

EMC CORP  
Form DEF 14A  
March 20, 2015

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A

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
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EMC Corporation

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EMC Corporation

Notice of  
2015 Annual Meeting of  
Shareholders and Proxy  
Statement

April 30, 2015  
Hopkinton, Massachusetts

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March 20, 2015

Dear Shareholder:

We cordially invite you to attend our 2015 Annual Meeting of Shareholders, which will be held on Thursday, April 30, 2015, at 10:00 a.m., E.D.T., at EMC's facility at 176 South Street, Hopkinton, Massachusetts.

At the meeting you will vote on a number of important matters. You should carefully read the attached Proxy Statement which contains detailed information about each proposal.

If you plan to join us at the meeting, please register at [www.emc.com/annualmeeting2015](http://www.emc.com/annualmeeting2015).

Following completion of the scheduled business, we will report on EMC's operations. Your Board of Directors and officers of EMC will then be available to answer questions and speak with you. We hope that you will be able to join us on April 30th.

Very truly yours,

JOSEPH M. TUCCI  
Chairman and Chief Executive Officer

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March 20, 2015

Dear fellow shareholders:

It is my privilege to begin serving as independent Lead Director of the EMC Board of Directors. This extremely accomplished and engaged group of individuals, with experience relevant to our business, is committed to executing its governance responsibilities and providing appropriate oversight of the Company's operations and long-term strategy with the highest level of independence and transparency.

Careful attention to Board composition is an important part of our role. Over the years, the Board has spent significant time considering its membership both as part of our annual self-evaluation process and at other times of the year as the needs of the Board and EMC have changed. This year, we clarified our list of criteria for director candidates to state explicitly our commitment to actively identify and recruit diverse candidates, including women and minority candidates. While this has been part of our search process for years, we believe adding the strong, active language to the Governance Committee's charter signals the Board's seriousness about this important matter. This past January, we were also pleased to welcome José E. Almeida and Donald J. Carty to the Board - two well-respected, experienced individuals who will bring a fresh perspective to the Board and management. And, we refreshed several committee roles and committee chairs.

Let me extend my heartfelt thanks to Gail Deegan who will not be standing for re-election this year. Gail has been an outstanding and dedicated member of the Board. She served nine years as Chair of our Audit Committee and two years as Chair of our Corporate Governance and Nominating Committee. Her considerable financial expertise, commitment to the highest standards of governance and transparency, and advocacy for EMC have provided tremendous value to the Board and made EMC a better company.

As Lead Director, one of my responsibilities is to help the Board assess its leadership structure and to effectuate good governance. Let me assure you that the Board is focused on providing the right structure at the right time for the Company, and we undertake serious and deliberate consideration of the matter anew each year. As discussed more fully in the attached Proxy Statement, the Board believes the current arrangement with Joe Tucci serving as our Chairman and CEO best serves the interests of EMC shareholders and the Company at this time.

Balancing the various interests of the Company's stakeholders is another important focus for the Board. This year, the Board had the opportunity to speak with and hear directly from shareholders, customers, partners and EMC employees on a number of different topics. We appreciate the honest feedback, the open exchange of ideas, and the opportunity to learn from one another. We are a Board that welcomes and values dialogue with our stakeholders.

I look forward to working with the Chairman and my fellow Board members as we continue to focus on creating sustained shareholder value.

Sincerely,  
WILLIAM D. GREEN  
Independent Lead Director

NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS

March 20, 2015

To the Shareholders:

The Annual Meeting of Shareholders of EMC Corporation, a Massachusetts corporation, will be held at EMC's facility at 176 South Street, Hopkinton, Massachusetts, on Thursday, April 30, 2015, at 10:00 a.m., E.D.T., for the following purposes:

1. Election of the twelve director nominees listed in the attached Proxy Statement to the Board of Directors.
2. Ratification of the selection by the Audit Committee of PricewaterhouseCoopers LLP as EMC's independent auditors for the fiscal year ending December 31, 2015, as described in the attached Proxy Statement.
3. Advisory approval of our executive compensation, as described in the attached Proxy Statement.
4. Approval of the EMC Corporation Amended and Restated 2003 Stock Plan, as described in the attached Proxy Statement.
5. Act upon one shareholder proposal, if properly presented, as described in the attached Proxy Statement.

In addition, we will consider any and all other business that may properly come before the meeting or any adjournments or postponements of the meeting.

All shareholders of record at the close of business on February 27, 2015 are entitled to notice of and to vote at the meeting and any adjournments or postponements of the meeting. We will begin distributing these proxy materials to shareholders on or about March 20, 2015.

Your vote is important. Whether or not you plan to attend the meeting, please vote as soon as possible. For specific instructions on how to vote your shares, please refer to the section entitled "Questions and Answers about the Annual Meeting and Voting" beginning on page 100 of the attached Proxy Statement.

EMC's Annual Report on Form 10-K for 2014 accompanies this Notice.

By order of the Board of Directors  
PAUL T. DACIER  
Executive Vice President,  
General Counsel and Assistant Secretary

March 20, 2015

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on April 30, 2015: The Annual Report on Form 10-K for 2014 and 2015 Proxy Statement are available at [www.proxyvote.com](http://www.proxyvote.com).

