

**KEANE GROUP, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

Adopted December 12, 2016

The Board of Directors (the “Board”) of Keane Group, Inc. (the “Company”) has adopted the following Guidelines (the “Guidelines”) to assist the Board in the exercise of its responsibilities and to serve the best interests of the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Certificate of Incorporation, Bylaws and other corporate governance documents. The Guidelines are subject to modification from time to time by the Board.

**THE BOARD**

**1. Director Responsibilities**

The responsibility of the Board is to supervise and direct the management of the Company in the interest and for the benefit of the Company’s stockholders. To that end, the Board shall have the following responsibilities, among other things:

- (a) Overseeing the conduct of the Company’s business, including evaluating whether the business is being properly managed;
- (b) Reviewing and, where appropriate, approving the Company’s major financial objectives, plans and actions;
- (c) Selecting and evaluating a well-qualified Chief Executive Officer (“CEO”) of high integrity;
- (d) Electing a Chairman and/or Lead Director;
- (e) Reviewing and, where appropriate, approving actions to be undertaken by the Company that would make a material change in the financial structure or control of the Company, the acquisition or disposition of any businesses or asset(s) material to the Company or the entry of the Company into any major new line of business;
- (f) Regularly evaluating the performance of the CEO and, with the advice of the CEO, the other executive officers of the Company;
- (g) Planning for succession with respect to the position of CEO and reviewing management’s succession planning for the other executive officers; and
- (h) Ensuring that the Company’s business is conducted with the highest standards of ethical conduct and in conformity with the Company’s Code of Business Conduct and Ethics and applicable laws and regulations.

The Board has delegated to the CEO, working with the other executive officers of the Company, the authority and responsibility for managing the business of the Company in a manner consistent with the standards of the Company, and in accordance with any specific directions of the Board.

## **2. Director Qualification Standards**

The Nominating and Corporate Governance Committee is responsible for recommending to the Board (1) director nominees for election to the Board at the annual meeting of stockholders and (2) director candidates to fill any vacancies on the Board. In evaluating the suitability of individual Board member candidates, the Nominating and Corporate Governance Committee takes into account many factors, including experience in corporate governance (such as an officer or former officer of a publicly-held company), experience as a board member of another publicly-held company, familiarity with the Company, expertise in a specific area of the Company's operations, education and professional background and existing commitments to other businesses, including other boards of directors. Each candidate nominee must also possess fundamental qualities of intelligence, honesty, good judgment, high ethics and standards of integrity, fairness and responsibility. Furthermore, independent directors must meet the independence requirements of the New York Stock Exchange ("NYSE") and the Company's Director Independence Standards adopted by the Board.

In evaluating any nomination, the Nominating and Corporate Governance Committee seeks to achieve a balance of knowledge, experience and capability on the Board.

In determining whether to recommend a director for re-election, the Nominating and Corporate Governance Committee also considers the director's past attendance at meetings and participation in and contributions to the activities of the Board.

## **3. Independence of the Board**

As a "controlled company" within the meaning of the NYSE Listed Company Manual, the Company is exempt from the requirement that a majority of the Board must consist of independent directors. Nevertheless, the Board shall consist of at least three directors who qualify as independent directors (the "Independent Directors") under the rules of the NYSE Listed Company Manual and the Company's Director Independence Standards.

The Board and the Nominating and Corporate Governance Committee will review annually the relationships that each director has with the Company (either directly or as a director, partner, stockholder or officer of an organization that has a relationship with the Company). Following such annual review, only those directors whom the Board affirmatively determines have no material relationship with the Company and who meet the Company's Director Independence Standards in effect at that time will be considered Independent Directors, subject to additional qualifications prescribed under the rules of the NYSE Listed Company Manual. The basis for any determination that a relationship is not material will be published in the Company's annual proxy statement.

