CORPORATE GOVERNANCE PRINCIPLES
RAVEN INDUSTRIES, INC.
AUGUST 26, 2014

I. PURPOSE AND NATURE OF PRINCIPLES

The Board of Directors (the "Board") of Raven Industries, Inc. (the "Company") has adopted these principles as a general framework for the governance of the Company. The principles are qualified by reference to the Company's Articles of Incorporation and Bylaws and applicable laws and regulations. They are not an attempt to limit, enlarge or change in any way the responsibilities of the directors as determined by such Articles, Bylaws and body of law.

The business affairs of the Company shall be managed under the direction of the Board. The Board may, by resolution, delegate its authority to Company management or to Committees of the Board. Committees of the Board (except in the case of a Committee of independent persons) and Company management shall be subject at all times to the direction and control of the Board.

II. BOARD COMPOSITION, SELECTION AND TENURE OF DIRECTORS

Directors who are currently employed by the Company shall be deemed "inside" directors; all others shall be deemed "outside" directors, including former employees of the Company, unless designated as insiders by the SEC or NASDAQ.

The size of the Board is established at between seven and eleven directors by the Company's Bylaws. The size of the Board will vary depending on the mix of expertise and tenure of the Directors.

Outside directors shall always constitute at least a majority of the Board, and there shall be no more than two inside directors on the Board at any time. Lawyers, investment bankers, or others with business links to the Company may not become directors.

Directors shall not serve on more than three other Boards of Directors of publicly-traded companies while also serving on the Raven Board.

Interlocking Directorships are not allowed. An Interlocking Directorship would occur if the Raven CEO served on the board of directors or on the compensation committee of Company X and an officer of Company X served on the Raven Board; or if a major supplier or customer served on the Raven Board.

To more closely align their interests with those of shareholders generally, directors are encouraged to own stock of the Company. Such holdings should be considered long-term investments. Trading in the Company's stock is discouraged.

An inside director shall submit his or her resignation from the Board upon termination of his or her active service as an employee. A retiring Raven CEO may continue to serve as a director if re-nominated, and elected by the full Board.

Directors are not re-nominated after they reach their 72^{nd} birthday.

An outside director shall tender a written offer to resign from the Board after a material change in that director's full-time position or responsibilities. The Board will decide whether to accept or reject the offer based on the individual circumstances.

Raven’s By-laws and South Dakota State law require the entire Board be elected annually.

III. COMMITTEE STRUCTURE AND PROCEDURES

The standing committees of the Board shall be:

- Governance Committee
- Audit Committee
- Personnel & Compensation Committee

Each committee shall have a charter approved by that committee and by the Board.

Each committee shall be chaired by an outside director.

As a general rule, directors shall serve on one committee in addition to the Governance Committee. Membership on committees may be rotated to provide all directors experience on all committees; however, this principle of rotation should not deprive the Board of expertise that directors possess.

IV. GOVERNANCE COMMITTEE

This Committee consists of all of the outside directors and is intended to provide a forum for outside directors to address all issues of Corporate Governance.

The principal elements of the charter of the Governance Committee shall be to:

- Adopt, periodically review and recommend to the Board any modifications of these principles of Corporate Governance which may be necessary.
- Periodically evaluate the performance of the Board as a whole.
- Recommend:
    - Criteria for selection of new directors and nominees for vacancies on the Board.
    - Candidates for Board membership and for the positions of Board Chair and Chairpersons of the Committee of the Board.
    - A decision on the tendered resignation of a director for reason of change of employment.
- Establish any Special Committee which may be necessary to properly govern ethical, legal or other matters which might arise.
- In carrying out its duties, the Committee will consult with and solicit the views of the CEO of the Company.

V. OFFICES OF THE CHAIRMAN AND THE CEO

The Board does not have a policy as to whether the position of the Chair and the position of the CEO should be separate and intends to preserve the freedom to decide what is in the best interest of the Company at any point of time. However, the Board does strongly endorse the concept of one of the outside directors being in a position of leadership for the rest of the outside directors.

VI. BOARD MEETINGS

The Board shall hold at least four regularly-scheduled meetings each year. One meeting will usually be an extended meeting focusing on long-range strategies of the Company and will normally be held away from the Company's corporate headquarters. The Governance Committee shall determine from time to time the appropriate number of meetings.

Appropriate officers of the Company may be invited by the CEO and Chairman of the Board to attend the general session of all Board meetings.

Prior to a regular Board meeting, with direction from the Chairman of the Board and the CEO, an agenda for the meeting and any information or material for review will be sent to the directors. Directors may request that additional subjects be placed on the agenda.

Directors will hold Executive Sessions at the end of each full Board meeting, without the CEO or other management present.

VII. BOARD DUTIES

In fulfilling its responsibilities, the Board shall, among others:

1. See that an effective Board of Directors is in place and that the Board possesses within its membership the appropriate skills to enable it to fulfill its responsibilities.

2. Establish or approve the Corporate Mission, Goals and Objectives, and the Operating Philosophy for the Company.

3. Elect the CEO and replace, if necessary. Elect all other executive officers on the recommendation of CEO. Ensure that successors are identified or that a plan is in place to identify successors for the CEO and for the top management positions.

4. Annually approve the Strategic Plan.

5. Ensure effective policies are in place for Company compliance with applicable laws and regulations.

6. Approve significant decisions involving acquisitions and divestitures.

7. Through its Committee system provide oversight regarding certain activities of the Company.

8. Provide advice and counsel to the CEO.

9. Review results of operations.

VIII. CONFLICTS WITH COMPANY INTERESTS

Conflicts of Interest

A "conflict of interest" exists when a person's private interest interferes in any way with the interests of the Company. A conflict situation can arise when a director takes actions or has interests that may make it difficult to perform his or her company work objectively and effectively. Conflicts of interest may also arise when a director, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, directors and their family members may create conflicts of interest.

We Solve Great Challenges.

Corporate Opportunities

Directors are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position. No director may use corporate property, information, or position for improper personal gain, and no director may compete with the Company directly or indirectly. Directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

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