

**UNITEDHEALTH GROUP
BOARD OF DIRECTORS
PRINCIPLES OF GOVERNANCE
(February 12, 2014)**

Introduction and Purpose

The Articles of Incorporation and Bylaws of UnitedHealth Group Incorporated (the “Company”), together with Minnesota law, govern the Company. These principles of governance reflect the current views of the Company’s Board of Directors (the “Board”) concerning philosophy, style and emphasis of governance. These principles are developed and reviewed annually by the Nominating and Corporate Governance Committee of the Board, which then recommends any changes to the Board. The Board views these principles as guidelines--not rigid restraints--and believes they are evolutionary in nature.

Shareholder Rights and Proxy Voting

- **General.** The Board recognizes the importance of proxy voting as the key means by which shareholders play a role in corporate governance. Accordingly, the Board believes that the Company should follow steps supporting the shareholders’ role. These steps include (a) absent strong compelling reasons, equal voting rights and no multiple classes of common stock with disparate voting rights; (b) equal financial treatment for all shareholders; and (c) voting on disparate issues separately. Through its periodic assessment of corporate governance, the Board will continue to evaluate other measures that will enable shareholders to have a voice in corporate governance.

- **Confidential Voting.** The Board further believes that confidential voting on the election of directors and other corporate actions enhances the shareholders’ role in corporate governance. To this end, the Company will generally require that all shareholder votes, whether by proxy card, consent, ballot or otherwise, be kept confidential. Documents evidencing a shareholder’s vote will not be available for examination by the Company or its directors, officers or employees. Exceptions to these general rules may occur in the following instances:
 - to meet applicable legal requirements;
 - to assert claims for, or defend claims against, the Company or its affiliates;
 - to assist in resolving any dispute about the authenticity or accuracy of a proxy card, consent, ballot, authorization or vote;
 - if there is a contested proxy solicitation;
 - to allow the inspectors of election to certify the results of any vote to the Company and its directors, officers and employees;
 - if a shareholder has made a written comment on such document;
 - if contacting shareholders is necessary to obtain a quorum;
 - aggregate vote totals may be disclosed to the Company and its directors, officers and employees from time to time and publicly announced; or
 - if disclosure is voluntarily made or requested by a shareholder.

The Company shall also retain independent inspectors of election to receive, certify and tabulate shareholder votes.

Role and Structure of the Board

- **Role of the Board.** UnitedHealth Group's business is conducted by its employees, managers and officers, under the direction of the Chief Executive Officer and the oversight of the Board. Members of the Board are subject to annual election by shareholders. Both the Board and management recognize that the long-term interests for shareholders may be advanced by responsibly addressing the concerns of other stakeholders and interested parties including employees, customers, suppliers, communities, government officials and the public at large.

The Board directly or through its Committees shall exercise direct oversight of strategic risks to the Company and the Company's risk management functions.

- **Independence.** At least a majority of the Board will consist of directors who the Board has determined are "independent" under the rules of the NYSE and the Company's Standards of Director Independence (each an "Independent Director").
- **Chair and Lead Independent Director.** The Board believes that the roles of the Chair and Chief Executive Officer should be separate and that the director serving as the Chair should be an Independent Director. As provided in the Company's Bylaws, the Independent Directors will appoint a Lead Independent Director in the event the Chair is not an Independent Director.

The Chair shall chair all meetings of the Board at which the Chair is present. The Chair or the Lead Independent Director, if the Chair is not an Independent Director, shall have the following duties:

- working with the Chair or the Chief Executive Officer, as applicable, on the scheduling of Board meetings and the preparation of agendas and materials for Board meetings;
- coordinating the preparation of agendas and materials for executive sessions of the Board's Independent Directors or non-management directors;
- scheduling and leading the executive sessions of the Board's Independent Directors or non-management directors;
- defining the scope, quality, quantity and timeliness of the flow of information between Company management and the Board that is necessary to effectively and responsibly perform their duties;
- leading the Board process for the hiring, firing and evaluating the Company's Chief Executive Officer and working with the chair of the Compensation and Human Resources Committee on the process for compensating and evaluating the Chief Executive Officer;
- recommending outside advisors and consultants, as necessary, who report directly to the Board on Board related issues;
- serving as an ex officio member of each committee and working with the Board committee chairs on the performance of their designated roles and responsibilities;
- interviewing, along with the chair of the Nominating and Corporate Governance Committee, all Board candidates and making director candidate recommendations to the Nominating and Corporate Governance Committee;
- assisting the Board and the Company in assuring compliance with and implementation of the Company's Principles of Governance;

