



COMPLIANCE PROGRAM SUMMARY

GROWMARK

December 2016



CEO's Message

GROWMARK's reputation and continued success depend upon our continuing commitment to conducting our business legally and ethically. In today's business environment, it is essential to have a culture of integrity and an effective Compliance Program.

GROWMARK's primary mission is "to improve the long-term profitability of our member owners." Our vision is "to be the best agricultural cooperative system in North America." Both the mission and the vision are supported by the aims of our Code of Conduct. "Being the best" is not just about financial results; it also means operating within the letter and spirit of the law. The Code of Conduct and our mission and vision statements are more than words on paper; they are deep-seated values of GROWMARK.

This document is a condensed version of the GROWMARK Code of Conduct, covering critical areas in compliance and ethics that you need to be aware of – for your own protection as well as the company's. As an employee, it is important that you read this document thoroughly and contact the Compliance Officer or the General Counsel Division if you have questions about its content or any other compliance issue.

Please join me, our Board of Directors, and all GROWMARK employees in giving your full support to our Compliance Program. Thank you for your help in this very important effort.

A handwritten signature in black ink, appearing to read "Jim Spradlin". The signature is fluid and cursive, with a prominent initial "J".

Jim Spradlin



The GROWMARK Compliance Program

The following is a summary of the full-text version of the GROWMARK Compliance Program, which may be viewed on GROWMARK's employeeCentral Intranet site (<https://central.growmark.com>) on the Compliance Program portal. This document is not a substitute for reading the full-text version. Each employee of GROWMARK is responsible for reading the complete text of the Compliance Program. Any employee may request a copy of the full text or any of its incorporated policies by contacting the Compliance Officer or by downloading this information from the Compliance Program portal.

Purpose and Aims

The purpose of the GROWMARK Compliance Program is to ensure that the business of the Company is conducted legally, ethically, and in a manner which protects its financial well-being and the welfare of its employees.

This purpose is supported by four main aims:

- The protection of GROWMARK's corporate assets and its financial integrity;
- The protection of the welfare of GROWMARK employees;
- The prevention and detection of conduct which is illegal or could lead to legal liability; and
- The prevention and detection of conduct which is unethical or unsafe.

Application

The Compliance Program applies to all GROWMARK employees (wholesale and retail), to all directors, and to any person conducting business as an agent of GROWMARK. For simplicity, the term "employees" is used in this document to refer to all of these groups.

Also incorporated into the Code of Conduct are the GROWMARK Policies and Guidelines, which are referred to within the Code.

Elements

The Compliance Program is made up of the following elements:

- The GROWMARK Compliance Program procedures are designed to ensure that employees understand and comply with the GROWMARK Code of Conduct and the incorporated Policies and Guidelines.
- The GROWMARK Code of Conduct is a set of principles and rules governing employees' conduct as they carry out GROWMARK's business and pursue its interests. The Code has four main parts correlating to the four aims of the Compliance Program previously stated.



The GROWMARK Compliance Procedures

Role of the Board of Directors

The GROWMARK Board of Directors has approved the Compliance Program on behalf of the Company and holds the Company's CEO responsible for overseeing and ensuring adherence to its provisions.

Role of management

GROWMARK employs a Compliance Officer to carry out the duties described in this document and the administration and maintenance of the Compliance Program.

Role of employees

The Compliance Program not only protects GROWMARK, but it also protects employees. All employees have the responsibilities and obligations to adhere to the Compliance Program.

Conduct and training

All employees must, at all times, conduct themselves in strict accordance with the Compliance Program. Employees must read the full-text version of the Compliance Program thoroughly and be familiar with its provisions. Employees will be provided with compliance training opportunities on a regular basis. It is every employee's obligation to complete any compliance training courses assigned. Completion of required training will be considered as part of an employee's annual performance review. Annually, employees must also acknowledge that they have conducted themselves, during the preceding year, in compliance with the provisions of the Compliance Program.

Reports of misconduct

Any employee becoming aware of any violation or suspected violation of a provision of the Compliance Program has an obligation to immediately report that information to the Compliance Officer, to his/her supervisor, or to any other GROWMARK supervisor. Reports may be made anonymously. Any supervisor receiving a report or allegation of any suspected violation of the Compliance Program must immediately report it to the Compliance Officer. An employee will receive a follow-up response regarding any report made or any compliance question the employee may have. No employee will be disciplined or retaliated against for any reporting made in good faith. In fact, if it is found that an employee witnessed a violation and failed to report it, that employee could be disciplined for that failure. While employees cannot insulate themselves from discipline by reporting their own violations, self-reporting may, in appropriate circumstances, be considered as a mitigating factor in any disciplinary action.

