

**SunCoke Energy, Inc.**  
**Corporate Governance Guidelines**

**I Board Composition and Director Qualifications:**

- A. Election of Directors: The By-laws of SunCoke Energy, Inc. (the “**Company**”) provide for the annual election of directors by the Company’s stockholders. The directors are divided into three classes. At the Company’s annual meeting of stockholders, directors are elected to succeed those whose terms are expiring. Each director is elected to a three-year term of office.
- B. Board Size: Subject to any rights of the Company’s preferred stockholders to elect directors under specified circumstances, the number of directors is determined from time to time exclusively by resolution of the Board of Directors (“**Board**”).
- C. Director Independence: The Board is composed of a majority of directors who meet the criteria for independence required by the New York Stock Exchange (“**NYSE**”) and by the Securities and Exchange Commission (“**SEC**”). A director is considered “independent” only if the Board affirmatively determines that such director is free of any direct or indirect material relationship with the Company or its management. The Board may, from time to time, adopt specific criteria to assist in its determination of director independence.
- D. Director Qualifications: The Governance Committee of the Board annually reviews the qualifications and experience of current directors, and identifies specific skill sets required in director nominees. Director-nominees should have a proven record of professional success and leadership, and demonstrate high personal and professional ethics, integrity and values. The Board also considers ethnic and gender diversity. There are no term limits for directors.
- E. Director-Nominee Selection: The Board identifies and reviews qualified candidates, and may fill vacancies at any time during the year. The Governance Committee evaluates potential director candidates and makes recommendations to the Board. Candidates may be identified by current directors, by a search firm, or by stockholders. The Governance Committee may engage the services of a third-party consultant to assist in identifying and screening potential candidates. The Board reviews and has final approval authority on all potential director-nominees recommended to stockholders for election.
- F. Changes to a Director’s Current Position: If the primary position held by an independent director at the time of election (including retirement) changes, he or she must offer to tender his or her resignation as a director to the Governance Committee, which will recommend to the Board if any action with respect to the tendered resignation should be taken.
- G. Service on Other Boards/Audit Committees: Directors are expected to devote sufficient time and effort to their duties as a Board member. Independent directors are expected to serve on no more than two other public company audit committees in addition to the Company’s Audit Committee. The Company does not limit the number of other boards on which an independent director may serve. Before joining the board of another public company (or any non-public, for-profit company), directors must advise the Governance Committee, so that a review can be performed to ensure there are no conflicts or other issues.
- H. CEO Board Service: The Chief Executive Officer (“**CEO**”) must obtain Governance Committee approval before serving on the board of another public company. The

Governance Committee believes that the CEO should be limited to two outside public company directorships. The CEO may not serve on the board of a company on which any of the Company's independent directors also serve as an officer. Any CEO of the Company, who also serves as a director, shall tender his or her resignation from the Board at the same time he or she retires, resigns or is removed from the Company. The Governance Committee will recommend to the Board whether to accept the resignation.

## **II. Board Operations:**

- A. Board Leadership: The Company's By-laws allow the CEO to be designated as Chairman of the Board. If the individual elected as Chairman of the Board is the CEO, or if the Chairman of the Board is not independent, the Chairman of the Governance Committee acts in the role of Lead Director. The responsibilities of the Lead Director include, but shall not be limited to:
1. providing advice and counsel, as needed, to the Chairman and/or CEO on various strategic issues and Board and Committee matters, including with respect to meeting agendas;
  2. serving as a liaison between the Chairman and the independent directors;
  3. presiding at all meetings of the board at which the Chairman is not present, including executive sessions of the independent directors; and
  4. leading the Board and Committee self-evaluation process (and the individual director evaluation process) and leading the independent directors in an annual evaluation of the CEO.
- B. Executive Sessions. The Board has regularly scheduled executive sessions, consisting only of independent directors, following each Board meeting.
- C. Meeting Agendas and Information Flow: The Chairman establishes a preliminary agenda for each Board meeting. Other directors may suggest additional agenda items. In preparation for each Board meeting, directors receive the agenda and other pertinent information well in advance. Ample time is scheduled at each Board meeting to assure full discussion of important matters. Management presentations are scheduled so that a substantial portion of Board meeting time to be available for discussion.
- D. New Director Orientation: New directors must attend orientation sessions and new Committee members must attend Committee orientation sessions.
- E. Ongoing Director Education: Directors are encouraged to attend director education programs at the Company's expense.
- F. Performance Evaluations: The Board, and each Committee, conducts an annual self-assessment as required by applicable NYSE rules. The results of these assessments are reviewed by the individual Committees and the full Board, along with any recommendations, as appropriate. Individual director evaluations are conducted regularly by the Chairman or the Lead Director (as applicable), who meets confidentially with individual directors, as appropriate, to provide feedback.
- G. Independent Advisors: The Board and Committees may, at any time, retain outside independent financial, legal or other advisors or consultants at the Company's expense.

