

**Snap-on Incorporated**  
**Code of Business Conduct and Ethics**

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Integrity - Principles - Snap-on</b> .....	<b>2</b>
<b>Snap-on Workplace</b> .....	<b>3</b>
Accuracy of Public Communications .....	3
Accuracy and Integrity of Books and Records .....	3
Fair Dealing.....	4
Money Laundering.....	5
Equal Employment Opportunity Laws and Diversity .....	5
Health, Safety and the Environment.....	6
Prohibition Against Retaliation .....	8
<b>Protecting Snap-on Assets</b> .....	<b>9</b>
Protection and Proper Use of Company Assets .....	9
Avoidance of Conflicts of Interest.....	9
Corporate Opportunities .....	11
Securities Trading .....	11
Confidential and Inside Information .....	12
<b>Competing Globally and Ethically</b> .....	<b>15</b>
Ethics and Compliance in the International Community .....	15
Supplier Code of Conduct and the Use of Labor .....	16
Restrictions on Trade .....	16
Competition Laws .....	18
Political Activities and Contributions.....	19
Compliance and Reporting.....	20
AT&T Direct by Country Access Codes.....	21
Waivers.....	22
Questions .....	22

## **Integrity - Principles - Snap-on**

At Snap-on, doing the right thing comes down to two simple words. Integrity. Principles. These words define who we are and how we act as a global family of businesses.

The words are simple, but upholding them takes hard work. It takes commitment to our values as individuals and as a corporation. It takes a desire to act with integrity and to perform to the highest ethical standards in everything we do. And it all starts with people.

We make choices every day. For the most part, those choices are easy. Right or wrong. But sometimes in today's complex world, making the right choice may not be clear cut. We need guidelines and a framework for how we conduct our business in this demanding environment.

For more than a decade, Snap-on has had such a guide in the form of a formal code of conduct. This latest version of our Code of Conduct expands on those principles to encompass an increasingly regulated and scrutinized marketplace. I ask you, as a valued associate at Snap-on, to take the time to read and understand this document from beginning to end.

In this document, you will find the full text of Snap-on's Code of Business Conduct and Ethics. You will also learn how to get answers to your questions, and who to contact to report any suspected violation.

It is the law in the United States for publicly traded companies to have such a code. That law applies to all associates at Snap-on, regardless of title, duties or geographic location. Many different laws regulate global companies at the same time. There may be times when the laws of two or more countries are in conflict. If you encounter such a conflict, consult our legal department for direction on how to properly resolve that situation.

Thank you for your attention to this important topic and for your commitment to demonstrating the principles and spirit of this code. Through our actions, together we will maintain the excellent reputation our corporation has worked so hard to earn.

Thank you.

Nicholas T. Pinchuk  
Chairman and Chief Executive Officer

## **Snap-on Workplace**

### **Accuracy of Public Communications**

All Company personnel are required to help the Company's Chief Executive Officer and senior financial officers discharge their responsibilities to establish and maintain adequate and effective disclosure controls and procedures, by providing reliable and accurate information and by otherwise supporting appropriate disclosure practices. These controls are designed to provide assurances to the Company and its shareholders that disclosures of material information related to the Company and its consolidated subsidiaries in its periodic reports filed with, or submitted to, the Securities and Exchange Commission and other public communications are full, fair, accurate, timely and understandable.

#### *What this means to me*

Changes in securities laws address the way U.S. public companies disclose and certify important information. These changes help ensure that such information is communicated to all audiences in a fair, understandable, timely and complete way.

At Snap-on, we make every effort to report important news as completely, fairly, broadly, clearly and promptly as possible. What we report to shareholders, regulators, associates, and the general public has been – and will continue to be – the truth. And besides...it is the law.

- Selective disclosure – that is, giving material information to some outside parties over others – is strictly forbidden.
- Communication with the media, the investment community and the public is the responsibility of designated spokespersons within the Company.

### **Accuracy and Integrity of Books and Records**

All Company books, records and accounts must accurately present the transactions recorded. All assets and liabilities of the Company must be recorded in the regular books of account. No undisclosed or unrecorded fund or asset may be established. No false or artificial entries may be made. No payment may be made, or purchase price agreed to, with the intention or understanding that any part of the payment is to be used for any purpose other than that described in the document supporting the payment.

This policy is not limited to accounting and auditing personnel. It applies to all associates, including anyone who negotiates or authorizes sales and purchase contracts, submits expense reports, or prepares or pays invoices.

*What this means to me*

Good, ethical business practices dictate that our books and records contain factual and correct information – in short, that the information is what we say it is.

