HOSPIRA, INC.

CORPORATE GOVERNANCE GUIDELINES

Rev. May 13, 2008

I. GENERAL BOARD MATTERS

- *Board Role and Responsibilities*. The role of the Board of Directors (the "Board") of Hospira, Inc. (the "Company") is to represent and protect the interests of the shareholders of the Company by supervising and directing the management of the Company. The primary function of the Board is to use business judgment in exercising the authority over corporate actions that are granted to it by the Company's Certificate of Incorporation and Delaware Corporation Law and overseeing the conduct of the Company's business. The following are the Board's primary oversight responsibilities, which may be carried out by the full Board, a Board committee or the independent members of the Board, as appropriate under the circumstances:

    - overseeing the conduct of the Company's business so that it is managed by its officers, managers and employees in the long term interests of shareholders;
    - selecting, evaluating and compensating the Chief Executive Officer ("CEO") and other top executive officers;
    - planning for CEO succession, as well as monitoring management's succession planning for other officers and senior managers;
    - overseeing and reviewing the Company's strategic direction and objectives and significant operational issues and decisions;
    - monitoring the Company's accounting and financial reporting practices, processes and controls;
    - overseeing the Company's ethics and compliance program, including compliance with applicable laws and regulations; and
    - overseeing the processes that are in place to safeguard the Company's assets and mitigate risk.

- *Board Size* The Board periodically reviews its size to consider that which is deemed to be most effective for its operations. In general, the Board believes that the most appropriate size is ten directors, consisting of the CEO and nine independent Board members. The Board recognizes that retirements, resignations, recruiting delays, as well as the availability of qualified candidates, may result periodically in the Board consisting of a slightly higher or lower number of directors than the Board may have targeted.

- *Chairman of the Board and Chief Executive Officer*. The board of directors believes that it is important to retain the flexibility to allocate the responsibilities of the offices of chairman of the board and chief executive officer in any manner that it determines to be in the best interests of the Company. The board of directors specifically reserves the right to vest the responsibilities of chairman of the board and chief executive officer in the same individual. If the responsibilities of the chairman and chief executive officer are vested in the same person, the independent directors will elect a lead director. The lead director will:

  - coordinate the activities of the independent directors;
  - preside over the executive sessions of the independent directors;
  - collaborate with the chairman and chief executive officer on setting the board meeting schedule and agendas; and
  - assist the governance and public policy committee in connection with its oversight of the annual board and chief executive officer performance evaluations.

  The lead director shall satisfy the independence requirements of the New York Stock Exchange and the Company.

II. DIRECTOR INDEPENDENCE AND QUALIFICATIONS

- *Qualifications*. The qualifications for the directors of Hospira, Inc. (the "Company") are set forth in the Outline for Directorship Qualifications, which is attached as Exhibit A.

- *Independence*. A majority of the directors of the Company shall meet the New York Stock Exchange listing standards for independence, as such requirements are interpreted by the board of directors in its business judgment. All of the members of the audit committee, the compensation committee and the governance and public policy committee shall be independent. The Company's Director Independence Guidelines are attached as Exhibit B.

- *Change in Affiliation*. Directors are expected to report to the chairman of the board and the chairman of the governance and public policy committee when they experience a significant change in their business or professional affiliation or responsibility and offer to resign from the board. The governance and public policy committee will determine whether the director continues to adequately meet the requirements for service on the board of directors and whether or not to accept the resignation, and in so doing may consult with the chairman of the board, to the extent the committee chairman deems appropriate.

- *Limit on the Number of Other Directorships*. Directors are expected to devote sufficient time to fulfill their responsibilities as directors in accordance with the criteria set forth in the Outline for Directorship Qualifications. Accordingly, directors may serve on the board of directors of other public companies, but shall limit such service to that reasonable number of companies which would not conflict with his or her responsibilities as a director of the Company.

- *New Directorships*. Directors are expected to inform the chairman of the board and the chairman of the governance and public policy committee of any public company directorships that they have been offered before accepting that directorship. In addition, no director shall serve on the board of directors of any competitor of the Company.

- *Term Limits*. The Company's directors are not subject to term limits because the board of directors has determined that the knowledge, expertise and continuity provided by those directors who have experience with the Company and who continue to meet the qualifications set forth in the Outline for Directorship Qualifications are valuable to the Company.

