

TANGER FACTORY OUTLET CENTERS, INC. CORPORATE GOVERNANCE GUIDELINES

1. Introduction

The Board of Directors of Tanger Factory Outlet Centers, Inc. (the “Company”), acting on the recommendation of its Nominating and Corporate Governance Committee, has developed and adopted a set of corporate governance guidelines (the “Guidelines”) to promote the functioning of the Board and its committees and to set forth a common set of expectations as to how the Board should perform its functions. These Guidelines will be made available on the Company’s website at “<http://www.tangeroutlet.com>” and to any stockholder who requests a copy. The Company’s Annual Report on Form 10-K will state the foregoing.

2. Board Composition

The composition of the Board should balance the following goals:

- The size of the Board should facilitate substantive discussions of the whole Board in which each director can participate meaningfully;
- The composition of the Board should encompass a broad range of skills, expertise, industry knowledge, diversity and opinion and contacts relevant to the Company’s business;
- A majority of the Board shall consist of directors who the Board has affirmatively determined have no material relationship with the Company and who are otherwise “independent” under the rules of the New York Stock Exchange, Inc (the identity of the independent directors and the basis for any determination that a relationship is not material will be published in the Company’s annual proxy statement or, if the Company does not file an annual proxy statement, in the Company’s annual report on Form 10-K filed with the Securities and Exchange Commission).

3. Selection of Chairman of the Board and Chief Executive Officer

The Board is free to select its Chairman and the Company’s Chief Executive Officer in the manner it considers in the best interests of the Company at any given point in time. These positions may be filled by one individual or by two different individuals.

4. Selection of Directors

Nominations. The Nominating and Corporate Governance Committee is responsible for identifying, screening and recommending individuals for the Board’s nomination for election to the Company’s Board and for filling vacancies occurring between annual meetings of shareholders. The Company is committed to a policy of inclusiveness. In performing its

responsibilities for identifying, screening and recommending candidates to the Board, the Nominating and Corporate Governance Committee is committed to including highly qualified women and minority candidates in each search the Board undertakes.

Criteria. The Nominating and Corporate Governance Committee, shall determine new nominees for the position of independent director who satisfy the requirements of the New York Stock Exchange, Inc., the applicable requirements of federal securities laws, and shall consider such other factors the Board deems appropriate, including, without limitation, the following criteria:

- Personal integrity and other qualities and characteristics, accomplishments and reputation in the business community;
- Experience with businesses and other organizations of comparable size and current knowledge and contacts in the Company's industry or other industries relevant to the Company's business;
- Experience and understanding of the Company's business and financial matters affecting its business;
- Ability and willingness to commit adequate time to Board and committee matters;
- The fit of the individual's skills and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of the Company; and
- Diversity of viewpoints, background, experience, gender, race, ethnicity and other attributes.

Invitation. The invitation to join the Board should be extended by the Board itself via the Chairman of the Board and, when deemed appropriate, an independent director.

Orientation and Continuing Education. Management, working with the Board, will provide an orientation process for new directors, including background material on the Company, its business plan and its risk profile, and meetings with senior management. Periodically, management should prepare additional educational sessions for directors on matters relevant to the Company, its business plan and risk profile. Directors are encouraged to attend continuing education programs designed for directors of public companies. With the Company's advance approval of the program, the cost of the program (including travel) shall be paid or reimbursed by the Company. Directors are encouraged to share with other directors the information and materials obtained from continuing education programs attended.

Director Resignation Upon Job Change. If a Director who is not an officer or employee of the Company shall experience a substantive change in his or her principal occupation or business association, the Director shall tender his resignation as a Director of the Company. The

Nominating and Corporate Governance Committee shall recommend, and the Board shall determine, whether the resignation should be accepted.

5. Elections of Directors

In accordance with the Company's Amended and Restated Articles of Incorporation, unless the Secretary of the Company shall determine that the number of nominees exceeds the number of Directors to be elected at any meeting of shareholders and the Secretary has not rescinded such determination by the record date for such meeting, a nominee must receive more votes cast for than against his or her election or re-election (with abstentions and "broker non-votes" not counted as a vote cast either for or against that nominee's election) in order to be elected or re-elected to the Board. The Board shall nominate for re-election as Directors only incumbent candidates who tender, at or prior to such nomination, an irrevocable resignation that will be effective upon the occurrence of both (1) the failure to receive the required vote for re-election at any meeting at which they are nominated for re-election and (2) Board acceptance of such resignation. In addition, the Board shall fill Director vacancies and new directorships only with candidates who tender, at or prior to the time of their appointment to the Board, the same form of resignation tendered by other Directors in accordance with this Guideline.

