

Fulfilling Our Purpose with Integrity

Global Code of Business Conduct





Leadership Message

A lasting commitment to the highest standards of integrity, ethics and governance has spanned Parker's history and is key to our continued success. It's also a critical step in living our purpose: Enabling Engineering Breakthroughs that Lead to a Better Tomorrow.

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For more than a century we have maintained a culture in which every team member is responsible and accountable for upholding Parker's values, for conducting business with integrity, ethics and a strong sense of purpose, and for compliance with applicable laws and regulations.

Our culture and values form the foundation of our success and are embedded in our business system, The Win Strategy™. We believe our strength comes from our outstanding team members and the trusting relationships we establish with each other, our customers, suppliers, distributors and the world we serve.

Parker's unyielding commitment to honesty and integrity defines what we stand for as a company and builds trust. The trust that we enjoy today took more than a century to build, but we recognize that it could be undermined in an instant with just one lapse in judgment. This critical responsibility to protect Parker and preserve and build upon our great reputation as a trusted business partner is one we all share. We must never sacrifice our integrity and ethics to achieve our business goals or for any other reason.

This Global Code of Business Conduct details our expectations for doing business the right way. We must all follow this Code, Parker policies and applicable laws and regulations, both in letter and in spirit, without exception.

If you observe conduct that is not aligned with Parker's values, policies, or applicable laws or regulations, we urge you to speak up and raise your concerns to local leadership, the Corporate Compliance Office, or by contacting Parker's Integrity Line. We have a policy of anti-retaliation to protect any team member who reports an issue or concern in good faith.

Thank you to all of our team members for living the Parker Values and Purpose in everything we do. Let's continue to set a positive example for our colleagues, our customers and our communities.



Handwritten signatures of Thomas L. Williams and Lee C. Banks. The signature on the left is 'Thomas L. Williams' and the signature on the right is 'Lee C. Banks'.

Thomas L. Williams
Chairman and Chief Executive
Officer

Lee C. Banks
President and Chief Operating
Officer

Parker Values

Winning Culture

We insist on integrity and ethical behavior and we value compassion, respect and inclusion in all aspects of our global business. We seek to raise the quality of life through responsible, global stewardship.

Passionate People

We are empowered – every idea counts and every role has a voice. We are committed to safety and realize the value of our collective efforts. We believe our strength comes from the relationships and trust we establish with each other, our customers, suppliers, distributors and the world we serve.

Valued Customers

We partner with our customers to increase their productivity and profitability, ensuring their success as well as ours. We are committed to serving our customers through innovation, value creation and the highest quality system solutions.

Engaged Leadership


We lead by example, demonstrating our values in all circumstances and at all times. Our character, experience and abilities are the foundation of Parker's operational excellence. We hold ourselves accountable for achieving the results our stakeholders expect. We listen to and encourage one another, and take pride in our growth and accomplishments.

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Parker is committed to providing team members an empowered, results-oriented and values driven work environment that encourages learning and personal growth. Creativity, innovation and personal accountability are essential elements for improving the effectiveness of Parker.

All team members are provided the same respect that they are expected to in turn share with every Parker stakeholder. Parker understands that an empowered, results-oriented organization excels at engaging highly talented people of different backgrounds and perspectives.

Respecting and embracing these differences enhances Parker's position as the world leader in the motion and control industry.

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Our Code of Conduct

Parker's Global Code of Business Conduct sets non-negotiable global standards and expectations for our behaviors, decisions and actions. Our Code defines how we embed integrity, ethics, respect and fairness into our business operations.

This Global Code of Business Conduct is designed to be a resource and reference guide and does not intend to address every law, regulation, Parker Policy or business conduct issue. Our Code goes beyond mere compliance with laws, regulations or policies. At Parker, compliance with a law, regulation or Parker Policy, is the minimum requirement. However, doing the right thing sometimes requires much more than the minimum.

As a general matter, the provisions of this Code will not be waived. For those specific situations in which waivers may be possible (including conflicts of interest, gifts and travel & entertainment), Parker's policies set forth a waiver process that must be followed. In the extremely limited and unusual circumstance where a waiver may be appropriate, except for the situations mentioned above, the waiver can only be made with the written approval of both the Chief Executive Officer and the General Counsel. If the individual requesting the waiver is a Director or an Executive Officer of Parker, however, the waiver can only be made by the Parker-Hannifin Corporation Board of Directors and will be promptly disclosed to shareholders as required by applicable law and stock exchange listing standards.



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→ This Code applies to all of our team members, consultants, independent contractors, suppliers, agents, representatives and our Board of Directors without exception.



Expectations of Every Team Member

Parker's global reputation as a company that wins with integrity depends on each team member, at all times, acting in compliance with the law, this Code, our policies and our values. We work hard to build and maintain trust and to create an environment that invites candor and engagement. In turn, we all have a personal responsibility to act with integrity and to report concerns appropriately.



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Our Personal Responsibility

All of our team members, consultants, independent contractors, suppliers, agents, representatives, and our Board of Directors are expected to:

- Conduct business legally and ethically.
- Follow the principles outlined in this Code and all Parker Policies.
- Use good judgment. Always strive to do the right thing.
- Speak up. If you notice something of concern, speak up, ask questions or report it using the proper channels.

We require adherence to this Code in all of our interactions and will walk away from business that we cannot achieve ethically, legally and in accordance with the principles of this Code.

If you are unsure of your responsibilities, or what the appropriate action to take is, talk to your manager or consult with or access any of the other resources described in this Code. If you suspect that there has been a violation of this Code, a Parker Policy or a law or regulation, bring the issue to the attention of management. Not addressing potential issues or concerns only makes these types of situations worse.

Additional Responsibilities of Our Leaders

Parker's leaders, managers and supervisors have additional obligations to help us maintain our high standards of integrity, ethical behavior and compliance.

Parker's Leaders Should:

- Set the right tone and work environment within your team.
- Conduct business and behave in a manner that aligns with our values-driven culture.
- Lead by example and serve as role models for integrity and compliance, respect, and diversity and inclusion.
- Remind team members of the importance of following this Code, adhering to Parker Policies and applicable laws and regulations and living our Purpose and Values.
- Create a culture where team members feel comfortable asking questions or raising concerns without fear of retaliation.
- Appropriately address and manage the consequences of violations of this Code, Parker Policies or applicable laws and regulations.
- Ensure team members understand that Parker will never sacrifice our integrity and ethics to achieve business goals or for any other reason.
- Consider ethics and compliance when hiring, evaluating, promoting and rewarding team members.

Making Smart Decisions



Making smart decisions is key to maintaining the ethical and compliant culture that Parker has built and enjoyed for more than 100 years.

