

# EMC CORPORATION

## Corporate Governance Guidelines

The following Corporate Governance Guidelines (the “Guidelines”) have been adopted by the Board of Directors (the “Board”) of EMC Corporation (the “Company”) to provide a framework for the effective governance of the Company. The Board reviews the Guidelines annually, or more often if deemed necessary, and modifies them as necessary.

### **1. Board of Directors**

The Board recognizes that its primary responsibility is to foster the long-term success of the Company and to build long-term value for the Company’s shareholders, consistent with the Board’s fiduciary duties. The Board selects the Chief Executive Officer (the “CEO”) and oversees corporate strategy and performance. The Board monitors the performance of the CEO and senior management and plans for succession to the position of CEO and other senior management positions.

### **2. Board Leadership**

#### Selection of Chairman of the Board

The Board shall select the Chairman of the Board (the “Chairman”) in any way that it deems best for the Company at such time.

#### Lead Director

If the Chairman is not an “independent director” (as defined in the listing standards of the New York Stock Exchange (the “NYSE”)), the independent directors shall select a lead director of the Board (the “Lead Director”). The Lead Director shall act as liaison between the independent directors and the Chairman and coordinate the activities of the independent directors, including facilitating discussions among independent directors on key issues and concerns outside of Board meetings and having the authority to call meetings of such independent directors. The Lead Director shall also:

- In collaboration with the Chairman, set an appropriate schedule of and standing agenda for Board meetings;
- In collaboration with the Chairman, prepare agendas for the Board meetings;
- In collaboration with the Chairman, ensure the quality, quantity and timeliness of the flow of information from management that is necessary for the independent directors to effectively and responsibly perform their duties. Although management is responsible for the preparation of materials for the Board, the Lead Director may specifically request the inclusion of certain materials;

- Preside at all meetings of the Board at which the Chairman is not present, including the executive sessions of the “non-management” directors (as defined in the listing standards of the NYSE) and independent directors. The Lead Director shall establish agendas for such executive sessions and provide appropriate feedback to the CEO regarding the meetings;
- In collaboration with the Compensation Committee, approve CEO goals, evaluate CEO performance, set CEO compensation levels and review CEO succession planning;
- In collaboration with the Corporate Governance and Nominating Committee (the “Governance Committee”), make recommendations to the Board regarding Committee members and chairs and oversee the performance evaluations of the Board, each of the applicable committees and the individual directors;
- Recommend to the Chairman the retention of consultants who report directly to the Board; and
- Perform such other duties as may be requested from time to time by the Board as a whole or by the independent directors.

Annually, the independent directors will consider the role and designation of the Lead Director.

Having a Lead Director shall not diminish the responsibility of directors in their role as individual directors or chairs or members of committees nor diminish their ability to freely communicate with the Chairman at any time.

### **3. Size of the Board**

The Board believes that it should generally be comprised of no fewer than eight and no more than eleven directors. The Board believes that this size permits needed expertise, diversity of experience and independence, without hindering effective discussion or diminishing individual accountability. The size of the Board could, however, be increased or decreased if determined at such time to be appropriate by the Board.

### **4. Board Member Criteria and Qualifications**

#### Membership Criteria

Nominees for director shall be selected on the basis of, among other things, the criteria set forth in the Corporate Governance and Nominating Committee charter.

## Director Qualifications

*Independence.* A majority of the Board must qualify as independent directors under the listing standards of the NYSE. The Board shall determine annually whether any director has a material relationship with the Company under the listing standards of the NYSE. To assist it in making such determinations, the Board has adopted categorical standards which are posted on the Company's website.

*Other Public Company Directorships.* The Board believes that Board membership requires a significant time commitment. Accordingly, generally no director should be a member of more than three public company boards. The Governance Committee will consider the number of other public company boards or other boards or committees on which a director or prospective director is a member. Directors shall notify the Governance Committee prior to accepting membership on any other public company board.

