

EMC CORP
Form PRE 14A
March 14, 2008
Table of Contents

SCHEDULE 14A

(Rule 14a-101)

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Rule 14(a)-12

EMC Corporation

(Name of Registrant as Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

(1) Title of each class of securities to which transaction applies: "

(2) Aggregate number of securities to which transaction applies: "

(3)

Edgar Filing: EMC CORP - Form PRE 14A

Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0- (Set forth the amount on which the filing fee is calculated and state how it was determined): "

(4) Proposed maximum aggregate value of transaction: "

(5) Total fee paid: "

" Fee paid previously with preliminary materials.

" Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed: "

Table of Contents

April [], 2008

Dear Shareholder:

We cordially invite you to attend our 2008 Annual Meeting of Shareholders, which will be held on Wednesday, May 21, 2008, at 10:00 a.m. at EMC's facility at 21 Coslin Drive, Southborough, Massachusetts. A map with directions to the meeting is on the last page of the attached Proxy Statement.

At this meeting you are being asked to:

1. Elect eleven members to the Board of Directors,
2. Ratify the selection by the Audit Committee of EMC's independent auditors,
3. Approve amendments to EMC's Articles of Organization and Bylaws to implement majority vote for directors, and
4. Approve amendments to EMC's Articles of Organization to implement simple majority vote.

Your Board of Directors recommends that you vote FOR each of these proposals. You should read with care the attached Proxy Statement, which contains detailed information about each of these proposals.

This year, we are pleased to be using the new Securities and Exchange Commission rules that allow companies to provide their proxy materials over the Internet. As a result, we mailed to many of our shareholders a notice instead of a paper copy of the attached Proxy Statement and our Annual Report on Form 10-K for 2007. The notice contains instructions on how to access the proxy materials over the Internet or request paper copies of the proxy materials. Shareholders who did not receive the notice had already elected either to access our proxy materials over the Internet or to receive paper copies of the proxy materials. We believe this new process will use Internet technology that many shareholders prefer, assure more prompt delivery of the proxy materials, conserve natural resources and reduce the costs of printing and distributing the proxy materials.

If you plan to join us at the meeting, please go to www.emc.com/annualmeeting2008 to complete the registration form. The deadline for registration is May 12, 2008. **All shareholders who attend the meeting will be required to present valid government-issued picture identification, such as a driver's license or passport.** Check-in will begin at 9:00 a.m.

Edgar Filing: EMC CORP - Form PRE 14A

Following completion of the scheduled business, we will report on EMC's operations and answer questions. We hope that you will be able to join us on May 21st.

Very truly yours,

JOSEPH M. TUCCI

Chairman, President and Chief Executive Officer

YOUR VOTE IS IMPORTANT

Table of Contents

EMC CORPORATION

NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS

May 21, 2008

To the Shareholders:

The Annual Meeting of Shareholders of EMC Corporation, a Massachusetts corporation, will be held at EMC's facility at 21 Coslin Drive, Southborough, Massachusetts, on Wednesday, May 21, 2008, at 10:00 a.m. for the following purposes:

1. To elect eleven members to the Board of Directors.
2. To ratify the selection by the Audit Committee of PricewaterhouseCoopers LLP as EMC's independent auditors for the fiscal year ending December 31, 2008.
3. To approve amendments to EMC's Articles of Organization and Bylaws to implement majority vote for directors.
4. To approve amendments to EMC's Articles of Organization to implement simple majority vote.
5. To transact any and all other business that may properly come before the meeting or any adjournments of the meeting.

All shareholders of record at the close of business on March 20, 2008 are entitled to notice of and to vote at this meeting and any adjournments of the meeting.

Your vote is important. Whether or not you plan to attend the meeting, we encourage you to vote as soon as possible. If you previously elected to access the 2008 Proxy Statement and Annual Report on Form 10-K for 2007 electronically, you must vote your proxy over the Internet. Otherwise, you may vote your shares via a toll-free telephone number or over the Internet. Additionally, if you received a proxy card or voting instruction form by mail, you may submit your proxy card or voting instruction form for the 2008 Annual Meeting by completing, signing, dating and returning your proxy card or voting instruction form in the pre-addressed envelope provided. For specific instructions on how to vote your shares, please refer to the section entitled "Questions and Answers about the Annual Meeting and Voting" on page [] of this Proxy Statement.

EMC's Annual Report on Form 10-K for 2007 is enclosed.

