**PARKER-HANNIFIN CORPORATION**
**CORPORATE GOVERNANCE GUIDELINES**

These Corporate Governance Guidelines (the "Guidelines") have been adopted by the Board of Directors (the "Board") of Parker-Hannifin Corporation (the "Company") to assist the Board in the exercise of its responsibilities to the Company and its shareholders. These Guidelines are intended to serve as a flexible framework within which the Board may conduct its business and provide oversight, and not as a set of binding obligations or limitations. These Guidelines should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as the Company's Amended Articles of Incorporation (as amended), Code of Regulations (as amended) and other corporate governance documents.

## A. Duties and Responsibilities of the Board of Directors.

The primary role of the Board is to oversee the performance of the Company's Chief Executive Officer (the "CEO") and other executive officers, and ensure the best interests of the Company's shareholders are being served. To fulfill that role, directors are expected to be active and proactive in discharging their duties and responsibilities. Among other things, the Board will provide oversight of the development and implementation of the Company's long-term strategic, financial and organizational goals (and plans to achieve those goals), and standards and policies for maintaining appropriate standards of integrity, ethical conduct and operational competence.

The Company's day-to-day business is conducted by its executive officers and other employees, under the direction of the CEO and oversight of the Board, to create and enhance long-term value for the benefit of its shareholders. The Board recognizes, however, that long-term value creation is also advanced by considering the interests of other stakeholders, including employees, customers, creditors, suppliers and the broader communities in which the Company operates.

The Board also understands that effective directors act on an informed basis after thorough inquiry and careful review, as appropriate in light of the magnitude of the matter being considered. Directors understand that their roles require them to ask probing questions of the CEO and, as appropriate, other Company employees and outside advisers. The Board is entitled to rely on the honesty and integrity of the Company's employees and external advisers. The Board may also engage its own external advisers, at the Company's expense, as it deems necessary or appropriate.

In discharging their duties and responsibilities, directors are expected to devote the necessary time and rigorously prepare for and, to the extent possible, attend and participate in, all meetings of the Board and the Board committees on which they serve. Directors are also expected to attend the Company's annual meeting of shareholders.

## B. Board Composition and Director Selection and Qualifications.

*1. Board Size*. The Company's Code of Regulations (as amended) provides that the number of directors may be fixed or changed by the Board. The Board will review and fix the size of the Board at least annually based on the recommendation of the Corporate Governance and Nominating Committee and any other factors the Board deems appropriate.

*2.* *Selection of Director Nominees.* The Corporate Governance and Nominating Committee will identify, evaluate and recommend candidates for election or re-election to the Board in accordance with its charter. Any invitation to join the Board should be extended by the Board through the Chair of the Corporate Governance and Nominating Committee (*i.e.*, the Lead Director) and the Chairman of the Board.

*3.* *Director Qualifications Generally*. The Corporate Governance and Nominating Committee is responsible for reviewing with the Board, at least annually, the appropriate skills, qualifications and experience required of directors. This review may include an assessment of judgment, skill, integrity, independence, possible conflicts of interest, business and organizational experience and approach, risk management and oversight abilities, and any other factors the Corporate Governance and Nominating Committee deems relevant to the needs of the Board at that point in time.

*4.* *Director Independence*. At least a majority of directors will be "independent" under the rules of the New York Stock Exchange, the Securities Exchange Act of 1934 and the Company's Independence Standards for Directors. Directors are expected to inform the Chair of the Corporate Governance and Nominating Committee (*i.e.*, the Lead Director), the Chairman of the Board or the Secretary promptly of any material changes in their circumstances or relationships that may impact their independence. The Corporate Governance and Nominating Committee is responsible for ensuring that an annual evaluation of each director's "independence" is conducted and presented to the Board. Based on such evaluation and any other factors the Board deems appropriate, the Board will affirmatively determine the "independence" of each director.

