



WORK HARD. WORK COMFORTABLY.

Code of Conduct

I SCOPE

This policy applies to all employees of Sears Manufacturing Company

II PURPOSE

To define the policies concerning employee responsibility for maintaining high standards of honesty, ethics, integrity, and confidentiality and to ensure that all business transactions are conducted professionally and in the best interest of the company and its shareholders.

As used in this policy the term “employee” also includes members of the employees’ families; the term “company” includes Sears Manufacturing Company and its subsidiaries. The Term ‘confidential Information’ means all business information not generally available to the public concerning the company.

III PROCEDURE

It is the policy of the company to observe the highest standards of ethics, honesty, and integrity. Employees are required to uphold these standards. They must not act to cause conflicts for others with whom the company does business. Employees must also obey all applicable laws. Not every instance of a violation of this standard can be anticipated. When in doubt about whether a particular matter violates this standard, please check with the Human Resources department. Or, to file a complaint regarding a violation of this Code of Conduct, please contact the Human Resources department or you may leave a message, anonymously, at 563-383-2801.

Professional Integrity

Consistent with our operating principles, which include open communication and fair dealings, employees should strive to conduct all business dealings and relationships with integrity, honesty, and respect for others. We honor human rights and respect the individual dignity of all persons globally. Our commitment to human rights requires that employees loyally and faithfully serve our principles and always deal fairly and honestly with customers and others with whom we do business. In addition, Sears Manufacturing does not use nor condone the use of any form of forced labor in the supply chain, manufacturing, or distribution of our products. Sears Manufacturing always expects all employees to act ethically and to comply with the law and company policies. Sears will not use child labor in any stage of manufacturing. Sears does not employ any person under the age of 18 in manufacturing or any other role in the company. No employee should knowingly permit any transaction to occur through his or her offices that is not fair to our principals and customer alike.

Relationships with customers, manufacturers, suppliers, competitors, and employees are to be based on fair dealing, or fair competition in quality, price, and service, and on compliance with applicable laws and regulations.

Employees will respect other people’s cultures and traditions while visiting customers or suppliers in foreign countries.



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Business Interests

Employees are prohibited from having any personal financial dealings with any individual or business organization that furnishes merchandise, supplies, property, or services to Sears Manufacturing Company or any of its affiliates without company consent. This includes arrangement to receive loans (other than bank loans), commission's royalties, or anything of value. Employees are not to sell or represent commodities or products of a same or similar type as those of Sears Manufacturing Company.

Bribes and Kickbacks

The company does not permit or condone bribes, kickbacks, or any other illegal, secret, or improper payments, transfers, or receipts. This prohibition applies both to the giving and receiving of payments or gifts.

No employee will offer, give or transfer any money or anything else of value for the personal benefit of any employee or agent of another business entity for the purpose of:

1. Obtaining or retaining any business.
2. Receiving any kind of favored treatment.
3. Inducing or assisting such employee or agent to violate any duty to his employer or to violate any law.

No employee shall assist in the misuse of manufacturers' or company funds including, without limitation, the misappropriation of such funds for the personal benefit of employees of the manufacturer, the company, or customers.

No outside agent of any kind will be used to circumvent the prohibition against bribes, kickbacks and other illegal, secret, or improper payments. Fees, commissions, and expenses paid to outside agents must be based upon proper billings, accurate recordkeeping, and reasonable standards for services rendered.

No employees will indicate, directly or indirectly, that any supplier or customer must purchase anything from or give anything to the company or any company employee in order to remain a supplier or customer.

Gifts and Entertainment

Employees may not accept gifts or objects of value when they create an obligation on the part of the company to the donor.

Employees may accept only business-related meals and entertainment when the value involved is not significant and clearly will not create an obligation to the donor.

Conflicts of Interest

No employee should use his or her position with the company or information acquired during employment in a manner that may create a conflict or the appearance of a conflict between the employee's personal interests and those of the company.



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All activities conducted as an employee of the company should always place the lawful and legitimate interests of the company over personal gain.

Absent written authorization by the company, no employee shall be affiliated with any buyer, purchasing agent, or provider of goods or services to the company. Such affiliation generally is inconsistent with the employee's capacity to deal equitably with all buyers, to fairly and honestly service principals, and to discharge his or her responsibility to the company. If an employee has any reason to believe there may be a conflict of interest, he or she should immediately disclose the matter to their immediate supervisor or the Human Resources department.

No exception or modification to the conflict of interest policy will be made unless approved in writing by the Chief Executive Officer. Whenever an employee leaves, the company expects the employee to continue to comply with those obligations that continue, such as protective proprietary information about the company.

Confidentiality

Serious problems can be caused for the company and the employee by unauthorized disclosure of internal information about the company. Except as properly authorized by the company, it is the responsibility of all employees to maintain the confidentiality of:

1. Proprietary information of the company.
2. Information entrusted to the company by principals or customers that is otherwise not readily available to the public.

