

*As amended and approved on March 9, 2011*

## **HCA HOLDINGS, INC.**

### **CORPORATE GOVERNANCE GUIDELINES**

The Board of Directors (the “Board”) of HCA Holdings, Inc. (the “Company” or “HCA”) has adopted corporate governance guidelines for the Company. These guidelines reflect the Board’s commitment to a system of governance which enhances corporate responsibility and accountability and the requirements of the Sarbanes-Oxley Act of 2002 and the New York Stock Exchange (“NYSE”) listing standards. These guidelines are subject to modification from time to time by the Board. The principles herein are guidelines within which the Board may conduct its business and are not intended to be legally binding obligations. The Board, in the exercise of its discretion, may deviate from these guidelines from time to time as it deems appropriate.

#### **BOARD OF DIRECTORS**

The Nominating and Corporate Governance Committee (the “Nominating Committee”), with input from the other directors, is responsible for reviewing with the Board the skills and characteristics required of the directors in view of sound business principles and best practices as well as by current legal and regulatory requirements. This assessment is addressed below in the “Criteria for Director Nomination” Section. The Nominating Committee is responsible for overseeing the screening and recruitment process and for making recommendations for new director candidates. The Company has an orientation process for prospective and new directors that includes background material, meetings with the Company’s senior management and visits to Company facilities. The Board encourages formal Board continuing education.

**Size and Composition of Board.** The number of directors constituting the full Board shall be determined from time to time by the Board within the limits prescribed by the Company’s certificate of incorporation and bylaws. A majority of the directors on the Board shall, following the limited transitional period provided under the NYSE rules for newly public issuers, be directors who meet the independence requirements of the applicable NYSE rules (the “Independent Directors”), except to the extent the Company is permitted to and avails itself of the “controlled company” exemption from these requirements provided in Section 303A of the NYSE rules. If the Company determines to avail itself of the “controlled company” exemption, it will disclose such determination in its proxy or information statement or its annual report on Form 10-K. If at any time the Company ceases to qualify as a “controlled company,” a majority of the Board will, within one year following the date on which the Company ceases to so qualify, be composed of Independent Directors. In addition to the Board’s annual review, each Independent Director shall periodically evaluate the criteria set forth in these guidelines to determine if he or she continues to be “Independent.” Upon making a determination that he or she no longer qualifies as an Independent Director, the director shall as soon as practicable notify the Chair of the Nominating Committee of such fact so that Board review can be facilitated.

**Criteria for Director Nomination.** The Nominating Committee shall recommend to the Board persons to be nominated to serve as directors of the Company. When determining whether to nominate a current director to stand for reelection as a director, the Nominating Committee shall review and consider the performance of such director during the prior year using performance criteria established by the Board. The Nominating Committee shall also consider the requirements of any stockholders agreement in existence (as such may be amended from time to time) which governs the composition requirements of the Company’s Board of Directors and

committees. In recruiting and evaluating new director candidates, the Nominating Committee shall assess a candidate's independence, as well as the candidate's background and experience and current board skill needs. The Company endeavors to have a Board representing diverse experience at policy-making levels in business, education or areas that are relevant to the Company's business. The Nominating Committee will consider, consistent with applicable law, the Company's certificate of incorporation and bylaws and the criteria set forth herein, any candidates proposed by any senior executive officer, director or stockholder.

In addition, individual directors and any person nominated to serve as a director should demonstrate high ethical standards and integrity in their personal and professional dealings and be willing to act on and remain accountable for their boardroom decisions, and be in a position to devote an adequate amount of time to the effective performance of director duties.

In addition, each director should contribute some knowledge, experience, or skill in at least one domain that is important to the Company. To provide such a contribution to the Company, a director must possess experience in one or more of the following:

- business or management for complex and large consolidated companies or other complex and large institutions;
- accounting or finance for complex and large consolidated companies or other complex and large institutions;
- leadership, strategic planning, or crisis response for complex and large consolidated companies or other complex and large institutions;
- the health care industry; and
- other significant and relevant areas deemed by the Nominating Committee to be valuable to the Company.

Each director must also take reasonable steps to keep informed on the complex, rapidly evolving health care environment.

Prior to nominating a person to serve as a director, the Nominating Committee shall evaluate the candidate based on the criteria described above. In addition, prior to accepting renomination, each director should evaluate himself or herself as to whether he or she satisfies the criteria described above.