By order of the Board of Directors

PAUL T. DACIER

Executive Vice President,

General Counsel and Assistant Secretary

April [], 2008

Table of Contents

Proxy Statement for the

Annual Meeting of Shareholders of

EMC CORPORATION

To Be Held on Wednesday, May 21, 2008

TABLE OF CONTENTS

	Page
<u>Questions and Answers About the Annual Meeting and Voting</u>	1
<u>Corporate Governance</u>	7
<u>Board Independence and Committees</u>	11
<u>Proposal 1 Election of Directors</u>	16
<u>Proposal 2 Ratification of Selection of Independent Auditors</u>	19
<u>Proposal 3 Approval of Amendments to EMC's Articles of Organization and Bylaws to Implement Majority Vote for Directors</u>	20
<u>Proposal 4 Approval of Amendments to EMC's Articles of Organization to Implement Simple Majority Vote</u>	21
<u>Security Ownership of Certain Beneficial Owners and Management</u>	22
<u>Compensation Committee Report</u>	23
<u>Compensation Discussion and Analysis</u>	24
<u>Summary</u>	24
<u>Named Executive Officers</u>	26
<u>Objectives of EMC's Executive Compensation Program</u>	26
<u>EMC's Executive Compensation Program</u>	27
<u>Elements of EMC's Executive Compensation Program</u>	29
<u>Compensation of Executive Officers</u>	46
<u>Grants of Plan-Based Awards</u>	48
<u>Outstanding Equity Awards at Fiscal Year-End</u>	50
<u>Option Exercises and Stock Vested</u>	52
<u>Pension Benefits</u>	52
<u>Nonqualified Deferred Compensation</u>	52
<u>Potential Payments Upon Termination or Change of Control</u>	53
<u>Director Compensation</u>	62
<u>Review and Approval of Transactions with Related Persons</u>	65
<u>Certain Transactions</u>	65
<u>Audit Committee Report</u>	67
<u>Shareholder Proposals for EMC's 2009 Annual Meeting</u>	68
<u>Advance Notice Provisions</u>	68
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	68
<u>Householding</u>	69

Table of Contents

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Proxy Statement contains forward-looking statements, within the meaning of the Federal securities laws, about our business and prospects. The forward-looking statements do not include the potential impact of any mergers, acquisitions, divestitures, securities offerings or business combinations that may be announced or consummated after the date hereof. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, the words believes, plans, intends, expects, goals and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. Our future results may differ materially from our past results and from those projected in the forward-looking statements due to various uncertainties and risks, including those described in Item 1A of Part I (Risk Factors) of our Annual Report on Form 10-K. We disclaim any obligation to update any forward-looking statements contained herein after the date of this Proxy Statement.

EMC CORPORATION

PROXY STATEMENT

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

Why did I receive these proxy materials?

We are making these proxy materials available to you on or about April [], 2008 on the Internet or by delivering printed versions of these materials to you by mail, in connection with the 2008 Annual Meeting of Shareholders of EMC Corporation, a Massachusetts corporation. The matters to be voted on at the Annual Meeting are set forth in the Notice of the Annual Meeting of Shareholders.

You are invited to attend the Annual Meeting on Wednesday, May 21, 2008, beginning at 10:00 a.m. at EMC's facility at 21 Coslin Drive, Southborough, Massachusetts. A map with directions to the meeting is on the last page of this Proxy Statement.

What is included in these proxy materials?

These materials include:

Our Notice of Annual Meeting;

Edgar Filing: EMC CORP - Form PRE 14A

Our Proxy Statement; and

Our Annual Report on Form 10-K for 2007.

If you received printed versions of these materials by mail, these materials also include a proxy card or voting instruction form.

Table of Contents

How can I access the proxy materials and vote my shares?

The instructions for accessing proxy materials and voting can be found in the information you received either by mail or by e-mail. Depending on how you received the proxy materials, you may vote by Internet, telephone or mail.

For shareholders who received a notice by mail about the Internet availability of the proxy materials: You may access the proxy materials and voting instructions over the Internet via the web address provided in the notice. In order to access this material and vote, you will need the control number provided on the notice you received in the mail. You may vote by Internet or telephone by following the instructions on the notice or on the website.

For shareholders who received a notice by e-mail: You may access the proxy materials and voting instructions over the Internet via the web address provided in the e-mail. In order to vote, you will need the control number provided in the e-mail. You may vote only by Internet.

For shareholders who received the proxy materials by mail: You may vote your shares by following the instructions provided on the proxy card or voting instruction form. If you vote by Internet or telephone, you will need the control number provided on the proxy card or voting instruction form. If you vote by mail, please complete, sign and date the proxy card or voting instruction form and mail it in the accompanying pre-addressed envelope.