Living out Parker's Values and abiding by the principles of this Global Code of Business Conduct, Parker Policies, and applicable laws and regulations play a major role in the ethical decisions that our team members make while achieving Company goals. The decisions that we make every day say a lot about us as individuals and as an organization. It is important that we make the right decisions, as our reputation depends on it.

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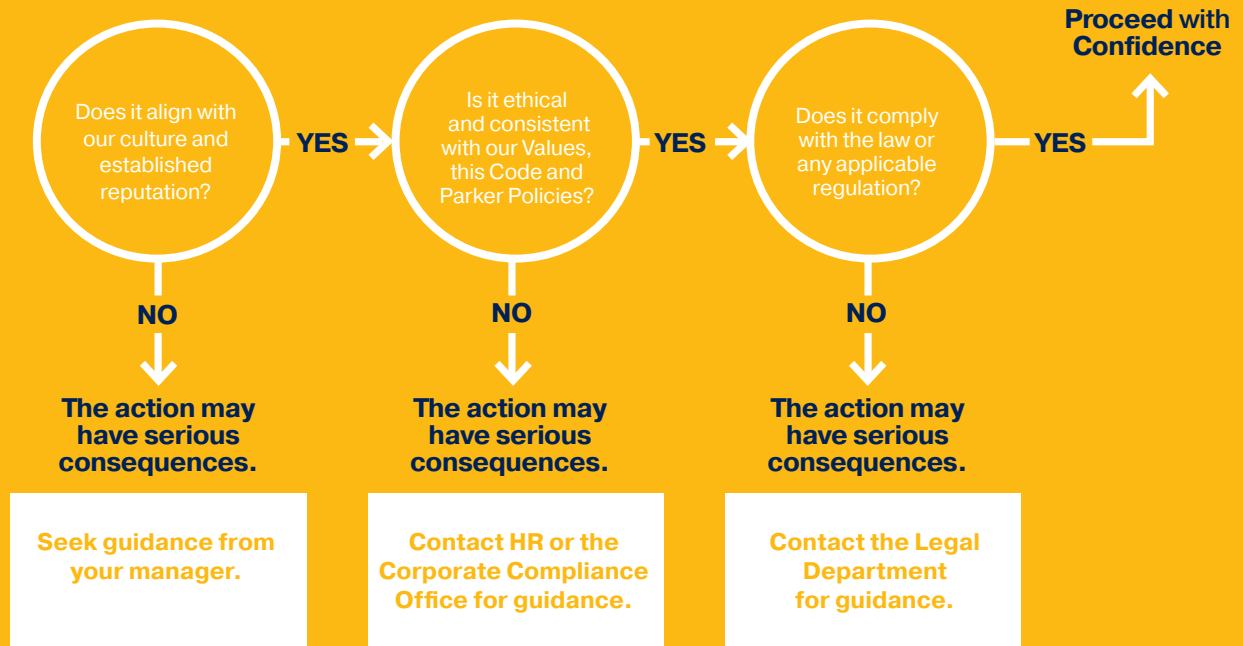
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Decision Tree

If you are challenged with a difficult decision, use the following chart to help guide you down the right path.





Speaking Up

Parker strives to conduct business with the highest standards of integrity and recognizes that each of us have an important role to play in maintaining this goal.

If you become aware of a violation or potential violation of this Code, Parker Policy or any applicable law, or regulation, you have a responsibility to speak up. We all share responsibility for protecting Parker and preserving and building upon our strong culture and reputation, and thus cannot stay silent if we know of activities or conduct that is not in compliance with this Code, our Policies, or laws and regulations.

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Speaking Up

Resources

Generally, your supervisor or manager will be in the best position to resolve an ethics or compliance concern. However, this is not your only option. You can:

- Discuss the issue with another member of the management team.
- Discuss the issue with your local Compliance Officer.
- Contact Human Resources, Corporate Compliance or the Legal Department.
- Contact Parker's 24-hour Integrity Line at <http://parkerintegrityline.com>.

Parker's Integrity Line is operated by an independent company. It is available 24 hours a day, seven days a week, in multiple languages. You may make a report by web submission or by telephone, with the option of maintaining anonymity where permitted by law. A listing of country-specific dial-in numbers can be accessed via the Parker Integrity Line website.

Zero Tolerance for Retaliation

Parker Policy strictly prohibits, and protects team members from retaliation – including threats, harassment, reduction of hours, loss of job or any other negative consequence - for good faith reporting or assisting with an investigation. "Good faith" does not mean an individual has to be right; but it does mean that the individual must reasonably believe that the information provided is truthful.

Any acts of retaliation will result in a disciplinary review. A team member determined to have retaliated against someone who has reported a suspected violation in good faith may be subject to training or other disciplinary action, up to and including termination of employment. See Parker Policy 3.32 (Anti-Retaliation) for further details.

Investigations

All investigations will be handled in a professional manner. Confidentiality will be maintained to the extent possible and appropriate with sensitivities to the important privacy interest of all parties.

If you believe that an investigation is being conducted inappropriately, you should report it immediately.

Parker team members should not interfere with investigations or engage in their own fact-finding. All team members are expected to cooperate with investigations, audits and other reviews, including those conducted in connection with lawsuits or government investigative proceedings.

Integrity in Action

Q. If I report an incident concerning my Manager in good faith through the Integrity Line, will I risk losing my job?

A. No. As a Parker team member, you have a responsibility to SPEAK UP if you believe something is not right or does not appear to be right. We will not tolerate any form of retaliation for concerns reported in good faith. If you feel like you are being or have been retaliated against, contact a manager, HR, your Local Compliance Officer or the Corporate Compliance Department.

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Respect in the Workplace

Engaged employees are an integral part of The Win Strategy™ and drive Parker's success. We honor one another by promoting and welcoming diversity, being open, honest and respectful in our interactions, and creating an environment of collaboration and inclusion. Additionally, we honor Parker and each other by not engaging in behavior that will cause harm to our reputation.



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Discrimination

At Parker, we treat one another, our customers, suppliers and other business partners with respect and dignity, and speak out if that goal is compromised by anyone.

We are proud to actively promote diversity in our workforce and in the workforces of those with whom we do business. Throughout the world we are committed to practices that result in the inclusion of all team members and that advance fair treatment of qualified individuals without regard to age, race, color, ancestry, religion, gender, disability, national origin, ethnic group, sexual orientation, genetic information, familial status, veteran status, pregnancy or any other legally protected class.

We believe that all people are valuable and should be respected for their individual abilities and contributions. We rely upon diversity to inspire innovation that drives our business and helps enhance our competitive advantage.