*Former CEO's Board Membership.* When the CEO retires or resigns from that position, he or she should offer his or her resignation from the Board and all committees thereof. The Governance Committee shall assess the appropriateness of the former CEO remaining on the Board.

*Changes in Job Responsibility.* Any time a director changes his or her job responsibility outside the Company, such director shall promptly notify the Governance Committee. The Governance Committee shall assess the appropriateness of such director remaining on the Board and make a recommendation to the Board with respect thereto. If requested by the Board, such director shall promptly tender his or her resignation from the Board and all committees thereof.

*Term Limits.* Directors are not subject to term limits. While established term limits may result in the addition of directors with new ideas and viewpoints, they may also result in a significant loss of directors who have been able to develop, over time, increasing insight into the Company and its business and operations. In connection with each director nomination recommendation, the Governance Committee shall consider the issue of continuing director tenure and whether the Board will be exposed to new ideas and viewpoints and will maintain a willingness to critically examine the status quo.

*Minimum Stock Ownership.* The Board believes that non-management directors should hold a significant equity interest in the Company. The Board therefore expects that each director own, or acquire within three years after the later of first becoming a director or the initial adoption of these Guidelines, shares of common stock of the Company, including shares of restricted stock, with a value of three times his or her annual Board retainer, excluding any committee retainers or fees. The Board recognizes that exceptions to this policy may be necessary or appropriate in individual situations and may approve such exceptions from time to time.

## **5. Number of Board Meetings**

There shall be regularly scheduled Board meetings each year (with at least one each fiscal quarter).

## **6. Executive Sessions of Directors**

The directors shall meet in executive session without the CEO in connection with each regularly scheduled Board meeting. The Lead Director (or Chairman if the role of Chairman and CEO is separate) shall preside at such executive sessions. The non-management directors shall meet in executive session without management at least twice each year and the “independent” directors shall meet in executive session at least once each year. The Lead Director shall act as the presiding director for such executive sessions. In such director’s absence (or if there is no Lead Director), the Chairman of the Governance Committee (or, if necessary, another member of the Governance Committee) shall preside at such executive sessions.

## **7. Communications with the Board**

The Board has established certain methods for the Company’s shareholders and other interested parties to contact the Board. Information regarding how to contact the Board is posted on the Company’s website.

It is the policy of the Board to provide a response to a shareholder proposal that receives a majority vote.

## **8. Attendance of Non-Directors at Board Meetings**

Non-directors such as the Company’s Chief Financial Officer, General Counsel and other members of senior management with information and responsibilities that impact upon Board deliberations may be invited to regularly attend Board meetings. If the CEO desires to have additional persons regularly attend Board meetings, he or she shall notify the Board, and the Board shall determine whether such regular attendance is acceptable. The CEO will bring, from time to time, members of senior management to Board meetings who (i) can provide additional insight into items being discussed, or (ii) are managers with future potential that the CEO believes should be given exposure to the Board.

## **9. Director Candidates and Election of Directors**

### Director Candidates

The Governance Committee shall identify and evaluate proposed candidates for addition to the Board and recommend director nominees for election by the Company’s shareholders to the Board or appointment by the Board, as the case may be, which recommendations shall be consistent with the Board’s criteria for selecting directors and these Corporate Governance Guidelines. The full Board shall consider the recommendations of the Governance Committee and shall annually nominate candidates for election by the Company’s shareholders.

Shareholders may recommend an individual to the Governance Committee for consideration as a director candidate by submitting the person’s name and biographical information to: EMC Corporate Governance and Nominating Committee, 176 South Street, Hopkinton, MA 01748. The Governance Committee shall consider individuals recommended by shareholders.

## Election of Directors

Any nominee for director in an uncontested election as to whom a majority of the shares of the Company that are properly cast at such election are designated to be “withheld” from his or her election shall promptly tender his or her resignation from the Board and all committees thereof following certification of the shareholder vote. The Governance Committee shall assess the appropriateness of such nominee continuing to serve as a director and shall recommend to the Board the action to be taken with respect to such tendered resignation.

