

EMC CORP
Form DEF 14A
March 21, 2013

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
- Definitive Additional Materials
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EMC Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
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(1) Title of each class of securities to which transaction applies:

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

March 21, 2013

Dear Shareholder:

We cordially invite you to attend our 2013 Annual Meeting of Shareholders, which will be held on Wednesday, May 1, 2013, at 10:00 a.m., E.D.T., at EMC's facility at 176 South Street, Hopkinton, Massachusetts. A map with directions to the meeting is on the last page of the attached Proxy Statement.

At the meeting you are being asked to vote on the following matters:

1. Election of the eleven members listed in the attached Proxy Statement to the Board of Directors,
2. Ratification of the selection by the Audit Committee of EMC's independent auditors, 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. Approval of the EMC Corporation Amended and Restated 1989 Employee Stock Purchase Plan, as described in the attached Proxy Statement, and
6. Approval of amendments to EMC's Articles of Organization and Bylaws to allow shareholders to act by written consent by less than unanimous approval, as described in the attached Proxy Statement.

Your Board of Directors recommends that you vote FOR each of these proposals. You are also being asked to act on a shareholder proposal, as described in the attached Proxy Statement. Your Board of Directors recommends that you vote AGAINST the shareholder proposal. You should carefully read the attached Proxy Statement which contains detailed information about each of these proposals.

If you plan to join us at the meeting, please go to www.emc.com/annualmeeting2013 to complete the registration form. The deadline for registration is April 24, 2013. 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., E.D.T.

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 1st.

Very truly yours,
JOSEPH M. TUCCI
Chairman and Chief Executive Officer

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, 5, 6 or 7 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 94 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.

EMC CORPORATION

NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS

May 1, 2013

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 Wednesday, May 1, 2013, at 10:00 a.m., E.D.T., for the following purposes:

1. Election of the eleven members 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, 2013, 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. Approval of the EMC Corporation Amended and Restated 1989 Employee Stock Purchase Plan, as described in the attached Proxy Statement.
6. Approval of amendments to EMC's Articles of Organization and Bylaws to allow shareholders to act by written consent by less than unanimous approval, as described in the attached Proxy Statement.
7. Act upon a shareholder proposal, if properly presented, as described in the attached Proxy Statement.
8. Transaction of 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 March 1, 2013 are entitled to notice of and to vote at the meeting and any adjournments or postponements of the meeting. We are making these proxy materials available to you on or about March 21, 2013 on the Internet or by delivering printed versions of these materials to you by mail.

Your vote is important. Whether or not you plan to attend the meeting, please vote as soon as possible. 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 2013 Proxy Statement and Annual Report on Form 10-K for 2012 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 2013 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" beginning on page 94 of the attached Proxy Statement.

EMC's Annual Report on Form 10-K for 2012 accompanies this Notice.

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

March 21, 2013

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on May 1, 2013: The Annual Report on Form 10-K for 2012 and 2013 Proxy Statement are available at www.proxyvote.com.

Proxy Statement for the
Annual Meeting of Shareholders of
EMC CORPORATION
To Be Held on Wednesday, May 1, 2013
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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 2012. 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.

2012 Business Results

EMC's vision is to be the undisputed leader in enabling hybrid cloud computing. To make this vision a reality, we are focused on accelerating IT transformation to cloud computing, leveraging the capabilities of Big Data analytics, and building trusted IT. In addition, over the years, we have made strategic investments to build our portfolio of information storage, virtualization, information protection, information security, and information management, analytics and intelligence technologies, products and services. As a result, we now have what we believe to be the deepest knowledge, broadest product portfolio and strongest partnerships in the IT industry to help our customers gain greater efficiency, control and choice on their journey to the cloud and realize the benefits of delivering IT as a Service.

We firmly believe our vision and strategy are on target. Even as IT spending forecasts declined over the course of 2012, we continued to execute on our long-term strategy and grew 2012 revenue approximately four times faster than IT spending growth. Our ability to sustain profitable growth year after year has produced a track record that few large, technology companies can match.

In 2012, we successfully executed what we call our financial triple play: simultaneously gaining market share, investing in our business and growing our non-GAAP earnings per share ("EPS") at a rate faster than the rate at which we grow our revenue. Furthermore, despite IT spending growth of only approximately 2% in 2012, we achieved record revenue, profit and free cash flow, as set forth in the table below:

	2012 (\$)	% Growth from 2011
Revenue	21.71 billion	9%
Non-GAAP Earnings Per Share*	1.70	13%
Free Cash Flow*	5.02 billion	14%

* A reconciliation of our GAAP to non-GAAP results can be found in Exhibit E to this Proxy Statement.

