



Code of Conduct



INTEGRITY. RESPECT. TRUST. SIMPLICITY. SHARED RISK.



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A Message from Christopher A. O'Herlihy

Dear ITW Colleague:

Throughout our history, our company's unique culture has served as a cornerstone of our business model and competitive advantage. Central to our culture is our unwavering commitment to integrity and high ethical standards. No matter our role, division, or location, we must uphold these standards in all interactions and dealings with ITW team members, customers, suppliers, and stakeholders.

I ask that you familiarize yourself with the contents of the Code of Conduct. You are encouraged to ask any questions, express any concerns, or immediately report any suspected violations to your supervisor or directly via the ITW Helpline (itwhelpline.ethicspoint.com).

Thank you for your dedication to upholding our core values of Integrity, Respect, Trust, Shared Risk, and Simplicity, and for all that you do to help ITW achieve its full potential each and every day.

Sincerely,

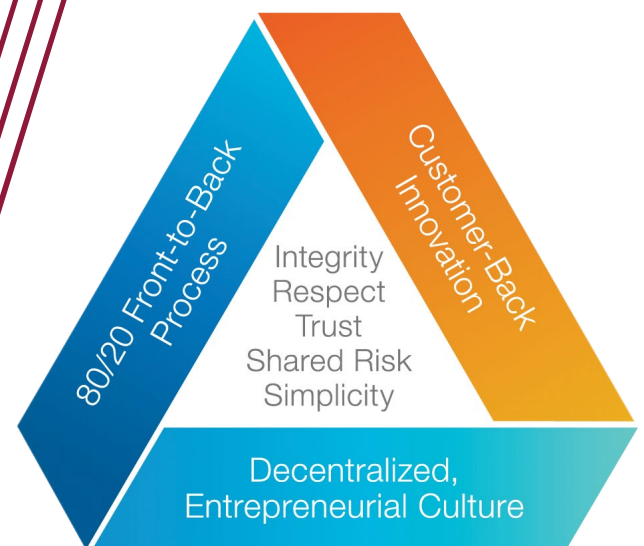
A handwritten signature in black ink that reads "Chris O'Herlihy". The signature is fluid and cursive, with the first name "Chris" and last name "O'Herlihy" clearly legible.

Christopher A. O'Herlihy

President and Chief Executive Officer

INTRODUCTION TO THE ITW CODE OF CONDUCT

Since 1912, ITW has built a reputation of honesty, integrity and fairness. Supported by unwavering management commitment and engaged Board oversight, we operate our business with a demonstrated commitment to the highest level of ethical conduct, everywhere in the company and every day. This commitment is reinforced by strong policies and practices related to fair, ethical and honest business dealings, robust governance, and compliance with applicable laws, while demonstrating respect for human rights at ITW and throughout our supply chain. ITW's core values of Integrity, Respect, Trust, Simplicity and Shared Risk are the foundation for our Code of Conduct. The Code is fundamental to how we conduct business and describes the expected standard of behavior governing all ITW colleagues, directors, businesses and subsidiaries around the world. Our Supplier Code of Conduct applies all relevant aspects of ITW's Code of Conduct to our suppliers.



INTEGRITY
RESPECT
TRUST





We Conduct Business with Integrity

We Do Not Tolerate Bribery or Corruption

Operating with integrity means we never gain or retain business through unethical means, such as bribes, kickbacks or other corrupt payments. It is illegal to offer, promise, give or accept anything of value to improperly influence a business decision. Bribes come in many forms, and they are not always obvious. A gift or a favor, offer to hire or of a trip, charitable or political contribution – all could be considered bribes if offered to influence behavior. [Anti-Corruption Policy](#)

We Do Not Make Improper Payments or Gifts

It is important that the valuable relationships we have built with our colleagues, customers, suppliers and other stakeholders remain ethical and are not influenced by making improper payments. Payments, which could include gifts, meals and entertainment, must be of minimal value, infrequent, not lavish or extravagant and support a legitimate business purpose. If they are intended or even reasonably interpreted as a reward or encouragement for a favor or preferential treatment, they are never acceptable. [Anti-Corruption Policy](#)

We Maintain Accurate Books and Records

Accurate recordkeeping and reporting help us meet our legal requirements and are essential to our business operations. Maintaining financial integrity also reflects well on our reputation and credibility. Be sure to follow internal controls and procedures so that we are creating and maintaining accurate financial books and records. [Controls Policies](#) and [Resources](#)

We Comply with International Trade Laws

We are committed to conducting business in compliance with all trade laws and restrictions imposed by the countries in which we do business. We expect our colleagues involved in sales or purchase transactions that cross international borders, including intercompany transfers, to follow applicable laws that regulate imports and customs activities, exports and exports controls, trade embargoes and economic sanctions, and boycotts. [Trade Compliance Policy/Resources](#)



