

# Corporate Governance

## Principles of Corporate Governance

(As amended August 1, 2015)

Bio-Techne Corporation (the “Company” or “Bio-Techne”) is committed to strong, forward-looking corporate governance practices as one means of ensuring the trust and confidence of the Company’s stakeholders. To this end, the Bio-Techne Board of Directors has adopted, as of the effective date, these principles as a statement of the corporate governance policies that the Board will observe in the discharge of its responsibilities.

### 1. **Board Responsibilities**

- *Duties and Responsibilities.* The Board shall perform the duties and responsibilities of a Board of Directors as required by law, and the Company’s governing documents, and as suggested by good governance practices.
- *Integrity of the Company; Ethical Culture.* Among its many responsibilities, the Board views overseeing the integrity of the Company, and the development/maintenance of a corporate culture which is ethical and embodies values of fairness and trust as critically important.

### 2. **Board Leadership**

- *Leadership.* The Board recognizes the importance of leadership that effectively assists the Board in the discharge of its responsibilities.
- *Board Chair.* The Chairman of the Board of the Company may be any director, including the Chief Executive Officer. The Board reserves the right to decide at any time whether it is in the best interests of the Company to separate the positions of Chairman of the Board and Chief Executive Officer.
- *Lead Independent Director.* If the Board determines that the Chairman then serving is not “independent” as such term is defined herein, the independent directors shall have discretion to elect from among themselves a Lead Independent Director who will preside at executive sessions of the Board.

### 3. **Composition; Criteria**

- *Independent Directors.* A majority of the Company’s directors will be independent under criteria for independence established from time to time by the Board in conformity with the rules of any exchange on which the Company’s common stock is traded and good governance practices. The Nominations and Governance Committee shall oversee determinations of director independence and make recommendations to the Board, which shall make a final determination of an individual director’s independence.

- *Management Directors.* The Board reserves the right to elect or recommend for election one or more members of management when such is believed to be in the best interests of the Company.
- *Director Qualifications.* Candidates for directors should have certain minimum qualifications, including having an understanding of a director's role and responsibilities; being able to read and understand basic financial statements; having an awareness and understanding of the Company's business and industry; having high moral character and mature judgment; having a willingness to abide by the Company's policies and applicable rules and regulations; being able to devote significant time and energy toward fulfilling the Board's responsibilities; and being able to work collegially with others. In addition, in evaluating directors and director nominees, the following factors, among others, will be considered: the appropriate size and diversity of the Board; the particular talents and experience of the directors or director nominees relative to the needs of the Board; familiarity with domestic and international business and legal matters, particularly for a publicly-traded company; and the standing and reputation of a director or director nominee in the professional and social communities in which such person operates. These qualifications may be modified from time to time.

#### 4. **Board Committees**

- *Board Committees.* The Board shall have a Nominations and Governance Committee, Audit Committee and Executive Compensation Committee, and such other committees as the Board shall from time to time determine.
- *Committee Composition.* Each of the Nominations and Governance and Executive Compensation Committees shall have no fewer than two members. The Audit Committee shall have no fewer than three members. Each of the Nominations and Governance, Audit and Executive Compensation Committees shall be comprised solely of independent directors.
- *Committee Appointments.* Committee members and the Chairs of each Committee will be appointed by the Board, upon the recommendation of the Nominations and Governance Committee. Committee members serve at the will of the Board.
- *Committee Charters.* Each Committee will have its own charter, which will set forth the responsibilities of the Committee.
- *Committee Minutes.* Committees shall keep minutes of their meetings and actions. Absent special circumstances, Committee minutes shall be made available to all directors following Committee meetings or Committee action.
- *Committee Evaluation.* In cooperation with the Nominations and Governance Committee, each Committee will periodically evaluate its performance.

#### 5. **Board and Committee Advisors**

- *Authority to Engage Advisors.* The Board and each Committee shall have the authority to hire, at the Company's expense, independent legal, financial or other

advisors as the Board or Committee may deem appropriate to assist with the performance of Board and Committee responsibilities.