#### **Definition of Independent Director.**

(i) **Subjective Test.** No director can qualify as an Independent Director unless the Board affirmatively determines, after considering all relevant facts and circumstances, that the director has no material relationship with the Company either directly or as a partner, stockholder or officer of an organization (whether or not for-profit) that has a relationship with the Company. In determining whether the relationships are material, the Board shall use its business judgment in good faith to determine whether the relationship would disable the person from exercising independent judgment in serving as a director. When assessing the materiality of a director's relationship, the Board should consider the issue not merely from the director's standpoint, but also from that of persons or organizations with which the director has an affiliation. Material

relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others. However, because the concern is independence from management, ownership of even a significant amount of stock, by itself, is not a bar to independence. A director who the Board affirmatively determines has no material relationship with the Company and otherwise satisfies the requirements of paragraph (ii) below is considered an Independent Director. The identity of the Independent Directors and the basis for a Board determination that a relationship is not material shall be disclosed in the annual proxy or information statement or Form 10-K if required by the NYSE or by law. The Board will observe all additional independence criteria established by the NYSE or other governing laws and regulations.

(ii) **NYSE Independence Standards.** A director cannot qualify for consideration as and Independent Director if:

- (A) (1) The director is, or has been within the last three years, the Company's employee; or (2) an immediate family member is, or has been within the last three years, one of the Company's executive officers. Employment as an interim Chairman, interim Chief Executive Officer or other interim executive officer shall not disqualify a director from being considered an Independent Director following that employment.
- (B) During any twelve-month period within the last three years the director or an immediate family member received more than \$120,000 in direct compensation from the Company. The following are not considered "direct compensation" for this purpose: (1) director and committee fees and pension or other forms of deferred compensation for prior service that is not contingent in any way on continued service, and (2) compensation received by a director for former service as interim Chairman, interim Chief Executive Officer or other interim executive officer. The following is not considered "direct compensation" of an immediate family member for this purpose: compensation received by the immediate family member for service as the Company's employee (other than an executive officer).
- (C) (1) The director or an immediate family member is a current partner of a firm that serves as the Company's internal or external auditor; (2) the director is a current employee of such a firm; (3) the director has an immediate family member who is a current employee of such a firm and personally works on the Company's audit; or (4) 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.
- (D) The director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on the other company's compensation committee.
- (E) The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of the other company's consolidated gross revenues. In applying this standard, both the payments and the consolidated gross revenues shall be those reported in the last

completed fiscal year of the other company. The three-year look-back provision for this standard applies solely to the financial relationship between the Company and the director or immediate family member's current employer, and former employment of the director or immediate family member need not be considered. In addition, contributions to tax exempt organizations shall not be considered "payments" for purposes of this standard. However, the Company must publicly disclose (if required by law or the NYSE) any such contributions the Company makes to any tax exempt organization in which a director serves as an executive officer if, within the preceding three years, contributions in any single fiscal year exceeded the greater of \$1 million, or 2% of the organization's consolidated gross revenues.

For purposes of subsection (A) through (E) above, "immediate family member" means a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home (or any other meaning as may be set forth from time to time in the NYSE Listed Company Manual).

(iii) **Board-Adopted "Bright Line" Rules.** One or more of the following commercial or charitable relationships will not be considered to be material for purposes of the Subjective Test described above.

- (A) The director is a member, partner or executive officer of, or of counsel to, an entity (excluding any charitable organization) that makes annual payments to or receives annual payments from the Company for property or services in an amount less than the greater of (1) \$1 million, or (2) 2% of the other's consolidated gross revenues.
- (B) The director is an executive officer, trustee or director of an entity, and the Company's discretionary charitable contributions to that entity are less than the greater of (1) \$15,000, or (2) 5% of that entity's consolidated gross revenues for its last completed fiscal year.
- (C) Matching charitable contributions not to exceed \$15,000 annually made by the Company.

**Executive Sessions.** The non-management directors shall meet at regularly scheduled executive sessions, which will typically occur at regularly scheduled Board meetings, without any member of management present and must so meet at least annually. In addition, at least annually the Independent Directors will meet in separate executive session. The independent and/or non-management directors shall be entitled, acting as a group by vote of a majority of such independent and/or non-management directors, to retain legal counsel, accountants, health care consultants, or other experts, at the Company's expense, to advise the independent and/or non-management directors concerning issues arising in the exercise of their functions and powers.

