

Corporate Governance Guidelines
of
Surgery Partners, Inc.

SELECTION AND COMPOSITION OF BOARD OF DIRECTORS

Role of the Board

The basic responsibility of the board of directors (the “Board”) of Surgery Partners, Inc. (the “Company”) is to exercise its business judgment to act in what each director reasonably believes to be in the best interests of the Company and its stockholders. In addition to its general oversight of management, the Board and its committees also perform a number of specific functions, including:

- Reviewing and approving the Company’s key objectives and strategic business plans and monitoring implementation of those plans and the Company’s success in meeting identified objectives;
- Reviewing and approving the Company’s financial objectives and major corporate plans, business strategies and actions;
- Selecting, evaluating and compensating the Chief Executive Officer of the Company (“CEO”) and overseeing CEO succession planning;
- Providing advice and oversight regarding the selection, evaluation, development and compensation of management;
- Overseeing the Company’s risk management and mitigation activities; and
- Reviewing and monitoring administration of the policies and procedures to safeguard the integrity of the Company’s business operations and financial reporting and to promote compliance with applicable laws and regulations.

Size of the Board

The charter and bylaws of the Company provide that the Board shall consist of not less than three nor more than 15 directors. Subject to the Company’s certificate of incorporation, the exact number of directors shall be determined from time to time by resolution of the Board. The Board should neither be too small to maintain the needed expertise and independence nor too large to be efficiently functional. The general expectation is that the Board will consist of approximately six directors, although the Board will periodically review the appropriate size and mix of the Board in light of the stated objectives below.

Selection of New Directors

The Board should be responsible for selecting its own members for election by the stockholders. The Board, however, delegates the process for identifying and reviewing

candidates for director positions to the Nominating and Corporate Governance Committee, with direct input from the CEO.

Board Membership Criteria

The Nominating and Corporate Governance Committee is responsible for developing and recommending to the Board criteria for Board membership. It is the policy of the Board that directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the Company's stakeholders. It is also the policy of the Board that the composition of the Board at all times adhere to the standards of independence promulgated by the NASDAQ Stock Market ("NASDAQ") and as further clarified below under "*Director Independence*." The Board believes that each director should possess a combination of skills, professional experience and diversity of viewpoints necessary to oversee the Company's business. In addition, it believes that there are certain attributes that every director should possess, as reflected in its membership criteria. Accordingly, the Board considers the qualifications of directors and director candidates individually and in the broader context of its overall composition and the Company's current and future needs. Among other things, the Board has determined that it is important to have directors with the following skills and experiences: leadership experience, as directors with experience in significant leadership positions possess strong abilities to motivate and manage others and to identify and develop leadership qualities in others; knowledge of the Company's industry, particularly physician and patient relations, which is relevant to understanding the Company's business and strategy; operations experience, as it gives directors a practical understanding of developing, implementing and assessing the Company's business strategy and operating plan; risk management experience, which is relevant to oversight of the risks facing the Company's business; financial/accounting experience, particularly knowledge of finance and financial reporting processes, which is relevant to understanding and evaluating the Company's capital structure, financial statements and reporting requirements; and strategic planning experience, which is relevant to the Board's review of the Company's strategies and monitoring their implementation and results.

The Board also requires that each director be able to dedicate sufficient time to ensure the diligent performance of his or her duties on the Company's behalf, including attending all Board and applicable committee meetings. In general, the Board does not have a policy limiting the number of other public company boards of directors upon which a director may sit. However, the Nominating and Corporate Governance Committee shall consider the number of other boards of directors (or comparable governing bodies), particularly with respect to public companies, on which a prospective nominee is a member. Although the Board does not impose a limit on outside directorships, it does recognize the substantial time commitments attendant to membership on the Board and expects that directors devote all such time as is necessary to fulfill their accompanying responsibilities, both in terms of preparation for, and attendance and participation at, meetings.

Director Independence

An "independent" director shall be one who meets the qualification requirements for being an independent director under applicable laws and the corporate governance listing

standards of NASDAQ, including the requirement that such director is not an executive officer or an employee of the Company and does not have a relationship that, in the opinion of the Board, would interfere with exercising independent judgment in carrying out a director's responsibilities. To guide its determination as to whether or not a business or charitable relationship between the Company and an organization with which a director is so affiliated is material, the Board, or designated committee of the Board, may from time to time adopt categorical standards of independence.

