



# Code of Conduct

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January 4<sup>th</sup>, 2016



## Letter from Our President

Dear Associate,

I am very happy to present Wham-O Code of Conduct.

Our Code applies equally to all partners, associates, consultants and temporary workers.

Because this commitment is at the core of who we are, we also expect that our business partners such as suppliers, agents, partners, and licensees will follow similar principles while working on our behalf. No one is exempt from our Code, regardless of position or tenure.

Our Code and Values go beyond regulatory obligations and require that we act according to them. This is very important that we do the right thing and make sure we help each other do the right thing. If we see anything that might or does violate Our Code of Conduct – please, don't be quiet and speak up.

We ensured that there is a variety of channels through which you would be able to raise any concerns you may have.

Thank you for your continued adherence to our Code of Conduct.

**Todd Richards,**

**The President**



## Our Core Values

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### Wham-O Mission Statement

We honor our legacy and set our heartbeats to create the most fun, engaging, lifestyle, outdoor games and products that are enjoyed by people of all ages in every corner of the world. By being the creator of iconic products, like Frisbee, Hula Hoop, Superball, Hacky Sack, we continue enhancing our 70 years of innovation and originality to create games that you can't wait to play!

### Wham-O Vision Statement

What can be more exciting than running on a beach with hot sand sliding through your toes, or dodging from the splashes in the pool, or making snowballs, while hiding behind the tree? What can be more exciting than Being Outside? What can be more precious than those moments of Sincere Laughter?

At Wham-O we are the strongest advocates for Outdoor Fun! We believe in a strong correlation between the time we spend having fun in the fresh air and our sound mind, positive thinking, and body full of energy! That's why we create and provide a wide variety of outdoor games to people of all ages, giving everyone another reason to go outside and have fun!



#### **Our Belief**

**There is much more fun when you play outside!**

#### **Our Values**

**Innovation Entrepreneurship Enthusiasm  
Creativity Imagination Adventurousness**

#### **Our Promise**

**Outdoor games that you can't wait to play!**



# Acting Honestly and Ethically

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## Build Trust and Credibility

The success of our business is dependent on the trust and confidence we earn from our employees, customers and shareholders. We gain credibility by adhering to our commitments, displaying honesty and integrity and reaching company goals solely through honorable conduct. It is easy to *say* what we must do, but the proof is in our *actions*. Ultimately, we will be judged on what we do.

When considering any action, it is wise to ask: will this build trust and credibility for Wham-O? Will it help create a working environment in which Wham-O can succeed over the long term? Is the commitment I am making one I can follow through with? The only way we will maximize trust and credibility is by answering “yes” to those questions and by working every day to build our trust and credibility.

## Respect for the Individual

We all deserve to work in an environment where we are treated with dignity and respect. Wham-O is committed to creating such an environment because it brings out the full potential in each of us, which, in turn, contributes directly to our business success. We cannot afford to let anyone’s talents go to waste.

Wham-O is an equal employment/affirmative action employer and is committed to providing a workplace that is free of discrimination of all types from abusive, offensive or harassing behavior. Any employee who feels harassed or discriminated against should report the incident to his or her manager or to human resources.

## Create a Culture of Open and Honest Communication

At Wham-O everyone should feel comfortable to speak his or her mind, particularly with respect to ethics concerns. Managers have a responsibility to create an open and supportive environment where employees feel comfortable raising such questions. We all benefit tremendously when employees exercise their power to prevent mistakes or wrongdoing by asking the right questions at the right times.



Wham-O will investigate all reported instances of questionable or unethical behavior. In every instance where improper behavior is found to have occurred, the company will take appropriate action. We will not tolerate retaliation against employees who raise genuine ethics concerns in good faith.

Employees are encouraged, in the first instance, to address such issues with their managers or the HR manager, as most problems can be resolved swiftly. If for any reason that is not possible or if an employee is not comfortable raising the issue with his or her manager or HR, Wham-O's President does operate with an open-door policy.

## **Set Tone at the Top**

Management has the added responsibility for demonstrating, through their actions, the importance of this Code. In any business, ethical behavior does not simply happen; it is the product of clear and direct communication of behavioral expectations, modeled from the top and demonstrated by example. Again, ultimately, our actions are what matters.

To make our Code work, managers must be responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues. Managers should not consider employees' ethics concerns as threats or challenges to their authority, but rather as another encouraged form of business communication. At Wham-O, we want the ethics dialogue to become a natural part of daily work.