A non-management director shall be designated by the non-management directors to preside at all executive sessions of the non-management directors (the "Non-Management Presiding Director") and shall have the power to call meetings of the non-management directors. The name of the non-management director chosen to serve as the Non-Management Presiding Director shall be disclosed in the Company's annual proxy or information statement.

An Independent Director shall be designated by the Independent Directors to preside at all executive sessions of the Independent Directors (the “Independent Presiding Director”) and shall have the power to call meetings of the Independent Directors. The name of the Independent Director chosen to serve as the Independent Presiding Director shall be disclosed in the Company’s annual proxy or information statement.

**Director Attendance at Annual Stockholder Meetings.** Directors are strongly encouraged to attend the Company’s annual stockholder meetings.

**Change in Status or Responsibilities of Director.** If a director has a material change in professional responsibilities, occupation or business association, he or she should notify the Nominating Committee. The Nominating Committee will evaluate the facts and circumstances and, if determined to be appropriate, refer to the full Board for evaluation of his or her continuing directorship.

If a director assumes a material role in a not-for-profit entity, he or she should notify the Nominating Committee for similar evaluation.

**Director Compensation.** The Board shall consider periodically director compensation based on the recommendation of the Company’s Compensation Committee, which may consist of cash, the Company’s common stock (or equity-based securities) or a combination of cash and the Company’s common stock (or equity-based securities), including grants allowed for directors under the Company’s equity compensation plans. Changes in Board compensation, if any, should be made with discussion and concurrence by the full Board. In addition, director compensation shall be the only compensation an Audit and Compliance Committee member receives directly or indirectly from the Company.

**Director Term and Age Limits.** The Company does not have any term limits for directors. All directors are elected for one-year terms and without staggered terms, and each year all directors must be renominated and stand for election for another year. However, no person shall be nominated to the Board who has attained the age of 75 or more on or before the first day of the proposed term of office. Under certain special circumstances, the Board may make an exception to this retirement requirement.

**Board and Committee Meetings.** The Board and its Committees meet a number of times during a fiscal year in accordance with a pre-approved schedule of meeting dates. In addition, the Chairman of the Board and of each Committee has the flexibility to call a special meeting in his or her discretion. Any director is free to suggest the inclusion of items on the agenda with appropriate notice to the Chairman of the Board and to raise at any Board meeting subjects that are not on the agenda for that meeting. At least one Board meeting each year shall be devoted to reviewing long-term strategic plans, including the principal issues facing the Company in the future.

It is the policy of the Board that information and data that is important to the Board’s and Committees’ understanding of the business to be conducted be distributed to the Board and Committee members, as applicable, reasonably in advance of a meeting to the extent possible.

Directors are expected to regularly attend Board meetings and meetings of Committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Directors are expected to review meeting materials provided to them prior to Board and Committee meetings and, when possible, communicate in

advance of meetings any questions or concerns that they wish to discuss so that management will be prepared for Board meetings. The Nominating Committee considers such director performance when recommending director nominees for reelection.

**Board Committees.** The Board currently has the following standing committees:

- Audit and Compliance Committee
- Compensation Committee
- Nominating and Corporate Governance Committee
- Patient Safety and Quality of Care Committee

The Audit and Compliance Committee, Compensation Committee and Nominating Committee shall be comprised solely of Independent Directors except, in the cases of the Nominating Committee and the Compensation Committee, to the extent the Company avails itself of the “controlled company” exemption from these requirements provided in Section 303A of the NYSE rules. If at any time the Company ceases to qualify as a “controlled company,” the Nominating Committee and Compensation Committee will be composed of at least one Independent Director at such time, a majority of Independent Directors within 90 days of such event and fully independent within one year after it ceases to be controlled. For the avoidance of doubt, the Company shall not be required to have, and shall not be prohibited from disbanding, its Compensation or Nominating Committee so long as the Company qualifies for the “controlled company” exemption under NYSE rules. In addition to these committees, the Board has the flexibility to form a new committee, either standing or *ad hoc*, or disband any of the current committees at any time depending upon the circumstances and subject to the requirements and regulations imposed on the Company by the NYSE, the Securities and Exchange Commission or other regulatory entities or by applicable law. All Committees shall have a written charter of responsibilities, duties and authorities, which the Board shall periodically review. Each Committee shall report to the full Board with respect to its activities, findings and recommendations after each meeting and shall conduct an annual performance review.