**YOUR VOTE IS IMPORTANT**

Whether or not you plan to attend the meeting, please vote as soon as possible. Under New York Stock Exchange rules, your broker will NOT be able to vote your shares on proposals 1, 3, 4 or 5 unless they receive specific instructions from you. We strongly encourage you to vote.

We encourage you to vote by Internet. It is convenient for you and saves us significant postage and processing costs. For specific instructions on how to vote your shares, please refer to the section entitled “Questions and Answers about the Annual Meeting and Voting” beginning on page 100 of the attached Proxy Statement.

We have been advised that many states are strictly enforcing escheatment laws and requiring shares held in “inactive” accounts to be escheated to the state in which the shareholder was last known to reside. One way you can ensure your account is active is to vote your shares.

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**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 closed 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, but not limited to, those described in Item 1A of Part I (Risk Factors) of our Annual Report on Form 10-K for 2014. The forward-looking statements speak only as of the date of this Proxy Statement and undue reliance should not be placed on these statements. We disclaim any obligation to update any forward-looking statements contained herein after the date of this Proxy Statement.

SUMMARY INFORMATION

This summary highlights information contained elsewhere in this Proxy Statement. For more complete information about these topics, please review the Company’s Annual Report on Form 10-K and the entire Proxy Statement.

Annual Meeting of Shareholders

- **Date and Time:** April 30, 2015 at 10:00 a.m., E.D.T.
- **Place:** EMC Corporation  
176 South Street, Hopkinton, MA 01748
- **Record Date:** February 27, 2015
- **Attendance:** All shareholders may attend the meeting. If you plan to join us at the meeting, please go to [www.emc.com/annualmeeting2015](http://www.emc.com/annualmeeting2015) to complete the registration form. The deadline for registration is April 23, 2015. All shareholders who attend the meeting will be required to present valid government-issued picture identification, such as a driver’s license or passport, and will be subject to security screenings. Check-in will begin at 9:00 a.m.
- **Voting:** Shareholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and each of the other proposals.

Vote by Internet	Vote by Mobile Device	Vote by Telephone	Vote by Mail	Vote In Person
Go to <a href="http://www.proxyvote.com">www.proxyvote.com</a> and enter the 12 digit control number provided on your card or voting instruction form.	Scan this QR code to vote with your mobile device. You will need the 12 digit control number provided on your proxy card or voting instruction form.	Call 1-800-690-6903 or the number on your proxy card or voting instruction form. You will need the 12 digit control number provided on your proxy card or voting instruction form.	Complete, sign and date the proxy card or voting instruction form and mail it in the accompanying pre-addressed envelope.	See the instructions above regarding attendance at the Annual Meeting.

We encourage you to vote by Internet. It is convenient for you and saves us significant postage and processing costs. If you previously elected to access the 2015 Proxy Statement and Annual Report on Form 10-K for 2014 electronically, you must vote your proxy over the Internet. Otherwise, you may vote your shares via the other methods described above.

Meeting Agenda and Voting Recommendations

Agenda Item	Board Recommendation	Page
Election of twelve directors	FOR EACH NOMINEE	6
Ratification of selection of PricewaterhouseCoopers LLP as our independent auditors	FOR	23
Advisory approval of our executive compensation	FOR	25
Approval of the EMC Corporation Amended and Restated 2003 Stock Plan	FOR	26
Shareholder proposal	AGAINST	34

## Summary Information (continued)

## Director Nominees

We are asking you to vote “for” all of the director nominees listed below. All directors attended at least 75% 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 committee. Set forth below is summary information about each director nominee.

Nominee and Principal Occupation	Age	Director Since	Independent	Current Committee Membership
José E. Almeida Former Chairman, President and Chief Executive Officer of Covidien plc	52	2015	ü	• Finance • Leadership and Compensation
Michael W. Brown Former Vice President and Chief Financial Officer of Microsoft Corporation	69	2005	ü	• Audit • Finance (chair)
Donald J. Carty Private Investor	68	2015	ü	• Corporate Governance and Nominating
Randolph L. Cowen Former co-Chief Administrative Officer of The Goldman Sachs Group, Inc.	64	2009	ü	• Leadership and Compensation (chair) • Mergers and Acquisitions
James S. DiStasio Former Senior Vice Chairman and Americas Chief Operating Officer of Ernst & Young LLP	67	2010	ü	• Audit (chair) • Corporate Governance and Nominating
John R. Egan Managing Partner and General Partner of Egan Managed Capital	57	1992		• Finance • Mergers and Acquisitions (chair)
William D. Green Former Chairman of Accenture plc	61	2013	ü	• Leadership and Compensation • Mergers and Acquisitions
Edmund F. Kelly Former Chairman of Liberty Mutual Group	69	2007	ü	• Finance
Jami Miscik President and Vice Chairman of Kissinger Associates, Inc.	56	2012	ü	• Corporate Governance and Nominating (chair)
Paul Sagan Executive In Residence (XIR) of General Catalyst Partners	56	2007	ü	• Leadership and Compensation
David N. Strohm Venture Partner of Greylock Partners	66	2003	ü	• Corporate Governance and Nominating • Mergers and Acquisitions
Joseph M. Tucci Chairman and Chief Executive Officer of EMC Corporation	67	2001		• Finance • Mergers and Acquisitions

