

**UNITEDHEALTH GROUP
BOARD OF DIRECTORS
PRINCIPLES OF GOVERNANCE**
(as amended, October 23, 2009)

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. Toward that end, the Board reviews any changes to these principles which are proposed by the Nominating and Corporate Governance Committee on at least an annual basis.

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.
- **Equity-Compensation Plans.** The Board believes that equity-compensation plans help align shareholder and management interests, and equity-based awards are an important component of employee compensation. Shareholders will have the opportunity to vote on all equity-compensation plans, and any material revisions to the terms of such plans, subject to certain exceptions set forth by Securities and Exchange Commission (“SEC”) rules and the listing standards of the New York Stock Exchange (“NYSE”).
- **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.

Social Responsibility Issues

The Board believes social responsibility and the common good of the communities the Company serves are aligned with building long-term shareholder value. The Board thus expects that management will remain cognizant of issues involving equal employment opportunities, open channels of communication for employees, customers and suppliers, effective employee training and development and other issues bearing on the Company's social responsibility. The Board has also established a Public Policy Strategies and Responsibility Committee to focus on all dimensions of the Company's corporate social responsibilities. The Board further intends, not less frequently than annually, to consider these issues as part of its review of strategic planning.

Structure of the Board

- **Number of Directors.** The Board believes that some number of directors between ten and fifteen appropriately balances the needs for a diversity of perspective with manageable size.
- **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. This analysis will encompass issues of diversity, age, skills (such as an understanding of health care issues, management of large public companies and academic, political, financial or medical background), familiarity with ethical and corporate governance issues which the Company faces in the current environment and other relevant factors. 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); provided that any outside director serving on the Board on January 30, 2007 will not be subject to such restriction on outside board service until the term commencing at the 2012 annual meeting of the Company's shareholders.
- **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.
- **Director Evaluations.** It is the Board's belief that its overall composition and the performance of individual directors should be evaluated by the Nominating and Corporate Governance Committee at least annually.
- **Term Limits.** The Board does not believe term limits are necessary. Rather, it is the sense of the Board that a thoughtful annual evaluation of director performance is a more appropriate method of balancing the Board's needs for consistency, increasing insight, new perspectives, fresh ideas and other factors.
- **Mandatory Retirement.** The Company's business (in particular the relationship between Ovations and AARP), its conviction that age does not limit meaningful director contribution and the Board's annual evaluation process, lead 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.
- **Annual Board and Committee Considerations.** In addition to regular business, the Board believes it is appropriate, at least annually, to consider certain more general topics. Toward that end, the Board expects that, at least annually, the Nominating and Corporate Governance Committee will evaluate director performance, including through individual director self-evaluation, evaluate the performance of the Board and evaluate the Board's overall composition, and will review these principles of governance; the Compensation and Human Resources Committee will evaluate the performance and compensation of the Chief Executive Officer and the form and amount of director compensation; the Board will evaluate management development and succession planning and discuss strategic planning (as part of this discussion, the Board will address questions of maximizing shareholder value and protecting the interests of shareholders).
- **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.
- **Access to Senior Management.** Board members have complete access to Company's management with the understanding that directors will be mindful not to distract from the

Company's business operations. 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 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.** Director compensation will reflect the Company's intention to attract, retain and use the expertise of outstanding people serving on the Company's Board. The Company will use annual retainers, equity-based compensation, expense reimbursement, health care coverage and other forms of compensation, as appropriate, in furtherance of this objective. Consistent with the Company's overall compensation philosophy, equity-based compensation will represent a significant component of director compensation. 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.** Management, working with the Board, 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, directors are required to attend ISS-accredited external director education programs, and the Company will reimburse non-management directors for reasonable expenses incurred in connection with such director's attendance of an accredited director education program. All directors will complete ISS-accredited director training within 6 months after joining the Board.
- **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 5 years from becoming a director, each non-management director shall be required to own at least 10,000 shares of the Company's

common stock (not including option holdings, unvested restricted stock units and unvested deferred stock units) provided that each non-management director who was a director as of April 26, 2006 shall be required to beneficially own at least 20,000 shares of the Company's common stock (not including option holdings, unvested restricted stock units and unvested deferred stock units) by April 26, 2009. The Board believes that equity ownership in the Company by directors should be for long-term investment purposes and that the sale of Company stock while serving as a director should be limited and occur only with the approval of the General Counsel, as the interpreter of applicable legal and regulatory constraints.