We realize that the world we serve is diverse in its social customs and cultural traditions, and we respect and embrace those differences.

We support and obey laws that prohibit discrimination everywhere that we do business. A violation of any related laws or our Parker Policies can lead to disciplinary action, including termination.

Integrity in Action

Q. I interviewed for a manager level position in my department. I believe that my credentials, experiences and performance history, would have positioned me as a very qualified candidate for this role. I honestly believe that I did not receive the promotion because of the color of my skin and my gender. What should I do?

A. Parker Policy 3.21 (Anti-Harassment and Non-Discrimination), states that Parker will not tolerate any form of harassment or discrimination. If you believe that you were unfairly treated, please contact Human Resources or submit your concern through Parker's Integrity Line.



Respect in the Workplace

Drug, Alcohol and Smoke-Free Workplace

Parker is a drug-free, alcohol-free and smoke-free workplace. That means everyone will report to work free from the influence of any substance that could impair job safety.

- Do not report for work, or drive a company vehicle or any vehicle on Parker business, while under the influence of alcohol, any legal or illegal drug or controlled substance.
- Do not drink alcoholic beverages while on company premises, or while engaged in work-related activities, except at specified company-sanctioned events. When attending a company-sanctioned event, you are expected to exercise good judgment, avoid becoming intoxicated and avoid driving or engaging in other potentially dangerous activities while under the influence of alcohol.

Additionally, do not possess, use, sell or offer legal or illegal drugs or other controlled substances that could impair judgment while on company premises or while working. Confirmed instances will be reported to the local authorities where permissible by law.

Integrity in Action

Q. I believe my colleague is under the influence of some type of drug or alcohol. What is my responsibility?

A. You must SPEAK UP! This situation can potentially be a safety issue; therefore, you should notify a manager immediately. The manager will take the necessary steps to handle the situation.

Harassment

Harassment in a work setting that is based on sex, race, ethnicity, disability status and several other protected characteristics/protected classes is not only inappropriate, it is unlawful; and will not be tolerated. The following are just some examples of such conduct. Engaging in any of the conduct below will subject you to disciplinary action, including possible termination:

- Communication of unwelcome remarks, gestures, or physical contact of a sexual nature.
- Telling jokes that ridicule or offend another based on their ethnicity.
- The display or distribution of sexually explicit or graphic materials, including pictures or other content that may be found by others to be offensive or inappropriate.
- Verbal abuse of another based on a medical condition or disability.
- Using racial slurs or negative stereotyping.
- Bullying or threatening another person because of their race or gender.
- Refusing to work, or otherwise cooperate with, an individual because of one's religion.
- Taking an adverse action against a team member (e.g., suspension or termination) because the team member has raised a concern about a violation of this Code, Parker Policy or law.

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Each of us, as ambassadors of the Parker culture, has an obligation to contribute to and maintain a respectful working environment; anything less is unacceptable. If you believe you are being harassed, or if you have witnessed harassment of a colleague, you need to report this to your manager, another manager, Human Resources or through Parker's Integrity Line.

Integrity in Action ←

Q. My co-worker consistently makes offensive jokes about another member of our team. He knows that the team member will not defend herself, so he repeatedly taunts her. Am I obligated to bring this to the attention of someone?

A. Yes. Parker strictly prohibits any form of harassment. These incidents should be brought to the attention of your supervisor, a manager, Human Resources or reported through Parker's Integrity Line.

Social Media

Social media usage is of growing importance in the marketplace; therefore, it is important that Parker team members use these forums appropriately and responsibly. While social media opens new opportunities to have a positive impact on our brand reputation and business growth, it also carries significant business risks when used inappropriately.

While engaged in social media usage, you should remember that all of our existing policies apply. This includes maintaining the confidentiality of Parker's business, technical and financial information. You should always obey and respect all applicable Parker Policies, laws and regulations while online and follow the terms and conditions of use that have been established by the social media site.

Any Parker business unit that wishes to establish or be represented on a social media site must first receive approval from the Vice President of International HR & External Affairs, or his or her designee, including video postings on social media sites, such as YouTube, Youku or other similar sites, concerning anything related to Parker.



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Q. The Marketing Team is planning to launch a marketing campaign in a few months. I just found out that a coworker has been sharing details of the campaign on her personal social media sites. What should I do?

A. You need to report it to your manager. Under no circumstance should marketing strategies or any proprietary information be shared on social media. Every team member has a duty to protect the privacy and security of company information. We must always “Think Before We Post!”

Violence Prevention

Parker is committed to a safe work environment that is free from threats, intimidation, and physical harm. Everyone has the right to work in a safe environment and everyone shares the responsibility for ensuring the safety of others.

Parker does not tolerate violent behavior in the workplace including:

- Physical harm or the threat of harm.
- Aggressive behavior toward another.
- Intentional disregard for the physical safety or well-being of others.
- Any comments or behavior that could be reasonably interpreted as a threat.

As is the case with any violation of this Code, team members have a responsibility to report any unsafe behavior regardless of whether they are directly involved or a witness. Behavior that threatens the safety of people or property, or

has the potential to become violent, should be immediately reported to your supervisor, Security, HR, or the Parker Integrity Line.

Employee Data Privacy

Parker is dedicated to compliance with all applicable laws and regulations relating to the collection, use, transfer and retention of personal data provided to us by our team members or other stakeholders. Personal data must be collected to run our business, manage benefits and meet legal requirements. We, however, are committed to the protection of the privacy and confidentiality of each team member’s personal, family, medical and financial information. We respect everyone’s right to privacy and will therefore protect the personal data entrusted to us.

What Does Good Look Like?

- Collect, process and use personal data only for legitimate business purposes.
- Protect personal data from loss, misuse, and unauthorized access, disclosure, alteration, and destruction.
- Use secure tools to share personal data with individuals inside or outside of Parker, and limit access to authorized individuals with a need to know the information.
- Adhere to applicable data privacy laws, our data privacy policies, and privacy notices when working with personal data.
- Contact the Corporate Compliance Office or the Legal Department immediately if you become aware of or there is suspicion regarding the mishandling of personal data or concerns about the security of personal data.

Responsibility to Parker

We can only achieve our goals if we insist on integrity, honesty, respect and legal and ethical behavior. Thus, we honor Parker and our stakeholders by not engaging in behavior that will cause harm to our reputation, and by complying with the laws in every country where we do business.

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Business Expenses

We are required to truthfully, accurately and completely record travel and business-related expenses. Parker funds are to be used prudently and only for legitimate business purposes. Each of us is required to abide by Parker Policies regarding the use of corporate credit cards, preferred travel suppliers, necessary management approvals, receipts, expense reports and other travel and entertainment-related matters.

