

**TNS, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

The most important corporate objective of TNS, Inc. (the "Company") is to conduct business activities so as to enhance the value of the enterprise. The Directors of the Company are elected by the stockholders with the responsibility to oversee and direct management to achieve this objective. The Board's responsibilities require regularly monitoring the effectiveness of management policies and decisions, including execution of its strategies, and holding senior management accountable for the pursuit of the corporate objective.

**Composition of Board of Directors**

*Size of the Board.* The Company's Board of Directors (the "Board") currently consists of nine Directors. The Board is elected annually, and each Director holds office for a one-year term. The Nominating and Corporate Governance Committee makes recommendations to the Board concerning the composition of the Board including its size and qualifications for membership.

*Independent Directors.* The Company is a "controlled company" under the rules of the New York Stock Exchange and will rely on the "controlled company" exception to the board and committee composition requirements under the rules of the New York Stock Exchange. Pursuant to this exception, the Company is exempt from the rule that requires that the Board be comprised of a majority of "independent directors"; the Compensation Committee be comprised solely of "independent directors"; and the Nominating Committee be comprised solely of "independent directors" as defined under the rules of the New York Stock Exchange. Because the "controlled company" exception does not modify the independence requirements for the Audit Committee, the Company shall comply with the requirements of applicable law and the New York Stock Exchange rules, which require that the Company's Audit Committee be composed solely of independent directors and have at least three members.

Notwithstanding the availability of the controlled company exception, the Company will benefit from the service of Directors who are independent in accordance with New York Stock Exchange listing standards. The determination that a Director is independent shall be made by the Board following a review of all available information. The Company will discuss its determination of Director "independence" in its annual proxy statement.

*Term Limits and Retirement.* The Board has not established term limits or a mandatory retirement age, but on a regular basis the Nominating and Corporate Governance Committee will review each Director's continuation on the Board.

**Board Membership Criteria**

The Board seeks a diverse group of candidates who possess the background, skills and expertise to make a significant contribution to the Board, to the Company and its stockholders. Selection of an individual reflects demonstration of the following qualities:

*Experience* (in one or more of the following):

- high level leadership experience in business, finance or administrative activities;
- specialized expertise in the industry;
- breadth of knowledge about issues affecting the Company, and
- ability and willingness to contribute special competencies to Board activities.

*Personal attributes:*

- personal integrity;
- loyalty to the Company and concern for its success and welfare and willingness to apply sound independent business judgment;
- awareness of a director's vital part in the Company's good corporate citizenship and corporate image;
- time available for meetings and consultation on Company matters; and
- willingness to assume fiduciary responsibilities.

Qualified candidates for membership on the Board will be considered without regard to race, color, religion, sex, ancestry, national origin or disability. Annually, the Nominating and Corporate Governance Committee will review the qualifications and backgrounds of the Directors, as well as the overall composition of the Board, and recommend to the full Board the slate of Directors to be recommended for nomination for election at the annual meeting of stockholders. Nominations to the Board may also be submitted to the Nominating and Corporate Governance Committee by the Company's stockholders. The Chairman of the Nominating and Corporate Governance Committee, acting on behalf of the full Board, will extend the formal invitation to become a member of the Board.

### **Role of the Board**

The Board performs, among others, the following principal functions (some of which may be delegated to one or more committees):

- reviews and approves a corporate philosophy and mission working in coordination with senior management;
- reviews and approves management's strategic and business plans, including developing a depth of knowledge of the business, understanding and questioning the assumptions upon which such plans are based, and reaching an independent judgment as to the probability that the plans can be realized; monitors corporate performance against the strategic and business plans, including overseeing the operating results on a regular basis to evaluate whether the business is being properly managed; and reviews such performance in relation to the performance of peer companies and the energy industry as a whole;
- selects the Company's Chief Executive Officer;
- plans for senior management succession;

- reviews and approves a Code of Business Conduct for Directors and for officers and employees;
- oversees ethical behavior and compliance with laws and regulations, the Company's Code of Business Conduct, auditing and accounting principles and the corporation's own governing documents; assesses its own effectiveness in fulfilling these and other Board responsibilities and performs such other functions as are prescribed by law, or assigned to the Board in the Company's governing documents; and
- oversees the procedures in place to ensure the integrity of the Company's financial statements.

In general, the Board oversees all major actions proposed to be taken by senior management and reviews corporate policy regarding authorizations and approvals that commit the Company to a significant course of action.