We Conduct Business Fairly

We Compete Fairly

We are committed to fair and honest business competition. We comply fully with all applicable antitrust and competition laws, which promote fair competition and protect from unfair business practices, including price fixing, agreeing with a competitor to allocate customers or territories or manipulate a bidding process. Our competitive advantage is driven by ITW's proprietary business model, not by engaging in unfair or anticompetitive practices. Contact the Legal Department if you need guidance on antitrust or fair competition laws that apply to your business. [Competition Resources](#)

We Act with Integrity in Dealing with Our Customers, Suppliers and Other Business Partners

We believe in fair, ethical and honest business practices. We are expected to act with integrity, and our values require us to deal fairly with our suppliers, customers and other business partners and competitors. We treat others fairly by refusing to engage in manipulation, concealment, misrepresentation of material facts or other actions that take unfair advantage of others, compromise our integrity, hurt our reputation and may expose us to legal liability.



INTEGRITY

RESPECT

TRUST



We Respect Our Colleagues

We Prohibit Discrimination, Harassment and Retaliation

We respect people of all backgrounds and recognize the power of a diverse and inclusive workforce. We are committed to equal opportunity and fair treatment for all our colleagues and applicants. We do not discriminate or harass colleagues, applicants or business partners because of race, color, sex, religion, national origin, age, disability, sexual orientation, gender identity, genetic information, veteran status or any other basis prohibited by applicable law. We never retaliate against anyone for making a good-faith complaint of discrimination or harassment, reporting a violation or suspected violation of our Code of Conduct or our values, or for good-faith participation in an investigation.

We Protect Safety and Well-Being in the Workplace

We are committed to maintaining a safe and healthy workplace for our colleagues, business partners and visitors to our business locations. We never tolerate violence, threats or physical intimidation in our facilities. We strive to foster a proactive safety culture, which is based on a philosophy that every accident is preventable, with a shared goal of zero accidents. [Safety Policy](#)

We Comply with Employment Laws

We are expected to comply with all applicable employment laws, including those that govern the payment of wages and compensation for hours worked, such as minimum wage laws and overtime laws. We are committed to providing market competitive wage structures for all employees across the globe, and we maintain fair labor practices. We recognize that our colleagues have the right to freedom of association and the right to decide whether to bargain collectively. Further, we should not do business with suppliers who we believe may be violating the laws that apply to them.

We Respect Our Environment

We Comply with Environmental Laws

We are committed to operating our businesses in a way that demonstrates our compliance with environmental laws and our dedication to global environmental sustainability, including the sourcing of raw materials and the treatment and disposal of toxic materials. We continually measure, manage and work to reduce our environmental footprint and partner with key suppliers to use resources responsibly. We all must do our part to respect environmental laws, be familiar with applicable laws and internal procedures and report suspected violations. [Environmental & Sustainability Policy](#)





We Respect Human Rights

We Respect Human Rights

We are committed to compliance with human rights laws, including those against slavery, human trafficking and child labor. This commitment applies throughout our supply chain, to all ITW colleagues and locations worldwide and to others who may act on our behalf.

[Human Rights Policy](#)



INTEGRITY RESPECT TRUST





We Work in ITW's Best Interests

We Work in ITW's Best Interests

Employees and directors must avoid any activity that might create an actual or perceived conflict of interest. A conflict of interest occurs when an individual's personal interest interferes in any way — or even appears to interfere — with the interests of ITW. A conflict situation can arise when an employee or director takes actions or has interests that may make it difficult to perform their work objectively or effectively. Conflicts of interest also arise when an employee or director, or a family member, receives personal benefits because of their position at ITW. Providing loans to such persons or guaranteeing their obligations if they fail to fulfill their own responsibilities is of special concern. We should strive to avoid situations where a decision could be or appear to be influenced by one's personal interests. Many potential conflicts can be addressed if they are disclosed and managed appropriately. Ask your manager or the Legal Department if you need guidance.

Receiving Gifts

A conflict of interest, or the perception of a conflict, can arise when you or a family member receives a payment or gift of more than a minimal value from a supplier, customer, competitor or a government official. Examples of improper payments can include bribes, payoffs, kickbacks, and gifts and payments for goods or services that either are not received or are at a greater price than is reasonably necessary.

[Anti-Corruption Policy](#)

Corporate Opportunities

We are not allowed to take business opportunities for ourselves that properly belong to ITW or are discovered in the course of our work, to use Company property, information, funds, equipment or our positions for improper personal gain, and to compete with ITW. We owe a duty to ITW to advance ITW's business interests when the opportunity to do so arises.

Investments

A conflict of interest exists when financial investments or other personal interests are at risk of interfering with our ability to make an unbiased decision on ITW's behalf. A conflict of interest could include an employee or director having a financial or other interest in a supplier, customer or competitor either directly or indirectly through a family member. (Investments under 1% of the outstanding securities of a public company are not considered conflicts.) Ask your manager or the Legal Department if you need guidance.