Each Committee shall have full power and authority to consult with the Company’s counsel or to otherwise retain at the Company’s expense the services of such advisers and experts, including counsel, as the Committee deems necessary or appropriate with respect to specific matters within its purview.

**Audit and Compliance Committee Membership Requirements.** In addition to being “Independent Directors,” Audit and Compliance Committee members also must meet the requirements of Rule 10A-3 of the Securities Exchange Act of 1934 (the “Exchange Act”) (or any successor provision); specifically, such members may not:

- (i) directly or indirectly accept any consulting, advisory or other compensatory fee from us or our subsidiaries, other than: (1) fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with us that is not contingent in any way on continued service, and (2) compensation for service as a Board or committee member; or
- (ii) be an affiliated person (as defined in Rule 10A-3) of us or our subsidiaries.

**Compensation Committee Subcommittee Membership Requirements.** If the Compensation Committee forms a subcommittee for purposes of Section 162(m) of the Internal Revenue Code (or any successor provision) and/or for purposes of Section 16 of the Exchange

Act (or any successor provision) in addition to being “Independent Directors,” members of such subcommittee also must be:

- (i) a “non-employee director” within the meaning of Rule 16b-3 promulgated under the Exchange Act, as amended, or any successor rule or regulation; and
- (ii) an “outside director” within the meaning of Section 162(m)(4)(C) of the Internal Revenue Code of 1986, as amended, or any successor provision.

Directors should promptly inform the Chief Executive Officer and the Corporate Secretary of any anticipated changes in their circumstances or relationships that may impact their qualification for membership on the Nominating Committee, Audit and Compliance Committee or any such subcommittee of the Compensation Committee.

**Rotation of Committee Members and Chairs.** The Nominating Committee is responsible for the recommendation of directors to serve on the Board’s various Committees, subject to Board approval and any stockholders agreement in existence (as such may be amended from time to time) which governs the composition requirements of the Company’s Board of Directors Committees. The Nominating Committee may consult with the Company’s Chairman of the Board and Chief Executive Officer and may consider numerous factors when nominating directors for service on a Committee including, among other items, the director’s qualifications under the above listed criteria, the director’s experience and the tenure of the other current directors. The Company does not have any rigid rotation policy with regards to Committee membership; however, the Nominating Committee expects to consider the rotation of members and chairs of the Committees from time to time taking into account the need for continuity of experience as well as the need for fresh perspectives. The Nominating Committee will recommend successor Committee Chairs to the Board.

**Board Access to Senior Management.** All directors shall have access to the Company’s senior management employed in policy-making capacities. The Board has the flexibility to nominate the Chair of the Audit and Compliance Committee or another director as a liaison between directors and the executive officers. It is the policy of the Board to encourage the Chief Executive Officer, from time to time, to bring managers into Board meetings who can provide additional insight into items being discussed or into significant segments of the Company’s business as well as those managers with future senior management potential that senior management believes should be given exposure to the Board. It is the policy of the Board that each member has a responsibility to be informed about material aspects of the Company’s business, including the quality of its senior management.

**Board Performance Evaluation.** The Nominating Committee, acting on behalf of the Board, shall conduct an evaluation of the Board’s performance every year. This evaluation should consider the Board’s contribution as a whole and specifically review areas in which the Board and/or senior management believes additional contributions could be made. The purpose of the evaluation is to increase the effectiveness of the Board.

**Board Interaction with Analysts, Institutional Investors and the Media.** It is the policy of the Board that senior management speak on behalf of the Company to analysts, institutional investors and the media. At the request of senior management, directors may be called upon from time to time to meet or otherwise communicate with analysts, institutional investors or the media, but generally directors shall not do so without the specific approval of

senior management, and all inquiries or requests of directors for comment should be referred to the Company's senior management.

