

## CORPORATE GOVERNANCE GUIDELINES

### 1. Director Qualifications

The Board of Directors (the “Board”) of Waters Corporation (the “Company”) shall have a majority of directors who meet the criteria for independence required by the New York Stock Exchange (“NYSE”), Section 10A of the Securities Exchange Act of 1934, as amended (as necessary), and other applicable laws, rules and regulations regarding independence then in effect from time to time.

The Nominating and Corporate Governance Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of any new Board members as well as the composition of the Board as a whole. This assessment will include members’ qualification as independent, as well as consideration of skills, experience and diversity in the context of the overall composition of the Board.

No director will qualify as “independent” unless the Board affirmatively determines that the director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). The Board considers all facts and circumstances known to it that it judges to be relevant in making determinations of independence. To assist it in making such determinations, the Board has adopted Categorical Standards for Director Independence. Those standards are contained in Exhibit A, attached.

The Board presently has nine members, which the Board believes to be an appropriate size. However, in the event that an outstanding candidate is available to become a member of the Board, the Board would be willing to increase its size as it would be to reduce its size should a change in circumstances make that advisable.

Nominees for directorship will be selected by the Nominating and Corporate Governance Committee in accordance with the policies and principles in its charter. The invitation to join the Board should be extended on behalf of the Board itself, by the Chairman of the Nominating and Corporate Governance Committee and the Chairman of the Board.

A director may serve on other public company boards so long as such director is able to devote the time necessary to properly discharge his or her duties and responsibilities to the Board, provided, however that no director may serve simultaneously on the audit committees of more than three public companies (including the Company) unless the Board first has determined that such simultaneous service would not impair the ability of such member to serve on the Board’s Audit Committee and the Company discloses such determination in its annual proxy statement. Each director should notify the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee of his or her acceptance of an invitation to serve on the board of another public company.

No director may be nominated to a new term if he or she would be age 72 or older at the time of the election.

The Board does not believe it should establish term limits as they could cause the Board to lose the services of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole. As an alternative to term limits, the Nominating and Corporate Governance Committee will review each director's continuation on the Board every year.

Directors are expected to avoid any action, position or interest that conflicts with the interest of the Company, or gives the appearance of a conflict. The Company annually solicits information from directors in order to monitor potential conflicts of interest and directors are expected to be mindful of their fiduciary obligations to the Company.

## **2. Director Responsibilities**

The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its shareholders. In discharging that obligation, directors are entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The Company shall purchase directors' and officers' liability insurance on behalf of the directors, and shall provide to the directors indemnification to the fullest extent permitted by law and the Company's charter, by-laws and any indemnification agreements, and exculpation as provided by state law and the Company's charter.

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary properly to discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting.

The Board has no set policy with respect to the separation of the offices of Chairman and the Chief Executive Officer. The Board believes that this issue is part of the succession planning process and that it is in the best interest of the Company for the Board to make a particular determination in the context of selecting a new chief executive officer.

The non-management directors will meet at regularly scheduled executive sessions without management present. The director who presides at each of these sessions will be chosen by the non-management directors. If a single director is chosen to preside, his or her name will be disclosed in the Company's annual proxy statement. The non-management directors may select a different presiding director for each session. In such case, the Company will disclose in the annual proxy statement the procedure by which a

presiding officer is selected for each executive session. So that interested parties can make their concerns known to the non-management directors, the Company will also disclose in its annual proxy statement or on its website at [www.waters.com](http://www.waters.com) a method for those parties to communicate directly with the presiding director or with the non-management directors as a group.

The Board believes that the management speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. However, it is expected that Board members will do this with the knowledge of the management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management.

The Board expects to hold a minimum of five regularly scheduled meetings per year.

The Chairman and the Chief Executive Officer will propose the agenda for each Board meeting after the Board has submitted any recommendations for the agenda. The Board has the ultimate responsibility for its agenda. Each Board member is invited to suggest the inclusion of the items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Company's long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year.

### **3. CEO Certification and Disclosure**

The CEO must certify annually that, as of the date of such certification, he is not aware of any violations by the Company of the NYSE's corporate governance listing standards. In addition, the CEO shall promptly notify the NYSE after any executive officer of the Company becomes aware of any material non-compliance with any applicable provisions of the NYSE's applicable corporate governance listing standards.

### **4. Board Committees**

The Board will have at all times an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. All of the members of these committees will satisfy the independence (and, in the case of the Audit Committee, the financial literacy and experience) requirements of the NYSE, Section 10A of the Securities Exchange Act of 1934, as amended, and other applicable laws, rules and regulations regarding independence then in effect from time to time. Committee members will be appointed by the Board upon recommendation of the Nominating and Corporate Governance Committee with consideration of the desires of individual directors. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

The committees of the Company are described as follows:

- **Audit Committee.** The Audit Committee reviews the work of the Company's internal accounting and audit processes and the work of the Company's independent auditors. The committee has the authority to appoint and replace the Company's independent auditors.
- **Compensation Committee.** The Compensation Committee recommends to the Board compensation for the Chief Executive Officer, senior executives and the directors and oversees the succession planning process of the Company.
- **Nominating and Corporate Governance Committee.** The Nominating and Corporate Governance Committee is responsible for recommending to the Board individuals to be nominated as directors. This includes evaluation of new candidates as well as current directors. This Committee is also responsible for developing and recommending to the Board corporate governance guidelines.

