

**Blue Cross and Blue Shield of Kansas City**  
**Governance Committee Charter**  
Amended and Restated May 31, 2018

## **Governance Committee Charter**

### **PURPOSE**

The purpose of the Governance Committee is to assist the Board of Directors (the “Board”) in discharging its duties with respect to Board composition and corporate governance, by:

- 1) Developing the criteria, skill sets, and selection processes required for Board membership and officers of the Board.
- 2) Recommending membership to the Board, considering the skills and attributes of the candidate, needs of the Board, value of broad diversity and the geographic representation of BCBSKC membership.
- 3) Establishing programs, processes and procedures to develop the Board to carry out their fiduciary responsibilities to the corporation and to BCBSKC members.
- 4) Developing and periodically reviewing corporate governance guidelines applicable to BCBSKC and recommending changes to the Board.
- 5) Conducting regular evaluation of the Board’s performance.

### **AUTHORITY**

The Governance Committee derives its authority from the Bylaws of the Corporation and the Board of Directors as a whole. In discharging its duties, the Governance Committee shall have sole authority to retain and terminate: (1) Any search firm or consultant engaged to identify Director candidates; or (2) Any other advisors (including legal counsel or accountants) as the Committee deems necessary to discharge its duties and responsibilities. The Committee shall have sole authority to approve related fees and retention terms.

### **COMPOSITION**

The Governance Committee shall be composed of a minimum of three (3) members (but no maximum). All members of the Governance Committee must be independent, as defined by the Board in the BCBSKC Corporate Governance Guidelines. Members of the Governance Committee and its Chair shall be appointed by the Board Chair with ratification by the Board at the Annual Meeting.

## **MEETINGS**

The Committee will meet with the frequency and timing necessary to fulfill its duties. All Committee members are expected to attend each meeting, in person. Occasional participation via tele- or video-conference is permitted; however, in person attendance is preferred. Minutes will be prepared for approval.

## **RESPONSIBILITIES**

The Governance Committee will carry out the following responsibilities:

### Annual

1. Recommend nominees for the slate of Board officers.
2. Consider the renomination of Board members with expiring terms for re-election.
3. Review Board attendance records.
4. Oversight of the Board assessment process.
5. Conduct a performance evaluation of the Committee, including its effectiveness and compliance with this Charter.
6. Determine the independence of each Director and confirm that at least a majority of the Board are independent directors as defined in the Corporate Governance Guidelines.
7. Review potential conflicts of interests disclosed by Directors and Management.
8. Verify that all Directors have submitted the Annual Director Biographic Affidavit verifying fitness to serve on the Board of Directors and review any potential issues prior to the Annual Meeting of the Board.
9. Review this Charter and recommend any proposed changes to the Board for approval.

### Periodic

1. Development of criteria, skill sets and selection process required for Board membership.
2. Review the Board Committee structure and recommend any proposed changes to the Board for approval.
3. Review and recommend the optimal number of Directors to serve on the Board.

4. Recommend programs for education and development of the Board.
5. Develop, maintain and review the BCBSKC Corporate Governance Guidelines, including a review of “best governance practices” relative to industry standards, and recommend revisions to the Board for approval.
6. Obtain input from management relative to business needs of the corporation.

As Required

1. Recommend candidates for election to the Board.
2. Recommend candidates for election to fill unexpired terms.
3. Onboard new Directors.

**REPORTING RESPONSIBILITIES**

This Committee will:

1. Regularly report to the Board of Directors about Committee activities, issues and related recommendations.
2. Provide an open avenue of communication from Committee to Board and Board to management.
3. Review any other reports the Board or the corporation issues that relate to this Committee’s responsibilities.

---

Approved by the Board: March 28, 2003  
Amended: May 12, 2004  
Reaffirmed by the Board: May 18, 2005  
Reaffirmed by the Board: May 17, 2006  
Amended by the Board: May 16, 2007  
Amended by the Board: May 13, 2009  
Amended and Restated by the Board: May 25, 2011  
Amended and Restated by Consent Resolution: July 8, 2013