Outside Employment

We all should give our best efforts every day, not allowing outside jobs or business interests to interfere with our performance or responsibilities at ITW. We do not take outside positions or pursue opportunities that compete with ITW, and we avoid conduct that risks damage to ITW's business or reputation. We are expected to avoid working on Company time or using Company resources for outside interests.

Political Contributions

Contributions to candidates for public office and causes are governed by differing legal restrictions around the world. In the United States and some other countries, employees and directors may make personal political contributions only.

Family Members and Close Personal Relationships

Conflicts of interest can arise when our close personal relationships interfere — or appear to interfere — with our ability to make decisions on behalf of ITW. We are expected to avoid romantic and family relationships that may affect our objectivity as supervisors and managers, and could influence, or appear to influence, employment decisions (such as hiring and promotion). We should also ensure there is transparency and independence when considering friends or relatives as potential service providers to ITW. Ask your manager or HR representative if you need guidance.





We Safeguard ITW's Assets

We Safeguard ITW's Assets

Over our long history, ITW has developed various assets, such as financial assets, physical assets (facilities, equipment, computers and other property), intangible assets (reputation, inventions, intellectual property) and information assets (data relating to business). We all share a responsibility to be a good steward of these assets, ensure their efficient use and safeguard them from loss, disclosure or misuse. All such assets should be used only for legitimate business purposes.





We Protect Confidential Information

We Safeguard ITW's Confidential Information

We must protect Confidential Information learned at ITW or entrusted to us by ITW, our customers, suppliers and business partners. Confidential Information may only be used and disclosed as authorized by ITW. Confidential Information includes any proprietary business information of ITW or entrusted to ITW by its customers, suppliers and other business partners that is not generally known to the public, and it can be in hard copy, electronic or verbal form. Examples include but are not limited to:

- Customer and supplier lists, pricing, margins, business and marketing plans and strategy, technical know-how, formulae, processes, designs, leadership and talent development;
- ITW's 80/20 Front-to-Back Process and other trade secrets information, including 80/20 Front-to-Back playbooks, tools, case studies, divisional coaching materials, segment-specific materials, classroom training materials, and work product;
- Information generated or used in your work or in the operations of ITW relating to actual or anticipated business of ITW, including actual or prospective suppliers or customers; and
- Other proprietary business information that might provide an economic or competitive advantage to ITW, its customers or suppliers, or an economic or competitive disadvantage to them if disclosed.

These obligations to protect Confidential Information continue after your employment with ITW ends. In addition, when you leave ITW, you must return or destroy all Confidential Information in your possession, custody or control.



We Protect ITW's Trade Secrets, Including ITW's 80/20 Front-to-Back Process

ITW's intellectual property, particularly ITW's 80/20 Front-to-Back Process and other trade secrets, are vital to our success and help maintain our competitive advantage. We must never share this information outside ITW, and we must take reasonable measures to protect it from unauthorized disclosure or misuse. In addition to protecting our own assets and information, we respect the intellectual property rights of others, including their valid patents, trademarks and copyrights.

We Do Not Share Inside Information or Engage in Insider Trading

The law prohibits us from improperly disclosing material information that is not known to the public about ITW or any other public company. We can never use or share inside information about ITW or any other company for the purpose of trading on the stock market, and we can never tip others to trade on inside information. All such nonpublic information must be kept strictly confidential. [Insider Trading Policy](#)

We Protect Personal Information

We comply with all applicable data protection and privacy laws, including protecting information of colleagues, customers and business partners. We only disclose personal information when there is a legitimate purpose and when legally allowed to disclose it. Everyone has a responsibility to ensure the security of personal information, including knowing how long we retain it and disposing of it when no longer needed. [Data Privacy Policy](#) and [Resources](#).



Integrity Trust Respect

Speaking Up

We encourage you to ask any questions, express your concerns, or report any violations or suspected violations of our Code of Conduct or applicable laws.

You can speak with your supervisor, your HR representative or a member of your local management team. If you are not comfortable speaking with them, you can contact ITW's Compliance Team at compliance@ITW.com. You can also access the ITW Confidential Helpline (itwhelpline.ethicspoint.com) to make a report or access toll-free numbers to speak to a third-party representative by phone. While you can make an anonymous report in those countries that permit it, we encourage you to identify yourself. With more information we are better able to thoroughly investigate and reach the most appropriate resolution. We will keep your identity confidential to the extent practicable.

No Retaliation for Reporting: ITW will not tolerate retaliation against anyone who expresses a concern or reports a suspected violation in good faith. Retaliation is a serious misconduct that will result in disciplinary action up to and including termination of employment.

Waivers: Waivers of ITW's Code of Conduct for executive officers or directors may only be made by ITW's Board of Directors or by a Board Committee.



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