This Leading With Integrity Guide (Integrity Guide) essentially contains two parts. One section contains our corporation’s Integrity Code, which provides a summary of the expected behaviors that guide us to perform with integrity in all matters. The remainder of this document provides more detail regarding the policies and procedures supporting the Integrity Code, which are intended to promote ethical behavior, prevent and detect criminal conduct, and assure compliance with applicable laws and regulations. References to the corporate policies are noted throughout this Integrity Guide.

Employees should consider this Integrity Guide as the corporate Code of Conduct. This document is not an employment contract and does not create any contract rights.

How to use the Integrity Guide

• Read the letter from President and Chief Executive Officer David Goodin regarding the corporation’s commitment to integrity and compliance with the law.
• Read and understand the Integrity Code.
• Read and understand the policy guidelines that apply to your job functions.
• Ask your supervisor or the compliance officer for your company any questions you have regarding the Integrity Guide.
• Complete the legal compliance and ethics training programs required of you during the year.
• Ask any questions or raise any integrity concerns you may have by using any of the options discussed under the Reporting Systems section of this Integrity Guide.

Definitions

In this document, the terms “corporation” and “corporate” refer to MDU Resources Group, Inc. and all its divisions and subsidiaries. The term “company” refers to a specific operating company, and the term “business unit” refers to divisions and its first and second tier subsidiaries that conduct themselves as separate operating units. “Business units” include MDU Utilities Group (Cascade Natural Gas Corporation, Great Plains Natural Gas Co., Intermountain Gas Company and Montana–Dakota Utilities Co.), Knife River Corporation, MDU Construction Services Group, Inc., WBI Holdings, Inc. and their respective subsidiaries.
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Dear Fellow Employees,

Values define an organization, and integrity is our core value. Integrity is expected from all employees, supervisors, officers and directors of MDU Resources companies.

This core value comes before financial goals or even direct orders from a supervisor, officer or director. We must act and make decisions honestly, fairly and representing the highest standards of professionalism. Integrity must be the cornerstone for all our dealings with customers, employees, stockholders, suppliers, competitors and the communities we serve. There can be no exceptions or compromises to our standards of integrity.

No business ethics policy can cover every circumstance. The corporation relies on you to observe the highest ethical standards in all dealings. This Integrity Guide serves as our corporate Code of Conduct.

Please discuss any questions about the Integrity Guide with your supervisor or the compliance officer for your company. We rely on you to report suspected misconduct and violations of the Integrity Guide, and it is your duty to do so. You can report them directly to your supervisor or company compliance officer. You also can report the suspected activity through EthicsPoint by using a toll-free, confidential hotline at 1-866-294-4676 or by going online at http://ethics.mdu.com.

Our corporation has a long, proud legacy of ethical business practice that was hard-earned by those who came before us. Our responsibility is to preserve and strengthen this legacy. Reading, understanding and living the commitments and standards outlined in this Integrity Guide will help us maintain our legacy of integrity.

Sincerely,

David L. Goodin
President and Chief Executive Officer
MDU Resources Group, Inc.
Commitment to Integrity
We will conduct the corporation’s business legally and ethically with our best skills and judgment.

Commitment to Shareholders
We will act in the best interests of the corporation and protect its assets.

Commitment to Employees
We will work together to provide a safe and positive workplace.

Commitment to Customers, Suppliers and Competitors
We will compete in business only by lawful and ethical means.

Commitment to Communities
We will be a responsible and valued corporate citizen.
Commitment to Integrity

We will conduct the corporation’s business legally and ethically with our best skills and judgment.

Our Values

We are all responsible for conducting the corporation’s business in accordance with all legal requirements and with high ethical standards. We will not tolerate illegal or unethical behavior in the conduct of the corporation’s business.

Our Conduct Standards

To meet our values and our commitment to integrity, we will:

• Achieve legal compliance by making our decisions and carrying out our duties in accordance with the spirit and letter of applicable laws and regulations.
• Observe the highest ethical standards of behavior in performing our duties.
• Foster a culture where ethical conduct is expected, encouraged, valued and recognized.
• Provide and receive training in the legal and ethical standards that directly affect the corporation’s activities and our job responsibilities.
We will act in the best interests of the corporation and protect its assets.

Our Values

Every director, officer and employee of the corporation has a duty to protect corporate property, maintain the corporation’s financial integrity and provide its shareholders with timely, accurate information. We will not let personal interests conflict with the interests of the corporation.

Our Conduct Standards

The corporation and all employees will meet our values and our commitment to shareholders by:

• Avoiding any activity or association that creates a conflict between our personal interests and the corporation’s business interests.

• Following generally accepted accounting and financial reporting principles and applicable regulations.

• Using the corporation’s resources, time and facilities only for lawful purposes and not for unauthorized personal benefit.

• Protecting the corporation’s confidential, privileged and competitive information.

• Not buying or selling stock or other securities of any corporation based on inside information about the corporation.
COMMITMENT TO EMPLOYEES

We will work together to provide a safe and positive workplace.

Our Values

The corporation’s employees are its most important asset in providing a competitive advantage. Our commitment to our employees is based on a firm belief in the value and dignity of the individual. The corporation and all employees will maintain an environment in which each employee can perform effectively and efficiently. This commitment can be met only where there is a shared sense of responsibility for the overall performance and well-being of the corporation and its employees.

Our Conduct Standards

The corporation and all employees will meet our values and commitment to each other by:

• Complying with applicable labor and employment laws and regulations in every market where we operate.
• Working together to provide a workplace free from unlawful discrimination, harassment, retaliation and violence.
• Recruiting, hiring, training, paying, promoting, disciplining and discharging employees fairly and impartially based on job-related criteria without regard to age, race, color, religion, gender, sexual orientation, gender identity, national origin, disability, veteran status, or any other personal characteristic determined to be a protected category under state law.
• Respecting employees’ differences and supporting an inclusive culture where all employees can feel valued.
• Preventing workplace injuries by adhering to applicable workplace safety laws and regulations and corporate standards.
• Maintaining a workplace free from the influence of illegal drugs and abuse of alcohol or prescription drugs.
• Promoting trust, pride and camaraderie in the workplace.
• Treating each other courteously and respectfully.
• Giving employees timely information concerning corporate operations and results.
• Giving employees work-related information necessary for them to effectively perform their responsibilities.
**Commitment to Customers, Suppliers and Competitors**

We will compete in business only by lawful and ethical means.