We need to follow all government laws and regulations concerning books, records and accounts.

Keep in mind that incomplete or misleading records can subject a company to lawsuits, fines, or even imprisonment. It can also damage a company's reputation, and that damage can be hard to repair.

- It is everyone's job to keep and submit accurate records.
- Submitting false, altered or inflated reports, invoices or contracts is a serious offense, with serious penalties.

**Fair Dealing**

The Company will engage only reputable, qualified individuals or firms as consultants, agents, representatives or distributors under compensation arrangements that are reasonable for the services performed. Any such engagement should be formalized in a written agreement.

The Company expects its associates and agents alike to conduct business with integrity. Ignorance of that standard is never an acceptable excuse for improper behavior, nor is it acceptable for improper behavior to be rationalized as being in the Company's best interest. No act of impropriety advances the interest of the Company. You should deal fairly with the Company's customers, suppliers, competitors and associates. You must not take unfair advantage of others through manipulation, concealment, abuse of privileged information, misrepresentations of material facts or any other unfair-dealing practice.

*What this means to me*

Snap-on is committed to working with suppliers and other partners who share our desire to act ethically and responsibly.

Whether we are dealing with outside parties or with fellow Snap-on associates, it is our duty to be fair and to conduct business with integrity. It is a duty that extends to the way we treat our competitors, as well.

Healthy competition is one thing. Showing favoritism to friends, engaging in questionable business practices and entering into "sweetheart" deals are quite another.

They can poison a company's work climate. They have no place at Snap-on.

- Operating in a fair and decent manner is not always easy...especially if it means losing a customer or missing a sales opportunity.
- Put yourself in the other person's position. Act the way you and your company would want to be treated.

### **Money Laundering**

Money laundering is the conversion of money or property gained from illegal activities into money that appears to have been legally earned. It is the Company's policy to comply fully with all applicable anti-money laundering laws in the United States and in all other countries where the Company does business. It is the Company's policy to conduct business only with clients who are engaged in legitimate and lawful business activities, and to engage in transactions with funds that are derived solely from lawful activities and legitimate sources. Snap-on will have no involvement in any activity that facilitates money laundering or funds terrorism or any other criminal activity.

#### *What this means to me*

Our business takes us to many parts of the world, as well as to most areas of the U.S. As a result, we do business with a wide range of customers, suppliers, partners and other parties.

Recent geopolitical events and terrorist activities, along with widely publicized cases of fraud, racketeering and other illegal acts, have put an added spotlight on the dangerous consequences of money laundering. As a result, you are urged to:

- Listen to your intuition. If you encounter questionable requests or transactions, alert your supervisor.
- Be watchful of one-time requests or favors, such as a one-time wiring of funds to an unauthorized account, or a request to bypass a company payment policy or procedure.

### **Equal Employment Opportunity Laws and Diversity**

Snap-on values diversity in its workforce and attempts to foster an appreciation of the different cultural values of its increasingly diverse associate population. It is the Company's policy to provide employment opportunities without regard to race, religion, color, national origin, gender, age, ancestry, sexual orientation, veteran status, marital status, disability or any other reason prohibited by federal, state or local laws in the United States.

The Company requires you to abide by all employment and labor laws applicable to the operating unit or office where you work.

The Company believes that every associate has the right to work in an environment free of discrimination, and it is the policy of the Company to maintain a work environment free from discrimination or harassment of any type.

*What this means to me*

Respect, dignity, opportunity. These are what every individual deserves, and what every Snap-on associate expects. Our goal is to create and maintain an environment that fosters collaboration, interaction, tolerance and respect. And we are committed to a work environment that is free of harassment and intimidation.

At Snap-on, we prize the diversity of our associates. No single culture, background or group has a lock on the best ideas. Without question, our associates' rich and varied perspectives, experiences and backgrounds make us a stronger company. Indeed, that diversity enhances our productivity and serves as a real competitive advantage. That is certainly the case for companies, such as ours, that do business internationally.

- It's our duty to follow all applicable laws in hiring, labor relations and all other human resources matters. It's also good business.
- At Snap-on, advancement, raises, promotions, bonuses, assignments and training opportunities are based on performance and contributions – in short, on merit.

**Health, Safety and the Environment**

It is the Company's policy that all Company personnel will be provided with a safe and healthy work environment. All associates are required to comply with all applicable occupational health and safety laws and with Company regulations and programs that address health and safety.

The Company recognizes and believes in the importance of safeguarding natural resources and the global environmental heritage. The Company believes that environmental goals can and should be consistent with economic health.