## **4. Board Leadership**

The Board will elect annually a Chairman of the Board ("Chairman"), who may be the Company's CEO or another member of management. If the Chairman is a member of management, the Board shall also elect annually a Lead Director ("Lead Director"), who shall be

a non-management director. The Chairman shall perform all of the duties regularly performed by a chairman of the board, as well as the duties of the Lead Director set forth below. In the event a Lead Director is elected, the Lead Director's duties will include:

- (a) Presiding at all meetings of the Board at which the Board's Chairman is not present, including executive sessions of the non-management directors;
- (b) Serving as a liaison between the Chairman and the non-management directors;
- (c) Approving and including information sent to the Board and working to ensure that the directors have information necessary to perform their duties;
- (d) Approving agendas for meetings of the Board and its committees (if the Lead Director directs that an item(s) be included on the agenda, such item(s) will be included);
- (e) Approving schedules for Board meetings to assure that there is sufficient time for discussion of all agenda items;
- (f) Having the authority to call meetings of the non-management directors;
- (g) Recommending to the Chairman the retention of consultants, as necessary, who report directly to the Board;
- (h) Assisting the Board or the Nominating and Corporate Governance Committee, as appropriate, and the Company's executives in assuring compliance with and implementation of the Corporate Governance Guidelines;
- (i) Coordinating, developing the agenda for, and moderating executive sessions of the Board's non-management directors;
- (j) Evaluating, along with the members of the Compensation Committee and the Board, the performance of the CEO, and meeting with the CEO to discuss the Board's evaluation;
- (k) Recommending to the Chairman of the Nominating and Corporate Governance Committee the membership of the various Board committees, as well as selection of the committees' chairs;
- (l) If requested by large stockholders, ensuring that he/she is available for consultation and direct communication; and
- (m) Such other duties and rights as the Board may from time to time authorize.

In performing the duties described above, the Lead Director is expected to consult with and solicit the participation of the chairs of the appropriate Board committees.

The identity of the Chairman and/or Lead Director will be set forth in the Company's proxy statement for its annual meeting of stockholders. The Chairman or Lead Director shall have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

## **5. Size of Board**

The Board currently has 11 members. The Board believes the current size is appropriate based on the Company's present circumstances. The number of directors constituting the full Board shall be determined from time to time by the Board, within the limits prescribed by Company's Certificate of Incorporation and Bylaws.

## **6. Selection of New Directors**

Each year at the Company's annual meeting, the stockholders are asked to elect directors. Each year, the Board will recommend a slate of directors for election by the stockholders. In accordance with the Bylaws of the Company, the Board will also be responsible for filling vacancies or newly-created directorships on the Board that may occur between annual meetings of stockholders. The Nominating and Corporate Governance Committee will be responsible for identifying, screening and recommending candidates to the entire Board for Board membership, including potential nominees submitted by stockholders, consistent with the Company's obligation by contract, bylaw or otherwise to provide third parties with the ability to nominate directors. The Nominating and Corporate Governance Committee will consider the factors set forth in its charter. Stockholders may also nominate directors for election at the Company's annual stockholders meeting by following the provisions set forth in the Bylaws of the Company.

The Nominating and Corporate Governance Committee will preliminarily review each potential candidate's qualifications in light of the Company's standards for overall structure and composition of the Board and the minimum director qualifications, as set forth herein and in the charter of the Nominating and Corporate Governance Committee, and the candidate's independence, as set forth in the Company's Director Independence Standards and the NYSE Listed Company Manual. If the Committee determines, after a preliminary inquiry, that the potential candidate may be qualified, the Committee will make an investigation and interview the potential candidate, as necessary, to make an informed final determination. The Nominating and Corporate Governance Committee will select, by majority vote, the most qualified candidate or candidates, as the case may be, to recommend to the Board for approval as a director nominee.

## **7. Separate Sessions of Non-Management Directors**

The non-management directors will meet in executive session without management directors or management present on a periodic basis, as appropriate. The Chairman (if a non-management director) or Lead Director will chair these meetings. In his or her absence, the non-management directors shall select at the beginning of each such executive session a specific director from those present to chair the meeting.