- *Tenure*. Management directors shall retire from the board of directors on their retirement from the Company. The board is divided into three classes of directors, and the members of each class are elected for a term of three years. Directors may stand for re-election unless they have reached age 72 as of the date of the annual election. A director may serve his or her full three-year term even if he or she has reached age 72 while serving.

III. DIRECTOR RESPONSIBILITIES

- *Preparation for and Attendance at Meetings*. Directors are expected to prepare adequately for and regularly attend the annual meeting of stockholders and meetings of the board of directors and board committees on which they serve.

- *Special Meetings*. Recognizing that situations arise requiring prompt board action, directors shall make themselves available for special meetings and shall promptly return documents requiring their signature. Directors shall receive prompt notification of such special meetings.

- *Disclosure of Potential Conflicts of Interest*. Directors must disclose to the rest of the members of the board of directors any potential conflict of interest they may have with respect to a matter under discussion and, if appropriate, refrain from voting on a matter on which they may have a conflict.

- *Board Review*. The board of directors shall review and, where appropriate, approve fundamental operating, financial, risk management and other corporate strategies, as well as major plans and objectives, and shall monitor the effectiveness of management policies and decisions, including the execution of strategies.

- *Public Statements*. Absent unusual circumstances, the Company's executive officers, as opposed to individual directors, provide the public voice of the Company.

IV. BOARD AND COMMITTEE MEETINGS

- *Meetings*. The board of directors generally meets at least six times a year, on dates selected by the chairman of the board and the lead director (if any). Directors will be given as much advance notice of meeting dates as reasonably practicable.

- *Agenda*. The chairman of the board and the lead director (if any), in consultation with the other board members, shall set the agenda for meetings of the board of directors. The chairman of each committee shall set the agenda for the meetings of the applicable committee, and in so doing may consult with the chairman of the board and the lead director (if any), to the extent the committee chairman deems appropriate. Directors and committee members may suggest agenda items and may raise other matters at meetings.

- *Executive Sessions*. The independent directors generally meet at least twice a year in regularly scheduled executive sessions and may hold such additional executive sessions as they determine necessary or appropriate. If the chairman of the board is an independent director, the chairman of the board shall normally preside at these executive sessions. Otherwise, the lead director will preside at the executive sessions.

V. BOARD COMMITTEES

- *Audit, Compensation and Governance and Public Policy Committees*. The board of directors shall at all times have an audit committee, a compensation committee and a governance and public policy committee. All of the members of these committees shall satisfy the independence requirements of the New York Stock Exchange, as such requirements are interpreted by the board of directors in its business judgment. Each of these committees shall operate in accordance with applicable law, its charter, and the applicable rules of the Securities and Exchange Commission and the New York Stock Exchange

- *Other Committees*. The board of directors may also establish such other committees as it deems appropriate and delegate to those committees any authority permitted by applicable law and the Company's by-laws as the board of directors sees fit, other than the responsibilities delegated to the audit committee, the compensation committee and governance and public policy committee in their charters or reserved to the full board of directors.

- *Rotation of Committee Chairs and Members*. The governance and public policy committee is responsible, after consultation with the chairman of the board and the lead director (if any), for making recommendations to the board with respect to the committee chairs and members. The full board shall make the final determination as to the committee chairs and members. Consideration will be given to the periodic rotation of committee chairs and members after three years of service, taking into account that there may be reasons at a given point in time to maintain an individual director's committee membership or position as committee chair.

VI. DIRECTOR ACCESS TO MANAGEMENT AND INDEPENDENT ADVISORS

- *Access to the Company's Management*. Each director shall have complete access to the Company's management. The Company's management will make itself available to answer the directors' questions about the Company between meetings.

- *Independent Advisors*. The board of directors and board committees may engage and consult with financial, legal, or other independent advisors at the Company's expense.

VII. DIRECTOR COMPENSATION AND INDEMNIFICATION

- *Role of the Compensation Committee*. Each year, in accordance with the terms of its charter, the compensation committee shall review, at least annually, the compensation paid to the members of the board of directors and give its recommendations to the board of directors regarding both the amount of director compensation that should be paid and the allocation of that compensation between equity-based awards and cash.