## **SENIOR EXECUTIVE OFFICERS**

**Chairman of the Board and Chief Executive Officer.** The Company's bylaws provide maximum flexibility in choosing a Chairman of the Board and a Chief Executive Officer. The bylaws provide that such offices may be held by the same or different people. This flexibility leaves the Board free to make this choice any way that it determines is in the best interest of the Company. Annually, the non-management directors and the Compensation Committee shall evaluate the Chief Executive Officer. This evaluation is generally based on objective and subjective criteria, including performance of the Company's business, accomplishment of long-term strategic objectives, the development of management and succession planning and other factors as may have been communicated to the Chief Executive Officer.

**Executive Officer Compensation.** The Compensation Committee shall annually review and approve executive officers' compensation and benefit programs, policies and practices.

**Senior Management Development and Succession Plans.** It is the policy of the Board to discuss succession planning and management development in executive session, led by the Compensation Committee, on an ongoing basis. As such, the Board shall consider a Chief Executive Officer succession plan and receive periodic reports from appropriate executive officers on the development of other members of the Company's senior management.

**Senior Internal Audit Executive Officer.** There shall be a senior internal audit executive officer who shall report to the Chief Executive Officer and to the Chair of the Audit and Compliance Committee. The senior internal audit executive officer shall be responsible for examining and evaluating the adequacy and effectiveness of the Company's internal control procedures, shall have no other significant Company responsibilities, and shall not have any Company responsibilities incompatible with responsibility for the Company's internal control procedures.

**Chief Ethics and Compliance Officer.** There shall be a Chief Ethics and Compliance Officer who shall report to the Chief Executive Officer and to the Chair of the Audit and Compliance Committee. The Chief Ethics and Compliance Officer shall be responsible for developing and implementing the Company's Ethics and Compliance Program.

## **COMMUNICATIONS TO THE BOARD OR THE AUDIT AND COMPLIANCE COMMITTEE**

Security holders and other interested parties may contact the Board of Directors, a particular director, or the non-management directors or Independent Directors as a group by sending a letter (signed or anonymous) to: c/o Board of Directors, HCA Holdings, Inc., One Park Plaza, Nashville, TN 37203, Attention: Corporate Secretary.

We will forward all such communications to the applicable Board member(s) at least quarterly, except for advertisements or solicitations which will be discarded. The legal department will review the communication. Concerns will be addressed through our regular procedures for addressing such matters. Depending on the nature of the concern, management also may refer it to our internal audit, legal, finance or other appropriate department. If the volume of communication becomes such that the Board adopts a process for determining which

communications will be relayed to Board members, that process will appear on the Corporate Governance page of our website at [www.hcahealthcare.com](http://www.hcahealthcare.com).

Any Board member may direct that the matter be presented to the full Board or an applicable Board committee for further consideration or action. The Board or the applicable committee may direct special treatment, including the retention of outside advisors or counsel.

Complaints or concerns about our accounting, internal accounting controls, auditing or other matters may be reported to our legal department or to the Audit and Compliance Committee in any of the following ways and may be reported anonymously:

- Call the HCA Ethics Line at 1-800-455-1996
- Write to the Audit and Compliance Committee at: Audit and Compliance Committee Chairman, HCA Holdings, Inc., c/o General Counsel, One Park Plaza, Nashville, TN 37203

All accounting, internal accounting controls, or auditing matters will be reported to the Audit and Compliance Committee on at least a quarterly basis. Depending on the nature of the concern, it also may be referred to our internal audit, legal, finance or other appropriate department. We will treat a complaint or concern about questionable accounting or auditing matters confidentially if requested, except to the extent necessary to protect the Company's interests or to comply with an applicable law, rule or regulation or order of a judicial or governmental authority.

Our policy prohibits any employee from retaliating or taking any adverse action against anyone who, in good faith, reports or helps to resolve an ethical or legal concern.

## **CONDUCT AND ETHICS STANDARDS FOR DIRECTORS**

Directors are subject to applicable provisions of the Company's Code of Conduct. Among other things, directors shall conduct themselves in a manner that avoids actual or apparent conflicts of interest and that protects the Company's business reputation. Company loans to, or guarantees of obligations of, directors and their family members are prohibited.

Directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. Accordingly, except as otherwise permitted by the Company's certificate of incorporation, directors are prohibited from taking for themselves personally business opportunities that are discovered through the use of Company property, information or position.

Directors, in the course of their Company duties, shall comply fully with all federal and state laws applicable to the Company's businesses, and with applicable Company policies (including policies relating to use of confidential information and insider trading).