

CODE OF BUSINESS ETHICS

2023



APPLIED
Industrial Technologies®



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FROM THE PRESIDENT & CHIEF EXECUTIVE OFFICER

Throughout Applied Industrial Technologies and its subsidiaries and affiliates (“Applied”), there is much pride in our rich heritage and growth. Today, at 100 years, we are the leading technical distributor and solutions provider across critical industrial infrastructure... providing quality brands, innovative solutions and dedicated customer service for our customers’ most valuable assets and supply chain investments.

Key to our progress is our associates and their commitment to the Applied® Core Values of Integrity, Respect, Customer Focus, Commitment to Excellence, Accountability, Innovation, Continuous Improvement, and Teamwork. Together with our sound ethics, they continue to guide us personally and professionally. Simply put, we are committed to *Living Our Core Values – every day*.

Likewise, we view the Applied Code of Business Ethics as a living document. Its ongoing practice is a reflection of our collective business and our individual responsibilities, with principles that positively influence our decisions, actions, and ongoing commitment to realizing our full potential. As such, the Code is reviewed annually to ensure it is relevant to our current business and operating environment, and to the expectations of our stakeholders.

All associates are asked to formally acknowledge they have read the Code, understand it and agree to practice its ethical principles in the course of daily business activities. Any concerns or possible breaches of the Code should be discussed with a supervisor, member of management or by contacting our confidential third-party hotline.

Ensuring that the Company adheres to the Code and conducts business fairly, honestly and ethically is a collective responsibility across the organization – *including every associate, officer, and member of our Board of Directors* – for the benefit of our customers, suppliers, fellow associates, communities, and shareholders. ***This is our legacy... for the next century and beyond.***



Neil A. Schrimsher
President & Chief Executive Officer

Associate Relations

Applied Industrial Technologies is focused on developing and maintaining a strong, enduring relationship with each associate. Applied® is an equal opportunity employer committed to employing individuals without regard to race, color, religion, sex, veteran status, age, disability, genetic information, national origin, sexual orientation, gender identity or any other category protected by applicable law. We believe that diversity is good for our company and makes us stronger. We strive to make training and professional development opportunities available to all associates. Finally, we will continue our longstanding focus on associate safety, health and well-being. Each associate is responsible for maintaining a safe and healthy workplace for all associates by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Customer Relations

Customer satisfaction is key to our success. In order to achieve this goal, we must provide each customer:

- Courteous and knowledgeable service, without bias or discrimination.
- Accurate information about our products and services.
- Prompt and professional responses to questions or requests for assistance.
- Accurate and timely billing for products and services.
- Prompt recording of payments.

Associates, officers and directors must not accept, for their personal benefit, unauthorized discounts or payments from customers. The value of gifts given to, or received from, a customer may not exceed acceptable business practice.

Customers are expected to use the products sold to them in a manner consistent with which they were intended.

Supplier & Vendor Relations

Solid, long-term relationships with our vendors and suppliers create value for Applied and for our customers. These relationships must be founded on mutual respect and fair dealing. To exploit Applied's business relationship with a supplier or vendor for personal gain is to diminish our ability to deliver competitive prices to our customers.

Guidelines for dealing with our suppliers and vendors are as follows:

- Supplier or vendor selection should be based solely on price, quality, service and profitability.

- Invoices from suppliers or vendors, after a review for accuracy, must be submitted for payment in a manner consistent with agreed-upon terms and conditions.
- No Applied associate, officer or director may profit personally from any transaction or relationship with a supplier or vendor.
- Applied may request charitable contributions from suppliers or vendors, but only with approval by a corporate officer.

It is generally acceptable for Applied, as a company, to accept purchase discounts and other types of trade and cash discounts in the ordinary course of business from vendors. However, acceptance of vendor incentives for the personal benefit of an associate, officer or director may compromise the individual's business judgment. Examples of items that cannot be accepted personally from a supplier, vendor or customer include:

- Gift cards, cash or free / discounted inventory, or other goods or services, in any amount.
- Loans or other financial assistance.
- Entertainment, gifts or travel, except those which are openly given, do not exceed the bounds of acceptable business practice, and are commensurate with a person's position with Applied.
- Prizes awarded to an associate as a result of unapproved participation in a contest sponsored by a supplier or vendor. Because many contests result in the purchase of unneeded inventory, contest participation must be pre-approved by an area vice president or a subsidiary vice president after consulting with an elected officer of Applied. Prizes awarded in an unapproved contest immediately become Applied's property to be returned or disposed of by other means as Applied deems appropriate.