Cooperation in investigations

All employees are required to cooperate with the conduct of any investigation into a suspected compliance violation. This includes being truthful and forthcoming regarding any requests for information. It also may include assisting in an investigation.

Discipline

Violations of the GROWMARK Compliance Program or any applicable laws may lead to disciplinary action, up to and including termination of employment, and may extend to those individuals responsible for the failure to prevent, detect, or report an offense. In addition, GROWMARK reserves the right to seek recovery of any losses from any employee whose conduct in violation of the Compliance Program or law causes damage or liability to the Company. GROWMARK further reserves the right to report offenses of a criminal nature to the appropriate authorities.

Supervisors

Each supervisor is responsible for ensuring that the employees under his/her supervision attend to and complete any compliance training assigned, and that they have full access to resources necessary for such training. Supervisors must further be sensitive to compliance issues in the workplace and will correct and report any inappropriate behaviors that may be detected. Any reports or questions regarding compliance issues that a supervisor becomes aware of will be immediately directed to the Compliance Officer. A supervisor's failure to support the provisions of the Compliance Program may render the supervisor subject to discipline, up to and including termination.

Role of the Compliance Officer

The GROWMARK Compliance Officer is responsible for ensuring the proper operation of the Compliance Program. The Compliance Officer establishes and oversees training, responses to violations, and the conduct of investigations. He/she also provides guidance on how employees make reports of suspected misconduct.



The GROWMARK Code of Conduct

Protection of Corporate Assets and Financial Integrity

AIM: GROWMARK's continued profitability and viability depend upon the protection of its business reputation, its corporate assets, and its financial integrity.

GROWMARK's Business Reputation

All employees must understand that they carry GROWMARK's reputation with them and remember that they have an obligation to protect and maintain it. Employees also have a responsibility to ensure that their personal activities do not become identified with GROWMARK's reputation in a manner which may bring GROWMARK into disrepute.

Protection and Safekeeping of GROWMARK Property

GROWMARK has established various policies to protect its property as follows:

GROWMARK real estate

It is the obligation of every GROWMARK employee to follow the provision of the GROWMARK Environmental, Health, and Safety Policy in regard to the acquisition, operation, or sale of all real estate on behalf of the Company.

Other GROWMARK property

All GROWMARK employees are entrusted with the responsibility of safeguarding GROWMARK's assets in their care, or which they may use as part of carrying out GROWMARK's business. Any employee who learns of or suspects any theft, misappropriation, misuse, wastage, or deliberate destruction of any GROWMARK asset must report the situation immediately to the Compliance Officer, the Controller, or the Internal Auditor.

Business and Accounting Principles

Each GROWMARK employee is required to follow GROWMARK accounting policies and procedures in regard to accounting for any use of its assets, for sales of goods, or for expenses reported. The GROWMARK Approval and Procedures Guide may be found at the Compliance Program portal.

Financial Integrity

False, misleading, incomplete, or inaccurate recordkeeping in regard to GROWMARK's financial position is prohibited. GROWMARK maintains an Internal Auditing Department to ensure compliance with policies, practices, and financial compliance procedures which it has in place. Concerns in this area may be reported to the Compliance Officer or the Director of Internal Auditing, who will consult regarding any allegations of manipulation of GROWMARK's financial controls.

Social Media Policy

GROWMARK recognizes the potential of social media platforms as business tools that may enhance personal connections with customers, prospects, vendors, and employees, and that may leverage company brands. However, once published, the content on these platforms may never go away and can be forwarded endlessly. Therefore, employees must use good judgment when posting comments to social media websites. Creation of company-sponsored social media sites must be reviewed and approved by Corporate Communications. Approved company-sponsored social media site/pages soliciting comments must predominantly display a standard disclaimer provided by Corporate Communications.

Electronic Assets and Communication Policy

GROWMARK's computers, peripherals, networks, electronic mail, and other electronic communications are company-owned assets and are to be utilized for GROWMARK's business purposes. The GROWMARK Electronic Assets Policy, which governs the use of such assets, may be found on the Compliance Program portal.