**Our Values**

We will be our customers’ supplier of choice in all of our markets by seeking competitive cost advantages and providing high-quality products and services. The corporation and its employees will be honest and fair in their business dealings and will not be involved in unfair or illegal trade practices.

**Our Conduct Standards**

The corporation and all employees will meet our values and our commitment to customers, suppliers and competitors by:

- Competently and efficiently providing high-quality products and services.
- Protecting personal customer information from unauthorized use or disclosure.
- Not giving improper gifts to customers or suppliers or receiving improper gifts from customers or suppliers.
- Not giving illegal gifts or favors to any government employee or official.
- Respecting the proprietary rights of others, including patents, copyrights and trademarks.
- Not entering into agreements of any form with competitors to control or affect the corporation’s products and services.
- Not entering into illegal oral or written agreements to limit competition between the corporation and its competitors.
COMMITMENT TO COMMUNITIES

WE WILL BE A RESPONSIBLE AND VALUED CORPORATE CITIZEN.

Our Values
The corporation and its employees have responsibilities to the communities where we work and do business. We will be valued members of our communities and conduct the corporation’s business in a manner that respects and promotes the quality of life in those communities.

Our Conduct Standards
The corporation and all employees will meet our values and our community commitment by:

• Promoting environmental stewardship by complying with or exceeding environmental regulations and striving to reduce harmful wastes and emissions.
• Promoting public safety by not creating unreasonable risks to public health and safety by our activities, products or services.
• Encouraging employee involvement in community activities and professional organizations.
• Communicating with the community by responding appropriately and accurately, through authorized representatives, to inquiries from the news media, financial analysts and regulatory personnel.
• Maintaining political integrity by contributing corporate funds and resources only for legal purposes.
• Contributing to our communities by supporting eligible educational and charitable organizations and community projects.
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**COMMITMENT TO INTEGRITY**

**OUR COMMITMENT**

We will conduct the corporation's business legally and ethically with our best skills and judgment.

**OVERVIEW AND CORPORATE POLICY**

The corporation adopted Corporate Policy No. 81 which establishes the Leading With Integrity Program. It is intended to promote ethical behavior, prevent and detect criminal conduct, and assure compliance with applicable laws and regulations. Employees should consider this Integrity Guide as the corporate Code of Conduct.

The Integrity Guide contains the corporate Integrity Code (pages 2-7) and references supporting policies. All directors, officers and employees have a responsibility to understand and follow the Integrity Guide, and also to perform their duties with honesty and integrity in areas not specifically addressed by the Integrity Guide.

**LEGAL COMPLIANCE**

All directors, officers and employees must comply with all applicable laws affecting the corporation’s business. Compliance with the law is a minimum standard of conduct and is expected of everyone. No director, officer, manager or employee has authority to violate any law or direct other employees or any other person to violate any law on behalf of the corporation.

**International Operations**

Laws and customs vary throughout the world, but we must uphold the integrity of the corporation in other nations as diligently as we do in the United States. When conducting business in other countries, employees must be sensitive to international legal requirements and U.S. laws that apply to international operations. The Foreign Corrupt Practices Act generally makes it unlawful to give anything of value to foreign government officials, foreign political parties, foreign party officials or foreign candidates for public office for the purpose of obtaining, or retaining, business for the corporation. Even a small gift or inexpensive entertainment can violate the act if its purpose is to improperly influence an official to award business to the corporation.

In some countries, any gifts to or entertainment of international officials is illegal. In practice, the distinction between ethical and corrupt gifts and entertainment can often become blurred. Even if a payment is customary under the circumstances and is permitted by the Foreign Corrupt Practices Act, employees must obtain the prior written consent of the business unit president in charge of operations in the foreign country in question, who will consult with the corporation’s general counsel when appropriate. Employees should contact their compliance officer or the Legal Department if they have questions concerning a specific situation.

**ETHICAL STANDARDS**

“With integrity.” These are the words that describe how the corporation will conduct its business. Each employee is responsible for helping to maintain one of the corporation’s most important assets: its reputation for integrity. Our success depends on maintaining a high level of public confidence. This confidence can be sustained only if we continue to observe the highest standards of ethical behavior. A single employee’s misconduct can severely damage the corporation’s hard-earned reputation.
Culture

The ethical performance of the corporation is the sum of the actions of each director, officer and employee. We all are responsible for not only complying with the Integrity Guide but for fostering a culture and atmosphere in which the highest standards of legal and ethical conduct are expected and observed. It’s important for employees and their supervisors to talk about situations that can cause ethical uncertainty and to discuss acceptable ways of handling those situations.

If you have questions about the Integrity Guide or the Corporate Compliance Program, talk to your supervisor, the compliance officer for your company or the Legal Department.

If you know a director, officer or another employee who has violated the Integrity Guide, you are obligated to report the violation. The complaint reporting procedures are set out in Corporate Policy No. 86. Methods of reporting, including confidential reports through the EthicsPoint reporting system, are listed on page 26 of this Integrity Guide. There will be no retaliation against an employee who makes a good-faith report of a suspected violation.

Employees who fail to comply with any of the provisions of the Integrity Guide are subject to disciplinary action, including termination.

Training

The corporation’s compliance program helps assure ethical and legal conduct and prevents the likelihood of illegal conduct by educating employees about expected and prohibited conduct.
COMMITMENT TO SHAREHOLDERS

OUR COMMITMENT
We will act in the best interests of the corporation and protect its assets.

