



## **APEX TOOL GROUP, LLC**

### **SUPPLIER STANDARDS OF CONDUCT**

(effective as of February 1, 2018)

Apex Tool Group, LLC and its subsidiaries (collectively “ATG”) have adopted these Supplier Standards of Conduct (these “Standards”). These Standards are administered by ATG’s legal department, headed by the General Counsel as the Chief Compliance Officer, and with the assistance of its internal audit and global procurement functions. The terms of a specific contract between Suppliers and ATG may contain additional provisions addressing some of these same subjects. Nothing in these Standards is meant to supersede any more specific provision in a particular contract, and to the extent there is any inconsistency between these Standards and any provision of a particular contract, the contract provisions control. These Standards are not meant to supersede any law. Suppliers shall comply with all applicable laws and regulations in every jurisdiction where they operate.

ATG is committed to conducting business in accordance with the highest ethical standards and in compliance with all applicable laws. ATG requires the same commitment from its Suppliers.

“Suppliers” referenced in this Standards means each business enterprise, regardless of its form (such as a corporation, limited liability company, partnership or sole proprietorship) that engages or participates, directly or indirectly, in the sale, consignment, or other provision of goods or services to ATG. Suppliers includes agents, subcontractors and other third parties, and Suppliers cannot avoid the responsibilities and obligations imposed by these Standards by using, or associating with, agents, subcontractors, or other third parties. When we refer to “applicable” law in these Standards we mean the law, including regulations, judicial decrees and other governmental actions that have the force of law, in effect at each location where a Supplier conducts operations with respect to, or that affect, the Supplier’s business with ATG.

ATG conducts business worldwide with Suppliers in many countries with different legal, ethical and cultural systems and beliefs. These Standards describe the minimum standards of conduct that ATG insists that its Suppliers, regardless of their country of domicile or origin, comply with without exception as a condition to doing business with ATG. These Standards are mandatory, and if a Supplier does not comply with them, ATG may terminate its business relationship with the Supplier and take any other action ATG may deem appropriate. If these Standards establish a standard of legal or business-ethics conduct that is higher than local legal or business-ethics requirements, these Standards will always apply to Suppliers that desire to do business with ATG.

Each Supplier shall provide training about these Standards to all of its employees who will conduct business with ATG.

## I. SUPPLIER REQUIREMENTS

**A. ATG Standards of Conduct.** Suppliers shall familiarize themselves with, and support, the ATG Standards of Conduct and the obligations and responsibilities of ATG's associates under such Standards of Conduct. Suppliers shall not take any action, or refrain from taking any action, that the Supplier reasonably could expect would result in, or would facilitate or assist the commission of, a violation by an ATG associate of the ATG Standards of Conduct or any other relevant ATG policies.

**B. No Improper Influence.** Suppliers shall not attempt to influence an ATG associate, agent or representative (each an "ATG Representative") with respect to any business arrangement through bribery, kickbacks, favors, gifts, sporting or entertainment events, offers of future employment or similar conduct. This prohibition means that Suppliers shall not engage in an action if it is intended to improperly influence, or could create the appearance of improperly influencing, an ATG Representative. This prohibition extends to the relatives of an ATG Representative and to each other person with whom an ATG Representative has a significant personal relationship. A Supplier's cash payment, or the Supplier's giving of a non-cash item with more than a nominal value, to an ATG Representative for personal use will violate this prohibition.

**C. No Conflicts of Interest.** Suppliers shall not enter into any relationship with an ATG Representative that creates, or reasonably could be expected to create, an actual or a potential conflict of interest for the ATG Representative. For purposes of these Standards, a conflict of interest arises, or reasonably could be expected to arise, when a material personal interest of the ATG Representative is inconsistent with, or adverse to, the ATG Representative's responsibilities to ATG.

**D. No Unfair Business Practices.** Suppliers shall not engage in bid collusion or customer or market allocation with other ATG's Suppliers. Suppliers shall comply with all applicable antitrust, trade-regulation, and competition laws.

**E. Confidentiality.** Suppliers may have access to ATG's confidential (non-public) information, such as historical sales results, sales projections, customer and member information, associate information and agreed pricing for merchandise or services offered or sold to ATG. Suppliers shall hold this confidential information in the strictest confidence and shall not (except as required by law) disclose it to anyone without ATG's approval and then only on a need-to-know basis. ATG retains exclusive ownership of its confidential information.

**F. Other Compliance.** Suppliers shall comply with all other ATG policies, processes, and procedures applicable to Suppliers, and travel, communication, and bidding policies, processes, and procedures. Suppliers shall not attempt to subvert ATG's procurement policies, processes or procedures, including without limitation by making unauthorized contact with ATG Representatives. Suppliers shall comply with all other laws applicable to its business with ATG, including without limitation the U.S. Foreign Corrupt Practices Act, as amended.

**G. Inspections, Monitoring and Compliance.** ATG reserves the right to conduct announced and unannounced inspections at all Supplier facilities. Facilities must allow ATG employees and designated third party representatives unimpeded access to production and other facilities, documents and workers for confidential interviews to ensure Suppliers' adherence to these Standards.

**H. Management Systems.** Factories are expected to have management systems, policies, procedures, and practices, to ensure compliance with these Standards.

**I. No Retaliation.** ATG will not tolerate any retribution or retaliation taken against any individual who, in good faith, reports unlawful or inappropriate activity related to these Standards and/or the audit process.

**J. Recordkeeping and Transparency.** ATG is committed to working with Suppliers and their facilities that are open and honest. Facilities shall maintain complete and accurate records and information, including but not limited to wage and hour records, so that compliance can be effectively evaluated. Facilities must not falsify or understate aspects of their operations to ATG, our customers or third party representatives. Facilities must not coach employees on how to answer questions or respond to inquiries by ATG, our customers or representatives.

**K. Subcontracting.** Suppliers must disclose when requested all subcontractors and must not subcontract any portion of the manufacturing process without prior written approval from ATG. All subcontractors must agree to comply with these Standards and facilities are responsible for ensuring their subcontractors are in compliance with these Standards.

## **II. REPORTING OF VIOLATIONS**

Suppliers shall promptly report suspected violations of these Standards and the ATG Standards of Conduct. Suppliers may do so anonymously by contacting ATG by email at:

for non-European Union countries: <https://apextoolgroup.alertline.com>

for European Union countries: <https://apextoolgroupeu.alertline.com>

# The Right Way to the Top

Apex Tool Group Standards of Conduct

February 2021



## Contents

A Message from the CEO	Page 3	We Do the Right Thing	Page 30
ATG's Core Values	Page 4	Never Bribe	
We Have Integrity in All We Do	Page 5	Know the Rules about Gifts and Entertainment	
Start Here		Compete Fairly	
Know Your Responsibilities		Don't Trade on Inside Information	
Speak Up Without Fear		Keep Accurate Records	
Know Where to Go for Help		Follow Import, Export and Trade Compliance Rules	
We Promote an Ethical Workplace	Page 12	We Safeguard ATG	Page 46
Respect Others		Protect Our Assets	
Promote a Safe ATG		Avoid Conflicts of Interest	
Uphold Human Rights		Don't Speak on Behalf of ATG	
We Understand Our Responsibility to Others	Page 20	We Are Good Global Citizens	Page 53
Preserve Product Quality and Safety		Be a Good Steward	
Keep Private Information Private		Community Engagement	
Practice Good Cybersecurity			
Respect Our Partners			