## Corporate Governance Highlights

- ü Substantial majority of independent directors (10 of 12 nominees)
- ü Annual election of directors
- ü Long-standing shareholder engagement program
- ü Annual Board, committee and director evaluations

- ü Majority vote for directors
- ü Independent Lead Director
- ü Annual review of Board leadership structure
- ü Board oversight of risk management
- ü Succession planning at all levels, including for directors and CEO
- ü Commitment to Board diversity
- ü Executive sessions of non-management directors and independent directors
- ü Continuing director education
- ü Executive and director stock ownership guidelines
- ü No supermajority voting requirements
- ü Board oversight of sustainability program
- ü Board oversight and disclosure of political spending

## Summary Information (continued)

## Auditors

As a matter of good corporate governance, we are asking you to ratify the selection by the Audit Committee of PricewaterhouseCoopers LLP (“PwC”) as our independent auditors for 2015. The following table summarizes the fees PwC billed us for 2014 and 2013. The Audit Committee pre-approved all audit, review and attest services performed by PwC.

	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
2014	9,092,340	235,485	2,857,106	187,000
2013	8,745,311	418,342	2,453,392	—

## Business Strategy

The evolution of the IT marketplace, driven by the adoption of mobile devices, cloud computing, Big Data and social networking, continues to have a profound impact on enterprises and the way people work and live. EMC’s strategy is to enable enterprises to modernize their client/server-based infrastructures and applications while helping them to build new infrastructures and applications that take advantage of next generation opportunities in the cloud/mobile era of computing.

EMC is executing this strategy through our Federation business model, which includes three distinct businesses: EMC Information Infrastructure, Pivotal Software and VMware Virtual Infrastructure (the “Federation”), which are strategically aligned to provide benefits for customers and partners. Under this Federation model, each business operates freely and independently to build its own ecosystem. Customers have the ability to choose from a selection of the very best technology solutions, free from vendor lock-in. We believe this model creates a competitive advantage by ensuring tight integration of solutions for customers who prefer an integrated solution, and at the same time by allowing us to provide the best-of-breed offerings on a standalone basis for customers who prefer maximum flexibility in vendor and deployment options.

EMC stands at the forefront of the IT industry with a leading portfolio of products, services and solutions that provide a strong position from which to compete in the client/server-based platform of IT, which will continue to support the majority of enterprise workloads for several years to come; leading-edge technologies and products for the new cloud/mobile platform of IT; and powerful capabilities to help enterprises bridge the two.

## Advisory Approval of our Executive Compensation

The Leadership and Compensation Committee (the “Compensation Committee”) approved an executive compensation program for 2014 that implemented our pay-for-performance philosophy, with the following enhancements:

- Introduced a long-term equity incentive plan;
- Added a relative TSR metric; and
- Simplified the equity program by using fewer types of equity awards.

Since our financial and total shareholder return results fell below applicable incentive plan targets and the Named Executive Officers failed to achieve all of their respective strategic and operational goals, cash bonuses and performance equity awards paid out or vested below target.

The following cash bonuses were paid:

- 93.7% of target was paid out under the 2014 Corporate Incentive Plan; and
- 82% to 93% of target was paid out under the 2014 Executive Management By Objectives Plan (the “Executive MBO”).



## Summary Information (continued)

The following performance equity awards vested:

38.7% of the 2012 Leadership Development and Performance Award became eligible to vest; and  
50% of the 2011 LTIP stock units became eligible to vest.

Below is a summary of the Named Executive Officers' 2013 and 2014 compensation as set forth in the Summary Compensation Table:

Name	Year	Salary (\$)	Cash Incentive Compensation (\$)	Equity Awards (\$)	All Other Compensation (\$)	Total (\$)
Joseph M. Tucci	2014	1,000,000	1,307,021	8,415,112	481,186	11,203,318
	2013	1,000,000	1,260,058	10,076,821	309,079	12,645,957
David I. Goulden	2014	850,000	1,075,513	8,415,112	190,632	10,531,257
	2013	850,000	1,006,296	6,453,659	122,621	8,432,576
Zane C. Rowe	2014	167,308	174,686	6,000,019	54,350	6,696,362
	2014	750,000	746,183	5,259,464	178,839	6,934,486
Howard D. Elias	2013	750,000	700,032	4,444,834	136,194	6,031,061
	2014	768,750	717,035	5,259,464	158,236	6,903,485
Jeremy Burton	2013	675,000	590,652	4,117,680	92,886	5,476,218
	2014	700,000	699,546	5,259,464	172,271	6,831,281
William F. Scannell	2014	700,000	699,546	5,259,464	172,271	6,831,281
	2013	700,000	656,280	4,444,834	108,412	5,909,526

For more information, please see the Summary Compensation Table, and the accompanying compensation tables, beginning on page 77 of this Proxy Statement.