## **8. Limitation on Other Board Service**

The Nominating and Corporate Governance Committee and the Board will take into account the nature of and time involved in a director's service on other boards and/or committees in evaluating the suitability of individual director candidates and current directors. Directors must advise the Chairman and the chair of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on another public company board. It is the policy of the Board that no director shall serve on more than six public company boards, including the Company Board. If a director serves on more than three public company boards, the Nominating and Corporate Governance Committee shall determine whether service on such boards impairs the director's ability to serve on the Board or any committee of the Board.

Due to the demanding nature of service on the Audit and Risk Committee, if a member of the Audit and Risk Committee simultaneously serves on the audit committees of the boards of directors of more than three public companies, the Board must determine that such simultaneous service will not impair the ability of the Audit and Risk Committee member to effectively serve on the Company's Audit and Risk Committee and must disclose such determination in the Company's annual proxy statement.

## **9. Compensation**

The Company's officers shall not receive additional compensation for their service as directors. The Company's independent directors are expected to receive a meaningful portion of their total compensation in the form of equity. The Company also reimburses its directors for their expenses incurred in attending Board and committee meetings and participating in other Board-related activities.

Director fees are the sole form of compensation that members of the Audit and Risk Committee may receive from the Company.

## **10. Change of Status**

Any director who resigns or retires from or otherwise terminates his or her present employment, or who materially changes his or her work responsibilities, should offer to tender his or her resignation for consideration by the Board. The Nominating and Corporate Governance Committee will evaluate and make a recommendation as to whether the Board should accept the resignation based on a review of the director's past performance, whether the director continues to satisfy the Board's membership qualifications in light of his or her new occupational status and whether the change impairs in any way the director's independence or ability to serve on the Board. The resignation will not become effective unless the Board acts to accept the resignation.

## **11. Board Orientation and Continuing Education of Board Members**

The Nominating and Corporate Governance Committee will review and oversee any orientation programs for new directors to familiarize them with, among other things, the Company's business; strategic plans; significant financial, accounting and management issues; compliance programs; conflicts policies; code of business conduct and ethics; these Guidelines; principal officers; internal auditors; and independent auditors.

Each director is encouraged to participate in continuing educational programs in order to maintain the necessary level of expertise to perform his or her responsibilities as a director. Continuing information will be made available to directors in any area determined by the Nominating and Corporate Governance Committee to: (i) relate to the membership criteria of the Board, as described above; or (ii) enable the Board, as a unit, to make a better contribution to the governance of the Company.

## **12. Interaction with Institutional Investors, the Press and Customers**

The Board believes that management generally should speak for the Company. It is suggested that each director refer all inquiries from institutional and other investors, the press or customers to an appropriate member of senior management.

Communications from stockholders shall be addressed in accordance with Section 16 (Stockholder Communications with Directors) of these Guidelines.

## **13. Board Access to Senior Management**

The Board will have complete access to Company management in order to ensure that directors can ask all questions and receive all information necessary to perform their duties. Directors should exercise judgment to ensure that their contact with management does not distract managers from their jobs or disturb the business operations of the Company.

## **14. Board Access to Independent Advisors**

The Board or any committee may hire independent advisors, as the Board or committee deems necessary, to assist it in evaluating proposals, transactions and information supplied by Company management.

## **15. Annual Self-Evaluation**

The Board will conduct an annual review of its performance. The Nominating and Corporate Governance Committee will be responsible for establishing the evaluation criteria, implementing the process for such evaluation, as well as making appropriate recommendations for improving performance.

The purpose of the review will be to improve the performance of the Board as a unit, and not to target the performance of any individual Board member. The Nominating and Corporate Governance Committee will utilize the results of the Board evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board.

## **16. Stockholder Communications with Directors**

Any stockholder may send written correspondence to the Board, the Chairman or Lead Director, a committee of the Board, the non-management directors or any individual director in his/her capacity as such. The correspondence should be sent to the attention of the General Counsel and include the following information: the name, mailing address and telephone number of the stockholder sending the communication, the number of Company securities owned by the stockholder and, if the stockholder is not the record owner of the Company stock,

the name of the record owner. The General Counsel will forward to the Board, the Chairman or Lead Director, committee or individual director(s), as appropriate, any correspondence which is not more suitably directed to management. The General Counsel will log and prepare a summary of all correspondence not forwarded to the Board, committee or individuals and will make such log available to the Board.