The Company pledges to protect environmental quality and human welfare in our communities; and to implement environmentally sound policies designed to prevent, mitigate and, where appropriate, remedy impacts on the environment of the community.

The Company can best meet its commitment to the environment, our associates and our neighbors by following these principles of conduct:

- Conserve energy and natural resources through prudent use and reuse, where appropriate.

- Work hard at continually eliminating waste and pollution at its source; otherwise reduce, reuse and recycle.
- Properly dispose of or effectively treat any waste not economically reused.
- Design, operate and assess our facilities, ensuring the protection of the safety and health of our associates and our neighbors, including contractors and others who visit our facilities.
- Make hygiene, safety and environment a priority in developing new products and processes.
- Recognize, anticipate, respond to and communicate significant environmental aspects/impacts in a timely manner to associate and community concerns regarding our products and operations.
- Participate in the public debate on regulatory issues to the end of accomplishing sound and economic regulatory theory.
- Manage all operations in a lawful manner and meet other relevant and appropriate requirements with regard to environment, safety and health.
- Periodically audit and assess our performance against stated goals and the principles of our regulatory management system.

*What this means to me*

Each of us can make a difference at Snap-on, in large ways and small. Paying attention to health and safety issues, avoiding wasteful practices, operating in a way that protects the environment – these and related matters are everyone’s concern. And everyone benefits – in terms of health, comfort, efficiency and productivity – when we’re diligent about following smart practices.

Remember that common sense goes a long way in maintaining a safe and healthy work environment...and so does being alert. A second of inattention or carelessness – on or off the job – can change a life forever. There’s no place for a passive, neglectful or inconsistent approach to something as important as our health, our safety and the environment.

In fact, at Snap-on, we believe it’s good business to treat the air, water and other natural resources with care.

- To help ensure everyone’s safety, report such things as a burned-out light bulb in the stairway. Tell a supervisor about a hazard on the plant floor or in the office.
- Conserve, recycle and reclaim, whether it’s paper, glass, plastic, office supplies, water or energy. Be a good steward of company, community and natural resources.
- Look out for one another – and for the people and generations who will succeed us.

## **Prohibition Against Retaliation**

The Company prohibits reprisals for good-faith reporting of actual or possible violations of this Code, or for participating in investigations or proceedings involving this Code. Retaliation in any form against any Company personnel who report a possible violation of this Code, or who assist in the investigation of a possible violation of this Code, is itself a violation of this Code and will be cause for appropriate discipline. In certain circumstances there may be criminal penalties for retaliation, including fines and imprisonment.

### *What this means to me*

Freedom to voice one's concerns and to be heard is an important part of the Snap-on culture. Yet it's not always easy to lodge a complaint or "blow the whistle" on behavior that violates company policy. But remember:

- Snap-on strongly urges the reporting of all suspected violations of the Code of Business Conduct and Ethics.
- It's wrong to punish or in any way mistreat someone who has registered a complaint or flagged unethical behavior. In fact, there are serious penalties for doing so.
- To the extent possible, information regarding the investigation of illegal, improper or other unethical activities is kept confidential.



## **Protecting Snap-on Assets**

### **Protection and Proper Use of Company Assets**

You should protect the Company's assets and ensure their efficient use consistent with the Company's Rapid Continuous Improvement (RCI) initiatives. Theft and waste have a direct impact on the Company's profitability. All Company assets should therefore be used only for legitimate business purposes. By way of example:

- Do not make personal use of Company assets that creates any additional costs for the Company, interferes with work duties or violates any Company policies.
- Do not allow Company property to be used to carry out illegal acts.

#### *What this means to me*

It's against this Code – and against the law – to steal, tamper with or destroy Company assets. It's likewise against the Code – and the law – to use Company property for illegal purposes.

Remember that the misuse and theft of Company assets are not victimless actions. In fact, everyone pays – not just the Company, but also fellow associates, customers and others.

- Treat Company assets as you would your own. Protect them, conserve them and make the most of them.
- Listen to your instincts. If you have doubts about what you're tempted to do or what you've been asked to do, question the appropriate person.

