

GRACO SUPPLIER CODE OF CONDUCT

January 10, 2022

OVERVIEW

Graco is committed to conducting its worldwide business according to the highest standards of ethics and integrity and in compliance with all applicable laws and government regulations. We firmly believe that ethical conduct has helped and will continue to help us fulfill our mission of serving our stakeholders through sustained profitable growth. We believe that a commitment to sound ethics and high integrity is good for business, and we expect our suppliers to share that same commitment.

This Supplier Code of Conduct sets forth the basic standards of ethically sound behavior and accountability that we expect of all suppliers of goods and services to the Graco family of companies. We expect our suppliers to understand this Code of Conduct, to comply with it and all applicable laws and regulations, and to conduct their activities with honesty and integrity.

LABOR AND HUMAN RIGHTS

Suppliers must uphold the human rights of workers and treat them with dignity and respect. To that end, suppliers are expected to adhere to the following standards:

Non-Discrimination

Suppliers must not discriminate against any worker on the basis of race, color, creed, religion, national origin, ethnicity, citizenship, sex, marital status, disability, sexual orientation, age, pregnancy, veteran status, political affiliation, union membership or any other basis protected by applicable law in hiring and employment practices.

Forced Labor and Human Trafficking

Suppliers must not participate in human trafficking or use any form of forced, bonded, slave, indentured or involuntary prison labor, or purchase services or materials from any person or company engaged human trafficking or using forced, bonded, slave, indentured or involuntary prison labor. This includes transporting, harboring, recruiting, transferring or receiving vulnerable persons by means of threat, force, coercion, abduction or fraud for the purpose of exploitation. All work must be voluntary and workers must be free to leave work or terminate their employment on reasonable notice.

Child Labor

Suppliers must not use child labor. For purposes of this Supplier Code of Conduct, the term "child" means any person: (i) under the age of 15 (or 14 where the law of the country in which the child is located permits); (ii) under the age for completing compulsory education in that country; or (iii) under the minimum age for employment in that country, whichever is highest. The use of legitimate workplace apprenticeship programs which comply with all applicable laws and regulations is permissible. Under no circumstances may workers under the age of 18 perform work that is likely to jeopardize their health, safety or education.

Working Hours

Work weeks must not exceed the maximum allowed under local law. In addition, a work week should not be more than 60 hours per week (including overtime), except in unusual or emergency situations, and workers must be allowed at least one day off every seven days.

Wages and Benefits

Suppliers must pay all workers at least the minimum wage required under local law plus all legally mandated benefits. Workers must be compensated for overtime hours at pay rates higher than regular hourly rates and must be provided leave periods, vacation time and holidays in accordance with local law.

Treatment

Suppliers must not threaten workers with or subject workers to harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse.

HEALTH AND SAFETY

Suppliers must provide workers with a safe and healthy work environment that supports accident prevention, minimizes exposure to health risks, and complies with all applicable health and safety laws and regulations.

ENVIRONMENT

Suppliers must conduct their business in a way that conserves natural resources, protects the environment, and safeguards the health and safety of the public. Suppliers must comply with or exceed the requirements of all applicable environmental laws and regulations; adopt accepted environmental practices in their operations; and work to continuously improve their environmental practices, preventing pollution and reducing the impact their operations have on the environment.

ETHICS

Improper Payments

Graco strictly prohibits any and all forms of bribery, corruption, extortion and embezzlement. Suppliers must comply with the U.S. Foreign Corrupt Practices Act and the applicable anti-corruption laws and regulations of the countries in which they operate. Suppliers must not offer, give, solicit or accept any form of bribes, kickbacks or other means of obtaining undue or improper advantage. All business dealings must be performed transparently and accurately reflected on Suppliers' business books and records.