In the event one or more Directors fails to receive the required vote for election or re-election (each, a "Subject Director"), either (i) the Nominating and Corporate Governance Committee or (ii) if one or more of the members of the Nominating and Corporate Governance Committee is a Subject Director or the Board determines that a committee other than the Nominating and Corporate Governance Committee should recommend whether to accept the Subject Director's resignation, a committee consisting solely of independent directors (as determined in accordance with applicable New York Stock Exchange rules and listing requirements) who are not Subject Directors (the committee described in clause (i) or (ii) of this sentence, the "Committee" for purposes of this Guideline) will make a recommendation to the Board as to whether to accept or reject the Subject Director's previously tendered resignation, or whether other action should be taken (including whether to request that a Subject Director resign from the Board if no resignation had been previously tendered). The Board, not including any Subject Director, shall act with respect to any Subject Directors, taking into account the recommendation of the Committee, within ninety (90) days from the date of the certification of the election results and shall notify the Subject Directors of its decision. Notwithstanding the foregoing, if the result of accepting all tendered resignations then pending and requesting resignations from Directors who did not submit a resignation prior to the relevant meeting would be that the Company would have fewer than three Directors who were in office before the election of directors, the Board may determine to extend such 90-day period by an additional ninety (90) days if it determines that such an extension is in the best interests of the Company and its shareholders.

The Committee in making its recommendation, and the Board in making its decision, may each consider all factors it considers relevant, including without limitation any stated reasons for "against" votes, whether the underlying cause or causes of the "against" votes are curable, the length of service of each Subject Director, each Subject Director's contributions to the Company,

each Subject Director's knowledge of the Company's business or industry, each Subject Director's financial expertise, whether the acceptance of any resignation would cause the Company to fail to comply with any requirement of the New York Stock Exchange or any rule or regulation promulgated under the Securities Exchange Act of 1934, whether acceptance of any resignation would lead to a "change of control" of the Company as determined pursuant to any financing or other material agreement of the Company or any of its subsidiaries, and whether acceptance of any resignation would lead to a default under any material agreement to which the Company or any of its subsidiaries is a party or otherwise bound. Subject Directors shall not participate in the deliberation or recommendation(s) of the Committee or in the deliberation or decision(s) of the Board. Notwithstanding the foregoing, if all of the independent Directors are Subject Directors, then the Committee shall consist of all the independent Directors, except for the independent Director whose resignation is under consideration, and furthermore, if the Directors who are not Subject Directors constitute less than a quorum of the Board, then all Directors, except for the Director whose resignation is under consideration, may participate in the Board's deliberation and decisions regarding whether to accept or reject the previously tendered resignations.

The Company shall promptly disclose the decision(s) of the Board in a document furnished or filed with the Securities and Exchange Commission. If a Subject Director's tendered resignation is not accepted by the Board or such Subject Director does not otherwise submit his or her resignation to the Board, such Director shall continue to serve until his or her successor is duly elected, or his or her earlier resignation or removal. If a Subject Director's resignation is accepted by the Board, or if a nominee for Director is not elected and the nominee is not an incumbent Director, then the Board, in its sole discretion, may fill any resulting vacancy or decrease the size of the Board in accordance with the Company's By-laws.

6. No Specific Limitation on Other Board Service

The Board does not believe that its members should be prohibited from serving on boards of other organizations and has not adopted any guidelines limiting such activities, except with respect to members serving on the Audit Committee, as described below. However, the Board will take into account the nature of and time involved in a director's service on other boards and/or committees in evaluating the suitability and independence of individual director candidates and current directors in making its recommendations to the Company's shareholders.

Due to the demanding nature of service on the Audit Committee, a member of the Audit Committee may not serve on the audit committees of the boards of directors of more than two other public companies at the same time as he or she is serving on the Company's Audit Committee unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Company's Audit Committee and discloses that determination in the Company's annual proxy statement.