OVERVIEW AND CORPORATE POLICY
Foremost among the corporation’s objectives stands the constant duty of serving the long-term interests of its owners, our shareholders. This includes protecting its tangible interests, such as property and equipment, as well as its intangible assets, such as its reputation for integrity and its information and intellectual property.

CONFLICTS OF INTEREST
We are in positions of trust to the shareholders. Our primary loyalty in business affairs is to the corporation, and we must conduct ourselves accordingly. We need to be particularly sensitive to situations, both on and off the job, where a conflict of interest, or even the perception of such a conflict, could arise.

Directors, officers and employees must conduct themselves in such a way that there is no conflict — or even the appearance of a conflict — between their personal interests and the corporation’s interests. A conflict of interest can arise when a director, officer or employee takes action that may make it difficult to perform corporate work objectively or fairly. Examples include having a financial interest in a customer, supplier or competitor, or obtaining for personal gain a business opportunity that is learned about through the corporation. Conflicts of interest also can arise when an employee transacts business with the corporation, such as the purchase or sale of property or services, outside the ordinary course of business.

Employees and non-executive officers who recognize a conflict of interest must report it to their supervisor, their Human Resources department, the general counsel or the internal audit director. The corporation will determine whether more is required of the individuals.

Directors and executive officers must report to the general counsel all proposed or existing transactions (as defined in the Corporate Governance Guidelines located at http://www.mdu.com/integrity/governance/guidelines-and-bylaws) between them or their immediate family members and the corporation. The general counsel will determine if the transaction is required to be reported to the audit committee of the Board of Directors in accordance with the Corporate Governance Guidelines.

Personal Financial Interests
An employee should not hold a significant financial interest in (i.e. 5 percent or more ownership) or hold a position as an officer or director in another enterprise that is doing or seeking to do business with the corporation unless the action has been fully disclosed to and approved in accordance with Corporate Policy No. 85. This includes enterprises seeking to compete with or provide services, materials, property, mineral interests or equipment to the corporation.

In addition, unless approved by the business unit president following the employee’s disclosure of the activity to the employee’s supervisor, neither the employee nor his or her spouse nor any other member of the employee’s immediate family may directly or indirectly have a financial interest (as
Commitment to Shareholders

an investor, lender, employee or service provider) in a competitor, or a customer or supplier, if that employee or his or her subordinates deal directly or indirectly with that competitor, customer or supplier in the course of his or her job with the corporation.

Significant Relationships

The term "significant relationship" means a family, business or personal relationship that causes or appears to cause an inability on the part of an employee to objectively and impartially perform his or her corporate responsibilities. Each employee is required to disclose certain significant relationships, including:

- A family, business or personal relationship with another corporate employee with whom a reporting relationship exists. This applies whether the relationship is direct or indirect and whether it is superior-to-subordinate or subordinate-to-superior.
- A relationship with an officer of any MDU Resources company.
- A relationship with another corporate employee whose career or terms and conditions of employment may be affected by your job.

If you are uncertain whether a significant relationship or significant personal financial interest exists or should be disclosed, talk to your supervisor, your Human Resources department, the general counsel or the internal audit director.

Outside Employment

In general, employees have the right to seek employment outside the corporation and have financial and managerial interests in outside companies. However, outside employment must not affect the quality of your work, compete with the corporation’s activities or create a conflict of interest.

You may not perform work for an outside organization that does or seeks to do business with the corporation or any of its operating companies or that competes with the corporation’s services unless you have prior approval from your business unit president. Before accepting a position on the board of directors of another company or nonprofit organization, you must evaluate carefully whether the position could cause or appear to cause a conflict of interest. If there is any question, talk to your supervisor.

Independent Auditor Relationships

The corporation’s Audit Committee has adopted a policy that prohibits the corporation from hiring any current member of the corporation’s external independent auditor team. The policy also restricts the hiring of former members of the external independent auditor team as well as family members of persons affiliated with the external independent auditor. Before beginning employment discussions with a proposed new hire who is in any way associated with the corporation’s external independent auditor, notify the corporation’s general counsel.

Business Opportunities

Corporate employees may not benefit personally, directly or indirectly, from business opportunities in which the corporation may have an interest.
ACCOUNTING AND FINANCIAL REPORTING

Every employee is responsible for protecting the corporation’s assets. In addition, management is responsible for establishing and maintaining appropriate internal controls to make sure the corporation’s assets are used only for lawful and proper purposes, protected against loss from unauthorized use, recorded using reliable information and scrupulously accounted for. Every employee is responsible for abiding by management’s internal controls for protecting the corporation’s assets.

The corporation will maintain accurate accounting records, which include all assets, liabilities, revenues, expenses and financial transactions of the corporation, in accordance with Generally Accepted Accounting Principles (GAAP). Transactions must be made in accordance with the appropriate authorization.

All material off-balance-sheet transactions, arrangements and obligations, contingent or otherwise, and other relationships of the corporation and/or its operating companies with unconsolidated entities or other persons that may have material current or future effects on the financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components of revenues or expenses must be disclosed to the Audit Committee and the corporation’s independent auditors.

No employee or director may interfere with or seek to improperly influence, directly or indirectly, the auditing of the corporation’s financial records. Violation of these provisions will result in disciplinary action, up to and including termination, and also may subject the violator to substantial civil and criminal liability.

Employees who become aware of any improper transaction or accounting practice concerning the resources of the corporation should report the matter immediately to their supervisor, the general counsel, the corporation’s internal auditing director, or a member of the Audit Committee as provided in Corporate Policy No. 86. An employee also may file a confidential, anonymous report through EthicsPoint. There will be no retaliation against employees who disclose, in good faith, questionable accounting or auditing matters. For further information and contact information for reporting suspected violations, see page 26.