### **Director Compensation**

The Compensation Committee of the Board determines the amount of any fees, whether payable in cash, shares of common stock or options to purchase common stock, and expense reimbursements that directors receive for participating on, and for attending meetings of, the Board and committees of the Board. Each director who is not an employee of the Company or a representative of GTCR Golder Rauner, L.L.C. receives an annual retainer fee. Additionally, the Chairmen of the Audit Committee and Compensation Committee each receive an additional annual retainer fee. Directors who are not an employee of the Company or a representative of GTCR Golder Rauner, L.L.C. receive additional fees for each board meeting they attend and each committee meeting they attend to the extent such committee meeting is not held on the same day as a meeting of the entire Board. The Company reimburses each director for reasonable out-of-pocket expenses related to attending board and committee meetings.

Management reviews with the Compensation Committee on an annual basis the status of Board compensation relative to a peer industry survey group. Director compensation shall be in an amount which is competitive with the market and geared toward attracting and retaining qualified Directors.

### **Share Ownership of Directors**

The Board believes that Directors should be stockholders (or affiliated with stockholders) and have a financial stake in the Company.

### **Affiliations and Conflicts of Directors**

It is the responsibility of each Director to advise the Chief Executive Officer and the Corporate Secretary of any affiliation with public or privately held businesses or enterprises that may create a potential conflict of interest, potential embarrassment to the Company or possible inconsistency with Company policies or values. The Company annually solicits information from Directors in order to monitor potential conflicts of interest and Directors are expected to be mindful of their fiduciary obligations to the Company.

There is no limit on the number of other board memberships Directors may hold (subject to New York Stock Exchange rules regarding membership on audit committees), but such number is considered when evaluating a candidate for nomination to the Board. A Director should advise the Chairman of the Board and Chairman of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on another public company board.

Any Director who experiences a significant change in such Director's principal business, occupation or position is expected to consult with the Nominating and Corporate Governance Committee on the potential impact, if any, the change may have on continued Board service and offer to resign from the Board, if appropriate. The Nominating and Corporate Governance Committee will make a recommendation as to the continued Board service of the Director under such circumstances.

Individual Board members may, from time to time, meet with or communicate with various constituencies that are involved with the Company. It is expected that Board members would do this with the knowledge of management and, in most instances, at the request of management.

### **Chairman of the Board**

The Board does not have a policy on whether the role of the Chief Executive Officer and the Chairman should be separate. When the Chief Executive Officer holds the position of Chairman of the Board, the Board will consider the election of an outside Director to chair the executive sessions of the Board which are not attended by the Chief Executive Officer.

### **New Director Orientation and Continuing Education**

All new Directors must participate in the Company's orientation program, which will be conducted in a timely manner after the election of a new Director. This orientation will include background materials, meetings with 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, its principal officers, and its internal and independent auditors. In addition, the orientation program will include visits to Company headquarters and certain of the Company's significant facilities. Management will develop continuing education programs for the Directors which will provide for regular exposure to various aspects of the Company.

### **Board Meetings**

*Number of Meetings.* The Board meets at regularly scheduled meetings approximately four times a year.

*Location of Meetings.* Meetings will generally take place at the Company's headquarters; however, to provide Directors with first-hand knowledge to make strategic decisions and for their continuing education about the environment in which the Company operates and competes, meetings may occasionally be held at locations other than the corporate headquarters.

*Board Agenda and Materials.* While the Board believes that a carefully planned agenda is important for effective Board meetings, the agenda will be flexible enough to accommodate unexpected developments.

- The items on the agenda are typically determined by the Chairman in consultation with the Board and senior management. Any Director may request that an item be included on the agenda.
- At Board meetings, ample time is scheduled to allow full discussion of important matters. Management presentations are scheduled to permit an appropriate portion of Board meeting time to be available for discussion and comments.
- It is important for Directors to receive information sufficiently in advance of Board meetings so they will have an opportunity to prepare for discussion of the items at the meeting. At each meeting any written materials not available in advance will be provided to each Director and each director will be provided sufficient time to review them. On those occasions when it may not be appropriate or practical to put the subject matter in writing, it will be presented and sufficiently discussed at the meeting. Significant items requiring Board approval may be reviewed in one or more meetings and voted upon in subsequent meetings, with the intervening time being used for clarification and discussion of relevant issues.

The foregoing guidelines are equally applicable to committee meetings.