Each committee shall develop its own charter and submit it to the full Board of Directors for approval. Upon approval, such charters shall be published on the company's website at [www.waters.com](http://www.waters.com), and the Audit Committee shall also publish its charter periodically in the Company's annual proxy statement, to the extent required by the rules of the Securities and Exchange Commission. The Company shall state in its Annual Report on Form 10-K that each committee's charter is available on the Company's website at [www.waters.com](http://www.waters.com) and is available in print to any Company stockholder who requests it. The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The charters will also provide that each committee will annually evaluate its own performance.

The chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in such committee's charter. The chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. The schedule for each committee's meetings will be furnished to all directors.

The Board and each committee have the power to hire independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

#### **5. Director Access to Officers and Employees**

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or the Secretary or other appropriate person. The directors will use their judgment

to ensure that any such contact is not disruptive to the business operations of the Company and will, unless they consider it inappropriate, copy the CEO on any written communications between a director and an officer or employee of the Company.

The Board may, as appropriate, request attendance at Board meetings of senior officers of the Company. If the CEO wishes to have additional Company personnel attendees on a regular basis, this suggestion should be brought to the Board for approval.

## **6. Director Compensation**

The form and amount of director compensation will be determined and recommended to the Board for its approval by the Compensation Committee in accordance with the policies and principles set forth in its charter and herein. The Compensation Committee will conduct an annual review of director compensation. Directors who are full-time employees of the Company currently receive no compensation for serving on the Board or its committees. Current board compensation for non-management directors consists of a combination of cash and stock-based awards and is designed to balance current compensation with longer-term equity incentives. More specifically, non-management directors receive a yearly retainer, cash payments for attendance at Board and committee meetings and an annual grant of equity compensation. In addition, all directors are reimbursed for expenses incurred in connection with their attendance at Board or committee meetings.

## **7. Director Orientation and Continuing Education**

All new directors must receive an appropriate orientation, which may involve officers of and counsel to the Company.

It is expected that directors remain up-to-date in their fields of expertise. In addition, it is expected that directors develop a broad, current knowledge of the Company's major businesses, including the Company's products, markets and economics, as well as the strengths and weaknesses of the Company and its competitors.

## **8. Director Independence**

Pursuant to applicable NYSE standards, the board has adopted the following guidelines to assist it in determining whether a director has a direct or indirect material relationship with the Company.

A director will not be considered independent if he or she:

(i) has been employed by, or whose immediate family member has been an executive officer of, the Company within the past three years;

(ii) (a) is, or has an immediate family member who is, a current partner of an internal or external auditor of the Company; (b) is a current employee of an internal or external auditor of the Company; (c) has an immediate family member who is a current employee

of an internal or external auditor of the Company who participates in such firm's audit, assurance or tax compliance practice; or (d) was, or has an immediate family member who was, a partner or employee of an internal or external auditor of the Company who personally worked on the Company's audit within the past three years;

(iii) has, or has an immediate family member who has, within the past three years, been an executive officer of a public company that has on the compensation committee of its board an executive officer of the Company;

(iv) has, or has an immediate family member who has, during any twelve-month period within the past three years, been a paid advisor or consultant to the Company receiving in excess of \$100,000 per year in direct compensation from the Company (other than fees for service as a director or pension or deferred compensation for prior service);

(v) is an employee or has an immediate family member who is an executive officer, of a company that does business with the Company and the annual payments to or from the Company exceeded the greater of \$1 million or 2% of the other company's annual gross revenues in any of the past three fiscal years; and

(vi) is an executive officer of a tax-exempt entity that receives contributions in any fiscal year from the Company exceeding the greater of \$1 million or 2% of its gross revenues (the Company's matching of employee charitable contributions is not included in the amount of the Company's contributions for this purpose.).

An "immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home.

## **9. CEO Evaluation and Management Succession**

The Compensation Committee will conduct an annual review of the CEO's performance, as set forth in its charter.

The Compensation Committee shall oversee all actions taken with respect to succession planning. The entire Board will work with the Compensation Committee to consider and evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

## **10. Annual Performance Evaluation**

The Board and each Committee will conduct annual self-evaluations to determine whether they are functioning effectively. The Nominating and Corporate Governance Committee will develop and recommend to the Board methods for these self-evaluations.

## **11. Disclosure of Corporate Governance Guidelines**

The Company shall make these Guidelines publicly available on the Company's website at [www.waters.com](http://www.waters.com). The Company shall disclose such availability in its Annual Report on Form 10-K and also shall disclose therein that it shall provide a printed copy of these Guidelines without charge to any Company stockholder who requests them.