#### **6. Selection and Orientation of New Directors**

- *Assessing Board Needs; Recommending Qualified Candidates.* The Nominations and Governance Committee shall be responsible for periodically assessing the needs of the Board of Directors to accomplish its oversight responsibilities and recommending to the Board qualified candidates for election by the stockholders or by the Board (in the case of filling vacancies or increasing the Board size between stockholders' meetings). In making its recommendations regarding director candidates, the Nominations and Governance Committee will consider candidates proposed by the directors, stockholders and other sources as appropriate. The Board shall have responsibility for approving the Nominations and Governance Committee's director nominee recommendations.
- *Orientation.* The Company shall, from time to time as it deems appropriate, conduct an orientation process for new directors that includes providing background material, meetings with senior management and visits to Company facilities. All newly elected or recently appointed directors are encouraged to participate in the orientation process. This orientation should seek to familiarize new directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its code of ethics and business conduct, its principal officers, and its internal and independent auditors and legal counsel. All continuing directors are also invited to participate in any orientation process.
- *Extending Invitations to Prospective Directors.* The Lead Independent Director, Board Chair, if the Board Chair is independent, or the Chair of the Nominations and Governance Committee shall extend invitations to prospective directors to join the Board.

#### **7. Director Service; Terms; Resignation; Retirement; Evaluation**

- *No Pre-determined Term Limits.* The Board does not believe that it should limit the number of terms for which an individual may serve as a director, due to the insight and experience provided by Board members who have served for an extended period of time. In lieu of pre-determined term limits, the Board, or the Governance Committee upon the Board's request, evaluates and reviews the appropriateness of each existing Board member's continued service annually in connection with its recommendation to re-nominate such members and from time to time as appropriate.
- *Retirement Age.* Board members shall not be nominated to the Board if they are or will be 75 years old before the next annual meeting, unless the Board deems a waiver of this policy, for a term not to exceed one year, is in the best interests of the Company. This policy shall not apply to any Director serving on the Board as of August 1, 2013 who would otherwise be in violation of the policy as of that date. The policy does not mean that the Board believes directors should expect to be re-nominated annually until they reach the age of 75.

- *Submission of Director Resignation.*
  - Directors shall submit their resignations to the Board upon the commission by such director of any act, or the occurrence of any circumstance involving a director, which the remaining members of the Board determine has adversely affected the Company's reputation.
  - If a nominee for director who is an incumbent director is not elected at a meeting of shareholders and no successor to the incumbent director is elected at such meeting of shareholders, the incumbent director shall promptly offer to tender his or her resignation to the Board. The Nominations and Governance Committee shall make a recommendation to the Board on whether to accept or reject the offer, or whether other action should be taken. The Board shall act on whether to accept the director's offer, taking into account the Nominations and Governance Committee's recommendation, and publicly disclose (by press release, a filing with the Securities and Exchange Commission or other broadly disseminated means of communication as determined by the Board) its decision and the rationale behind it within 90 days after the date of the certification of the election results. The Nominations and Governance Committee, in making its recommendation, and the Board, in making its decision, may each consider any factors or other recommendations that it considers relevant and appropriate. The incumbent director who offers to tender his or her resignation shall not participate in the Board's decision with respect to that director. If such incumbent director's offer to tender his or her resignation is not accepted by the Board, such director shall continue to serve until the next annual meeting and until his or her successor is duly elected, or his or her earlier death, resignation, retirement, disqualification or removal.
- *Service on Other Boards.* Independent directors are encouraged to limit the number of other boards (excluding non-profit) on which they serve, taking into account meeting attendance, participation and effectiveness on these boards. Management personnel, including the Chief Executive Officer and President, shall not serve on more than one additional for-profit board without the approval of the Board. Directors should advise the Board Chair and Chair of the Nominations and Governance Committee in advance of accepting an invitation to serve on another Board in order that the Committee may consider issues such as conflicts of interest, indemnification and director insurance. No non-independent director or executive officer shall serve as a director of a company where an independent director is an executive officer.
- *Board Evaluations.* Periodically, the Nominations and Governance Committee of the Board shall conduct an evaluation of the Board's performance of its responsibilities and shall report to the Board respecting its conclusions and recommendations.

