

ZIMMER HOLDINGS, INC.
CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines (the "Guidelines") have been adopted by the Board of Directors (the "Board") of Zimmer Holdings, Inc. (the "Company") to assist the Board in the exercise of its responsibilities. These Guidelines reflect the Board's commitment to monitor the effectiveness of policy and decision-making both at the Board and management level, with a view to enhancing stockholder value over the long term. These Guidelines are in addition to, and are not intended to change or interpret, any Federal or state law or regulation, including the Delaware General Corporation Law, or the Restated Certificate of Incorporation or Restated By-Laws of the Company. The Guidelines are subject to modification from time to time by the Board based upon recommendations from the Corporate Governance Committee.

Director Qualifications

Size of the Board

In accordance with the Company's Restated Certificate of Incorporation, the Board fixes by resolution from time to time the number of directors constituting the Board. The Corporate Governance Committee and the Board periodically review the appropriate size of the Board.

Board Membership Criteria

The Corporate Governance Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of new Board members as well as the composition of the Board as a whole. This assessment includes members' qualification as independent, as well as consideration of integrity, diligence, diversity, age, skills, and experience in the context of the needs of the Board.

As required by the rules of the New York Stock Exchange, a majority of the directors qualify as independent directors.

Director Independence Standards

As permitted by the rules of the New York Stock Exchange, the Board has adopted categorical standards to assist it in making determinations of independence. These standards incorporate, and are consistent with, the definition of "independent" contained in the New York Stock Exchange listing rules. Any determination of independence for a director who does not meet these standards will be specifically explained in the Company's proxy statement. The standards are as follows:

- A. A director will not be independent if, within the preceding three years:
 - 1. the director was employed by the Company;

2. an immediate family member of the director was employed by the Company as an executive officer;
3. the director, or an immediate family member of the director, received more than \$120,000 during any twelve-month period in direct compensation from the Company, other than director and Board committee fees or deferred compensation for prior service;
4. the director is a current partner or employee of the Company's internal or external auditor;
5. an immediate family member of the director is a current employee of the Company's internal or external auditor and personally works on the Company's audit or is a current partner of the Company's internal or external auditor;
6. the director or an immediate family member was (but is no longer) a partner or employee of the Company's internal or external auditor and personally worked on the Company's audit within that time;
7. an executive officer of the Company was on the compensation committee of the board of directors of a company that concurrently employed the director or employed an immediate family member of the director as an executive officer; or
8. a company made payments to or received payments from the Company for property or services in an amount which, in any single fiscal year, exceeded the greater of \$1 million or 2% of such other company's consolidated gross revenues, and such company currently employs the director or currently employs an immediate family member of the director as an executive officer.

B. A director will not be independent if:

1. the director is employed as an executive officer of a company that is indebted to the Company, or to which the Company is indebted, and the total amount of either company's indebtedness to the other is more than 5% of the total consolidated assets of the company that employs the director;
2. the Company owns or controls more than 5% of the outstanding equity interests of a company that employs the director as an executive officer; or
3. the director serves as an officer, director or trustee of a charitable organization, and the Company's discretionary charitable contributions to the organization are more than 5% of the organization's total annual charitable receipts or more than 10% of the Company's total annual charitable contributions. (Any automatic matching of employees' charitable contributions would not be included in the Company's annual charitable contributions for this purpose).

C. A director will not be independent for purposes of serving on the Company's Audit Committee if:

1. the director or an immediate family member of the director accepts any consulting, advisory, or other compensatory fee from the Company, other

- than director or Board committee fees or fixed amounts of compensation under a retirement plan or deferred compensation plan for prior service;
2. the director is a partner, member, managing director or executive officer of, or occupies a similar position with, an entity which provides accounting, consulting, legal, investment banking or financial advisory services to the Company; or
 3. the director is an affiliate of the Company apart from the director's capacity as a member of the Board and any Board committee.

D. For purposes of these director independence standards:

1. references to the Company include the Company's consolidated subsidiaries;
2. a director's "immediate family members" include his or her 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 the director's home; and
3. an "affiliate" of the Company is a person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Company.

Each director should promptly report to the Board any change in the employment or other affiliations of the director and/or his or her family members that could result in a related person transaction or otherwise affect the director's independence.

Selection Process

Beginning with the 2008 annual meeting of stockholders, the directors whose terms are expiring shall be elected by the Company's stockholders for one-year terms. The Corporate Governance Committee is responsible for seeking individuals qualified to become Board members for recommendation to the full Board. A stockholder who wishes to recommend a director candidate for consideration by the Corporate Governance Committee should send such recommendation to the Secretary of the Company, 345 East Main Street, Warsaw, Indiana 46580, who will then forward it to the Committee. Any such recommendation should include a description of the candidate's qualifications for board service, the candidate's written consent to be considered for nomination and to serve if nominated and elected, and addresses and telephone numbers for contacting the stockholder and the candidate for more information. A stockholder who wishes to nominate an individual as a director candidate at the annual meeting of stockholders, rather than recommend the individual to the Corporate Governance Committee as a nominee, must comply with the advance notice requirements set forth in the Company's Restated By-Laws. Based on the recommendation of the Corporate Governance Committee, the Board proposes to the stockholders the nominees for election. Newly created directorships resulting from any increase in the number of directors and any vacancies on the Board are filled by majority vote of the remaining directors then in office.