### **Avoidance of Conflicts of Interest**

You must avoid conflicts between your personal interests and the interests of the Company. You must disclose any activities, financial interests or relationships that may present an actual or potential conflict of interest. You should, therefore, avoid any investment, interest or association that interferes with, or might interfere with, the objective or independent exercise of your best judgment or with the performance of your responsibilities in the best interests of the Company. Specifically, you should:

- Deal with all suppliers, customers, competitors, other associates and all other persons doing business with the Company in a fair and objective manner without favor or preference based upon personal financial considerations;
- Not accept from or provide to any supplier, customer or competitor any gift, entertainment or other benefit, including payments or loans, except as expressly permitted under this Code;
- Not own any financial interest in or hold any employment or managerial position with any firm or corporation that is a competitor of, or that does or

seeks to do business with the Company, if that interest or position might influence any decision in the performance of your duties; and

- You must not seek or accept, or offer or give, any payments, fees, loans, services or gifts from or to any person or firm as a condition or result of doing business with the Company. The Company's policy does not prohibit gifts of nominal value (under \$50 US). Normal business meals and entertainment (such as attendance at sporting or cultural events), and similar customary and reasonable expenditures to promote general business goodwill are also acceptable even if their value exceeds \$50, so long as the associate is accompanied by the host.

The expenditure for, or receipt of, gifts and entertainment that are more than nominal in value must be authorized in writing by your supervisor.

The policies regarding gifts and entertainment do not apply to sales contests and incentive trips for the benefit of the Company. An officer of the Company must authorize such programs in writing. All such contests and incentive trips are to be conducted fairly and in accordance with applicable laws and are subject to the Company's policies related to the approval of business-related expenses.

With respect to gifts to and entertainment of government officials or associates, this policy is subject to the provisions of "Ethics and Compliance in the International Community" described herein.

The Company's objective is to compete in the marketplace by providing superior products and services at competitive prices. No payment or anything of value in any form shall be given directly or indirectly to anyone anywhere in the world for the purpose of obtaining or retaining business, or to obtain any other favorable action.

*What this means to me*

The watchword here is judgment. The Code requires each of us to behave in a way that stands up to scrutiny. We're expected to be aboveboard, evenhanded, fair and consistent in our dealings with fellow associates, suppliers of goods and services, customers and others with whom we do business.

For example, it stands to reason that receiving or giving gifts of more than a nominal value can change a business relationship, resulting in indebtedness and favoritism. For many reasons, it's smart to avoid such situations.

If you have questions about a business or outside activity, feel free to talk about them with your supervisor or a Company attorney. Keep in mind that many outside activities and affiliations are allowable, so long as you've told the Company about them and received your supervisor's okay.

- Avoid any business activity or relationship that violates standards of fairness.

- Our loyalty should be to the Company.
- Disclose any interests or activities that might conflict – or appear to conflict – with your job or with the Company’s business.
- If offered gifts or entertainment by a vendor, check with your supervisor to see if it’s appropriate to accept.
- Avoid even the appearance of conflicts of interest.
- If you have any questions, don’t hesitate to raise them.

### **Corporate Opportunities**

You must not take for yourself opportunities that are discovered through the use of Company property, information or your position, for personal gain or to compete with the Company. It is your obligation to advance the Company’s legitimate interests when the opportunity to do so arises and not to participate in activities adverse to the Company’s interests.

#### *What this means to me*

The message here is similar to that found in the rest of this guide. As Snap-on associates, we’re expected to maintain high standards of conduct. That includes not taking personal advantage of opportunities we might come upon in the course of doing business.

Those opportunities can take a variety of forms, including use of Company property and exploitation of one’s job or authority.

- Remember that our loyalty should be to the Company.
- It’s wrong to compete against the Company in any way.
- Don’t take personal advantage of information you are exposed to as a result of your position with Snap-on.

### **Securities Trading**

Except as specifically permitted by applicable law, you must not purchase or sell or recommend the purchase or a sale of Company securities while you are in possession of “material information” regarding the operations or prospects of the Company that has not been publicly disclosed. You must not purchase or sell or recommend the purchase or sale of the securities of any other corporation of which you have obtained non-public “material information” in the course of your employment with the Company.

“Material information” is information that, if publicly disclosed, could reasonably be expected to affect the market value of the Company’s securities or to influence investor decisions with respect to those securities. “Material information” includes but is not limited to generally unanticipated changes in the Company’s annual and quarterly revenues or earnings; changes in dividend rates or policies; significant acquisitions or

divestitures; changes in senior management; information regarding major new products, contract awards or expansion plans; and significant litigation or regulatory proceedings.

*What this means to me*

The Securities and Exchange Commission (SEC) regulates all U.S. publicly traded companies, including Snap-on Incorporated. In addition, various stock exchanges and other regulatory bodies have their own rules that member companies must adhere to.

The SEC asks that companies identify official “insiders” – typically the senior officers of the business. Those individuals can buy and sell company stock only during certain periods.

What does that have to do with the rest of us? It’s this: the designation of insider can apply to any Snap-on associate with access to material information that hasn’t been made public.