As exceptions to the above rules, associates, officers and directors who earn frequent flyer mileage, hotel credits, or other travel-related premiums, as the result of business-related activity, may retain those awards for personal use.

Fair Dealing

Each associate, officer and director should endeavor to deal fairly with Applied's customers, suppliers, competitors and other associates. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

Vendor Standards

As Applied® grows its business interests, the development of vendor and supplier relationships abroad will follow. Such business expansion is accompanied by our expectation that all our vendors and suppliers, both domestic and foreign, will follow the standards described below:

- Vendors are expected to follow all applicable laws, regulations, and import and export requirements, both in the United States and abroad.
- Vendors are expected to adhere to Applied's Supplier Code of Conduct or similar standards and to conduct their businesses accordingly.
- Vendors are expected to only sell products they are authorized to sell and not to engage in the sale of counterfeit goods.
- Vendors will provide safe and healthful work environments for their associates.
- Sound and responsible environmental practices must be incorporated into the work methods of each vendor.
- Hours of work, working conditions, employment practices and the wage rates of our vendors must follow the principles of human rights and dignity for individuals. A vendor's use, or tolerance in its supply chain, of child labor, work performed under coercion, human trafficking, forced labor, corporal punishment or modern slavery is unacceptable to Applied and will not be tolerated.

Associates who believe that a vendor is not meeting Applied's vendor standards must immediately report this violation.

Compliance with the Law

GENERAL COMPLIANCE

Applied observes the laws, statutes and regulations that govern our business. Applied expects its customers, vendors and suppliers to comply with applicable laws, statutes and regulations. Associates are expected to report any violations by customers, vendors or suppliers to their appropriate officer. Each associate, officer and director must respect and obey the laws of each country, state and city in which we operate and applicable Company policies. If a law conflicts with a policy in this Code, you must comply with the law. Although associates are not expected to know all of the details of these laws, it is important to know enough to determine when to seek advice from supervisors or Applied's legal department. Some of the laws, statutes and regulations with which we must become familiar include:

- Antitrust laws.
- Employment laws.

- Criminal statutes.
- Safety and health regulations, with emphasis on applicable safety and health regulations.
- Environmental laws and regulations.
- Labor standards.
- Securities laws and regulations.
- Tax laws.
- Import / export laws and regulations.
- Dangerous Goods shipping regulations.
- Anti-bribery and anticorruption laws.
- Intellectual property laws.
- Immigration laws.
- Any Federal, State, National, Provincial, or local law and / or regulation.

Upon request, Applied will hold information and training sessions to inform and promote compliance with the Code.

ENVIRONMENTAL COMPLIANCE

Applied places special emphasis on its commitment to the environment. In addition to observing applicable laws and regulations, Applied and its associates will incorporate sustainable environmental practices into its operational procedures and at its facilities, as appropriate. Applied expects its customers, vendors and suppliers to conduct their business operations in an environmentally responsible manner and provide relevant information to its associates as needed for domestic or international environmental compliance requirements.

Competition

Applied is dedicated to the principle that genuine competition, in a free and open marketplace, brings value to our customers. Our commitment to this principle is further defined by antitrust and trade regulation laws designed to foster the spirit of open competition. These laws prohibit certain activities that hinder competition or restrain trade. For example, it is illegal for Applied or any of its associates, officers and directors to reach an agreement, formal or informal, with a competitor regarding prices, sales territories, allocation of customers or other business matters. We commit not to engage in any of these kinds of activities. We will always set our own prices, sales territories, and terms of sale and purchase independently of our competitors. There are no exceptions to this rule. For more information about Applied's policies and obligations with respect to antitrust issues, please refer to Applied's Antitrust Compliance Policy, which can be accessed electronically on one.applied.com.

Standards of Conduct

Applied® expects that each associate, officer and director will conduct every business transaction with the highest standard of integrity and in accordance with our Core Values. The following conduct compromises the integrity of our workplace and must be avoided:

- Appropriation of any company asset (including scrap, unused inventory, or other items that could provide value to the company) for personal gain or for the benefit of a family member or other party.
- Use of company-provided services for personal business, without proper reimbursement and a vice president's approval, including shipping services, maintenance services, postage, etc.
- Failure to record any sale, purchase, or other transaction.
- Submission of personal expenses for reimbursement.
- Misrepresentation of dependent eligibility for enrollment in any company-sponsored benefit plan(s).
- Theft, embezzlement, forgery, fraud, or intentional damage, regardless of value or intent.
- Use of company-owned credit cards or charge accounts for personal use.
- Use of the company credit / expense / inventory cards for purchasing gift cards and / or making a contribution / donation. If necessary for a business purpose, the purchase or donation or contribution must be approved by the associate's vice president.
- False, misleading or omitted entries in any company record, including accounting and inventory records, tax returns, invoices and personnel and payroll records.
- Misappropriation of the property of another person, a customer or a supplier.
- Acceptance of any payment or gratuity from a person seeking to do business with Applied or making such payment or giving such gratuity to a customer.
- Engaging in money laundering, financing of terrorism and / or the financing of the proliferation of mass destruction weapons.
- Human trafficking, slavery, or forced or child labor within the company, or within its suppliers, vendors or customers.

The Code is intended to assist you in making the right choices to maintain the integrity of our workplace. The Code is not intended to cover every risk or situation you may encounter, nor does it include every type of unethical conduct.

As with any ethical issue, questions or concerns regarding standards of conduct should be brought to the attention of your direct supervisor, a member of management, the Human Resources Department, or by using our third-party Ethics Reporting Hotline.

Corporate Hospitality

Applied is a sales-driven organization. We recognize that long-term relationships with customers and suppliers are fostered by reasonable gestures of corporate hospitality. There are ethical limitations, however, that must guide us when we extend our hospitality to customers and suppliers. Please discuss with your supervisor any gifts or proposed gifts you are not certain are appropriate. The general guidelines we must follow include:

- The level of hospitality must always remain within the bounds of common business practice, commensurate with a person's position with Applied.
- Gifts received at a social event must be reasonable in value for the occasion.
- We should always expect that the hospitality extended to customers or suppliers will become known to executive management, to the Board of Directors and to our shareholders.
- To avoid the appearance of an obligation or of improper influence:
 - » An associate should accompany any customer or vendor to an Applied-sponsored entertainment event, unless approved, in writing, by an officer of Applied.
 - » A customer or vendor should accompany any Applied associate at a customer or vendor-sponsored entertainment event, unless approved, in writing, by an officer of Applied.
- Hospitality accepted by an associate, officer or director must never create a sense of obligation to the supplier, vendor, or customer, regardless of its value. No person should extend or accept hospitality that violates the standards of moral acceptability. When approached with requests for gambling or show-club entertainment, we should always be prepared to offer an acceptable alternative, such as an organized sporting event, a round of golf, etc.
- The ethics policy standards of the customer or supplier should be understood and observed, even if Applied's policy provides for a more lenient standard.

Corporate Opportunities

Associates, officers and directors may not (a) take for themselves opportunities that are discovered through the use of Applied® property, information or position; (b) use Applied property, information, or position for personal gain; or (c) compete with Applied. Associates, officers and directors owe a duty to Applied to advance the company's legitimate interests when opportunities to do so arise.

Conflict of Interest

A "conflict of interest" occurs when an individual's private interest interferes in any way, or even appears to interfere, with the interests of Applied as a whole. A conflict situation can arise when an associate, officer or director takes actions or has interests that make it difficult to perform his or her company work objectively and effectively. Conflicts of interest also arise when an associate, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position with Applied.

Associates, officers and directors must be free to make decisions with complete objectivity. This freedom is assured when there is no conflict of interest in the outcome of any business decision. Examples of situations that create a conflict of interest and must be avoided include:

- Contracting with or providing services (i.e. cleaning services, repair services) to Applied in exchange for any payment, except for salary, wages, or other company approved payments.
- Ownership, management or participation in any business entity that competes or interferes with Applied or diverts time and attention from job responsibilities at Applied. Associates cannot use company time or assets for outside employment activities – this includes solicitation of Applied associates, vendors, or customers while at work.
- Buying, selling or leasing any property, equipment or service to Applied, either directly or beneficially, through another entity, except as authorized in advance by an Applied executive officer.
- Providing consulting services to any entity that competes with, or does business with, or seeks to do business with Applied.
- Loans to directors or officers, or guarantees of their obligations.
- Participation in any other business venture by an associate or officer, except as authorized in advance by an Applied executive officer, or the Corporate Governance Committee of the Board of Directors, when the situation involves a director or executive officer.

- Executive officers and members of the Board of Directors, their immediate family members, and other household members including significant others, are also subject to all related party transaction policies and similar policies adopted by the Board or its Corporate Governance Committee from time to time.

Political Activity

Applied strongly encourages associates to participate in the democratic process. An associate's decision to participate in political activity is, however, a personal and voluntary decision. Accordingly, no associate may be required to contribute to, support, or oppose any political group or candidate.