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 5x his base salary by the later to occur of April 26, 2009 or the third anniversary of appointment as Chief Executive Officer. Any other executive officers shall be required to beneficially own a number of shares valued at 2x their respective base salary by the later to occur of April 26, 2009 or the third 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. These stock ownership guidelines for both 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 Business Conduct and Ethics.** The Company has adopted a Code of Business Conduct and Ethics, certain portions of which are applicable to the activities of directors. In connection with the orientation process for new directors, each director will be asked to acknowledge that they have received the Code of Business Conduct and Ethics and agree to be bound by its applicable provisions. Additionally, periodic training on evolving corporate ethics and integrity matters will be provided by the Company to the directors. In the event an issue arises under the Code of Business Conduct and Ethics, directors should consult with the Company's General Counsel or Chief Ethics Officer.

Board Committees

The Company operates in a complex, dynamic, highly competitive and regulated environment. In order to assure the kind of informed decision making beneficial to the Company, much of the

Board's oversight will occur through the standing and ad hoc committees of the Board. The Board currently maintains four standing committees: the Audit Committee, the Compensation and Human Resources Committee, the Public Policy Strategies and Responsibility Committee and the Nominating and Corporate Governance Committee. 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, and each member of the Audit Committee shall be an "audit committee financial expert," as such term is defined by SEC rules. A director may serve on more than one committee. Each committee records the minutes of its meetings, regularly reports to the entire Board on its actions and follows such other procedures as it from time to time specifies. The agenda for each committee meeting should be determined by the Chair of the committee. Each committee conducts an annual self-evaluation as provided for in its respective charter. The Board has adopted a charter for each standing committee, which details each committee's duties and responsibilities.

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.

Policy Regarding Use of Independent Compensation Consultant

The Board believes that the Compensation and Human Resources Committee should either use independent compensation consultants in connection with the discharge of its duties and responsibilities or advise the Company's shareholders, through disclosure in the Company's proxy statement, of that the Committee's use of any compensation consultant that is not independent. A consultant satisfying the following requirements will be considered independent for purposes of this policy:

- The individual consultant, and the firm or other organization employing such consultant, will not provide services or products of any kind to the Company and its affiliates or to their management, other than to the Compensation and Human Resources Committee or to the Company at the direction and under the supervision of the Committee; and
- Any consultant firm or organization that is part of an affiliated group shall not be independent for purposes of this policy in the event that the members of the affiliated group, in the aggregate, are paid by the Company and its affiliates for services or products that are not provided to the Compensation and Human Resources Committee or in connection with work performed or products requested for the Company at the direction and under the supervision of the Committee in an amount that exceeds 2% of the affiliated group's consolidated gross revenues.

It will be the responsibility of any consultant employed by the Committee to determine continuing compliance with the definition of independent in this policy. Each such compensation consultant will be given a copy of this policy and asked to provide to the Compensation and

Human Resources Committee a written confirmation of the consultant's status as independent under this policy before engaging in any activity on behalf of the Compensation and Human Resources Committee and annually thereafter during the period of engagement. Similarly, management shall inform the Compensation and Human Resources Committee if it proposes to engage any affiliate of the independent consultant firm or organization that is currently engaged by the Committee to provide services or products to the Company, and, if such proposed engagement is permitted, any such engagement shall comply with the definition of independent in this policy.

Should any compensation consultant used by the Compensation and Human Resources Committee not satisfy the definition of independent in this policy, the Company's proxy statement will disclose the compensation consultant's lack of independence under this policy and disclose by appropriate category the aggregate amount of payments made to the consultant firm or organization for services.