

POLICIES, PROCEDURES AND GUIDELINES

NO. BP-03

DATE: 28 AUGUST 2018

SUBJECT: RELATED PARTY TRANSACTIONS POLICY FOR
RAVEN INDUSTRIES, INC.

A. INTRODUCTION

The Board of Directors recognizes that related party transactions present a heightened risk of conflicts of interest and/or improper valuation (or the perception thereof) and therefore has adopted this policy which shall be followed in connection with all related party transactions involving the Company.

Under this policy, any "Related Party Transaction" shall be consummated or shall continue only if:

1. A majority of the disinterested members of the Audit Committee shall approve or ratify such transaction in accordance with the guidelines set forth in this policy and if the transaction is on terms comparable to those that could reasonably be expected to be obtained in arm's length dealings with an unrelated third party; and
2. If the transaction involves compensation, it is approved by the Company's Personnel & Compensation Committee.

For these purposes, a "Related Party" is:

1. A senior officer (which shall include at a minimum each vice president and Section 16 officer) or director of the Company;
2. A shareholder owning in excess of five percent of the Company (or its controlled affiliates); or
3. A person who is an immediate family member of a senior officer or director.

For these purposes, an "Immediate Family Member" of an individual is any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law or any person (other than a tenant or employee) sharing the household of an individual.

For these purposes, a "Related Party Transaction" is a transaction, arrangement or relationship in which the Company is or will be a participant and in which any Related Party has a direct or indirect material

interest (including any transactions requiring disclosure under Item 404 of Regulation S-K under the Securities Exchange Act of 1934), other than:

1. Transactions available to all employees generally;
2. Transactions arising solely from ownership of the Company's equity securities in which all holders of that class of equity securities receive the same benefit on a pro rata basis; and
3. Transactions involving less than \$25,000 when aggregated with all similar transactions.

For these purposes, an "indirect" interest may include a Related Party serving as an officer or employee of, or being a significant investor or equity holder in, an entity that is a party to a transaction, arrangement or relationship with the Company.

B. AUDIT COMMITTEE APPROVAL

The Audit Committee of the Board of Directors must approve any Related Party Transaction subject to this policy before the commencement of the Related Party Transaction. If a Related Party Transaction is only first identified after it commences, it shall be brought to the Committee for ratification. As part of seeking Audit Committee approval or ratification, management shall present the Related Party Transaction to be entered into by the Company, including the proposed aggregate value of such transaction, if applicable. After review, a majority of the disinterested members of the Audit Committee shall approve or disapprove such transaction, and management shall update the Audit Committee as to any material change to those proposed transaction. The Audit Committee, in its sole discretion, may approve or deny any Related Party Transaction, or may condition its approval upon the Company and the Related Party taking any actions that the Audit Committee determines appropriate, which may include requiring recusal, implementing process guardrails, limiting the amount or duration of the transaction, specifying terms for the structure of the transaction, etc. The Audit Committee will approve or ratify a Related Party Transaction only if the Audit Committee determines that the Related Party Transaction is beneficial to the Company and the terms of the Related Party Transaction are fair to the Company.

C. DISCLOSURE

All Related Party Transactions shall be disclosed to the Audit Committee of the Board and any material Related Party Transaction shall be disclosed to the full Board of Directors. In addition, any Related Party Transaction that is required to be disclosed in the Company's applicable filings as required by Item 404 of Regulation S-K shall be so disclosed.