*5.* *Service on Other Public Company Boards*. Employee directors may not serve on more than one other public company board and non-employee directors may not serve on more than four other public company boards. Directors should advise the Chair of the Corporate Governance and Nominating Committee (*i.e.*, the Lead Director), the Chairman of the Board or the Secretary in advance of accepting an invitation to serve on another public company board to ensure there are no independence, conflict or similar issues. The Corporate Governance and Nominating Committee must give formal advance approval before an employee director or executive officer of the Company may accept an invitation to serve on another public company board, and before any director may serve on another public company board in which another director is an officer.

*6.* *Term Limits*. The Board does not believe it should establish term limits for directors. While term limits could help ensure there are fresh ideas and viewpoints available to the Board, they may have the disadvantage of losing the contribution of directors who over time have been able to develop increasing insight into the Company and its operations and, therefore, are able to provide increasing contributions to the Board as a whole.

*7.* *Retirement Policy*. No non-employee director may stand for election after reaching age 72. Employee directors must resign upon retirement from the Company unless requested to continue by the Corporate Governance and Nominating Committee.

*8.* *Change in Professional Responsibilities*. Whenever a director has a significant change in his or her professional responsibilities (such as a job change, disability or retirement), the Corporate Governance and Nominating Committee should consider whether such change directly or indirectly impacts the director's ability to fulfill his or her obligations as a director. Any director that incurs such a change will promptly provide notice of such change and his or her written resignation from the Board to the Chair of the Corporate Governance and Nominating Committee (*i.e.*, the Lead Director), the Chairman of the Board or the Secretary. The Corporate Governance and Nominating Committee will then decide whether to accept or reject the director's resignation.

*9.* *Director Orientation and Continuing Education*. All new directors must participate in the Company's orientation program, which will be conducted within a reasonable period of time after new directors are elected. All directors are also encouraged to participate in accredited director education and other relevant continuing education programs.

*10*. *Attendance at Board Meetings*. Directors are expected to attend and participate in all meetings of the Board and the Board committees on which they serve (and, in any event, at least 75% of such meetings), unless there is an acceptable reason for absence.

*11.* *Positions of Chair and CEO.* The Board has no policy with respect to the separation of the offices of Chairman of the Board and CEO. The Board believes that this issue need not be resolved in advance but should be decided by the Board, from time to time, in its business judgment after considering all relevant facts and circumstances at the appropriate time, including the specific needs and interests of the Company and the experience, responsibilities and skills of the person or persons occupying such positions. The independent directors will periodically review, including in connection with the selection of a new CEO, the Board's leadership structure and consider whether the office of Chairman of the Board should be held by the CEO or by another director.

*12*. *Position of Lead Director*. The Chair of the Corporate Governance and Nominating Committee will act as the Lead Director of the Company. The Lead Director will have the following duties, responsibilities and authorities:

a. presiding over and supervising the operation and conduct of the Corporate Governance and Nominating Committee to ensure that it is identifying and recruiting potential candidates for election to the Board, composing and structuring the leadership of the Board committees and otherwise fulfilling its duties and responsibilities as set forth in its charter;

b. presiding at and supervising the conduct of all meetings of the independent directors and all other meetings of the Board at which the Chairman of the Board is not present;

c. calling meetings of the non-management, independent directors and communicating the results of such meetings to the Chairman of the Board (if the Chairman of the Board is not an independent director);

d. facilitating communication and otherwise serving as a liaison between the independent directors and the Chairman of the Board (if the Chairman of the Board is not an independent director) and between the independent directors and management;

e. preparing and approving all agendas for meetings of the Board and other information provided to the Board;

f. preparing and approving all schedules for meetings of the Board to ensure that there is sufficient time for discussion of all agenda items;

g. ensuring that he or she is available for consultation and direct communication with major shareholders upon request; and

h. discharging such other duties, responsibilities and authorities that the independent directors may designate from time to time.

*13. Resignation Policy*. In an uncontested election (as defined below), any director nominee who receives a greater number of votes “withheld” from his or her election than votes “for” his or her election (without counting abstentions or broker non-votes as either “withheld” or “for” votes) will promptly submit a written offer of resignation to the Corporate Governance and Nominating Committee. For purposes of this Section B.13, “uncontested election” means an election in which the number of director nominees does not exceed the number of directors to be elected at the meeting.