PROTECTION OF PROPERTY

All employees are responsible for the proper use of the corporation’s property, which includes physical resources and proprietary and confidential information. We must provide reasonable care for the use and maintenance of corporate property and take adequate precautions to protect assets from misuse, theft, vandalism and accidental loss. Corporate property may not be used for personal benefit of employees or anyone else, including community or charitable organizations, without prior management approval. Sensitive information, including Social Security numbers and banking information, must be handled according to Corporate Policy No. 5.

The corporation’s salvage or surplus materials must be disposed of in accordance with approved procedures. The corporation must maintain auditable accounting records of the disposal of assets.

Employees may not inappropriately use corporate telephones, computers, mobile devices, vehicles, construction equipment, office machines, materials, services or supplies for personal use. However, unless prohibited by an employee’s supervisor, reasonable incidental use of a corporate telephone, computer or other equipment is permitted.
Any employee who engages in or attempts theft of any corporate property, including documents, equipment, cash, intellectual property or any other items of value, or the personal property of other employees, will be subject to disciplinary action, including termination, and may face criminal proceedings. All employees have a responsibility to report any theft or attempted theft to corporate management.

**Trademarks, Service Marks and Copyrights**

Trademarks and service marks — words, slogans, symbols, logos or other devices used to identify a particular source of goods or services — are important business tools and valuable assets that require care in their use and treatment. No employee may negotiate or enter into any agreement with respect to the corporation’s trademarks and service marks without first consulting the Legal Department. For a more detailed statement on the use of the corporation’s trademarks, marks and logos, see Corporate Policy No. 90.

The corporation is legally entitled to all rights — including ideas, inventions and works of authorship — relating to its business that are made by employees during the scope of their employment with the corporation or using corporate resources. Employees should promptly disclose all employee ideas, inventions and works to their supervisor. The corporation will obtain legal protection for those ideas, inventions and works by transferring them to corporate ownership.

**Computer System**

For conducting corporate business, employees are given access to computers, email and the Internet. The computers and the email and Internet access are the property of the corporation. All communications and information transmitted by, received from, created in or stored in the corporate computer system are the property of the corporation. Occasional personal use of computers, email and the Internet is permitted to the extent that it is legal and does not affect the employee’s job performance or negatively affect the corporation. Employees may not install hardware or software on their computer work stations without the authorization of the Enterprise Technology staff.

The corporation has the right, but not the duty, for any reason and without the permission of any employee, to monitor any and all aspects of its computer system and information posted on social networking sites. This includes, but is not limited to, reviewing documents created and stored on its computer system, deleting any matter stored in its system, monitoring sites visited by employees on the Internet, monitoring chat and news groups, reviewing material downloaded or uploaded from the Internet, and reviewing email sent and received by users. Employees should not expect that anything they create, store, send or receive on the computer system or social network sites is private.

Employees must conduct themselves professionally when using the computer system, including email. The corporation’s policies against discrimination and harassment, sexual or otherwise, apply to the computer system and social networking sites, and any violation of those policies is grounds for discipline, including termination. Employees may not use the corporation’s computer system to send or receive messages or files that are illegal, sexually explicit, abusive, offensive, profane, threatening or slanderous. For further detail regarding proper use of the corporation’s computer system, see the following corporate policies:

- Corporate Policy No. 93: Social Networking Policy
- Corporate Policy No. 200: Wide Area Network (WAN) Policy
Commitment to Shareholders

- Corporate Policy No. 201: Personal Computer Policy
- Corporate Policy No. 202: Computer Network Security Policy
- Corporate Policy No. 203: E-mail Usage Policy
- Corporate Policy No. 204: Internet Usage Policy
- Corporate Policy No. 205: Web Site Policy
- Corporate Policy No. 206: Remote Access Data Communications Policy
- Corporate Policy No. 208: Software License Policy
- Corporate Policy No. 209: Mobile Device Policy
- Corporate Policy No. 210: Cyber Security Policy

Document Retention

Whenever it becomes apparent that documents of any type are relevant or will be required in connection with a lawsuit or government investigation, all possibly relevant documents should be preserved, and ordinary disposal or alteration of documents pertaining to the subjects of the litigation or investigation should stop immediately. Employees who are uncertain whether documents under their control should be preserved because they might relate to a lawsuit or investigation should contact the Legal Department.

Confidential Information

In the course of employment, employees may have access to corporate information that is confidential, privileged or has competitive value to the corporation. All employees must protect the confidentiality of this information.

Confidential information may be used for corporate purposes only, and not for personal benefit or the benefit of others. All files, records and reports acquired or created in the course of employment are the property of the corporation. Originals or copies of such documents may be removed from the corporation’s offices for the sole purpose of performing the employee’s duties to the corporation, and must be returned at any time upon request.

The corporation operates in many different and extremely competitive markets. In any competitive environment, proprietary information and trade secrets must be protected in the same way as all other important corporate assets are protected. Information concerning pricing, products and services that are being developed, and other such trade secrets, including information pertaining to any prospective acquisition or divestiture, must be kept confidential. Employees must use reasonable care to avoid inappropriate disclosure. This information must be used only as required in performing the employee’s duties. Limit discussion of confidential or competitive information to those employees who need to know the information to perform their job responsibilities.

Lists or other information concerning employees, customers or shareholders are considered confidential corporate information and should not be disclosed to others, except as required by law or with management approval. If you are unsure whether information is confidential, ask your supervisor.
INSIDE INFORMATION

Employees may not trade in or even recommend corporate stock based on inside information. “Insider trading” is the purchase or sale of a publicly traded security while in possession of important non-public information about the issuer of the security. Such information includes non-public information on, for example, corporate earnings, significant gains or losses of business, or the hiring, firing or resignation of a director or officer of the corporation. Insider trading is prohibited by the securities laws. So is “tipping,” which is communicating such information to anyone who might use it to purchase or sell securities. When in doubt, presume that information obtained as an employee of the corporation is important and not public.

