or her capacity as such, shall be entitled to rely on information, opinions, reports, statements, and other information prepared or presented to them by: (1) officers and other employees of the Company and its subsidiaries whom that member believes to be reliable and competent in the matters presented; and (2) counsel or other persons as to matters which the member believes to be within the professional competence of that person.

The Committee may establish and delegate responsibilities to subcommittees consisting of one or more members, who shall report their activities to the Committee.

The Committee may receive information from management or from sources outside the Company. The Committee shall review any other information that the Committee deems appropriate for the thorough and proper discharge of its duties pursuant to this Charter.

The Committee may request any officer or employee of the Company or its subsidiaries to attend a Committee meeting or to meet with any Committee members without the consent of management or the Board.

To ensure appropriate oversight of risk related to compensation practices without unnecessary duplication, the Chairs of the Compensation Committee and each of the other Board committees shall communicate as they deem advisable regarding risk issues. The Committee shall work with the Board Risk and Audit Committees in circumstances in which the substance of the Committee's activities overlaps with or relates to those of such other committees.

The Committee may select, compensate and use any outside counsel, consultant or other expert with expertise in incentive compensation and risk management to assist in the performance of the Committee's duties. The Committee shall have the authority to approve the outside counsel, consultant or other expert's fees and the other terms and conditions of any such advisor's retention, and the sole authority to terminate such outside counsel, consultant or other expert.

The Committee shall meet as often as necessary to carry out its responsibilities, but not less frequently than quarterly. A majority of the members of the Committee shall constitute a quorum, and the act of a majority of the quorum shall be the act of the Committee.

The Committee Chair, or his or her designee, shall preside at all meetings of the Committee and shall set the agenda. The Corporate Secretary or, as determined by the Corporate Secretary or the Chief Legal Officer, a member of the Company's legal staff or any other person designated by the Committee shall act as Secretary to the Committee.

The Committee shall keep minutes of its meetings, and the Committee Chair shall report the Committee's actions, recommendations or findings to the Board at the next regularly scheduled meeting following a Committee meeting.

In its discretion, and under exceptional circumstances, the Committee may establish and delegate responsibilities to subcommittees consisting of one or more of its members, who shall report on their activities to the Committee.

Charter Review

The Committee shall review and reassess this Charter and the information it receives at least annually and recommend any changes to the Board for approval. The Committee shall perform a self-assessment to review its own performance annually and present to the Board the results of that review.

Reporting Relationships

The Committee shall report to the Board. The Company's Human Resources Committee (or any successor committee thereto) shall report to the Committee.