



BOARD OF DIRECTORS CHARTER

A. OVERALL RESPONSIBILITIES OF THE BOARD

The board of directors (the "Board") of Information Services Corporation (the "Corporation") is responsible for the stewardship and oversight of the affairs, business and effective management of the Corporation.

B. RESPONSIBILITIES AND AUTHORITY OF THE BOARD

Subject to the Corporation's Articles and By-Laws, the Board, as a whole and through its Committees, has authority over all areas of corporate responsibility, including:

1. Strategy Determination and Risk Management:

- a) Approve the Corporation's strategic direction, including adoption of a strategic planning process and approving, on at least an annual basis, a strategic plan, which identifies and addresses the opportunities and principal risks of the Corporation's business and appropriate systems to manage these risks.
- b) Monitor implementation of the Corporation's strategic plan and risk management.
- c) Approve acquisitions, divestitures, participation in partnerships, joint ventures and strategic alliances, and the creation of subsidiaries that may be expected to have a material impact on the Corporation.

2. Management and Compensation:

- a) Approve the position description of the CEO, which includes delineating management's responsibilities, and approve the recruitment, appointment and if necessary, the replacement of, the CEO.
- b) Approve the corporate goals and objectives that the CEO is responsible for meeting relevant to CEO compensation and the performance evaluation process, succession plan and training and development approach for the CEO.
- c) Monitor the appointment, allocation of responsibilities and approach to succession planning for other executive officers.
- d) Approve any compensation approach and framework for the CEO and other executive officers, including material incentive compensation plans.

- e) Approve any equity-based compensation plans of the Corporation.
- f) Approve any grants to be made under any established equity-based compensation plans.
- g) Approve, on an annual basis:
 - (i) the compensation package for the directors of the Corporation; and
 - (ii) the total compensation for the CEO.

3. Financial Accountability, Corporate Performance and Internal Controls:

- a) Approve the Corporation's key financial performance metrics and targets.
- b) Declare dividends.
- c) Approve the Annual Financial Statements and notes thereto.
- d) Approve the Annual Management Discussion and Analysis of financial results and operations.
- e) Approve the annual information form and the management proxy circular.
- f) Approve changes in authorized capital, issuance and repurchase of shares and issuance of debt securities.
- g) Approve significant contracts, transactions and other arrangements or commitments that may be expected to have a material impact on the Corporation.
- h) Monitor and approve, on an annual basis, the nomination of the external auditor for approval by the Corporation's shareholders at the annual shareholders' meeting and the fees paid to the external auditor.
- i) Take reasonable steps to ensure the implementation and integrity of the Corporation's internal controls and management information systems by which the Corporation operates.

4. Organizational Governance and Corporate Communications:

- a) Approve and take reasonable steps to monitor compliance with significant corporate policy, including policy addressing communication, disclosure and confidentiality of corporate or material information.
- b) Report annually to the shareholders on the Board's stewardship for the preceding year.
- c) Take reasonable steps to:

- (i) ensure that the Corporation has in place effective communication processes with shareholders, the investing public, other stakeholders and with financial, regulatory and other institutions and agencies as appropriate;
- (ii) implement measures for receiving feedback from stakeholders; and
- (iii) ensure the timely and non-selective disclosure of any developments that have a significant and material impact on the Corporation and approve the content of the Corporation's major communications to shareholders and the investing public, unless delegated to a Committee of the Board.

5. Board Governance:

- a) Approve the Corporation's approach to corporate governance, including approval of and monitoring compliance with the Corporation's practices, principles, guidelines and related policies.
- b) Approve the required capabilities, expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials.
- c) Approve the proposed candidate(s) for nomination for election to the Board at the next annual general meeting of the shareholders of the Corporation or for appointment to fill any vacancy that is anticipated or has arisen on the Board.
- d) Determine the "independence" of directors of the Corporation in accordance with the independence standards established by all applicable corporate and securities laws standards.
- e) Approve the size and composition criteria of the Board with a view to facilitating effective decision-making.
- f) Approve the creation, disbanding, size and composition criteria of Board Committees.
- g) Approve annually the appointment of the Board Chair and Committee Chairs and the appointment of directors as members of Committees.
- h) Approve the Charter for the Board and Board Committees.
- i) Approve the position descriptions for the Board Chair and each of the Board Committee Chairs.

6. Integrity:

- a) To the extent feasible, satisfy itself as to the integrity of the CEO and other executive officers, including being satisfied that the CEO and other executive officers are creating a culture of integrity throughout the Corporation.

- b) Approve any policy, and its disclosure, addressing corporate and individual integrity and ethical standards, including the Corporation's code of conduct, and take reasonable steps to monitor compliance.
- c) Take reasonable steps to monitor management's implementation of systems designed to ensure that the Corporation operates at all times within applicable laws and regulations.

C. MEETINGS

1. The Board shall meet at least four times per year.
2. The independent directors should hold regularly scheduled meetings at least once a year at which non-independent directors and members of management are not in attendance.
3. Where matters arise at meetings of the Board which require decision making and evaluation that is independent of management and interested directors, the Board may hold an *in-camera* session among the independent and disinterested directors, without management present at such meeting.

D. COMMITTEES & DELEGATION

1. The Board has the authority to appoint any Board Committees that it considers necessary for the efficient conduct of the business and affairs of the Corporation. Subject to applicable laws, the Board may delegate certain responsibilities and authority to one or more Board members or to a Board Committee but remains accountable for the work and decisions of such Board member(s) or Board Committee. Authority and functional responsibilities of Committees are delegated as reflected in the Charter for each Board Committee.
2. The Board may create from time to time as required ad hoc Board Committees with finite duration for specific issues.
3. The Board Chair may invite management or others to attend any Board meeting as may be appropriate as a non-voting participant.

E. BOARD COMPOSITION CRITERIA

1. The Board shall be comprised of a minimum of six and maximum of twelve directors and have a majority of "independent" directors according to the independence standards established by all applicable corporate and securities laws.
2. The Board Chair shall be an "independent" director according to the independence standards established by all applicable corporate and securities laws.