

SUSTAINABILITY MATERIALITY OVERVIEW

EMC undertakes materiality assessments to identify and prioritize sustainability factors for the purposes of deciding where to focus our resources, setting goals, and evolving and reporting on our business practices.

Economic, environmental, and social factors considered as potentially material meet one or both of the following criteria:

- They have significant potential to impact EMC's business
- EMC has high potential to impact them in an important way

We engage in a comprehensive sustainability materiality assessment process every two years. In 2013, we reached out to more external stakeholders than in the past, provided an expanded list of factors for consideration, and included greater participation from senior EMC executives in the process.

Our 2013 sustainability materiality assessment included feedback from approximately 100 internal and 25 external stakeholders. Internal stakeholders were chosen based on relevant subject matter expertise or senior decision-making responsibility. External stakeholders were chosen based on expertise with factors being considered by the materiality process, familiarity or engagement with EMC's business operations, or recommendations from Ceres, a non-profit organization advocating for sustainability leadership, that assisted in our engagement process. We identified stakeholders from the following categories:

- EMC Executives
- Academics
- Advisors
- Customers/Partners
- Suppliers
- Employees
- Investors
- Non-Governmental Organizations (NGOs)

Elements of EMC's 2013 sustainability materiality assessment included:

Stakeholder Forums: With assistance from Ceres, we conducted in-person forums in 2013 and 2014 with external stakeholders. During these forums, we received feedback on our materiality assessment process and on the results of the 2013 assessment.

Sustainability Materiality Survey: We distributed a survey to global stakeholders that included 39 factors for consideration. Respondents were asked to score each factor on two five-point scales, considering both its potential impact on EMC and EMC's potential to impact the factor. Stakeholders from 14 countries responded to the survey. The survey results were collated to identify high priority factors for internal and external respondents.

Internal Impact Discussion: EMC's Office of Sustainability applied screens to the factors based on several additional considerations, including potential financial impact to EMC, impact of regulation on the factor, level of urgency for collective global action, and presence on recognized sustainability benchmarking indices. Results from the application of the screens to the materiality survey produced a more complete picture.

Executive Engagement: The core set of factors that emerged were presented to EMC's Executive Sustainability Council by our Chief Sustainability Officer. Input from the executives was integrated into the assessment and the final list of priority factors was presented to the CEO, EMC Information Infrastructure, for approval.

At the conclusion of this process, we identified nine top priority relevant factors and four additional high priority factors upon which we have based the scope of this Report. EMC aims to demonstrate leadership in each of the factors below (listed alphabetically):

TOP 9

Corporate Governance

The systems, principles and processes by which the Company is governed and decisions are made regarding corporate affairs. They provide guidelines to allocate the roles and responsibilities among the Board of Directors, management, shareholders and other stakeholders, and to ensure accountability, fairness, and transparency. Corporate governance encompasses the organization, composition and operation of our Board of Directors, the Board's oversight of EMC's business strategy, and the design and implementation of our executive compensation program.

Diversity and Inclusion

By diversity, we refer to recognizing and appreciating human differences such as ethnicity, gender, age, national origin, disability, sexual orientation and beliefs. By inclusion, we refer to valuing, respecting and supporting differences, as well as creating a workplace environment where differences are embraced and each person can achieve his or her full potential.

Energy Efficiency

Energy efficiency focuses on minimizing the energy required to achieve a desired outcome. Since the majority of energy used in the global economy is produced from fossil fuels that contribute to climate change, energy efficiency offers one critical approach in reducing greenhouse gas emissions. Energy also drives higher costs for both EMC and EMC customers. Energy efficiency is a relevant factor in EMC's operations, including our data centers, labs, and manufacturing plants; in the design and operation of our products; in our supply chain; and in the products, technologies and solutions.

eWaste

"eWaste" refers to electronic equipment no longer desired by the user and/or no longer usable for its intended function. EMC's Take Back and eWaste program encompasses the full lifecycle of our products from design to raw material recovery. This includes: considering the end-of-life impact of materials; recovering equipment no longer wanted by our customers; and reprocessing and recycling recovered materials for re-insertion into the industrial supply chain.

Information Security & Privacy

Information security guards against threats to data, such as protecting data from loss, corruption, or unauthorized access (e.g., via anti-malware, encryption, strong passwords, and firewall technology), while information privacy governs how data, specifically personal data, is legitimately used and disclosed.

Innovation

Innovation is the application of new ideas in order to create better products, services, processes, and technologies. By combining ideation with invention and commercialization, innovation creates substantial positive change for EMC's business, our customers, society, and the environment. Innovation at EMC encompasses engagement with innovators both inside (employees) and outside (customers/partners/vendors/suppliers); the development of paths to market for new products, services, and solutions; and the nurturing of a culture that fosters and celebrates innovation.

