



ANNUAL MEETING OF STOCKHOLDERS

MAY 7, 2021

RULES OF CONDUCT AND PROCEDURES

Welcome to the Annual Meeting of Stockholders (the “Annual Meeting”) of Illinois Tool Works Inc. (the “Company” or “we”). It is our desire to conduct an orderly and constructive Annual Meeting. We ask you to kindly observe the following Rules of Conduct and Procedures.

1. The Chair of the meeting has the authority to preside over and make determinations with respect to the conduct of the meeting. Any action taken by the Chair with respect to the Annual Meeting will be final and binding on all persons.
2. The only business to be conducted at the meeting consists of the four proposals set forth in the Notice of Annual Meeting of Stockholders and in the Proxy Statement. Proposals will be taken up in the sequence indicated in the Proxy Statement.
3. Only stockholders who held stock as of the close of business on the record date of March 8, 2021 will be able to examine our list of stockholders, vote and submit comments or questions during the virtual Annual Meeting. To do so, please log in as a stockholder by entering the 16-digit control number you received with your proxy materials. If you sent in your proxy form or voted by telephone or the internet prior to the Annual Meeting and do not wish to change your vote, your vote has been cast and you do not need to take any further action to vote your shares.
4. We will strictly follow the agenda as we conduct the meeting. In the event of a technical malfunction or other significant disruption of the Annual Meeting, the Chair may adjourn, recess or expedite the Annual Meeting, or take such other action as he, in his discretion, determines appropriate based on the circumstances.
5. If a stockholder has a comment about one of the proposals to be voted on by the stockholders at the Annual Meeting, such comment may be submitted in the field provided in the web portal during the Annual Meeting. We will address comments on any of the proposals to be voted on by the stockholders before the voting is closed.
6. Following adjournment of the formal business portion of the Annual Meeting, the Company will address appropriate general questions from stockholders regarding the Company. Such questions may be submitted during the Annual Meeting in the field provided in the web portal.

7. To allow us to answer questions from as many stockholders as possible, we will limit each stockholder to one question and one follow-up question. It will help the process run smoothly if questions are succinct and cover only one topic per question. Questions from multiple stockholders on the same topic or that are otherwise related may be grouped, summarized and answered together. If there are pertinent questions that cannot be answered during the Annual Meeting due to time constraints, we will post answers to a representative set of such questions on our website as soon as practicable after the Annual Meeting.

8. Conducting the formal business of the Annual Meeting for the benefit of all stockholders will be paramount. The Company does not intend to address any comments or questions that are, among other things:

- irrelevant to the business of the Company or to the business of the Annual Meeting;
- related to general economic, political or other views that are not directly related to the business of the Annual Meeting;
- related to material non-public information of the Company;
- related to personal grievances;
- derogatory references to individuals or that are otherwise in bad taste;
- repetitious statements already made by another stockholder;
- in furtherance of the stockholder's personal or business interests; or
- out of order or not otherwise suitable for the conduct of the Annual Meeting as determined by the Chair or Secretary in their reasonable judgment.

9. If there are any matters of individual concern to a stockholder and not of general concern to all stockholders, such matters may be raised separately after the Annual Meeting by contacting Investor Relations at InvestorRelations@itw.com.

10. Recording of the Annual Meeting is prohibited. The final voting results will be provided in a Form 8-K filed with the Securities and Exchange Commission within four business days of the Annual Meeting, and a webcast playback will be available for 60 days on our website at <https://investor.itw.com> within 24 hours after the completion of the meeting.

Forward-Looking Statements. We may make forward-looking statements during the Annual Meeting, which are subject to various risks and uncertainties. Please see the Company's filings with the Securities and Exchange Commission, particularly the Company's Annual Report on Form 10-K for the year ended December 31, 2020 for more information on the risks that could cause our actual results to differ from these forward-looking statements.

Thank you for your cooperation and for joining the Annual Meeting.