

Kimball[®] International

BUSINESS PARTNER CODE OF CONDUCT



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INTRODUCTION

Kimball International and its brands (“the Company”) strive to maintain a culture of integrity, treating others with respect and fairness, and following applicable laws and regulations. Our Business Partner Code of Conduct (“Code of Conduct”) is a guide to conducting business with the highest integrity and ethical standards. The values and expectations conveyed in the Code of Conduct reflect the Company culture, guide day-to-day actions and represent what we expect in all business partners, including suppliers, vendors, dealers, subcontractors and other partners (referred to collectively as “business partner” throughout).

AUDIENCE

We require each business partner providing us with products and/or services to comply with this Code of Conduct. Failure to comply is grounds for termination for cause of any agreement in effect with the business partner, without liability on the Company.

ETHICS & COMPLIANCE

The Company has always been focused on high ethical and moral standards and practices as evidenced by our Guiding Principles, Business Ethics Policy, our many compliance-related policies and processes, and the efforts we make to be a responsible corporate citizen, along with our strong and long-lasting relationships with employees, customers, and our business partners. Our expectation of all business partners is to act with integrity, fairness, honesty, and respect in all business dealings with the Company.

DIVERSITY

The Company strives to promote an environment where each employee is valued, respected, and treated with dignity and we expect the same from our business partners. We believe a wide array of perspectives resulting from a diverse culture will promote innovation and build success and we seek out business partners who support this belief.

RESPECTFUL WORKPLACE

The Company believes that all employees, including those of our business partners, deserve to work in an environment that strives to be respectful, values diversity, is safe and promotes effective teamwork. Good judgment, responsible conduct, and respect of others are basic expectations of all employees and business partners. In addition, business partners should be courteous and respectful in the course and scope of doing business with the Company.

HUMAN RIGHTS & LABOR RIGHTS

The Company complies with all applicable U.S. federal, state, local, and non-U.S. country-specific national and international laws regarding labor relations and expects the same from its business partners.

The Company is proud of its long-standing record regarding ethical employment practices,

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encompassing more than the legal stipulations of human and labor rights, including our total approach to employee relations which upholds human dignity in its workforce. We seek partners who embrace the same principles.

The Company operations are covered by the Company's policies, made public via the Employee Handbook and/or postings throughout our facilities. We adhere to freedom of association and equality in employment and expect the same from our business partners. We do not support or permit forced labor, child labor or other illegal or inappropriate labor practices including but not limited to discrimination in work conditions or pay. As a federal contractor, the Company has formally documented our moral obligation to forbid human trafficking and forced labor in its Employee Handbook and we will not work with business partners with these practices. Our business partners must comply with all required flow-down clauses related to the Company's federal contractor status.

HUMAN TRAFFICKING & FORCED LABOR-FREE WORKPLACE

The Company is committed to a work environment that is free from human trafficking.

The Company, its employees, contractors, subcontractors, vendors, suppliers, and other business partners through whom the Company conducts business must not engage in any practice that constitutes trafficking in persons or forced labor. This includes, but is not limited to, the following activities:

- Engaging in any form of trafficking in persons;
- Procuring commercial sex acts;
- Using forced labor in the performance of any work;
- Destroying, concealing, confiscating, or otherwise denying access by an individual to the individual's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;
- Using misleading or fraudulent practices during the recruitment of candidates or offering of employment/contract positions; such as failing to disclose, in a format and language accessible to the potential candidate, basic information or making material misrepresentations during the recruitment of candidates regarding the key terms and conditions, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if provided by The Company), any significant cost to be charged to the candidate, and, if applicable, the hazardous nature of the work;
- Using recruiters that do not comply with local labor laws of the country in which the recruiting takes place;
- Charging applicants/candidates recruitment fees;
- If required by law or contract, failing to provide return transportation or failing to pay for the cost of return transportation upon the end of employment;

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- If required by law or contract, failing to provide or arrange housing that meets the host country housing and safety standards; or
- If required by law or contract, failing to provide an employment contract, recruitment agreement, or other required work document in writing.

Business partners shall not use forced labor or child labor. We allow our employees to keep their identification documents and we treat each employee must with respect and dignity in an environment free of physical, sexual, psychological, or verbal harassment or abuse. We expect no less from our business partners.

FAIR WAGES & WORKING HOURS

The Company is committed to complying fully with all applicable laws and regulations dealing with wage-and-hour issues including off-the-clock work, meal and rest breaks, overtime pay, separation pay, minimum-wage requirements, wages and hours of minors and other subjects related to wage and hour practices. We expect the same from our business partners.

Business partners shall pay employees at least the minimum wage required by local law or the prevailing industry wage if no minimum wage law applies and shall provide legally mandated benefits.

Business partners shall ensure that the number of hours worked by employees will not exceed the maximum amount as established by local laws.

SAFETY, HEALTH, & SECURITY

The Company provides safe and secure workplace environments for our people and strives for an injury free culture at every location. We truly believe that all workplace injuries can be prevented. The Company's safety philosophy emphasizes that safety is a value, and unlike priorities, values never change. We strive for business partners with a similar philosophy.

Business partners shall provide a safe and healthy environment to prevent accidents and injuries from occurring and comply with applicable laws and regulations. At a minimum, employees of business partners shall have reasonable access to potable water and sanitary facilities, fire safety, and adequate lighting and ventilation.

If applicable, business partners shall provide workers with access to acceptable housing conditions and access to potable water and other necessities.

FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

Business partners shall recognize and respect the right of employees to freedom of association and collective bargaining. Management is encouraged to engage in direct communication with employees.

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BRIBERY & CORRUPTION

Business partners must maintain high standards of moral and ethical conduct which includes the prohibition of the payment of bribes or kickbacks or allowing such payments to be made on their behalf, any form of corrupt practice (extortion, fraud, impersonation or, false declarations), and conflicts of interest.