What is the deadline for voting my shares if I do not vote in person at the Annual Meeting?

If you are a shareholder of record and do not vote in person at the Annual Meeting, you may vote by Internet or by telephone until 11:59 p.m., E.D.T. on May 20, 2008.

If you are a beneficial owner of shares held through a bank or brokerage firm, please follow the voting instructions provided by your bank or brokerage firm.

If you hold shares in the EMC Stock Fund through the EMC Corporation 401(k) Savings Plan, your voting instructions must be received by the plan trustee by 11:59 p.m., E.D.T., on May 16, 2008, for the trustee to vote your shares. You may not vote these shares in person at the Annual Meeting.

Why did I receive a notice in the mail regarding the Internet availability of the proxy materials this year instead of a paper copy of the proxy materials?

As explained in more detail below, this year we are pleased to be using the voluntary notice and access system recently adopted by the Securities and Exchange Commission (the SEC) relating to delivery of the proxy materials over the Internet. As a result, we mailed to many of our

Edgar Filing: EMC CORP - Form PRE 14A

shareholders a notice about the Internet availability of the proxy materials instead of a paper copy of the proxy materials. Shareholders who received the notice will have the ability to access the proxy materials over the Internet and to request a paper copy of the proxy materials by mail or by e-mail. Instructions on how to access the proxy materials over the Internet or to request a paper copy may be found on the notice. In addition, the notice contains instructions on how shareholders may request proxy materials in printed form by mail or electronically by e-mail on an ongoing basis.

What are the notice and access rules and how do they affect the delivery of the proxy materials?

The SEC's notice and access rules allow us to deliver proxy materials to our shareholders by posting the materials on an Internet website, notifying shareholders of the availability of the proxy materials on the Internet and sending paper copies of proxy materials upon shareholder request. We believe that the notice and access rules will allow us to use Internet technology that many shareholders prefer, continue to provide our shareholders with the information they need and, at the same time, assure more prompt delivery of the proxy materials. The notice and access rules will also lower our cost of printing and delivering the proxy materials and minimize the environmental impact of printing paper copies.

Table of Contents

As a result of our delivery of proxy materials over the Internet, we plan to reduce the number of printed copies of our proxy materials by approximately 90% from last year. We are further reducing our carbon footprint by printing paper copies of this Proxy Statement on FSC-certified paper sourced from responsibly managed forests and verified recycled sources.

Why didn't I receive a notice in the mail about the Internet availability of the proxy materials?

Shareholders who previously elected to access the proxy materials over the Internet will not receive a notice in the mail about the Internet availability of the proxy materials. Instead, you should have received an e-mail with links to the proxy materials and the proxy voting website. Additionally, we mailed copies of the proxy materials to shareholders who previously requested to receive paper copies instead of the notice.

If you received a paper copy of the proxy materials, you may elect to receive future proxy materials electronically by following the instructions on your proxy card or voting instruction form. Choosing to receive your future proxy materials by e-mail will help us conserve natural resources and reduce the costs of printing and distributing our proxy materials. If you choose to receive future proxy materials by e-mail, you will receive an e-mail with instructions containing a link to the website where those materials are available and a link to the proxy voting website. Your election to receive proxy materials by e-mail will remain in effect until you terminate it.

What items will be voted on at the Annual Meeting and how does the Board of Directors recommend that I vote?

There are four proposals that will be voted on at the Annual Meeting:

Proposal 1: The election of eleven members to the Board of Directors.

The Board of Directors recommends a vote **FOR** this proposal.

Proposal 2: The ratification of the selection by the Audit Committee of PricewaterhouseCoopers LLP as our independent auditors for the fiscal year ending December 31, 2008.

The Board of Directors recommends a vote **FOR** this proposal.

Proposal 3: Amendments to our Articles of Organization and Bylaws to implement majority vote for directors.

The Board of Directors recommends a vote **FOR** this proposal.

Proposal 4: Amendments to our Articles of Organization to implement simple majority vote.

The Board of Directors recommends a vote FOR this proposal.

Assuming there is a proper quorum of shares represented at the Annual Meeting, how many shares are required to approve the proposals being voted upon at the Annual Meeting?

The voting requirements for approval of the proposals at the Annual Meeting are as follow:

<u>Proposal</u>	<u>Vote required</u>	<u>Broker discretionary voting allowed?</u>
Election of Directors	Plurality of votes cast	Yes
Ratification of selection of independent auditors	Majority of votes cast	Yes
Amendments to Articles of Organization and Bylaws to implement majority vote for directors	Two-thirds of outstanding shares	No
Amendments to Articles of Organization to implement simple majority vote	Two-thirds of outstanding shares	No

Table of Contents

Who may vote at the Annual Meeting?

If you owned EMC Common Stock at the close of business on March 20, 2008 (the Record Date), then you may vote at the Annual Meeting. At the close of business on the Record Date, we had [] shares of Common Stock outstanding and entitled to vote. Each share of Common Stock is entitled to one vote on each matter properly brought before the Annual Meeting.

What is the difference between holding shares as a shareholder of record and as a beneficial owner of shares held in street name?

Shareholder of Record. If your shares of Common Stock are registered directly in your name with our transfer agent, Mellon Investor Services LLC, you are considered the shareholder of record of those shares.

Beneficial Owner of Shares Held in Street Name. If your shares are held in an account at a brokerage firm, bank, broker-dealer or other similar organization, then you are the beneficial owner of shares held in street name. The bank or brokerage firm holding your account is considered the shareholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your bank or brokerage firm how to vote the shares held in your account.

How can I vote my shares in person at the Annual Meeting?

If you are a shareholder of record, you will receive a ballot when you arrive at the Annual Meeting. If you are a beneficial owner of shares and you wish to vote in person at the Annual Meeting, you must obtain a legal proxy from the bank or brokerage firm that holds your shares. You will need to bring the legal proxy with you to the meeting and hand it in with a signed ballot that you can request at the meeting. You will not be able to vote your shares at the Annual Meeting without a legal proxy and a signed ballot. Even if you plan to attend the Annual Meeting, we recommend that you also vote by proxy as described below so that your vote will be counted if you later decide not to attend the meeting.

Can I change my vote after I have voted?

Yes. You have the right to revoke your proxy at any time before it is voted at the Annual Meeting, subject to the proxy voting deadlines described below. You may vote again on a later date by Internet or by telephone (only your latest Internet or telephone proxy submitted prior to the meeting will be counted), or by signing and returning a new proxy card with a later date, or by attending the meeting and voting in person. However, your attendance at the Annual Meeting will not automatically revoke your proxy unless you vote again at the meeting or file a written instrument with the Secretary or Assistant Secretary of EMC requesting that your prior proxy be revoked.

What happens if I do not give specific voting instructions when I deliver my proxy?

Shareholders of Record. If you are a shareholder of record and you:

Edgar Filing: EMC CORP - Form PRE 14A

Indicate when voting by Internet or by telephone that you wish to vote as recommended by our Board of Directors; or

If you sign and return a proxy card without giving specific voting instructions,

then the proxy holders will vote your shares in the manner recommended by our Board of Directors on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion regarding any other matters properly presented for a vote at the meeting.

Table of Contents

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares and your bank or brokerage firm does not receive instructions from you about how your shares are to be voted, one of two things can happen, depending on the type of proposal. For the election of directors and the ratification of auditors, the bank or brokerage firm that holds your shares may vote your shares in its discretion. This is known as broker discretionary voting. For all other proposals, the bank or brokerage firm may not vote your shares at all. This is called a broker non-vote.

What is the quorum requirement for the Annual Meeting?

In order to conduct any business at the Annual Meeting, a majority of EMC's outstanding shares on the Record Date must be present in person or represented by valid proxies. This is called a quorum. Your shares will be counted for purposes of determining if there is a quorum, whether representing votes for, against, withheld or abstained, or broker non-votes, if you:

Are present and vote in person at the meeting; or

Have voted by Internet, by telephone or by properly submitting a proxy card or voting instruction form by mail.

How are abstentions and broker non-votes treated?

Abstentions and broker non-votes are considered present for purposes of determining the presence of a quorum. Abstentions and broker non-votes will not be considered votes properly cast at the Annual Meeting. Because the approval of Proposals 1 and 2 is based on the votes properly cast at the Annual Meeting, abstentions and broker non-votes will not have any effect on the outcome of voting on these proposals. Because the approval of Proposals 3 and 4 require the affirmative vote of at least two-thirds of the outstanding Common Stock, abstentions and broker non-votes will have the same effect as a vote against each proposal.

Could other matters be decided at the Annual Meeting?

As of the date of this Proxy Statement, EMC has no knowledge of any business other than that described in the Notice of the Annual Meeting of Shareholders that will be presented for consideration at the Annual Meeting. The deadline under EMC's Bylaws for shareholders to notify EMC of any proposals or director nominations to be presented at the Annual Meeting has passed. If any other business should properly come before the Annual Meeting, the proxy holders shall have discretionary authority to vote all such proxies as they shall decide.

I want to attend the Annual Meeting. What procedures must I follow?

Registration to attend the meeting is being conducted electronically. If you plan to attend the meeting, you must register online at www.emc.com/annualmeeting2008 and complete the registration form. The deadline for registration is May 12, 2008.

Edgar Filing: EMC CORP - Form PRE 14A

All shareholders who attend the meeting will be required to present a valid government-issued picture identification, such as a driver's license or passport.

Shareholders who come to the Annual Meeting, but have not registered electronically, will also be required to present verification of ownership of shares of our Common Stock, such as a bank or brokerage firm account statement, to attend the meeting.

EMC reserves the right to inspect all persons and their property and to refuse admittance to any person. Check-in will begin at 9:00 a.m.

Table of Contents

Who counts the votes cast at the Annual Meeting?

Representatives of our transfer agent, Mellon Investor Services LLC, will tabulate the votes cast at the Annual Meeting and act as inspectors of election.

Where can I find the voting results of the Annual Meeting?

The preliminary voting results will be announced at the Annual Meeting. The final voting results will be posted on our website shortly after the Annual Meeting and published in our quarterly report on Form 10-Q for the fiscal quarter ending on June 30, 2008.

Who is paying for the cost of this proxy solicitation?

The expenses of preparing, printing and assembling the materials used in the solicitation of proxies on behalf of the Board of Directors will be borne by EMC. In addition to the solicitation of proxies by Internet or by mail, EMC may use the services of certain of its officers and employees (who will receive no compensation therefor in addition to their regular salaries) to solicit proxies personally and by mail, telephone and electronic means from brokerage houses and other shareholders. Also, EMC has retained Morrow & Co., Inc. to aid in the distribution and solicitation of proxies. Morrow & Co., Inc. will receive a fee of \$25,000 as well as reimbursement for certain expenses incurred by them in connection with their services, all of which will be paid by EMC.

Where are EMC's principal executive offices located, and what is EMC's main telephone number?

EMC's principal executive offices are located at 176 South Street, Hopkinton, Massachusetts 01748. EMC's main telephone number is (508) 435-1000.

Table of Contents

CORPORATE GOVERNANCE

EMC is committed to good corporate governance, which we believe helps us to sustain our success and build long-term value for our shareholders. The Board of Directors has adopted Corporate Governance Guidelines to provide a framework for the effective governance of EMC. The Corporate Governance and Nominating Committee reviews the Guidelines at least annually and recommends changes as appropriate to the Board of Directors for approval. The Board of Directors has also adopted written charters for its standing committees (Audit, Compensation, Corporate Governance and Nominating, Finance, and Mergers and Acquisitions), as well as Business Conduct Guidelines applicable to all directors, officers and employees. Information about EMC's corporate governance practices and copies of the Corporate Governance Guidelines, committee charters and Business Conduct Guidelines are available at <http://www.emc.com/about/investor-relations/governance/corporate-governance.htm>. Copies will also be provided to any shareholder upon written request to EMC Corporation, Investor Relations, 176 South Street, Hopkinton, MA 01748 or by contacting EMC Investor Relations at 866-362-6973. EMC posts additional information on its website from time to time as the Board makes changes to EMC's corporate governance practices.

EMC's Board of Directors has implemented corporate governance practices that the Board believes are both in the best interests of EMC and its shareholders as well as compliant with SEC rules and regulations and the listing standards of the New York Stock Exchange (the "NYSE"). The Board reviews these practices on an on-going basis. Recent developments include:

Annual Election of Directors. Beginning at this Annual Meeting, each Director will be required to stand for election annually.

Majority Vote for Directors. The Board has decided to change the standard for the election of Directors in uncontested elections from a plurality voting standard to a majority voting standard (see Proposal 3). EMC's majority vote policy (described below) will also be amended to conform to the majority voting standard for the election of Directors.

Simple Majority Vote. The Board has decided to change the voting requirement to approve certain corporate transactions from the affirmative vote of two-thirds of the outstanding shares of EMC Common Stock to the affirmative vote of a simple majority of outstanding shares (see Proposal 4).

