

Laboratory Corporation of America® Holdings
Corporate Governance Guidelines

1. Role of the Board of Directors

The Company's primary objective is to provide state of the art diagnostic technologies and services to health care service providers and patients while providing long term financial returns to shareholders. The business of the Company is overseen by the Board of Directors, which is elected by the stockholders. The basic responsibility of the members of the Board is to exercise their business judgment to act in what each director reasonably believes to be in the best interests of the Company and its stockholders. The Board approves the selection of the senior management team, which is responsible for the day-to-day conduct of the Company's business.

2. Selection of Chairman of the Board and Chief Executive Officer

The Board selects the Chairman and Chief Executive Officer and, in consultation with the Chief Executive Officer, appoints other officers of the Company.

The Board believes that under some circumstances it may be desirable to separate the roles of Chairman and Chief Executive Officer and reserves the right to do so when, in its judgment, such circumstances occur. Currently, the Chairman is the Chief Executive Officer of the Company.

3. Size of the Board

The Board currently has 10 members and annually reviews the appropriate size of the Board.

4. Board Membership Criteria

The Nominating and Corporate Governance Committee is responsible for reviewing with the Board the appropriate skills and characteristics required of Board members in the context of the Company's business needs and the current composition of the Board. This assessment should include issues of diversity, age, background, skills, and expertise in the context of an analysis of the perceived needs of the Board at that point in time.

5. Composition of the Board

The Board shall be comprised of a majority of independent Directors.

6. Board Definition of Director Independence

The Board believes that an outside director is "independent" if there is no current relationship between the director and the Company or its subsidiaries that would present, or appear to present, any conflict of interest to the Company or interfere in the exercise of independent judgment as a director. No officer or employee of the Company or its subsidiaries or its independent auditor nor any immediate family member of any officer or employee shall qualify as an independent director. An individual may not serve as an independent member of the Board for a period of three years unless NYSE or other regulatory or other legal requirements require a longer period in which case such longer period shall apply, following termination of any of the relationships described above, unless the Board expressly determines otherwise. Additionally, the Board will fully comply with definitions of "independence" established by the New York Stock Exchange in its listing standards and the Securities and Exchange Commission.

The Board assesses any relationship between each outside director and LabCorp to ensure that there is no current relationship between any outside Director and LabCorp that would be construed to prevent any Board member from being designated as independent. The independence of the directors is reviewed annually by the Nominating and Corporate Governance Committee.

7. Selection and Orientation of New Directors

The Board has delegated the director candidate screening process to the Nominating and Corporate Governance Committee, which recommends candidates for election to the full Board for its consideration. The entire Board is responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. Nominations may also be submitted to the Nominating and Corporate Governance Committee by the Company's shareholders.

The Nominating and Corporate Governance Committee shall oversee the orientation and training of newly elected directors and continuing education for all Board members.

8. Director Election Policy

It is the policy of the Board that any director who fails to receive the required vote for election as set forth on the Company's By-laws will submit his or her resignation for consideration by the Board of Directors.

9. Extending the Invitation to a New Potential Director to Join the Board

The invitation to join the Board is extended by the Chairman on behalf of the Board of Directors.

10. Former Chief Executive Officer's Board Membership

The Board believes that this is a matter to be decided in each individual instance. A former Chairman or Chief Executive Officer serving on the Board will not be considered an independent Director until such time as the former Chairman or Chief Executive Officer satisfies the definition of independence established by the New York Stock Exchange and the Securities and Exchange Commission.

11. Directors Who Change Their Present Job Responsibility

Any Director who experiences a significant change in responsibilities or assignment will review and consult with the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee on the potential impact, if any, the change may have on continued Board service.

12. Number and Names of Committees

The Board is currently organized into four standing committees: Audit, Nominating and Corporate Governance, Compensation, and Quality and Compliance. The duties for each of these committees shall be outlined in the committee charters. From time to time, the Board may provide for such other standing or special committees as may be necessary to carry out its responsibilities.

13. Assignment and Rotation of Committee Members

The Nominating and Corporate Governance Committee shall be responsible, after consultation with the Chairman of the Board, for making recommendations for the assignment of Board members to various committees. The Nominating and Corporate Governance Committee shall from time to time review the Committee assignments and shall consider the rotation of Chairpersons and members

with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors. Concurrent membership on more than one committee is also desirable where practicable.

14. Lead Independent Director

When considered desirable by the Board, including when the Chief Executive Officer also serves as Chairman or the Chairman is otherwise not an independent director, the Board will elect one of the Board's independent directors to serve as the Lead Independent Director. The Lead Independent Director is responsible for coordinating the activities of the independent directors and shall perform such other duties and responsibilities as the Board may determine, including: presiding at executive sessions of the Board; serving as a liaison between the Chairman and the other directors; advising the Chairman with respect to the schedule, agenda and information for Board meetings, advising the Chairman with respect to consultants who report directly to the Board; and being available, as appropriate, to communicate with the Company's stockholders. Appointment of a Lead Director, however, is not intended to diminish the role of the Chairperson of the Board or the various Committee Chairs or the interaction between the Directors and the Chairperson. The Chairman, who presides at all meetings of the Board, takes the lead role in the boardroom. The Chairpersons of the various Board Committees take the lead on matters falling within their purview.

15. Executive Sessions

The independent Directors shall meet on a periodic basis, but no less than four times a year on the same day as the regularly scheduled Board meetings. These meetings shall be chaired by the Lead Independent Director. If there is no Lead Independent Director and the Chairman is also the Chief Executive Officer, independent directors will rotate chairing executive sessions of the Board.

