

**DST SYSTEMS, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

1. Basic Responsibilities of Board Members. The Board of Directors' primary responsibility to DST Systems, Inc. (the "Company") shall be to provide effective governance over the Company's affairs for the benefit of its stockholders. In all actions taken by the Board, the Directors shall be expected to exercise their business judgment in what they reasonably believe to be in the best interests of the Company. In discharging that obligation, Directors may rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. Directors may exercise all powers of the Company except such as are conferred upon or reserved to the stockholders by statute or by the Certificate of Incorporation or Bylaws of the Company. In addition to other duties set forth herein, the Board shall make certain independence, qualification, and other determinations regarding Board and Committee members as required by applicable laws, regulations and stock exchange listing standards, nominate candidates for election to the Board, perform annual self-evaluations of the Board and review self-evaluations conducted by its Committees, maintain Committee charters and these guidelines, approve the Annual Report to Stockholders on Form 10-K and certain other securities law filings, and review the certification of the Company's Chief Executive Officer ("CEO") as to compliance with New York Stock Exchange ("NYSE") listing standards. The Directors shall act only as a Board or Board committee and individual Directors shall have no individual authority; provided that, unless prohibited by applicable law, regulation or stock exchange listing standard, a Director may exercise duties delegated to it by the Board or by a Committee of which the Director is a member.

2. Meetings. Directors shall attend, whenever reasonably practicable, Board meetings, meetings of Board committees and sub-committees on which they serve, and the annual stockholders' meeting. Directors shall spend the time necessary and meet as frequently as necessary to properly discharge their responsibilities. Information and materials that are important to Directors' understanding of the business to be conducted at a Board or Committee meeting should be distributed to Directors and/or Committee members prior to any such meeting to provide ample time for prior review.

3. Number and Qualification Standards of Board Members. The Board has the authority under the Bylaws to set the number of Directors, which shall be in the range of three to eleven. The Board shall be divided into three classes as nearly equal in number as reasonably possible. Candidates for nomination to the Board shall be recommended to the Board by the Corporate Governance/Nominating Committee in accordance with the guidelines set forth in the Committee's Charter. Stockholders may nominate candidates for election to the Board in accordance with the procedures set forth in the Company's Bylaws and in compliance with all applicable requirements of the Delaware General Corporation Law and the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder ("Exchange Act"). Directors shall be elected at annual meetings of the stockholders and shall serve three-year terms, which shall expire at the third succeeding annual meeting of stockholders.

4. Independence of Directors. A majority of the Board shall qualify as “independent directors” in accordance with applicable provisions of NYSE listing standards and the Exchange Act. The independence of each Director nominee and each Board member required to be independent under applicable laws, regulations, and stock exchange listing standards shall be evaluated by the Corporate Governance/Nominating Committee and determined by the Board applying standards approved by the Board, which are set forth in the Appendix hereto.

5. Board Committees. The Board may exercise authority through committees, the names and duties of which are set forth in the Company’s Bylaws. The standing committees of the Board shall be the Corporate Governance/Nominating Committee, the Audit Committee, and the Compensation Committee. All members of these committees shall be independent, as determined by the Board, in accordance with the independence criteria set forth in the NYSE listing standards and any other applicable laws, rules or regulations regarding independence. Committee members shall be elected by the whole Board after considering the recommendation of the Corporate Governance/Nominating Committee. The Board may, from time to time, establish or maintain additional committees, including an Executive Committee, as it deems necessary or appropriate and in accordance with the procedures set forth in the Company’s Bylaws. Any such committee so established shall have the powers and duties the Board confers upon it.

Each Committee shall have its own written Charter which shall be posted on the Company’s website and shall comply with NYSE listing standards and other applicable laws, rules and regulations. Each Charter shall describe the Committee’s structure and operations and set forth the purposes and responsibilities of the Committee, qualifications for Committee membership, procedures for reporting to the Board, and Committee member appointment and removal. Each of the Committees shall regularly report to the Board on Committee actions (other than routine or administrative actions) and have the authority, as it deems necessary, to delegate its responsibilities to any subcommittee, provided such delegation is not precluded by the terms of any applicable law, regulation, or stock exchange listing standard.