- *Director Compensation Guidelines*. The compensation committee shall establish director compensation guidelines and review them as appropriate. In recommending director compensation, the compensation committee shall take comparable director fees into account and shall review any arrangement that could be viewed as indirect director compensation. The board of directors will review, as appropriate, charitable contributions made to organizations with which a director is affiliated and any consulting contracts with, or other indirect forms of compensation to, a director, when determining the form and amount of director compensation and the independence of a director.

- *Indemnification*. In accordance with the terms of its by-laws, the Company shall indemnify the members of the board of directors to the fullest extent permitted by law.

VIII. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

- *Director Orientation*. Following their election, every newly elected member of the board of directors shall participate in an orientation program established by the Company. This orientation program shall include presentations designed to familiarize directors with the Company and its strategic plans, its significant financial, accounting and risk management issues, its code of business conduct, compliance programs and other controls, its executive officers, and its internal and independent auditors. The program shall also address procedures of the board of directors, directors' responsibilities, the board's Corporate Governance Guidelines and board committee charters.

- *Continuing Education*. The board of directors encourages its members to participate in continuing education programs sponsored by universities, stock exchanges or other organizations or consultants specializing in director education. Directors may attend continuing education programs at the Company's expense.

IX. MANAGEMENT EVALUATION AND SUCCESSION

- *Evaluation of Chief Executive Officer and Other Management*. The governance and public policy committee shall oversee, and establish procedures for, the annual evaluation of the chief executive officer's performance. The board of directors shall review the results of this evaluation, including discussing it outside the presence of the management directors, to satisfy itself that the chief executive officer is providing the long-term and short-term leadership that the board of directors deems necessary for the Company. In addition, the governance and public policy committee, with the input of the chief executive officer, shall oversee, and establish procedures for, the annual assessment of the performance and development of the Company's other executive officers.

- *Succession Planning*. Succession planning for the Company's executive officer positions is critical to the Company's long-term success. The board of directors shall annually review the Company's succession plans, which shall be discussed among the non-management directors. The board of directors shall also identify potential successors for the chief executive officer position, although this does not mean that it must at all times have selected a particular individual as the designated successor chief executive officer. The chief executive officer shall participate in this process by providing the board with recommendations or evaluations of potential successors and identifying any development plans that the chief executive officer recommends for such individuals. The chief executive officer is expected to recommend to the board of directors on an ongoing basis one or more successors in the event of an unexpected inability of the chief executive officer to continue to serve.

X. ANNUAL PERFORMANCE EVALUATION OF THE BOARD

- *Self-Evaluation by the Board of Directors*. Each year, the board of directors will conduct a self-evaluation to determine whether it and its committees are functioning effectively. The governance and public policy committee shall oversee, and establish procedures for, the annual evaluations. The full board of directors will discuss the evaluation report to determine what, if any, action should be undertaken to improve board and board committee performance.

- *Statement of Principles*. These Guidelines are a statement of principle and intent. The board of directors reserves the right, unless otherwise required by law or the rules of the Securities and Exchange Commission or the New York Stock Exchange, to make exceptions to these guidelines where it believes such action is warranted due to special circumstances and is in the best interest of the Company.

- *Evaluation of the Corporate Governance Guidelines*. The board of directors recognizes that these Corporate Governance Guidelines must continue to evolve to meet the changing needs of the Company and its stockholders and changing requirements. The board of directors, with the assistance of its governance and public policy committee, will periodically review these Corporate Governance Guidelines to determine whether any changes are appropriate.

XI. COMPLIANCE WITH DISCLOSURE REQUIREMENTS.

- *Disclosure of Corporate Governance Guidelines and Committee Charters*. Copies of these Corporate Governance Guidelines and the charters of the audit committee, the compensation committee and the governance and public policy committee shall be made publicly available by the Company (including, without limitation, by filing such materials with the Securities and Exchange Commission and/or by posting such materials on the Company's website) in accordance with the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder, and the listing rules of the New York Stock Exchange. Furthermore, the Company shall state in certain of its filings with the Securities and Exchange Commission that such materials are publicly available in accordance with the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder, and the listing rules of the New York Stock Exchange.