Service on other boards and/or committees should be consistent with the Company's loyalty and ethics policies set forth below under "Expectations for Directors".

7. Election Term

The Board does not believe it should establish term limits. As an alternative to term limits, the Board will review each director's continuing contributions to the Board every year.

8. Retirement of Directors

The Board does not believe it should establish a mandatory retirement age.

9. Director Responsibilities

The business and affairs of the Company will be managed by or under the direction of the Board, including through one or more of its committees as set forth in the Bylaws and committee charters. Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. These include:

- overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- reviewing and, where appropriate, approving the Company's major financial objectives, plans and actions;
- reviewing and, where appropriate, approving major changes in, and determinations of other major issues respecting, the appropriate auditing and accounting principles and practices to be used in the preparation of the Company's financial statements;
- reviewing and, where appropriate, approving major changes in and determinations under these Guidelines, the Company's Code of Business Conduct and Ethics and other Company policies;
- reviewing and, where appropriate, approving actions to be undertaken by the Company that would result in a material change in the financial structure or control of the Company, the acquisition or disposition of any businesses or asset(s) material to the Company or the entry of the Company into any major new line of business;
- with the input of the Chief Executive Officer and the Compensation Committee, regularly evaluating the performance of principal senior executives;
- planning for succession with respect to the position of Chief Executive Officer and monitoring management's succession planning for other key executives; and
- setting policies and overseeing the Company's business so that it is conducted with the highest standards of ethical conduct and in conformity with applicable laws and regulations.

10. Equity Ownership Guidelines.

The Company's Board of Directors expects all non-employee directors, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer and the General Counsel to own a meaningful equity interest in the Company to more closely align the interests of directors and executive officers with those of shareholders. Accordingly, the Company has established equity ownership guidelines for non-employee directors, the CEO, COO, CFO and GC.

For purposes of these guidelines, the term "Company common shares" shall include (a) any class of equity securities of the Company or its operating partnership, Tanger Properties Limited Partnership, whether held directly or indirectly or by or for the benefit of immediate family members and (b) vested and unvested restricted shares, but shall exclude (y) stock options, whether exercisable or unexercisable, and (z) warrants and all other forms of derivative securities. The determination of compliance with these guidelines shall be made as of December 31 of each year.

Guidelines for Non-employee Directors. Each non-employee director shall be required to hold a fixed number of the Company's common shares equal to a minimum of 5,000 shares. Non-employee directors shall have a three year grace period commencing on July 29, 2008 or upon election to the board to comply with the guidelines. If at the end of the grace period a non-employee director does not hold the requisite number of shares, then the Company will pay 50% of such person's annual retainer in restricted shares until the minimum threshold is reached. The Board will review the minimum equity holdings guidelines for non-employee directors on a periodic basis to ensure the guidelines remain consistent with corporate governance best practices and continue to promote the alignment of director and shareholder interests.

Guidelines for CEO, COO, CFO and GC. Each of the CEO, COO, CFO and GC shall be required to hold Company common shares having a value equal to a multiple of the officer's then current base salary. The value of an officer's equity ownership shall be calculated by multiplying (i) the sum of the number of the Company's common shares which are owned by the officer and the number of common shares into which units of the Operating Partnership owned by the officer may be converted by (ii) the average closing price of the Company's common shares for the 45 trading days prior to the date of computation. The following are the minimum multiples of current base salary for the designated office:

Title	Multiple (in dollars)
Chief Executive Officer	10x
Chief Operating Officer	3x
Chief Financial Officer	3x
General Counsel	3x

The executive officer shall have a grace period ending on the later of December 31, 2013 or on December 31 of the year in which the fifth anniversary of the executive officer's first election or appointment as the CEO, COO, CFO or GC, as applicable, occurs to comply with the guidelines. At the end of the grace period and on each December 31 thereafter, if the executive officer does not hold shares with the requisite minimum equity ownership value, the Company will pay up to 50% of such officer's cash bonus in restricted shares until the threshold is reached. The Board will review the minimum equity holdings guidelines for the CEO, COO, CFO and GC on a periodic basis to ensure the guidelines remain consistent with corporate governance best practices and continue to promote the alignment of executive and shareholder interests.

11. Board Meetings

The Board currently plans at least four meetings each year, with further meetings to occur (or action to be taken by unanimous consent) at the discretion of the Board. The meetings will usually consist of committee meetings and the Board meeting.