## Other Compensation Practices

## What We Do

- ü Pay-for-performance

- ü Maintain "double trigger" change in control agreements

- ü Maintain a clawback policy applicable to all employees for cash and equity incentive compensation

- ü Compensation Committee oversees risks associated with compensation policies and practices

- ü Compensation Committee retains an independent compensation consultant

## Amended and Restated 2003 Stock Plan

## What We Do Not Do

- û No hedging or pledging of Company stock

- û No excessive perquisites for executives

- û No pension or SERP benefits for executives

- û No excise tax gross-ups

Equity is a key component of our compensation program. Equity awards encourage employee loyalty to EMC and align employee interests with those of EMC shareholders. The 2003 Stock Plan allows us to provide our key employees, consultants, advisors and non-employee directors with equity incentives that are competitive with those of companies with which EMC competes for talent.

We are asking you to approve an amendment and restatement of the 2003 Stock Plan which would, among other things, increase the number of shares of common stock available for grant under the plan by 40 million shares. Some benefits and key features of the plan include:





Summary Information (continued)

1 Dividend equivalents subject to the same vesting restrictions as the underlying stock awards	1 No recycling of shares or “liberal share counting” practices
1 Clawback provision	1 No repricing of stock options without prior shareholder approval
1 Minimum vesting periods on stock awards	1 No discounted stock options

2016 Annual Meeting

☛ Deadline for shareholder proposals for inclusion in the proxy statement: November 21, 2015

☛ Deadline for business and nominations for director: December 27, 2015 - January 26, 2016

## PROPOSAL 1 - ELECTION OF DIRECTORS

### THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THE ELECTION OF EACH OF THE NOMINEES LISTED BELOW

Under EMC’s Bylaws, the Board of Directors may determine the total number of directors to be elected at any annual meeting of shareholders or special meeting in lieu of an annual meeting. On the recommendation of the Corporate Governance and Nominating Committee (the “Governance Committee”), the Board of Directors has nominated the 12 people named below for election as directors at this Annual Meeting, each to serve for a one year term or until the director’s successor is elected and qualified.

#### Director and Nominee Experience and Qualifications

#### Board Membership Criteria

The Board believes that its members, collectively, should possess diverse and complementary skills and experience in order to oversee our business and evaluate management strategy effectively. In addition, the Board believes that each director should possess certain attributes, as reflected in the Board’s membership criteria described below. Accordingly, the Board and the Governance Committee consider the qualifications of directors and director candidates individually and in the broader context of the Board’s overall composition and dynamics and EMC’s current and future needs.

The Governance Committee is responsible for reviewing, assessing and recommending Board membership criteria to the Board for approval. The criteria, which are set forth in the Governance Committee’s charter, include judgment, integrity, diversity, prior experience, the interplay of the nominee’s experience with the experience of other Board members, the extent to which the nominee would be desirable as a member of any committees of the Board, and the candidate’s willingness to devote substantial time and effort to Board responsibilities. The Governance Committee also considers service on other public company boards as this provides directors with a deeper understanding of the role and responsibilities of boards and insight into matters being handled by our Board.

In 2015, the Board amended the Governance Committee’s charter to state explicitly the Board’s commitment to actively identify and recruit diverse candidates, including women and minority candidates, as part of the search process for Board members.

The Board has determined that it is important to have individuals with the following skills and experiences:

Industry expertise, including a deep understanding of the information technology industry and the disruptive impact of new technology, or another industry that has undergone rapid growth or transformational change, to assess EMC’s strategy and long-term business plan to take advantage of the opportunities ahead.

Functional expertise in areas such as finance and accounting, talent management or marketing to support the Company’s business development and growth as well as the Board’s required committees.

International expertise, including experience attained through key leadership or management roles in a global business or responsibility for non-U.S. operations, which is important given EMC’s growth in markets around the world.

Operational experience with a business of significant scale and complexity or in an industry with continual structural change to understand the competitive dynamics of our business strategy and execution and key business processes as well as the leadership requirements and organizational dynamics driven by rapid change.

Proposal 1 - Election of Directors (continued)

In identifying director candidates, the Governance Committee may establish other specific skills and experience that it believes the Board should seek in order to maintain a balanced and effective Board.

At least once a year, the Governance Committee assesses the skills and experience of Board members, and compares them with those skills that might prove valuable in the future, giving consideration to the changing circumstances of the Company and the then current Board membership. This assessment enables the Board to consider whether the skills and experience described above continue to be appropriate as the Company's needs evolve over time, the effectiveness of the Board membership criteria, and whether the Board should seek individuals with specific areas of expertise in the future. To facilitate this process, from time to time, the Governance Committee may use a critical skills matrix.

Board Evaluations

Each year, the Governance Committee, together with the Lead Director, oversees an annual evaluation process. The evaluations help inform the Governance Committee's discussions regarding Board succession planning and refreshment, and complement the Governance Committee's evaluation of the size and composition of the Board. The process, as described in more detail in the chart below, is as follows:

- Each director evaluates the Board as a whole;
- Each member of the standing committees of the Board of Directors evaluates the committees on which he or she serves; and
- Each director prepares an individual self-evaluation.