Role of IT in Society

Information Technology (IT) has permeated nearly every aspect of modern society and every sector of our economy, fundamentally changing the ways in which people interact, business is conducted, services such as healthcare and education are accessed, and knowledge is created and applied. For EMC, the role of IT in society refers to the impacts, both positive and negative, of the use of EMC® technologies, products and solutions, with particular focus on the enabling effects of cloud, Big Data, and Trusted IT.

STEM Education

STEM Education refers to the availability and efficacy of education in science, technology, engineering, and math (STEM) for youth and young adults with the primary goal of creating a pipeline of skilled, technologically literate workers and consumers for the future. For EMC, issues encompassed in addressing STEM Education include access to quality education for underserved communities; enhancing opportunities for girls in STEM; and the inclusion of new and emerging technologies in STEM curricula.

Supply Chain Responsibility

Supply Chain Responsibility refers to setting standards and working with suppliers to improve their social and environmental business practices. Specific areas include labor practices, ethics, environmental stewardship, health and safety practices, and management systems. For EMC, Supply Chain Responsibility means understanding our supply chain's impacts, and also driving and influencing changes that benefit our suppliers' employees and businesses, the communities in which they operate, EMC's business, and the overall IT industry.

2013 MAJOR SUSTAINABILITY RELEVANT FACTORS

▶ **CORPORATE GOVERNANCE**
Continued robust shareholder engagement program



Top Institutional Investors
Mutual Funds
Public Pension Funds
Labor Unions
Socially Responsible Funds

▶ **DIVERSITY AND INCLUSION**
Continued focus on advancement of women



6

CONSECUTIVE YEARS AS PLATINUM SPONSOR

700+

EMC WOMEN IN ATTENDANCE

▶ **ENERGY EFFICIENCY**
Integrated energy efficiency requirements into our go-to-market process for all products



▶ **EWASTE**
We set high standards for our own eWaste management



R2
E-STEWARDS



100%

of IT Asset Disposal suppliers that receive EMC equipment were certified to R2 or e-Stewards standards by the end of 2013

▶ **INFORMATION SECURITY & PRIVACY**
Our strategy continued to evolve toward more emphasis on detecting threats and minimizing their impact



ONE PER MINUTE

Rate at which RSA's Anti-Fraud Command Center detects phishing attacks on its customers



▶ **INNOVATION**
Received more than twice as many entries to the Innovation Roadmap competition as 2012

4,429

IDEAS SUBMITTED



28

COUNTRIES

▶ **ROLE OF IT IN SOCIETY**
Parker Liautaud trekked from Antarctica's Ross Ice Shelf to the South Pole, conducting climate change research

640
KM DISTANCE



The expedition truck transmitted live video and data online, for which EMC provided IT support and interactive data visualizations.



▶ **STEM EDUCATION**
The Academic Alliance Program built on its prior successes

250,000

STUDENTS



76

COUNTRIES



2006

PROGRAM LAUNCH

▶ **SUPPLY CHAIN RESPONSIBILITY**
Integrate sustainability into supply chain business management

QUALITY	✓		
COST	✓		
SUSTAINABILITY	✓		

Sustainability

is now the third-ranking item on our supplier scorecard which guides business decisions

FOUR ADDITIONAL “HIGH IMPORTANCE” FACTORS

Employee Engagement

Employee engagement is the extent to which employees are committed to the company's values, strategy, and goals, are enthusiastic about their work, and are finding personal satisfaction in their employment. For EMC, Employee Engagement encompasses overall corporate engagement including participation in and contribution to EMC's sustainability initiatives, and includes the programs, metrics, and reward systems deployed to create a culture of sustainable thinking at EMC.

Human Rights

Human rights are basic rights inherent to all human beings. At EMC, this means the development of the appropriate policies and practices to promote respect for these fundamental rights among all our stakeholder groups: our employees, workers in our supply chain (also covered in Supply Chain SER), people in communities in which we operate, and those citizens around the globe who could be affected by the manner in which our products are deployed by customers.

Product Stewardship

Product Stewardship is the incorporation of environmental and social implications into product design. For EMC, product stewardship includes the health and environmental impacts of the materials in our products during manufacture, use, and end of life; the impact of design on the ability to recover material at end of life; the effect of design, manufacturing, and use on supplies of resources such as water and energy; the design of products for longer life to reduce waste; the safety and well-being of people who manufacture, use, or otherwise handle our products; and advances toward an industrial ecosystem to minimize the depletion of natural resources consumed in product creation.

Water

At EMC, the primary considerations for water include operational consumption (i.e., the extent to which water is removed from its source); preservation of water quality (i.e., by managing our operations to avoid physical impacts); the impact of water scarcity on EMC's operations and supply chain; the use of water to cool our customers' data centers and our own; and the consumption of water in the production of electricity used to run our business and power our products.