

ATMOS ENERGY CORPORATION
Categorical Standards of
Director Independence
November 2014

In accordance with the Company's Corporate Governance Guidelines, as well as applicable rules and regulations of the New York Stock Exchange ("NYSE"), the Board of Directors must affirmatively determine that at least a majority of our directors are independent. In order to be considered independent, a director may not have either a direct or indirect "material relationship" with the Company; to assist the Board in determining the independence of each of its members, the Board has adopted the categorical standards listed below. A director who at all times during the last three fiscal years has met all of the categorical standards listed below (except as otherwise provided) shall be presumed to not have a material relationship with the Company. Notwithstanding this presumption, the Board will look at the totality of all relationships when determining independence. Note that the Board has adopted the same definition of "immediate family member" as that set forth by the New York Stock Exchange (a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone else (other than any domestic employees) who shares such person's home).

- The Company has not employed the director, and has not employed (except in a non-executive officer capacity) any of his or her immediate family members.
- Neither the director, nor any of his or her immediate family members (except in a non-executive officer capacity), during any consecutive 12-month period, has received more than \$120,000 per fiscal year in direct compensation from the Company, other than 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).
- Neither the director nor an immediate family member (i) is a current partner of a firm that is the Company's internal or external auditor or (ii) was, within the last three fiscal years (but is no longer), a partner or employee of such a firm and personally worked on the Company's audit within that time.
- The director is not employed by a firm that is the Company's internal or external auditor and the director does not have an immediate family member who is a current employee of such a firm and personally works on the Company's audit.
- Neither the director, nor any of his or her immediate family members, is or has been part of an "interlocking directorate" in which an executive officer of the Company serves or has served on the compensation (or equivalent) committee of another company that employs the director or any of his immediate family members in an executive officer capacity.

- Neither the director, nor any of his or her immediate family members has had a personal services contract with the Company, its chairman, chief executive officer or other executive officer or any affiliate of the Company.
- The director has not been an employee and none of his or her immediate family members has been an executive officer of a significant supplier or customer of the Company during the last fiscal year. For the purposes of this categorical standard, a supplier or customer shall be considered significant if the amount of its sales to, or purchases from, the Company exceeded the greater of (a) \$1 million or (b) two percent (2%) of such other company's total annual gross revenues for the last completed fiscal year.
- Neither the director, nor any of his or her immediate family members, has been an employee, officer or director of a foundation, university or other charitable organization to which the Company has contributed in any single fiscal year either directly, or indirectly, including through a donor advised fund or foundation, or through the provision of services, an amount that exceeded the greater of (a) \$500,000 or (b) two percent (2%) of the charitable organization's total annual receipts for any of the last three completed fiscal years.
- Neither the director, nor any of his or her immediate family members, either directly or indirectly as a partner, shareholder or officer of another company, has owned more than 5% of the Company's common stock.
- Neither the director, nor any of his or her immediate family members, has been employed by or a director of a significant lender of the Company. For the purposes of this categorical standard, a lender shall be considered significant if the credit extended is more than 5% of the consolidated assets of the Company.