After these evaluations are complete, the results are discussed by the Board and each committee, as applicable, and changes in practices or procedures are considered as necessary. The Lead Director meets with each director to discuss the individual self-evaluations and Board performance. To the extent possible, these one-on-one meetings are scheduled as in-person meetings. Among other topics, the Lead Director discusses with each director the individual's role, the individual's performance, committee service, and the individual's willingness to continue serving on the Board. The Chairman discusses the Lead Director's self-evaluation with the Lead Director, and the Governance Committee considers the Lead Director's performance.

In 2014, this three-tier process generated robust comments and discussion at all levels of the Board, including with respect to Board refreshment and Board processes. The self-assessments also led, along with other considerations, to several changes in committee memberships, as indicated in the table below. These changes reflected the Board's focus on director succession planning and independent oversight.

Committee	Rotated On	Rotated Off
Corporate Governance and Nominating	1 James S. DiStasio 1 Randolph L. Cowen, Chair*	1 Gail Deegan
Leadership and Compensation	1 Gail Deegan 1 William D. Green 1 Paul Sagan	1 Michael W. Brown 1 David N. Strohm
Mergers and Acquisitions	1 William D. Green	1 Michael W. Brown 1 Paul Sagan

\* Windle B. Priem, the prior Chair of the Compensation Committee, did not stand for re-election at the 2014 Annual Meeting of Shareholders.



Proposal 1 - Election of Directors (continued)

A summary of the Board's evaluation process in 2014 is set forth below.

Evaluation	By	Process	Outcome
Full Board (Annual)	All members of the Board	<ul style="list-style-type: none"> <li>1 Board members complete a detailed questionnaire which (a) provides for quantitative ratings in key areas, (b) seeks subjective comment in each of those areas and (c) solicits specific topics on which Directors would like to focus on during the Board's discussion.</li> <li>1 Responses are reviewed by the Chairman and Lead Director.</li> </ul>	<ul style="list-style-type: none"> <li>1 Results are discussed by the Board in an executive session chaired by the Lead Director.</li> <li>1 Changes in practices or procedures are considered as necessary.</li> </ul>
Board Committees (Annual)	All members of each committee	<ul style="list-style-type: none"> <li>1 Members of each committee complete a detailed questionnaire to evaluate how well their respective committee is operating.</li> </ul>	<ul style="list-style-type: none"> <li>1 Results are discussed by each committee in executive session.</li> <li>1 The Chair of each committee reports on the committee's discussion to the full Board.</li> <li>1 Changes in practices or procedures are considered as necessary.</li> <li>1 The Board reviews and considers any proposed changes to the committee charter.</li> </ul>
Individual Directors (Annual)	Each Director	<ul style="list-style-type: none"> <li>1 Each Director completes a detailed questionnaire.</li> <li>1 The Lead Director receives the questionnaires.</li> <li>1 The Lead Director meets with each Director to discuss the individual's performance and contributions to the Board and applicable committees.</li> </ul>	<ul style="list-style-type: none"> <li>1 Lead Director discusses the results with the Governance Committee and reports summary results to the full Board.</li> </ul>

Board Refreshment

The Board is focused on ensuring it has individuals with the right skills and experience to exercise independent judgment in overseeing our business. Accordingly, the Board pays careful attention to succession planning and refreshment for members of the Board. The Board's process reflects both a deliberate search for specific skills and experiences, as needed, as well as opportunistic additions when high-caliber individuals become available. This practice has become a foundation of our Board's effectiveness and, very importantly, keeps our Board energized with valuable expertise and additional perspectives. For more information, please see "Corporate Governance - Succession Planning - Board Succession" on page 41 of this Proxy Statement.

In considering incumbent directors for renomination and evaluating director candidates, the Board and the Governance Committee consider a variety of factors. These include each nominee's independence, personal and professional accomplishments, and experience in light of the needs of the Company. For incumbent directors, the factors also include contributions to the Board, the results of the Board self-assessment process detailed above, and whether the Governance Committee believes it is in shareholders' best interests to nominate the director for re-election.



## Proposal 1 - Election of Directors (continued)

### Board Tenure

The Board also considers the tenure of its members when evaluating its composition and nominees for election. The Board believes that varied lengths of service provide an effective balance of experience from longer-serving directors and fresh perspectives from newer directors. The average tenure of our Board members is 7.8 years and the average tenure of the independent members of our Board is 5.6 years.

### Independence

A substantial majority of directors (10 of the 12 director nominees) are independent under the director independence standards of the New York Stock Exchange (the "NYSE") and EMC's Categorical Standards of Independence.

EMC has adopted Categorical Standards of Independence, which are available at [www.emc.com/corporate/investor-relations/governance/corporate-governance.htm](http://www.emc.com/corporate/investor-relations/governance/corporate-governance.htm) to assist it in assessing director independence. Pursuant to these standards, the Board broadly considers the specific standards, as well as 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: José E. Almeida, Michael W. Brown, Donald J. Carty, Randolph L. Cowen, Gail Deegan, James S. DiStasio, William D. Green, Edmund F. Kelly, Jami Miscik, Paul Sagan and David N. Strohm. In addition, the Board previously determined that Windle B. Priem, who did not stand for re-election at our 2014 Annual Meeting of Shareholders, was independent.