# A Message from the CEO

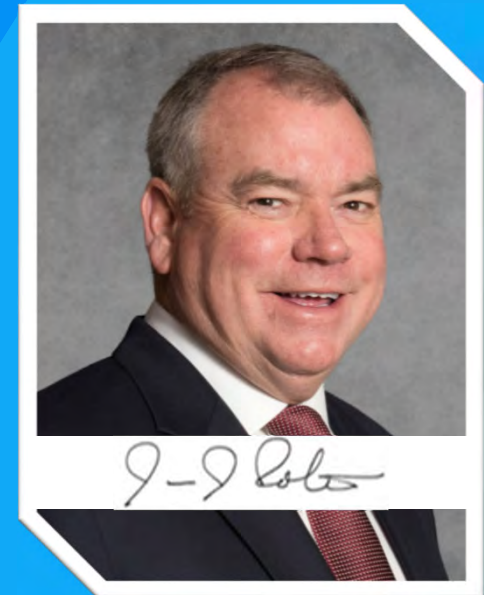
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As we continue to build a great company, it is vital that we live by our core values – especially “Integrity in All We Do.” Maintaining our reputation for integrity is critically important to both our current and future success. When it comes to integrity, one misstep by any of us can have enormous consequences for all of us and our company. The fundamental principles are simple – act with honesty and fairness and obey all laws in all your dealings with and on behalf of Apex Tool Group (ATG).

I expect and require each of you to read, understand and commit yourselves to the ATG Standards of Conduct. I also expect each of you to stay vigilant, raise your hand and ask questions if you have any concerns about any business practice, transaction or conduct you observe at ATG. If you see or experience something that bothers you, that you suspect could be wrong or illegal or that you just do not understand, you have an obligation to raise the issue. If ATG management is not aware of potential problems, we cannot correct them before they grow more serious.

Details on how to raise concerns are outlined within the pages of this Standards of Conduct document.

It is imperative that we maintain a reputation of integrity within ATG that is rooted in the efforts our associates give each day towards doing the right thing. In the spirit of continuous improvement, I ask each of you to strive every day to deepen our commitment to perform and win – with integrity.



**Jim Roberts**  
Chief Executive Officer



# ATG's Core Values

## Customers Come First

We elevate customer experiences by surpassing expectations for quality, delivery, value and innovation.

## Integrity in All We Do

We make decisions that our customers, suppliers, co-workers, communities and families would be proud of, every day.

## Continuous Improvement

We make ATG more competitive by deploying OpEx to relentlessly improve our products, services and processes.

## Innovation For Growth

We harness end user insights to challenge the status quo and deliver leadership new products and smarter solutions.

## Passion to Succeed

We go beyond what's expected for our customers and co-workers, because we're passionate about what we do.

## Best Talent, One Team

We are a high performing, entrepreneurial, inclusive team that leverages our diversity to win.

# Start Here

**Our Standards of Conduct (SOC) reflects who we are and what's important to us.**

It provides an overview of company policies and certain laws and regulations that apply to us and the work we do, but it does more than that. It builds upon our shared values.

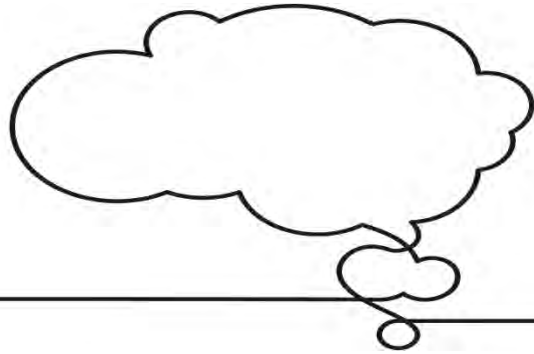
We count on every associate and Board member to follow our SOC and make decisions worthy of the trust others have placed in us. We also expect compliance from our business partners, including consultants, distributors and suppliers. We understand our responsibility to communicate with them about our high standards of integrity and will not ask them to violate any of our values or operating principles.

Our SOC is a great resource, but it doesn't cover every situation you may face as an ATG associate. It's important to use good judgment in everything you do and ask for help if you're ever unsure about the right course of action.



**START**





## Not Sure What to Do? Ask Yourself:

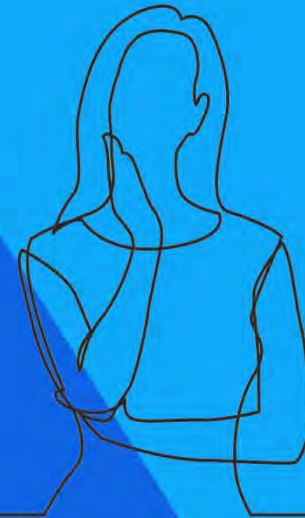
- Does it reflect our values?
- Is it good for ATG and my coworkers?
- Would I feel okay if everyone knew about it?
- Would it be okay if everyone did it?

If you can answer “yes” to all of these questions, it’s probably safe to move forward. But a “no” or “not sure” to any of them should make you stop and reconsider. It is always appropriate – in any situation, under any circumstance – to ask for help.

# What If ?

“There is a conflict between our Standards of Conduct and the laws in the country where I work. I’m not sure what to do.”

The best approach is to follow the stricter requirement. If that’s not clear, seek guidance from the Legal Department.



# Know Your Responsibilities



## **Our good name is in your hands.**

No matter what job you do or where you do it, you are ATG. Think about that in every business relationship and every transaction, and make sure your actions always reflect our values. Protect what we've built by following our SOC and policies as well as the laws and regulations of the country or countries in which you work.

Complete your assigned training. It's the best way to stay up to date on what's expected of you.

If you see or suspect anything illegal or unethical, it may seem easier to look the other way or let someone else take the lead. But misconduct affects all of us. No concern is too minor to report. We expect you to share any concern promptly, and if an investigation is required, to cooperate fully and honestly. Anyone who violates our SOC may face corrective action, up to and including termination of employment with ATG.

If you manage people, you have an even greater responsibility. Lead by example, making sure your team members know the SOC is a resource for them and there is no difference between what you do and what you expect from others. Create a workplace environment where associates feel comfortable coming forward with questions, and support them when they raise issues. Never retaliate against associates for sharing concerns in good faith, and prevent retaliation by others.

# Speak Up Without Fear



**We do not tolerate  
retaliation at ATG.**

We know it takes courage to come forward and share your concerns. We won't permit retaliation against anyone who raises questions about corporate activities, or anyone who makes a good faith report to us or a government authority about possible misconduct or legal violations. We also won't permit retaliation against anyone who assists in an investigation of misconduct or legal violation.

Regardless of whom you contact, you can be confident you're doing the right thing and that your concern will be handled promptly. We investigate reports of misconduct thoroughly, disclosing information only to those who need it to resolve the issue.



# What If?

“I suspect – but am not certain – that someone is violating our Standards of Conduct. Should I keep my concerns to myself?”

No. If you suspect a violation, say something. It’s better to raise a potential problem than to wait and risk harm to others or to ATG. Reporting “in good faith” means you are coming forward honestly with information you believe to be true even if, after investigation, it turns out you were mistaken.