Always be honest and accurate when submitting expense claims for reimbursement. Any use of Parker funds for personal travel or entertainment, or to supplement your income will subject a team member to disciplinary action up to and including termination.

Integrity in Action ←

Q. A co-worker went on a business trip and decided to extend his trip by staying over the weekend for personal travel. He told me that he was planning on expensing the entire trip. Is this appropriate?

A. Advance approval by the Parker team member's manager is required when personal travel is combined with business travel. Parker team members will only be reimbursed for those expenses incurred due to the business portion of the trip. All additional charges incurred (meals, lodging, entertainment, parking, etc.) by extending the duration of a trip for personal reasons are not reimbursable and should not be submitted to the Company for reimbursement.

Responsibility to Parker

Company Assets

Each of us is entrusted with numerous company assets and has a responsibility to protect them. These assets include not only cash and other financial assets, but also equipment, inventory, supplies, intellectual property, email, telephone, computer, and internet systems. We follow security procedures to protect assets and we are alert to situations that could lead to loss or misuse of assets.

We refuse to tolerate any act that involves theft, fraud, unauthorized disclosure, embezzlement or misappropriation of company assets. We also refuse to tolerate others' participation in such activities.

Confidential Information

Our ideas and inventions, our innovative customer solutions, and other proprietary technical and business information, are valuable assets that differentiate us from our competitors and must be protected. When appropriate, we will enforce our intellectual property rights.

We handle Parker's intellectual property and other confidential information with extreme care. This includes trademarks, patents, copyrights, trade secrets and other proprietary information.

Protect our confidential information by doing the following:

- Maintain a listing of confidential information, and securely store it physically and electronically, with access on a need-to-know basis.
- Keep information only for the length of time as noted in our Records Retention and Protection Guideline (1.04) . As needed, shred or discard obsolete documents in an approved manner.

Integrity in Action

Q. Do we have a responsibility to safeguard our third parties' intellectual property?

A. Yes. We also respect the intellectual property rights of third parties. It is our policy to not knowingly infringe the intellectual property rights of others.

Conflicts of Interest

Because we are always expected to act in the best interest of Parker, we must carefully watch for and avoid any potential conflicts of interest. A conflict of interest arises when your business, personal, social, financial or political interests, duties, obligations, activities or relationships, or those of a family member, interfere with your job, responsibility, objectivity and loyalty to Parker. Conflicts of interest expose our personal judgement and that of our Company to increased scrutiny and criticism and can undermine our credibility and the trust that

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others place in us. Actual conflicts, as well as the appearance of conflicts, must be avoided.

The following situations are examples of potential conflicts of interest and are prohibited:

- You or your family members own, or have an interest in, a business that competes with, sells to or buys from Parker.
- You make purchasing decisions for Parker based on your personal interest rather than Parker's interest.
- You or your family members receive personal, unearned benefits because of your position in Parker.
- You or any of your family members own financial investments in competitors, suppliers or customers other than nominal investments in public companies.

Here are some situations in which a conflict of interest could arise:

- You or any of your family members also work for a competitor, customer or supplier.
- You or any of your family members engage in relationships (whether business or personal) that could impair your independence or judgment.
- You or any of your family members assume a position on the board of directors for an outside corporation, nonprofit, trade association or other organization that competes with or otherwise influences decisions at Parker.

Integrity in Action ←

Q. A co-worker's daughter has just been hired for a job in our department. Does this represent a conflict of interest?

A. We do have cases where relatives work in the same department. When this occurs, we ensure that merit increases, job performance evaluations and promotions are handled by someone independent and the situations are monitored on an ongoing basis to maintain objectivity and fairness.

Q. My husband has just accepted a position with one of our suppliers. Is this a conflict of interest?

A. This could be a problem if you, or someone who reports to you, has business dealings with the supplier or plays a role in selecting suppliers. Tell your supervisor about this relationship, complete the electronic disclosure form via the link contained in Parker Policy 1.32 (Conflicts of Interest) and do not participate in decisions or negotiations with the supplier.



Responsibility to Parker

Data Accuracy & Internal Accounting Controls

Each of us has a responsibility to maintain full, fair, timely, accurate and understandable financial, accounting and other business records, as well as disclosures in the reports and documents we file or furnish to the U.S. Securities and Exchange Commission and regulators around the globe. These records include financial and accounting data, travel and expense reports, payroll time sheets, inventory data, employment documentation, engineering, quality and production records, email or other correspondence, and all other records maintained in the ordinary course of our business, whether in paper or electronic format.

We prepare our financial, accounting and other business records with integrity and honesty, whether they are externally reported or used internally, and we comply with generally accepted accounting principles when creating and maintaining our financial records.

The following are guidelines that we must adhere to:

- Never misrepresent our financial or operational performance or otherwise knowingly compromise the integrity of the company's financial statements.
- Never enter information in our books or records that intentionally hides, misleads or disguises the true nature of any financial or non-financial transaction, result or balance.

- Follow all processes and controls designed to ensure the accuracy of Parker's financial results.
- Ensure all transactions are reported in a timely manner.
- Maintain a robust system of internal controls.
- Those asked to review or certify information related to Parker's internal controls must do so fully, accurately and in a timely manner.
- Preserve and protect records according to our Records Retention and Protection Guideline (1.04).
- Always cooperate and communicate openly with members of Parker's Internal Audit, Compliance, Accounting and Legal Teams, as well as with Parker's independent auditors and government investigators or regulators with respect to Parker's accounting practices, financial statements or operations and quality records. Never attempt to influence, coerce, manipulate or mislead any of these individuals.

Integrity in Action

Q. What should I do if I feel pressured to make reports reflect better performance than actual?

A. Never falsify records. Contact the Corporate Compliance Office immediately to report your concerns.

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External Communications

Parker is committed to providing timely and accurate information to the public. This helps us satisfy legal and regulatory requirements as well as maintain the trust of our shareholders, potential investors and government authorities. Consequently, it is important that only authorized members of management speak on behalf of the Corporation.

- If you receive an inquiry from the media, receive a request for Parker to participate in a public relations event, or are invited to participate in a corporate survey or speak publicly on behalf of Parker, contact the Vice President of International HR & External Affairs.
- All inquiries from financial or industry analysts or investors are to be directed to the Investor Relations Department.
- Team members who are not designated as spokespersons are instructed not to respond to inquiries from the investment community or the media unless specifically authorized to do so by one of the designated spokespersons listed in Parker Policy 1.21 (Investor, Media, and Government Communications).