Further, no associate shall be reimbursed by Applied for any personal political contributions, nor use company time, resources, or assets for personal political activities. No company funds may be used to make contributions for any political purpose except as authorized below.

In the United States, federal campaign laws strictly prohibit the contribution of company funds to any candidate or political party. At the state or local level, only Applied's chief executive officer may authorize the use of company funds for a political purpose.

Anticorruption and International Trade

The U.S. Foreign Corrupt Practices Act prohibits Applied and its associates, or any third party on Applied's behalf, from making an offer, paying, promising to pay, transferring Applied assets to, or seeking to receive or receiving anything of value from any other person with reason to know the purpose of the payment is to secure an improper advantage, obtain or retain business or secure any contract, concession or favorable treatment for Applied. This applies whether it involves a government agency or another commercial entity, and regardless of whether local law or practices might permit something to the contrary.

We need to be particularly careful if we use an agent, consultant, broker, or sub-distributor to solicit business. We can be responsible for anticorruption violations committed by these third parties, whether or not we know about or approve their actions.

In addition, Applied is committed to conducting business in compliance with all applicable anticorruption, export, import and other trade laws in all countries in which Applied conducts business. Applied further expects its customers to comply with applicable import and export requirements when purchasing from Applied, and that customers will cooperate with Applied in meeting our import and export requirements. Failure of any Applied entity, regardless of location, to comply with U.S. export laws, in addition to the laws of the country where the Applied entity is located, can result in personal criminal and civil penalties

and revocation of export privileges. For more information about Applied's policies and obligations with respect to anticorruption and international trade, please refer to Applied's Anticorruption Policy and International Trade Compliance Policy.

Company Records

Applied® must properly maintain accurate and complete financial statements and other business records. All associates are required to maintain accurate, full and timely records of all business transactions. In addition, the company recognizes that the directors and officers must meet these requirements for the content of reports and disclosures to the U.S. Securities and Exchange Commission and for the content of other public communications made by Applied.

- Associates must never falsify, mislead or omit an entry from any company document or misrepresent the true nature of any transaction.
- Business records include, but are not limited to, accounting and inventory records, product sale or purchasing records, tax returns, invoices, asset records, travel and expense reports, vehicle-related records, records for petty cash funds, expense or company credit cards and personnel / payroll records, including time cards.
- Business records and communications often become public, and we should avoid exaggeration, derogatory remarks or inappropriate characterization of people and entities that can be misunderstood.
- Records shall always be retained or destroyed in accordance with Applied's records retention policy. In the event of litigation or governmental investigation please consult Applied's legal department.

Confidential Information & Intellectual Property

Like all businesses, Applied possesses confidential information about its activities that it wishes to remain secret. Such information may take the form of, for example, financial records, marketing plans, strategic objectives, personnel data, pricing files, customer lists and profiles, and any other information not known to the general public, whether in hard copy or electronic form.

Confidential information also includes all other non-public information entrusted to an associate, officer or director by Applied or its customers or vendors, except when disclosure is authorized or legally mandated. Confidential information further includes all other non-public information that might be of use to competitors, or harmful to Applied or its vendors or customers, if disclosed. Applied has every right to protect this information.

All persons who acquire confidential information during their service with Applied must treat this information as secret. The information may not be disclosed to anyone outside our company and should not be stored on external storage sources (whether a cloud-based storage service, external hard drive, or other non-company provided electronic storage method) without permission from an associate's vice president. At the end of a person's service with Applied, all documents and records, including electronic media, no matter how stored, must be surrendered to the associate's field manager or to the Human Resources Department at once. Unless otherwise engaged in an activity protected by applicable law, an associate cannot utilize this information outside the scope of their employment with Applied, especially in a manner that may be viewed as competitive to Applied.

Policy Administration

The following procedures will be used to administer the Code of Business Ethics:

CODE DISTRIBUTION & CERTIFICATION

You will receive an updated version of this Code annually. You are required to read and formally acknowledge the policy, and raise any questions or concerns you may have with your direct supervisor, a member of management, the Human Resources Department, or by using our third-party Ethics Reporting Hotline. By acknowledging and signing off on the policy, you agree to comply fully with the standards of conduct stated in the Code. The Applied Code of Business Ethics policy can be accessed electronically on one.applied.com.

WAIVERS OF THE CODE OF BUSINESS ETHICS

Waivers of the Code of Business Ethics for associates must be granted in advance by an Applied executive officer. Waivers of the Code for any executive officer or director must be made by the Audit Committee of the Board of Directors and must be promptly disclosed to shareholders.