### **10. Board and Committee Meeting Agendas**

The Chairman and CEO, in collaboration with the Lead Director (or Chair of the Governance Committee, if there is no Lead Director), shall establish a standing agenda for Board meetings to be held during each calendar year.

The Chairman and CEO (in collaboration with the Lead Director, if any) shall set the agenda of items to be considered by the Board at each of its meetings. The chairman of each of the committees shall set the agenda of items to be considered by the committee at each of its meetings. The Chairman or the chairman of each of the committees shall distribute to the members of the Board or committee, as the case may be, a copy of the agenda in advance of each such meeting. Each director may suggest additional items for the agenda.

### **11. Board Materials Distributed in Advance**

The Chairman and the chairman of each of the committees is expected to distribute to the members of the Board or committee, as the case may be, information and materials that are important to the directors’ understanding of the agenda items and other topics to be considered at the Board or committee meeting, as the case may be, sufficiently in advance of such meeting to permit prior review by the directors. In the event of a pressing need for the Board or committee to meet on short notice or if such materials would otherwise contain highly confidential or sensitive information, it is recognized that written materials may not be available in advance of the meeting.

### **12. Director Responsibilities**

Each director shall spend the time and effort necessary to properly discharge such director’s responsibilities. Accordingly, a director shall attend all regularly scheduled meetings of the Board and committees on which such director sits and shall review prior to meetings material distributed in advance for such meetings. A director who is unable to attend a meeting (which it is understood may occur on occasion) shall notify the Chairman or the chairman of the appropriate committee in advance of such meeting.

Each director is expected to attend the Annual Meeting of Shareholders of the Company.

Each director shall comply with the applicable provisions of the Company's Business Conduct Guidelines, which sets forth the standards of integrity and professional and ethical conduct which the directors and employees of the Company are expected to maintain. A director shall promptly notify the Chairman of any potential conflict of interest.

### **13. Board Access to Employees and Advisors**

The Board shall have complete access to Company employees, including management, and as necessary and appropriate, to the Company's outside advisors. Access shall be coordinated through the CEO. In addition, the Board shall have the right at any time to retain at Company expense its own advisors.

### **14. Board Orientation and Continuing Education**

New directors shall participate in a director orientation program to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, the Company's Business Conduct Guidelines, these Guidelines, and the Company's other policies and guidelines. Directors shall be introduced to senior management and the Company's outside advisors, as appropriate. Each director is expected to participate in continuing educational programs in order to maintain the necessary level of expertise to perform his or her responsibilities as a director.

### **15. Board Committees**

*Required Board Committees.* The Board shall have an Audit Committee, a Compensation Committee, and a Corporate Governance and Nominating Committee. The purpose and responsibilities for each of these committees shall be outlined in committee charters adopted by the Board.

*Optional Board Committees.* The Board has also established a Mergers and Acquisitions Committee and a Stock Repurchase and Bond Redemption Oversight Committee. The Board shall have the discretion to form, from time to time, one or more additional committees or to dissolve an optional committee. In addition, the Board may form ad hoc committees from time to time, and determine the purpose, responsibilities and composition of such committees.

*Attendance at Committee Meetings by Non-Members.* Any director is welcome to attend the meeting of any committee, regardless of whether he or she is a member of that committee.

*Reports to the Board.* The chair of each committee shall report to the Board on the proceedings and deliberations of such committee.

### **16. Committee Composition**

Each of the required committees shall be composed entirely of independent directors satisfying applicable legal, regulatory and stock exchange requirements. Each of the optional committees shall be composed of such directors as the Board from time to time shall determine.

Generally, a director will be a member of no more than two required committees.

The Governance Committee shall annually review committee assignments, taking into account, among other things, each director's expertise and experience, availability, and the purpose and responsibilities of each committee. In conjunction with the Chairman and the Lead Director, the Governance Committee shall make recommendations to the full Board regarding such assignments. The Board shall review such recommendations and annually appoint the members and chairman of each committee.

