

# **RYOBI**

Ryobi Die Casting (USA), Inc.  
Code of Conduct  
Excerpt from Employee Handbook

This Code of Business Ethics and Conduct ("Code") affirms the standards of conduct required by Ryobi. The Code supplements but does not replace other Company policies already established. However, in the event of a conflict, this handbook will rule. It provides firm, uncompromising standards for each officer and employee of the Company ("Ryobi Employee"), with respect to dealing with customers, suppliers, governmental and regulatory agencies, the public and each other.

Adherence to the Code will be the subject of management attention and periodic internal audits and reviews. An employee's actions under this code are significant indications of the individual's judgment and competence. Accordingly, those actions constitute important elements in the evaluation of the individual for continued employment, promotion and compensation.

## **Purpose:**

Our business must be judged by the highest standards of ethical performance. The message is simple and clear: diligent observance of the laws and regulations is a requirement from which there can be no exceptions. The same is true about the observance of Company policies and practices, but rules cannot guarantee ethical conduct; only people can. Therefore, the purpose of this Code is as follows.

- To affirm in a comprehensive statement the ethical standards required of all Ryobi employees.

- To encourage all employees to put the applicable ethical standards into daily practice.

## **Defined Responsibilities:**

### **Defined Responsibilities – Company:**

- Implement the Ryobi Code of Business Ethics and Conduct.

- Distribute the Code contained in this handbook to all employees.

- Provide all employees with clear guidelines on matters of everyday business conduct.

- Ensure through communication and training that all employees are aware of and understand the Code.

- Provide continuing counsel on Company policies and procedures to all employees.

- Maintain working conditions at all locations supportive of employee responsibilities under the Code.
- Assure no retribution occurs for reporting an alleged violation of the Code or Company policies or procedures.
- Require all supervisors and managers to implement and comply with the Code.

**Defined Responsibilities – Supervisors/Managers:**

- Ensure that all current and new employees under their supervision receive a copy of the Code and understand its meaning and application.
- Stress to all employees in word and deed the need for continuing commitment to the standards.
- Demonstrate personal commitment by conducting themselves and managing their department in accordance with the Code.
- Maintain a workplace environment that encourages candid and open communication, free from fear of reprisal, concerning adherence to the Code.

**Defined Responsibilities – ALL EMPLOYEES:**

- Read and understand the Code.
- Uphold the Code and the policies, procedures and practices that support them as demonstrated by their daily business conduct.
- Contribute to a workplace environment that is conducive to the maintenance of the Code in daily business activity.
- Seek help when the proper course of action is unclear or unknown.
- Remain alert and sensitive to situation counsel when it appears they may be in danger of violating the Code, or Company policies and procedures.
- Report alleged or actual violations of the Code for appropriate action.

## **GUIDELINES - RYOBİ CODE OF BUSINESS ETHICS AND CONDUCT**

**In General:**

Every Ryobi employee is expected to be loyal to the Company by avoiding personal, business, financial and other relationships that may impair or “appear” to impair their independent judgment relative to Company business. Set forth below are general standards that shall be met by all employees. However, these standards are not necessarily all of the obligations that apply to Ryobi employees’ conduct. These standards, coupled with other applicable administrative policies and good judgment, are designed to assist an employee in making the “right decisions.”

### **Contractual Obligations :**

Most employees are not authorized to make contractual obligations for the Company. Certain designated employees may obligate the Company to the extent their position allows. Generally, any verbal or written commitments are strictly regulated and a standard approval policy is followed.

### **Use of Company Property/Assets/Products :**

All employees are expected to be economical in using company resources. Use of company resources should be solely for company business unless otherwise approved. Company resources are defined as materials, assets, supplies, products, equipment, labor, contracted labor and all other goods and services procured by/for Ryobi use.

### **Accurate Reports :**

All reports, records and other documents prepared by or for any individual working for Ryobi are expected to be truthful and accurate. No false or artificial entries are to be made to any company records or books. Suspected situations that appear to violate this position should be reported to the employee's supervisor, or the next level in the chain of command that is not thought to be involved.

### **Political Payments :**

No funds or assets of Ryobi shall be used for or in aid of any candidate or nominee for federal, state or local political office in the United States or for in aid of any political party or committee unless otherwise permitted by law. These prohibitions include direct contributions and indirect assistance such as the furnishings of goods, services or equipment to candidates, political parties or committees. Such corporate contributions are prohibited by federal law as to federal election. Employee contributions to approved Company Political Action Committees are permissible. Employees are free to devote personal funds and time to any political campaign or activity. Certain non-partisan activities may be supported by the company, i.e., voter registration, candidate appearances allowing equal time, support or opposition of legislative action directly affecting the company's business, etc.

### **Lobbying :**

Ryobi and other groups have the right to provide information to legislators in order to persuade them to act on their behalf. Lobbyists must be registered with the appropriate governments and files as lobbyists. Lobbying is strictly controlled by state and federal governments to prevent abuses. Employees who are involved in activities that might be construed as lobbying should contact the Director of Human Resources to obtain clarification.

### **Proprietary Data:**

Ryobi's trade secrets and proprietary data are parts of Ryobi's valuable intellectual property. These include technical, financial, operating, marketing and administrative information in many forms. Protection of their confidentiality is vital. A Ryobi employee shall not use such information for personal benefit. Furthermore, a Ryobi employee shall not disclose or make public such information except with the authorization of the Manager of Legal Services. This restriction on disclosure to others applies to the Government and to prime contractors, sub-contractors and suppliers, as well as to the general public. Whether inside or outside the Company and its facilities, an employee must take reasonable precautions to protect such information from inadvertent disclosure.