### III. Board Responsibilities:

- A. Board Responsibilities: Directors are expected to discharge their duties in good faith and in a manner reasonably believed to be in the best interests of the Company. Board responsibilities include:
1. reviewing and approving the Company's strategic plan, annual operating plan and major corporate actions;
  2. monitoring the Company's performance;
  3. evaluating the CEO;
  4. reviewing and approving executive compensation;
  5. reviewing and approving CEO and management succession planning (including the procedures to be activated in the event of unanticipated emergency where the CEO is unable to serve); and
  6. advising management through formal Board and Committee meetings, and through informal, individual director contacts, since directors have full access to management.
- B. Meeting Attendance: Directors are expected to attend the Board and Committee meetings on which they serve, and the annual meeting of stockholders.
- C. Monitor Ethical and Legal Compliance: The Board, primarily through the Audit Committee, monitors ethical and legal compliance by overseeing processes in place to maintain the integrity of the Company's financial statements, and internal control over financial reporting and disclosure controls and procedures, and the integrity of compliance with legal and ethical requirements and applicable Company codes of conduct.
- D. Director Compensation: The Board, primarily through the Governance Committee, establishes and administers the Company's director compensation policies. The director compensation program is designed to attract experienced and qualified directors and provide appropriate compensation, in the form of cash and/or Company stock. The Governance Committee may engage an independent compensation consultant to provide direct advice on emerging trends in director compensation.

### IV. Committee Structure and Responsibilities:

- A. Committee Structure: The Board has established four standing Committees:
1. Audit Committee;
  2. Compensation Committee;
  3. Governance Committee; and
  4. Executive Committee.

Each Committee has the authority to, as it deems appropriate, engage independent external consultants and other advisors at the expense of the Company. Each Committee conducts an annual self-evaluation of performance. In addition, each Committee annually reviews compliance with, and adequacy of, its current charter and recommends any proposed changes to the full Board for approval. The following summarizes the responsibilities of each Committee:

- **Audit Committee**: The Audit Committee assists the Board in monitoring: the integrity of the financial statements of the Company; the independent auditor's qualifications and independence; the performance of the Company's internal audit

function and independent auditors; and the Company's compliance with legal and regulatory requirements (including, without limitation, the Company's applicable codes of business conduct and ethics). The Committee prepares the report required by SEC rules to be included in the Company's annual proxy statement. The Committee also selects and evaluates the internal auditor and oversees the Company's policies addressing business risk and other matters deemed appropriate by the Committee. The Committee oversees procedures for handling complaints, including anonymous and confidential treatment of complaints regarding accounting, internal accounting controls or auditing matters.

- ***Compensation Committee:*** The Compensation Committee discharges the Board's responsibilities relating to compensation of the Company's CEO and other executive officers. The Committee has overall responsibility for approving and evaluating all compensation plans, policies and programs of the Company as they affect the CEO and the other executive officers and other employees of the Company and its subsidiaries. The Committee reviews on the compensation-related disclosures in the Company's required reports to the SEC and to stockholders, and produces an annual compensation committee report for inclusion in the Company's proxy statement.
- ***Governance Committee:*** The Governance Committee is appointed by the Board to assist the Board by identifying individuals qualified to become Board members, consistent with criteria approved by the Board; recommend to the Board the director nominees for the next annual meeting of stockholders; recommend to the Board the Corporate Governance Guidelines applicable to the Company; lead the Board in its annual review of the Board's performance; recommend to the Board director-nominees for each Committee; and review the form and amount of director compensation, and make recommendations to the Board regarding the Company's director compensation program.
- ***Executive Committee:*** The Executive Committee exercises the powers and authority of the Board to direct the business and affairs of the Company in intervals between meetings of the Board, and to implement the policy decisions of the Board.

B. Committee Membership: Each Board Committee is composed entirely of directors that meet applicable SEC rules and NYSE listing standards. The qualifications of Committee members are reviewed annually for skill set relevance, and for compliance with legal and regulatory requirements of membership for each particular Committee.

C. Committee Meetings and Agendas: Committee agendas are prepared by the Committee secretary in consultation with the Committee Chair. Annually recurring events for each Committee are reviewed each year and used as preliminary agenda items. Committee members may suggest additional items for each agenda. Executive sessions, comprised of only independent directors, are regularly scheduled at the conclusion of each Committee meeting. Each Committee Chair reports to the Board on Committee actions in a timely manner, but in no event later than the next Board meeting.

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