

**PETROQUEST ENERGY, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

**Adopted as of May 8, 2019**

*These guidelines (the “**Guidelines**”) have been adopted by the board of directors (the “**Board**”) of PetroQuest Energy, Inc. (the “**Company**”) as of the date set forth and supersede all previous corporate governance guidelines and any addenda or supplements.*

**1. Director Qualifications**

Directors may be nominated by the Board or by stockholders in accordance with the bylaws of the Company. The Nominating & Corporate Governance Committee will review all nominees for the Board, including proposed nominees of stockholders, in accordance with its charter. The Nominating & Corporate Governance Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of new Board members as well as the composition of the Board as a whole. This assessment will include members’ qualification as independent, as well as consideration of diversity, age, skills, and experience in the context of the needs of the Board, and will seek counsel from senior management as to the long-term corporate needs for new and supplemental board expertise. The Nominating & Corporate Governance Committee will seek qualified nominees and review its recommendations with the Board, which will decide whether to invite the nominees to join the Board. The invitation to join the Board should be extended by the Board itself, the Chairman of the Nominating & Corporate Governance Committee or the Chairman of the Board.

The Board of the Company will have a majority of directors who meet the criteria for independence required by the OTCQX Market. Each year, the Nominating & Corporate Governance Committee will review the relationships between the Company and each director and will report the results of its review to the Board, which will then determine which directors satisfy the applicable independence standards. Board members have an affirmative obligation to promptly inform the General Counsel or acting General Counsel of changes in their circumstances or any transactions or relationships that may impact their designation by the Board as “independent.”

**2. Size of the Board**

It is the sense of the Board that a size of at least five (5) members is appropriate based on the Company’s current business and operations. However, the existing members of the Board may increase the size of the Board in order to accommodate the availability of an outstanding candidate or merger or acquisition requirements.

**3. Director Service on Other Boards**

In advance of accepting an invitation to serve on another public company board, directors should advise the Chairman of the Board and the Chairman of the Nominating & Corporate Governance Committee to allow an assessment to be made of, among other things, the potential impact of such service on the director’s time and availability, potential conflict of interest issues and the director’s status as an independent director.

#### **4. Age/Term Limits**

The Board does not believe it should establish limits on a director's service. As an alternative to term limits, the Nominating & Corporate Governance Committee will review each director's continuation on the Board every year. This will allow each director the opportunity to conveniently confirm his or her desire to continue as a member of the Board and will permit the Nominating & Corporate Governance Committee and the Board to consider the desirability of re-nominating any director.

The Nominating & Corporate Governance Committee will not nominate any individual who is, as of the date of nomination, eighty (80) years of age or older for election or reelection to the Board.

#### **5. Director Resignation Policy**

The Board may, but shall not be obligated to, delegate to any committee of the Board consisting solely of independent directors who have not tendered a resignation, the responsibility of making a recommendation to the Board as to whether to accept or reject the tendered resignation of a director and whether to take other action. The Board shall act on the resignation, taking into account the committee's recommendation (if applicable), and publicly disclose (by a press release and filing an appropriate disclosure with the Securities and Exchange Commission) its decision regarding the resignation and, if such resignation is rejected, the rationale behind the decision, within ninety (90) days following certification of the election results. Any committee in making its recommendation, and the Board in making its decision, each may consider any factors and other information that they consider appropriate and relevant. If the Board accepts a director's resignation pursuant to this Section 5, then the Board may fill the resulting vacancy pursuant Section 6.2 of the Company's Certificate of Incorporation (the "*Charter*") or may change the size of the Board pursuant to Article VI of the Charter.

#### **6. Director Responsibilities**

The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The directors shall also be entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Company's charter, by-laws and any indemnification agreements, and to exculpation as provided by state law and the Company's bylaws.

Directors are expected to 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. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting.

## **7. Chairman of the Board**

The Board has no policy with respect to the separation of the offices of Chairman of the Board and the Chief Executive Officer. The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Company for the Board to make this determination as circumstances warrant.

## **8. Meetings of the Board**

The Board will meet at least four times a year and will hold additional meetings as necessary. The Chairman of the Board will establish the agenda for each Board meeting in consultation with the Chief Executive Officer. At the beginning of the year, the Chairman of the Board will establish a schedule of agenda subjects to be discussed during the year (to the degree this can be foreseen) in consultation with the Chief Executive Officer. Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is free to raise, at any Board meeting, subjects that are not on the agenda for that meeting and to request the preparation of materials for discussion of relevant topics. The Board will review the Company's long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year, which meeting may be held at a Board retreat.

## **9. Meetings of the Non-Management Directors**

The non-management directors will meet in executive session without management present at least quarterly. The director who presides at these meetings, the "lead director," will be the Chairman of the Board if he is a non-management director or will be chosen by the non-management directors if the Chairman of the Board is a member of management, and his name will be disclosed in the annual proxy statement. The lead director is responsible for preparing an agenda for the executive sessions. In the event that the non-management directors include directors who are not independent under the listing requirements of the OTCQX Market, then at least once a year, there should be an executive session including only independent directors.

## **10. Board Interaction with External Constituencies**

The Board believes that the management speaks for the Company. Individual Board members will not meet or otherwise directly communicate with stockholders, research analysts, vendors, the press or other external constituencies on behalf of the Company unless the communication is (1) requested by the Chairman of the Board, the Chief Executive Officer or the full Board or (2) required to discharge their duties as set forth in committee charters.