Here’s a way to determine if Company information is material: if knowledge of it would prompt someone to buy or sell Snap-on securities.

- You may not trade on material Company information that has not been publicly disclosed. Ignorance of the law is not an excuse.
- Securities laws are strictly enforced by the SEC.
- Punishment for securities violations is severe, and can include imprisonment.
- If you have a question about any planned purchase or sale of Snap-on securities, please check with the legal department.

**Confidential and Inside Information**

When you are trusted with confidential knowledge and information about the Company, you are expected to keep that information in confidence. Disclosing such information could hurt the Company or give an unfair or illegal advantage to competitors, investors in our stock or others. You should guard against improper or premature disclosure of confidential information to outsiders or to associates who do not require the information to perform their jobs.

Confidential information can include information about associates, products, technology, financial matters, customers, suppliers and competitors; long range plans; trade secrets; business plans including potential acquisitions and divestitures; manufacturing systems and procedures; research and development work; and computer data that is not published or in the public domain. The use of confidential information for personal gain by an associate or anyone else goes against these guidelines and, in many cases, can be against the law.

Communication with the media, the investment community and the public is the responsibility of designated spokespersons within the Company.

Snap-on provides electronic communication tools to improve productivity and enable associates to produce efficient, high-quality work. Electronic communications include all aspects of voice, video and data communications such as voice mail, e-mail, EDI (Electronic Data Interchange), fax, Internet and on-line services. Because these technologies allow for quick dissemination of information to a large audience, you must guard against the circulation of confidential information through any electronic communication. Electronic communications practices are outlined in the Snap-on Policies, Practices and Procedures Manual.

You should guard against accidentally revealing confidential information by avoiding discussion of Company matters in public or working on confidential papers in public places such as airplanes.

Snap-on's trade names and logos should be used only in accordance with Company policies and only as authorized for legitimate Snap-on business. For associates in the United States, please review Snap-on Policies Practices and Procedures Policy E- 6.

*What this means to me*

Just about everyone at every company has access to confidential information. And just about every associate can be considered a company insider. That's why it's so important that each Snap-on associate be aware of the potential misuse and abuse of sensitive material.

It's sometimes easy to lose perspective about what is, and what is not, confidential and inside information. A seemingly innocent statement – for example, a comment to your neighbor about your company's great quarterly results, before those results have been made public – can subject individuals and the business to serious penalties.

Similarly, what might appear to be a "safe" use of company information – such as sharing the Company's strategic plan with a consultant before that person has signed a confidentiality agreement – can hurt a number of parties, including fellow associates, shareholders and customers.

And as noted in the previous section, Snap-on associates who have inside information may not buy or sell Company stock before that information is publicly disclosed.

- The stakes are high. Know the laws and how they apply to you.
- Take special care of sensitive Company material, making sure it's properly protected. Consider the consequences of leaving private records out in the open, or forgetting to "password protect" certain electronic files.

- Be careful about engaging in business discussions in a public place, such as a restaurant, a train or a rest room. You never know who might overhear you.
- Be careful when discussing confidential information on a cell phone. When possible, use a landline.
- Refer media inquiries to designated Company spokespeople.
- Understanding company policy, showing good judgment and acting in a principled way are the best protections.
- If you're in doubt about matters dealing with sensitive Company information, check with your supervisor or the legal department.

## **Competing Globally and Ethically**

### **Ethics and Compliance in the International Community**

The Company is committed to maintaining high standards of business conduct in the United States and abroad. The Company and its associates must comply with all national and local laws of the countries in which the Company conducts business, applicable international and inter-governmental regulations and all U.S. laws that apply to international activities. If the substantive provisions of a local law are more restrictive than the Code, you must comply with the local law. Your business may have policies and practices that are more demanding than this Code, and the same may be true of local law; in those instances you must follow the stricter Code, policy, practice or law.

In the event the Code is translated into local languages and a conflict exists between the English language version and the local language version, the English language version of the Code controls.

If you conduct business outside the United States, it is your responsibility to understand the laws and regulations of each country in which you work and to be aware of the following U.S. laws and regulations. Violations of these laws can result in substantial fines, imprisonment and severe restrictions on the Company's ability to do business.

*Foreign Corrupt Practices Act (FCPA); United Kingdom Bribery Act (UK Bribery Act); the Organization for Economic Cooperation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Convention); the European Union Convention on the Fight Against Corruption (EU Convention)*

The FCPA, EU Convention and the OECD Convention (and ratifying legislation enacted by the signatories to the OECD Convention and EU Convention, which include many countries in which the Company currently has operations) make it a crime to promise or give anything of value to a government official or political party in order to obtain or keep business or obtain any improper advantage. It is also illegal to make payments to agents, sales representatives or other third parties if you have reason to believe your gift will be used illegally. The UK Bribery Act not only prohibits bribery of both domestic and foreign (non-UK) government officials, but also prohibits bribery in the private sector.