# What If?

“Culturally, it’s not common in my country to report a concern about someone in a leadership position. What should I do?”

It’s important to say something about your concerns. ATG respects its diverse and global workforce and we take all appropriate action to protect the identity of the associate sharing the information, as well as the information shared.



# Know Where to Go for Help



**There are people ready to support you.**

Have a question, problem or concern? In most cases, your manager should be your first point of contact. He or she is likely in the best position to understand your concern and take the appropriate action. If you're uncomfortable speaking with your manager or if you have already shared a concern and feel it's not being addressed appropriately, reach out to HR, another member of management or one of the following:

The Legal Department  
Email: [ATG-Legal@apextoolgroup.com](mailto:ATG-Legal@apextoolgroup.com)  
Apex Tool Group, LLC  
13620 Reese Boulevard East, Suite 405  
Huntersville, North Carolina 28078 USA

Audit Committee or the Independent Directors  
of the Board  
Email: [ATG-Legal@apextoolgroup.com](mailto:ATG-Legal@apextoolgroup.com)  
Apex Tool Group, LLC  
c/o General Counsel and Audit Committee  
13620 Reese Boulevard East, Suite 405  
Huntersville, North Carolina 28078 USA

# The Ethics Hotline Is Also a Resource for You

REPORT ONLINE OR BY PHONE:

[www.apextoolgroup.ethicspoint.com](http://www.apextoolgroup.ethicspoint.com)

Phone numbers are available on this website for most countries in which we employ associates.



You can contact the Ethics Hotline any time – via phone or Web – to ask questions or share potential violations of our SOC, our policies, our procedures or the law. You may remain anonymous if you so choose.

When you contact the Ethics Hotline, the information you share will be documented and released to ATG to ensure that the individuals with the appropriate expertise can effectively respond to the question or concern. ATG takes this process very seriously and will strive to maintain confidentiality. After reporting, you will receive a report key for future reference if you want status updates regarding your submission.

Nothing in the SOC prohibits you from communicating with or providing information to government agencies about possible violations of federal, state or local laws, filing a complaint with government agencies, or participating in government agency investigations or proceedings. In addition, the SOC does not require you to notify ATG of any such communications.

*\*Australia Associates: Please click [here](#) for additional information on ATG's Whistleblower Policies for Australia.*

# Respect Others



**We're successful today  
because of our  
remarkable people.**

We're **One ATG**, but we represent many ideas, experiences and backgrounds. We value each other's contributions and believe everyone should have an equal chance to succeed. This is fundamental to advancing our goals and initiatives. Do your part to keep the ATG workplace diverse, inclusive and respectful by driving a positive environment and recognizing the many strengths and talents our diverse coworkers bring to the workplace.

# Integrity in All We Do



- ✓ Treat others the way you would like to be treated.
- ✓ Celebrate our diversity. Listen and be receptive to different points of view.
- ✓ Speak up if you see or suspect discrimination or harassment based on someone's race, color, gender, national origin, age, religion, citizenship status, disability, medical condition, sexual orientation, gender identity, veteran status, marital status or any other characteristic protected by law.
- ✓ Promote a work environment free of harassment, bullying and abusive conduct, whether physical, verbal or visual.





# What If?

“My manager often loses his temper and yells at everyone on the team when we miss a deadline. Is that harassment?”

It depends but regardless, the situation creates a negative working environment. This behavior is something ATG will address because it violates the commitment we’ve made to a respectful workplace. Share your concerns with HR, the Legal Department or the Ethics Hotline.

# What If?

“One of our suppliers is making insulting, age-related remarks to one of my coworkers. Should I say something?”

Yes. If you’re comfortable doing so, ask the supplier to stop. If you prefer, share your concerns with your manager, the Legal Department or the Ethics Hotline. We don’t tolerate any form of harassment, whether the action is initiated by or directed at an associate, a customer, a supplier or anyone else in our workplace (or at a work-related event).



**Promote a  
Safe ATG**

**We value the safety and  
security of every  
associate.**



We look out for each other. We follow our safety procedures and promote a culture of safety because our people are our greatest asset. Every associate is empowered to take immediate action for people's safety regardless of role, title or responsibility. If you see a situation that could put others at risk, take action, and work to keep yourself and your coworkers injury free.

# Our Zero Tolerance Policy

**ATG has a zero tolerance policy** when it comes to acts or threats of violence. Be alert to what is going on around you, observe good security practices, and speak up about any threats of potential violence.

We prohibit weapons on all ATG properties consistent with local law. If you have concerns that someone may have a weapon on our property, report it immediately to your manager, HR, a member of our EHS team or the Ethics Hotline.

Having, using or distributing alcohol or illegal drugs on ATG property is also prohibited. Substance abuse threatens the safety of others, can impair your judgment, and can impact your performance. There may be instances where drinking alcoholic beverages while conducting ATG business is permitted, but make sure you comply with all laws and company policies and always exercise both moderation and good judgment.

 **Find Out More:** [Escalation Policy](#)



**Zero  
Tolerance**



## Integrity in All We Do

- ✓ Play an active role in ensuring your own safety and the safety of others.
- ✓ Assigned a training requirement? Comply with it. Safety gear? Wear it. Unsafe condition? Report it – immediately.

# What If?

“I suspect a coworker has a drinking problem and I’m concerned about her. What should I do?”

Never compromise when it comes to safety – hers or yours. Share your concerns with your manager or HR to give ATG the opportunity to address the issue and connect her with our Employee Assistance Program.



# Uphold Human Rights

**We are committed to fair employment practices everywhere we operate.**

We respect the rights of every individual and abide by the employment laws in the markets where we operate. We support the principles established under the United Nations Universal Declaration of Human Rights and do not knowingly conduct business with any individual or company that participates in the exploitation of children (including child labor), physical punishment, forced or prison labor or human trafficking.

We expect our suppliers to share our commitment to the same high standards. Our Supplier Standards of Conduct further reinforces our commitment.

What can you do? Follow the employment laws where you work, be alert to abuses, and speak up if you see or suspect possible labor law or human rights violations.



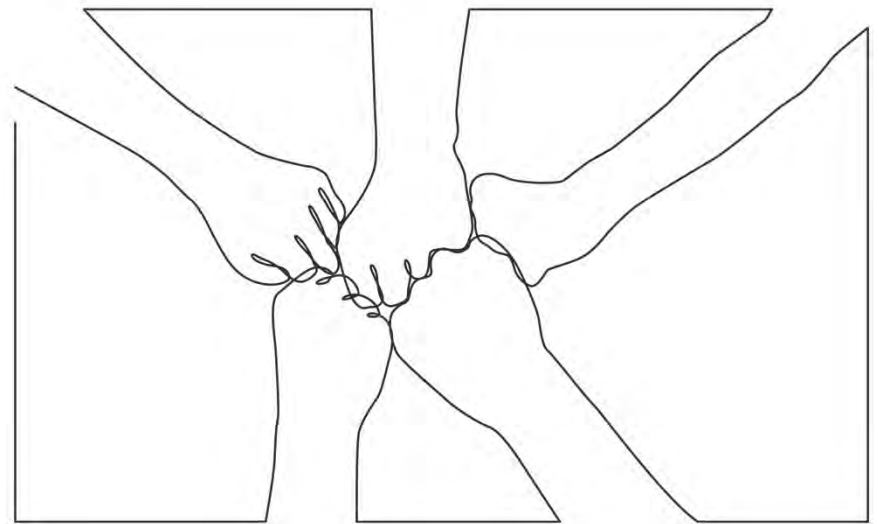


## Integrity in All We Do

- ✓ Treat others with respect and dignity.
- ✓ Do not engage in human rights abuse or conduct business with those who do.