Ryobi and its employees may from time to time receive or have access to trade secrets or proprietary data of the Government, other corporations and others. Ryobi employees shall handle these in accordance with any agreements concerning their use or disclosure, and with the same care and under the same restrictions as if they were owned by Ryobi. Furthermore, Ryobi employees shall not disclose to other company employees or use for the benefit of Ryobi the trade secrets or propriety data of their former employers.

### **Outside Directorships and Consulting :**

A Ryobi employee, if asked to serve as a director or consultant of another business corporation, shall first receive clearance from the Director of Human Resources and/or the President of Operations. These matters will be closely monitored and the possibility of an appearance of a conflict of interest or violation of antitrust or other laws evaluated.

### **Holding Public Office :**

The performance of duties related to an elected office must not interfere with the employee's Company responsibilities. To avoid misunderstandings and potential conflicts, any employee who wants to become a candidate for or accept appointment to any public office should first discuss their plans with their immediate manager. Employees are encouraged to participate on their own behalf in civic, charitable, and community activities that do not interfere with the performance of their job duties.

### **Dealing With Suppliers, Customers, Competitors:**

Employees should be motivated to acquire goods and services and make transactions for the Company on terms most favorable to the Company. Accepting personal gifts or monies of more than \$50 in value needs to be disclosed to the direct supervisor. Accepting gifts from suppliers when in negotiations, or when evaluating a new supplier is strictly prohibited. Disclosure shall be made to the Company President and the Director of Human Resources if an employee or any of his/her immediate family members acquires by gift, inheritance or otherwise a financial interest in a supplier, customer, competitor, or its business, or is performing services

for such a firm. Such relationships shall be avoided as they have an appearance of potentially biasing an employee's judgment or activities.

### **Receiving Gifts and Gratuities:**

Receiving gifts, merchandise or anything else of more than limited value from anyone who has, or contemplates having, a business relationship with Ryobi will give the appearance of impropriety. It is appropriate to accept advertising tokens of nominal value (calendars, note tablets, umbrellas).

Accepting occasional business lunches, dinners or other moderate entertainment is appropriate if discretion is utilized. Any entertainment accepted should be of a customary character given the employee's position and of a type that the employee is in a position to reciprocate, either personally or as a proper business expense. Favors beyond courtesies that are considered "common business practice" are prohibited. *Under no circumstances may a gift of money or a check be accepted.* Any gift of over \$100 is not acceptable. Employees must be free from obligation to any supplier and are not to transact any business from which they may personally benefit.

### **Receiving Trips :**

Entertainment trips are pleasure trips that have no business purpose other than to improve Ryobi's relationship with a supplier. These types of trips should not be accepted by anyone doing business or attempting to do business with Ryobi. Trips may occasionally be approved if there is a legitimate business purpose (i.e. - inspect a plant facility). Requests for trip authorization should be made to the Director or Vice-President responsible for the applicable functional area. This applies to all such trips, even if they are not taken on company time.

### **Giving Gifts, Gratuities, Trips :**

The giving of occasion gifts of modest value and providing occasional, reasonable entertainment to customers is permissible with full disclosure and prior approval by the applicable Director, Vice President or President. It is acceptable to give expensive gifts or pay travel expenses, hotel bills, etc., only in rare instances and only when the recipient's management does not object. In some foreign countries, customs require the exchange of gifts. In cases where it is desirable to meet such a requirement, the Company will provide the gift; any gift received will become company property.

### **Fair and Impartial Treatment of Vendors/Suppliers :**

It is Ryobi's policy that all goods and services are procured at the most advantageous price when quality and delivery are consistent. Employees must comply strictly with this policy in their selection of and negotiations with suppliers, consultants and other

professional service providers. No supplier of goods or services is to be given an improper preference or competitive advantage of any kind. The conduct of Ryobi employees should always promote the maintenance of an arm's length relationship with all suppliers. All relationships should be professional and respectful. All policies that address relationships between two employees also apply to relationships between employees and supplier contracts.

### **Dealing with Former Employees :**

Ryobi will not deal directly or indirectly with terminated employees who become affiliated with suppliers of goods or services within a one year period following their termination from Ryobi. The one year waiting period also applies to companies established or run by the former employee. Ryobi will continue to work with any established supplier who hires a former employee as long as all normal business considerations are met and conflicting interests are avoided. Engaging in a contract with a former employee for the sole purpose of selling or promoting the sale of products or services is prohibited. This policy does not apply to employees terminated due to a reduction in force, inability to work due to medical problems or normal retirement.

### **Equal Employment Opportunity - Corporate:**

Ryobi is committed to a policy of equal employment opportunity so as to assure no discrimination or harassment against any employee or applicant on the grounds of race, color, religion, gender, age, physical disability, national origin, sexual orientation or any other action made unlawful by applicable laws and regulations. This policy applies to all phases of employment including recruitment, hiring, placement, promotion, transfer, compensation, benefits, training, educational, social and recreational programs. Sexual harassment is specifically prohibited. The foregoing covers personal action in all job categories at all organizational levels.

### **Discussion with the Media :**

Any employee of the Company approached by a member of the news media (radio, television, newspaper, etc.) concerning a company-related issue should decline comment. The employee should cordially explain that all requests for comment or information are coordinated through the Company's authorized spokesperson. No additional information should be given. The name and telephone number of the person requesting information should be obtained and relayed to the authorized spokesperson for response.