Every officer, associate and agent of the Company must keep records that reflect all transactions and acquisitions and dispositions of Company assets for domestic and foreign business activities.

## **Supplier Code of Conduct and the Use of Labor**

Child, prison, and forced labor are not permitted at any Snap-on business partner or supplier operation. It is all of our responsibility to ensure our business partners and suppliers comply with Snap-on's Supplier Code of Conduct which includes, but is not limited to:

- Suppliers will not engage in, or support the use of child labor, complying with all applicable local child labor laws and employing only workers who meet the applicable minimum legal age requirement for their location.
- Suppliers will not engage in or support the use of forced or involuntary labor.
- Suppliers will treat their associates with dignity and respect, and not allow or overlook any form of harassment, complying with all applicable local laws.
- Suppliers using sub-contractors to provide goods and services to Snap-on will also be responsible for the sub-contracted party for compliance with this Code of Conduct.

To read the complete Snap-on Supplier Code of Conduct, please visit the following link: <http://www1.snapon.com/display/suppliers.nws>.

## **Restrictions on Trade**

The U.S. maintains strict embargoes prohibiting, and lesser sanctions limiting, commercial transactions with specified countries, business entities, organizations and individuals. For current lists of these countries, business entities, organizations and individuals, please contact the legal department or visit <http://intranet.snapon.com/corporate/codeofconduct.nws>.

### *Anti-Boycott Laws*

All Snap-on operations, including foreign subsidiaries, must comply with U.S. laws pertaining to foreign boycotts. It is against the law to cooperate in any boycotts between foreign countries if those boycotts are not sanctioned by U.S. law. The Company must:

- Refuse to do business with any blacklisted country, company or individual;
- Respond to requests from boycotting countries for information about our business relationships with boycotted countries or blacklisted companies or individuals.

Report all requests for boycott support or boycott-related information to the legal department.



*Treasury Embargo Sanctions/Specially Designated Global Terrorist Lists* The Treasury Department's Office of Foreign Assets Control prohibits U.S. companies and their foreign subsidiaries from doing business with certain countries, agencies, and certain individuals and organizations, including specially designated global terrorists, drug kingpins and business entities owned or controlled by the governments of countries under U.S. embargos. The regulations and their application to foreign subsidiaries vary, depending on the country and the type of transaction, and often change as U.S. foreign policy changes.

If you are aware of any sensitive political issues with a country in which the Company is or is considering doing business, seek advice from the legal department.

*Export Control Restrictions*

To prevent sensitive goods, technology and software from falling into the wrong hands, exports of these products and technical information to certain countries or individuals are restricted. These restrictions may also apply to transfers between the Company and its foreign subsidiaries; the nature of the product, the destination country, and the foreign purchaser or consignee are controlling factors in whether a U.S. export license will be required prior to shipment.

An "export" is defined as any method of conveying products or data to foreign individuals or companies, verbally, electronically or in writing, including sales, training and consulting, and product promotion, even if these activities occur in the U.S.

Because these control restrictions are designed to further U.S. foreign policy and national security goals, they are subject to change. Obtain technical and legal guidance to identify the applicable rules before exporting such goods or technology.

*What this means to me*

At Snap-on, we feel that the opportunity to do business in non-U.S. countries carries with it a double responsibility: to abide by the laws of each country we operate in and to behave according to the highest ethical standards.

U.S. nationals and Snap-on's foreign branches must abide by all U.S. trade laws, wherever they are operating.

Also keep in mind that the U.S. government forbids U.S. companies and their foreign units from doing business with parties who threaten our national safety and security. The wave of terrorist activities throughout the world has heightened these concerns.

- It is important that we understand and follow the laws of the localities in which we work. Violations can result in severe penalties.
- It's against the law and our Code to offer gifts to foreign officials or other parties – whether to win or keep business or to gain an unfair advantage over others.

- To protect yourself and Snap-on, do not participate in a boycott that the U.S. has not approved. Consult the current list of countries that are subject to boycott.
- Be aware of the countries, businesses and individuals with whom the U.S. government forbids us to do business. Lists of restricted countries and Prohibited Parties must be consulted before transacting business with foreign countries and their nationals;
- It is also important to keep abreast of export control restrictions. These restrictions, and the situations to which they apply, can and do change.

