

SPROUTS FARMERS MARKET, INC.

RISK COMMITTEE CHARTER

Introduction

This Risk Committee Charter (the “Charter”) establishes the purpose, membership, responsibilities, meetings and procedures, and the authority of the Risk Committee (the “Committee”) of the Board of the Directors (the “Board”) of Sprouts Farmers Market, Inc. (the “Company”).

Purpose

The general purpose of the Committee is to oversee the company-wide risk management profile and practices of the Company.

Membership

The Committee shall be comprised of at least three members of the Board, or such other number as the Board may deem appropriate from time to time. Committee members must meet the definition of “independent director” under Rule 5605(a)(2) of the Nasdaq Marketplace Rules.

Committee members shall be appointed, and may be removed, with or without cause, by the Board. The Board shall appoint one member as the Chairperson of the Committee (the “Chairperson”). Members shall serve on the Committee until such member’s successor is duly elected or until such member’s resignation or removal.

Responsibilities

The Committee shall be responsible for carrying out the activities set forth below. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in this Charter.

The business of the Company is managed under the direction of the Board and the various committees thereof, including the Committee. The basic responsibility of the Committee is to exercise its business judgment in carrying out the responsibilities described in this Charter in a manner the Committee members reasonably believe to be in the best interest of the Company and its stockholders. The Committee is not expected to assume an active role in the day-to-day operation or management of the Company.

In this context and in accordance with its stated purpose and compliance obligations, the Committee shall have the following responsibilities:

Enterprise Risk Management

- Help set the tone and develop a culture within the Company vis-à-vis risk, promote open discussion regarding risk, the integration of risk management into the Company’s strategy, goals and compensation structure, and creation of a corporate culture such that people at all levels manage risks.
- Provide input to management regarding risk events or circumstances relevant to the Company’s strategic objectives and the Company’s risk appetite and tolerance.
- Monitor the Company’s risk profile and its ongoing potential exposure to risks of various types.
- Provide oversight of Company management in its development and administration of the Company’s enterprise risk management (“ERM”) program.

- Review the risk identification, assessment, prioritization, management, response, mitigation, and monitoring plans and processes encompassed in the ERM program.
- Periodically evaluate and review the ERM program and its effectiveness and provide updates thereon to the Board.
- Review the risk management infrastructure and the critical risk management policies adopted by the Company.
- Monitor risk management capabilities within the Company.
- In carrying out its responsibilities, the Committee recognizes the responsibilities delegated to other committees by the Board and understands that the other committees may emphasize specific risk monitoring through their respective activities.
- Oversee and review risks associated with the Company's environmental, social and governance (ESG) actions, reporting, and disclosures.

Reporting and Compliance

- Review management's definition of the risk-related reports that the Committee could receive regarding the full range of risks the Company faces, as well as their form and frequency.
- Coordinate communications with regard to risk monitoring among the Board and the various committees thereof.
- Review the charter at least annually and update it as determined by the Committee to respond to new risk-oversight needs and any changes in risk or other requirements.
- Perform any other activities consistent with this charter, the Company's bylaws, and governing laws that the Board or the Committee determines are necessary and appropriate.

Meetings and Procedures

The Committee shall meet as often as is determined necessary by the Committee or the Chairperson. The Chairperson will provide an agenda for the meeting and have the authority to invite non-Committee members to participate in the meeting, including outside counsel, management, or other advisors. The Committee is governed by the same rules regarding meetings by telephone or other similar communications equipment, action by written consent and notice and waiver of notice requirements as are applicable to the Board. A majority of members of the Committee shall constitute a quorum. Minutes of each meeting shall be recorded at the direction of the Chairperson.

Advisors

The Committee shall have unrestricted access to funding, documents, personnel and management as necessary to discharge its responsibilities. The Committee shall have the sole authority to retain and terminate any such firm to be used to manage risks, including the sole authority to approve the firm's fees and other retention terms. The Committee may retain and terminate other independent legal, financial or other advisors as it may deem necessary. The Company shall provide the Committee with the resources necessary to carry out its purposes, including funds sufficient, as determined by the Committee, for retention of advisors (including consulting firms, independent legal, financial or other advisors) and payment of administrative expenses.

Delegation

In fulfilling its responsibilities, the Committee is authorized to delegate any or all of its responsibilities to a subcommittee or subcommittees of the Committee. While acting within the scope of the powers and responsibilities delegated to it, any subcommittees of the Committee shall have and may exercise all the powers and authority of the Committee and the Board.