6. Director Access to Management and Independent Advisors. Each Director shall have complete access to the management and independent advisors of the Company, and Directors, in order to avoid unnecessary disruption to the management, business and operations of the Company or advisor, shall endeavor to give reasonable advance notice of their requests for such access.

7. Director Compensation. Director compensation shall be determined by the Board after considering the recommendation of the Compensation Committee. Directors may receive reasonable fees to be determined from time to time by the Board for attending Board meetings and/or meetings of Committees on which they serve and for other services actually performed, and a Director’s reasonable expenses may be allowed. A Director who is, at the same time, an officer or employee of the Company or an officer or employee of a subsidiary or affiliate more than 50% owned by the Company, shall not be entitled to receive any compensation or fee for service as a Director or as a member of any Board committee. The Compensation Committee shall periodically review the status of the Company’s director compensation practices in relation to the director compensation principles in the Company’s Bylaws and these guidelines, as well as

to the practices of companies determined to be peers of the Company or that have boards of directors performing functions similar in scope or complexity to those performed by the Board.

8. Director Orientation and Continuing Education. The Board and each individual Committee of the Board shall be responsible for orienting new members to its practices and procedures. The Company may from time to time suggest to its Directors continuing education programs and opportunities, and the Corporate Secretary, Chief Financial Officer (“CFO”) and others may incorporate continuing education topics into Board and Committee agenda. Each Director shall receive upon initial appointment or election to the Board copies of the Company’s organizational documents, these guidelines, Committee charters, and certain Company policies; information on Director security holdings reporting requirements; Director compensation and meeting schedules; and other pertinent materials. The Board shall endeavor to schedule at least one meeting per year at which the Directors are presented with in-depth information regarding the Company’s business units, plans and industries.

9. Management Compensation and Succession. The officers of the Company shall be elected by the Board at its annual organizational meeting. The compensation of executive officers so elected may be fixed by the Compensation Committee, and such compensation practices shall be periodically reviewed in relation to the practices of companies determined to be peers of the Company. In evaluating and compensating the CEO, the Compensation Committee shall at a minimum perform such tasks as are required by its charter and NYSE listing standards. The Board shall establish policies and principles regarding CEO succession including CEO selection and performance review and policies regarding succession in the event of an emergency or the retirement of the CEO. The Board may consider input of the current CEO as to CEO succession. The Board shall periodically identify persons qualified to replace key officers if they were no longer available to the Company.

10. Annual Performance Evaluation. The Corporate Governance/Nominating Committee shall create and implement a process for the Board to annually evaluate its own performance. Each Committee shall annually evaluate its own performance and the adequacy of its charter and shall submit to the Board the results of its evaluation and any proposed charter modifications.

11. Code of Business Ethics and Legal Compliance Policy. The Company has adopted a Code of Business Ethics and Legal Compliance Policy (“Ethics Policy”) and other internal policies and guidelines designed to promote compliance with the laws, rules, regulations, and ethical standards that govern the Company’s business operations. The Ethics Policy applies to all employees of DST Systems, Inc. and its subsidiaries, as well as to Directors and to temporary workers and other independent contractors and consultants when engaged by or otherwise representing the Company and its interests (“Covered Persons”). The purposes of the Ethics Policy are to remind the Covered Persons of the Company’s requirement that ethical and legal standards applicable to the Company’s business be observed, to summarize the conduct and standards expected of Covered Persons, and to protect the Company from criticism and litigation and preserve and enhance the Company’s reputation as a good corporate citizen. The policy establishes a procedure for notification to the Company of any occurrences raising ethical or legal concerns.

The Ethics Policy shall be posted on the Company's website and shall comply with NYSE listing standards and other applicable laws, rules and regulations. The Corporate Governance/Nominating Committee shall periodically review the Ethics Policy, including a review of whether at a minimum it contains the elements required by such standards, laws, rules and regulations, and make such changes as it deems appropriate.

12. Indemnification of Officers and Directors. The Company shall provide reasonable directors' and officers' liability insurance for Directors and shall indemnify Directors to the fullest extent permitted by law and the Company's Certificate of Incorporation and Bylaws.

