



## **HYPERION SOLUTIONS CORPORATION CORPORATE GOVERNANCE GUIDELINES**

**Revised: February 16, 2006**

- *Size and Composition of the Board.* We believe the Board should be small, engaged and independent. No officer should serve on the Board of Directors of another company of which a director of the Company is an executive officer. There should be no more than two employee directors on the Board.
- *Frequency of Board Meetings.* We believe the Board should have at least four scheduled meetings a year and be on call to meet more frequently if emergencies or special circumstances warrant.
- *Content and Format of Board Meeting.* The Chairman of the Board will be responsible for establishing agendas for each meeting, but any director, by contacting the Chairman or the Secretary, may request that a matter be placed on the Board agenda.
- *Executive Sessions.* A portion of each Board meeting will be devoted to a session in which the Executive Chairman, Chief Executive Officer and the independent directors may discuss the condition of the Company's business and other sensitive or confidential matters without the Company's management who are not directors being present. At each Board meeting the independent Board members will also meet in executive session without the other members present.
- *Management Talent Evaluation.* One of the most important responsibilities of the Board is assuring that the Company has the appropriate management talent to successfully pursue the Company's strategies. Directors are expected to become sufficiently familiar with the Company's executive officers as to be able to offer personal feedback on the performance of such officers, and by participating in an Annual Executive Talent Review, to become personally familiar with the Company's senior management. The Board should also see that potential successors are identified for the Chief Executive Officer position and other key management positions. It is the responsibility of the Board to cause management to undertake succession planning and performance review of senior managers of the Company on a regular basis, and to report on the status of those efforts to the Board or a committee thereof.
- *Board Oversight of Business.* Not later than the beginning of each fiscal year, the Company's Chief Financial Officer will present to the Board a consolidated Business Plan. A portion of Board meetings will be devoted to a discussion of the Company's results. Once a year, members of the executive team present a review of their business group.
- *Directors' Retirement.* The mandatory retirement age for all directors is set at 72.
- *Change of Status.* Any director whose principal occupation substantially changes following his or her initial election or reelection as a director, or who misses more than one-half of the Board meetings in any consecutive eighteen-month period, shall tender his or her resignation from the Board to the Corporate Governance and Nominating Committee, and the Committee may accept or reject such resignation, in its discretion.
- *Outside Experts.* The Board as a whole and each committee of the Board are authorized to directly retain and consult with outside experts as the members deem appropriate.
- *Independence.* All members of the key Board committees – the Audit, Compensation and Corporate Governance and Nominating Committees – are independent from Hyperion's management.



- *Independent Auditors.* Our independent auditors, report directly to the Audit Committee.
- *Chief Executive Officer Service on Outside Boards.* The Chief Executive Officer of the Company may not sit on more than two outside (that is, other than Hyperion's Board) boards of public, for-profit companies.
- *Non-CEO Director Service on Outside Boards.* A director of the Company who is not the Chief Executive Officer of Hyperion may not sit on more than three outside (that is, other than Hyperion's Board) boards of public, for-profit companies.
- *Reviews.* The Board will conduct periodic reviews of its performance as a whole and of the performance of individual members.
- *Auditor Rotation.* The Company will have a mechanism to ensure auditor rotation.
- *Stock Ownership.* Board members must hold equity value (face value) of stock or vested stock options equal to at least three times their annual retainer. The Company's Chief Executive Officer must hold equity value (face value) of stock or vested stock options equal to at least three times his or her annual base salary. Other Section 16 reporting persons who report directly to the Company's Chief Executive Officer must hold equity value (face value) of stock or stock options equal to at least their annual base salary. These goals must be met within the later of (i) five years after a representative's start of service with the Company; or (ii) five years after September 16, 2005, the original date of adoption of these guidelines.