



U.S. SECTION OF KIMBALL ELECTRONICS' WORLDWIDE EMPLOYEE HANDBOOK



This U.S. Section of Kimball Electronics, Inc.'s ("Kimball") Handbook is effective January 9, 2024 and supersedes all previous U.S. Handbooks, policies, and practices.

We refer to this Section as the "handbook." It supplements the Kimball Electronics Code of Conduct and applies only to our employees and those of our subsidiaries who live or regularly work in the United States. In some areas, state or local laws and ordinances, or plant-specific policies, may govern your workplace as to issues that we may or may not have mentioned in this handbook. While we believe that this handbook complies with all such laws, ordinances, and policies, to the extent there is a conflict between the terms of this handbook and requirements imposed by any applicable law, ordinance, or policy, Kimball will fully comply with the law, ordinance, or policy.

While it is not meant to be an all-inclusive discussion of your employment with us, this handbook does provide you with important information about your benefits, responsibilities, and Company policies. As a starting point of employment with us, we request that you read this employee handbook. As an employee of Kimball, you are expected to abide by our policies. When you are hired, and periodically thereafter, you will be asked to sign an acknowledgment that indicate you have received this handbook, that you understand our employment policies and requirements, and that you agree to abide by them. If you have any question about our policies or about the material in this handbook, please contact Human Resources.

We reserve the right to make changes to the policies, procedures and other statements made in this employee handbook. Business conditions, federal and state law, and organizational needs may change and may require that portions of the handbook be revised at any time. We may make future amendments and will communicate them to you through one or more of the following:

- Written communication (including e-mail and postings)
- Posting to our online Employee Handbook site
- Staff meetings
- Payroll attachments
- Training courses

Thus, in no way should this handbook be considered as the only source of information regarding your employment. It is your duty to stay familiarized with our policies and practices, as well as specific provisions in insurance policies, benefits, and incentive plans.

Nothing in this handbook is intended to restrict rights under the National Labor Relations Act.

Finally, please note that this employee handbook is provided as a guide and is not to be considered a contract or an agreement. It is not a guarantee of employment with Kimball for any definite or specific period of time. Kimball reserves the right and the sole discretion to interpret, amend, change, alter, discontinue, and/or make an exception to any Code of Conduct, U.S. or local policy or procedure at any of its locations to the full extent allowed by applicable federal, state and/or local laws. No manager, supervisor or employee has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment other than at-will. Only the CEO of the company has authority to make any such agreement and then only in writing.

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EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION POLICY

Kimball Electronics and its business units are Equal Employment Opportunity employers. As a U.S. federal contractor, Kimball Electronics and its business units maintain Affirmative Action Programs for the promotion of Equal Employment Opportunity in all aspects of employment. We are strongly committed to creating and preserving equal opportunity for all employees and applicants. Kimball's policy is to:

1. Recruit, hire, train, and promote the most qualified persons without regard to race, color, religion, national origin, gender, sex, disability, genetic information, sexual orientation, gender identity, veteran status, or other legally protected characteristics or conduct.
2. Make all employment decisions, including recruitment, hiring, compensation, training, promotion, transfer, discipline, wage and salary administration, employee benefit termination and all other terms of employment or administration of policies by utilizing reasonable standards based on the individual's qualifications as they relate to a particular job vacancy, in accordance with equal employment opportunity requirements.
3. Administer all personnel actions relating to employment terms, conditions, and privileges in a nondiscriminatory manner.

This policy also applies to the selection and treatment of independent contractors, personnel working on our premises who are employed by temporary agencies and any other persons or firms doing business for or with us. Violations of this policy constitute a serious offense and employees who do so will receive the appropriate corrective action, up to and including termination of employment.

One of Human Resources' responsibilities is to implement and monitor adherence to this policy. Employees should feel free to contact Human Resources with any concerns. Kimball expects all our employees to cooperate and participate in achieving these objectives.

POLICY AGAINST HARASSMENT, SEXUAL HARASSMENT, DISCRIMINATION, WORKPLACE VIOLENCE, AND BULLYING

Kimball is committed to providing a workplace free from all forms of discrimination, including harassment and abuse. Our goal is to provide a workplace where each employee feels respected, valued, and comfortable. Kimball will not tolerate verbally, physically, or visually abusive conduct by anyone—including employees, vendors or clients of Kimball—that harasses another person or that could create a hostile working environment. We do not allow behavior or words that could be construed as harassing, degrading or offensive. Any employee who engages in prohibited discrimination or harassment will be subject to discipline, up to and including immediate termination of employment. This policy applies to conduct on Kimball's premises and in the course of its business, as well as off-premises conduct that affects any employee in the workplace or that creates a hostile working environment. If you have questions about what is or is not appropriate, please consult with human resources.

Harassment

For purposes of this policy, "harassment" means unwelcome conduct, whether verbal, physical or visual, that is based on or derisive of a person's race, color, ancestry, religion, sex, national origin, age, disability, military status, marital status, sexual orientation, genetic information, gender identity, parental status, ancestry, or other legally protected characteristics or conduct, where the unwelcome conduct affects tangible job benefits, unreasonably interferes with an individual's work performance, or creates a hostile working environment. All employees have a responsibility to keep the workplace free of any such harassment.

Sexual Harassment

This policy also specifically prohibits sexual harassment. "Sexual harassment" means unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact or other verbal or physical conduct or communication of a sexual nature where:

- Submission to that conduct or communication is made a term or condition of employment, either explicitly or implicitly; or
- Submission to or rejection of that conduct or communication by an individual is used as a factor in decisions affecting that individual's employment; or
- Such conduct or communication unreasonably interferes with an individual's job performance, or creates an intimidating, hostile, or offensive environment.