16. Frequency of Meetings

There shall be at least five regularly scheduled meetings of the Board each year. One of these meetings shall be of two days duration and devoted primarily to long-term strategic planning. In addition, special meetings may be called from time to time as determined by the needs of the business. Periodically, the Board and management will discuss major items that should be presented to inform the Board over the course of the next year.

17. Selection of Agenda Items for Board Meetings

The Chairman of the Board shall set the agenda for Board meetings in consultation with the Lead Independent Director where appropriate, with the understanding that certain items necessary for appropriate Board oversight, such as annual budgets, long range plans, and succession plans, must appear periodically on the agenda. Board members may suggest that particular items be placed on the agenda.

18. Board Materials Distributed in Advance

The Board believes that information, documentation, and data that are important to the Board's understanding of the business should be distributed in writing to the Directors before the Board meets with sufficient time to review. Management will endeavor to provide on a timely basis material that is concise, informative and clear. Directors are responsible for reviewing these materials prior to each Board meeting.

19. Presentations

Background materials for presentations on specific subjects should be sent to the Directors sufficiently in advance so that Board meeting time may be conserved and discussion time focused

on questions that the Board has regarding the materials. On those occasions where the subject matter is too sensitive to provide in writing, the presentation will be discussed at the meeting. Where there is no prior distribution of a presentation on a sensitive subject, the Chairman or Lead Independent Director may elect to contact each Director by telephone in advance of the meeting to discuss the subject and the principal issues the Board will need to consider.

20. Retirement Age

The age of directors is reviewed annually by the Board. The Board does not have a specific retirement age for directors, as it desires to have flexibility to retain individuals with special skills or experience regardless of age.

21. Term Limits

While the Board does not believe it should establish term limits, the Nominating and Corporate Governance Committee shall consider the issue of continuing director tenure and take steps as may be appropriate to ensure that the Board maintains an openness to new ideas and a willingness to critically re-examine the status quo.

22. Board Compensation

The Company's executive officers shall not receive additional compensation for their service as directors.

The Company believes that compensation for non-employee directors should be competitive and should encourage increased ownership of the Company's stock and a long-term perspective on the Company through the payment of a portion of director compensation in Company stock or options to purchase the Company's stock.

23. Evaluation of Board

The Nominating and Corporate Governance Committee will perform an annual assessment of the Board's performance, the results of which will be discussed with the Board. The assessment should include a review of any areas in which the Board or management believes the Board can make a better contribution to the governance of the Company. The purpose of the review will be to improve the performance of the Board as a unit. The Nominating and Corporate Governance Committee will utilize the results of the Board evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board. While the Board must function effectively as a unit, the role and contribution of individuals is important as well. In the event of concern over the performance or contribution of an individual member, the Chairman or Lead Independent Director will meet with that member and explore the situation, consulting with the Nominating and Corporate Governance Committee as appropriate.

24. Evaluation of the Chief Executive Officer

The independent directors led by the Chairperson of the Compensation Committee shall perform an annual evaluation in Executive Session of the Chief Executive Officer. The evaluation should be based on a broad range of criteria and include objective criteria, including performance of the business, accomplishment of long-term strategic objectives and development of management succession.

25. Succession Planning

The Board plans for the succession to the position of Chief Executive Officer. To assist the Board, the Chief Executive Officer annually provides the Board with an assessment of senior managers and

their potential to succeed him or her. He or she also provides the Board with an assessment of persons considered potential successors to certain senior management positions, including a review of any development plans recommended for such individuals.

In addition, the Chief Executive Officer shall prepare, on a continuing basis, a short-term succession plan which delineates a temporary delegation of authority to certain officers of the Company, if all or a portion of the senior officers should unexpectedly become unable to perform their duties. The short-term succession plan shall be in effect until the Board has the opportunity to consider the situation and take action, when necessary.

The Board also plans for its own succession to ensure the future leadership of the oversight of the Company. The Nominating and Corporate Governance Committee annually assesses issues surrounding succession, and takes those matters into account when recommending nominees for election to the Board at the next annual meeting of stockholders.

26. Management Development

The Board shall determine that a satisfactory system is in effect for education, development and orderly succession of senior and mid-level managers throughout the Company. The Chief Executive Officer shall provide an annual report to the Compensation Committee and then to the Board, on the Company's program for management development.

27. Attendance of Non-Directors at Board Meetings

At the invitation of the Board, members of senior management recommended by the Chairman and Chief Executive Officer may attend board meetings or portions thereof for the purpose of participating in discussions. Generally, presentations of matters to be considered by the Board are made by the manager responsible for that area of the Company's operations. Additionally, the Board is comfortable with the regular attendance at each board meeting of non-directors, including the non-board member serving in the corporate office of Secretary.

28. Board Access to Senior Management

Board members shall have complete access to management. Board members shall use sound business judgment to ensure that such contact is not distracting, and if in writing, shall be copied to the Chief Executive Officer and Chairman of the Board.

Furthermore, the Board encourages management, from time to time, to bring managers into Board meetings who (a) can provide additional insight concerning the items being discussed because of personal involvement in those areas or (b) represent managers with future potential such that senior management believes they should be given exposure to the Board.

29. Board Interaction with Institutional Investors, Press, Customers and Other Third Parties

The Board believes that management generally should speak for the Company. It is suggested that each director shall refer all inquiries from institutional investors, the press or customers to management.

30. Risk Oversight

The Board shall oversee the establishment and maintenance of the Company's risk management processes. The Board may delegate primary responsibility for oversight of specific risks to any one or more of its committees.

31. Review of Corporate Governance Guidelines

The Board shall maintain written corporate governance guidelines which will be reviewed annually by the Nominating and Corporate Governance Committee with a report to the full Board of the Committee's findings and recommendations. If necessary, the guidelines shall be revised and updated by the Board based on the recommendations of the Nominating and Corporate Governance Committee.