## A Shared Commitment

Our business is built on a long interdependent supply chain and we want every link to be solid and strong. ATG has zero tolerance for human rights violations and expects suppliers to support and participate in industry efforts aimed at eliminating these kinds of practices wherever they reside. We respect the rights of every individual and believe anyone employed by ATG or ATG suppliers should be treated with dignity and respect, paid a fair wage based on applicable law, and assured of safe working conditions.



# Preserve Product Quality and Safety

**When it comes to our  
products, we never  
compromise.**



When customers buy our brands they know they are getting a safe, high quality product. We want to preserve their trust. We care deeply about product quality and safety and make sure our products meet or exceed our own internal standards, as well as the standards set by laws, regulations and our industry.



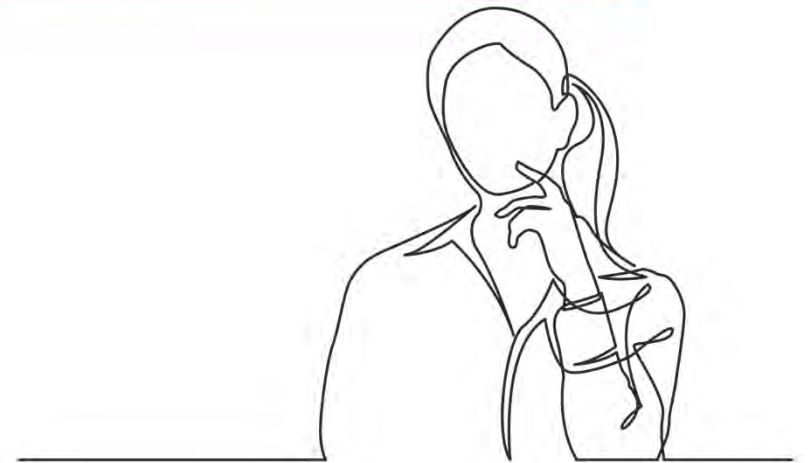
## Integrity in All We Do

- ✓ Insist on product quality and safety. Follow our quality control procedures.
- ✓ If you become aware of a customer complaint or a quality, safety or reliability issue, report it immediately to your manager or other ATG resource.

# What If?

“One of the tests we perform on a product is repeated further down the production line. Why not skip the first test? Wouldn't that help us speed up delivery?”

Skipping a required test is never okay. If you have ideas for improving efficiency, it's great to share them. But unless the process is evaluated and modified, it's critical to complete every step, as required, to make sure we're delivering a safe, high quality product every time.





# Keep Private Information Private

**People trust us to  
protect their personal  
information.**



We respect the privacy of our customers, suppliers and coworkers and we handle their personal information with care. “Personal information” is any information that could be used to identify someone either directly or indirectly, such as name, associate ID, email address or phone number. There are data privacy laws that prescribe how to responsibly collect, sort, use, share, transfer and dispose of personal information, and we strive to comply with those laws everywhere we operate.

Follow our policies and protect any personal information entrusted to you. Use it only in the way it’s meant to be used and don’t share it in an unauthorized manner with anyone inside or outside ATG.



## Integrity in All We Do

- ✓ Know the kinds of information considered “personal information.”
- ✓ Follow the privacy laws and regulations of the country or countries in which you work.
- ✓ Safeguard personal information from unauthorized disclosure. Immediately report any breaches to the Legal Department.

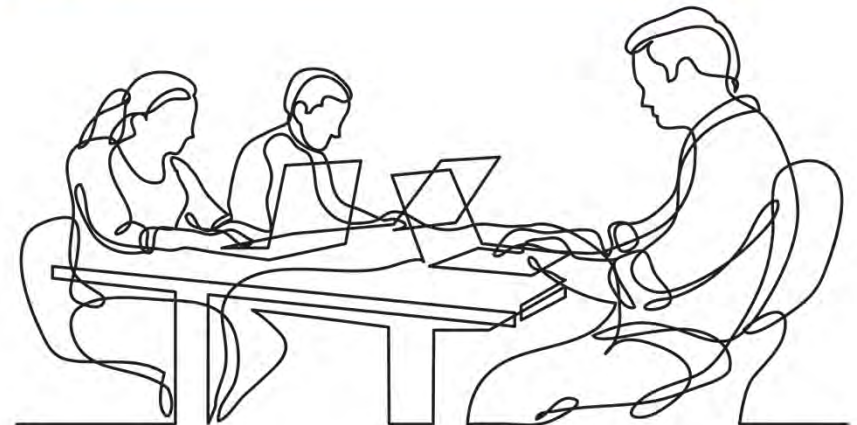


Find Out More: [Privacy Policy](#)

# What If?

“One of our new vendors wants to say “hello” by sending everyone on my team a coupon and a free sample of their product. The vendor asks me for a list of my coworkers’ names and addresses. Is it okay to provide them?”

Contact the Legal Department before doing anything. Even if the intent behind the request is well-meaning and your coworkers might like receiving the samples, supplying this information would violate our commitment to keeping personal information private.



# Practice Good Cybersecurity



**Everyone – at every level of ATG – has a responsibility to protect our information systems by following our Acceptable Use Policy and Password Policy.**

All associates must also complete training to understand the behaviors and technical requirements that help safeguard ATG's information resources.

Cybercrime is big business. Don't assume an attack can't happen here, that we're unimportant or not high enough profile. The criminals don't care who gets hurt just as long as they get paid. Don't assume any weakness is too small to be exploited.

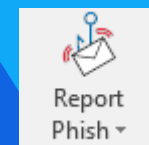
You have a responsibility to not only defend ATG's information resources but to also protect our business partners. Don't allow attackers to get to our trusted partners by going through us.



# Integrity in All We Do

## Protect our systems:

- ✓ Ensure the physical security of hardware assigned to you.
- ✓ Choose strong passwords and protect them as outlined in the Password Policy.
- ✓ ATG passwords should never be used for personal accounts or on third party sites, like vendors, as this puts our information resources at risk.
- ✓ Ensure your software is patched.
- ✓ Don't install unauthorized software, applications or hardware on your computer.
- ✓ Don't access our network through unauthorized applications or devices.
- ✓ Don't use unlicensed software or make copies of software to use at home or for someone else to use.
- ✓ Be alert to phishing scams or other attempts to uncover sensitive personal or corporate information:
  - Don't open suspicious links in emails even if you know the source.
  - Report suspicious emails immediately to [help@apextoolgroup.com](mailto:help@apextoolgroup.com).