Immediately following its initial public offering, the Company will be a "controlled company" under NASDAQ rules, which means that the Board is not required to consist of a majority of independent directors and the Compensation Committee and the Nominating and Corporate Governance Committee are not required to consist of independent directors. When the Company is no longer a "controlled company," subject to applicable phase-in rules, the Board will consist of directors that meet these requirements.

The Board is willing to have members of senior management, in addition to the Chief Executive Officer, and other individuals who may not meet the above definition of independence, as directors. In addition, the Board believes that it may be beneficial to the discharge of their duties as directors for managers that do not serve on the Board to nonetheless attend Board meetings on a regular basis.

Chairperson of the Board

Currently, the Board has a standing Chairperson. However, the Board recognizes that there may be circumstances in the future where no Chairperson will have been designated, in which case the Board will select a director to preside over each Board meeting. The Board will make such selections at such times that it believes are in the best interest of the Company.

The Board believes that it is in the best interests of the Company for the Board to make a determination regarding whether or not to separate the roles of the Chairperson and the Chief Executive Officer based on the then-current circumstances. Currently, such roles are separated.

Director Term Limits

The Board does not believe it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they have the disadvantage of losing the contribution of directors who over time have developed increasing insight into the Company and its operations and therefore provide an increasing contribution to the Board as a whole.

Director Retirement Policy

It is the Company's policy that directors who are also employees of the Company must offer to tender their resignation from the Board at the same time they retire from employment with the Company. At this time, the Company has not adopted a mandatory retirement age for directors.

BOARD COMPENSATION AND PERFORMANCE

Board Compensation Policy and Stock Ownership

The Compensation Committee shall have the responsibility for recommending to the entire Board the compensation and benefits for non-employee directors. It is appropriate for the Compensation Committee to report from time to time to the entire Board on the status of director compensation in relation to other U.S. publicly-held companies of comparable size operating in comparable industries. Executive officers of the Company serving as members of the Board shall not receive additional compensation for their service as such.

Proposed changes in director compensation, if any, should come at the suggestion of the Compensation Committee, but with full discussion by and concurrence of the entire Board. It is the policy of the Board that a portion of director compensation should be in the form of stock or stock-based instruments in order to align their interest with those of stockholders.

Evaluation of Board Performance

The Nominating and Corporate Governance Committee is responsible for reporting annually to the Board an evaluation of the overall performance of the Board. If the Nominating and Corporate Governance Committee so desires, it may be assisted by an outside consultant in making its assessment of the overall performance of the Board. The report should be delivered following the end of each fiscal year and should be discussed with the full Board at the same time, if applicable, as Board membership criteria is discussed.

The report will include an evaluation of, among other things: (i) composition and independence of the Board; (ii) access to and review of information from management; (iii) responsiveness of the Board to stockholder concerns; and (iv) maintenance and implementation of these corporate governance guidelines.

The Nominating and Corporate Governance Committee should evaluate the contribution of the Board as a whole and should specifically review areas in which the Board and/or management believes it could make a better contribution. The purpose of the evaluation is to increase the effectiveness of the Board, not to target individual directors.

Orientation and Continuing Education

Under the direction of the Nominating and Corporate Governance Committee, each new director shall be provided an orientation program that includes appropriate materials, meetings with key members of the Company's management and visits to Company facilities. The Board may provide continuing education for directors, either individually, as a committee or as the entire Board, when circumstances suggest such education would confer a significant benefit.

Interaction with Institutional Investors, Press, Customers, Etc.

The Board believes that management speaks for the Company. Individual non-management Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that these members

would do this with the knowledge of management, in accordance with Company policies, and, in most instances, at the request of management.

MEETINGS OF THE BOARD OF DIRECTORS

Scheduling and Selection of Agenda Items for Board Meetings

The Board will determine the frequency and length of its meetings. It is the view of the Board that regular meetings at appropriate intervals are in general desirable for the performance of their responsibilities. In addition to regularly scheduled meetings, additional special meetings may be called upon appropriate notice at any time to address any special needs.

The Board shall establish the agenda for each Board meeting, generally in consultation with and the assistance of management, and distribute it in advance to Board members. Each director is free to suggest the inclusion of items on an agenda, to raise at any Board meeting subjects that are not on the agenda for that meeting or to request the presence of or a report by any member of management. If the Chief Executive Officer is ever also Chairperson of the Board, a contact director should be specified for directors wishing to discuss issues or add agenda items that are not appropriately or best forwarded to the Chief Executive Officer. During at least one Board meeting each year, management will present to the Board the long-term strategic plan for the Company and the principal issues that it expects to face in the future.