## **11. Board Member Attendance at Annual Meetings**

Directors are encouraged to attend the Company's annual meeting of stockholders.

## **12. Board Committees**

The Board will have at all times an Audit Committee, a Compensation Committee and a Nominating & Corporate Governance Committee. All of the members of these committees will satisfy the requirements, including any independence requirements, detailed in their respective

committee charters. Committee members will be appointed by the Board upon recommendation of the Nominating & Corporate Governance Committee taking into consideration the desires of individual directors. It is the sense of the Board that consideration should be given to rotating committee members and their respective chairmen periodically, but the Board does not feel that rotation should be mandated as a policy.

Each committee will have its own written charter. The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The charters will also provide that each committee will annually evaluate its performance. Each committee will perform its duties as assigned by the Board in compliance with the Company's bylaws and such committee's charter.

The Chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda.

The Board may, from time to time, establish or maintain additional committees as the Board deems necessary or appropriate.

### **13. Director Access to Independent Advisors**

The Board and each committee have the power to hire independent legal, financial or other advisors, as they may deem necessary and at the Company's expense, without consulting or obtaining the approval of any officer of the Company in advance.

### **14. Director Access to Officers and Employees**

Directors have full and free access to all officers, employees and books and records of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary or directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the Chief Executive Officer on any written communications between a director and an officer or employee of the Company.

As appropriate under the circumstances based upon the subject matter to be discussed, the Board welcomes attendance at each Board meeting of senior officers of the Company. If the Chief Executive Officer wishes to have Company personnel attend a Board meeting, this suggestion should be brought to the Board for approval.

### **15. Director Compensation**

The Compensation Committee will conduct an annual review of the director compensation program and make a recommendation to the Board regarding the form and amount of director compensation in accordance with the policies and principles set forth in its charter. The Compensation Committee will consider that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels, if the Company makes

substantial charitable contributions to organizations with which a director is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

## **16. Director Continuing Education**

[All new directors must participate in the Company's Orientation Program, which should be conducted within two months of the annual meeting at which such new directors are first elected. This orientation will include presentations by senior management to familiarize new directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers, and its internal and independent auditors. In addition, the Orientation Program will include visits to Company headquarters and, to the extent practical, certain of the Company's significant facilities. All other directors are also invited to attend the Orientation Program.]<sup>1</sup> Each director is encouraged to attend, at the Company's expense, director education programs or seminars as the director deems advisable.

## **17. CEO Evaluation and Management Succession**

The Compensation Committee will conduct an annual review of the Chief Executive Officer's performance, as set forth in its charter. The Board will review the Compensation Committee's report in order to ensure that the Chief Executive Officer is providing the best leadership for the Company in the long- and short-term.

The entire Board will work with the Nominating & Corporate Governance Committee to nominate and evaluate potential successors to the Chief Executive Officer. The Chief Executive Officer should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

## **18. Annual Performance Evaluation**

The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Nominating & Corporate Governance Committee will receive comments from all directors and report annually to the Board with an assessment of the performance of the Board, the Board's committees and management. The assessment will focus on the Board's contribution to the Company and specifically focus on the areas in which the Board or management believes that the Board could improve. The assessment will be discussed with the full Board following the end of each fiscal year.

## **19. Stockholder Communications with Directors**

If any stockholder or third party has a complaint or concern regarding accounting, internal accounting controls or auditing matters at the Company, they should send their complaint in writing to the Chairman of the Audit Committee at the Company's principal executive offices at

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<sup>1</sup> **Note to PetroQuest:** Consider instituting a formal director orientation program that includes some or all of the bracketed activities and events if such a program does not already exist.

the address listed below. If any stockholder or third party has a concern about the Company or otherwise wishes to communicate with the Board, they should send their communication in writing to the Chairman of the Board at the Company's principal executive offices at the address listed below. If any stockholder or any other interested party wishes to communicate with a non-management or independent director or with the lead director, the stockholder or interested party should send the communication in writing to that director or the lead director at the Company's principal executive offices at the address listed below.

A stockholder who wishes to communicate directly with the Board, a committee of the Board or with an individual director, should send the communication to:

Board of Directors or committee name or director's name, as appropriate  
PetroQuest Energy, Inc.  
400 E. Kaliste Saloom Road, Suite 6000  
Lafayette, Louisiana 70508

All stockholder correspondence about the Company will be forwarded directly to the committee or individual director, as appropriate.

## **20. Review of Governance Policies**

The Nominating & Corporate Governance Committee will review and reassess the adequacy of these Guidelines and recommend any proposed changes to the Board for approval. In addition, the Nominating & Corporate Governance Committee will consider any other corporate governance issues that arise from time to time and develop appropriate recommendations for the Board as well as review management's monitoring of the Company's compliance programs.

## **21. Posting Requirement**

The Company shall post these Guidelines, the charters of each Board committee and the Company's Corporate Code of Business Conduct and Ethics on the Company's website as required by applicable rules and regulations and shall make them available at the Company's offices in Lafayette, Louisiana. In addition, the Company shall disclose in its proxy statement for its annual meeting of stockholders that a copy of each document is available on the Company's website and may be obtained by stockholders upon written request.