Protection of Intellectual Property

GROWMARK employees may not duplicate the intellectual property of others, including motion pictures, music, graphics, books, trademarks, periodicals, or information from the Internet. Employees may not duplicate any licensed software or related documentation for use either on GROWMARK premises or elsewhere unless GROWMARK is expressly authorized to do so by agreement with the owner of the property. Each employee has signed the GROWMARK Employee Intellectual Property and Confidentiality Agreement, which may be found on the Compliance Program portal.

Confidentiality

All GROWMARK confidential information must be protected by its employees. Every GROWMARK employee and director must sign a copy of the GROWMARK Employee Intellectual Property and Confidentiality Agreement.



Protection of the Welfare of Employees

AIM: GROWMARK strives for a safe work environment for its employees.

Prevention of Harassment and Discrimination

Every employee is responsible for assuring that the company, and each of its facilities and divisions, is free from illegal harassment or discrimination of any kind. It is the policy of GROWMARK that all decisions concerning recruiting, hiring, compensation, promotions, training, transfers, terminations, or any other area of employment shall be based on factors other than race, color, sex, age, religion, ancestry, national origin, disability, marital status, military status, or any other factor protected by law.

Privacy

GROWMARK takes reasonable measures to maintain security and legal compliance regarding the storage of and access to information that it maintains regarding employees. However, no GROWMARK employee should expect privacy protection with respect to information employees save on company computers and electronic communication systems, or in lockers, desks, and/or phone systems.

Safe Workplace

GROWMARK has established various policies to protect its employees, facilities, and workplaces.

Safety and environmental protection

The GROWMARK Environmental, Health, and Safety Policy may be found by referring to the full-text version of this document on the Compliance Program portal.

Workplace violence

Workplace violence will not be tolerated at GROWMARK. The GROWMARK Workplace Violence Policy may be found by referring to the full-text version of this document on the Compliance Program portal.

Alcohol and drug-free workplace

GROWMARK has adopted a Drug-Free Workplace Policy, which may be found by referring to the full-text version of this document on the Compliance Program portal.

Safe driver program

GROWMARK has instituted a Safe Driver Program, which requires a periodic Motor Vehicle Record review for all Employees who drive on GROWMARK business. This program may be found by referring to the full-text version of this document on the Compliance Program portal.



Compliance with the Law and Prevention of Legal Liability

AIM: *GROWMARK will conduct its business operations at all times in compliance with law and in a manner designed to prevent legal liability arising from wrongful acts.*

Compliance with Law

All employees are charged with understanding and obeying the laws and regulations, and understanding the legal liabilities associated with their actions in the business operation.

Compliance with Antitrust Laws and Trade Regulations

Every employee who is involved in business transactions and negotiations is expected to be familiar with and follow the guidelines outlined by the company in its Antitrust and Trade Regulation Policy, which may be found on the Compliance Program portal.

Export Control Regulations and Anti-boycott Laws

If an employee plans to initiate the export of GROWMARK products, services, or “know-how” from the United States, re-export U.S. commodities or technical data from one country to another, including Canada and Mexico, or share technical “know-how” with non-U.S. nationals in the United States or elsewhere, that employee must consult first with GROWMARK’s General Counsel.

Legal Matters

Employees must consult with the General Counsel Division in order to determine what laws, regulations, and legal principles may have an impact upon their duties, or any legal relationships, commitments, or representations on behalf of GROWMARK. Employees must consult the General Counsel Division regarding the creation of legal relationships on behalf of GROWMARK; the creation of any legal commitment on behalf of GROWMARK to any other person or company; and/or any responses to subpoenas, warrants, or other inquiries from any governmental authorities or pursuant to any civil proceeding.

Bribery

Any employee with knowledge of a suspicious payment to any foreign or domestic governmental official by anyone which involves GROWMARK business is instructed to report such knowledge to the Compliance Officer.

Whistleblower Protection

No employee who, in good faith, reports a violation of the law or the GROWMARK Code of Conduct will be disciplined for that reason.



Prevention of Unethical and Unsafe Conduct

AIM: *GROWMARK requires that its business objectives be carried out in an ethical and safe manner. Employees must at all times conduct themselves in accord with this aim.*

Political Activities and Contributions

Employees engaged in political activities or making contributions to candidates for public office should take care to ensure that it is clear that such activities are being made on an individual basis, and are not sponsored by GROWMARK.