Officers and directors of the corporation are prohibited from trading in corporate stock during a “Blackout Period,” which is any period in which participants in the corporation’s retirement plans are restricted from selling their shares.

An employee who has questions about a security sale or purchase that might involve confidential information or securities laws should talk to the corporation’s compliance officer or the Legal Department. Depending on the situation, the compliance officer or Legal Department may recommend that the employee retain a personal attorney.
COMMITMENT TO EMPLOYEES

Our Commitment

We will work together to provide a safe and positive workplace.

Overview and Corporate Policy

A positive work environment depends on willing cooperation by everyone. Every employee is expected to be a positive and productive member of the work group and to cooperate with co-workers. Effective teamwork and cooperation, as well as open and honest communication, are based on developing and maintaining trusting relationships.

Employee skills and abilities must be continually upgraded and expanded in order to meet changing job requirements and maintain business competitiveness. A lifelong learning atmosphere is a basic part of our philosophy.

Safety is a vital part of every employee’s job. Every employee is responsible for preventing accidents and injuries and maintaining safe working conditions for all employees.

Employment Conditions

The corporation is committed to the philosophies of equal employment opportunity and affirmative action policies, and is dedicated to achieving equal opportunity for all employees and applicants for employment in accordance with all applicable equal employment opportunity and affirmative action laws, directives and legislation. For more information, see Corporate Policy No. 104.

The corporation is committed to fostering a work environment in which all individuals are treated with respect and integrity. We adopted Corporate Policy No. 105 to provide employees with a positive work environment that is free of sexual and other forms of unlawful harassment. The corporation will not tolerate harassment in the workplace. This includes, but is not limited to, harassment based on age, race, color, religion, gender, sexual orientation, national origin, disability or veteran status. The corporation will not tolerate verbal or physical conduct of a sexual nature by any supervisor, employee, agent, contractor or customer that harasses, disrupts or interferes with an employee’s work performance or that creates an intimidating, offensive or hostile work environment.

The corporation’s policy is to comply with all applicable wage and hour laws and other statutes regulating the employer-employee relationship and the workplace environment.

No employee of the corporation may interfere with or retaliate against another employee who seeks to invoke his or her rights under the laws governing labor and employee relations.

Diversity

The corporation is committed to an inclusive environment that respects the differences and embraces the strengths of its diverse employees to further its corporate vision. Diversity is who we are as individuals, including all of the differences that make each employee unique. Diversity includes education, background, work function, union affiliation, management status, seniority, sexual orientation, physical ability, gender, race, age and all other factors that make us who we are. The corporation respects employees’ differences and supports an inclusive culture where all employees can feel valued. It is important to the corporation that all employees can contribute their full potential to help achieve our corporate goals.
Commitment to Employees

Safety and Health

Safety is a vital part of every employee's job. An effective safety program makes sense from both a human and an economic viewpoint. The goal of our safety program is to prevent accidents and injuries and to provide safe working conditions for all employees. Employees should use required safety equipment, follow proper procedures, and use good judgment and common sense to protect themselves, their co-workers and the public from injury. The corporation will adhere to all applicable workplace safety laws and regulations and corporate standards. Corporate Policy No. 24 outlines our corporate commitment to this important aspect of employment.

Employees are expected to report to work on time and in appropriate mental and physical condition for work. The use, sale, distribution or possession of illegal drugs on corporate premises, in corporate vehicles, in personal vehicles being operated on corporate business, or while conducting off-premise corporate business is absolutely prohibited. Violation of this policy (outlined in Corporate Policy No. 100) will result in disciplinary action, up to and including termination, and may have legal consequences.

The use, sale, distribution or possession of alcohol in corporate vehicles, or in personal vehicles being operated for corporate business, is absolutely prohibited. The use, sale, distribution or possession of alcohol on corporate premises, or while conducting off-premise corporate business, is prohibited unless approved by the company president.

Each business unit has its own policy on smoking or tobacco use. Generally, smoking and tobacco use are prohibited in corporate and company facilities except in areas designated as “smoking permitted” areas, and are not allowed in corporate or company vehicles. Employees should review the policy applicable to their business unit to determine how smoking and tobacco use are addressed. If the operating company policy or state or local laws are more stringent than the business unit policy, they must be followed.

Employees may not carry or otherwise possess weapons in corporate buildings or corporate vehicles.

A Great Workplace

In many respects, a customer relationship exists between employees. The corporation's long-term success requires that we treat each other as customers and respond to requests competently and efficiently, with quality products and services. All employees should treat each other with the same respect and courtesy delivered to external customers.

Communication

The corporation provides internal and external communication for employees and for the general public regarding issues and activities affecting our business. Employee communications include periodic employee meetings, emails, intranet sites and various other materials. Employees are encouraged to review these communications for important information that affects the corporation, impacts the quality of our work, and demonstrates responsible business practices.
Commitment to Customers, Suppliers and Competitors

Our Commitment

We will compete in business only by lawful and ethical means.

Overview and Corporate Policy

The corporation’s long-term success can be achieved only through fair, honest and intelligent decisions in dealing with customers, suppliers and competitors.

No funds or assets of the corporation may be paid, loaned or otherwise disbursed as bribes, “kickbacks” or other payments designed to influence or compromise the conduct of the recipient. No employee of the corporation may accept any funds or other assets — including those provided as preferential treatment to the employee for fulfilling his or her responsibilities — in return for help in obtaining business or for securing special concessions from the corporation. Any employee found to be receiving, making or condoning a bribe, kickback or other unlawful payment, or attempting to initiate such activities, will be subject to disciplinary action up to and including termination.

Customer Service

The corporation’s successful relationship with its customers requires that we provide quality products and services competently and efficiently and treat customers with courtesy. The corporation makes many commitments to our customers about the availability, quality and price of our products and services in furtherance of the corporation’s vision to be the customers’ supplier of choice in all our markets. It is up to each employee to ensure that we live up to these promises. Employees should be sensitive to customer problems and work to build customer appreciation for the value and quality of our services.