Executive Compensation. The Board amended our executive change in control agreements to phase-out the excise tax gross-up, reduce the severance benefits payable and require "double trigger" vesting of equity awards. We also eliminated tax gross-ups to executive officers for certain expenses beginning in January 2008. For more information, see "Compensation Discussion and Analysis - Change in Control Agreements" and "Compensation Discussion and Analysis - Perquisites" below.

Stock Ownership Guidelines. The Board amended our stock ownership guidelines for senior management and substantially increased the number of shares of Common Stock that EMC executive officers are required to hold. The Board also increased the stock ownership guidelines for non-employee directors. See EMC's Corporate Governance Guidelines for more information.

Shareholder Communications.

Say on Pay. We are an active member of the Working Group on Advisory Vote on Executive Compensation Disclosure which is comprised of representatives from a number of major U.S. companies and investors. The Working Group serves as a forum for participants to share ideas and study the possible benefits of an advisory vote on pay in the United States.

Table of Contents

Contact with the Board. To enable open communications, EMC provides various means for shareholders and other interested parties to contact the non-management Directors and the Audit Committee (see Communications with the Board below). The Board strives to provide clear, candid and timely responses to any substantive communication it receives. During 2007, EMC dialogued and met with shareholders on a variety of topics, including executive compensation, corporate social responsibility and other relevant governance topics. As appropriate, Directors participated in these discussions.

Sustainability. The Corporate Governance and Nominating Committee is responsible for overseeing EMC's sustainability program which focuses on three key areas: environmental stewardship, diversity in our workforce and corporate citizenship. We believe that integrating environmental, social and financial considerations in our business strategy and decisions is integral to growing the success of EMC, and benefits our shareholders, employees, customers, suppliers and communities. By developing sustainable business practices throughout EMC, we create competitive advantage, build trust and pave the way for continued long-term corporate success.

Other highlights of our corporate governance practices include:

Lead Director. David N. Strohm, an independent Director, is our Lead Director. The Lead Director has significant responsibilities, which are set forth in EMC's Corporate Governance Guidelines and include:

Acting as a liaison between the independent Directors and the Chairman, and facilitating discussions among the independent Directors on key issues and concerns outside of Board meetings;

In collaboration with the Chairman, setting an appropriate schedule of and standing agenda for Board meetings, as well as preparing agendas for Board meetings;

In collaboration with the Compensation Committee, approving Chief Executive Officer goals, evaluating CEO performance, setting CEO compensation levels and reviewing CEO succession planning;

In collaboration with the Corporate Governance and Nominating Committee, making recommendations to the Board regarding committee members and chairs and overseeing the performance evaluations of the Board, each of the applicable committees and the individual Directors; and

Presiding 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.

Board Self-Assessments. The Corporate Governance and Nominating Committee, together with the Lead Director, oversees an annual evaluation process as follows:

Each Director evaluates the Board as a whole;

Each member of the Audit Committee, Compensation Committee, Corporate Governance and Nominating Committee, Finance Committee, and Mergers and Acquisitions Committee evaluates the committees on which he or she serves; and

Table of Contents

Each Director prepares an individual self-evaluation.

After these evaluations are complete, the results are discussed by the Board and each committee and with each individual Director, as applicable, and action plans are developed, if necessary.

Majority Vote Policy. Our current majority vote policy, which is incorporated in EMC's Corporate Governance Guidelines, requires any Director in an uncontested election who receives a majority of votes withheld to promptly tender his or her resignation. The policy provides that the Corporate Governance and Nominating Committee will assess the appropriateness of the Director continuing to serve and recommend to the Board the action to be taken regarding a tendered resignation. Set forth below are procedures of the Board and Corporate Governance and Nominating Committee to be used if such majority vote policy is triggered:

In considering whether it is appropriate for a nominee to continue to serve as a Director, the Corporate Governance and Nominating Committee will act promptly and consider all factors deemed relevant, including any known reasons why shareholders withheld votes from the Director, the length of service and qualifications of the Director in question, the Director's contributions to EMC, the Director's particular area of expertise or experience and compliance with listing standards;

The Board will act on the Corporate Governance and Nominating Committee's recommendation promptly, but in any event not later than 90 days from the date of the annual or special meeting of shareholders at which the vote occurred. The Board will consider the factors considered by the Corporate Governance and Nominating Committee and any other factors it deems relevant. Board action may include acceptance of the tendered resignation, adoption of measures designed to address the issues underlying the withheld votes for such Director or rejection of the tendered resignation. Following the Board's decision, EMC will promptly publicly disclose the Board's decision and process (including, if applicable, the reasons for rejecting the tendered resignation) in a periodic or current report filed with the SEC;