## **Competition Laws**

The Company maintains a policy of compliance with applicable laws governing dealings with competitors, which are known in some countries as antitrust laws. United States competition laws govern the Company's conduct and transactions in dealing with competitors, customers and suppliers. Other countries in which the Company does business may also have competition laws that are applicable to the Company. Severe criminal and civil penalties may be imposed on the Company and its associates if an associate authorizes or participates in a violation of competition laws. Therefore, it is important to understand and strictly follow Company policies so the Company and its associates may avoid even the appearance of a violation of the competition laws.

In order to avoid activities that could be interpreted as violations or result in allegations of a violation of competition laws, you should not engage in practices prohibited by the Company's policy, including the following activities:

- Reaching an understanding or making an agreement with competitors to limit competition by setting price levels or terms or conditions of sale, limiting production or establishing joint procedures relating to distribution, sales territories or customers. Such actions are against the law.
- Making unauthorized arrangements or contracts that involve exclusive dealing, tie-in sales or other restrictive agreements with customers or suppliers. Certain arrangements, such as Snap-on dealers' lists of calls, and sales territories for representatives, which are approved by the Company, may, of course, be entered into, but arrangements or programs not currently being used by the Company should be approved prior to use, with the advice of the Company's attorneys. Also, differences in price and other terms of sale between customers, as well as quantity discounts may not comply with the law and should not be entered without the advice of the Company's attorneys.
- Hiring competitors' associates to obtain confidential information, or urging competitors' personnel or customers to disclose anything that could be regarded as confidential information, may also violate the law. Please contact the legal department prior to hiring an associate from a competitor or entering into discussions with competitors' personnel.

On occasion, you may have the opportunity to communicate with competitors. While chance meetings may be seen as opportunities to learn more about our competition, associates are cautioned to exercise judgment in what they discuss. Any discussion or communication of any kind with a competitor that relates to pricing, production, customer information, marketing, inventories, product development, sales goals, market studies and other proprietary or confidential information is prohibited. Sharing this kind of information may be illegal and could subject the associate and the Company to civil or criminal penalties. Purchases from and sales to competitors are allowed if done in accordance with Company policy. Antitrust Compliance manuals are available from the legal department.

*What this means to me*

It's a truism that merits repeating: in business, as in other areas of life, it's important that everyone adhere to the same rules and to the same ethical standards.

Of course, in reality this isn't always the case. In the highly competitive environments where we conduct business – in the United States and abroad – it's not uncommon for companies to seek unfair or illegal advantage over other parties. That's why the U.S. and other governments have rules prohibiting unfair competitive practices, including antitrust.

- There is a big difference between healthy and unhealthy competition.
- Our business dealings with competitors, customers, suppliers and other parties must always follow Company Code.
- Unauthorized special arrangements with any outside party are forbidden.
- Companies and individuals involved in hindering competition are subject to substantial penalties.
- Rules pertaining to competition and antitrust are complex. You're urged to contact the legal department when any questions arise.

**Political Activities and Contributions**

We encourage all associates to participate fully in the political process, as individuals, and to make voluntary contributions to candidates of your choice.

Company contributions, either direct or indirect, to political parties or candidates for federal, state or local office are illegal and are strictly prohibited.

Associates who participate in political activities must make it clear that they do not act or speak for Snap-on Incorporated. The Company cannot and will not endorse any political candidates or party.

*What this means to me*

When it comes to government involvement, Snap-on encourages associates to be active

in their political process. The Company only asks that such participation be done on personal time; that no Company resources are involved; that the Snap-on name isn't used; and that Snap-on's endorsement isn't implied.

### **Compliance and Reporting**

You are expected to comply with this Code and all other policies and procedures of the Company in all respects. To the extent legally permissible under local laws: (1) the Company may require you to sign a certificate indicating compliance with the policies set forth in this Code; and (2) any associate who submits a certificate containing a false statement or material omission, or who knowingly violates this Code, or knowingly permits a subordinate to do so, shall be subject to disciplinary action, including demotion or dismissal.

Certain associates are required by the Company to complete web-based training modules covering this Code and ethics in general.

Within the United States if you become aware of any acts or transactions that may be in violation of this Code, you are expected to properly disclose such information. If you believe this Code may have been violated, you should raise the issue immediately with your supervisor. If the issue is not resolved or you are not comfortable raising the issue with your supervisor, you may contact the Company's Ethics Help Line at 866-GO-TOOLS (866-468-6657) or submit an issue to the website <https://workplacealertprogram.alertline.com>. Issues presented to the Ethics Help Line will be treated confidentially and anonymously at the request of the associate.