Business partners must adhere to the following regarding gifts and hospitality to help alleviate any perception of impropriety:

- Meals, gifts, or entertainment (“Gifts”) of a nominal value may be given or received in an appropriate exchange of business courtesies as long as they are given in compliance with laws and follow reasonable local practices. Sound judgment is required recognizing the potential for the appearance of impropriety. Any Gift which could or does create a feeling of obligation to conduct business should not be given or accepted. As used here, “nominal value” includes reasonable, incidental, and non-cash Gifts that relate to or arise out of business activities.
- The Company complies with the Foreign Corrupt Practices Act (FCPA) and applicable similar laws and regulations. No cash payments may be made to any government official or other third-party except in compliance with the law and as needed for approved expenses documented in accordance with Company requirements. Employees and business partners also shall not accept cash from a third-party including any form of cash payment (such as gift cards, cash-value cards, lucky money, red envelope payments, bank transfers, loans, rebates and similar forms of payment). A gift card of nominal value for a specific product or service may be acceptable but shall be reported to the employee’s manager and business partner’s Company contact. The offer or receipt of a cash or cash-like payment of greater than nominal value shall not be accepted and shall be reported promptly to the business partner’s Company contact.

MONITORING & COMPLIANCE

To ensure compliance with this Code of Conduct, the Company shall have the right to monitor business partner facilities through audits and visits by Company representatives. We seek relationships with business partners that are committed to adhering to this Code of Conduct, including fair and safe labor conditions and sound environmental practices. If we determine that a business partner facility does not comply, we typically work with that vendor to develop and implement an appropriate corrective action plan. However, depending on the circumstances, the Company may elect to end the relationship for failing to adhere to this policy. This Code of Conduct must be posted by the business partner in a place visible to all employees in their native language.

DATA PROTECTION AND INFORMATION SECURITY

Business partners shall take and implement all appropriate technical and organizational security and confidentiality measures and regularly update them to ensure a level of security appropriate to the risk to the Company’s data. Business partners shall protect the Company data against any actual or threatened unauthorized use, modification, loss, compromise, destruction, or disclosure of, or access to the Company’s data (“Security Incident”). Business partners shall implement and maintain policies and procedures to detect and respond to Security Incidents. Such measures shall require Business

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partners to have regard to industry standards and costs of implementation as well as taking into account the nature, scope, context, and purposes of the processing as well as the risk of varying likelihood and severity for the rights and freedoms of individuals.

Partner acknowledges that the Company is relying upon Business Partners' skill and knowledge in order to assess what is "appropriate" to protect the Company's data against unauthorized or unlawful processing and against including, but not limited to, accidental loss, destruction, damage, alteration, or disclosure. Business partners shall undertake regular reviews of the technical and organizational measures and the data processing operations connected with its operations to ensure compliance with all applicable data protection laws and to consider improving the technical and organizational measures such that they meet or exceed industry best practices. Business partners shall comply with all applicable laws regarding data privacy and security.

Business partners shall protect all Company data that is likely to be transferred via the internet by encryption measures reasonably designed to ensure confidentiality. In the event Business partner stores any Company data on any mobile device (including, but not limited to, laptop computers, compact discs, tablet computers, external hard drives, backup tapes and/or removable diskettes), such Company data shall be stored in an encrypted form.

Business partners shall adopt and maintain a comprehensive written information security policy that describes its policies and procedures to comply with this Code of Conduct and shall provide a copy of such policy to Kimball International, Inc. upon request.

REPORTING

Business Partners are expected to adhere to this Code of Conduct, as updated from time to time by the Company, and report any violations.

If you have any questions or wish to report a violation of this policy, you may notify your contact at the Company, the Company's General Counsel and responsible compliance officer at **812.482.8409**, or the supplier chain representative. In addition, an anonymous and confidential third-party "hotline" reporting system is established with a company called Ethics Point. You may access Ethics Point (24 hours and 7 days/week) to make a report by:

The Internet

Go to www.ethicspoint.com and enter "Kimball International" in the Organization Name search box.

Telephone

U.S. toll-free **1-866-384-4277**

Telephone

International phone numbers are listed on the Kimball International Ethics Point site.

All reports will be promptly investigated and there will be no retaliation for making a report or cooperating with an investigation.

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BUSINESS PARTNER ATTESTATION

Business Partner identified below authorizes the procurement of an investigative background search in accordance with anti-terrorism legislation including, without limitation, the USA Patriot Act and Section 1 of U.S. Executive Order 13224 issued September 23, 2001. Business Partner identified below also certifies that neither it nor any of its funding sources, is or has ever been a terrorist or suspected terrorist, or a person or entity described in the aforementioned legislation. The Company adheres to the sanctions as outlined in the Office of Foreign Asset Controls (OFAC). Business partner identified below understand that the Company will not do business with any entity or individual that has ever been a suspected terrorist or associated in any way with terrorist activities.

Business Partner identified below also agrees to provide accurate and complete information to the Company to enable it to comply with all of its importation requirements. By way of signature below, Business Partner agree to have read, understand and agrees to the terms and conditions set forth in this Code of Conduct and to promptly report any confirmed or suspected violations of these principles to the Company as specified herein. Business Partner identified below further certifies that, if it supplies materials to the Company, any materials incorporated into the products supplied to the Company comply with all applicable laws regarding slavery and human trafficking of the country or countries in which it is doing business.

Business Partner identified below agrees to comply with this Code of Conduct as is outlined above and as updated from time to time by Company. The current version of this Code of Conduct can always be found on the Company website.

Business Partner

[Print Full Legal Name of Company]

Signature:

Printed Name:

Title:

Date:
