



Charter of the Compensation Committee of the Board of Directors of HD Supply Holdings, Inc.

(As Amended Effective August 14, 2015)

This Charter sets forth, among other things, the purpose, membership and duties and responsibilities of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of HD Supply Holdings, Inc. (the "Company").

1. Purpose

The purpose of the Committee is to: (a) discharge the Board's oversight responsibilities relating to compensation of the Company's executive officers, as defined by Rule 16a-1(f) of the Securities Exchange Act of 1934, and other senior leadership team officers of the Company who are direct reports of the Company's Chief Executive Officer ("Executive Officers"), and the non-employee directors of the Board; and (b) prepare any report on executive compensation required by the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") for inclusion in the Company's annual proxy statement.

2. Membership

The Committee shall consist of three members appointed by the Board, upon recommendation of the Nominating and Corporate Governance Committee. Members of the Committee shall serve at the pleasure of the Board for such term as the Board may determine. If any vacancy shall occur in the Committee, by reason of disqualification, death, resignation, removal or otherwise, the remaining members of the Committee shall continue to act, and any such vacancy may be filled by the Board.

Each member of the Committee shall satisfy the director and compensation committee independence requirements of the Nasdaq Stock Market. No member of the Committee may accept, directly or indirectly, any consulting, advisory or other compensatory fee (other than board service compensation) from the Company or any subsidiary thereof, as contemplated by the compensation committee composition requirements of the Nasdaq Stock Market.

Each Committee member shall be a "Non-Employee Director" for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as in effect from time to time, and an "outside director" for the purposes of Section 162(m) of the Internal Revenue Code, as in effect from time to time.

3. Structure and Operations

The chairperson of the Committee may be any Committee member designated by the Board. The affirmative vote of a majority of the members of the Committee participating in any meeting of the Committee is necessary for the adoption of any resolution. In the event the number of Committee members voting in favor of a proposal and the number of Committee members voting against such proposal are equal, the proposal shall be submitted to a vote of the Board.

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this Charter, at such times and places as shall be determined by the Committee chairperson. The Committee chairperson, in consultation with the other Committee members, shall set meeting agendas consistent with this Charter. Members of the Committee may participate in a meeting of the Committee



by means of conference call or similar communication arrangements by means of which all persons participating in the meeting can hear each other. The Committee may invite such members of management to its meetings as it may deem desirable or appropriate, consistent with the maintenance of the confidentiality of compensation discussions. The meetings and other actions of the Committee shall be governed by the applicable provisions of the Company's By-Laws.

The Committee may create one or more subcommittees and may delegate, in its discretion, all or a portion of its duties and responsibilities to such subcommittees. To minimize administrative burdens, the Committee may also work with management to define adequate thresholds below which approval for some activities and transactions can be delegated to management without direct Committee involvement; provided, however, that no member of management shall be delegated authority over his or her own compensation (other than with respect to benefit plans in which such member of management participates on the same basis as other employees generally).

4. Duties and Responsibilities

The Committee's duties and responsibilities shall include each of the items enumerated in this Section 4 and such other matters as may from time to time be delegated to the Committee by the Board.

(a) Establish the Company's general compensation philosophy, and, in consultation with senior management, oversee the development and implementation of compensation programs, approve grants under the Company's equity-based plans, and discharge any responsibilities imposed on the Committee by any of these plans.

(b) In conjunction with the Board Chairman, and if the positions of Board Chairman and Chief Executive Officer ("CEO") are held by the same person, in conjunction with the Lead Director with respect to the CEO, at least annually: (i) review and approve corporate goals and objectives relevant to the compensation of the Executive Officers, (ii) evaluate the performance of the Executive Officers in light of those goals and objectives, and (iii) report the results of the evaluation for the CEO to the Board. The Committee shall have the sole authority to determine CEO and other Executive Officer compensation level based on the evaluations.

(c) The Committee shall, at least annually, review and approve all compensation arrangements with the CEO and the other Executive Officers, including, without limitation: (i) the annual base salary level; (ii) the annual incentive opportunity level; (iii) the long-term incentive opportunity level; (iv) employment agreements, severance arrangements and change-in-control agreements/provisions, in each case as, when and if appropriate; and (v) any special or supplemental benefits. The CEO may not be present during voting or deliberations on his compensation.

(d) In conjunction with the Board Chairman, or if the positions of Board Chairman and CEO are held by the same person, the Lead Director with respect to CEO succession planning, periodically review management development and succession plans for the Executive Officers, including establishing policies regarding succession in the event of an emergency or the retirement of the CEO.

(e) Periodically review the compensation and benefits offered to the Company's non-employee directors and recommend changes to the Board, as appropriate.



(f) Develop and implement such policies with respect to the recovery or “clawback” of compensation (including equity awards) paid to Executive Officers as may be required by applicable law or determined by the Committee to be reasonable and appropriate.

(g) Determine stock ownership guidelines, if any, for the Executive Officers and non-employee directors, and monitor compliance with any such guidelines.

(h) Oversee the Company’s regulatory compliance with respect to compensation matters, including the Company’s policies on structuring compensation programs to preserve tax deductibility, and establishing performance goals and certifying that performance goals have been obtained for purposes of Section 162(m) of the Internal Revenue Code, as appropriate.

(i) Periodically, but no less than annually, assess the Company’s various compensation programs, including those in which non-Executive Officers participate, to determine whether the programs encourage employees to engage in unnecessary or excessive risk taking that could have a material adverse effect on the Company, and evaluate compensation policies and practices that could mitigate any such risk.

(j) Provide an annual Compensation Committee Report to stockholders communicating that the Committee has reviewed and discussed the Compensation Discussion and Analysis with management, and based on its review and discussions with management, recommends that the Compensation Discussion and Analysis be included in the Company’s annual proxy statement in accordance with applicable SEC rules and regulations.

(k) Review and assess stockholder say-on-pay voting and consider how compensation policies and practices should take into account the results of the most recent stockholder vote.

(l) Report to the Board periodically on all matters for which the Committee has responsibility.

(m) Undertake and review with the Board an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this Charter and set forth the goals and objectives of the Committee for the upcoming year. The Committee shall conduct such performance evaluation in such manner as the Committee deems appropriate, and may report the results of its performance evaluation through an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.

(n) Annually review and reassess the adequacy of this Charter and recommend to the Board for approval such changes as the Committee believes are appropriate.

(o) Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.

5. Authority and Resources

The Committee shall have the sole authority, without further approval by the Board, to select, retain and terminate a compensation consultant to assist in the evaluation of Executive Officer and non-employee director compensation and to approve any compensation payable by the Company to such consultant, including the fees, terms and other conditions for the performance of such services. In



addition, the Committee may, without further approval by the Board, obtain such advice and assistance from outside accounting, legal or other advisors as the Committee determines to be necessary or advisable in connection with the discharge of its duties and responsibilities hereunder. Any accounting, legal or other advisor retained by the Committee may, but need not, be in the case of an outside accountant, the same accounting firm employed by the Company for the purpose of rendering or issuing an audit report on the Company's annual financial statements, or in the case of outside counsel or other advisor, otherwise engaged by the Company for any other purpose, subject to any independence assessment required by the rules of the Nasdaq Stock Market and other applicable law.

The Company shall pay to any compensation consultant or outside accounting, legal or other advisor retained by the Committee pursuant to the preceding paragraph such compensation, including, without limitation, usual and customary expenses and charges, as shall be determined by the Committee.

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