## **BOARD MEETINGS**

### **17. Frequency of Meetings**

The Board will meet at least four times annually. In addition, special meetings may be called from time to time as set forth in the Bylaws of the Company.

### **18. Director Attendance**

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to prepare regularly for and attend meetings of the Board and all committees on which the director sits (including separate meetings of Independent Directors), with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected to notify the Chairman, if applicable, or the Chair of the appropriate committee or, in the case of a meeting of non-management directors, the Chairman or Lead Director, as applicable, in advance of such meeting, and, whenever possible, participate in such meeting via teleconference.

Each director is expected to attend in person the Company's annual meeting of stockholders, absent extraordinary circumstances.

### **19. Agendas**

The CEO will prepare, in consultation with the Chairman or Lead Director, the agenda for each Board meeting with input, as necessary or desired, from the other executive officers and/or directors.

### **20. Advance Receipt of Meeting Materials**

To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the directors sufficiently in advance of each meeting to allow for meaningful review. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

## **COMMITTEE MATTERS**

### **21. Number, Name, Responsibilities and Independence of Committees**

The Board has established four standing committees to facilitate and assist in the execution of the Board's duties: Audit and Risk, Compensation, Nominating and Corporate Governance, and Compliance. The Board may establish or disband its committees from time to time depending upon the circumstances. The specific duties and responsibilities of each of the

Board's standing committees will be set forth in a written charter of each committee, as approved by the Board.

## **22. Assignment and Rotation of Committee Members**

The Board is responsible for the appointment of committee members and committee chairs. The Nominating and Corporate Governance Committee, with input from the Non-Executive Chairman or Lead Independent Director, will review and make recommendations to the Board with regard to the membership composition of the committees. Committee membership will not be rotated on a mandatory basis unless the Board determines that rotation is in the best interest of the Company.

The Board affirmatively requires that each member of the Audit and Risk Committee must be financially literate, as determined by the Board in its business judgment or must become financially literate within a reasonable period of time after his or her appointment and that at least one member of the Audit and Risk Committee must be an "audit committee financial expert," as that term is defined in Item 407(d)(5) of Regulation S-K.

## **23. Frequency of Committee Meetings**

Each committee will meet as often as determined by the needs of the business. It is the responsibility of the directors to attend the meetings of the committees on which they serve.

## **24. Committee Agendas**

The Chair of each committee, in consultation with the appropriate members of the Committee and with the assistance of the Secretary, will develop his or her committee's agenda.

## **25. Committee Self-Evaluations**

Following the end of each fiscal year, each committee will review its performance and charter and recommend to the Board any changes it deems necessary.

# **LEADERSHIP DEVELOPMENT**

## **26. Annual Review of CEO**

The Compensation Committee, with input from the CEO and the Chairman or Lead Director, shall annually establish the performance criteria (including both long-term and short-term goals) to be considered in connection with the CEO's next annual performance evaluation. The Compensation Committee shall present its recommendations for performance criteria to the Board for approval. At the end of each year, with the CEO absent, the Board shall meet to review the CEO's performance. Thereafter, the Board shall meet with the CEO to communicate the results of the review and evaluation.

## **27. Succession Planning**

The Board will review periodically with the CEO the Company's succession plan relating to positions held by executive officers.

## **28. Management Development**

The Board will determine that a satisfactory system is in effect for the education, development and orderly succession of senior and mid-level managers throughout the Company.

### **DIRECTOR INDEPENDENCE STANDARDS**

## **29. At Least Three Independent Directors**

As a “controlled company” within the meaning of the NYSE Listed Company Manual, the Company is exempt from the requirement that a majority of the Board must consist of independent directors. Nevertheless, the Board shall consist of at least three directors who qualify as Independent Directors under the rules of the NYSE Listed Company Manual and the Company’s Director Independence Standards. For a director to be considered “independent,” the Board must affirmatively determine that the director does not have any direct or indirect material relationship with the Company or its affiliates<sup>1</sup> or any member of the senior management of the Company or his or her affiliates. The identity of the independent directors and the basis for the Board’s determination that a relationship is not material will be disclosed in the proxy statement for each annual meeting of the Company’s stockholders.