Annual Meeting of Shareholders

- Date and Time: May 1, 2013 at 10:00 a.m., E.D.T.
EMC Corporation
- Place: 176 South Street
Hopkinton, MA 01748
- Record Date: March 1, 2013
- 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.
- Attendance: All shareholders may attend the meeting.

Meeting Agenda and Voting Recommendations

Agenda Item	Board Recommendation	Page
Election of eleven directors	FOR EACH NOMINEE	6
Ratification of selection of PricewaterhouseCoopers LLP as our independent auditors	FOR	15
Advisory approval of our executive compensation	FOR	16
Approval of the EMC Corporation Amended and Restated 2003 Stock Plan	FOR	19
Approval of the EMC Corporation Amended and Restated 1989 Employee Stock Purchase Plan	FOR	26
Approval of amendments to EMC's Articles of Organization and Bylaws to allow shareholders to act by written consent by less than unanimous approval	FOR	29

Shareholder proposal

AGAINST

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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 on which he or she sits. Set forth below is summary information about each director nominee.

Nominee and Principal Occupation	Age	Director Since	Independent	Current Committee Membership
Michael W. Brown Former Vice President and Chief Financial Officer of Microsoft Corporation	67	2005	ü	<ul style="list-style-type: none"> • Audit • Finance (chair) • Leadership and Compensation • Mergers and Acquisitions
Randolph L. Cowen Former co-Chief Administrative Officer of The Goldman Sachs Group, Inc.	62	2009	ü	<ul style="list-style-type: none"> • Leadership and Compensation • Mergers and Acquisitions
Gail Deegan Former Executive Vice President and Chief Financial Officer of Houghton Mifflin Company	66	2002	ü	<ul style="list-style-type: none"> • Audit (chair) • Corporate Governance and Nominating
James S. DiStasio Former Senior Vice Chairman and Americas Chief Operating Officer of Ernst & Young LLP	65	2010	ü	<ul style="list-style-type: none"> • Audit
John R. Egan Managing Partner and General Partner of Egan-Managed Capital	55	1992		<ul style="list-style-type: none"> • Finance • Mergers and Acquisitions (chair)
Edmund F. Kelly Chairman of Liberty Mutual Group	67	2007	ü	<ul style="list-style-type: none"> • Finance
Jami Miscik President and Vice Chairman of Kissinger Associates, Inc.	54	2012	ü	<ul style="list-style-type: none"> • Corporate Governance and Nominating
Windle B. Priem Former President and Chief Executive Officer of Korn/Ferry International	75	2001	ü	<ul style="list-style-type: none"> • Audit • Corporate Governance and Nominating • Leadership and Compensation (chair)
Paul Sagan Executive Vice Chairman of Akamai Technologies, Inc.	54	2007	ü	<ul style="list-style-type: none"> • Mergers and Acquisitions
David N. Strohm Venture Partner of Greylock Partners	64	2003	ü	<ul style="list-style-type: none"> • Corporate Governance and Nominating (chair) • Leadership and Compensation • Mergers and Acquisitions
Joseph M. Tucci Chairman and Chief Executive Officer of EMC Corporation	65	2001		<ul style="list-style-type: none"> • Finance • Mergers and Acquisitions

Corporate Governance Highlights

- Substantial majority of independent directors (9 of 11)
- Annual election of directors
- Majority vote for directors
- Long-standing shareholder engagement program
- Annual Board, committee and individual director self-assessments

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- Independent Lead Director
- Board oversight of risk management
- Succession planning at all levels, including for Board and CEO
- No supermajority voting requirements
- Executive sessions of non-management directors and independent directors
- Continuing director education
- Executive and director stock ownership guidelines
- Board oversight of sustainability program
- 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 2013. The following table summarizes the fees PwC billed us for 2012 and 2011. The Audit Committee pre-approved all audit, review and attest services performed by PwC.

	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
2012	8,435,360	384,474	2,264,722	295,457
2011	6,659,588	334,500	3,118,337	255,539

Advisory Approval of our Executive Compensation

We are asking for your advisory approval of the compensation of our Named Executive Officers (as defined below). While this vote is advisory and not binding on us, the Leadership and Compensation Committee (the “Compensation Committee”) will consider your views when determining executive compensation in the future. At our May 2012 annual meeting, shareholders expressed strong support for our executive compensation program, with over 96% of votes cast voting in favor of the proposal.

Pay-for-Performance Philosophy

Our executive compensation programs are based on strong pay-for-performance practices that require achievement of challenging goals designed to drive profitable revenue growth and market share gains. We believe achievement of these goals will create long-term shareholder value.

2012 Executive Compensation Program

The Compensation Committee approved an executive compensation program for 2012 that implements our pay-for-performance philosophy. In addition, the 2012 program reflects the new duties and greater responsibilities assumed by each of Messrs. Goulden, Elias, Scannell, Burton and Teuber in July 2012.

