



## Director Nomination Policy

<b>Created by:</b> Nominating and Corporate Governance Committee	<b>Approved by:</b> Board of Directors	<b>Date Revised:</b> December 12, 2018
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The Nominating and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of SemGroup Corporation (the “Company”) has adopted the following policy (the “Director Nomination Policy”) to assist it in fulfilling its duties and responsibilities as provided in its charter (the “Charter”).

**1. Recommended Candidates.** The Committee shall consider any and all candidates recommended as nominees for directors to the Committee by any directors, officers, stockholders of the Company, third party search firms and other sources. The Committee will consider director nominations from stockholders of record who provide timely written notice along with prescribed information to the Corporate Secretary of the Company. Submissions must be made by mail, courier, or personal delivery; submissions by electronic mail will not be considered. To be timely, the notice must be received by the Corporate Secretary at the principal executive offices of the Company not later than 90 or earlier than 120 days prior to the anniversary of the previous year’s annual meeting, except in the case of candidates recommended by a stockholder that owns more than 5% of the Company’s voting stock who may also submit nominations in accordance with the procedures in Section 2 under “5% Stockholder Recommendations”. The stockholder’s notice must set forth (a) all information relating to such director nominee that is required to be disclosed under the federal securities laws in solicitation of proxies for election of directors in an election contest, including the person’s written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (b) the name and address of the stockholder and any beneficial owner giving the notice as they appear on the Company’s books together with the number of shares of the Company’s voting stock which are owned beneficially and of record by the stockholder and any beneficial owner; and (c) a signed statement by the nominee agreeing that, if elected, such nominee will (i) represent all Company stockholders in accordance with applicable laws and the Company’s By-Laws and (ii) comply with the Board’s Corporate Governance Guidelines and Principles (the “Corporate Governance Guidelines”) and this Director Nomination Policy.

In addition, the Company’s Amended and Restated Bylaws permit stockholders to nominate directors for consideration at a meeting of stockholders of the Company.

**2. 5% Stockholder Recommendations.** For purposes of facilitating disclosure required in the Company’s proxy statement, the Committee and the Corporate Secretary shall identify any candidates recommended by stockholders owning more than 5% of the Company’s voting stock, and identify the stockholder making such recommendation, as provided in and to the extent required by the federal securities laws. In addition to the procedures for stockholders to recommend nominees described in Section 1 above, stockholders or a group of stockholders who have owned more than 5% of the Company’s voting stock for at least one year as of the date the recommendation was made, may recommend nominees for director to the Committee provided that (a) written notice from the stockholder(s) must be received by the Corporate Secretary of the Company at the principal executive offices of the Company not later than 120 days prior to the anniversary of the date the Company’s proxy statement was released to stockholders in connection with the previous year’s annual meeting of stockholders, provided that where

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the date of the annual meeting has been changed by more than 30 days from the date of the previous year's meeting, the notice must be received a reasonable time before the Company begins to print and mail its proxy statement; (b) such notice must contain the name and address of the stockholder(s) and any beneficial owner(s) giving the notice as they appear on the Company's books, together with evidence regarding the number of shares of the Company's voting stock together with the holding period and the written consent of the recommended candidate and the stockholder(s) to being identified in the Company's proxy statement; (c) such notice must contain all information relating to such director nominee that is required to be disclosed under federal securities laws in solicitation of proxies for election of directors in an election contest; and (d) such notice must contain a signed statement by the nominee agreeing that, if elected, such nominee will (i) represent all Company stockholders in accordance with applicable laws and the Company's Bylaws and (ii) comply with the Board's Corporate Governance Guidelines and this Director Nomination Policy.

**3. Desired Qualifications, Qualities and Skills.** The Committee shall endeavor to find individuals who have the qualifications described in the Corporate Governance Guidelines.

Otherwise, there are no stated minimum criteria for director nominees, although the Committee may also consider such other factors as it may deem are in the best interests of the Company and its stockholders. The Committee does, however, believe it appropriate for at least one member of the Board to meet the criteria for an "audit committee financial expert" as defined by U.S. Securities and Exchange Commission rules.

**4. Independence.** The Committee believes and it is the policy of the Company that a majority of the members of the Board meet the definition of "independent director" set forth in this Director Nomination Policy. The Committee shall annually assess each nominee for director by reviewing any potential conflicts of interest and outside affiliations, based on the criteria for independence set out below.