Director Resignations

Any director who retires from his or her present employment, or who materially changes his or her position or job responsibilities, shall tender a letter of proposed resignation from the Board to the Chair of the Corporate Governance Committee. The Corporate Governance Committee shall review the director's continuation on the Board, and recommend to the Board whether, in light of all the circumstances, the Board should accept such proposed resignation or request that the director continue to serve. In addition, any director who is not elected by a majority vote shall tender his or her resignation to the Board, subject to acceptance by the Board, as set forth in the Company's Restated By-Laws.

Other Directorships and Audit Committee Memberships

Directors must advise the Chair of the Corporate Governance Committee in advance of accepting an invitation to serve on another public company board. No member of the Board may simultaneously serve on the board of directors of more than three other public companies. In addition, no member of the Company's Audit Committee may simultaneously serve on the audit committee of more than two other public companies.

Term Limits

As an alternative to term limits for directors, the Corporate Governance Committee shall review, in the year in which a director is to stand for re-election to the Board, such director's continuation on the Board in connection with the decision whether such director should be re-nominated to the Board.

Retirement Policy

No person shall be nominated by the Board to serve as a director after he or she has passed his or her 70th birthday, unless the Board has determined, for good reason, to waive the maximum age requirement for such person to serve as a director.

Board Responsibilities

Director Responsibilities

Directors must exercise their business judgment in what they reasonably believe to be the best interests of the Company and its stockholders. In discharging that obligation, directors are entitled to rely in good faith upon the records of the Company and upon information, opinions, reports or statements presented by any of the Company's officers or employees, or committees of the Board, or by outside advisors, auditors and experts with respect to matters the director reasonably believes are within such persons' professional or expert competence.

Attendance at Meetings

Directors are expected to attend and participate in Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. It should be noted that current Securities and Exchange Commission rules require disclosure in the annual proxy statement of the name of any director who attended fewer than 75% of Board and applicable committee meetings. Directors are also expected to attend the annual meeting of stockholders.

Selection and Responsibilities of the Chairman of the Board

At this time, the Board has determined that the positions of Chairman of the Board and Chief Executive Officer ("CEO") should be separated and that the position of Chairman of the Board shall be held by a non-management director. If circumstances change in the future, the Board may determine these positions should be held by the same person or that the Chairman of the Board need not be a non-management director. The Board selects the non-management Chairman of the Board in accordance with the Company's Restated By-Laws and upon the criteria that the Board deems appropriate. The Chairman of the Board will have the following duties and responsibilities:

- presiding at meetings of the Board and stockholders;
- approving the agendas for meetings of the full Board, as prepared by the CEO;
- presiding at meetings of the non-management directors;
- coordinating the activities of the non-management directors; and
- serving as the liaison between the CEO and the rest of the Board.

The Chairman of the Board may delegate his or her authority to preside at a meeting of the stockholders to one or more persons. The Chairman of the Board shall not be an executive officer of the Company.

Board Material Distributed in Advance

Whenever possible, information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting will be distributed in writing to the directors well in advance of the meeting. Directors are expected to review this material prior to the meeting.

Agenda Items for Board Meetings

The Chairman of the Board approves the agenda for each Board meeting, as prepared by the CEO. Each Board member is encouraged to suggest the inclusion

of items on the agenda. At the beginning of the year, the Board establishes a schedule of agenda subjects to be discussed during the year (to the degree this can be foreseen). Each Board member is also free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board reviews 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.

Executive Sessions of Non-management Directors

Non-management directors meet in executive sessions without management present upon the adjournment of every regularly scheduled meeting of the Board and at other times they determine. The Chairman of the Board shall preside at these meetings and shall determine what record, if any, should be made of the meeting.

In order that interested parties may be able to make their concerns known to the non-management directors, the Company discloses a method for communicating directly with the non-management directors in its annual proxy statement.

Director Orientation and Continuing Education

The Company conducts an orientation program for new directors. The orientation program may vary depending on the background, experience and expertise of the new directors, but generally includes presentations by senior management to familiarize new directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct, its principal officers, and its internal and independent auditors. In addition, the orientation program includes visits to Company headquarters and, to the extent practical, certain of the Company's significant facilities. All other directors are also invited to attend the orientation program.

Directors are strongly encouraged to keep current on issues confronting directors and will be reimbursed for out-of-pocket expenses incurred in attending continuing education courses for directors.