The Chairman of the Board, with input from management and, as necessary and desirable, other directors, shall establish the agenda for each Board meeting. Whenever practical, the Corporate Secretary, with the assistance of management, shall distribute the agenda and appropriate materials sufficiently in advance of the meeting to allow for meaningful review by the directors. However, the Board recognizes that prior distribution of materials will not always be consistent with the timing of transactions and the operations of the Company's business and, in certain cases, may not be practical.

Materials presented to the Board or its committees should be as concise as possible, while still providing the desired information needed for the directors to make an informed judgment.

12. Executive Sessions

To ensure free and open discussion and communication among the non-management directors of the Board, the non-management directors (as defined in Rule 17a-1(f) under the Securities Act of 1933, as amended) will meet in executive sessions upon the call of any non-management director and following each regularly scheduled quarterly Board meeting, with no members of management present. The non-management directors shall designate the director who will preside at the executive sessions. Non-management directors who are not independent under the rules of the New York Stock Exchange, Inc. may participate in these executive sessions but independent directors should meet in executive session at least once per year.

13. The Committees of the Board

The Company shall have at least the committees required by the rules of the New York Stock Exchange, Inc. Currently, these are the Audit Committee, the Compensation Committee and a nominating/corporate governance committee, which in our Company is called the Nominating and Corporate Governance Committee. Each of these three committees must have a

written charter satisfying the rules of the New York Stock Exchange. The Audit Committee must also satisfy the requirements of SEC Rule 10A.3.

All directors, whether members of a committee or not, are invited to make suggestions to a committee chair for additions to the agenda of his or her committee or to request that an item from a committee agenda be considered by the Board. Each committee chair will give a periodic report of his or her committee's activities to the Board.

Each of the Nominating and Corporate Governance Committee, the Audit Committee and the Compensation Committee shall be composed of at least three directors each of whom shall have been determined by the Board to have no material relationship with the Company and is otherwise "independent" under the rules of the New York Stock Exchange, Inc. and, in the case of the Audit Committee, satisfies the additional eligibility requirements of SEC Rule 10A-3. The required qualifications for the members of each committee shall be set out in that committee's charter. A director may serve on more than one committee for which he or she qualifies.

14. Management Succession

At least annually, the Board shall review and concur in a succession plan, developed by management, addressing the policies and principles for selecting a successor to the CEO, both in an emergency situation and in the ordinary course of business. The succession plan should include an assessment of the experience, performance, skills and planned career paths for possible successors to the CEO.

The Board will determine that satisfactory procedures are in effect for the education, development and orderly succession of senior and mid-level managers throughout the Company.

15. Executive Compensation

Evaluating and Approving Salary for the CEO. The Board, acting through the Compensation Committee, evaluates the performance of the CEO and the Company against the Company's goals and objectives and the Compensation Committee or, if directed by the Board, the Compensation Committee together with other independent directors, determines the compensation level of the CEO.

Evaluating and Approving the Compensation of Management. The Board, taking into consideration recommendations of the Compensation Committee, evaluates and approves proposals for overall compensation policies applicable to executive officers¹.

¹ The term "executive officer" has the same meaning as the term "officer" in Rule 16a-1(f) under the Securities Exchange Act of 1934).

16. Board Compensation

The Board should conduct a review at least once every three years of the components and amount of Board compensation in relation to other similarly situated companies. Board compensation should be consistent with market practices but should not be set at a level that would call into question the Board's objectivity.

17. Expectations for Directors

The business and affairs of the Company shall be managed by or under the direction of the Board in accordance with North Carolina law. A director shall discharge his or her duties as a director in good faith, with the care of an ordinarily prudent person in a like position under similar circumstances, and in a manner the director reasonably believe to be in the best interests of the Company. The Board has developed a number of specific expectations of directors to promote the discharge of this responsibility and the efficient conduct of the Board's business.

Commitment and Attendance. All independent and management directors should make every effort to attend meetings of the Board and meetings of committees of which they are members. Members may attend by telephone to mitigate conflicts.

Participation in Meetings. Each director should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Upon request, management will make appropriate personnel available to answer any questions a director may have about any aspect of the Company's business. Directors should also review the materials provided by management and advisors in advance of the meetings of the Board and its committees and should arrive prepared to discuss the issues presented.