In determining that the above-mentioned directors are independent, the Board considered transactions during 2014 between EMC and Covidien plc (where Mr. Almeida formerly was the Chairman, President and Chief Executive Officer), between EMC and Barclays Capital (where Ms. Miscik formerly was Senior Advisor for Geopolitical Risk), and between EMC and Akamai Technologies, Inc. (where Mr. Sagan formerly was the Executive Vice Chairman), and determined that the amount of business fell below the thresholds in EMC's Categorical Standards of Independence. These transactions include purchases and sales of goods and services in the ordinary course of business that were less than 0.5% of each company's annual revenues. The Board also considered transactions during 2014 between EMC and companies, universities and other organizations with which Messrs. Almeida, Brown, Carty, Cowen, DiStasio, Green, Kelly, Sagan and Strohm, and Mses. Deegan and Miscik, are affiliated as directors, trustees or members of an advisory board and determined that these relationships were not material to an evaluation of these directors' independence. Finally, the Board considered that EMC made donations to charities where Messrs. Cowen and Kelly are directors or trustees, and determined that the amount of the donations fell below the thresholds in EMC's Categorical Standards of Independence.

### Identifying Potential Director Candidates

The Governance Committee identifies Board candidates through numerous sources, including recommendations from directors, executive officers and shareholders of EMC as well as professional search firms retained from time to time to assist in identifying Board candidates. The Governance Committee seeks to identify those individuals most qualified to serve as Board members and considers many factors with regard to each candidate, including those described above. New candidates are interviewed by members of the Governance Committee and other Board

members.

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Proposal 1 - Election of Directors (continued)

EMC shareholders may recommend individuals to the Governance Committee for consideration as potential director candidates by submitting their names and appropriate background and biographical information to the Governance Committee, 176 South Street, Hopkinton, MA 01748. Assuming that the appropriate information is timely provided, the Governance Committee will consider these candidates in substantially the same manner as it considers other Board candidates it identifies. EMC shareholders may also nominate director candidates by following the advance notice provisions of EMC's Bylaws as described under "Business and Nominations for EMC's 2016 Annual Meeting" on page 98 of this Proxy Statement.

As part of the Governance Committee's ongoing and active process for identifying and reviewing possible Board members, the Governance Committee considered a number of candidates in 2014-2015. This process included extensive independent search efforts as well as consideration of candidates recommended by shareholders. Candidates included Messrs. Almeida and Carty. Mr. Almeida was identified by a professional search firm retained by the Governance Committee and Mr. Carty was identified by Elliott Management, a shareholder, along with other potential candidates. The Governance Committee reviewed Messrs. Almeida and Carty's candidacies, determined independently that they would each be an excellent fit for the Board, and recommended their appointment to the EMC Board. On January 10, 2015, after thorough evaluation of candidate qualifications in light of the EMC Board's criteria, Messrs. Almeida and Carty were appointed to the EMC Board.

In connection with the EMC Board's decision to add the two new Board members, Elliott has agreed to certain limited standstill and voting provisions through September 2015, including voting in favor of the Company's proposed slate of directors at EMC's 2015 Annual Meeting of Shareholders.

Board Meetings

During the fiscal year ended December 31, 2014, EMC's Board of Directors held 12 meetings. All directors attended at least 75% 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.

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 two of the then current directors (9 directors) attended the 2014 Annual Meeting of Shareholders.

Nominees to Serve as Directors

The Board believes that all of the current nominees are highly qualified and have the skills and experience required for effective service on our Board. The directors' individual biographies below contain information about their experience, qualifications and skills that led the Board to nominate them.

Each nominee has agreed to be named in this Proxy Statement and to serve if elected. Should any nominee be unable to serve or for good cause will not serve as a director, the proxy holders will vote for such other person as the Board may recommend.

All of the director nominees (other than Messrs. Almeida and Carty) were previously elected by the shareholders.

Ms. Deegan will not stand for re-election at our Annual Meeting. Accordingly, the Board has reduced the size of the Board to 12 directors, effective immediately prior to the commencement of the Annual Meeting. Our Board extends its sincere gratitude to Ms. Deegan for her many years of service. She has given generously of her time and consistently provided the Board with independent insight and advice. Her expertise in financial matters and

governance has been invaluable to the Board.

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Proposal 1 - Election of Directors (continued)

The affirmative vote of a majority of votes properly cast on this proposal at the Annual Meeting is required to elect each director.