Unless authorized, do not give the impression that you are speaking on behalf of Parker in any communication that may become public. This includes posts to online forums, social media sites, blogs, chat rooms, and bulletin boards. This policy also applies to comments to journalists about specific matters that relate to our businesses, as well as letters to the editor and endorsements of products or services.

Integrity in Action ←

Q. I'm the Lead Engineer on a breakthrough product that my Division believes will transform our industry. Parker Communications has made some official press releases about the product, but now I'm being approached by the media for interviews and insights on the product. Is it acceptable for me to participate in these interviews since I'm the Lead Engineer and know the most about the technology and how the product works?

A. No. You should not engage in media interviews unless you are specifically authorized to do so by one of the designated spokespersons listed in Parker Policy 1.21, Investor, Media, and Government Communications.

Information Technology and Electronic Communications

Parker's information technology assets and electronic communications resources are provided to team members for Parker business purposes. All files, information, communications and other data stored, transmitted or processed on Parker information technology assets and electronic communications resources are the property of Parker, and Parker reserves the right to access, monitor or disclose such files, information, communications, and any other data at any time, within Parker and to third parties, as permitted by law.

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Team members must use Parker's information technology assets and electronic communications resources in an authorized manner and in a manner that avoids security threats.

It is each team member's responsibility to use Company email, telephone, computer, and internet systems in an appropriate way. Team members must only use company assets (including information technology assets) for business purposes, unless reasonable and incidental personal use applies.

Integrity in Action ←

Q. Occasionally, at lunch, I check the sports scores, weather, and stock market using my Parker computer. Is this a violation of Parker's Global Code of Business Conduct?

A. No. As long as the use is limited, and does not 1) interfere with work duties, 2) adversely impact the functionality of Parker's information technology assets, 3) relate to an outside business venture, or 4) violate the law, this Code, or any other Parker Policies, practices, or procedures.

Responsibility to Parker

Insider Trading

It is against Parker policy and prohibited by U.S. securities laws to trade in the securities of Parker or other companies (including Parker customers and suppliers) when you are aware of material non-public information about Parker or any of those companies, or to disclose any material non-public information to others (such as friends, family members and business contacts) who may trade in those securities.

Material non-public information may include, for example, confidential news about mergers, acquisitions, divestitures, major litigation, new product introductions, large contract awards, financial results, earnings or other forecast information, stock splits or other information that has the potential to affect the stock price of Parker and/or the other company.

Review Parker Policy 1.18 (Insider Trading) for important additional details. The rules relating to insider trading are often complex, are not always intuitive and carry potentially severe consequences, for both you, our team members, as well as for Parker. Specific questions should be referred to the Legal Department.

Integrity in Action

Q. My manager asked me to prepare some financial material related to an acquisition that Parker is considering. The information is confidential and is not yet public. Based on the information I reviewed, I think the stock of the acquisition target will go up fast once the news is made public. I know that I cannot buy stock in the company we are planning to acquire, but can I pass the news to my sister-in-law since she is not an “insider”?

A. No. You cannot share the news with others because it is confidential. The information may also be material, non-public information, and sharing it with others could be considered “tipping,” which is against the law and our policies.

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Product Quality

All of our products must be safe and dependable, and must meet all applicable legal and regulatory requirements, as well as the quality requirements and specifications of our customers and Parker Policies and procedures.

We are committed to strict product integrity for one simple reason – because it is the right thing to do.

Parker team members must never willfully conceal defective work or material, intentionally falsify records or make false certifications or claims regarding the safety or quality of Parker products.

Integrity in Action ←

Q. I'm a Junior Inspector for one of Parker's Aerospace Divisions. Recently, I noticed that the periodic calibration of our micrometers was past due based on both the calibration logs and the markings on the micrometers. I reported this to my supervisor, but he said that, "it's fine," and to continue to certify product using the instruments because he knows the micrometers are still within specification. Furthermore, he said the calibration company will be in next week to recertify the instruments. I'm uneasy about this situation. Should I just proceed with testing as usual?

A. No. A situation like this could compromise product quality, safety, and performance expectations. If your immediate supervisor dismisses your concerns the situation should be escalated to a higher manager, HR, and/or reported through Parker's Integrity Line.



Responsibility to Parker

Safety

Parker is committed to the safety of our team members and their work environments. Parker sets forth expectations for operational safety excellence and provides team members the tools and training to identify and reduce hazards in the work environment. All team members have a voice in Parker's safety culture. By establishing High Performance Teams focused on safety, Parker strives to engage team members in driving safety performance, continuous improvement and avoiding at-risk behaviors. Parker will continue to promote a culture of engagement, ownership, recognition and accountability in regard to safety.



Some fundamental guidelines are highlighted below.

- Always comply with the requirements of the environmental, health and safety management system at your work location and stop any work that becomes unsafe.
- Only undertake work for which you are trained, competent, medically fit and sufficiently rested and alert to carry out.
- Make sure you know what to do if an emergency occurs at your place of work.
- Help ensure that those who work with you (e.g., team members, contractors and other third parties) act consistently with Parker's safety commitments.
- Promptly report to local Parker management any accident, injury, illness, unsafe or unhealthy condition, incident, spill or release of material to the environment, so that steps can be taken to correct, prevent or control those conditions immediately.
- Seek advice and help if you are ever unclear about your safety obligations or you have a concern about a potential or actual breach of law or Parker requirement.

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Our customers are the reason we exist and they should always feel that we value them. We fairly represent our products and services to them. We listen to our customers' needs, and challenge ourselves to find new ways to offer the best solutions with honesty and integrity in a professional, courteous manner. We deliver on what we promise.



Interacting with Third Parties

Bribery and Corruption

We will win business only on the merits and integrity of our products, services and people. We do not tolerate bribery, kickbacks, improper payments or other illegal or corrupt business practices in any jurisdiction.

Additionally, we must never offer, provide or promise anything of value that could be perceived as a payment for obtaining, retaining or directing business or acquiring an improper business advantage with a commercial customer or government official (including employees of state-owned or state-controlled enterprises), even if it is an accepted business practice in a particular location or country.

All team members, officers or directors, consultants, independent contractors, suppliers, agents, representatives, and others acting on behalf of Parker must fully comply with the anti-bribery and anti-corruption laws of all countries in which we do business, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act. Facilitation payments (payments to speed up routine administrative actions such as for processing visas or getting shipments through customs) to any government employee for any reason, regardless of how small, are strictly prohibited. If you have a question about whether a certain payment represents a bribe or facilitation payment, have been requested to make such a payment, or you suspect one has been made, please contact the Corporate Compliance Office or Legal Department immediately.