XII. STOCK OWNERSHIP GUIDELINES

- *Stock Ownership*. Directors and officers are encouraged to make a substantial investment in stock of the Company, depending upon individual circumstances. From time to time, the board of directors may set minimum stock ownership guidelines.

XIII. CODE OF BUSINESS CONDUCT

Directors shall adhere to the Company's Code of Business Conduct as in effect from time to time. Any waiver of the Code of Business Conduct for a director may be made only by the board of directors. The Company shall make prompt public disclosure, in accordance with applicable laws, rules and regulations, of any such waiver.

XIV CONFLICTS OF INTEREST AND COMPANY OPPORTUNITIES

- *Conflicts of Interest*. Directors shall avoid actual or apparent conflicts with the Company's interests.

  As stated in Part III of these Guidelines, each director must disclose to the other members of the board of directors any potential conflict of interest such director may have with respect to a matter under discussion and, if appropriate, refrain from voting on a matter on which such director may have a conflict.

Subject to the New York Stock Exchange listing standards for independence, a non-management director may own a significant financial interest in any firm or corporation which does or seeks to do business with the Company, or which is a competitor of the Company. However, such director must remove himself or herself from any board discussion or other activity that directly impacts the relationship between the Company and such firm or corporation.

Subject to the New York Stock Exchange listing standards for independence, a non-management director may hold a directorial, managerial, employment, consulting or other position with any firm or corporation which does or seeks to do business with the Company. Again, however, such director must remove himself or herself from any board discussion or other activity that directly impacts the relationship between the Company and such firm or corporation.

The board shall be notified before the Company enters into any transaction with, or involving, a director, an executive officer or a person or entity related to a director or executive officer that would potentially require disclosure in the Company's filings with the Securities and Exchange Commission as a related party transaction under applicable rules, and the board shall have adequate opportunity to review such proposed transaction. Any transaction that would cause an independent director not to be independent or would cause that director to be ineligible to serve on any board committees on which the director is then serving under applicable rules and regulations of the Securities and Exchange Commission, New York Stock Exchange or the Company shall be avoided.

As stated in Part II of these Guidelines, no director shall serve on the board of directors of any competitor of the Company. Subject to the New York Stock Exchange listing standards for independence, a non-management director may hold a managerial, employment, consulting or other position with a competitor of the Company only if the board of directors determines that such position is not in conflict with this Principle.

- *Company Opportunities*. Directors shall advance the Company's business interests when the opportunity to do so arises.

XV. ELECTION OF DIRECTORS

- *Majority Voting for Directors*. Any nominee for director who fails to receive more votes in favor of election than "withhold" votes at an annual or special meeting held for the purpose of electing directors where the election is uncontested must, promptly following certification of the shareholder vote, tender his or her resignation to the board. For purposes of the previous sentence, an uncontested election is an election in which the number of nominees is equal to the number of directors being elected at the meeting. The independent directors (excluding the director(s) who tendered the resignation) will evaluate any such resignation in light of the best interests of the Company and its shareholders in determining whether to accept or reject the resignation, or whether other action should be taken. In reaching its decision, the board may consider any factors it deems relevant, including the director's qualifications, the director's past and expected future contributions to the Company, the overall composition of the board and whether accepting the tendered resignation would cause the Company to fail to meet any applicable rule or regulation (including New York Stock Exchange listing requirements and federal securities laws). The board will act on the tendered resignation, and publicly disclose its decision, within 90 days following certification of the shareholder vote. The foregoing procedures will be summarized and disclosed in the proxy statement related to each annual meeting of shareholders.

EXHIBIT A

HOSPIRA, INC.

OUTLINE FOR DIRECTORSHIP QUALIFICATIONS

The following characteristics shall be taken into consideration when selecting nominees for the Board of Directors of Hospira, Inc. (the “Company”). Individual nominees do not need to satisfy all the qualifications listed below, and there is no requirement that all qualifications be represented on the Board.

