

May 12, 2015

**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. 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 herein. 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").

A. In recommending director nominees, the Corporate Governance/Nominating Committee shall consider the following criteria as it deems appropriate:

- 1) Whether the nominee's election or appointment would cause the Board to have less than a majority of directors who are independent as provided in Section 4 below ("Independent Directors").
- 2) Whether the Committee believes that the nominee would prepare for and regularly attend meetings of the Board and of any Board committees on which the nominee is to serve.
- 3) Whether the nominee has the requisite or appropriate experience, qualifications and skills. In considering this item, the Corporate Governance/Nominating Committee may contemplate the interplay of the nominee's attributes with that of the other Board members and appraise the extent to which a candidate would be a desirable addition to the Board and, as applicable, its committees, giving regard to whether the nominee's background would add to the diversity of experiences, qualifications, and skills the various directors may bring to their Board service.
- 4) Whether the nominee will reach the Board's mandatory retirement age prior to election. No person who has attained the age of 75 (the "Retirement Age") shall be nominated for election or re-election to the Board. The Board may approve an exception to this policy, under extraordinary circumstances, on a case by case basis. For purposes of assuring transition of productive relationships and necessary skills among Directors and to facilitate an appropriate process of succession upon the adoption of this policy, the Board has determined that the Retirement Age shall be 80 for any Director who is age 70 or more as of February 24, 2011 (the date this subparagraph was incorporated by the Board into these Guidelines).

B. On an annual basis, the Corporate Governance/Nominating Committee shall review whether the Independent Directors:

- 1) Possess the requisite financial and management experience and expertise appropriate for service on the Board and its respective Board committees.
- 2) Have maintained their status as Independent Directors.

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. Director Resignation Policy. If a nominee in an uncontested election of Directors fails to receive the required number of votes for re-election in accordance with the Company's Bylaws, he or she shall, within five days following the certification of the stockholder vote, tender his or

her resignation to the Chairman of the Board for consideration by the Corporate Governance/Nominating Committee.

The Corporate Governance/Nominating Committee will promptly act to consider such tendered resignation and, within 45 days following the date of the stockholders' meeting at which the election of Directors occurred, will make a recommendation to the Board for prompt consideration on whether to accept the Director's resignation. In determining its recommendation to the Board, the Corporate Governance/Nominating Committee will consider all factors it deems relevant, including, without limitation, the stated reason or reasons why stockholders voted against such Director's re-election, the qualifications of the Director (including, for example, whether the Director serves on the Audit Committee of the Board as an "audit committee financial expert" and whether there are one or more other Directors qualified, eligible and available to serve on the Audit Committee in such capacity), and whether the Director's resignation from the Board would be in the best interests of the Company and its stockholders.

The Corporate Governance/Nominating Committee also will consider a range of possible alternatives concerning the Director's tendered resignation as the members of the Corporate Governance/Nominating Committee deem appropriate, including, without limitation, acceptance of the resignation, rejection of the resignation or rejection of the resignation coupled with a commitment to seek to address and cure the underlying reasons reasonably believed by the Corporate Governance/Nominating Committee to have substantially resulted in such Director failing to receive the required number of votes for re-election.

The Board will take formal action on the Corporate Governance/Nominating Committee's recommendation no later than 90 days following the date of the stockholders' meeting at which the election occurred. In considering the Corporate Governance/Nominating Committee's recommendation, the Board will consider the information, factors and alternatives considered by the Corporate Governance/Nominating Committee and such additional information, factors and alternatives as the Board deems relevant.

Following the Board's decision on the Corporate Governance/Nominating Committee's recommendation, the Company, within four business days after such decision is made, will publicly disclose, in a Form 8-K filed with the Securities and Exchange Commission, the Board's decision, together with a full explanation of the process by which the decision was made and, if applicable, the Board's reason or reasons for rejecting the tendered resignation.

No Director whose resignation is under consideration shall participate in the Corporate Governance/Nominating Committee's deliberations or recommendation, or in the Board's deliberations or determination, with respect to accepting or rejecting his or her resignation. If a majority of the members of the Corporate Governance/Nominating Committee fail to receive the required number of votes for re-election, then the independent Directors then serving on the Board who were elected at the stockholders meeting at which the election occurred, and the independent Directors, if any, who were not standing for election at such stockholders meeting, will appoint an ad hoc Board committee from amongst themselves (the "Ad Hoc Committee"), consisting of such number of Directors as they may determine to be appropriate, solely for the purpose of considering and making a recommendation to the Board with respect to the tendered

resignations. The Ad Hoc Committee shall serve in place of the Corporate Governance/Nominating Committee and perform the Corporate Governance/Nominating Committee's duties for purposes of this policy. Notwithstanding the foregoing, if an Ad Hoc Committee would have been created but fewer than three Directors would be eligible to serve on it, the entire Board (other than the individual Director whose resignation is being considered) will make the determination to accept or reject the tendered resignation without any recommendation from the Corporate Governance/Nominating Committee and without the creation of an Ad Hoc Committee.