Parker conducts risk-based due diligence on all third parties prior to engagement and

periodically thereafter as defined in Parker Policy 1.31 (Third Party Business Relationships – Due Diligence and Contract Requirements). Team members should use Parker Policy 1.31A (Third Party Business Relationships – Enhanced Due Diligence Worksheet) as a guide to determine when Parker’s enhanced due diligence is required. Sales intermediaries, third parties with government contact, and third parties with other representative capacity are some examples that would require enhanced due diligence.

Integrity in Action

Q. I work in Supply Chain and was recently approached by a supplier that mentioned something related to a “mutually beneficial” arrangement. At first, I thought he was referring to legitimate business and our intent to use the supplier for a new product line. However, in more recent discussions the supplier referred to setting up payments to me, personally, if I steer all the business I can to his company. I know this is wrong, and have flat out denied his offers, but I’m not sure what to do without disrupting our Division’s business.

A. This situation needs to be reported to your manager, or through Parker’s Integrity Line. Parker does not tolerate corruption of any kind and will work to ensure the situation is resolved but can only act if team members speak up if they suspect something is not right.

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Fair Competition

Parker succeeds in the marketplace by competing aggressively, but fairly. Our products and services stand on their own merits. We do not misrepresent the characteristics of our products and services, and we do not deceive our customers or engage in any other unfair practices (including unfair comparative advertising practices). We understand and adhere to the laws and regulations that govern our marketing activities and we promote and sell our products through accurate and truthful communications.

We believe in free and open competition and Parker fully adheres to the antitrust and competition laws in every country where we do business. We understand that certain anti-competitive business practices are prohibited by these laws, including:

- Exchanging information with competitors regarding pricing, marketing, production, territories and/or customers; and
- Proposing or entering into any formal or informal agreement with any competitor that: fixes prices; coordinates bids; allocates production; divides markets or sales territories, products, customers or suppliers; or that covers any other topics of competitive significance.

Additionally, gathering information about our competitors, often called competitive intelligence, is a legitimate business practice. Doing so helps Parker to stay competitive in the marketplace.

Obtaining information from public sources, such as newspapers or the internet, is appropriate and encouraged. It is also permissible to ask customers and suppliers if there is any non-confidential information about competitors that they are able to share with Parker. We do not, however, encourage any disclosure that would violate any legal or contractual obligations of the customer or supplier.

When working with consultants, suppliers and other partners, we ensure that they understand Parker's expectations for the legal and proper gathering of competitive information.

Integrity in Action ←

Q. I am planning to attend a trade association meeting with participants from several competitors. I have just received the preliminary agenda from the meeting organizer and one of the topics listed raised an antitrust concern in my mind. What should I do?

A. Since a particular agenda topic raised a concern in your mind, you should review the agenda *before the meeting* with the Parker Legal Department to determine next steps. If any improper topics are on the agenda, the meeting should not be attended.

Interacting with Third Parties

Giving and Receiving Gifts

We do not allow our business decisions to be influenced by gifts, favors or hospitality from others. Gifts and entertainment can create goodwill in our business relationships, but can also make it hard to be objective about the person providing them. Our choice of suppliers, vendors and partners must be based on objective factors like cost, quality, value, service and ability to deliver. We must avoid even the appearance of making business decisions based on gifts received through these relationships. We also do not provide gifts, favors or hospitality to others except in compliance with applicable laws and otherwise in an appropriate and ethical manner.

Modest gifts of nominal value such as occasional meals, tickets to the theater or promotional items are generally acceptable to receive and give. Infrequent business entertainment is appropriate provided it isn't excessive, and it does not create the appearance of impropriety.

Whenever the value of a gift, travel, or entertainment to a third party exceeds these presumptive reporting thresholds (per recipient, in USD), Corporate Compliance Department pre-approval is required:

GIFT	BUSINESS ENTERTAINMENT	BUSINESS TRAVEL	NON-FOUNDATION CHARITABLE GIFT
\$100	\$250	\$1,000	\$1,000

If you work with government employees or their representatives (including employees of state-owned or state-controlled enterprises), or customers that receive government funded contracts, be aware that even simple offers such as purchasing a meal or refreshments are likely unacceptable or even against the law.

Contact the Legal Department before providing any gift or entertainment to a government employee.

Integrity in Action

Q. The tooling supplier for the Parker plant where I work just bought my young son a new bicycle. What a nice guy. Is this okay?

A. No. This appears to be a personal favor to you in order to win your business in an inappropriate way. You must return the bicycle and tell the supplier that we do not accept personal gifts.

Q. I want to give one of our best customers a special gift to say thanks. I have access to some football tickets that I know he would appreciate, but I think it's against his company's policy for him to accept them. If he doesn't care about the policy, can I give him the tickets?

A. No. If you know that giving a gift will violate the customer's policy, you may not give the gift. Just as we want others to respect our standards, we will respect theirs.

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Integrity in Action ←

Q. A customer's Purchasing Manager indicates privately to a Parker representative that a \$500 gift card sent along with Parker's competitive bid would "make a big difference" regarding awarding the business. Should Parker do this?

A. No. This would be providing a bribe.

Q. The local mayor asks Parker and other local businesses to contribute prizes for the annual Community Days raffle. Can Parker do this? If so, how?

A. Yes. A contribution to this annual raffle (and NOT to a city employee) is okay if it is not 1) excessive, 2) in cash, or 3) given to a specific person.

Additionally, if over the thresholds established in Parker Policy 1.29 (Gift Giving and Receiving), the contribution must be approved by the Corporate Compliance Department.

Information Entrusted to Us

Maintaining customer, supplier, and other third parties' trust requires that we use their information appropriately. We are committed to protecting their privacy and confidential information. We gather information from customers, suppliers, and other third parties to deliver better products and services, and to learn about their preferences. Access to confidential information is restricted to those team members designated as having a need to know that information for business or legal reasons and all access must comply with applicable data privacy laws and customer agreements.

What Does Good Look Like?

- Handle customers', suppliers' and other third parties' confidential data with care.
- Appropriately safeguard such confidential data.
- Disclose confidential information only to those who are authorized and when there is a business need to know the information.
- Do not share customer confidential data with parties external to the Company.
- Adhere to applicable data privacy laws, our data privacy policies, and privacy notices when working with confidential data.

Contact the Corporate Compliance Office or the Legal Department immediately if made aware of, or there is suspicion regarding the mishandling of, or concerns about the security of, such information.

Safeguarding private and confidential data of our customers, suppliers, and other third parties is essential to preserving our reputation and maintaining trust.

Integrity in Action ←

Q. One of our end customers is experiencing issues with a Parker system. I believe the problem is related to a part provided by a Parker supplier. The end customer has asked to see the supplier's engineering drawing for the part in question so we can collaborate and solve the issue. Is it okay to send the supplier's drawing to the end customer?