13. Communications with the Board, the Audit Committee and the Chief Financial Officer. By following the procedure set forth in this paragraph, stockholders may contact the Board, any individual Director, the presiding director at non-management or independent Director executive sessions, or the non-management or independent Directors as a group, and with respect to complaints regarding accounting, internal accounting controls, or auditing matters, any person may contact the Audit Committee or the CFO. Such communications shall be made by writing to Clarence M. Kelley & Associates, Inc. Attention: Tom Dupriest/DST, 7945 Flint, Lenexa, KS 66214. Clarence M. Kelley & Associates, Inc. will forward the communication directly to the Director, Director group, Audit Committee, or CFO, as requested. Clarence M. Kelley & Associates, Inc. is a third-party vendor not affiliated with the Company.

14. Non-Management and Independent Director Sessions. The non-management Directors of the Board shall regularly meet in executive session without management. At the annual organizational meeting of the Board, and at such other times as the independent Directors choose, independent Directors shall meet in executive session without management and without any non-independent Directors. The presiding director at such non-management or independent Director sessions shall be Michael G. Fitt.

15. Periodic Review of Guidelines. These Corporate Governance Guidelines shall be reviewed periodically by the Corporate Governance/Nominating Committee, which shall recommend such modifications to the Board as it deems appropriate, and the Board shall adopt any changes it deems appropriate after considering the Committee's recommendations.

## APPENDIX

### **BOARD OF DIRECTORS INDEPENDENCE STANDARDS**

An independent Director is one whom the Board determines affirmatively has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). As used in these independence standards, the term "Company" includes the Company and its consolidated subsidiaries. The Board has adopted the following categorical standards to assist it in this determination of independence.

A Director will be presumed to be independent if the Director:

- A. has not during the preceding three years:
  - 1) been an employee, and has no immediate family member (i.e., spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law and anyone (other than a domestic employee) who shares the Director's home) who has been employed as an executive officer of the Company;
  - 2) been or has any immediate family member (as defined above) who has been employed as an executive officer by any company on whose compensation committee a present executive officer of the Company concurrently served; or
  - 3) received, and has no immediate family member (as defined above) who received, in any twelve month period more than \$100,000 in direct compensation from the Company (other than in his or her capacity as a member of the Board or any committee of the Board and other than pension or other forms of deferred compensation for prior services, provided that such deferred compensation is not contingent in any way on continued service); provided, however, that compensation to such Director's immediate family member as a non-executive employee shall not be considered in determining independence;
- B. is not a current employee, and has no immediate family member (as defined above) who is a current executive officer, of
  - 1) the Company;
  - 2) a company that 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 such other company's consolidated gross revenues, as reported in the last completed

fiscal year of such company; provided that service as a director of such a company shall not be considered in determining independence unless the Director received some direct financial benefit as a result of the relationship between that company and the Company; or

- 3) a charitable organization to which the Company contributed in any single fiscal year within the last three fiscal years more than 2% of such charitable organization's consolidated gross revenues or \$1 million, whichever is greater; provided that service as a director of such a company shall not be considered in determining independence unless the Director received some direct financial benefit as a result of the relationship between that company and the Company;
- C. is not and has no immediate family member (as defined above) who is employed as an executive officer by any company on whose compensation committee a present executive officer of the Company serves;
  - D. has no immediate family member (as defined above) who is a current employee of a firm that is the Company's internal or external auditor and who participates in the firm's audit, assurance or tax compliance practice;
  - E. is not and has no immediate family member (as defined above) who is a current partner of a firm that is the Company's internal or external auditor or who 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; and
  - F. is not a current employee of a firm that is the Company's internal or external auditor.

In addition to the foregoing, a Director will be considered independent for purposes of serving on the Company's Audit Committee only if the Director also has not, other than in his or her capacity as a member of the Board or of the Audit Committee or any other Board committee, accepted directly or indirectly any consulting, advisory, or other compensatory fee from the Company and is not an affiliated person of the Company as defined by the rules of the Securities and Exchange Commission.