Corporate Opportunities

GROWMARK employees will not take for their own benefit or the benefit of others any business or investment opportunities discovered through the use of company information or their position with GROWMARK. They will not use GROWMARK property, assets, information, or position for personal gain; nor will employees compete with the company in any way.

Conflicts of Interest

Business decisions must be based on GROWMARK's business objectives. A "conflict of interest" is any situation where an employee's personal interests, including those of a family member, business associate, or an entity in which a person has an interest, could impair or appear to impair the ability of the employee to act in GROWMARK's best interests. The GROWMARK Conflicts of Interest Guidelines may be found on the Compliance Program portal.

Prohibition on Personal Loans

GROWMARK will not make personal loans to employees. Any and all remuneration, reimbursement, bonus, contributions, payments, and/or any other transfer of money, property, or assets to any employee or on behalf of GROWMARK shall only be made in exchange for fair consideration and only as specifically authorized and consistent with policies and/or programs and/or agreements adopted or authorized by the Board of Directors.

Gifts, Gratuities, and Kickbacks

No gift, favor, or entertainment shall be accepted or provided if it will obligate or appear to obligate the recipient to create or continue a GROWMARK business relationship. Gifts or entertainment may be accepted or provided only if they are reasonable complements to the creation or strengthening of business relationships, are not in excess of authorized business practices, are of modest value, and violate neither local law nor the policy of the giver's or recipient's company. Any gift not meeting this criteria must be approved by a vice president of GROWMARK and reported to the Compliance Officer. Requesting or soliciting personal gifts, favors, entertainment, or services is not permitted.

References

The full-text of the GROWMARK Compliance Program and any of the policies referred to in this booklet are available for review or download on the Compliance Program portal. Any employee without access may request a copy of the full-text version of the Compliance Program, of the incorporated policies, or extra copies of this booklet by contacting GROWMARK Human Resources or the GROWMARK Compliance Officer.

Acknowledgment

The GROWMARK Compliance Program applies to all classes of employees, including full-time, part-time, and temporary. It also applies to some who are not employees, such as independent contractors, interns, and any other person working for or on behalf of GROWMARK. Finally, it applies to the directors of GROWMARK and any agents carrying out its business interests. All will be required to sign a copy of this acknowledgment and to annually acknowledge adherence to the provisions of the Compliance Program. If you do not fully understand a provision of the Compliance Program, you should request clarification from the Compliance Officer prior to executing this document.

I have received a copy of the Summary of the GROWMARK Compliance Program, and I have carefully reviewed it and fully understand its provisions. I acknowledge and agree to the following in regard to the GROWMARK Compliance Program.

- The Summary of the GROWMARK Compliance Program is a summary of the full-text version of the GROWMARK Compliance Program available on the GROWMARK Intranet (employeeCentral) or upon request from the Compliance Officer. I am responsible for reviewing and being familiar with the full-text version and any of the incorporated policies which are applicable to my activities.
- The Compliance Officer is available to answer any questions that I might have in regard to my understanding of the provisions of the Compliance Program or conduct prohibited by the Compliance Program.
- I recognize that my continued employment and/or association with GROWMARK is conditioned upon my adherence, at all times, to each and every provision of GROWMARK's Compliance Program.

Signature

Date

Printed Name _____ Division _____

PLEASE RETURN A SIGNED COPY OF THIS PAGE TO HUMAN RESOURCES FOR PLACEMENT IN YOUR PERSONNEL FILE.

For Further Help...

If an employee has any questions in regard to any person's obligations under the Compliance Program, the provisions of the Code or the Policies, or if any employee wants to make a report of any potential misconduct, he or she may contact the Compliance Officer directly.

GROWMARK, Inc.

Scott Adams, Director

Compliance and Employee Relations

Phone: (309) 557-6120

E-mail: sadams@growmark.com

Compliance Helpline: (309) 557-6081

Toll Free Compliance Helpline

Phone: (866) 292-5711

E-mail: complianceofficer@growmark.com

Any report or questions may also be directed to GROWMARK Human Resources, or the General Counsel, as follows:

Darla Gabrielson, HR Manager
(New Century FS/STAR Energy)
(641) 651-0398
dgabrielson@growmark.com

Raelene Maas, HR Manager
(AgVantage FS)
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