Employees should refrain from discussing confidential company business with outsiders and with anyone else who does not have a legitimate need to know the information. Employees should decline comment when asked for information about the company.

Equal Opportunity and Diversity

Sears Manufacturing Company believes in equal employment opportunity for all employees and applicants for employment. Our company's success depends on the effective utilization of qualified individuals regardless of their race, creed, color, religion, sex, age, ancestry, national origin, disability, military or veteran status or any other characteristic protected by law. We will not discriminate on the basis of these characteristics in any personnel action including, but not limited to, hiring, training, promotions, transfers, demotions, benefits, compensation, discipline, termination and any other conditions or privileges of employment.

It is the responsibility of everyone employed at Sears Manufacturing Company to give this nondiscrimination policy full support through leadership and personal example. In addition, it is the duty of every employee of Sears Manufacturing Company to help create a job environment that is conducive to effective equal employment opportunity.

We at Sears Manufacturing Company share a common belief that each of us should be able to work in an environment free from any form of harassment. To ensure that each of us enjoy a harassment-free workplace, Sears Manufacturing Company prohibits any offensive, physical, written or spoken conduct of a sexual or derogatory nature or based on any other characteristic protected by law.



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Addition information regarding this policy, including to whom to report violations, can be found in the Sexual and Other Harassment Policy.

Safe and Healthy Workplace

Safety is everyone's business, and it is important to you and the company whether you are at home or at work. We are vitally interested in your safety and well-being and in maintaining a good safety record. The company has a definite responsibility to provide safe working conditions for all employees, instruct employees in safe work methods and make available special protective equipment required for protection from job hazards. Every employee will be trained on safety guidelines. It is your obligation to observe them, to use the safety equipment

always provided and to practice safety. Learn the safety guidelines of your department and the plant. If you are required to go into the plant, you must be sure to observe the special guidelines of the plant. Additional information regarding this policy can be found in the employee handbook.

Sears Manufacturing Company will not tolerate any type of workplace violence by or against employees. This policy applies to employees of the company, visitors, customers, independent contractors, or vendors. Employees are prohibited from making threats or engaging in threatening or violent behavior at any time while on company property or on work time.

Anyone who has experienced violent or threatening behavior or anyone who has knowledge of a potentially threatening situation is to contact his/her supervisor, the Human Resources department, or another member of management immediately. If an employee feels there is an immediate serious threat to himself/herself or to the safety of others, law enforcement authorities may be contacted directly.

The company will investigate any complaint of violence promptly and thoroughly. The investigation will be conducted confidentially to the extent possible considering the circumstances involved. Additional information regarding this policy can be found in the Violence in the Workplace Policy.

Sears Manufacturing Company is committed to safety in the workplace and ensuring safe and efficient operation of its facilities for the benefit of all employees. Being under the influence of drugs or alcohol while at the workplace presents serious health and safety risks, not only for the employee, but also for any co-worker working with the abuser. Employee involvement with drugs and/or alcohol can also have a negative effect on job performance and employee moral, and at the same time, cause our customers to question our ability to meet their needs. This policy on the use, possession, sale, manufacture, distribution or being under the influence of drugs and/or alcohol has been developed in a sincere effort to prevent the problem from causing injuries to Sears Manufacturing Company employees and disturbing our workforce and operations. This policy is also set to assist in maintaining a safe, healthy and efficient workplace free from drug and alcohol abuse problems. Additional information can be found in the Drug and Alcohol Policy.

Protecting the Environment

We respect the needs and concerns of the communities in which we live and work. This is exemplified in the company's long tradition of caring about the quality of the environment.



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Our products services and manufacturing methods reflect this concern and our belief that what is good for the environment is also good for Sears Manufacturing Company. Sound waste management and source reduction practices, recycling and energy conservation are legal, ethical, and business requirements.

Administration of the Code

All employees who suspect violations of the letter or spirit of this code have an obligation to report their concerns to either the Human Resources department or their direct supervisor. Matters of concern include pressure exerted by manufacturers, customers, company personnel or others to utilize accounts in an unauthorized manner or to take or enable other actions inconsistent with authorized company procedures and policies or this code.

All allegations of improper or illegal behavior will be investigated promptly and thoroughly. The investigation shall remain as confidential as practicable and those conducting the investigation shall respect the privacy of all persons involved.

No adverse action shall be taken or permitted against anyone for communicating legitimate concerns to the appropriate persons. While an investigation will be facilitated if the employee identifies himself or herself, the company will accept and investigate matters submitted anonymously.

This code is subject to amendment and may be reviewed and updated periodically. The company expects the strictest compliance with these procedures by all personnel at all levels. Failure to observe them may result in serious legal difficulties for the employee, as well as for the company. A failure to follow the letter and spirit of this policy will be considered a matter of extreme seriousness and may result in immediate termination of employment.

Lisa Loring 7/25/2018