DISCUSSION OF ETHICAL PROBLEMS AND REPORTING OF ILLEGAL OR UNETHICAL BEHAVIOR

We are always ready to discuss any ethical situation you encounter. We would much rather discuss a situation long before it becomes a problem. **Additionally, in order to protect the interests of Applied and its constituencies, you must report any violations of laws, rules, regulations or this Code that you believe in good faith have occurred.** There will be no retribution for reports made in good faith.

You have two ways to bring a matter to our attention:

1. **Toll-Free Ethics Reporting Hotline – This confidential, anonymous hotline is available to anyone wishing to report questionable conditions or incidents. See page 9 for additional information.**
2. “Open Door” Policy – Every Applied® manager is required to respond to an ethical problem in an open and non-threatening manner. Applied has a strict policy against retaliation toward individuals who report ethical problems and issues.

INVESTIGATIONS

Reported matters are brought to the attention of the designated Applied team for review and possible investigation. Each associate, officer and director is expected to cooperate fully with an investigation.

Applied reserves the right to use all lawful means necessary to pursue a complete investigation, including search of public records. In the event of an investigation, associates, officers and directors must provide access to company records, written or electronic communications, and company property such as desks, company-owned vehicles, lockers, and personal computers and related electronic files.

REVIEW OF FINDINGS

Once all of the information related to a matter is gathered, the findings will be presented to senior management or the Audit Committee of the Board of Directors.

DISCIPLINARY ACTION AND VIOLATION OF THE LAW

Violations of Applied’s policies and procedures, the ethical principles set forth herein, or the laws and regulations applicable to Applied’s business, will subject an associate to appropriate corrective disciplinary action, up to and including termination of employment. In addition, potential violations of federal, state, local and / or foreign laws could subject an associate to individual civil or criminal prosecution, with accompanying potential damages, fines and imprisonment.

Ethics Reporting Hotline

Confidential. Anonymous.



Applied® provides a third-party hotline to anonymously report questionable conditions or incidents, including, but not limited to:

Fraud

- Bribery, Kickbacks
- Fraudulent Reporting
- Falsification of Reports, Records or Contracts
- Internal Controls Matters
- Theft, Embezzlement



Compliance & Ethics

- Conflict of Interest
- Misuse of Company Property
- Violation of Laws or Regulations
- Disclosure of Confidential Information
- Questionable Dealing with Suppliers, Customers or Competitors



Human Resources

- Abuse of Benefits
- Discrimination
- Improper Conduct
- Intoxicant Abuse
- Harassment
- Violations of Company Policy
- Unsafe or Unhealthy Working Conditions
- Wrongful Discharge



A service provided by
Lighthouse Services, Inc.,
a Syntrio company.

Lighthouse is an independent provider committed to protecting the identity of all persons who use the secure reporting system to report improper activity.

Regular business issues and matters not requiring anonymity should be directed first to the associate's supervisor, a member of management or the HR department. Refer to the Applied® Code of Business Ethics for additional information.

Call Toll Free

844-600-0074

www.lighthouse-services.com/applied

CODE OF BUSINESS ETHICS 2023

I have read and understand the Applied® Code of Business Ethics. I understand that my employment at Applied Industrial Technologies, its subsidiaries and affiliates is covered by company policies and that it is my obligation to review and comply with them. I acknowledge that I have a duty to report any alleged or suspected violation of the Code, Applied policy, law or regulation. I further understand that nothing in the Code of Business Ethics is intended or should be construed as an express or implied promise of continued employment.

I have read the Policies of the Company found on the company intranet sites, including new policies from the prior year.

Submit electronic sign-off via Jump! Learning.

OR

If Success Factors / Jump! is not accessible, return this document to your supervisor, who will submit it to the Human Resources Department, mail stop 11.

Date

Associate Signature

Location

Print Formal Name

Associate Number

OUR CORE VALUES



INTEGRITY

Honest and trustworthy in all we do



RESPECT

Fair and ethical relations with everyone



CUSTOMER FOCUS

Dedicated to customer needs; providing value-added service at every touch point



COMMITMENT TO EXCELLENCE

Quality in our products, service and support



ACCOUNTABILITY

Motivated and responsible for our actions and results



INNOVATION

Creative in generating value; anticipating and embracing change for new opportunities



CONTINUOUS IMPROVEMENT

Committed to becoming better, as individuals and as a team



TEAMWORK

Working together, winning together



Corporate Headquarters
1 Applied Plaza
Cleveland, Ohio 44115
Applied.com