

# Code of Business Conduct

## INTRODUCTION:

This Code of Business Conduct covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees and officers of the Company (“the Company” includes Pulse Electronics Corporation and all its subsidiaries). All of our employees, officers and directors must conduct themselves accordingly. Situations may arise that give the appearance of improper conduct. These should be avoided at all times. It is important that you act with great care to avoid even the appearance that your actions were not in the best interest of the Company. The code should also be provided to and followed by the Company’s agents and representatives. In addition, corporate policies apply to various Company operations and you need to know and follow those policies that apply to your work.

If a law conflicts with a policy in this code, you must comply with the law. Alternatively, if a local custom or policy conflicts with this code, you must comply with the code. If you have any questions about these conflicts, you should ask your supervisor, local Human Resources representative or the Corporate Ethics Officer on how to handle the situation. Employees and officers are responsible for understanding the legal and policy requirements that apply to their jobs and reporting any suspected violations of law, this code, or any other corporate policy.

Those who violate the standards in this code will be subject to disciplinary action, up to and including termination. Furthermore, violations of this code may also be violations of the law and may result in civil or criminal penalties for you, your supervisors and/or the Company. If you are in a situation which you believe may violate or lead to a violation of this code, follow the procedures set out in Section 19 of this code.

The basic principles discussed in this code are subject to any corporate policies covering the same issues.

For purposes of Section 406 of the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder, all Articles, excluding 7, 8 and 9 of this Code, shall be the Company’s code of ethics for Senior Financial Officers.

## 1. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Obeying the law is the foundation for the Company’s ethical standards. All employees, officers and directors must respect and obey the laws, rules, and regulations of the cities, states, provinces and countries in which the Company operates. Although employees and officers are not expected to know the details of each of these laws, rules and regulations, it is important to know enough to determine when to seek advice from supervisors, managers, human resources, the Corporate Ethics Officer or other appropriate personnel.

## 2. CONFLICTS OF INTEREST

A “conflict of interest” exists when a person’s private interest interferes in any way, or even appears to interfere, with the interests of the Company. A conflict situation can arise when an employee or officer takes actions or has interests that may make it difficult to perform his or her Company work objectively, effectively and in the very best interests of the Company. Conflicts of interest may also arise when an employee or officer (or a member of his or her family) receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations to, employees and officers and their family members by the Company may create conflicts of interest and in certain instances are prohibited by law.

It is a conflict of interest for a Company employee or officer to work for a competitor, customer or supplier. You should avoid any direct or indirect business connection with our customers, suppliers or competitors; except as

required on the Company's behalf.

Conflicts of interest are prohibited as a matter of Company policy, except as approved by the board of directors. Conflicts of interest may not always be obvious, so if you have a question, you should consult with your supervisor or follow the procedures set out in Section 19. Any employee or officer who becomes aware of a conflict or potential conflict must bring it to the attention of a supervisor, manager, or other appropriate personnel or consult the procedures provided in Section 19 of this code.

### 3. INSIDER TRADING

All non-public information about the Company should be considered confidential information. Employees and officers who have access to material confidential information about the Company or any other entity are not permitted to use or share that information for trading purposes in Pulse Electronics Corporation, the other entity's securities, or for any other purpose except for the conduct of the Company's business. To use non-public information for personal financial benefit or to inform others who might make an investment decision on the basis of this information is not only unethical, but also illegal. If you have any questions, please consult the Ethics Officer or the Corporate Secretary.

### 4. CORPORATE OPPORTUNITIES

Employees and officers are prohibited from taking opportunities that are discovered through the use of corporate property, information or position, for themselves without the consent of the board of directors. No employee or officer may use corporate property, information or their position for personal gain and no employee or officer may compete with the Company directly or indirectly. Employees and officers owe a duty to the Company to advance the Company's interests when the opportunity to do so arises.

### 5. COMPETITION AND FAIR DEALING

Employees should seek to outperform our competition fairly and honestly and seek competitive advantages through superior performance never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each employee and officer should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No employee or officer should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other illegal trade practice.

No employee or officer is permitted to engage in price fixing, bid rigging, allocation of markets or customers, or similar illegal activities.

To maintain the Company's valuable reputation, compliance with our quality processes and safety requirements is essential. All inspection and testing documents must be handled in accordance with all applicable specifications and requirements. Any pricing discussions with competitors are strictly forbidden.