Our customers have a right to information about the corporation’s products and services. We must maintain open communication with our customers and respond promptly to inquiries, requests and complaints.

Supplier and Customer Relationships

The corporation’s supplier relationships are based on a commitment to open and fair dealings. We will select suppliers of goods and services based on quality, service, cost-benefit considerations, performance capacity and adequacy of supply. All actions that will or may create an appearance of special influence or preferential treatment in favor of any supplier should be avoided.

The corporation has adopted Corporate Policy No. 83 regarding giving or receiving gifts from others in the course of business. In general, the policy prohibits an employee or members of an employee’s family from requesting or accepting anything that could be construed as an attempt to influence the performance of the employee’s duties or to favor one supplier or customer over another.

Employees may not accept from current or prospective suppliers or customers any gift of cash, gift certificate, travel or lodging valued at more than $200 without approval from the employee’s company president. Employees may only accept such gifts of lesser value with his or her supervisor’s approval.
COMMITMENT TO CUSTOMERS, SUPPLIERS AND COMPETITORS

Normal business entertainment such as lunch, dinner, theater or sporting events are appropriate if they’re reasonable according to Corporate Policy No. 83 and the purpose is to hold bona fide business discussions or foster better business relations.

No gifts of any value may ever be solicited for personal use.

Review Corporate Policy No. 83 for further detail regarding giving or receiving gifts.

FAIR COMPETITION

Fair competition is fundamental to the free enterprise system that we support. The corporation and its employees must comply strictly with all antitrust laws and avoid any anti-competitive behavior. This includes avoiding arrangements with dealers, suppliers, customers or other competitors that restrict the corporation’s ability to compete with any other business or the ability of any other business to compete with us. We also avoid practices that seek to increase the use of our services by any means other than fair marketing based on price, quality, product features and service. The corporation does not use marketing practices that could be characterized as unfair or deceptive.

The federal government, most state governments and many foreign governments have enacted antitrust or competition laws prohibiting restraints of trade. Their purpose is to ensure that markets for goods and services operate competitively so customers enjoy the benefit from open competition among their suppliers and sellers benefit from competition among their purchasers. In the U.S. and some other jurisdictions, violations of antitrust laws can lead to substantial civil liability — triple the actual economic damages to a plaintiff. In addition, violations of the antitrust laws are often treated as criminal acts that can result in felony convictions of corporations and individuals. Antitrust laws are complex and strict compliance with them is essential.

Some types of conduct are always illegal under U.S. antitrust laws and in many other countries. Employees and other representatives of the corporation must be alert to avoid even the appearance of such conduct, including:

Agreements with competitors:
- To set prices or any other economic terms of the sale, purchase or license of goods or services; to use a common method of setting prices; or to set any conditions of sale or purchase.
- To coordinate any terms of a bid, or on whether or not to bid.
- To allocate or limit customers, geographic territories, products or services or to refrain from competing with each other in some other way.
- To not do business with (to “boycott”) one or more customers, suppliers, licensors or licensees.
- To limit production volume or research and development, to refrain from certain types of selling or marketing of goods or services, or to limit or standardize the features of products or services.

Agreements with customers or licensees on the minimum resale price or price levels (for example, discounts) of the corporation’s goods or services.

Other types of conduct may be illegal under certain situations. Some of these types of conduct involve agreements with third parties such as competitors, customers, suppliers, licensors or licensees. Others involve unilateral actions that may result in claims that the corporation has monopolized or attempted to monopolize a market. These types of conduct include:
Commitment to Customers, Suppliers and Competitors

- “Predatory” pricing, or pricing below some level of cost, with the effect of driving at least some competition from the market.

- Exclusive dealing arrangements that require customers or licensees to not deal in the goods or services of the corporation’s competitors.

- Reciprocal purchase agreements that condition the purchase of a product on the seller’s agreement to buy products from the other party.

- “Tying” arrangements, in which a seller conditions its agreement to sell a product or service on the buyer’s agreement to purchase a second product that the buyer would prefer not to buy or to buy elsewhere on better terms.

- “Bundling” in which the final price depends on the customer’s purchase of multiple products and “market share discounts,” or “loyalty discounts” in which the final price depends on the volume of purchase from the company as a percentage of the customer’s total purchases in a product category. Many bundling arrangements and loyalty discounts promote competition and are legal, however bundling arrangements and discount programs that effectively exclude competitors from a product market or allow a seller to create or maintain a dominant market position in a product may be illegal.

- “Price discrimination,” which is selling at different prices (or on other different economic terms) to different purchasers who are reselling in competition with each other, is prohibited unless the sales comply with one of the specific exceptions that the law provides.

The two most common exceptions are:

- Meeting Competition. If the company reasonably and honestly believes that it has to offer one reseller a lower price in order to meet a price that the company’s competitor is offering, the company can choose to do so. The company should have a reasonable basis, which should be documented, for its belief — but never call or otherwise contact the company’s competitor to verify a price that the customer is reporting.

- Functional Discount. If the customer performs a service (such as transporting the product) that the company would otherwise have to perform, the company can provide a discount that reflects the value of that service.

- Agreements with customers or licensees on their resale prices for the corporation’s goods or services.

This information is not intended as a comprehensive review of the antitrust laws and is not a substitute for expert advice. Employees with questions concerning a specific situation should contact their company’s compliance officer or the Legal Department before taking action.

Trademarks and Copyrights

The corporation respects the trademark rights of others. Any proposed use of a new name, product or service must be submitted to the Legal Department for clearance before its adoption and use. Similarly, using the trademark or service mark of another corporation, even one with whom our corporation has a business relationship, always requires clearance approval by our Legal Department to ensure that use of the other corporation’s mark is proper.