- serving as principal liaison between the Independent Directors and the Chief Executive Officer on sensitive issues;
- coordinating the performance evaluations, working in conjunction with the committee chairs and the Nominating and Corporate Governance Committee, of the Chief Executive Officer, the Board and the Board committees;
- working with the Nominating and Corporate Governance Committee on the membership of Board committees; and
- being available for communications with shareholders.

Board Composition and Performance

- **Membership Criteria.** The Nominating and Corporate Governance Committee is responsible for analyzing, on an annual basis, important Board member skills and characteristics, and recommending to the Board appropriate individuals for nomination as Board members. The Nominating and Corporate Governance Committee is responsible for developing a skills matrix to assist it in considering the appropriate balance of experience, skills and characteristics required of a director and to be represented on the Board as a whole. The Board will consider the recommendations of the Nominating and Corporate Governance Committee in the context of the perceived needs of the Company at the time.
- **Limits on Service on other Boards.** A director (other than the Chief Executive Officer) may not be a Board member on more than four (4) public company boards (including UnitedHealth Group) and the Chief Executive Officer of the Company may not be a member on more than two (2) public company boards (including UnitedHealth Group).
- **Voting for Directors.** In an uncontested election, any nominee for Director who receives a greater number of votes "against" his or her election than votes "for" such election (a "Majority Withheld Vote") shall promptly tender his or her resignation following certification of the shareholder vote. The Nominating and Corporate Governance Committee shall consider the resignation offer and recommend to the Board whether to accept it. The Board will act on the Nominating and Corporate Governance Committee's recommendation within 90 days following certification of the shareholder vote. Thereafter, the Board will promptly disclose their decision whether to accept the Director's resignation offer (or the reasons for rejecting the resignation offer, if applicable) in a press release to be disseminated in the manner that Company press releases typically are distributed. Any Director who tenders his or her resignation pursuant to this provision shall not participate in the Nominating and Corporate Governance Committee recommendation or Board action regarding whether to accept the resignation offer. However, if each member of the Nominating and Corporate Governance Committee received a Majority Withheld Vote at the same election, then the Independent Directors who did not receive a Majority Withheld Vote shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board whether to accept them. However, if the only Directors who did not receive a Majority Withheld Vote in the same election constitute three or fewer Directors, all Directors may participate in the action regarding whether to accept the resignation offers.

- **Annual Performance Evaluations.** The Board and each of its committees will conduct annual self-evaluations. The Nominating and Corporate Governance Committee has responsibility to develop the evaluation process to be used, subject to approval of the Board.
- **Term Limits.** The Board does not believe term limits are necessary. The Nominating and Corporate Governance Committee assesses the contributions and independence of Directors on an annual basis in accordance with the membership criteria set forth above to determine whether these Directors should be requested to stand for reelection and continue service on the Board.
- **Mandatory Retirement.** The Board believes that age does not limit meaningful director contributions, which leads the Board to conclude that a mandatory director retirement age is not desirable.

Communications with the Board

The Board values the input and insights of the Company's shareholders and believes that effective Board-shareholder communication strengthens the Board's role as an active, informed and engaged fiduciary. To facilitate communication, the Board has adopted a policy outlining the procedures for communicating with the Board and the appropriate topics for such communications. The Board of Directors Communication Policy may be found on the Company's website at www.unitedhealthgroup.com.