## 8. Board Meetings

- *Number of Meetings.* The Board shall meet no fewer than four times per year and may conduct periodic update calls as often as the Board determines is appropriate.
- *Agenda for Meetings.* The Chair, in consultation with the directors, shall establish the agenda for each meeting, and the length of meetings. Annually, to the extent possible, the Board may establish a schedule of agenda subjects to be discussed during the year. In the event that the Board has appointed a Lead Independent Director, the Lead Independent Director shall collaborate with the Chair in establishing the agenda for each meeting.
- *Attendance at Meetings.* All directors are expected to attend Board meetings, absent unavoidable personal or business conflicts. The Board shall determine, in its sole discretion, whether persons who are not directors may attend Board meetings. It is anticipated that selected members of management will attend Board meetings as described elsewhere in these Principles.
- *Presiding Person.* The Chair of the Board, and in the Chair's absence, the Lead Independent Director if one has been appointed, otherwise, an independent director chosen by the Board, shall preside at Board meetings and executive sessions of the Board. In the event the Chair is not an independent Board member, the Lead Independent Director if one has been appointed and if not, the Chair of the Nominations and Governance Committee, shall preside at executive sessions of the Board.
- *Advance Distribution of Materials.* Information and materials that are important to the Board's understanding and discussion of meeting agenda items will be distributed to Board members at least one week prior to the Board meeting to the extent possible.
- *Document Retention.* To the extent a director maintains meeting notes, directors are encouraged to maintain any such notes separately from the written Board materials. All written notes of a director, whether a part of written Board materials or separate therefrom, should be destroyed at least annually. Directors are encouraged to return written Board materials to the Company at the adjournment of the Board meeting to which such materials relate.
- *Executive Sessions.* To facilitate free and open communication among independent directors, an executive session of independent directors only shall be conducted at least twice annually.
- *Board Minutes.* The Board will keep minutes of its meetings and actions. Board minutes shall be made available to all directors following Board meetings or action.
- *Strategic Plan Review.* The Board shall review Bio-Techne's long-term strategic plans and the principal issues that it expects Bio-Techne will face in the future during at least one Board meeting each year.
- *Confidentiality.* To promote full, open and candid discussion and debate in Board meetings, the Board considers its deliberations to be confidential, and expects all participants in Board meetings to observe that confidentiality.

## 9. Board Relationships With Management; Others

- *Director Access to Management.* In the conduct of its oversight functions, Board members shall have access to selected members of management or employees or advisors who have responsibility for the financial matters, risk management, internal audit, ethical and legal compliance, human resources and such other areas as the Board and its Committees may identify. In initiating contact with management members not already known to a director, a director may consult with the Chief Executive Officer to facilitate an introduction or access. The Board shall make known to management and employees the Board's policy of open access to alleviate any management concerns about a director's authority in this regard.
- *Management Attendance at Board Meetings.* The Board encourages participation in Board and Committee meetings by management members who will provide reports or insights respecting meeting agenda items, and those members of management who by reason of responsibilities or succession the Chief Executive Officer believe should have exposure to the directors. The regular attendance at Board meetings of any management member, other than the corporate secretary and principal accounting officer, who is not a director shall be agreed upon by the Board.

## 10. Leadership Development

- *Management Succession and Development.* Periodically, the Board shall review management development and the long-term and emergency management succession plans.
- *Board Education.* Each director is expected to take such action, which may include participation in continuing educational programs, as necessary to maintain the level of expertise required to perform his or her responsibilities as a director. The Company shall reimburse Board members for reasonable expenses relating to ongoing director education; provided, however, that directors must obtain pre-approval for such expenses from the Chair of the Nominations and Governance Committee and notify management of the anticipated expenses when such pre-approval is obtained.

## 11. Ethics and Conflicts of Interest

- *Ethical Conduct.* The Board expects the Company's directors, officers and employees to act ethically at all times, and to comply with the Company's various policies.
- *Conflicts of Interest.* No director, officer or employee of the Company shall waive compliance with the Company's conflicts of interest and ethical conduct policies without the prior approval of the Board of Directors. Related party transactions should be reviewed by the Audit Committee pursuant to its charter.

## 12. Review of Principles of Corporate Governance

- The Nominations and Governance Committee shall review the Principles of Corporate Governance periodically, and recommend any changes to the Board, as conditions dictate. The Board may amend the Principles of Corporate

Governance, or grant waivers in exceptional circumstances, provided that any such amendment or waiver may not be a violation of any applicable law, rule or regulation.

**13. Communications With Public and Various Constituents**

- *Roles of the Chief Executive Officer, President and Board Chair.* Under ordinary circumstances the Chief Executive Officer, President and such other members of management as appropriate, speak for the Company, and the Chair or Lead Independent Director speaks for the Board. Directors may from time to time interact with various constituents of the Company with the knowledge of management and the Chair or Lead Independent Director. All media inquiries shall be referred to the Chief Executive Officer, President, Chair or Lead Independent Director, as appropriate.
- *Director Attendance at Stockholders' Meetings.* The Board policy is that, subject to unavoidable personal or business conflicts, directors shall attend stockholders' meetings.