Loyalty and Ethics. In their roles as directors, all directors owe a duty of loyalty to the Company. A director may not use his or her position for personal gain to the detriment of the Company or its shareholders. The Company has adopted a Code of Business Conduct and Ethics, including a compliance program to enforce the Code. Certain portions of the Code deal with activities of directors, particularly with respect to transactions in the securities of the Company, potential conflicts of interest, the taking of corporate opportunities for personal use, and competing with the Company. Directors should be familiar with the Code's provisions in these areas and should consult with the Company's counsel in the event of any issues.

Insider Trading Policy. The Company has adopted an insider trading policy. Directors should be familiar with the provisions of the policy and limit trading in the Company's securities as provided in the policy. In addition, all directors should be familiar with federal and state securities laws related to trading and reporting of trading in the Company's securities, including under Section 16 of the Securities Exchange Act of 1934.

Other Directorships. The Company values the experience directors bring from other boards on which they serve, but recognizes that those boards may also present demands on a director's time and availability and may present conflicts or legal issues. Directors should advise the Chair of the Nominating and Corporate Governance Committee and the CEO before accepting membership on other boards of directors or other significant commitments involving affiliation with other businesses, governmental units or charitable and non-profit organizations.

Contact with Management. All directors are invited to contact the CEO at any time to discuss any aspect of the Company's business. Directors also have complete access to other members of management. The Board expects that there will be frequent opportunities for directors to meet with members of senior management in Board and committee meetings and in other formal or informal settings. Further, the Board encourages the Chairman of the Board or the Chairperson of any Committee to, from time to time, bring managers to Board and/or Committee meetings who: (a) can provide additional insight into the items being discussed because of personal involvement and substantial knowledge in those areas, and/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.

Contact with Other Constituencies. It is important that the Company speak to employees and outside constituencies with a single voice, and that management serve as the primary spokesperson. Each director should refer all inquiries from institutional investors, the press or customers to persons designated by the Company or the Board to handle such inquiries. Individual Board members may, from time to time at the request of the management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chairman of the Board.

Confidentiality. The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

18. Evaluating Board Performance

The Board, acting through the Nominating and Corporate Governance Committee, should conduct a self-evaluation at least annually to determine whether it is functioning effectively. The Nominating and Corporate Governance Committee should periodically consider the mix of skills and experience that directors bring to the Board to assess whether the Board has the necessary tools to perform its oversight function effectively.

Each committee of the Board should conduct a self-evaluation at least annually and report the results to the Board, acting through the Nominating and Corporate Governance Committee. Each committee's evaluation must compare the performance of the committee with the requirements of its written charter, if any.

19. Executive Compensation Clawback Policy

In the event the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, as a result of intentional misconduct, fraud or gross negligence (as determined by the members of the Board who are considered “independent” for purposes of the listing standards of the New York Stock Exchange) each of the Company’s executive officers shall reimburse the Company for any incentive award made to such executive officer on the basis of having met or exceeded specific targets for performance periods occurring in whole or in part during the 12-month period following the first public filing with the Securities and Exchange Commission of the financial document including such financial reporting requirements for periods beginning after January 1, 2013. For purposes of this policy, (i) the term “incentive awards” means awards under the Company’s annual cash incentive plans and long-term incentive plans, the amount of which is determined in whole or in part upon specific performance targets relating to the financial results of the Company; and (ii) the term executive officer means any officer who has been designated an executive officer by the Board from and after January 1, 2013. The award statement or terms and conditions of any incentive award by the Company to an executive officer shall include a provision incorporating the requirements of this policy.

20. Anti-Hedging Policy

Directors and executive officers of the Company are prohibited from trading in puts, calls, options or other derivative securities based on SKT securities. In addition, certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow a shareholder to lock in much of the value of his or her share holdings, often in exchange for all or part of the potential for upside appreciation in the share holdings. These transactions allow the shareholder to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the owner may no longer have the same objectives as the Company’s other shareholders. Therefore, directors and executive officers may not engage in any such transactions with respect to SKT shares owned.

21. Reliance on Management and Outside Advice

In performing its functions, the Board is entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors. The Board shall have the authority to retain and approve the fees and retention terms of its outside advisors.