Annual Performance Evaluation

The Board and each of the Audit, Compensation and Management Development, Corporate Governance, and Science and Technology Committees conduct an annual self-evaluation to determine whether they are functioning effectively. The Corporate Governance Committee reports to the Board on the assessment of Board and committee performance following the annual self-evaluations.

Board Committees

Committees and Committee Members

The Board has established the following committees to assist the Board in discharging its responsibilities: an Audit Committee, a Compensation and

Management Development Committee, a Corporate Governance Committee, and a Science and Technology Committee. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate. The members of the Audit, Compensation and Management Development, and Corporate Governance Committees are independent in accordance with the director independence standards set forth above. Committee members are appointed by the Board upon recommendation of the Corporate Governance Committee with consideration of the desires of individual directors.

Committee Charters

Each committee has a written charter that sets forth the purposes, goals and responsibilities of the committee 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 also provide that each committee will annually evaluate its performance.

Committee Meetings

The Chair of each committee, in consultation with the committee members, determines the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chair of each committee, in consultation with the appropriate members of the committee and management, develops the committee's agenda. At the beginning of the year each committee establishes a schedule of agenda subjects to be discussed during the year (to the degree these can be foreseen). The schedule for each committee is furnished to all directors.

Director Access to Advisors and Management

Director Access to Independent Advisors

The Board and each Board 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 and, in the case of Board committees, without consulting or obtaining the approval of the full Board.

Director Access to Management

Representatives of the Company's senior management team attend Board meetings on a regular basis, both to make special presentations and as a discussion resource, and the senior management team, as well as other management personnel and employees of the Company, are available directly to Board members outside of meetings.

CEO Evaluation and Management Succession

The Compensation and Management Development Committee conducts an annual review of the CEO's performance and communicates the results of the review to the full Board and the CEO.

The Compensation and Management Development Committee also conducts an annual review of succession planning, commencing the year after the first full year of service by the CEO. The full Board works with the Compensation and Management Development Committee to nominate and evaluate potential successors to the CEO. The CEO makes available his recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

Director Compensation and Stock Ownership Guidelines

The Corporate Governance Committee recommends to the full Board for approval the form and amount of compensation to be paid to non-management directors, including the compensation payable to committee Chairs. The Corporate Governance Committee, in cooperation with the Compensation and Management Development Committee, reviews director compensation as frequently as the Corporate Governance Committee deems it necessary and consults with the Compensation and Management Development Committee with respect to any proposed changes in director compensation. In addition, the Compensation and Management Development Committee recommends to the full Board for approval the form and amount of additional compensation payable to the non-management Chairman of the Board for his service in such capacity. The Compensation and Management Development Committee reviews the amount of additional compensation to be paid to the non-management Chairman of the Board as frequently as the Compensation and Management Development Committee deems it necessary. Management directors do not receive additional compensation for Board service.

In connection with director compensation, the Board has established stock ownership guidelines for directors in order to align their interests more closely with those of stockholders. Under the guidelines and the Company's Restated Deferred Compensation Plan for Non-Employee Directors, directors are awarded 500 deferred share units at each annual meeting of stockholders that must be deferred and credited to a deferred compensation account. In addition, one-half of a director's annual retainer for Board service must be deferred and credited to the deferred compensation account in the form of deferred share units. The deferral of one-half of a director's annual retainer is mandatory until the director owns a total of 5,000 deferred share units. The deferred share units held in the director's deferred compensation account will be paid in shares of the Company's common stock after the director's retirement from the Board.

Senior Management Stock Ownership Guidelines and Pledge Arrangements

The Board has established stock ownership guidelines for executive officers of the Company in order to more closely align their interests with those of stockholders. These guidelines require (i) the CEO to own Company stock with a value equal to at least five times the CEO's base salary; (ii) designated other senior executive officers to own Company stock with a value equal to at least three times the senior executive officer's base salary; and (iii) certain other executive officers to own Company stock with a value equal to at least two times the executive officer's base salary. The designated executive officers have a period of five years to be in compliance with these stock ownership guidelines. Exceptions to the stock ownership guidelines for executive officers may be approved by the CEO or, in the case of the CEO, the Board.

Directors and executive officers must notify the Company of any pledge or grant of a security interest in any shares of Company common stock that they own or of any change in similar previously-reported arrangements.

Communication With the Board

The Board has implemented a process whereby stockholders of the Company may send communications to the Board's attention. Any stockholder desiring to communicate with the Board, or one or more specific members thereof, should communicate in a writing addressed to Zimmer Holdings, Inc., Board of Directors, c/o Secretary, 345 East Main Street, Warsaw, Indiana 46580. The Secretary of the Company has been instructed by the Board to promptly forward all such communications to the specified addressees thereof.

As Revised Effective December 12, 2008.