

**AutoNation, Inc.**  
**Corporate Governance and Nominating Committee Charter**

The Corporate Governance and Nominating Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of AutoNation, Inc. (the “Company”). The primary function of the Committee is to assist the Board in fulfilling its oversight responsibilities by performing the duties described in this Corporate Governance Committee Charter.

**DUTIES AND RESPONSIBILITIES**

The Committee shall have the following duties and responsibilities:

***Corporate Governance Guidelines, Codes of Ethics and Conduct, and Business Ethics Program***

- Develop and recommend to the Board corporate governance guidelines for the Company (the “Guidelines”), which shall be consistent with any applicable laws, regulations and listing standards. Thereafter, review annually, or more frequently as appropriate, the corporate governance principles and practices set forth in the Guidelines, in comparison to the governance standards identified by leading governance authorities and the evolving needs of the Company, and make recommendations to the Board with respect to any appropriate amendment to the Guidelines.
- Consider other corporate governance issues that arise from time to time, and advise the Board with respect to such corporate governance issues.
- Periodically review the Company’s codes of ethics and conduct (the “Codes”) for directors, officers and employees, and approve amendments to the Codes to the extent deemed appropriate by the Committee.
- Periodically review and discuss with management the implementation and effectiveness of the Company’s business ethics program, which is designed to address potential violations of law and Company policies, including reports from the Company’s Business Ethics Committee and any subcommittees thereunder.

***Evaluation of the Board and Management***

- Establish the evaluation criteria for the annual Board self-evaluation, including the criteria for determining whether the Board and Board committees are functioning effectively, and implement the process for annual evaluations.
- Oversee the evaluation of the Board and management and report to the Board on the performance and effectiveness of the Board.

***Assess Board Membership Needs and Composition and Recommend Nominees***

- Assess from time to time the appropriate balance of skills and characteristics required of Board members.
- Identify, evaluate and recommend candidates to the entire Board for nomination and election to the Board. Nominees for Director shall be selected on the basis of, among other things,

broad experience, financial expertise, wisdom, integrity, ability to make independent analytical inquiries, understanding of the Company's business environment, the Nominee's ownership interest in the Company, and willingness and ability to devote adequate time to Board duties, all in the context of assessing the needs of the Board at that point in time and with the objective of ensuring diversity in the background, experience and viewpoints of Board members.

- Review Board candidates recommended by shareholders on the same basis as if such candidates were recommended by one or more of our directors or other sources.
- Assist the Board in determining whether continued Board service by a Director who has had a material change in his or her principal occupation would be appropriate.
- After consultation with the Chairman and Chief Executive Officer, recommend to the Board for approval all assignments of committee members, including designations of the chairs of the committees.
- Assist the Board in determining and monitoring whether or not each Director and prospective director is an "independent director" within the meaning of any laws, regulations or listing standards applicable to the Company.
- Review and monitor the size and composition of the Board to ensure that a substantial majority of directors are independent directors, as determined by the Board.

#### ***Other Matters***

- Review and evaluate the Company's programs, policies and practices relating to social and environmental issues and receive updates from the Company's management team responsible for significant social and environmental activities.
- Recommend that the Board establish such special committees as may be necessary, appropriate or advisable to address ethical, legal or other matters that may arise.
- Address or take action with respect to any other matter specifically delegated to the Committee from time to time by the Board.

#### **MEMBERSHIP**

- The Committee shall be comprised of at least three members. The members of the Committee shall be appointed and replaced, and the Chair of the Committee shall be designated, by the Board based on the recommendation of the Committee.
- Any vacancy on the Committee shall be filled by a majority vote of the Board. Any member of the Committee may be removed, with or without cause, by majority vote of the Board.
- Each member of the Committee must be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange and any other applicable laws and regulations, as well as any additional requirements that the Board deems appropriate.

#### **MEETINGS AND PROCEDURES**

- The Committee may fix its own rules of procedure, which shall be consistent with the

Amended and Restated By-Laws (the “By-Laws”) of the Company and this Charter.

- The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but no less frequently than twice annually.
- The Chair or a majority of the members of the Committee may call meetings of the Committee upon such notice as is required for special Board meetings in accordance with the Company’s By- Laws. The Committee may meet by telephone conference call or by any other means permitted by law or the Company’s By-Laws.
- A majority of the members of the Committee, present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, shall constitute a quorum.
- The Chair of the Committee shall be responsible for leadership of the Committee, including approving the agenda, presiding over Committee meetings, making Committee assignments and reporting the Committee’s actions to the Board as contemplated below.
- The Committee may request that any Director, officer or employee of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee (or portion thereof) to provide such pertinent information as the Committee requests.
- The Chair of the Committee (or other member designated by the Chair or the Committee in the Chair’s absence) shall report to the full Board, on a periodic basis or at the request of the Board, with respect to those matters considered and acted upon by the Committee.
- The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

#### **PERFORMANCE EVALUATION**

- The Committee shall conduct a self-evaluation of its performance annually, in such manner as the Committee deems appropriate.
- In conducting this review, the Committee shall evaluate whether this Charter adequately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate.
- In conducting this review, the Committee shall address all matters that it considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.
- The Committee shall present to the Board the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company’s or the Board’s policies and procedures.

## **DELEGATION OF AUTHORITY**

- The Committee may form subcommittees and may delegate to such subcommittees any or all power and authority of the Committee as the Committee deems appropriate; provided, however, that no subcommittee shall consist of fewer than two members; and provided further that the Committee shall not delegate to a subcommittee any power or authority required by any applicable laws, regulations or listing standards to be exercised by the Committee as a whole.

## **INVESTIGATIONS AND STUDIES; OUTSIDE ADVISORS**

- The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities and may obtain advice and assistance from outside counsel, or other consultants or advisors, at the Company's expense, as the Committee determines appropriate or advisable to carry out its duties. Additionally, the Committee shall have the authority to call upon the appropriate corporate staff for assistance in the conduct of its responsibilities.
- The Committee shall have the sole authority to retain, at the Company's expense, and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fee and any other retention terms, such fees to be borne by the Company.

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While the members of the Committee 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 members of the Committee, except to the extent otherwise provided under applicable federal or state law.