Outside the United States, the purpose of the Ethics Help Line and web submission is to facilitate the confidential reporting of concerns related to accounting practices, auditing practices, or other financial matters of the company. If your concern pertains to something other than accounting or financial matters, you are encouraged to report your concerns to local management or through other established reporting channels.

Outside the United States, the Ethics Help Line can be accessed through an AT&T direct international toll-free service country code listed in the following table.

When you hear the recorded AT&T prompt, dial 866-GO-TOOLS (866-468-6657). After the greeting you will be connected directly to the help line center.

#### AT&T Direct by Country Access Codes

Country	Access Code	Country	Access Code
Argentina	0-800-555-4288 or 0800-288-5288	Japan	005-39-111
Australia	1-800-881-011	Mexico	01-800-288-2872 or 011-800-462-4240
Austria	0800-200-288	Netherlands	0800-022-9111
Belarus	8-800-101	New Zealand	000-911
Belgium	0-800-100-10	Norway	800-190-11
Brazil	0800-890-0288 or 0800-888-8288	Poland	0-0800-111-1111
Canada	1-800-225-5288	Portugal	800-800-128
Chile	800-225-288 or 800-360-311	Russia	8-10-800-110-1011 within Moscow 8-10-800-120-1011 within St. Petersburg 8-812-363-2400 within other cities
China	Northern China and Beijing region 108-888 or Southern and Central China, Shanghai and Guangzhou regions 108- 11	Singapore	800-0111-111 or 800-001-0001
Czech Republic	00-800-222-55288	Slovakia	0800-000-101
Denmark	800-100-10	S. Korea	0072-911
Finland	0-800-11-0015	South Africa	0800-99-0123
France	0-800-99-00-11	Spain	900-99-00-11
Germany	0-800-2255-288	Sweden	020-799-111
Hungary	06-800-01111	Switzerland	0800-890011
India	000-117	Turkey	0811-288-0001
Ireland	1-800-550-000 or 00-800-222-55288	United Kingdom	0800-89-0011 or 0500-89-0011
Italy	800-172-444	Venezuela	0800-225-5288

International locations also have the option to submit concerns via web submission at <https://workplacealertprogram.alertline.com>, and for France, through a web submission at <https://cnilhotline.alertline.com>.

Ethics issues or complaints may also be mailed to the General Counsel at: Snap-on Incorporated, 2801 80<sup>th</sup> Street, Kenosha, Wisconsin 53143. Communications will be forwarded as appropriate.

Any **Customer Service** issues or complaints may be submitted by calling the numbers listed at [www.snapon.com](http://www.snapon.com) by selecting the Customer Service link at the bottom of the Snap-on webpage or the following link, <http://buy1.snapon.com/snapon-store/customer.asp>.

For **Franchisee** problems or disputes, the Ombudsman Program provides the option to speak confidentially to an ombudsman who is independent and neutral. The role of the ombudsman is to help facilitate a resolution to a dispute or problem a franchisee is having. Further details are provided at <http://extranet.snapon.com/display/router.aspx?docid=42945&> or call 800-786-6600, extension 5506.

If you are a member of the **Board of Directors** of the Company, you should report violations of this Code directly to the Audit Committee, the Ethics Help Line, web submission, or in writing to the General Counsel. In addition, if you have concerns about accounting, internal accounting controls or auditing matters (Accounting Complaints), you should report violations of this Code directly to the Ethics Help Line or in writing to the General Counsel. Accounting Complaints will be transmitted to the Audit Committee under the Accounting Complaint procedures established by the Audit Committee.

Confidentiality and anonymity regarding those who make compliance reports and those potentially involved are maintained to the fullest extent possible.

### **Waivers**

Any waiver of this Code for directors or senior executive or financial officers of the Company may be made only by the Company's Board of Directors. Any waiver of this Code for executive officers or directors may be made only by the Board or a Board committee and will be promptly disclosed as required by law or stock exchange regulation.

### **Questions**

Questions about situations not discussed in this document should be addressed to your supervisor, the legal department or the corporate human resources department.

The Snap-on Incorporated Code of Business Conduct and Ethics is not intended to confer contractual rights of any kind upon any associate or other person identified therein, or to create contractual obligations of any kind for the Company. Because the Company's goals related in the Code of Business Conduct and Ethics are subject to change, the Company retains the right to change the Code of Business Conduct and Ethics in its sole discretion, at any time, with or without notice.

Snap-on Incorporated  
2801 80<sup>th</sup> Street  
Kenosha, Wisconsin 53143

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