## **30. Independence Guidelines**

The Board has established the following guidelines to assist it in determining director independence:

- (a) A director will not be deemed independent if he or she has any of the following relationships:
  - (i) the director is, or has been within the preceding eight years, employed by the Company (or its predecessors or affiliates);
  - (ii) the director has received, during the current calendar year or any of the three immediately preceding calendar years, remuneration of more than \$120,000 in any such calendar year for service by the director as an advisor, consultant, or legal counsel to the Company or to an executive officer of the Company;
  - (iii) the director holds more than 5% of the equity of an entity that has received, during the current calendar year or any of the three immediately preceding calendar years, remuneration of more than \$120,000 in any such calendar year for service as an advisor, consultant, or legal counsel to the Company or to an executive officer of the Company;

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<sup>1</sup> "Affiliate" means any corporation or other entity that controls, is controlled by or is under common control with the Company, as evidenced by the power to elect a majority of the board of directors or comparable governing body of such entity.

(iv) the director is employed or self-employed (other than as a director) by an entity that has received, during the current calendar year or any of the three immediately preceding calendar years, remuneration of more than \$120,000 in any such calendar year for service as an advisor, consultant, or legal counsel to the Company or to an executive officer of the Company;

(v) the director has a personal services contract(s) with the Company, which results in payments of more than \$120,000 during the current or preceding calendar year;

(vi) the director has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than for former service as an interim Chairman or CEO or other executive officer;

(vii) an immediate family member<sup>2</sup> of the director has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Company for serving as an executive officer of the Company;

(viii) an immediate family member of the director was employed by the Company as an executive officer within the preceding eight years;

(ix) (A) the director or an immediate family member is a current partner of a firm that is the Company's internal or external auditor; (B) the director is a current employee of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (D) the director or an immediate family member was within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Company's audit within that time;

(x) a present Company executive officer is or was within the past three years on the board of directors of a company which employed the Company director or an immediate family member of the director as an executive officer at the same time;

(xi) a Company director is a current employee, director, partner and/or holder of a greater than 5% equity interest, or an immediate family member is an executive officer, of another company which, during any of the last three fiscal years, received payments from the Company or made payments to the Company, or was indebted to the Company, or to which the Company was indebted, and such payments were more than the greater of \$1,000,000 or one percent (1%) of the other entity's consolidated annual gross revenues, or the total amount of either company's indebtedness to the other is greater than \$1,000,000 or one percent (1%) of the total consolidated assets of such company; or

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<sup>2</sup> "Immediate family member" means spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brother- and sisters- in law and anyone (other than employees) sharing a person's home.

- (xii) a Company director serves as an officer, director or trustee of a charitable organization, and the Company's discretionary charitable contributions to the organization, in any of the three preceding fiscal years, were greater than the lesser of \$500,000 or one percent (1%) of that organization's total annual charitable receipts.
- (b) For relationships covered by the guidelines in subsection (a) above, compensation received by a director as a director of the Company (including director and committee fees) and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service) shall not be considered in determining independence. Further, the fact that a director of the Company also serves as a director of one or more of the Company's subsidiaries shall not be considered in determining independence, provided that such director is otherwise independent with regard to such subsidiary or subsidiaries in accordance with these Guidelines and other applicable rules and regulations.
- (c) For relationships not covered by the guidelines in subsection (a) above, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, shall be made by the directors who satisfy the independence guidelines set forth in subsection (a) above. The Company would specifically explain in its annual proxy statement the basis for any board determination that a relationship was immaterial despite the fact that it did not meet the categorical standards of materiality set forth in subsection (a) above.
- (d) References to the Company in these Standards include any parent or subsidiary in a consolidated group with the Company.
- (e) References to the director in subsections (ii), (iii), (iv), (v) and (xii) of subsection (a) include immediate family members of the director.