Board Operation

- **Regular Board Business.** The Board currently plans four meetings each year, with further meetings to occur at the discretion of the Board. The meetings will usually consist of committee meetings and the Board meeting. Although it is preferred that directors attend meetings in person, directors may attend by telephone to mitigate conflicts. All directors should make every effort to attend meetings of the Board and meetings of committees of which they are members. It is expected that the directors review any materials circulated by management in advance of meetings. While matters considered at each Board meeting depend on the nature of the Company's business, the Board expects its meeting agenda will regularly include reports summarizing the activities of the Board's committees as well as management reports on significant aspects of Company business. The Board intends that regular management reports will include presentations on the Company's financial performance, overall business operations, merger and acquisition activity, significant business unit performance and other topics important to the Company's overall condition. Beyond these general topics, the Board expects that the Chair or the Lead Independent Director, if the Chair is not an Independent Director, will oversee preparation of agendas for meetings of the Board in consultation with the Chief Executive Officer. Any director may suggest items for any meeting agenda.
- **Board Committees.** The Board has established the following committees to assist the Board in discharging its responsibilities: (i) Audit; (ii) Compensation and Human Resources; (iii) Nominating and Corporate Governance; and (iv) Public Policy Strategies and Responsibilities. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate. The current charters will be mailed to shareholders on written request. The entire Board will appoint committee members and committee chairs, after considering the recommendation of the Nominating and Corporate Governance Committee, and each committee member will serve until a successor is appointed or until the member's retirement, resignation,

death or removal from the Board. Each committee member must satisfy the membership requirements set forth in the relevant committee charter.

- **Executive Sessions.** To ensure free and open discussion and communication among the non-management directors of the Board, the non-management directors will meet in executive sessions at each regular meeting, with no members of management present. The Chair or Lead Independent Director, if the Chair is not an Independent Director, shall preside over each executive session.
- **Meeting Materials.** The Board believes it is important that, whenever feasible, members receive materials a number of days in advance of Board meetings to enable thoughtful preparation. Management should try to make materials as brief as possible, but still provide necessary information so that meeting time may be conserved and discussion focused on questions that the Board has about the materials. In instances where the sensitivity of subject matter makes prior dissemination inadvisable or the timing of transactions or events makes prior dissemination impracticable, the Board will review and discuss the materials at their meeting.
- **CEO Succession Planning.** At least annually, the Board will review succession plans for the Chief Executive Officer. Succession planning will address both succession in the ordinary course of business and contingency planning in case of unexpected events. The succession plan will include a requirement that the CEO reside near the Company's headquarters.
- **CEO Performance Evaluation.** At least annually, the non-management directors of the Board will, in conjunction with the Compensation and Human Resources Committee, review the performance of the Chief Executive Officer in light of the Company's goals and objectives.
- **Access to Senior Management.** Board members have access to the Company's management, other employees and outside advisors. Except in unusual circumstances, the Chief Executive Officer should be advised of significant contacts with senior management. The Board also encourages management participation in portions of Board and committee meetings when such participation provides additional insight into items being discussed, or gives exposure to senior management with future potential.
- **Board Confidentiality.** The proceedings and deliberations of the Board and its committees are confidential. Each director will maintain the confidentiality of such proceedings and deliberations, as well as any Confidential Information received in connection with his or her service as a director. No director shall (1) use Confidential Information for his or her own personal benefit or to benefit persons or entities outside the Company, or (2) disclose Confidential Information outside the Company, either during or after his or her service as a director of the Company, except with authorization of the Board or as may be otherwise required by law. "Confidential Information" is all non-public information entrusted to or obtained by a director by reason of his or her position as a director of the Company, including information that might be of use to competitors or harmful to the Company or its customers if disclosed.

- **Board Interaction with Institutional Investors, Customers and Others.** The Board has adopted a separate Board of Directors Communication Policy. While individual Board members may meet or otherwise communicate with constituencies of the Company, the Board expects members would do so with the knowledge of management. In most instances, Board members would do so at the request of management.
- **Board Compensation.** The Compensation and Human Resources Committee has the responsibility for recommending to the Board the compensation and benefits for non-management directors. Director compensation will reflect the Company's intention to attract, retain and use the expertise of highly qualified people serving on the Company's Board. The Company may use annual retainers, equity-based compensation, expense reimbursement, health care coverage and other forms of compensation, as appropriate, in furtherance of this objective. As indicated above, the Compensation and Human Resources Committee will review the form and amount of director compensation at least annually, and make appropriate recommendations to the Board in light of the responsibilities assumed and the director compensation of similarly situated companies.
- **Orientation and Continuing Education.** The Company will provide an orientation process for new directors, including extensive background material on the Company and its business and meetings with key management. Periodically, management will prepare additional educational materials for directors on matters relevant to the Company and its business. In addition, each director is expected to maintain the necessary level of expertise to perform his or her responsibilities as a director. Commencing with the 2012 calendar year, each director is expected to receive board-related continuing education of an agreed-upon amount every two years. The Board may, from time to time, agree on in-boardroom education programs to focus on specific needs of the Board. The Company will reimburse directors for reasonable expenses incurred in connection with such director's attendance of a director education program.
- **Reliance on Management and Outside Advice.** In performing its functions, the Board is entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors. The Board has the authority to select, retain, terminate and approve the fees and other retention terms of its outside advisors.

Individual Director Responsibilities

- **Representational Directors.** Each director represents all shareholders, and the entire Board should possess a balance of diversity, age, skills and insights to guide the Company's business. For these reasons, the Board opposes specific representational directors.
- **Stock Ownership.** The Company encourages stock ownership by directors in order to more strongly align the interests of directors with those of the Company's shareholders and, as such, the Board believes that regular equity grants should be a significant component of director compensation. Furthermore, within five years from August 4, 2010 for current directors or within five years from becoming a new director, each non-management director shall be required to own shares of the Company's common stock (including vested restricted stock units and vested deferred stock units but not including option holdings, unvested restricted stock units and unvested

deferred stock units) having a fair market value equal to five times the annual base cash retainer for non-management directors.

Executive officers shall also be required to maintain certain stock ownership (in addition to any holdings of options or stock appreciation rights). The Chief Executive Officer shall be required to beneficially own a number of shares valued at eight times the Chief Executive Officer's base salary by the fifth anniversary of appointment as Chief Executive Officer. Executive officers who are direct reports of the Chief Executive Officer shall be required to beneficially own a number of shares valued at three times their respective base salary by the fifth anniversary of the appointment to an executive officer position. Any other executive officers who are not direct reports of the Chief Executive Officer shall be required to beneficially own a number of shares valued at two times their respective base salary by the fifth anniversary of the appointment to an executive officer position. In addition, executive officers who are designated by the Company as Section 16 officers (as defined by Rule 16a-1(f) of the Securities Exchange Act) are required to retain one-third of the net shares (i.e., the shares remaining after payment of the exercise price (if applicable) and required taxes) resulting from the vesting or exercise of any equity awards received after October 23, 2009 for a period of at least one year after such vesting or exercise. Stock ownership guidelines for executive officers and non-management directors were first adopted as of April 26, 2006.

- **Change in Career.** It is the Board's belief that individual directors who change the primary career responsibility they held when elected to the Board should volunteer to resign from the Board. While not necessarily resulting in a resignation, the offer will provide the Nominating and Corporate Governance Committee the opportunity to consider the appropriateness of continued Board membership and make a recommendation to the Board as to the director's continuation. Directors should advise the Chair or the Lead Independent Director, if the Chair is not an Independent Director, in advance of accepting an invitation to serve on another board or any audit committee or other significant committee assignment on another board, or establishing other significant relationships with businesses, institutions, governmental units or regulatory entities, particularly those that may result in significant time commitments or a change in the director's relationship to the Company.
- **Code of Conduct: Our Principles of Ethics and Integrity.** The Company has adopted a Code of Conduct: Our Principles of Ethics and Integrity. Each director is expected to be familiar with and to follow the standards contained in the Code of Conduct. In the event an issue arises under the Code of Conduct, directors may consult with the Company's Chief Legal Officer or Chief Compliance and Ethics Officer.

Nominating Advisory Committee

The Board formed the Nominating Advisory Committee in 2006, a description of which is available on the Company's website. All actions of the Nominating Advisory Committee are advisory in nature and are non-binding on the Nominating and Corporate Governance Committee and the Board. Members of the Nominating Advisory Committee will not be considered members of management, the Board or any committee of the Board.