In addition to the specific characteristics set forth below, Board members should, at a minimum, have backgrounds that collectively provide a portfolio of experience and knowledge that will serve the Company’s governance and strategic needs. Board candidates will be considered on the basis of a range of criteria including broad-based business knowledge and relationships, prominence and excellent reputations in their primary fields of endeavor, as well as a global business perspective and commitment to good corporate citizenship. Directors should have demonstrated experience and ability that is relevant to the Board of Directors' oversight role with respect to the Company’s business and affairs.

1. Strong management experience, ideally with major public companies with successful multinational operations, including, but not limited to:

    A. Active or recently retired Chairmen and Chief Executive Officers.

    B. Presidents and Chief Operating Officers.

    C. Executive or Group Vice Presidents with short term potential for movement to item A or B above.

2. Other areas of experience which are desirable for representation on the Board of the Company include, but are not limited to:

    A. Hospital Products and Hospital Administration.

    B. Medicine and Pharmaceutical Products.

    C. Medical and Scientific Research and Development.

    D. Finance.

    E. International Business.

3. Other qualifications that would be helpful in addition to the above include, but are not limited to:

    A. Senior level government experience.

    B. Academic administration.

4. The Board shall include a range of ages and a diversity of ethnicity, gender and geography.

5. Primary characteristics required in new Board candidates.

    A. They must be first and foremost able and willing to represent the stockholders' short and long-term economic interests.

    B. They must be able to contribute to the evaluation of the existing management of the Company.

    C. They must also be cognizant of the responsibilities of the Company to:

        1. Its employees.

        2. Its customers.

        3. Civic and social issues.

        4. Regulatory authorities.

    D. They will be willing to take the necessary time to properly prepare for Board and Committee meetings, at a minimum, based on a thorough review of the material supplied before each Board meeting.

6. Primary characteristics required for renomination of incumbent Directors. Incumbent Directors should continue to meet the general qualifications outlined above and, in addition, should abide by the following criteria:

    A. Adequate preparation for Board and Committee meetings, including a thorough review of and familiarity with the written materials supplied before each meeting.

    B. Participation in and contributions to Board and Committee discussions through useful and pertinent suggestions, questions, and comments.

    C. Providing on-going advice and counsel to management on the Director's own initiative and when requested by management.

    D. Regular attendance at Board and Committee meetings.

    E. Maintaining an independent familiarity with the external environments in which the Company operates and especially in the Director's own particular fields of expertise.

EXHIBIT B

HOSPIRA, INC.

DIRECTOR INDEPENDENCE GUIDELINES

No director qualifies as "independent" unless the Board of Directors affirmatively determines that the director has no material relationship with Hospira, Inc. (the "Company") or its subsidiaries (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company or any of its subsidiaries). In making this determination, the Board shall consider all relevant facts and circumstances, including the following standards:

- A director who is, or has been within the last three years, an employee of the Company or its subsidiaries, or whose immediate family member is, or has been within the last three years, an executive officer, of the Company or its subsidiaries is not independent.
- A director who receives, or whose immediate family member receives, more than $100,000 in direct compensation from the Company or its subsidiaries, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service), and other than amounts received by an immediate family member for service as a non-executive employee, during any 12-month period in the last three years is not independent.
- A director who, or whose immediate family member, is a current partner of a firm that is the internal or external auditor of the Company or any of its subsidiaries; is not independent;
- A director who is a current employee of a firm that is the internal or external auditor of the Company or any of its subsidiaries is not independent;
- A director who has an immediate family member who is a current employee of a firm that is the internal or external auditor of the Company or any of its subsidiaries and who participates in such firm's audit, assurance or tax compliance (but not tax planning) practice is not independent;
- A director who, or whose immediate family member, was within the last three years a partner or employee of a firm that is the internal or external auditor of the Company or any of its subsidiaries and personally worked on the Company's (or a subsidiary's) audit during that time is not independent;
- A director or an immediate family member is employed, or has been employed within the last three years, as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on that company's compensation committee is not independent;

- A director who is a current employee, or whose immediate family member is a current executive officer, of a company that makes payments to, or receives payments from, the Company or its subsidiaries for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million, or 2% of such other company's consolidated gross revenues, is not independent; and

- A director who is an executive officer of a charitable organization that receives charitable contributions (other than matching contributions) from the Company and its subsidiaries that are in excess of the greater of $1 million or 2% of such charitable organization's consolidated gross revenues is not independent.