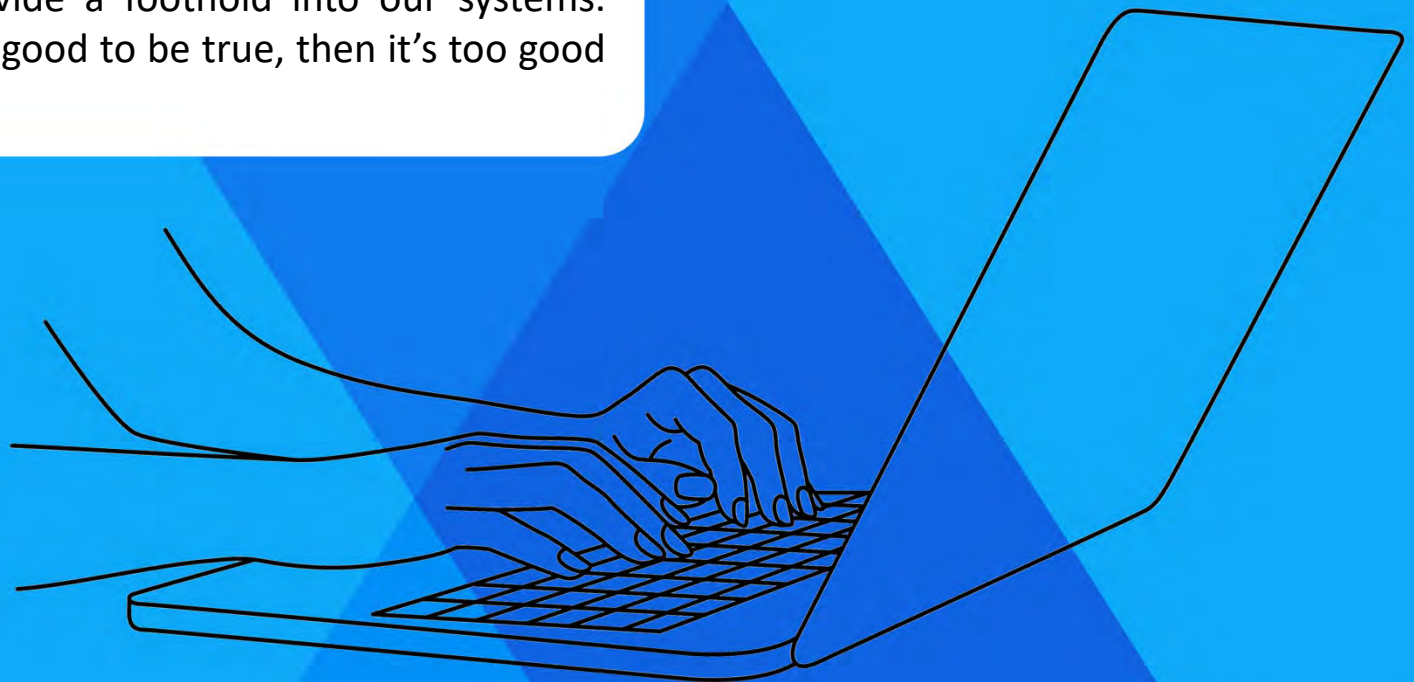


 **Find Out More:** [Acceptable Use Policy, Password Policy](#)

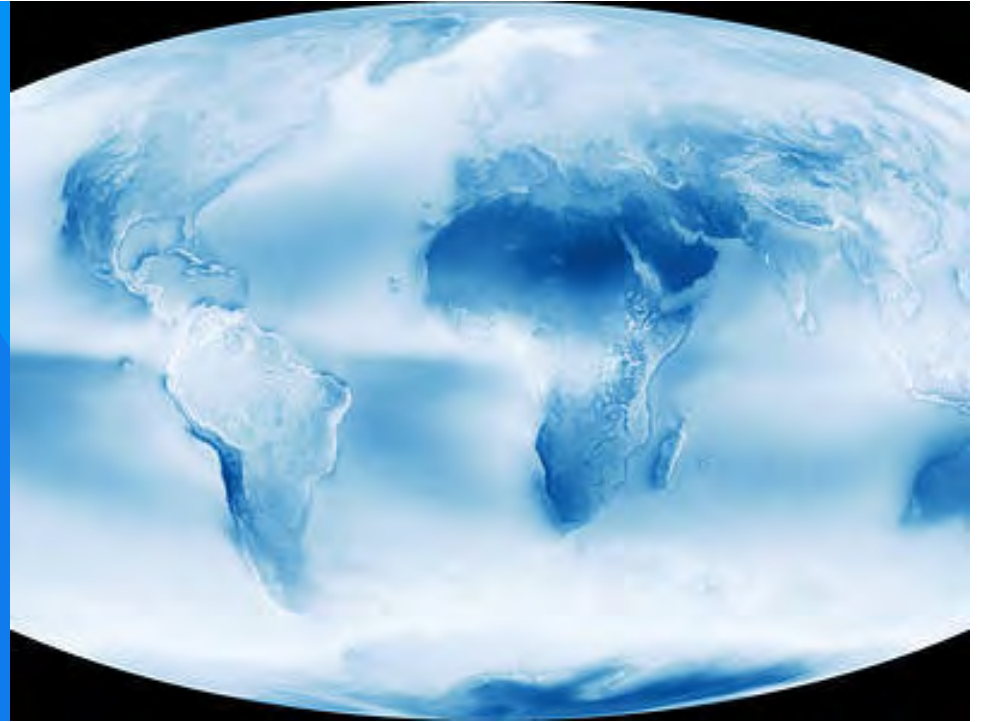
# What If?

“I want to install a new browser extension to follow my favorite sports team / get the latest deals on Amazon / replace all the pictures on the web with cute cats.”

Free programs often include back doors or unsecure code that could provide a foothold into our systems. Remember, if it's too good to be true, then it's too good to be true!



# Respect Our Partners



**We value our business relationships and work to be a good, responsible partner.**

We work with suppliers around the world. Responsible sourcing is core to who we are and what we do, and we work to ensure our relationships are based on mutual respect and trust. Choose the right partners and make decisions objectively based on factors like quality, service, price, availability and reliability. Do your part to hold our suppliers to ATG's high standards and ensure they operate ethically, in compliance with the law and in a way that is consistent with our SOC, our policies and our values. Our Supplier Standards of Conduct spells out what we expect.

Comply and cooperate with government inspections, investigations or requests for information. If you are contacted by a government official, politely direct him or her to the Legal Department. If you are responsible for helping respond to a government request, tell the truth. Never mislead anyone, impede their work, or conceal, destroy or alter documents.

