

CHARTER OF THE
COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS OF
SURGICAL CARE AFFILIATES, INC.

(As adopted by the Board of Directors on October 30, 2013
and last amended on December 3, 2014)

I. Statement of Purpose

The Compensation Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board of Directors”) of Surgical Care Affiliates, Inc. (the “Company”). The purpose of the Committee is to discharge the responsibility of the Board of Directors relating to compensation of the Company’s Directors, executive officers and such other employees as the Committee may determine (together, “management”) and related matters.

II. Organization

A. *Charter.* At least annually, this charter shall be reviewed and reassessed by the Committee and any proposed changes shall be submitted to the Board of Directors for approval. This charter shall be made available on the Company’s website. A copy of this charter shall be made available to any interested person upon written question.

B. *Members.*

1. General. The Committee shall be comprised of at least two members. Committee members may be replaced or removed by the Board of Directors at any time in the Board of Directors’ sole discretion. The Board of Directors shall also designate a Committee Chairperson.
2. Independence. The members of the Committee shall be appointed by the Board of Directors and shall meet the independence requirements of applicable law and the applicable rules, regulations and listing requirements of the NASDAQ Stock Market (the “NASDAQ Listing Rules”), the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the requirements of a “non-employee director” for purposes of Section 16 of the Securities Exchange Act of 1934, as amended (collectively, the “Independence Requirements”), provided that, for so long as the Company is a “controlled company,” as defined under the NASDAQ Listing Rules, one or more members of the Committee may not meet some or all of the Independence Requirements.
3. Compensatory fees. The members of the Committee shall not accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries (collectively, “Compensatory Fees”). Compensatory Fees shall not include: (i) fees received as a member of the Committee, the Board of Directors or any other committee of the Board of Directors; or (ii) the receipt

of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any way on continued service).

C. *Meetings*. In order to discharge its responsibilities, the Committee shall each year establish a schedule of meetings; additional meetings may be scheduled as required. All meetings of the Committee may be held in person or telephonically.

D. *Quorum; Action by Committee*. A quorum at any Committee meeting shall be at least two members. All determinations of the Committee shall be made by a majority of its members present at a meeting duly called and held, except as specifically provided herein (or where the Committee consists of only two members, by unanimous vote). Any decision or determination of the Committee reduced to writing and signed by all of the members of the Committee shall be fully as effective as if it had been made at a meeting duly called and held.

E. *Agenda, Minutes and Reports*. The Committee Chairperson shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Minutes for all meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities. The minutes shall be circulated in draft form to all Committee members to ensure an accurate final record, shall be approved at a subsequent meeting of the Committee and shall be distributed periodically to the full Board of Directors. The Committee shall make regular reports to the Board of Directors.

F. *Performance Evaluation*. The Committee shall evaluate its performance on an annual basis and develop criteria for such evaluation.

III. Responsibilities

The following shall be the principal responsibilities of the Committee:

A. *Goals and Objectives; Executive Officer Compensation*. The Committee shall review and approve periodically, but no less frequently than annually, the Company's goals and objectives relevant to compensation of the executive officers (including base and incentive compensation), including the balance between short-term compensation and long-term incentives. The Committee shall evaluate the performance of the executive officers in light of those goals and objectives and shall determine and approve, or recommend to the Board of Directors for approval, the compensation level of the executive officers based on such evaluation and any employment agreements for executive officers. The Chief Executive Officer may not be present during the voting or deliberations relating to his or her compensation.

B. *Incentive Compensation*. In determining incentive compensation for the executive officers of the Company, the Committee shall consider, among other factors it deems appropriate from time to time, the Company's performance and relative shareholder return (or other criteria) during such periods as the Committee may deem appropriate, the value of similar incentive awards to persons holding comparable positions at comparable companies and the awards given to management in prior years. The Committee shall make recommendations to the Board of Directors with respect to the establishment and terms of incentive-compensation and equity-

based plans and shall administer such plans, including determining any awards to be granted to management under any such plan implemented by the Company.

C. *Post-Service Arrangements.* The Committee shall evaluate the post-service (including severance) arrangements and benefits of the Chief Executive Officer and other senior management and their reasonableness in light of practices at comparable companies and any benefits received by the Company in connection with such arrangements.

D. *Evaluation of Compensation Program.* The Committee shall review on a periodic basis the operation of the Company's compensation program, including executive compensation arrangements, to evaluate their coordination. In discharging this responsibility, the Committee shall take into account factors it deems appropriate from time to time, including the Company's business strategy and risks to the Company and its business implied by the compensation program, and the results of any shareholder advisory votes with respect to the Company's compensation program, plans or arrangements.