To the extent that a Director's resignation is accepted by the Board, the Board will determine whether to fill such vacancy or to reduce the size of the Board;

The process described above of determining whether or not to accept a tendered resignation shall be managed by the independent Directors. Further, any Director who tenders his or her resignation pursuant to EMC's majority vote policy will not participate in the Corporate Governance and Nominating Committee recommendation or Board consideration regarding whether or not to accept the tendered resignation. If a majority of the members of the Corporate Governance and Nominating Committee receive a greater number of votes withheld than for at the same election, then the independent Directors who are on the Board who did not receive such votes will consider the tendered resignations; and

In order to strengthen the Director election process, the Board requires each nominee for election at an Annual Meeting to submit a conditional resignation that will only become effective if the nominee does not receive the requisite number of votes at the meeting in accordance with the majority vote policy of the Board and after following the procedures described above, the Board accepts the resignation.

Table of Contents

Response to Shareholder Proposals. EMC listens to and is responsive to shareholders. In addition to the communications above, EMC's Corporate Governance Guidelines state that it is the Board's policy to provide a response to any shareholder proposal that receives a majority vote. In the last several years, EMC has also provided formal responses to proposals that received less than a majority vote. This year, after listening to shareholder concerns expressed through dialogue with investors and proposals at past shareholder meetings, we are moving forward to adopt majority vote for Directors and simple majority vote.

Director Continuing Education. The Board believes that director education is integral to Board and committee performance and effectiveness. The Board's director orientation program emphasizes EMC's business and strategic plans, and includes site visits, presentations and meetings with management. Directors are also expected to participate in continuing educational programs in order to maintain the necessary level of expertise to perform their responsibilities as directors.

Executive Sessions of Non-Management Directors. The non-management Directors meet in executive session in connection with each regularly scheduled Board meeting, and independent Directors meet in executive session at least once each year. The Lead Director acts as presiding Director for such executive sessions.

Table of Contents**BOARD INDEPENDENCE AND COMMITTEES**

The Board has a substantial majority of directors who are independent under the NYSE's director independence standards and EMC's Categorical Standards of Independence.

EMC has adopted Categorical Standards of Independence, which are available on our website at <http://www.emc.com/about/investor-relations/governance/corporate-governance.htm> and are also attached as Exhibit A to this Proxy Statement, to assist it in assessing director independence. Pursuant to these standards, the Board broadly considers all relevant facts and circumstances in its determination of independence of all Board members (including any relationships set forth in this Proxy Statement under the heading "Certain Transactions"). EMC's Board of Directors has affirmatively determined that the following Directors have no direct or indirect material relationship with EMC, and therefore are independent under our Categorical Standards and the NYSE listing standards: Michael W. Brown, Michael J. Cronin, Gail Deegan, W. Paul Fitzgerald, Olli-Pekka Kallasvuo, Edmund F. Kelly, Windle B. Priem, Paul Sagan, David N. Strohm and Alfred M. Zeien. Mr. Zeien resigned from the Board of Directors in August 2007.

The table below includes a description of categories or types of transactions, relationships or arrangements considered by the Board in reaching its determination that the above-mentioned Directors are independent:

<u>Name</u>	<u>Independent</u>	<u>Transactions/Relationships/Arrangements</u>
Michael W. Brown	Yes	Business relationships
Michael J. Cronin	Yes	Business relationships
Gail Deegan	Yes	Business relationships, charitable organization relationships
W. Paul Fitzgerald	Yes	Family relationships, employment relationships
Olli-Pekka Kallasvuo	Yes	Business relationships
Edmund F. Kelly	Yes	Business relationships, charitable organization relationships
Windle B. Priem	Yes	Business relationships, charitable organization relationships
Paul Sagan	Yes	Business relationships
David N. Strohm	Yes	Business relationships
Alfred M. Zeien	Yes	None

In determining that the above-mentioned Directors are independent, the Board considered transactions during 2007 between EMC and companies with which Messrs. Kallasvuo, Kelly and Sagan are affiliated as executive officers and determined that the amount of business between EMC and these companies fell below the thresholds in EMC's Categorical Standards of Independence. The Board considered transactions during 2007 between EMC and companies, universities, hospitals and other organizations with which Messrs. Brown, Cronin, Kallasvuo, Kelly, Priem, Sagan and Strohm, and Ms. Deegan, are affiliated as directors, trustees or members of an advisory board and determined that the Directors did not have a material direct or indirect interest in the transactions. The Board considered that EMC made donations to charities with which Messrs. Kelly and Priem and Ms. Deegan are affiliated as directors or officers (but not as executive officers), and determined that the amount of the donations fell below the thresholds in EMC's Categorical Standards of Independence. In addition, the Board considered Mr. Fitzgerald's relationship with John R. Egan, a Director of EMC, and that Mr. Fitzgerald's son, daughter and son-in-law are employed by EMC, and determined that these relationships do not impair his independence. Further discussion of these transactions can be found under "Certain Transactions" below.