# Integrity in All We Do

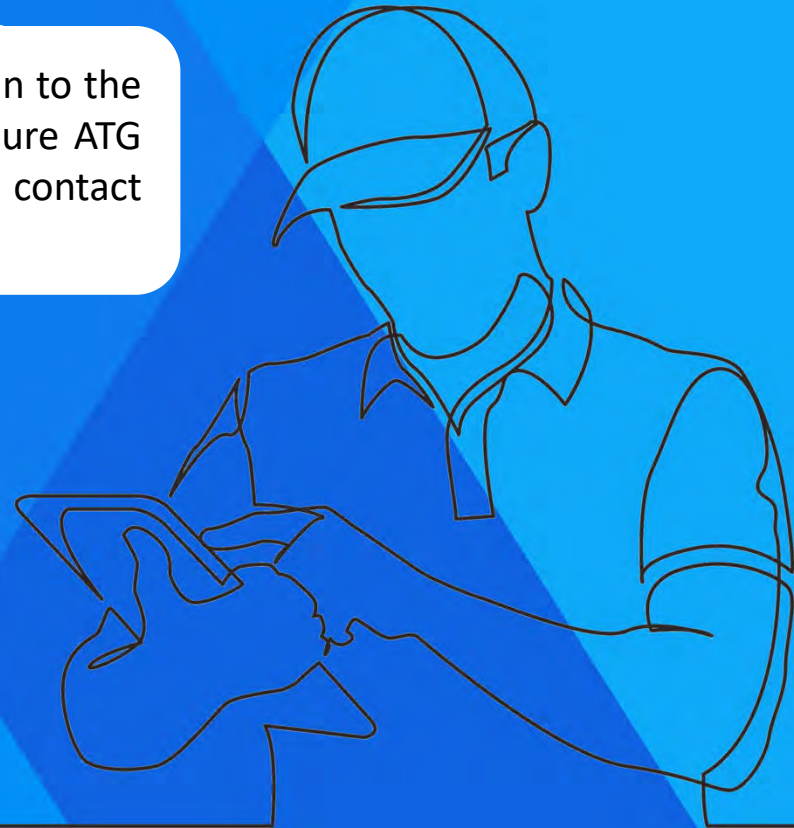


- ✓ If you are responsible for a supplier relationship:
  - Follow our procurement, sourcing and due diligence processes and procedures.
  - Make sure suppliers know about and intend to comply with our Supplier Standards of Conduct.
  - Monitor contractual agreements to make sure suppliers are meeting their obligations and we are meeting ours.
  - Speak up about any misconduct that doesn't meet our high standards.
- ✓ Make sure representations, reports and other information you submit on behalf of ATG are accurate and truthful.

# What If?

“A government inspector shows up to inspect a plant as part of providing us certain licenses we need in order to operate. What should I do?”

Gather details about the inspection. Then explain to the inspector that you will do what you can to ensure ATG responds to the request in a timely manner, and contact the Legal Department and EHS.





# Never Bribe

**We compete for business based on the quality of our products.**

Work honestly and with integrity. Don't offer bribes, accept bribes or let others bribe for you. Do everything you can to prevent bribery by others who conduct business on our behalf. ATG is not only responsible for your actions but also the actions of any third party who represents us.

Remember, a bribe can be something other than cash. A gift, a favor, even an offer of a loan or a job could be considered a bribe if it's offered in exchange for a decision. Before offering anything of value, check our policies and ask questions about what's okay, and what's not.

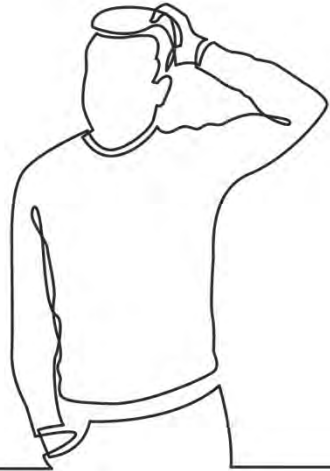
The laws in some countries impose bigger penalties for bribing government officials but for us, it's simple: bribery – of anyone, at any organization, at any level – is always wrong.



# Integrity in All We Do



- ✓ Know a bribe when you see one.
- ✓ Follow the laws and requirements of the country or countries in which you work. Avoid even the appearance of something improper.
- ✓ Set clear expectations and actively monitor the work of third parties doing business on our behalf.
- ✓ Be accurate and complete in recording payments and expenses.
- ✓ Don't pay any kind of "facilitating or other payment" to obtain routine services from a government employee.
- ✓ Speak up if you see or suspect bribery.



# What If?

“A government employee asks if I can help his daughter get an internship at ATG. He says he can make it worth my while.”

Don't do it. “Worth your while” suggests the government official may be planning to do something improper in exchange for the favor. You can provide the government employee information about an internship and allow his daughter to apply as all other candidates do. Doing anything more than that could be viewed as a bribe.

## A Shared Commitment

We understand a bribe can harm our reputation, but it's bigger than that. We know acts of bribery and corruption can lead to unfair competition and unsafe products in the global marketplace and in the communities where we live and work. For ATG, a zero tolerance policy on bribery is not just the lawful thing to do, it's the socially responsible thing to do.



# Know the Rules about Gifts and Entertainment

**We don't give or receive anything that could be viewed as inappropriate.**

An occasional gift or offer of entertainment is often viewed as a normal part of doing business, but sometimes even a well-intentioned gift or offer can cross the line. Any gift that creates a sense of obligation or compromises your professional judgment is always inappropriate.

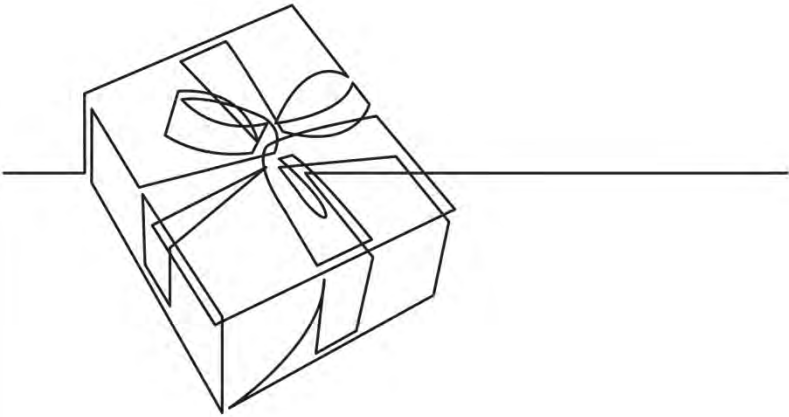
That's why we have guidelines in place to identify the circumstances under which an offer is okay and when it's not. Make sure you follow the rules and be aware of any special restrictions. For example, giving anything of value to a government official can be problematic. Always ask for help from the Legal Department if the right thing to do is unclear.





# Integrity in All We Do

- ✓ Always use good judgment.
- ✓ Turn down any offer if it is being given to influence a decision or if it would give the appearance of something improper, even if it is within the value limits that may be acceptable to ATG. Report this situation to the Legal Department.
- ✓ Gifts or entertainment given or received should:
  - Be nominal in value.
  - Be infrequent.
  - Satisfy a reasonable business purpose.
  - Be consistent with acceptable business practices, given the industry and the geographic location.
  - Be permitted by law and the policies of both the giver and receiver.
  - Not reflect poorly on or embarrass ATG.
  - Never be cash, gift card, check, loan or stock.
  - Be recorded accurately in our books and records.
- ✓ Don't give anything of value to a government official without receiving advance approval from the Legal Department.
- ✓ Never ask anyone for a gift, meal or entertainment and if someone asks you, don't oblige.



# What If?

“I receive a gift from a customer that I know I can’t accept. What should I do?”

Return the gift to the customer and politely explain our policy. If the gift is something perishable like flowers or a food basket, where return is not really an option, place it in a break room where it can be enjoyed by everyone.

# What If?

“One of our vendors offers me tickets to a concert he can’t attend. Can I take them?”

No. Even if the value of the tickets falls within the limits of our policy, the event doesn’t offer an opportunity to enhance your relationship with the vendor or his company since he will not be attending with you.