The Corporate Governance and Nominating Committee will review and evaluate the offer of resignation and recommend to the Board that it be accepted or rejected. Within 90 days following certification of the applicable election results, the Board will make and disclose publicly its decision to accept or reject the offer of resignation, and, if applicable, its reasons for rejecting the offer of resignation. The Corporate Governance and Nominating Committee and the Board will consider any and all facts and circumstances that they deem appropriate in making such recommendation or decision, including (a) the best interests of the Company and its shareholders, (b) any stated reasons why votes were withheld from the director, (c) whether and to what extent the underlying cause of the withheld votes can be cured, (d) the length of service and qualifications of the director, (e) the director’s past and expected future contributions to the Company, (f) the overall composition of the Board and (g) any potential adverse consequences of accepting the offer of resignation (*e.g.*, breach of contractual provisions or failure to comply with applicable laws, rules, regulations, standards and the like, including those of the New York Stock Exchange, the U.S. Securities and Exchange Commission and the State of Ohio). If a majority of the members of the Corporate Governance and Nominating Committee are required to offer their resignations under this Section B.13 following the same election, the Board will make its decision to accept or reject each offer of resignation without Committee recommendation.

Any director who submits an offer of resignation pursuant to this Section B.13 will remain active and engaged in the activities of the Board and the Committees on which he or she serves while the offer of resignation is under consideration; provided, however, that the director may not participate in any discussions, recommendations or decisions of the Corporate Governance and Nominating Committee or the Board in respect of the offer of resignation.

## C. Board Meetings.

*1. Frequency*. Regular meetings of the Board are scheduled in advance and typically held four times per year. Special meetings of the Board are also held from time to time as management may request or as the Board may determine to be necessary or appropriate.

*2. Agendas and Meeting Materials.* The Chair of the Corporate Governance and Nominating Committee (*i.e.*, the Lead Director), in consultation with the Chairman of the Board, will establish the agenda for each Board meeting. Directors are encouraged to propose agenda items and are free to raise at any Board meeting matters that are not on the agenda. For each Board meeting, the agenda and other meeting materials will be provided to the directors within a reasonable time prior to the meeting and the directors should review such agenda and materials in advance of the meeting. At least annually, the agenda should reserve time to review and discuss the Company's annual operating plan for the ensuing fiscal year.

*3. Meetings of Independent Directors*. The independent directors will meet in private sessions without management at each regular meeting of the Board, and more frequently as the Board may determine to be necessary or appropriate. The Chair of the Corporate Governance and Nominating Committee (*i.e.*, the Lead Director) will chair such sessions.

*4. Board Presentations and Access to Employees and Advisors*. Directors have full and free access to executive officers and other employees of the Company and, as necessary or appropriate, the Company's independent advisers (including its legal counsel and independent auditor). Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or the Secretary. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent appropriate, copy the CEO or the Secretary on any written communications between a director and an executive officer or other employee or an independent adviser of the Company.

*5. Board Interaction with Investors, Media and Others.* The Board believes that communication and engagement with the Company's shareholders and other interested parties is an essential component of the Company's corporate governance practices, and that the CEO and members of management designated by the CEO speak for the Company. Directors may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that directors would do so with the prior knowledge of the CEO and, in most instances, at the request of the CEO.

*6. Confidentiality.* The discussions, deliberations and proceedings of the Board and the Board committees are confidential. Directors are expected to maintain strict confidentiality of all information received in connection with his or her service as a director.

## D. Board Committees.

*1. Standing Committees*.

The Board will have at all times an Audit Committee, a Corporate Governance and Nominating Committee, and a Human Resources and Compensation Committee (the "Standing Committees"). All of the members of the Standing Committees will be "independent" under the rules of the New York Stock Exchange, the Securities Exchange Act of 1934 and the Company's Independence Standards for Directors.