## **Uphold the Law**

Wham-O's commitment to integrity begins with complying with laws, rules and regulations where we do business. Further, each of us must have an understanding of the company policies, laws, rules and regulations that apply to our specific roles. If we are unsure of whether a contemplated action is permitted by law or [Company Name] policy, we should seek the advice from the resource expert. We are responsible for preventing violations of law and for speaking up if we see possible violations.

Because of the nature of our business, some legal requirements warrant specific mention here.

### ***Competition***



We are dedicated to ethical, fair and vigorous competition. We will sell Wham-O products and services based on their merit, superior quality, functionality and competitive pricing. We will make independent pricing and marketing decisions and will not improperly cooperate or coordinate our activities with our competitors. We will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for Wham-O or the sales of its products or services, nor will we engage or assist in unlawful boycotts of particular customers.

### ***Proprietary Information***

It is important that we respect the property rights of others. We will not acquire or seek to acquire improper means of a competitor's trade secrets or other proprietary or confidential information. We will not engage in unauthorized use, copying, distribution or alteration of software or other intellectual property.

### ***Selective Disclosure***

We will not selectively disclose (whether in one-on-one or small discussions, meetings, presentations, proposals or otherwise) any material nonpublic information with respect to Wham-O, its securities, business operations, plans, financial condition, results of operations or any development plan. We should be particularly vigilant when making presentations or proposals to customers to ensure that our presentations do not contain material nonpublic information.

### ***Health and Safety***

Wham-O is dedicated to maintaining a healthy environment. A safety manual has been designed to educate you on safety in the workplace. If you do not have a copy of this manual, please see your HR department.

## **Avoid Conflicts of Interest**

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

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our jobs. At times, we may be faced with situations where the business actions we take on behalf of Wham-O may conflict with our own personal or family interests. We owe a duty to Wham-O to advance its legitimate interests when the opportunity to do so arises. We must never use Wham-O property or information for personal gain or personally take for ourselves any opportunity that is discovered through our position with Wham-O.

**Here are some other ways in which conflicts of interest could arise:**



1. Being employed (you or a close family member) by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor, regardless of the nature of the employment, while you are employed with Wham-O.
2. Hiring or supervising family members or closely related persons.
3. Serving as a board member for an outside commercial company or organization.
4. Owning or having a substantial interest in a competitor, supplier or contractor.
5. Having a personal interest, financial interest or potential gain in any Wham-O transaction.
6. Placing company business with a firm owned or controlled by a Wham-O employee or his or her family.
7. Accepting gifts, discounts, favors or services from a customer/potential customer, competitor or supplier, unless equally available to all Wham-O employees.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the HR department.

### ***Gifts, Gratuities and Business Courtesies***

Wham-O is committed to competing solely on a merit of our products and services. We should avoid any actions that create a perception that favorable treatment of outside entities by Wham-O was sought, received or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom Wham-O does or may do business. We will neither give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation or policies Wham-O or customers, or would cause embarrassment or reflect negatively on Wham-O's reputation.



## **Honest and Accurate Books and Records**

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We will make certain that all disclosures made in financial reports and public documents are full, fair, accurate, timely and understandable. This obligation applies to all employees, including all financial executives, with any responsibility for the preparation for such reports, including drafting, reviewing and signing or certifying the information contained therein. No business goal of any kind is ever an excuse for misrepresenting facts or falsifying records. Every piece of data that we submit in our Company records—be it personnel, time, expense, or safety records—must be truthful, factual, and comprehensive. We must follow all applicable accounting requirements and internal controls when recording this information. We also have a responsibility to submit any appropriate contract documentation at all times. Our commitment to honesty demands that we engage solely in legitimate and authorized business transactions. If you notice any accounting or auditing irregularities, or incidents of fraud by individuals with accounting or financial reporting responsibilities, you should report what you know immediately.

## **We Conduct Our Business Free of Money Laundering**

Money laundering is a form of corruption and is the process of using the legitimate financial and economic system to convert illegally gotten funds into what appear to be legitimate funds. This process involves hiding the source of illegally gotten funds.

It is the policy of Wham-O not to accept payment in any form that would disguise the nature, location, source, ownership, or control of the proceeds of an illegal activity or to avoid a reporting requirement. The Company should not make payments to an entity or individual other than the one with whom we have contracted for goods or services.





## Promote Substance Over Form

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At times, we are all faced with decisions we would rather not have to make and issues we would prefer to avoid. Sometimes, we hope that if we avoid confronting a problem, it will simply go away.

At Wham-O, we must have the courage to tackle the tough decisions and make difficult choices; secure in the knowledge that Wham-O is committed to doing the right thing.

Each of us is responsible for knowing and adhering to the values and standards set forth in this Code.