José E. Almeida, 52

Director Since

1 January 2015

Primary Occupation

1 Former Chairman, President and Chief Executive Officer of Covidien plc

Other Current Public Company Boards

1 State Street Corporation  
Executive Compensation Committee

1 Analog Devices, Inc.

Former Public Company Boards (within the past 5 years)

1 Covidien plc  
Chairman of the Board

Business Experience

1 Covidien plc, a global healthcare products company  
Chairman (March 2012 to January 2015)  
President and Chief Executive Officer (July 2011 to January 2015)  
President, Medical Devices (October 2006 to June 2011)

Education

1 Bachelor's degree in Mechanical Engineering from Escola de Engenharia Maua

Qualifications and Skills

1 As the former Chairman, President and Chief Executive Officer of Covidien, Mr. Almeida is an experienced and seasoned leader. He brings to the Board significant operating experience, experience driving international growth, and strategic leadership experience. In addition, Mr. Almeida's service on other public company boards provides him with valuable experience.

Proposal 1 - Election of Directors (continued)

Michael W. Brown, 69

Director Since

1 August 2005

Primary Occupation

1 Former Vice President and Chief Financial Officer of Microsoft Corporation

Other Current Public Company Boards

1 VMware, Inc. (EMC holds approximately 80% economic interest in VMware)

Chair of the Audit Committee

Compensation and Corporate Governance Committee

1 Insperity, Inc.

Compensation Committee

Nominating and Corporate Governance Committee

1 Stifel Financial Corp.

Risk Management/Corporate Governance Committee

Business Experience

1 Microsoft Corporation, a manufacturer of software products for computing devices

Vice President and Chief Financial Officer (August 1994 until his retirement in July 1997)

Vice President, Finance (April 1993 to August 1994)

Treasurer (January 1990 to April 1993)

Joined Microsoft in December 1989

1 Former Chairman of the NASDAQ Stock Market board of directors

1 Past governor of the National Association of Securities Dealers

1 Various positions at Deloitte & Touche LLP over 18 years

Education

1 Bachelor's degree in Economics from the University of Washington

Qualifications and Skills

1 Mr. Brown brings to the Board substantial financial expertise that includes extensive knowledge of the complex financial and operational issues facing large companies, and a deep understanding of accounting principles and financial reporting rules and regulations. He acquired this knowledge in the course of serving as the CFO of a global technology company, working with a major international accounting and consulting firm for 18 years, and serving as a member of the audit committees of other public company boards. Mr. Brown's experience at Microsoft also provides insight and expertise in the rapidly changing IT industry and the impact of technology. Through many senior management positions, including as former Chairman of NASDAQ and as a past governor of the NASD, Mr. Brown has

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demonstrated his leadership and business acumen.

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Proposal 1 - Election of Directors (continued)

Donald J. Carty, 68

Director Since  
1 January 2015

Primary Occupation  
1 Private Investor

Other Current Public Company Boards

1 Virgin America Inc.  
Chairman of the Board  
Audit Committee  
Chair of the Nominating and Corporate Governance Committee

1 Talisman Energy Inc.  
Audit Committee  
Chair of the Human Resources Committee

1 Canadian National Railway Company  
Chair of the Audit Committee  
Corporate Governance and Nominating Committee  
Environment, Safety and Security Committee  
Human Resources and Compensation Committee  
Strategic Planning Committee

Former Public Company Boards (within the past 5 years)

1 Barrick Gold Corporation

1 Dell Inc.

1 Hawaiian Holdings Inc.

1 Gluskin Sheff and Associates

Business Experience

1 Dell Inc., a computer technology company  
Vice Chairman and Chief Financial Officer (January 2007 to June 2008)

1 AMR Corporation and American Airlines  
Chairman and Chief Executive Officer (1998 to 2003)  
Chief Financial Officer (October 1989 to March 1995)

Education

1 Bachelor's degree in Economics and Mathematics from Queen's University in Kingston, Ontario

1 Honorary Doctor of Laws from Queen's University in Kingston, Ontario

1 MBA from Harvard Business School

**Qualifications and Skills**

1 Mr. Carty is a seasoned executive who brings to the Board significant financial acumen, industry insight and strategic planning experience gained from his previous leadership positions. In addition, Mr. Carty's service on other public company boards provides him with valuable experience.

Proposal 1 - Election of Directors (continued)

Randolph L. Cowen, 64

Director Since  
1 January 2009

Primary Occupation

1 Former co-Chief Administrative Officer of The Goldman Sachs Group, Inc.

Business Experience

1 The Goldman Sachs Group, Inc., a global investment, banking, securities and investment management firm

Co-Chief Administrative Officer (October 2007 until his retirement in November 2008)

Global Head of Technology and Operations (September 2004 until his retirement in November 2008)

Chief Information Officer (October 2001 to October 2007)

Joined Goldman Sachs in 1982

Education

1 Bachelor's degree in History with a minor in Mathematics from Michigan State University

Qualifications and Skills

1 With over 30 years of experience managing IT and making the technology infrastructure purchasing decisions at a global financial services firm, Mr. Cowen brings to the Board extensive knowledge about technology, the IT industry, and defining and implementing an effective IT strategy. In addition, through various senior management positions, Mr. Cowen has demonstrated leadership skills and gained significant business operations experience, including developing and managing top talent.