Business Gifts

Graco discourages suppliers from providing business gifts to Graco employees. "Business gifts" include meals, cocktails, discounts, hospitality, entertainment, recreation, tickets, promotional items, transportation and any other tangible or intangible thing of value for which the recipient does not pay fair market value. In limited circumstances Graco employees may accept modest gifts from suppliers, provided the gifts meet the following guidelines:

- They do not violate the laws, regulations or reasonable customs of the marketplace or Graco policy
- They are reasonable in cost, amount, quantity and frequency
- They are appropriate as to time and place
- They do not influence or appear to influence the business judgment of the giver or the recipient
- They are not given specifically in return for business

- They can stand public scrutiny without damaging Graco's reputation

Under no circumstances may Graco employees receive cash or cash equivalents (such as gift cards or pre-paid debit cards) as a business courtesy or gratuity. Suppliers are expected to observe the limitations placed on Graco employees' ability to accept gifts, and to refrain from putting them in an awkward position by offering them business gifts that they may not accept.

Protecting Information

Suppliers must respect Graco's intellectual property rights. Any transfers of Graco's technology and know-how by suppliers must be done in a manner that protects Graco's intellectual property rights. Suppliers may receive Graco's confidential information only in accordance with a confidentiality or non-disclosure agreement and must comply with all obligations regarding use, protection and non-disclosure set forth in such agreements and under applicable law.

Conflict of Interest

Suppliers must refrain from the actual or potential conflict of interest relating to the preparation of proposal and/or quote or contractual obligations in relation to the procurement process that has the potential to undermine the impartiality of the supplier. The supplier must disclose any conflict of interest, perceived or actual, as soon as it comes to their attention. Examples of 'Conflicts of Interest' include but are not limited to:

- The supplier has an unfair advantage or engages in conduct, directly or indirectly, that may give them an unfair advantage, such as access to insider/non-public information or providing gift(s) or payment(s) to a Graco employee
- A current or former Graco employee holds a financial interest of at least 5% in the supplier, or at least 5% interest in a second tier supplier which would be directly or indirectly involved in the envisioned transactions
- The supplier's other commitments, relationships, or financial interests could, or could be seen to, influence, compromise, impair, or be incompatible with the fair and effective performance of contractual obligations

MANAGEMENT SYSTEM

Suppliers are expected to implement and maintain management systems designed to ensure: (i) compliance with applicable laws, regulations and Graco requirements related to suppliers' operations and products; (ii) conformance with this Code; and (iii) identification and mitigation of operational risks related to this Code. The system should facilitate continuous improvement, and should include a process for communicating the requirements of this Code and applicable laws and regulations to managers and workers. The system should also include periodic self-evaluations to ensure compliance with the requirements of this Code and applicable laws and regulations, and a process to timely correct any deficiencies identified by any internal or external audits, assessments, inspections, investigations or reviews.

COMPLIANCE MONITORING

Graco reserves the right to take actions, including but not limited to on-site audits of supplier production facilities, to ensure compliance with this Code. If a problem is identified, Graco will inform the supplier of any corrective action required and the time period within which such corrective action must be implemented. After the supplier certifies in writing that the problem has been resolved, Graco will verify whether the corrective action has been successfully implemented. If the problem has not been resolved to Graco's satisfaction, Graco may terminate its business relationship with the supplier, cancel any outstanding purchase orders, or return or revoke acceptance of any affected goods without liability to the supplier.

NON-COMPLIANCE REPORTING

Violations of this Code of Conduct may be reported confidentially by calling the Graco Ethics Hotline toll-free at 1-877-846-8913 or by e-mailing Graco at ethics@graco.com.

QUESTIONS

Suppliers with questions or comments concerning this Code may contact their Graco Supply Chain Representative, the Manager of Strategic Sourcing or the Vice President of Purchasing.

UPDATES

This Supplier Code of Conduct may be updated from time to time to reflect changes in applicable laws or regulations or in other situations where Graco believes changes are necessary, so please visit www.graco.com/us/en/suppliers periodically to view the most up-to-date version of the Code.

Last Updated: January 10, 2022