Board Material and Presentations

Information and data that is important to the understanding of the business and matters to be considered at the Board meeting should be distributed in writing and in advance to directors. As a general rule, materials on specific subjects should be sent to directors sufficiently in advance so directors will be prepared to discuss questions that they may have about the material.

The Board encourages management to schedule employees to present at Board meetings who (i) can provide additional insight into the specific matters being discussed because of personal involvement in these areas or (ii) have potential and who management believes should be introduced to the Board.

Participation in Board Meetings

The Board expects directors to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each director is expected to ensure that other existing and planned future commitments do not materially interfere with their service as a director.

Access to Management and Employees

Each director is encouraged to keep himself informed of the affairs of the Company between Board meetings through direct contact with employees and members of senior management, to whom each director will have complete access. It is expected that any such contact will be coordinated through the Chief Executive Officer and that each director will use judgment to assure that such access is not distracting to the business operation of the Company.

Access to Independent Adviser

The Board and its committees shall have the right at any time to retain independent outside accounting, financial, legal or other advisers, and the Company shall provide appropriate funding, as determined by the Board or any committee, to compensate such independent outside advisers, as well as to cover the ordinary administrative expenses incurred by the Board and its committees in carrying out their duties.

Meetings of the Non-Management Directors

It is the policy of the Board to have separate meeting sessions for the non-management directors periodically during regularly scheduled Board meetings to review matters concerning the relationship of the Board with the management directors and other members of senior management and such other matters as it deems appropriate. The non-management directors shall not take any formal actions at these meetings, although they may subsequently recommend matters for full consideration by the Board.

The Board has not formally selected a director to preside at all meetings of non-management directors. Instead, at meetings of the non-management directors, the non-management directors will designate a chairperson for each meeting. In order to allow interested parties the opportunity to make their concerns known to these non-management directors, the Board may from time to time establish a procedure for these parties to communicate directly with the non-management directors.

The independent directors should also hold an executive session at least once a year.

COMMITTEES OF THE BOARD OF DIRECTORS

Number of Committees

The Board will establish committees from time to time to facilitate and assist in the execution of its responsibilities. These committees shall generally address issues that, because of their complexity and technical nature, level of detail and time requirements or because of proper corporate governance principles cannot be adequately addressed at larger Board meetings.

The Board currently has three committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. There may, from time to time, be occasions on which the Board deems it appropriate to form a new committee or disband a committee depending upon the circumstances. The Company shall comply with all requirements of NASDAQ relating to the constitution of key committees, including requirements relating to the independence of committee members.

Each committee shall have a written charter of responsibilities and authorities that shall be periodically reviewed by the Board. The Company has made the charters for the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee publicly available on the Company's web site for review.

Assignment and Term of Service of Committee Members

The Board is responsible for the appointment of committee members and committee chairpersons, taking into account the desires and qualifications of individual members and the recommendations of the Nominating and Corporate Governance Committee. In making such appointments, the Board shall consider the rotation of committee membership and the Board Chairperson at appropriate intervals, although the Board does not believe that rotation should be mandated as a policy.

Frequency and Length of Committee Meetings and Committee Agenda

The committee chairpersons, in consultation with the other committee members, will determine the frequency and length of committee meetings and, in consultation with and with the assistance of the appropriate members of senior management, develop the agenda for committee meetings. The agendas and meeting minutes of the committees will be shared with the full Board. Any director that is not a member of a particular committee may attend any committee meetings with the concurrence of the committee chairperson.

LEADERSHIP DEVELOPMENT

Formal Evaluation of Chief Executive Officer

The non-management directors should evaluate the Chief Executive Officer annually, and the evaluation should be communicated to the Chief Executive Officer by the chairperson of the Compensation Committee. This evaluation should be based on clearly articulated criteria, including performance of the business, accomplishment of long-term strategic objectives and development of senior management. The evaluation will be used by the Compensation Committee in the course of its deliberations when considering the compensation of the Chief Executive Officer.

Succession Planning and Management Development

The Chief Executive Officer shall review succession planning and management development with the Board and the Nominating and Corporate Governance Committee on an annual basis. This succession planning includes the development of policies and principles for selection of the Chief Executive Officer, including succession in the event of an emergency or retirement.