Proposal 1 - Election of Directors (continued)

James S. DiStasio, 67

Director Since  
1 March 2010

Primary Occupation

1 Former Senior Vice Chairman and Americas Chief Operating Officer of Ernst & Young LLP

Other Current Public Company Boards

1 Northeast Utilities (d/b/a Eversource Energy)  
Chair of the Finance Committee  
Compensation Committee  
Executive Committee

Business Experience

1 Ernst & Young LLP, a professional services organization  
Senior Vice Chairman and Americas Chief Operating Officer (January 2003 until his retirement in January 2007)  
Elected as a partner in 1977  
Various management positions at Ernst & Young over 38 years

Education

1 Bachelor's degree in Accounting from the University of Illinois

Qualifications and Skills

1 Mr. DiStasio brings to the Board extensive financial, accounting and consulting expertise, including a deep understanding of accounting principles and financial reporting rules and regulations, acquired over the course of his 38-year career at one of the world's leading assurance, tax, transaction and advisory services firms. He has significant experience overseeing, from an independent auditor's perspective, the financial reporting processes of large public companies in a variety of industries with a global presence. Through his leadership roles at E&Y, including as COO of the Americas, Mr. DiStasio gained substantial management and operational experience. In addition, Mr. DiStasio's service on another public company board provides him with valuable experience.

Proposal 1 - Election of Directors (continued)

John R. Egan, 57

Director Since

1 May 1992

Primary Occupation

1 Managing Partner and General Partner of Egan-Managed Capital

Other Current Public Company Boards

1 VMware, Inc. (EMC holds approximately 80% economic interest in VMware)  
Chair of the Mergers and Acquisitions Committee

1 NetScout Systems, Inc.

Lead Independent Director

Chair of the Nominating and Governance Committee

Audit Committee

Finance Committee

1 Progress Software Corporation

Non-Executive Chairman of the Board

Compensation Committee

1 Verint Systems Inc.

Chair of the Nominating and Governance Committee

Compensation Committee

Business Experience

1 Managing partner and general partner, Egan-Managed Capital, a venture capital firm (since October 1998)

1 EMC Corporation

Executive Vice President, Products and Offerings (May 1997 to September 1998)

Executive Vice President, Sales and Marketing (January 1992 to June 1996)

Various executive positions, including Executive Vice President, Operations and Executive Vice President, International Sales (October 1986 to January 1992)

Resigned as an executive officer in September 1998 and as an employee in July 2002

Education

1 Bachelor's degree in Marketing and Computer Science from Boston College

Qualifications and Skills

1 Mr. Egan has spent his entire career in the IT industry. His broad experience ranges from venture capital investments in early-stage technology companies to extensive sales and marketing experience, to executive leadership and management roles. Mr. Egan brings to the Board business acumen, substantial operational experience, and expertise in corporate strategy development, as well as a deep understanding of EMC's people and products acquired over many years of

involvement with the Company. In addition, Mr. Egan's service on other public company boards provides him with valuable experience.

Proposal 1 - Election of Directors (continued)

William D. Green, 61

Director Since

1 July 2013 and Lead Director since February 2015

Primary Occupation

1 Former Chairman of Accenture plc

Other Current Public Company Boards

1 McGraw Hill Financial, Inc.

Compensation and Leadership Development Committee

Nominating and Corporate Governance Committee

Former Public Company Boards (within the past 5 years)

1 Accenture plc

Chairman of the Board

Business Experience

1 Accenture plc, a global management consulting, technology services and outsourcing company

Chairman (August 2006 until his retirement in February 2013)

Chief Executive Officer (September 2004 to December 2010)

Elected as a partner in 1986

Education

1 Bachelor's degree in Economics from Babson College

1 MBA from Babson College

1 Honorary Doctor of Laws from Babson College

Qualifications and Skills

1 As the former Chairman and CEO of Accenture, Mr. Green is an experienced and seasoned leader with outstanding management experience, operating experience, a deep understanding of the information technology industry and broad international business expertise. In addition, Mr. Green's service on another public company board provides him with valuable experience.

Proposal 1 - Election of Directors (continued)

Edmund F. Kelly, 69

Director Since

1 August 2007

Primary Occupation

1 Former Chairman of Liberty Mutual Group

Other Current Public Company Boards

1 The Bank of New York Mellon Corporation

Chair of the Technology Committee

Human Resources and Compensation Committee

Risk Committee

Business Experience

1 Liberty Mutual Group, a diversified global insurer and the nation's third-largest property and casualty insurer

Chairman (April 2000 until his retirement in June 2013)

Chief Executive Officer (April 1998 to June 2011)

President (April 1992 to June 2010)

Education

1 Bachelor's degree in Mathematics from Queen's University in Belfast, Ireland

1 Ph.D. in Mathematics from the Massachusetts Institute of Technology

Qualifications and Skills

1 As the former Chairman and CEO of a Fortune 100 company, Mr. Kelly brings to the Board a wealth of complex management, worldwide operational and financial expertise. He also brings in-depth knowledge of the opportunities and challenges facing global companies. In addition, Mr. Kelly's service on another public company board provides him with valuable experience.

Proposal 1 - Election of Directors (continued)

Jami Miscik, 56

Director Since

~~2015 (2015-2016) Chairman of Kossinger Associates, Inc. an investment bank  
company for software (2008-2009) committee~~