*Executive Sessions.* Executive sessions are those sessions including the independent Directors and should be called by the Chairman of the Nominating and Corporate Governance Committee. These meetings should occur at least twice a year. The presiding Director, for purposes of leading these meetings, will be the Chairman of the Nominating and Corporate Governance Committee, unless the Board determines otherwise and such presiding Director is disclosed in the Company's annual proxy statement. The Board shall establish procedures by which interested parties may communicate directly with the non-management directors as a group regarding their concerns. Such procedures shall provide for the confidential and anonymous communication between the interested party and the non-management directors.

*Regular Attendance.* Directors are expected to attend all Board meetings. The Chairman designates the management and guest attendees at any Board meeting who are present for the purpose of making presentations, responding to questions by the Directors, or providing counsel on specific matters within their areas of expertise. Such persons do not attend Executive Sessions unless their presence is requested.

### **Corporate Support and Access to Management**

The Corporate Secretary serves as secretary to the Board and its committees and, at the request of the Chairman, arranges meetings, suggests meeting agendas and facilitates the preparation and distribution of materials presented to the Board and its committees.

Directors shall have reasonable access to members of management and Company employees and, as appropriate, to independent advisors.

### **Board Committees**

*Number of Committees.* The Board currently is organized into three committees: Audit, Nominating and Corporate Governance and Compensation. The Audit, Nominating and Corporate Governance and Compensation committees each have their own charters, and all members of these committees are independent Directors under standards established by the New York Stock Exchange. The Board may from time to time, establish or maintain additional committees as necessary or appropriate.

*Audit Committee:* The Audit Committee appoints, determines the compensation for and supervises the Company's independent auditor, reviews the Company's internal procedures, systems of internal controls and financial statements, reviews and approves the services provided by the Company's internal and independent auditor, including the results and scope of the audit, and resolves disagreements between management and the Company's independent auditors.

*Nominating and Corporate Governance Committee:* The Nominating and Corporate Governance Committee considers and recommends to the Board nominees for election as Directors, including nominees recommended by stockholders and oversees evaluation of the Board and Board committees, and develops and recommends corporate governance policies and a Code of Business Conduct to the Board and oversees implementation.

*Compensation Committee.* The Compensation Committee establishes the total compensation of Directors, establishes the total compensation for the Chief Executive Officer and other officers whose compensation is disclosed in the Company's proxy statement and approves the compensation of other senior executive officers of the Company. In addition, the Compensation Committee approves, or makes recommendations to the Board regarding, benefits to be provided to Directors, officers and employees of the Company, including the administration of the Company's equity incentive plans.

*Committee Assignments and Rotation.* The Nominating and Corporate Governance Committee, after considering to the extent practicable the desires of Board members, recommends committee assignments to the full Board for approval. These assignments are made not less frequently than once a year generally following the annual meeting of stockholders. Rotation of committee members and Chairs should occur only if rotation is likely to enhance committee performance or facilitate its work.

*Committee Agendas.* 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. At the beginning of the year each committee will establish a schedule of agenda subjects to be discussed during the year (to the degree these can be foreseen). The schedule for each committee will be furnished to all committee members.

*Frequency of Committee Meetings.* Each committee meets periodically as deemed necessary by its Chairman. Each committee provides a report to the Board at the next board meeting following the committee meeting.

### **Evaluations and Other Matters**

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

*Formal Evaluation of the Chief Executive Officer.* The Compensation Committee evaluates the Chief Executive Officer annually, and reviews its actions with the Board. The Board communicates its views to the Chief Executive Officer through the Chairman of the Compensation Committee. The Compensation Committee's evaluation of the Chief Executive Officer is based upon a combination of objective and subjective criteria which are described each year in the Company's annual proxy statement.

*Succession Planning.* The Chief Executive Officer shall confer periodically with the Compensation Committee on succession plans for senior management. The Compensation Committee also reports periodically to the Board on succession planning for senior management.

*Securities Laws.* Each Director is required to complete a Directors and Officers Questionnaire in the form distributed by the Company in preparation for the annual proxy statement filed with the SEC and distributed to stockholders. This questionnaire may also be circulated before the Company files any registration statement with the SEC.

*Board Interaction with Institutional Investors, the Press, Customers, Etc.* The Board looks to management to speak for the Company but recognizes that individual Directors may sometimes communicate with third parties on matters affecting the Company. Before doing so, to the extent feasible, Directors are encouraged to consult with management.

The Board believes that corporate governance is an evolving process and periodically reviews and updates these guidelines.