E. *Compensation Policies.* The Committee shall establish and review periodically policies with respect to the Company's compensation related policies, including, without limitation, any policies with respect to management perquisites.

F. *Director Compensation and Perquisites.* The Committee shall advise the Board of Directors with respect to proposed changes in the compensation of the Board of Directors and its various committees, as well as Director retirement policies and programs and perquisites, but not less frequently than biennially. In considering Director compensation and perquisites, the Committee may take into consideration the relative responsibilities of Directors in serving on the Board of Directors and its various committees. The Committee may request that management report to the Committee periodically on the status of the compensation of the Board of Directors and perquisites in relation to other similarly situated companies. Directors who are Company employees shall not be compensated for their services as Directors.

G. *Stock Ownership Guidelines.* The Committee shall review annually any stock ownership guidelines applicable to Directors and senior management of the Company and shall recommend to the Board of Directors revisions to such guidelines as appropriate.

H. *Review of Compensation Discussion and Analysis; Compensation Disclosures; Committee Report.* The Committee shall (i) review the Compensation Discussion and Analysis section proposed for inclusion in the Company's Annual Report on Form 10-K and annual proxy statement and the related tabular and other disclosures about director and executive compensation (in each case, when required to be included in such filings); (ii) discuss the Compensation Discussion and Analysis section with management and recommend to the Board of Directors whether such section should be included in such Annual Report and proxy statement (in each case, when required to be included in such filings); and (iii) furnish for inclusion in such Annual Report and proxy statement its report with respect to such discussion and recommendation as required by applicable law.

I. *Appointment and Monitoring of Named Fiduciaries.* With respect to any funded employee benefit plan covering employees of the Company subject to the fiduciary responsibility

provisions of the Employee Retirement Income Security Act of 1974, the Committee shall have the authority to appoint and terminate the named fiduciary or named fiduciaries of such plan and shall monitor their performance, unless such fiduciaries are specified in the constituent plan documents.

J. *Succession Planning.* The Committee shall review periodically with the Chairman of the Board and the Chief Executive Officer management's short- and long-term leadership development and succession plans and processes, including temporary delegations of authority for the Chief Executive Officer and other executive officers in emergency circumstances. At least annually, the Committee shall review management's succession plans with respect to non-CEO executive officers and coordinate with the independent Directors in reviewing the Chief Executive Officer succession plans. The Committee shall also make recommendations to the Board with respect to the process for selection, and the selection, of individuals to occupy these positions.

K. *Delegation.* The Committee may delegate any of its responsibilities to a subcommittee comprised of one or more members of the Committee.

L. *Other Duties.* The Committee shall also carry out such other duties that may be delegated to it by the Board of Directors from time to time.

IV. Studies and Advisers

A. *Responsibility and Authority.* The Committee shall have the sole authority and responsibility to appoint, engage, retain and terminate any compensation consultant, legal counsel or other adviser (collectively, the "Compensation Advisers") to assist it in discharging its responsibilities based on such considerations as it deems appropriate or as may be required by applicable law and listing standards. Before selecting or receiving advice from a Compensation Adviser, the Committee must take into consideration all factors relevant to the Compensation Adviser's independence from management, including any factors required under the NASDAQ Listing Rules,¹ it being understood that these factors must only be taken into consideration with respect to those Compensation Advisers falling within the scope of the NASDAQ Listing Rules. In discharging its responsibilities, the Committee shall have full access to any relevant records of the Company and may also request that any officer or other employee of the Company, including the Company's senior compensation or human resources executives, the Company's outside counsel or any other person meet with any members of, or consultants or advisers to, the Committee.

B. *Funding.* The Committee shall have the sole authority to approve the terms of any appointment or engagement of any Compensation Adviser and shall be responsible for oversight

¹ The factors required to be considered under the NASDAQ Listing Rules include: (1) the provision of other services to the Company by the person that employs the Compensation Adviser; (2) the amount of fees received from the Company by the person that employs the Compensation Adviser, as a percentage of the total revenue of the person that employs the Compensation Adviser; (3) the policies and procedures of the person that employs the Compensation Adviser that are designed to prevent conflicts of interest; (4) any business or personal relationship of the Compensation Adviser with a member of the Committee; (5) any stock of the Company owned by the Compensation Adviser; and (6) any business or personal relationship of the Compensation Adviser or the person employing the Compensation Adviser with an executive officer of the Company.

of and the fees of any such Compensation Adviser. The Company will provide for appropriate funding, as determined by the Committee, for payment of reasonable fees to any such Compensation Adviser.