



Parker Hannifin Corporation

Subject	Effective Date	Supersedes	This Sheet	Total Sheets
Global Code of Business Conduct and Policy on Contracting with the U.S. Government	04/13	10/98 and GPM GB 01-02	1	2

PURPOSE

This Policy identifies Parker’s standards of business conduct and informs employees of Company policies, procedures and other resources regarding business conduct.

SCOPE

The Global Code of Business Conduct applies to all employees, agents, consultants, and contractors at all Parker operations throughout the world, as well as Parker’s Board of Directors. For Parker operations engaged in U.S. Government funded business (at any customer tier), the Policy on Contracting with the United States Government shall also apply. The Policy on Contracting with the U.S. Government applies to all employees, agents, consultants and contractors working for or on behalf of divisions/operations performing U.S. Government funded business at any customer tier.

POLICY

Overview

Parker will conduct its business fairly, impartially and with integrity, in accordance with the Global Code of Business Conduct, the Policy on Contracting with the U.S. Government, Winning with Integrity and all laws and regulations. Employees must not engage in conduct or activity that may undermine the Company’s reputation or otherwise cause embarrassment to Parker. All employees shall certify adherence to and abide by the Global Code of Business Conduct (including the Policy on Contracting with the U.S. Government to the extent applicable), which requires that they understand the Code and ask questions, seek guidance, report suspected violations, and express concerns when warranted.

Parker’s Integrity Line and Other Resources

Parker listens to and acts on concerns expressed by employees and others about possible violations of Company policies, laws or regulations. Employees are encouraged to communicate their concerns, as well as ask questions about business conduct issues. Generally, your supervisor or manager will be in the best position to resolve such concerns. Other resources include:

- Human Resources Representatives
- Your division’s or organization’s Compliance Officers
- Legal Department Counsel
- VP – Audit and Compliance
- VP – Integrity and Ethics
- VP – Government Contract Compliance (Policy on Contracting with the U.S. Government)
- Parker’s Integrity Line

The Integrity Line is available to all Parker employees. It is also available to concerned individuals outside of Parker. No employee will be disciplined, lose a job, or be retaliated against in any way for asking questions about legal or ethical obligations when acting in good faith.



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Compliance

Supervisors, Team Leaders and Managers are responsible for monitoring and enforcing compliance with the Global Code of Business Conduct and Policy on Contracting with the U.S. Government. The Legal Department (with support from the Vice President – Audit and Compliance and the Vice President – Government Contract Compliance) is responsible for interpreting these policies from a legal and regulatory standpoint and for overseeing general compliance with these policies by the Company.

Matters considered to be of a serious nature will be reported to the Office of the Chief Executive, and if deemed necessary to the Parker Hannifin Board of Directors.

The General Counsel and/or the Vice President – Audit and Compliance will provide an annual report to the Board of Directors on the functioning and effectiveness of the Corporate Compliance/Integrity Program in general and the Integrity Line specifically.

OBTAINING A WAIVER

A waiver to the Global Code of Business Conduct may be obtained only in extreme circumstances and only with approval of both the Vice President – Audit and Compliance and the General Counsel. If the individual involved is also a director or an executive officer of Parker, a waiver may be granted only by the Parker Hannifin Board of Directors.

ADDITIONAL REQUIREMENTS FOR PARKER ENTITIES ENGAGED IN U.S. GOVERNMENT FUNDED BUSINESS (AT ANY CUSTOMER TIER)

Policy on Contracting with the U.S. Government

REFERENCES

- Global Code of Business Conduct (Available on the Policies & Guidelines Website)
- Global Procedure 1.10A, Standards of Business Conduct
- Policy on Contracting with the U.S. Government

Functional Leader:	Approved:
Thomas A. Piraino Corporate Vice President, General Counsel and Secretary	Donald E. Washkewicz Chairman, CEO and President