Employees must avoid the unauthorized use of copyrighted materials of others and should confer with the Legal Department if they have any questions regarding the permissibility of photocopying, excerpting, electronically copying or otherwise using copyrighted materials. Material that is easy to copy, such as matter downloaded from the Internet, is not necessarily legal to copy or recirculate (by, for example, email or posting to an intranet facility). See Corporate Policy No. 82 for more detail regarding the proper use of copyrighted materials.


**Commitment to Communities**

**Our Commitment**

We will be a responsible and valued corporate citizen.

**Overview and Corporate Policy**

The corporation is strongly committed to corporate citizenship, including the view that companies as well as individuals must contribute to the well-being of society. We contribute through the important products and services we provide, but our commitment extends beyond that. Our corporate citizenship includes an active interest in the quality of life enjoyed by our employees and the citizens of the many cities and states we serve. These contributions are enhanced by conducting our business with integrity.

**Environmental Stewardship**

The corporation has adopted an Environmental Policy (Corporate Policy No. 3) directing that we will operate efficiently to meet the needs of the present without compromising the ability of future generations to meet their needs. The corporation’s environmental goals are to:

- Minimize waste and maximize resources.
- Support environmental laws and regulations that are based on sound science and cost-effective technology.
- Meet or surpass applicable environmental laws, regulations and permit requirements.

**Public Safety**

Our corporation maintains an accident prevention program that seeks to provide public safety in the delivery of our products and services. We will comply with all laws, ordinances, regulations, policies, standards and rules that pertain to either the responsibilities or the commitments of the corporation toward accident prevention and public safety.

In addition, the overall job performance evaluation of employees who deliver our products and services to the public will include an evaluation of their safety performance. We expect our employees to consider and accept accident prevention as a personal benefit, to cooperate and take an active part in accident prevention programs, and to willingly and satisfactorily perform all accident prevention duties assigned to them. We also expect our employees to become knowledgeable on applicable laws, regulations, policies and standards pertaining to accident prevention, and to report all unsafe practices and conditions.

**Community Involvement**

The corporation supports employee involvement in community activities and professional organizations. We encourage employees to participate in and seek leadership roles in community and civic activities. When these interests are pursued responsibly, it reflects favorably on both the employee and the corporation. For more information, see Corporate Policy No. 71 on “Employee Participation in Political and Public Affairs Activities.”

An employee accepting public office or serving on a public body acts as an individual, not as a
Commitment to Communities

representative of the corporation. Employees seeking public office positions that would require time away from work must comply with policies regarding attendance and leaves of absence.

Communication

The corporation’s stock is traded on the New York Stock Exchange. Stock exchange guidelines state that the corporation is expected to release quickly to the public any information that might reasonably be expected to affect the market for its stock.

In addition, many of the corporation’s business activities are regulated by governmental agencies or affected by governmental regulations. We seek to keep the media and government officials informed on all pertinent issues and opportunities and will deal with these representatives and officials in good faith with full respect for their responsibilities and obligations.

Employees may at times be asked questions by the media regarding the corporation and its business. Unless you are authorized to respond to such inquiries, you should politely refer the media representative to the appropriate corporation spokesperson. If you have questions about who the appropriate spokesperson is, ask your supervisor. For further detail, see Corporate Policy No. 91 on “Handling Media Inquiries” and Corporate Policy No. 92 on “Crisis Communications.”

Employees must be careful not to accidentally disclose confidential or proprietary business information through public or casual discussions that may be overheard or misinterpreted.

Politics and Government

The corporation strongly supports our representative form of government and the right of all individuals to participate in it. As part of that commitment, the corporation provides information to and shares its viewpoint with employees, customers, the general public and governmental entities.

The corporation encourages employees to participate in the political process and to voluntarily contribute their time, talent and money to candidates and parties of their personal choice. The corporation will not reimburse employees in any way for personal contributions or donated time in support of any political candidate, party or committee.

Federal law prohibits the use of corporate funds, property or services, directly or indirectly, to aid or oppose the candidacy of any individual or the interests of any political party or committee at any level of government. This includes direct contributions and indirect contributions such as buying tickets for special dinners or other fundraising events, lending employees to political parties or committees, furnishing transportation, providing duplicating or mailing services, and other similar activities. Under certain state and local laws, companies are allowed to make contributions in certain circumstances to state or local candidates. Employees should review the requirements under these state and local laws with the Legal Department before making any contribution on behalf of the corporation.

The corporation will not use its money, property or services to support or oppose foreign political candidates or a foreign political party.

The corporation takes an active role in the political process to assure that proposed legislation and regulations deal fairly with the interests of its shareholders, employees, customers, suppliers and the communities we serve. No employee can be required to make a political contribution to any
Commitment to Communities

candidate or political party as part of the employee’s job. However, voluntary contributions to the corporation’s Good Government Fund and volunteer service on its board of directors are permitted and encouraged.

Payments to Government Officials and Personnel

Our corporate integrity and reputation must be preserved in dealing with government officials and personnel. Employees must not provide government officials and personnel with any gift, loan, donation, lavish entertainment or other payment that might be considered a payoff, bribe or improper influence. You must not do so personally or through consultants, suppliers, customers or others. You will not be reimbursed by the corporation for any personal payments you make to government officials or personnel.

Community Contributions

The corporation is committed to sharing its success. The MDU Resources Foundation was established in 1983 to contribute to institutions, organizations and programs qualified by the Internal Revenue Code as legitimate recipients of foundation contributions. Contributions generally are restricted to organizations qualified as tax-exempt under section 501(c)(3) of the Internal Revenue Service Code. Primary consideration is given to institutions, organizations and programs within the geographic areas where member companies conduct business. For a complete description of the MDU Resources Foundation and information on how to apply for a grant, go to www.mdu.com.
APPLICATION AND DECISION-MAKING

The Integrity Guide applies to all directors, officers and employees of MDU Resources, its divisions and subsidiaries. Officers or employees that contract with other persons such as consultants, agents and independent contractors to represent the corporation or one of its companies should determine if the contractor’s activities on behalf of the corporation or company may be affected by the Integrity Guide. If so, those persons should be aware of and agree to comply with the Integrity Guide in conducting activities on behalf of the company. Appropriate action will be taken, including terminating a contract, if such persons do not comply with the Integrity Guide.