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered, given, provided or accepted by any Company employee or officer, family member of an employee or officer, or agent unless it: (1) is not a cash gift or gift card, (2) is consistent with customary business practices, (3) is reasonable in value, (4) cannot be construed as a bribe or payoff and (5) does not violate any laws, regulations or applicable policies of the other party's organization. Please refer to the Company's Foreign Corrupt Practices Act "FCPA" policies for further guidance on gifts. Please discuss with your supervisor any gifts or proposed gifts that you are not certain are appropriate.

### 6. POLITICAL CONTRIBUTIONS

Except as approved in advance by the Board of Directors, the Company prohibits political contributions (directly or through trade associations) by the Company or its business units. This includes: (a) any contributions of Company funds or other assets for political purposes; (b) encouraging individual employees to make any such contribution;

or © reimbursing an employee for any contribution. Situations may arise that give the appearance of improper conduct. These should be avoided at all times. It is important that you act with great care to avoid even the appearance that your actions were not in the best interest of the Company.

Individual employees are free to make personal political contributions as they see fit.

## 7. DISCRIMINATION AND HARASSMENT

The diversity of the Company's employees is a tremendous asset. The Company is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment based on race, color, religion, sex, sexual orientation, or national origin.

## 8. HEALTH AND SAFETY

The Company strives to provide each employee and officer with a safe and healthy work environment. Each employee and officer has the responsibility for maintaining a safe and healthy workplace for all employees and officers by following environmental, safety, and health rules and practices and by reporting accidents, injuries and unsafe equipment, practices or conditions. Violence and threatening behavior are not permitted.

Employees and officers are expected to perform their Company related work in a safe manner, free of the influences of alcohol, illegal drugs or controlled substances. The use of illegal drugs in the workplace will not be tolerated.

## 9. ENVIRONMENTAL

The Company expects its employees and officers to meet or exceed all applicable environmental requirements, laws and regulations. If you are uncertain about your responsibility or obligation, you should check with your supervisor or the Corporate Ethics Officer for guidance.

## 10. RECORD-KEEPING, FINANCIAL CONTROLS AND DISCLOSURES

The Company requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions. Situations may arise that give the appearance of improper financial transactions and accounting. These should be avoided at all times. It is important that you act with great care to avoid even the appearance that your actions were not in the best interest of the Company.

All business expense accounts must be documented and recorded accurately in a timely manner. If you are not sure whether a certain expense is legitimate, ask your local controller for guidance.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail; must appropriately reflect the Company's transactions; must be promptly disclosed in accordance with any applicable laws or regulations; and must conform both to applicable legal requirements and to the Company's system of internal controls.

Business records and communications often become public and employees should avoid exaggeration, derogatory remarks or inappropriate characterizations of people and companies that may be misunderstood. This applies equally to e-mail, internal memos and formal reports. Records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, in the event of litigation or governmental investigation, please consult the Corporate Ethics Officer.

## 11. CONFIDENTIALITY

Employees and officers must maintain the confidentiality of proprietary information entrusted to them by the Company or its customers or suppliers, including by fully complying with the Company Confidentiality Policy and applicable confidentiality provisions of employee Confidentiality and Invention Assignment Agreements, except

when disclosure is authorized in writing by the chief executive officer or required by laws or regulations. Proprietary information includes all non-public information that might be of use to competitors or harmful to the Company or its customers or suppliers if disclosed. It includes information that suppliers and customers have entrusted to us. The obligation to preserve proprietary information continues even after employment ends.

## 12. PROTECTION AND PROPER USE OF COMPANY ASSETS

All employees and officers should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets are to be used for legitimate Company purposes. Any suspected incident of fraud or theft should be immediately reported for investigation. Company assets should not be used for non-Company business.

The obligation of employees and officers to protect the Company's assets includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information, and any unpublished financial data and reports. Unauthorized use or distribution of this information is a violation of Company policy. It could also be illegal and result in civil or criminal penalties.

## 13. PAYMENTS TO GOVERNMENT PERSONNEL

The U.S. Foreign Corrupt Practices Act (FCPA) prohibits giving anything of value (directly or indirectly) to officials of foreign governments or foreign political candidates in order to obtain or retain business or favorable treatment of any kind. While the FCPA does, in certain limited circumstances, allow nominal "facilitating payments" to be made, any such payment must be discussed with local management and the Corporate Ethics Officer before any such payment can be made.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities, which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but will also represent a civil or criminal offense. State and local governments, as well as foreign governments, often have similar rules.

## 14. TRADE ISSUES

From time to time, the United States, foreign governments, and the United Nations have imposed boycotts and trading sanctions against various governments and regions, which must be obeyed. Advice regarding the current status of these matters must be obtained from the chief financial officer.

