

Suburban Propane Partners, L.P.
Corporate Governance Guidelines & Principles

These Corporate Governance Guidelines & Principles were adopted by the Board of Supervisors (the “Board”) of Suburban Propane Partners, L.P. (the “Company”) on July 27, 2006 and amended by the Board on April 22, 2010.

These Corporate Governance Guidelines & Principles are intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While they should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company’s Certificate of Limited Partnership and Partnership Agreement, each as in effect from time to time, they are not intended to establish by their own force any legally binding obligations. These Guidelines are subject to amendment from time to time by the Board.

I. SUPERVISOR RESPONSIBILITIES

The role of the Board is to oversee the management of the affairs of the Company, in the interests of the unitholders, including their interest in optimizing financial returns and the value of the Company over the long term.

A. Board Role

The Board fulfills its role (directly or by delegating certain responsibilities to its committees) by:

1. providing advice, counsel and direction to the Chief Executive Officer and principal senior executives;
2. selecting, regularly evaluating, fixing the compensation of, and, where appropriate, replacing the Chief Executive Officer and other key officers and executives;
3. overseeing the conduct of the Company’s business and strategic plans to evaluate whether the business is being properly managed;
4. reviewing and approving the Company’s financial objectives, major capital expenditures, operating and capital budgets, major corporate plans and actions, and other similar items;
5. reviewing and approving internal and external audit plans, and the appropriateness of accounting principles utilized by the Company, the latter by being knowledgeable of the Company’s products and processes and after consultation with the Company’s independent auditors;
6. providing oversight of internal and external audit processes and financial reporting;
7. providing oversight of risk assessment and protection processes and processes designed to promote legal compliance;
8. reviewing the Company’s Available Cash and declaring, as appropriate, the amount and payment of quarterly distributions to the common unitholders and the general partner; and
9. performing such other functions as the Board believes appropriate or necessary, or as otherwise prescribed by rules or regulations.

B. Care, Candor and Avoidance of Conflicts

The Company's Supervisors recognize their obligation requires regular attendance at board meetings and preparation for board meetings, including the advance review of circulated materials. The Supervisors also recognize that candor and the avoidance of conflicts in fact and in perception are hallmarks of the accountability owed to the unit holders. Supervisors have a personal obligation to disclose a potential conflict of interest to the Chairman of the Board and the other members of the Board prior to any Board decision related to the matter and, if the Chairman in consultation with legal counsel determines a conflict exists or the perception of a conflict is likely to be significant, to recuse themselves from any discussion or vote related to the matter.

II. SUPERVISOR QUALIFICATION STANDARDS

A. Selection of Board Nominees and Attendance at Unitholder Meetings

The Board is responsible for recommending Supervisor nominees to unitholders for election at the Company's meetings of unitholders, and each member of the Board should attend such meetings.

B. Qualification Standards

In assessing potential new Supervisors, the Board considers individuals from various disciplines and diverse backgrounds. The selection of qualified Supervisors is crucial to the Company's long-term success. It is therefore the general policy of the Board (subject to infrequent and limited exception when the Board believes that such an exception would be in the best interests of the Company and its unitholders) that all individuals nominated to serve as a Supervisor of the Company should possess the following minimum qualifications:

1. **Integrity.** Individuals must be of personal and professional integrity and ethical character, who recognize and value these qualities in others.
2. **Absence of Conflicts of Interest.** In addition to meeting the independence standards set forth in Section II.C below, a Supervisor should not have any interests that would materially impair his or her ability to (i) exercise independent judgment or (ii) otherwise discharge the fiduciary duties owed as a supervisor to the Company and its unitholders.
3. **Fair and Equal Representation.** A Supervisor must be able to represent fairly and equally the long-term interests of all of the Company's unitholders without favoring or advancing any particular unitholder or other constituency of the Company.
4. **Achievement.** A Supervisor must have demonstrated achievement in one or more fields of business, professional, or governmental endeavor.
5. **Oversight.** A Supervisor is expected to have sound judgment, borne of management or policy-making experience (which may be as an advisor or consultant), that demonstrates an ability to function effectively in an oversight role (including an inquisitive and rigorous manner of monitoring).
6. **Experience and Business Understanding.** A Supervisor should have relevant or relatable expertise and experience, and be able to offer advice and guidance to management based on that expertise and experience. In addition, he/she must have a general appreciation regarding key issues facing public companies of a size and operational scope similar to the Company, including:

- corporate governance concerns;

- regulatory obligations of a public issuer;
- strategic business planning; and
- basic concepts of corporate finance.