Each Standing Committee will have its own written charter approved by the Board, setting forth its purposes, composition, and duties and responsibilities and such other matters deemed necessary or appropriate (including a requirement that it annually evaluates its performance). Such charters will be posted on the Company's website and copies thereof will be made available upon written request to the Company's Secretary.

The Corporate Governance and Nominating Committee, at least annually in accordance with charter, will identify and recommend the Chairs and members of the Standing Committees to the Board. Based on those recommendations, (a) the independent members of the Board will elect the Chair and members of the Corporate Governance and Nominating Committee and (b) the entire Board will elect the Chairs and members of the Audit Committee and the Human Resources and Compensation Committee.

The independent members of the Board will elect the Chair of the Corporate Governance and Nominating Committee (*i.e.*, the Lead Director), and the Board will elect the Chair of each of the Audit Committee and the Human Resources and Compensation Committee, in each case for a five year term. Notwithstanding the foregoing, the Corporate Governance and Nominating Committee will have the discretion to require earlier rotation or extend the terms of such Chairs if it deems such action to be necessary or appropriate.

*2. Other Committees*. The Board may, from time to time, establish or maintain additional committees as it deems necessary or appropriate.

*3. Delegation and Authority*. All Board committees will receive delegation and authority in accordance with the Company's Code of Regulations (as amended) through charters and/or resolutions adopted by the Board (or, if applicable, another Board committee) and as otherwise provided in these Guidelines. All Board committee actions must be ratified by the Board before becoming effective, unless taken pursuant to an express delegation of authority. In addition to such authority, each Board committee has the power to retain independent legal, financial or other advisers as it deems necessary or appropriate without consulting or obtaining the approval of the Board or management.

*4. Committee Meetings and Agendas*. The Chair of each Board committee, in consultation with the other committee members, will determine the scope, frequency and length of the committee's meetings and establish agendas for such meetings, consistent with the delegations and requirements set forth in the applicable charter and/or resolutions.

## E. Director Compensation and Performance.

*1. Compensation Policy and Review*. It is the policy of the Board to provide independent directors with a mix of compensation, including an annual cash retainer, meeting attendance fees under certain circumstances, and annual equity grants based on continued service on the Board and Company performance. Separate compensation may be provided to members of Board committees and additional compensation may be provided to the chairs of Board committees, to the Chairman of the Board (if a non-employee director), and to the Lead Director. Employee directors do not receive any additional compensation for their service as directors. Board compensation will be annually reviewed by the Human Resources and Compensation Committee. To assist in its reviews and approvals, the Human Resources and Compensation Committee will periodically evaluate Board compensation in relation to other comparable companies and other factors the Human Resources and Compensation Committee deems appropriate. The Human Resources and Compensation Committee will report to the Board on any such reviews and approvals. Directors are subject to the Company's minimum stock ownership guidelines for executive officers and directors.

*2. Annual Performance Reviews*. The Corporate Governance and Nominating Committee will establish procedures for evaluating the performance, composition, structure and functioning of the Board and its committees (taking into account these Guidelines and the applicable committee charters) and ensure such evaluations are completed at least annually. In addition to such assessments, the Lead Director and the Chairman of the Board will discuss and evaluate the performance of individual directors at least annually.

## F. Executive Officer Selection, Evaluation and Succession.

*1. CEO Selection*. The Board will select a CEO in a manner that is in the best interests of the Company.

*2. Annual CEO Performance Evaluation*. The Board will evaluate the performance of the CEO at least annually, in light of the corporate goals and objectives for the CEO reviewed and endorsed by the Human Resources and Compensation Committee and the Board at the beginning of the applicable fiscal year (and any other factors the Board deems appropriate). The Human Resources and Compensation Committee, as set forth in its charter, will separately review the performance of the CEO for purposes of determining and approving the CEO's compensation.

*3. Executive Officer Succession Planning*. The Human Resources and Compensation Committee will, at least annually, make a report to the Board on succession planning for executive officers. The Company's executive officer succession plan will include appropriate contingencies in case the CEO retires, resigns or is incapacitated. The Board will work with the Human Resources and Compensation Committee to evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

Effective: July 1, 2018