A. No. Third party confidential information such as engineering drawings and other confidential data must never be shared with others without the third party's express written consent.

Interacting with Third Parties

Money Laundering

Money laundering is the process by which funds generated from criminal activity such as drug trafficking are moved through legitimate businesses in order to hide their criminal origin. Terrorist financing refers to funding for terrorist activities and can come from legitimate or criminal sources. We abide by all laws designed to deter criminal enterprise, keep us safe from terrorism and protect the national security of the countries where we do business.

At Parker, we will not facilitate money laundering, terrorist financing, or unlawful diversion and we must take steps to prevent inadvertent use of Parker's business resources for these purposes. We must be vigilant and exercise good judgment when dealing with customers or business partners by, among other things, promptly reporting any unusual or suspicious activities or transactions such as attempted payments in cash or from unusual financing sources, arrangements that involve the transfer of funds to or from countries or entities not related to the transaction or customer, unusually complex deals that don't reflect a real business purpose, or attempts to evade record-keeping or reporting requirements.

Interacting Effectively with Government Officials

As a global company, Parker team members may have contact with government officials (including employees of state-owned or state-controlled enterprises). As always, with any information we provide, team members should be honest and truthful. When pursuing business with governments (including OEMs, prime contractors,

sub-contractors, and distributors where the original source of funding is the government), the standards of conduct may be different from the standards when dealing with a commercial business.

The laws associated with doing business with the government (or commercial entities receiving government funding) are often complex and impose serious civil, criminal or other penalties for violations on both the company and employees participating in improper practices. If you receive a non-customary or non-standard request for information from a government or regulatory agency you should contact the Legal Department or the Corporate Compliance Office before responding. As stated on page 40 in the "Giving and Receiving Gifts" section of this Code, payments, gifts, or other favors given to a government official or employee are strictly prohibited as it may appear to be a means of influence or a bribe.

Integrity in Action

Q. Who is considered a government official?

A. When we refer to "government official" we mean 1) an official, employee, candidate or representative of a government (including any government agency, department or enterprise), 2) a political party or public international organization, and 3) the employees of businesses or companies wholly or partially owned, funded, influenced or controlled by a government.

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Trade Laws

Parker buys and sells all over the world and is subject to applicable country laws regarding import, export and re-export of goods, services, software and technology.

All Parker team members are required to comply with applicable laws of the U.S. and other countries that govern the import, export and re-export of our products.

- Trade embargoes and economic sanctions prohibit or severely restrict business activities with certain countries and their nationals and some industry sectors, as well as business activities with specifically listed entities and persons.
- Export control regulations impose restrictions on the transfer of certain articles and technology to foreign destinations, or end users.
- Anti-boycott regulations prohibit U.S. companies and their foreign subsidiaries worldwide from participating in international boycotts against other countries.
- Compliance with customs regulations include complex processes concerning the commodity classification, valuation, country of origin and marking of the imported goods.
- Tax regulations influence sales terms and the obligations of parties in international transactions.
- International Cargo Security requirements provide minimum security standards for ensuring the physical security of cross-border, air and ocean shipments.

We expect all of our suppliers to know and understand the laws that apply to their products, including those of customs and any other government agencies.

Parker team members, particularly those who are involved in exporting and re-exporting our products, are also expected to be familiar with Parker Policies applicable to such activity, including Parker Policy 1.24 (No Sales to Certain Restricted Countries) and Parker Policy 6.0 (Global Export Requirements).

This area is very complex; do not try to solve government inquiries on your own. Applicable laws and regulations may vary from country to country. If you have questions about Parker's compliance obligations in this area, consult with the Corporate Trade Compliance Department or the Legal Department.

As a global organization, Parker has established both tools and Corporate Global Trade Compliance Resources to support and ensure compliance with U.S. and other national laws relating to import and export trade. This includes commodities, services, technology, and product distribution.

Serious penalties can result from violations or non-compliance for Parker and our team members including prosecution or imprisonment.

You are responsible for understanding and abiding by the laws of the country to which international transactions apply.



Responsibility to Our Communities and Planet

For more than a century Parker has viewed its ability to make a positive impact by improving the lives of team members, protecting the environment and supporting local communities as a key measure of the company's success. Doing so not only reflects Parker's Values and Purpose, but also impacts the company's ability to drive long-term sustainable growth for our customers and shareholders.



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Corporate Social Responsibility

As a socially responsible corporate citizen, we are committed to making a meaningful and positive contribution to the communities in which we do business. This commitment translates into a Corporate Social Responsibility Program with a focus on charitable giving, disaster relief and community service. Our charitable giving programs are implemented through team member donations, corporate contributions, and gifts made by Parker-Hannifin Foundation.

Parker-Hannifin Foundation supports a broad range of people and institutions who share our vision of making the world a better place. The Foundation has three areas of focus which include science, technology, engineering, and mathematics education; community needs; and sustainability. Diversity and inclusion are underlying principles for all three of these focus areas and our philanthropic efforts center around the many communities in which we operate around the globe.

Some important aspects of the program are:

- Any organization receiving funding from the Parker Foundation must be a qualified entity in accordance with U.S. Internal Revenue Service requirements.
- No tangible benefit can be received by Parker or Parker team members from the organization receiving funding from the Parker Foundation.
- Qualified community service and philanthropy does not include religious, political action, social or fraternal organizations.

