

AMERICAN RED CROSS BOARD OF GOVERNORS

NOMINATIONS PROCESS FOR SELECTING BOARD MEMBERS

Board Member Skills and Experience.

The Governance and Board Development Committee (the “Committee”) assesses the Board’s skill set requirements and needs on an ongoing basis. The Committee evaluates the current members of the Board of Governors (the “Board”) and potential candidates for the Board against the following criteria:

- Proven leadership ability;
- Previous experience serving on for-profit boards;
- Diversity, meaning different perspectives, experiences and backgrounds;
- Experience and favorable results with large and complex organizations with revenues in excess of \$1 billion;
- Current or prior chief executive officer, chief operating officer, chief financial officer, or other c-level experience;
- Whether the candidate meets the independence standards outlined in the Bylaws; and
- Specific skills such as finance, audit, legal, investments, information technology and security, governmental affairs, public relations, marketing, leadership development, disaster relief, medical, biomedical, regulated industries, and pharmaceuticals.

Additionally, the Committee determines specific skill sets and attributes to focus on for the annual nominations process based on:

- the current and emerging issues facing the Red Cross;
- the current composition of Board members in order to balance their various areas of expertise, experience and perspectives;
- identified gaps in skills as Board members reach their term limits or resign.

Nomination Process.

Step One: Evaluation of Current Board Members. Current members who are eligible for re-election will be assessed by the Committee, taking into account the results of peer assessments and the recommendation of the chairs of any committees on which the current Board member serves.

Step Two: Receiving Recommendations for Potential New Board Members. Based upon the Committee's identified skill set requirements for the coming years and with input from the CEO, the Committee works with a third-party firm to identify and screen potential candidates considering nominees recommended by Board members, management, Red Crossers, and other recommendations that may come to the Committee's attention.

Step Three: Reviewing Candidate Resumes. Regular Committee meetings will include review of potential candidates and their resumes with possible outside assistance from a third party firm.

Step Four: Outreach to Potential Board Members. Outreach to potential candidates is normally conducted by the Chairman, the CEO, and/or the Chair of the Committee, with support from a third party retained to identify qualified individuals based on Committee criteria, prior relationships and availability.

Step Five: Interviews. If, after initial outreach to the potential Board member, there is agreement that the individual should be considered for service on the Board, a series of interviews are conducted. The normal interview process shall include the CEO, Committee Chair and Chairman of the Board, but others may be identified depending on the circumstances. The interviews should assess the candidate for a high level of personal and professional integrity, commitment to promote the long term interests of the American Red Cross, and the candidate's capacity to commit adequate time to serve as a Board member.

Step Six: Invitation to Join the Board. Once the interview process is completed, and if there is agreement from the Committee that the potential candidate should be invited to join the Board, normally the Chair of the Committee or the CEO reach out to the candidate to extend an invitation to join the Board, contingent upon the Board's election.

Step Seven: Electing New Members. If the candidate agrees, the Committee will formally vote to recommend the candidate to the full Board. This election may happen at any meeting of the Board. A complete profile of each candidate recommended by the Committee will be provided to the full Board for a vote. If approved by the Board, the candidate will be presented to the delegates at the next annual meeting for election.