As discussed above, despite a challenging economic environment, EMC achieved strong financial performance in 2012 and the Named Executive Officers achieved 98.7%, 100% and 102.5% of the respective revenue, non-GAAP EPS and free cash flow targets established by the Compensation Committee. Below is a summary of the Named Executive Officers' 2012 compensation as set forth in the Summary Compensation Table:

Name	Salary (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Joseph M. Tucci	1,000,000*	12,697,669	1,310,657	1,467,360*	116,545	16,592,231
David I. Goulden	737,500	9,351,739	528,240	949,513	16,435	11,583,427
Howard D. Elias	687,500	8,909,754	451,639	757,109	22,697	10,828,699
William F. Scannell	700,000	8,909,754	451,639	632,153	15,821	10,709,367
Jeremy Burton	600,000	8,120,027	357,854	609,588	8,774	9,696,243
William J. Teuber, Jr.	712,500	5,154,478	557,014	707,560	17,051	7,148,603
Patrick P. Gelsinger**	709,104	15,705,824	263,088	889,516	108,022	17,675,554

*Mr. Tucci's base salary and target cash bonus have not increased since 2001.

Amounts represent the aggregate of (i) 2012 compensation from EMC through the end of August 2012 at which **time Mr. Gelsinger became CEO of VMware, Inc., our majority owned subsidiary (“VMware”), and (ii) 2012 compensation from VMware for the remainder of the year.

For more information, please see the Summary Compensation Table, and the accompanying compensation tables, beginning on page 70 of this Proxy Statement.

Summary Information (continued)

Annual Equity Incentive Awards. Based on achievement of the 2012 revenue and EPS performance targets established by the Compensation Committee, 95.8% of the following annual performance-based equity awards granted in August 2011 became eligible to vest in February 2013, vesting ratably over two to three years, subject to continued employment:

Name	2011 Performance Stock Units*		2011 Performance Stock Options*	
	# of Units Granted	# of Units Eligible to Vest	# of Options Granted	# of Options Eligible to Vest
Joseph M. Tucci	183,307	175,678	92,424	88,577
David I. Goulden	61,103	58,560	30,808	29,525
Howard D. Elias	61,103	58,560	30,808	29,525
William F. Scannell	61,103	58,560	30,808	29,525
Jeremy Burton	47,530	45,552	23,965	22,967
William J. Teuber, Jr.	81,470	78,079	41,078	39,368
Patrick P. Gelsinger	61,103	58,560	30,808	29,525

*4.2% of these awards did not become eligible to vest in February 2013 and were forfeited.

A significant majority of the annual equity awards granted to our executive officers in 2012 are performance-based awards and will vest only if the Company achieves challenging revenue and EPS goals. All or a portion of these awards will be forfeited if the performance goals are not met.

Leadership Development and Performance Awards. Over the past few years, Mr. Tucci and the Board have spent considerable time engaged in succession planning for the CEO role and other senior executive roles within the Company. In September 2012, the Company announced that, at the Board's request, Mr. Tucci would remain with EMC through at least February 2015, and that he expects to transfer the CEO role prior to such date while remaining Chairman at both EMC and VMware. At the time of this September 2012 announcement, the Compensation Committee granted performance-based restricted stock units to each of Messrs. Tucci and Teuber, which units vest in 2015 only if the Company achieves two-year total shareholder return and revenue metrics, and Messrs. Tucci and Teuber satisfy specific qualitative goals. The Compensation Committee believes achievement of these goals will be important to ensure continuity in our executive leadership, an orderly transition to new senior leadership over the next few years, and the successful execution of EMC's long-term strategy. Messrs. Tucci and Teuber received 302,917 and 113,594 restricted stock units, respectively.

Long-Term Incentive Plan Equity Awards. In August 2011 and 2012, the Compensation Committee granted certain of our executive officers performance-based restricted stock units that will vest only if three-year cumulative revenue goals are achieved (the "LTIP stock units"). All or a portion of these awards will be forfeited if the performance goals are not met. The Compensation Committee believes these awards promote long-term alignment with EMC's business plan, require sustained performance and provide a multi-year retention incentive through a period of leadership transition. Messrs. Goulden, Elias, Scannell and Burton received the following LTIP stock unit awards in August 2011 and 2012, as applicable:

Name	2011 LTIP Stock Units	2012 LTIP Stock Units
David I. Goulden	239,617	—
Howard D. Elias	239,617	—
William F. Scannell	239,617	—
Jeremy Burton	159,745	74,627

Summary Information (continued)

Other Compensation Highlights

- Annual “say on pay” vote
- No pension or supplemental retirement benefits for executive officers
- Clawback policy applicable to all employees for cash and equity incentive compensation
- Strong executive stock holding guidelines
- “Double trigger” change in control agreements
- Independent compensation consultant
- Compensation Committee oversight of risks associated with compensation policies and practices
- No excise tax gross-ups
- No hedging or pledging of Company stock
- No excessive perquisites for executives