## 15. WAIVERS OF THE CODE OF BUSINESS CONDUCT AND ETHICS

Any waiver of this code for executive officers or directors may be made only by the Governance Committee of the Board of Directors and will be promptly disclosed as required by law or regulation. In case a waiver of this Code is granted to a director or executive officer, a notice of such waiver briefly describing the nature of the waiver, the name of the person to whom the waiver was granted and the date of the waiver, shall be posted on the Company's website within four days of the waiver or shall otherwise be disclosed as required by applicable Legal Requirements or New York Stock Exchange Rules. Notices shall remain posted for at least 12 months and shall be retained in the Company's files as required by law.

For the purposes of this Code, the term "waiver" shall include an "implicit waiver," which shall mean the Company's failure to take action within a reasonable period of time regarding a material departure from a provision of this Code that has been made known to an executive officer of the Company.

## 16. REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR

Employees are required to talk to supervisors, managers or other appropriate personnel about observed behavior that they believe may be illegal or a violation of this Code of Business Conduct or Company policy or when in doubt about the best course of action in a particular situation. It is the policy of the Company not to allow retaliation for reports made in good faith by employees of misconduct by others. Employees are expected to cooperate in internal investigations of misconduct.

## 17. IMPROPER INFLUENCE ON CONDUCT OF AUDITORS

It is prohibited to directly or indirectly take any action to coerce, manipulate, withhold information, mislead or fraudulently influence the Company's independent auditors for the purpose of rendering the financial statements of the Company materially misleading. Prohibited actions include, but are not limited to, those actions taken to coerce, manipulate, mislead or fraudulently influence an auditor: (1) to issue or reissue a report on the Company's financial statements that is not warranted in the circumstances (due to material violations of generally accepted accounting principles, generally accepted auditing standards, or other professional or regulatory standards); (2) not to perform an audit, review or other procedures required by generally accepted auditing standards or other professional standards; (3) not to withdraw an issued report; or (4) not to communicate matters to the Company's audit committee.

## 18. FINANCIAL REPORTING

As a public company, it is necessary that the Company's filings with the U.S. Securities and Exchange Commission be accurate and timely. The Company expects employees and officers to take this responsibility very seriously and provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements.

The Company's policy is to comply with all financial reporting and accounting regulations applicable to the Company. If any employee or officer has concerns or complaints regarding accounting or auditing matters of the Company, then he or she is required to submit those concerns by one of the methods described in Section 19.

## 19. COMPLIANCE PROCEDURES

All employees must work to ensure prompt and consistent action against violations of this code. However, in some situations it is difficult to know right from wrong. Since the Company cannot anticipate every situation that will arise, it is important that employees have a way to approach a new question or problem. These are the steps to keep in mind:

(a) Make sure you have all the facts. In order to reach the right solutions, employees must be as fully informed as possible.

(b) Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with and the alternatives you have available to you. Use your judgment and common sense; if something seems unethical or improper, it probably is.

© Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems. If you are uncomfortable discussing the problem with your supervisor, seek advice from the human resources manager or the Corporate Ethics Officer.

(d) Seek help from Company resources. There are cases where it may not be appropriate to discuss an issue with your supervisor or local management. Pulse Electronics Corporation has contracted a phone and internet-based reporting hotline system which is managed by Ethics Point ([www.ethicspoint.com](http://www.ethicspoint.com)). This program has been established in an effort to enhance communication and empower us to promote safety, security, and ethical behavior. The Ethics Point hotline provides an alternative channel for you to communicate your concerns confidentially and anonymously if you so choose.

To submit a potential allegation, question, or suggestion via phone using the Hotline please call the designated hotline toll free numbers for your region and an Ethics Point contact center specialist will facilitate the call

gathering all your required information.

If you do not feel comfortable bringing information forward over the phone, the Company has enabled a web intake method you can use by going to [www.pulseelectronics.ethicspoint.com](http://www.pulseelectronics.ethicspoint.com)

(e) You may report violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. The Company does not permit retaliation of any kind against employees or officers for good faith reports of suspected violations.

(f) Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.

(g) All employees and officers are subject to the Company's code, which describes procedures for the internal reporting of violations of the code. All employees and officers must comply with those reporting requirements and promote compliance with them by others. Failure to adhere to this code by any employee or officer will result in disciplinary action up to and including termination.

## 20. ANNUAL ACKNOWLEDGEMENT

To help ensure compliance with this Code of Business Conduct, the Company requires that all exempt salaried employees and officers review the Code of Business Conduct and acknowledge their understanding and adherence in writing on an annual basis through the Business Conduct Questionnaire process which is administered by the Internal Audit Department.