

**BLUE CROSS AND BLUE SHIELD OF ARIZONA  
NOMINATING AND GOVERNANCE COMMITTEE CHARTER  
MARCH 2023**

**PURPOSE**

The Nominating and Governance Committee (Committee) is a Committee of the Board of Directors (Board) of Blue Cross and Blue Shield of Arizona, Inc. (Corporation). Its primary purpose is to assist the Board in its oversight of governance matters by: (1) recommending criteria, desired competencies, and selection processes for Board and Committee membership; (2) recommending individuals to be elected to and removed from the Board of Directors; (3) recommending Directors to serve as Committee members, Committee Chairs, and Chair of the Board; (4) developing and regularly administering an assessment of all Directors, Committees, and the Board as a whole; (5) reviewing, and recommending action to be taken as the result of, any Director's potential or actual conflict of interest; (6) establishing programs to onboard, educate, and develop the members of the Board of Directors; and (7) developing and periodically reviewing Corporate Governance Guidelines, Bylaws, and Board policies and recommending changes to them.

This Charter is not intended to change or augment the obligations of the Corporation, its Directors, or management under any laws, or to create new standards for determining whether the Board, Directors, or management have fulfilled their duties, including fiduciary duties, under applicable law.

**COMMITTEE DUTIES AND RESPONSIBILITIES**

The Committee shall:

1. Periodically develop, administer, maintain, and/or recommend: (a) the criteria, skill sets (including those that may enhance the diversity of background, experience, and perspective of the Board) and selection process required for Board membership and review the Board Committee structure and recommend changes to it; (b) programs for Board education and development; (c) the Corporation's governing documents, including its Guidelines, Bylaws, and Policies, and recommend changes to them; (d) standards to determine the Independent and Public status of each Director; (e) changes to the Audit, Compliance, and Risk Committee for the Board of Directors' Conflict of Interest form; and (f) assessments for the Board as a whole, the Board Chair, individual Directors, Committees, and Committee Chairs, to measure the effectiveness of each and make recommendations to the Board following such assessments.
2. As needed: (a) recommend candidates for election to the Board; (b) establish onboarding programs, including a mentorship program for new Directors; and (c) recommend action in the event of a Director's actual or potential conflict of interest or failure to perform his/her duties;
3. Annually recommend: (a) those individuals to be elected to the Board; (b) individuals to serve as Committee members, Committee Chairs, and Chair of the Board, ensuring that any member of the Committee who wishes to be nominated as Chair of the Board resign from the Committee prior to the nomination; (c) the appropriate status of each Director as Independent/Non-Independent and Public/Non-Public, ensuring that a majority of the Board are both Independent and Public; and; (d) whether any actual or potential conflict of interest exists and appropriate action to be taken, including removal from the Board, if appropriate, at any time including upon review of each Director's Conflict of Interest form; and
4. Perform such other duties that may be within the scope of its responsibilities or delegated to the Committee by the Board from time to time.

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**RISK ASSESSMENT**

The Committee periodically shall review and assess risks associated with matters within its scope of responsibilities and duties.

**ANNUAL PERFORMANCE EVALUATION AND CHARTER REVIEW**

The Committee periodically shall produce and provide to the Board a performance evaluation of the Committee, including a review of the Committee's compliance with this Charter. In addition, the Committee shall review and reassess, periodically, the adequacy of this Charter and recommend any improvements deemed necessary or desirable by the Committee. The Committee shall conduct such evaluations and reviews in such manner as the Committee deems appropriate.

**EXTERNAL ADVISORS/CONSULTANTS**

The Committee may retain and terminate external advisors/consultants, including but not limited to legal counsel, to assist the Committee in the execution of its responsibilities.