This policy, as it may from time to time be amended, will be included on the Company's website as part of these guidelines and summarized in the Company's proxy statement for each meeting of stockholders (annual or special) at which Directors are to be elected.

6. 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.

7. Director Access to Management and Independent Advisors. Each Director shall have complete access to the management of the Company. Additionally, the Board and its committees shall have the right at any time to retain independent outside auditors and financial, legal, or other advisors. The Company will provide appropriate funding, as determined by the Board or any committee, to compensate those independent outside auditors or advisors, as well as to cover the ordinary administrative expenses incurred by the Board and its committees in carrying out their duties.

8. 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.

9. 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.

10. 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 comparable to 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.

11. 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.

12. 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.

13. Risk Oversight. The Board, with the assistance of the Audit Committee, has oversight of the Company's risk assessment and risk management, with particular focus by the Board on material corporate governance and business strategy risks. The Audit Committee assists the Board with oversight of the Company's material financial risk exposures, including without limitation, liquidity, credit, operational and investment risks, and the Company's material financial statement and financial reporting risks. The Compensation Committee assists the Board with oversight of whether the Company's policies and practices for all employees, including non-executive officers, create risks that are reasonably likely to have a material adverse effect on the Company, and whether the effect of incentive compensation structures for executive officers may cause inappropriate risk-taking. In each case, the Board or the Committee oversees the steps Company management has taken to monitor and control such exposures.

14. 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.

15. Board Leadership; Executive Sessions. The Board believes it should maintain a flexible approach to determining the Company's Board leadership structure, including its specific policy regarding the separation or combination of the Offices of the Chairman of the Board and the Chief Executive Officer.

The Board has affirmatively determined that when the Chairman of the Board is also the Chief Executive Officer or is a director who does not otherwise qualify as an Independent Director under the Company's Governance Guidelines, a "Lead Independent Director" shall be selected by the Independent Directors. The Lead Independent Director is expected to serve at least one year.

The Lead Independent Director will be identified in the Company's proxy statement and on its website. The Lead Independent Director will perform the following functions and such other functions as the Board may direct:

- Presiding at all meetings of the Board at which the Chairman of the Board (if one is appointed) is not present, including executive sessions of the Board at which

only non-management or Independent Directors are permitted to be present, along with other persons invited to attend such sessions by the Lead Independent Director or by consensus of a majority of the non-management or Independent Directors.

- Serving as liaison between the non-management or Independent Directors and either the Chairman of the Board (if one is appointed) or the Chief Executive Officer.
- Advising the Chairman of the Board (if one is appointed) or the Chief Executive Officer with respect to, and approving, Board agenda items (including items suggested by any non-management Director), meeting schedules and information to be provided to the Board.
- Serving as a point of contact for stockholders wishing to communicate with the Board other than through the Chairman of the Board (if one is appointed) or the Chief Executive Officer.

The non-management Directors of the Board shall regularly meet in executive session without management, and at such other times as the Lead Independent Director chooses. At the annual organizational meeting of the Board, and at such other times as the Lead Independent Director chooses, Independent Directors shall meet in executive session without management and without any non-Independent Directors.

16. 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 Lead Independent Director, 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: Rod Smith, regarding 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.

17. 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.

- I. 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 \$120,000 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 an employee who is not an executive officer 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, or has been within the last three years, 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 partner of a firm that is the Company's internal or external auditor;

E. 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 personally works on the Company's audit or who was within the last three years 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 partner or employee of a firm that is the Company's internal or external auditor or who was within the last three years a partner or employee of such a firm and personally worked on the Company's audit within that time.

II. In addition to the foregoing,

A. a Director will be considered independent for purposes of serving on the Board's Audit Committee only if the Director also (i) 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 (ii) is not an affiliated person of the Company as defined by the rules of the Securities and Exchange Commission.

B. in determining the independence of a Director for purposes of serving on the Board's Compensation Committee, the Board must consider whether a Director (i) has, other than in his or her capacity as a member of the Board or the Compensation Committee or any other Board committee, accepted directly or indirectly any consulting, advisory, or other compensatory fee from the Company or (ii) is affiliated, as defined by the rules of the Securities and Exchange Commission, with the Company, a Company subsidiary, or an affiliate of a Company subsidiary.