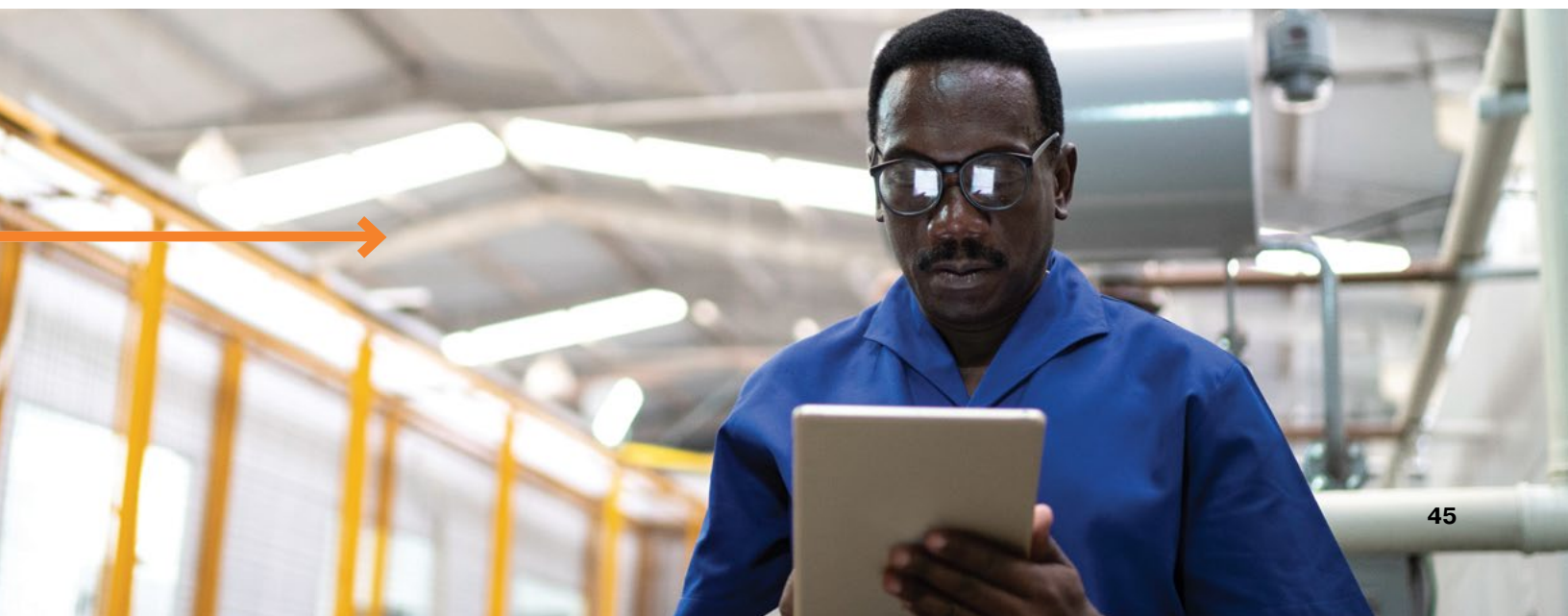
Environmental Stewardship

Parker recognizes the importance of acting responsibly with the planet's natural resources. As such, the company will continue to explore and implement solutions to reduce production waste, emissions and the consumption of resources such as energy, water and raw materials. We are committed to reducing our greenhouse gas emissions as well as reducing water consumption in water scarce locations.

Strategies to fulfill these commitments are embedded in the Global EHS Directives Policy which describes minimum expectations for management and operational performance related to environmental, health and safety measures.

Some fundamental guidelines are:

- All waste materials must be managed in accordance with local regulations. Discarding or disposing of waste at the facility is forbidden.
- Discharge of chemicals or other materials in our waterways is strictly regulated and is only permitted if authorized by the appropriate personnel at the facility.
- Do not handle hazardous chemicals and materials unless you understand the risk and have the appropriate protective equipment.
- Be sure you know and understand all applicable environmental requirements associated with your job and work activities.





Government Lobbying and Political Activities

Parker may take a public position from time to time on issues important to the welfare of its business, team members, customers, suppliers, shareholders and others. The process by which Parker develops those

public positions and engages in political activity takes into consideration the needs across the company. Parker will not permit company funds or property to be contributed to any political candidate or office holder.

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Lobbying discussions and documents become part of the public record, and may have serious corporate implications across business groups. Therefore, in any country where Parker operates, any attempt to influence government legislation, rule-making, regulation or the engagement of a lobbyist, on behalf of Parker or any of its business entities, must first be approved by the Vice President of International HR and External Affairs.

Government Contracts

Doing business with the U.S. Government requires additional knowledge, well beyond the scope of this Code. For this reason, Parker Policy 1.10 (Policy on Contracting with the U.S. Government) is available to those that are doing business or considering doing business with the U.S. Government.

Human Rights

Parker respects all human rights and has established a Global Labor Relations Program to support human rights based on global standards. Parker Policy 3.33 (Human Rights and International Labour Standards) is designed to align with various international organizations that promote and protect the human rights of workers around the world (including the United Nations Guiding Principles on Business and Human Rights) and with the UK Modern Slavery Act of 2015.

In accordance with its own and these organizations' various human rights principals, it is Parker's expectation that all team members are treated with respect and dignity and work in an environment free from unlawful discrimination and harassment and in which there is compliance with all laws and regulations regarding forced or indentured labor, human trafficking, child labor, working hours, wages and benefits, health and safety, and conflict minerals.

Parker expects our suppliers and direct contractors demonstrate a serious commitment to the health and safety of their workers, and operate in compliance with human rights laws. Furthermore, Parker expects its suppliers to operate in agreement with the standards described in Parker's "Supplier Code of Conduct," and take reasonable measures to ensure such compliance in doing business with such entities.

Integrity in Action

- Q.** Are all Company standards regarding employment rights governed by the law?
- A.** No. Employment laws only set minimum standards that employers must meet regarding its employees; however, companies have a responsibility to be good corporate citizens. This includes protecting certain rights for its employees even if the government has not enacted an employment law to protect that right.



Primary Policies Related to Our Global Code of Business Conduct

POLICY NAME	POLICY NUMBER	POLICY OWNER
Anti-Bribery	1.25	Legal
Anti-Harassment and Non-Discrimination	3.21	Human Resources, Legal
Anti-Retaliation	3.32	Legal
Antitrust	1.23	Legal
Conflicts of Interest	1.32	Corporate Compliance
Data Privacy Incident Reporting and Response	1.35	Information Technology
Documents and Information Provided to Outsiders	1.02	Legal
Environmental, Health and Safety Management	4.12	EHS
Gift Giving and Receiving	1.29	Legal
Human Rights	3.33	Human Resources
Insider Trading	1.18	Legal
International Boycotts	1.12	Legal
Investor, Media and Government Communications	1.21	Corporate Communications
No Sales to Restricted Countries	1.24	Legal
Online Social Networking	1.27	Human Resources
Policy on Contracting with the U.S. Government	1.10	Corporate Compliance
Records Retention and Protection	1.04	Legal
Safety Accountability	4.13	EHS
Social Responsibility	1.07	EHS
Substance Abuse	3.16	Human Resources
Third Party Business Relationships Due Diligence and Contract Requirements	1.31	Legal
Third Party Data Protection	1.34	Human Resources
Workplace Violence	3.22	Human Resources

Closing Comments

Parker's Global Code of Business Conduct is intended to guide team members' behavior as we leverage The Win Strategy™ to enable engineering breakthroughs that lead to a better tomorrow. This Code exemplifies Parker's commitment to acting with integrity and honesty at all times.

Remember, it is up to all of us to protect Parker and preserve and further enhance our reputation as a trusted business partner. Should you encounter a situation where you have doubts about the correct course of action, we encourage you to ask questions and raise your concerns by speaking up through one of the channels identified in the "Resources" section on page 17 of this Code.

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