Consideration should be given to rotating committee assignments every three years but such rotation shall not be required as there may be reasons under specific circumstances to maintain an individual director's committee membership for a longer period.

### **17. Director Compensation**

A director who is also an officer of the Company shall not receive additional compensation for service as a director.

The Board believes that compensation for non-management directors should be competitive. The Compensation Committee shall annually review the level and form of director compensation, including how such compensation relates to director compensation of companies of comparable size, industry and complexity. The Compensation Committee shall recommend changes to director compensation when appropriate. The full Board shall approve director compensation and any changes thereto.

### **18. Assessing Board Performance**

The Board, each of its required committees, optional committees (if so required by their respective charters) and each director shall conduct a performance self-evaluation at least annually. The Governance Committee and the Lead Director (if any) shall be responsible for conducting, reporting on, and making recommendations to the Board with respect to the self-evaluations.

### **19. Selection of the CEO**

The Board shall be responsible for identifying potential candidates for, and selecting, the CEO. In identifying potential candidates for, and selecting, the CEO, the Board shall consider, among other things, a candidate's integrity, experience, understanding of the Company's business environment, leadership qualities, knowledge, skills, expertise, and reputation in the business community.

### **20. Evaluation of the CEO**

The Board shall at least annually conduct a thorough review and evaluation of the performance of the CEO based on the performance of the Company, and the accomplishment of the Company's and the CEO's short and long-term goals and objectives. The Chairman of the

Compensation Committee and the Lead Director (or Chairman if there is no Lead Director) shall meet with the CEO to discuss the results of the evaluation.

## **21. Stock Ownership by Senior Management**

The Board believes that senior management should hold a significant equity interest in the Company. The Board therefore expects that the CEO and the Chairman (if the Chairman is an employee of the Company) own, or acquire within three years after the later of attaining such position or the initial adoption of these Guidelines, shares of common stock of the Company, including shares of restricted stock, with a value of five times his or her base salary. The Board further expects that the Chief Financial Officer own, or acquire within three years after the later of attaining such position or the initial adoption of these Guidelines, shares of common stock of the Company, including shares of restricted stock, with a value of three times his or her base salary. The Board further expects that those other Executive Vice Presidents and Senior Vice Presidents reporting directly to the CEO own, or acquire within three years after the later of attaining such position or the initial adoption of these Guidelines, shares of common stock of the Company, including shares of restricted stock, with a value of two times his or her base salary. The Board recognizes that exceptions to this policy may be necessary or appropriate and may approve such exceptions from time to time.

## **22. Management Succession Planning**

The CEO shall submit an annual report to the Compensation Committee and the Lead Director (if any) regarding succession planning for the CEO and other senior management positions. This report will include an assessment of senior officers and their potential to succeed to the CEO and other senior management positions. After review and discussion, the CEO, the Chairman of the Compensation Committee and the Lead Director shall submit this report to the Board.

In addition, the CEO shall prepare, and update as necessary on a continuing basis, a short-term emergency succession plan which will recommend a temporary delegation of authority to certain officers of the Company, if all or a portion of the senior officers should unexpectedly become unable to perform their duties. In such event, the short-term emergency succession plan shall be in effect until the Board has the opportunity to consider the situation and take action, if necessary.

## **23. Presentation of Strategic Goals**

The Company's strategy will be presented by the CEO to the Board and discussed by the Board on an ongoing basis.

## **24. Corporate Compliance**

The Board recognizes its responsibility to foster and support a culture of compliance and business ethics within the Company. The Company has a Corporate Compliance Program. The



Audit Committee shall at least annually review and report to the Board regarding the Company's Corporate Compliance Program, including the Company's Business Conduct Guidelines.

## **25. Miscellaneous**

These Guidelines are not intended to change or interpret any applicable law or regulation. In the event of a conflict between these Guidelines and the Company's Articles of Organization or Bylaws, the Articles of Organization and Bylaws shall govern.

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