7. Available Time. A Supervisor must have sufficient time available to devote to the affairs of the Board, be fully prepared to devote such time, and be physically and mentally capable of devoting such time. It is expected that each candidate will be available and able to attend substantially all meetings of the Board and any committees on which he/she will serve, as well as the Company's tri-annual and special meetings of unitholders, after taking into consideration his/her other business and professional commitments, including service on the boards of other companies. The Board should include at least some supervisors who are committed to service on the Board for an extended period of time.

8. Diversity. The Board seeks an appropriate diversity of personal and professional background, experience, expertise, and perspective among Supervisors. Board Supervisors should be able to cooperate with other Board members and contribute to the collegiality of the Board.

C. Board Independence

A majority of the Board must be comprised of Supervisors who qualify as independent under the Listing Standards of the New York Stock Exchange (“NYSE”). The Board affirmatively has determined that a majority of the current Supervisors lack a “material relationship” with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company), subject to the guidance provided by Rule 303A.02 of the NYSE Listed Company Manual (or any successor provision).

The Board defines a Supervisor as lacking a material relationship and therefore “independent” if he or she:

1. within the past three years
 - i. has not been employed by the Company and has not received more than \$100,000 per year in direct compensation from the Company, other than Supervisor and committee fees and pension or other forms of deferred compensation for prior service;
 - ii. has not provided significant advisory or consultancy services to the Company, and has not been affiliated with a company or a firm that has provided such services to the Company in return for aggregate payments during any of the last three fiscal years of the Company in excess of the greater of 2% of the other company’s consolidated gross revenues or \$1 million;
 - iii. has not been a significant customer or supplier of the Company and has not been affiliated with a company or firm that has been a customer or supplier of the Company and has either made to the Company or received from the Company payments during any of the last three fiscal years of the Company in excess of the greater of 2% of the other company’s consolidated gross revenues or \$1 million;
 - iv. has not been employed by or affiliated with an internal or external auditor that within the past three years provided services to the Company;
 - v. has not been employed by another company where any of the Company’s current executives serve on that company’s compensation committee;

2. is not a spouse, parent, sibling, child, mother- or father-in-law, son- and daughter-in-law and brother- and sister-in-law of a person having a relationship described in (1) above or share a residence with such person;
3. is not affiliated with a tax-exempt entity that within the past 12 months received significant contributions from the Company (contributions of the greater of 2% of the entity's consolidated gross revenues or \$1 million are considered significant); and
4. does not have any other relationships with the Company or with members of senior management that the Board determines to be material.

III. SUPERVISOR ACCESS TO SENIOR MANAGERS AND INDEPENDENT ADVISERS

Supervisors have complete access to senior management and to the Board's advisors. Supervisors are expected to use good judgment to ensure that this contact is not distracting to the business operation of the Company, and that independent advisors are used efficiently. The Board encourages management to bring managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) have future potential such that management believes the Board should have greater exposure to the individual.

IV. SUPERVISOR COMPENSATION

The Compensation Committee recommends to the Board for approval general principles for determining the form and amount of Supervisor compensation and subject to such principles, evaluates annually the status of Board compensation in relation to comparable U.S. companies (in terms of size, business sector, etc.), reporting its findings and recommendations to the Board for approval.

V. SUPERVISOR ORIENTATION AND CONTINUING EDUCATION

The Board has the task of designing, with Company management, an appropriate orientation program for new Supervisors that includes background material, meetings with senior management and visits to Company facilities. The Board also explores, makes available and designs and provides continuing education opportunities for Supervisors, from time to time. Additionally, each Supervisor is expected to take steps reasonably necessary to be adequately informed about the Company, its industry and external matters affecting it and to enable the Supervisor to function effectively on the Board.

VI. MANAGEMENT DEVELOPMENT & SUCCESSION PLANNING

The Chief Executive Officer reports at least annually to the Board on the Company's program for management development and on succession planning, which the Board views as closely related issues. In its consideration of these issues, it is the policy of the Board to consider issues related to CEO and senior executive selection and performance.

In addition, there is available on a continuing basis, and the Board and CEO periodically discuss, the Chief Executive Officer's recommendation as to a successor in the event of the sudden resignation, retirement or disability of the Chief Executive Officer.

VII. ANNUAL BOARD & COMMITTEE PERFORMANCE EVALUATIONS

The Board conducts an annual self-evaluation of its performance and the performance of its committees. In addition, the Board periodically reviews the Partnership Agreement of the Company in order to ensure that it remains appropriate to the then current situation and circumstances of the Company, as well as reflects the latest developments under applicable law, rules and regulations. These Guidelines shall also

be reviewed periodically and, if necessary, amended. The Board shall conduct such evaluations and reviews in such manner as it deems appropriate.