

## SPROUTS FARMERS MARKET, INC.

### STATEMENT OF POLICY FOR THE REVIEW, APPROVAL OR RATIFICATION OF TRANSACTIONS WITH RELATED PERSONS

The Board of Directors recognizes the fact that transactions with related persons present a heightened risk of conflicts of interests and/or improper valuation (or the perception thereof) and therefore has adopted this policy which shall be followed in connection with all "transactions with a related person" as described below.

1. This policy applies to any transaction that the Company determines would be required to be publicly disclosed as a related party transaction by the rules of the Securities and Exchange Commission ("SEC") applicable to the Company from time to time (the "SEC Rules"). Terms are used herein as defined in the SEC Rules or the published interpretations thereof.

Whether the Related Person's interest in a transaction is material or not for the purposes of the applicable SEC Rules and this policy will depend on all facts and circumstances, including whether a reasonable investor would consider the person's interest in the transaction important, together with all other available information, in deciding whether to buy, sell or hold the Company's securities. In preparing the Company's periodic SEC filings, Company management makes determinations of materiality. In administering this policy, the Board and the Audit Committee shall be entitled (but not required) to rely upon such determinations of materiality by Company management.

2. All transactions subject to this policy must be approved or ratified by the Audit Committee. If the transaction involves a Related Person who is a director or an Immediate Family Member of a director, such director may not participate in the deliberations or vote respecting such approval or ratification, provided, however, that such director may be counted in determining the presence of a quorum at a meeting of the Audit Committee which considers such transaction.
3. In the event Company management determines it is impractical or undesirable to wait until an Audit Committee meeting to consummate a Transaction with a Related Person, the Chairman of the Audit Committee may review and approve the Transaction with the Related Person in accordance with the criteria set forth herein. If such Chairman or his or her Immediate Family Member is the subject Related Person, such transaction may be reviewed and approved by the Chairman of the Board. The Chairman of the Audit Committee or the Chairman of the Board, as the case may be, shall report any such approval to the Board at the next regularly scheduled Board meeting.
4. In approving or ratifying any transaction, the Audit Committee or director must determine that the transaction is fair and reasonable to the Company. The Audit Committee or director shall not be required by this policy to obtain a fairness opinion or other third party support or advice regarding the fairness of the transaction, but may do so if it (or he or she) so determines in its (or his or her) discretion.
5. In the event the Company becomes aware of a Transaction with a Related Person that has not been approved under this policy prior to its consummation, the matter shall be reviewed by the Audit Committee as provided herein. The Audit Committee reviewing such transaction shall consider all of the relevant facts and circumstances respecting such transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of such transaction, and shall take such course of action as the Audit Committee deems appropriate under the circumstances. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of such transaction to have been presented to the Audit Committee under this policy and shall take any such action as deemed appropriate under the circumstances.

6. No approval or ratification of a transaction hereunder shall be deemed to satisfy or supersede the requirements of the Company's Code of Conduct and Ethics applicable to any Related Person and to the extent applicable, any transactions subject to this policy shall also be considered in light of the requirements set forth in those documents.
7. If such transaction requires approval by the stockholders of the Company under its Certificate of Incorporation, the rules of the Nasdaq Global Select Market or applicable law, such proposed transaction shall also be subject to such required stockholder approval.