# Compete Fairly

**We outperform our competition fairly and honestly.**

ATG puts products into the marketplace and allows for free, fair and open competition to drive success or failure. We're committed to drive compliance with the laws designed to promote and preserve a competitive global market. We succeed based on our own merits and avoid any conduct that could restrict free trade.

Becoming aware of competitive information may be normal based on your role or responsibility at ATG, but make sure you treat that information ethically and lawfully. Compete vigorously but fairly, and never use deception or misrepresentation or abuse confidential information to gain an unfair advantage over our competitors. When you talk with customers, provide only truthful information about the quality, features and availability of our products, and don't make disparaging remarks about our competitors.





# Integrity in All We Do

- ✓ Follow the antitrust and competition laws in the countries where we operate. Deal fairly with our customers, suppliers and competitors. Compete based on the quality and merit of our products.
- ✓ Do not talk about our business strategies and plans with competitors.
- ✓ Never enter into any agreement or understanding, whether formal or informal, with a competitor, customer or supplier to:
  - Raise, set, hold (“fix”) prices on our products.
  - Divide territories, markets or customers.
  - Prevent another company from entering the market.
  - Refuse to deal with a customer or supplier.
  - Interfere with the competitive bidding process.
  - Restrict production, sales or output.
  - Force customers to buy something they don’t want by tying it to something they do want.
- ✓ Seek competitive information from public sources such as news stories and trade journal articles.
- ✓ Be fair, factual and complete in our advertising, sales and promotional materials.



# What If?

“At a trade show I run into an old college friend who works for one of our competitors. She asks me how business is going. What should I do?”

There is no problem with responding in a general, nonspecific way to say all is well, but keep your conversation high level. Be aware that simply having a conversation with a competitor can give the appearance to others of something improper.



# Don't Trade on Inside Information

**We recognize trading  
based on material,  
nonpublic (or “inside”)  
information is not only  
unfair, it's illegal.**



As associates and Board members of ATG, we may come into information about ATG, or companies with which we work, that isn't known by the public but, if it was, might influence someone to buy, sell or hold stock. That knowledge makes us “insiders” and trading on this “inside” information is against the law.

Know the kinds of information considered inside information. Examples include nonpublic information about mergers or acquisitions, sales or earnings results, financial forecasts, changes to the executive management team, pending lawsuits or major wins or losses.



## Integrity in All We Do

- ✓ Don't trade on material inside information and don't tip off others (including your family and friends) so they can trade. "Tipping" is also a violation of insider trading laws.
- ✓ If you're not sure if information is considered "inside," ask the Legal Department about it before trading on it. If you're not sure if information has been released to the public, treat it as though it hasn't been.

# What If?

"I learn some information in a meeting with one of our suppliers that could affect some stock trades my brother-in-law is considering. Can I share what I know since it won't benefit me personally?"

No. The law not only prohibits you from buying or selling stock based on material inside information, it also prohibits you from tipping off your brother-in-law (or anyone else) in order for him to trade.



# Keep Accurate Records



**Integrity in our recordkeeping inspires trust by customers, investors and business partners.**

Our long term success depends to a large extent on how well we manage our business. Our records and recordkeeping help us fulfill our financial commitments and pay our people, but they also provide a picture of our financial health. They keep us accountable to our shareholders and investors and are the basis on which we make important strategic decisions. That's why records that are clear and complete and accurately reflect our business transactions are critical ATG assets.

Each of us has an obligation to follow all internal controls in recording and maintaining ATG books and records. In every transaction, whether you are complying with disclosure requirements, preparing a financial statement, or simply completing a time sheet, be honest, accurate and complete. Be alert for any suspicious financial transactions, know your customers and business partners, and understand their use of our products in order to prevent illegal activity such as money laundering.

You also have a responsibility to know and follow our records management and records retention policies. Take care never to dispose of information that may be relevant to current or threatened litigation until you are notified by the Legal Department that you may do so.

# Integrity in All We Do



- ✓ Follow our internal processes and controls to ensure our records accurately and fairly reflect all transactions.
- ✓ Don't create any undisclosed, secret or unrecorded funds, liabilities or assets, and never misreport or mischaracterize information that relates to our business.
- ✓ Protect, store, manage and dispose of information in accordance with our records management policies.
- ✓ Cooperate with all requests for information from government and regulatory agencies and cooperate fully with any government audits or investigations.



Find Out More: [Records Retention Policy](#)



# What If?

“I don’t work in finance or accounting. Is “financial integrity” my responsibility?”

Yes. Accuracy in recordkeeping isn’t the job of one team or one department. It’s a responsibility we all share. From expense reports and benefits enrollment forms to test data and sales invoices, all of our everyday transactions must be accurate, complete and properly recorded.

# What If?

“I see a coworker sign off on an inspection report when he didn’t actually do the inspection. What should I do?”

You should report what you saw to your manager, the Legal Department or the Ethics Hotline. Signing off on the report without actually performing the inspection is considered a form of falsifying records and violates our Standards of Conduct.



# Follow Import, Export and Trade Compliance Rules



## **We comply with the laws that govern global trade of our products.**

As a United States based company conducting business around the world, it's critical that we know and follow the international trade laws that regulate the import and export of our products. If you are involved in the movement of products, services, information or technology across international borders, make sure you know and comply with the requirements associated with the countries in which you do business. Be aware the laws of more than one country may apply.

We must carefully evaluate business opportunities within countries subject to United States trade embargoes or economic sanctions and strive to ensure the strict regulations governing these markets are followed. We do not participate in or promote boycotts the United States does not support.



# Integrity in All We Do

- ✓ Make sure anything intended for import or export:
  - Is classified correctly, in advance, based on the country of origin, the destination, the end use and the end user.
  - Includes all required documentation, labeling, licensing, permits and approvals.
- ✓ Ensure the integrity of our supply chain by communicating our policies to others who conduct business on our behalf.
- ✓ If you receive a request to participate in a boycott or are asked about ATG's position on a boycott, contact the Legal Department immediately. It's equally important that you contact the Legal Department if you learn one of our business partners may be participating in a boycott. We expect them to comply with the laws of the United States and the countries in which they operate.
- ✓ If there appears to be a conflict between laws, customs or local practice, get help from the Legal Department or a member of our Global Trade and Customs Compliance Department.



**Find Out More:** [Import and Export Compliance Manuals](#)



# Protect Our Assets



## **We're good stewards of our physical, electronic and information assets.**

Our assets include everything ATG owns or uses to conduct business. Each of us is entrusted with the care of these assets, so be proactive in safeguarding them from loss, damage, theft, waste and improper use.

Physical and electronic assets such as furniture, equipment, tools, inventory and computer hardware and software are provided in order for you to do your job. Occasional personal use of assets such as phones, computers, email and the internet is permitted, but make sure your use doesn't interfere with work (yours or anyone else's) and doesn't violate our policies or the law.

Be aware that anything you write, send, download or store on our systems is ATG property and we can monitor your use. You shouldn't have any expectations of personal privacy when using our systems.

Information is also a critical asset. Confidential information and intellectual property represent the outcome of significant ATG investment and years of hard work. Trade secrets, patents, copyrights, trademarks, business plans, engineering ideas, databases, customer lists – when you help protect these assets, you help protect our competitive advantage.