Amended and Restated 2003 Stock Plan

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 60 million shares. Some benefits and key features of the plan include:

- No repricing of stock options without prior shareholder approval
- No discounted stock options
- No dividends or dividend equivalents on unvested performance awards
- A 2:1 fungible share conversion ratio for full-value awards
- No recycling of shares or “liberal share counting” practices
- Clawback provision

Amended and Restated 1989 Employee Stock Purchase Plan

We are asking you to approve an amendment and restatement of the 1989 Plan which would, among other things, (i) increase the number of shares of common stock available for grant under the 1989 Plan by 30 million and (ii) create a sub-plan applicable to non-U.S. employees that provides for the modification of the 1989 Plan terms to comply with local law or the exclusion of non-U.S. employees to the extent participation is not advisable or practicable for EMC. Additional shares are needed so the 1989 Plan can continue to be used as a benefit to attract and retain employees. No employee may purchase more than 1,000 shares of our common stock under the 1989 Plan in any period. The purchase price for a share of common stock is 85% of the fair market value of our common stock at the time of exercise.

Amendments to EMC's Articles of Organization and Bylaws to Allow Shareholders to Act by Written Consent by Less Than Unanimous Approval

We are asking you to approve amendments to our Articles of Organization and Bylaws that generally would allow shareholders to take action without a meeting by majority written consent. In order to promote the participation, and protect the rights, of all shareholders and enhance the transparency of the written consent process, shareholders' ability to act by less than unanimous written consent would be subject to certain parameters, including, among other things:

- Shareholders owning at least 25% of our outstanding shares must initiate the written consent process by requesting

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that the Board set a record date for shareholder action;

- The requesting shareholders must have full voting and economic rights in the shares; and
- Consents must be solicited from all shareholders.

2014 Annual Meeting

- Deadline for shareholder proposals for inclusion in the proxy statement: November 21, 2013
- Deadline for business and nominations for director: December 27, 2013 – January 26, 2014

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. The Board of Directors has fixed at 11 the total number of directors. On the recommendation of the Corporate Governance and Nominating Committee (the “Governance Committee”), the Board of Directors has nominated the persons 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

The Board believes that its members, collectively, should possess a variety of skills and experience in order to oversee our business 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.

Board Membership Criteria. 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 addition, the Board has determined that it is important to have individuals with the following skills and experiences:

- Domain 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.

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 evaluates the size and composition of the Board to assess 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.

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Proposal 1 - Election of Directors (continued)

Identifying Potential Director Candidates. The Governance Committee identifies Board candidates through numerous sources, including recommendations from directors, executive officers and shareholders of EMC. 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.

In 2012, the Governance Committee undertook a broad and extensive search for a new director. As part of the search process, the Governance Committee engaged a professional search firm to assist it in identifying potential Board candidates. After considering many candidates, including individuals identified by the search firm, members of the Board, members of senior management, and other sources, in August 2012, the Board of Directors elected Jami Miscik to the Board, who had originally been identified by a member of EMC's senior management (other than the CEO).

For more information on our director selection process, see “Corporate Governance - Succession Planning - Board Succession” on page 36 of this Proxy Statement.

Director Nominees. 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 Board believes that all 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 directors (other than Ms. Miscik) were previously elected by the shareholders.

The affirmative vote of a majority of votes properly cast on this proposal at the Annual Meeting is required for the election of directors.

NOMINEES TO SERVE AS DIRECTORS

Michael W. Brown, 67

Director Since: August 2005

Other Current Public Company Boards:

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

Chair of the Audit Committee

Compensation and Corporate Governance Committee

Insperty, Inc.

Finance, Risk Management and Audit Committee

Nominating and Corporate Governance Committee

Stifel Financial Corp.

Risk Management/Corporate Governance Committee

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Proposal 1 - Election of Directors (continued)

Business Experience:

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

Chairman of the NASDAQ Stock Market board of directors

Past governor of the National Association of Securities Dealers

Various positions at Deloitte & Touche LLP over 18 years

•**Education:** Bachelor's degree in Economics from the University of Washington

Qualifications and Skills: 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 new technologies. Through many senior management positions, including as Chairman of NASDAQ and as a past governor of the NASD, Mr. Brown has demonstrated his leadership and business acumen.

Randolph L. Cowen, 62

•**Director Since:** January 2009

Business Experience:

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

Qualifications and Skills: With more than 28 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. As a former customer of EMC, he has in-depth knowledge of our products and services. 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)

Gail Deegan, 66

- Director Since: July
2002

Other Current Public Company Boards:
iRobot Corporation