

INVESTMENT TECHNOLOGY GROUP, INC.  
CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the "Board") of Investment Technology Group, Inc. (the "Company") has adopted the following guidelines in furtherance of its continuing effort to enhance its corporate governance. The Board will review and amend these guidelines as it deems necessary and appropriate.

#### 1. Director Qualifications and Nomination Process

The Board shall have a majority of directors who meet the independence requirements of the New York Stock Exchange. The Nominating & Corporate Governance Committee shall be responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of new and existing Board members, as well as the composition of the Board as a whole. This assessment will include members' qualifications as independent, as well as consideration of the diversity, age, skills, and experience of the members in the context of the perceived needs of the Board at the time. During the course of a year, non-management directors should inform the Chairman of the Board of any material changes in their circumstances or relationships that may impact their designation by the Board as independent. Nominees for directorship will be selected, or recommended to the Board for selection, by the Nominating & Corporate Governance Committee in accordance with the policies and principles in this committee's charter. The Board has an age limit of seventy-five (75) for directors to be eligible for nomination, meaning that no Board member having reached the age of seventy-five (75) at the time of the next scheduled annual meeting of stockholders would be nominated to stand for re-election at such annual meeting of stockholders, provided, however, that the Board reserves the right to waive this limit in special circumstances.

Shareholders may also nominate director candidates. The Nominating & Corporate Governance Committee considers recommendations for Board candidates submitted by shareholders using substantially the same criteria it applies to recommendations from the Nominating & Corporate Governance Committee, directors and members of management. Shareholders who wish to submit nominees for director consideration by the Nominating & Corporate Governance Committee may do so by submitting such nominees' names in writing, in compliance with the procedures and along with the other information required by our by-laws, to Investment Technology Group, Inc., Attn: Secretary, 380 Madison Avenue, 4th Floor, New York, New York 10017.

Any director who experiences a significant change in his or her employment status or job responsibilities should promptly inform the Chairman of the Board and, if the Board determines it is in the best interests of the Company following a review of any changed circumstances, volunteer to resign from the Board. It is not the sense of the Board that in every instance the directors whose circumstances have changed from when they came on the Board should necessarily leave the Board. There should, however, be an opportunity for the Board, through the Nominating & Corporate Governance Committee, to review the continued appropriateness of Board membership under any change in circumstances.

Directors should advise the Chairman of the Board and the Chairman of the Nominating & Corporate Governance Committee in advance of accepting an invitation to serve on another public company board.

#### 2. Director Responsibilities

The role of the Board is to: (a) set the strategic direction of the Company and (b) set expectations about the tone and ethical culture of the Company. The Board delegates the day-to-day management of the Company to the CEO and other senior executives of the Company, and monitors the financial health and operating performance of the Company.

Directors are required to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. In discharging that obligation, directors are entitled to reasonably rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The directors shall also be entitled (i) to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, (ii) to the benefits of indemnification to the fullest extent permitted by law and the Company's charter, by laws and any indemnification agreements and (iii) to exculpation as provided by applicable state law and the Company's charter.

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.

The Chairman of the Board will establish the agenda for each Board meeting. 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. 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 scheduled early each calendar year.

The non management directors will meet in executive sessions without management at least quarterly. The Chairman will preside at these meetings, and his or her name will be disclosed in the annual proxy statement.

#### 3. 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 be independent, non-employee directors under the criteria established by the New York Stock Exchange and applicable laws, rules and regulations. Committee members will be appointed by the Board upon recommendation of the Nominating & Corporate Governance Committee with consideration of the desires of individual directors. Each committee will have its own charter. The charters will set forth the purposes and responsibilities of the committees, as well as qualifications for committee membership and procedures for committee member appointment and removal. The charters will also provide that each committee will annually evaluate its own performance, and include such other provisions as may be required by the New York Stock Exchange and applicable law, rules and regulations.

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

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

#### **4. Director Access to Officers, Employees and Outside Advisors**

Directors shall have full and free access to officers and employees of the Company as well as the Company's outside counsel and auditors. Any meetings or contacts that a director wishes to initiate with officers or employees may be arranged through the CEO, Secretary, other members of senior management 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.

#### **5. Director Compensation**

The form and amount of director compensation will be determined by the Board upon recommendation of the Compensation Committee, and the Compensation Committee will periodically review director compensation. In determining the form and amount of director compensation, the Compensation Committee shall be guided by two principal goals: compensation should fairly pay directors and compensation should align directors' interests with the long-term interests of shareholders. In evaluating each director's compensation, the Board will consider (a) whether the Company has made substantial charitable contributions to organizations with which such director is affiliated, or (b) any consulting contracts with (or other indirect forms of compensation to) a director or an organization with which the director is affiliated. Director's fees and equity awards are the only compensation an Audit Committee member may receive from the Company, and no Audit Committee member can accept any consulting, advisory or other compensatory fee from the Company.

#### **6. Director Orientation and Continuing Education**

All new directors must participate in the Company's Orientation Program. 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 a visit to Company headquarters (if not previously visited) and may include visits to certain of the Company's other offices. All other directors are also invited to attend the Orientation Program. All directors are encouraged to attend director development programs and conferences that relate to director duties or other corporate governance topics or to other topics relevant to the work of the Board.

#### **7. CEO Evaluation**

The Compensation Committee will conduct an annual review of the CEO's performance, as set forth in its charter. The Board will review the Compensation Committee's report in order to ensure that the CEO is providing the best leadership for the Company in the long and short term. Every year, the CEO will report to the Board on succession planning. The report will include policies and principles for CEO selection and performance review, as well as policies regarding succession in the case of an emergency or the retirement of the CEO.

#### **8. Annual Performance Evaluations by Board**

The Board shall conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. Such self-evaluation will be overseen by the Nominating & Corporate Governance Committee and shall include an evaluation of the Board's composition, effectiveness of communication with management, its decision-making process and its process for following up on its determinations. The Nominating & Corporate Governance Committee shall receive comments from all directors regarding each such evaluation and report to the full Board with an assessment of such evaluations each fiscal year.

#### **9. Board Interaction with Shareholders, the Press, Customers Etc.**

Management speaks for the Company. Individual directors may, on occasion and with the knowledge of management, meet or otherwise communicate with interested parties. Absent unusual circumstances or as contemplated by the committee charters, such communications will be made only at the request of management. Shareholders and other interested parties may communicate with the Board, any Board Committee or the independent or non-management directors, including the Chairman of the Audit Committee, by writing to ITG Board of Directors, P.O. Box 3481, Grand Central Station, New York, NY 10163. Adopted by the Board of Directors on August 17, 2010.