Board Meetings

Edgar Filing: EMC CORP - Form PRE 14A

During the fiscal year ended December 31, 2007, EMC's Board of Directors held six meetings. Each Director attended at least 92% of the Board meetings and committee meetings which were held during the period in which he or she was a Director of EMC and in which he or she was a member of such committees, except Messrs. Kallasvuo and Kelly.

Table of Contents

Mr. Kallasvuo became President and Chief Executive Officer of Nokia Corporation, which is headquartered in Finland, in June 2006. He was unable to attend a number of EMC Board and applicable committee meetings in early 2007 due to business conflicts, including a conflict between EMC's annual shareholder meeting and Nokia's annual shareholder meeting. In his first full year as CEO of Nokia, numerous demands were placed on Mr. Kallasvuo as he met with many customers and employees and worked to create and execute a vision for Nokia. In 2007, Mr. Kallasvuo attended four of six (67%) Board meetings and five of fifteen (33%) applicable committee meetings. In several of these instances, multiple meetings were held on the same day. In early May 2007, Mr. Kallasvuo stepped down from the Audit Committee; since then, through the date of this Proxy Statement, he has attended 100% of the Board and applicable committee meetings. Mr. Kallasvuo is committed to maintaining good attendance in 2008.

Mr. Kelly is the Chairman, President and Chief Executive Officer of Liberty Mutual Group, a diversified global insurer and the nation's sixth-largest property and casualty insurer. Mr. Kelly was appointed to the Board in August 2007 and to the Finance Committee in October 2007. Following his appointment, Mr. Kelly attended two of two (100%) Board meetings held during 2007. However, he was unable to attend one special Finance Committee meeting called on relatively short notice, due to a business conflict; this was the only committee meeting held during the timeframe Mr. Kelly was a member of the Finance Committee in 2007. Therefore, in 2007, Mr. Kelly attended two of three (66%) Board and applicable committee meetings. In 2008, through the date of this Proxy Statement, Mr. Kelly has attended 100% of the Board and applicable committee meetings. Mr. Kelly is committed to maintaining good attendance in 2008.

Attendance at Annual Meeting of Shareholders

EMC's Corporate Governance Guidelines provide that each Director is expected to attend the Annual Meeting of Shareholders. All but one of the then-current Directors attended the 2007 Annual Meeting of Shareholders.

Committees of the Board

The Board of Directors has established five standing committees: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, the Finance Committee and the Mergers and Acquisitions Committee. The Audit, Compensation, and Corporate Governance and Nominating Committees consist entirely of independent directors, and members of the Audit Committee meet additional, heightened independence criteria applicable to audit committee members under the Sarbanes-Oxley Act of 2002 and SEC implementing rules. Generally, each Director serves on at least two committees, while Directors who are active chief executive officers of another corporation may serve on only one committee. Each committee operates pursuant to a written charter that is available on our website at <http://www.emc.com/about/investor-relations/governance/corporate-governance.htm>. The membership of each committee is listed below.

Audit	Compensation	Corporate Governance and Nominating	Finance	Mergers and Acquisitions
Gail Deegan ¹	Windle B. Priem ¹	David N. Strohm ¹	Michael W. Brown ¹	John R. Egan ¹
Michael W. Brown ²	Michael W. Brown	Gail Deegan	John R. Egan	Michael W. Brown
Michael J. Cronin	David N. Strohm	W. Paul Fitzgerald	W. Paul Fitzgerald	Michael J. Cronin
Windle B. Priem ³		Olli-Pekka Kallasvuo	Edmund F. Kelly ⁴	Paul Sagan ⁵
		Windle B. Priem	Joseph M. Tucci	David N. Strohm
				Joseph M. Tucci

¹ Chair.

Edgar Filing: EMC CORP - Form PRE 14A

- 2 Mr. Brown was elected to the Audit Committee in August 2007.
- 3 Mr. Priem was elected to the Audit Committee in December 2007.