If you believe the application of the Integrity Guide in a particular circumstance would be inappropriate or detrimental to the corporation, it is your responsibility to ask for clarification or request an exception or waiver be made by contacting the corporation’s general counsel. Only the MDU Resources Board of Directors or a committee of the board may waive a provision of the Integrity Guide for an officer or director of MDU Resources and any such waiver will be promptly disclosed to the public.

ASKING QUESTIONS AND MAKING DECISIONS

The Integrity Guide is a general guide. It does not answer every question that may arise regarding your conduct in every situation. You may need to refer to other policies or procedures for further guidance.

When you need to make a decision regarding your conduct, and the question is not directly addressed in the Integrity Guide or other policies of your business unit, company or the corporation, ask yourself:

- Is the action I am considering consistent with the policies of the corporation and my company?
- Does the action I am considering conform to applicable laws and regulations?
- Does the action I am considering reflect the commitments and values of the corporation and the values of society?
- Is the action I am considering consistent with my own definition of the right thing to do?
- Would I be hesitant to disclose my action to my company or business unit president?

When the proper course of action is unclear, you should consult with your supervisor or the compliance officer for your company.

COMPLIANCE PROGRAM

The corporation has established the Leading With Integrity Program to ensure legal and ethical conduct throughout the corporation. The primary purposes of the compliance program are to assure that each employee is aware of and understands the Integrity Guide and that the corporation and all of its employees are meeting their responsibilities under it.

The MDU Resources Board of Directors has designated the MDU Resources chief executive officer and its general counsel with the responsibility for implementation of the corporate compliance program. The general counsel has been designated as the chief compliance officer and is responsible for administration of the program. Each of the corporation's business units
Application and Decision-Making

are required to designate specific high-level individuals as the business unit compliance officer. This individual is assigned the overall responsibility to see the compliance program is carried out within the business unit. A full description of the compliance program and the responsibilities for implementation of the program are contained in Corporate Policy No. 81.

Violations and Discipline

Even the appearance of illegal or unethical conduct by the corporation, its employees or contractors can be extremely damaging to the corporation. Employees are expected never to violate a law or the Integrity Guide, even if a violation will improve financial results or help meet performance goals. Always lead and act with integrity. Employees and contractors that violate the spirit or letter of the Integrity Guide are subject to disciplinary action, up to and including termination. You are responsible for your actions. Illegal or unethical conduct will not be condoned simply because it was directed or accepted by your supervisor or someone else.

Supervisors should ensure that persons under their supervision, including outside contractors, know, understand and comply with the Integrity Guide in their activities involving the corporation. Supervisors that condone or negligently fail to detect illegal or unethical conduct by employees or contractors they supervise also are subject to disciplinary action, including termination.

Conduct that may result in discipline includes:

- Actions that violate the Integrity Guide.
- Requesting others to act in a manner that violates the Integrity Guide.
- Failure to promptly raise a known or suspected violation of the Integrity Guide.
- Failure to cooperate in corporate investigations of possible violations of the Integrity Guide.
- Retaliation against an employee for reporting a suspected violation of the Integrity Guide.
- Failure to demonstrate the leadership and diligence needed to ensure compliance with the Integrity Guide.
- Failure to complete required training on Integrity Guide topics.
Each employee is critical to the corporation’s ability to maintain an effective legal compliance and ethics program. In addition to being responsible for your personal conduct, you are responsible for raising concerns about illegal or unethical conduct that may affect the corporation. While you may feel uncomfortable doing so, it is important to remember the tremendous harm that can occur to the corporation, its employees, its stockholders and the public if legitimate concerns are not raised and addressed. If you believe that a corporate employee or contractor has violated or may violate a law or the Integrity Guide, you must report that information so management has an opportunity to investigate and take action to protect the corporation. Whenever you are in doubt, it is best to raise your concerns. You can do this in several ways.

You are encouraged to first bring these concerns or suspected violations to your supervisor or Human Resources Department. If you are uncomfortable discussing the concerns with your supervisor, or you suspect your supervisor is involved in the illegal or unethical behavior, or if your concern is not resolved after discussion with your supervisor or your Human Resources department, here are more ways to report the concern or suspected violation:

- Report confidentially through the EthicsPoint hotline by calling toll-free 1-866-294-4676 or going online at http://ethics.mdu.com. Reports can be made 24 hours a day. Your report will be forwarded to an appropriate person within the corporation for investigation.

- Contact the compliance officer for your company. A list of the business unit compliance officers and their contact information can be found on the corporate website at http://www.mdu.com/integrity/governance.

- Contact the office of the corporation’s internal auditing director. You can call 701-530-1000 or 1-888-638-7076; email auditing@mduresources.com; or write to Director of Internal Auditing, MDU Resources Group, Inc., 1200 W. Century Ave., Bismarck, ND 58503.

- Contact the office of the corporation’s general counsel. You can call 701-530-1000 or 1-888-638-7076; email generalcounsel@mduresources.com; or write to General Counsel, MDU Resources Group, Inc., 1200 W. Century Ave., Bismarck, ND 58503.

- Send a letter to the Audit Committee of the MDU Resources of Board of Directors, 1200 W. Century Ave., Bismarck, ND 58503.

Regardless of how you report the suspected unethical or illegal conduct, do your best to include all information necessary to communicate an understanding of the facts, circumstances or issues of concern (for example, provide dates and documentation, and name the individuals involved).

The corporation will not retaliate against an employee who in good faith reports or expresses a concern regarding suspected illegal or unethical conduct or who is otherwise covered by federal “whistleblower” protection. Anyone retaliating or threatening to retaliate will be disciplined, up to and including immediate dismissal. Anyone becoming aware of such retaliation should report the retaliation using one of the above methods.