# Integrity in All We Do



- ✓ Protect our property:
  - Report any property or equipment that is damaged, unsafe or in need of repair.
  - Don't lend, sell or give anything away unless you're authorized to do so.
- ✓ Protect our information:
  - Share confidential information only when there is legitimate reason for doing so. If you share it with someone outside of ATG, obtain a nondisclosure agreement in advance.
  - Protect ATG confidential information even if your employment with ATG ends.
- ✓ Protect the information of others. You have a responsibility to not only protect confidential information about ATG, but also the confidential information of companies with which we do business.

# Avoid Conflicts of Interest

**We don't let personal interests affect business decisions we make on behalf of ATG.**

A conflict of interest can happen any time – something you do outside of the workplace interferes with the work you do inside the workplace. It isn't possible to list every situation that could present a conflict, but below are certain situations where conflicts typically arise. Being able to recognize a potential conflict can help you avoid one.

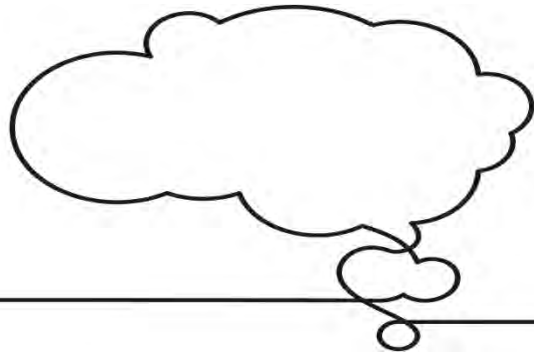
When making decisions related to ATG, you have a duty to act in ATG's best business interests and avoid even the appearance of a conflict. If you discover a personal activity, investment, interest or association could compromise or even appear to compromise your objectivity or your ability to make impartial business decisions, disclose it immediately to your manager, HR or the Legal Department. Many conflicts can easily be avoided or addressed if they are promptly disclosed and properly managed.





# Integrity in All We Do

- ✓ Know a potential conflict when you see one. A conflict can happen when:
  - You supervise or conduct business with someone with whom you have a close personal relationship.
  - You invest in one of our suppliers, customers, business partners or competitors.
  - You own or do work for a company that competes, does business or wants to do business with ATG. Serving in an advisory role or on the board of directors for such a company can also pose a conflict.
  - You use the ATG name or our property or information without approval to support a charitable, professional or community organization.
  - You take for yourself a business opportunity meant for ATG.
- ✓ Remember, it's not possible to list every potential conflict of interest scenario. If you're not sure if a situation presents a conflict, ask the Legal Department.
- ✓ Disclose to your manager and the Legal Department any actual or potential conflict of interest or even situations that could suggest the appearance of a conflict.



## Not Sure if There Is a Conflict of Interest? Ask Yourself:

- Could it affect my objectivity?
- Could it impact the decisions I make on behalf of ATG?
- Could an outside observer view it as a possible conflict?

If the answer to any question is “yes” or “not sure,” seek guidance from your manager, HR or the Legal Department.

# What If ?

“My brother works for a potential supplier and I work in procurement. Do I need to disclose our relationship?”

Yes. You should inform your manager you have a potential conflict of interest with that supplier and let your manager suggest the best path forward based on the circumstances.



# Don't Speak on Behalf of ATG

**We make sure  
information shared  
about ATG is consistent,  
accurate and complete.**



When you consider the power of words, the number of ways words can be shared, and the impact those words can have on a trusted company like ours, you begin to understand the value of sending one clear message.

In order to ensure accurate and complete information is conveyed to the public, regulatory authorities and others, we have designated individuals to serve as official ATG spokespersons. Unless you are authorized to do so, do not make any public statements on ATG's behalf.



## Integrity in All We Do

- ✓ Refer all requests for financial information to the Finance Department.
- ✓ Refer all media inquiries and public requests for information to Corporate Communications.
- ✓ Refer all inquiries from government and regulatory agencies to the Legal Department.
- ✓ When using social media:
  - Clearly state any opinions you express about ATG or our customers, business partners or suppliers are your own and you are not speaking on behalf of ATG.
  - Don't disclose confidential business information about ATG or our customers, business partners or suppliers.
  - Don't post anything discriminatory, or anything that constitutes a threat, intimidation, harassment or bullying.

# What If?

"I see a blog post that's critical of ATG and contains inaccurate information about one of our products. I know the facts about that product and want to set the record straight. Is it okay to post a response online?"

No. Unless you are an authorized spokesperson, you should notify Corporate Communications and let an authorized spokesperson address the situation.



# Be a Good Steward



**In the challenges that face our planet, we understand we are part of the solution.**



We strive to conduct business in an environmentally responsible manner and are committed to comply with all applicable environmental laws and regulations. We have set goals to minimize our environmental footprint by reducing energy, water and landfill usage and the resultant harmful greenhouse gases, and by implementing recycling programs at each of our facilities. Our commitment to sustainability will help ATG fulfill its mission of being a socially responsible enterprise.





## Integrity in All We Do

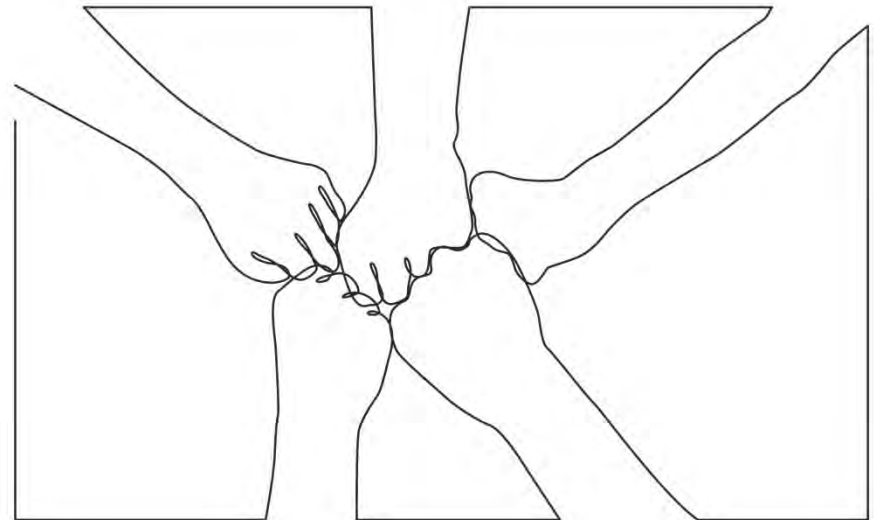
- ✓ Comply with all laws, policies, permits and regulations aimed at:
  - Protecting the environment.
  - Conserving energy, water and natural resources.
  - Reducing the environmental impact of our operations around the world.
- ✓ Learn more about our corporate social responsibility initiatives and how you can play a role in advancing them.



Find Out More: [Sustainability](#)

## A Shared Commitment

We are perpetually looking for ways to do things better and work more efficiently. Reduction of our environmental footprint takes care of the land that takes care of us and preserves precious resources.



# Community Engagement



At ATG, we not only make some of the world's leading tool brands, we give back in our communities as well. Since 2016, hundreds of our associates have volunteered during our annual "Building Communities, Together" service event.

**We're proud of the giving spirit and helping hands of our associates around the globe.**