An independent director is one who:

(a) has no material relationship with the Company, either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company;

(b) is not an employee of the Company and no member of his or her immediate family is an executive officer of the Company;

(c) has not been employed by the Company and no member of his or her immediate family has been an executive officer of the Company during the past three years;

(d) has not received and no member of his or her immediate family has received more than \$100,000 per year in direct compensation from the Company in any capacity other than as a director or as a pension for prior service during the past three years;

(e) (i) is not and no member of his or her immediate family is a current partner of a firm that is the Company's internal or external auditor; (ii) is not a current employee of the Company's internal or external auditor; (iii) does not have an immediate family member who is a current employee of the Company's internal or external auditor and who participates in that firm's audit, assurance or tax compliance (but not tax planning) practice; and (iv) within the last three years was not and no member

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of his or her immediate family was (and no longer is), a partner or employee of the Company's internal or external auditor and personally worked on the Company's audit within that time;

(f) is not and no member of his or her immediate family is currently, and for the past three years has not been, and no member of his or her immediate family has been, part of an interlocking directorate in which an executive officer of the Company serves on the compensation committee of another company that employs the director or an immediate family member of the director;

(g) is not an executive officer or an employee, and no member of his or her immediate family is an executive officer, of another company that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single year, exceeds the greater of \$1 million, or 2% of such other company's consolidated revenues during any of the past three years;

(h) is free of any relationships with the Company that may impair, or appear to impair, his or her ability to make independent judgments; and

(i) is not and no member of his or her immediate family is employed as an executive officer of a charitable organization that receives contributions from the Company or a Company charitable trust, in an amount which exceeds the greater of \$1 million or 2% of such charitable organization's total annual receipts.

This policy may be modified temporarily if, due to unforeseen circumstances, strict adherence would be detrimental to the Board's performance.

For purposes of determining a "material relationship," the Committee shall utilize the following standards:

(1) Any payments by the Company to a director's primary business affiliation or the primary business affiliation of an immediate family member of a director for goods or services, or other contractual arrangements, must be made in the ordinary course of business and on substantially the same terms as those prevailing at the time for comparable transactions with nonaffiliated persons.

(2) The aggregate amount of such payments must not exceed 2% of the Company's consolidated gross revenues; provided, however, there may be excluded from this 2% standard payments arising from (A) competitive bids which determined the rates or charges for the services and (B) transactions involving services at rates or charges fixed by law or governmental authority.

For purposes of these independence standards, (1) immediate family members of a director include the director's spouse, parents, stepparents, children, stepchildren, siblings, mother- and father-in-law, sons- and daughters-in-law, and brothers- and sisters- in-law and anyone (other than domestic employees) who shares the director's home and (2) the term "primary business affiliation" means an entity of which the director is a principal/executive officer or in which the director holds at least a 5% equity interest.

**5. Nominee Evaluation Process.** The Committee will consider as a candidate any director of the Company who has indicated to the Committee that he or she is willing to stand for re-election as well as any other person who is recommended by any stockholders of the Company in accordance with the procedures described under "Recommended Candidates" in Section 1 and under "5% Stockholder Recommendations" in Section 2. The Committee may also undertake its own search process for

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candidates and may retain the services of professional search firms or other third parties to assist in identifying and evaluating potential nominees and, if fees are paid to such persons in any year, the function performed by such third party shall be disclosed in the next annual Proxy Statement relating to such year. The Committee may use any process it deems appropriate for the purpose of evaluating candidates which is consistent with the policies set forth in the Charter, Corporate Governance Guidelines and this Director Nomination Policy, which process may include, without limitation, personal interviews, background checks, written submissions by the candidates and third party references. Although the Committee may seek candidates that have different qualities and experiences at different times in order to maximize the aggregate experience, qualities and strengths of the Board members, nominees for each election or appointment of directors shall be evaluated using a substantially similar process and under no circumstances shall the Committee evaluate nominees recommended by a stockholder of the Company pursuant to a process substantially different than that used for other nominees for the same election or appointment of directors.

**6. Categorize Recommendations.** For purposes of facilitating disclosure required in the proxy statement, the Committee and the Corporate Secretary shall identify and organize the recommendations for nominees received by the Committee (other than nominees who are executive officers or who are directors standing for re-election) in accordance with one or more of the following categories of persons or entities that recommended that nominee:

(a) a stockholder, a 5% stockholder, non-management director, chief executive officer, or other executive officer of the Company;

b) a third-party search firm used by or on behalf of the Company; and

(c) any other specified source.

**7. Material Changes to Nomination Procedures.** For purposes of facilitating disclosure required in Form 10-K and Form 10-Q, the Committee and the Corporate Secretary shall identify any material changes to the procedures for stockholder nominations of directors for the reporting period in which such material changes occur.

**8. Posting of Policy.** This Director Nomination Policy shall be posted to the Company's website.

**9. Amendments to This Policy.** Any amendments to this Director Nomination Policy must be approved by the Committee and ratified by the Board.