Depending upon the circumstances, sexual harassment may include:

- **Verbal conduct:** Sexual innuendos, suggestive comments, insults, humor and jokes about sex, anatomy or gender-specific traits, sexual propositions, threats, repeated requests for dates, or statements about other employees, even outside their presence, of a sexual nature.
- **Non-verbal conduct:** Suggestive or insulting sounds (whistling), leering, obscene gestures, sexually suggestive bodily gestures, "catcalls", "smacking", or "kissing" noises.
- **Visual conduct:** Posters, signs, pin-ups or slogans of a sexual nature.
- **Physical conduct:** Touching, unwelcome hugging or kissing, pinching, brushing the body, coerced sexual intercourse, or actual assault.

Every employee should be aware that all supervisors are absolutely prohibited from making any decision regarding job assignment or reassignment, performance evaluation, compensation, promotion or demotion, termination or commencement of employment, or any other decision involving any tangible employment action, based in whole or in any part on any person's exposure to, submission to, acquiescence in, or complaint about, sexual harassment or any other form of unlawful harassment or discrimination.

Additional Responsibilities of Supervisory Employees

Each supervisor is responsible for maintaining the workplace free from any type of harassment or discrimination. This is accomplished by promoting a professional environment and by taking prompt, appropriate action to investigate and address any instance of inappropriate conduct.

Specifically, a supervisor must address an observed incident of harassment or a complaint with seriousness, promptly notify Human Resources of the matter, and cooperate with Human Resources to investigate the matter and act to end any harassment or other inappropriate conduct, including disciplinary action or termination of employment where appropriate.

Supervisors are required to take appropriate action even where an employee states that they do not want to make a formal complaint. Supervisors should treat all issues relating to harassment as sensitive and confidential, and should share information regarding harassment complaints or investigations only when there is a legitimate business need to do so.

Supervisors in need of information regarding their obligations under this policy or procedures to follow upon receipt of a complaint of harassment should contact Human Resources.

Reporting Harassment, Sexual Harassment, or Discrimination

1. Any employee who becomes aware of discrimination or harassment in violation of the policies stated above must immediately report the matter to their immediate supervisor or, if the employee prefers, to another member of management or Human Resources.
2. Kimball will conduct a prompt and thorough investigation of all complaints of harassment or discrimination. The scope of the investigation will depend upon the specific circumstances, but may include interviews with the person making the complaint, the person against whom the complaint is made, any potential witnesses identified by either person, and any others whom Kimball believes may have relevant information. The investigation may also include a review of pertinent documents and other materials. The person making the complaint normally will be requested to put the complaint in writing.
3. Employees are expected to cooperate in this process if asked to do so, and to provide truthful information. Any employee who knowingly provides false information in connection with an investigation under this policy will be subject to discipline, up to and including termination of employment.
4. Kimball will make every effort to respect the privacy of those involved in an investigation under this procedure. However, please understand that we may need to disclose certain information to complete our investigation or otherwise address the matters raised in the complaint.
5. The results of the investigation will be discussed with those persons involved, and Kimball will determine whether any action is warranted in response. Individuals who are found to have violated this policy will be subject to appropriate disciplinary action up to and including termination, even for a first offense.
6. Kimball cannot honor requests not to investigate a reported violation of this policy.

Workplace Violence and Bullying

Violence or bullying by an employee or anyone else against an employee, supervisor or member of management will not be tolerated. Unfortunately, certain events in recent years have raised a concern on the part of businesses and employees alike regarding the potential for violence or bullying in the workplace. While there is no reason for us to be more concerned about this potential than other employers, Kimball will promptly respond to situations that are brought to our attention.

Kimball expects that all employees and visitors will be treated with dignity and respect. Bullying is the repeated use of a written, verbal or electronic expression or a physical act or gesture or any combination that is directed at a victim (or victims). Bullying may include

- Verbal bullying: Slandering, ridiculing or maligning a person or that person's family; persistent name calling that is hurtful, insulting or humiliating; using a person as butt of jokes; abusive and offensive remarks.
- Physical bullying: Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault, damage to a person's work area or property.
- Gesture bullying: Nonverbal threatening gestures; glances that can convey threatening messages.

It is important to distinguish between bullying behavior and appropriate workplace conduct. Reasonable supervisory actions carried out in an appropriate manner, such as coaching or providing constructive feedback; differences of opinion; interpersonal conflicts; and occasional problems in work relationships are inevitable parts of work life and do not necessarily constitute workplace bullying.

Bullying may be intentional or unintentional. The intention of the alleged bully is irrelevant. As with other forms of harassment, Kimball primarily considers the effect of the behavior on the targeted individual. Kimball will not tolerate violence or bullying by any employee or anyone else against an employee, supervisor, customer, or visitor. Employee who violate this policy will be disciplined, up to and including termination.

If you are subjected to violent or bullying conduct by a fellow employee or visitor to our premises, you are strongly encouraged to immediately report the incident to any supervisor or to Human Resources. It may not be possible

for us to help address incidents that are not promptly reported. If you receive or overhear any violence, bullying, or threats from an employee or third party, report it to your supervisor or to Human Resources immediately. If you encounter an individual who is threatening immediate harm to an employee or visitor to our premises, contact an emergency agency (such as 911) immediately. Do not engage in either physical or verbal confrontation with such a person.

No Retaliation

Kimball will not retaliate against any person for making a good faith complaint under these policies, regardless of the outcome of the investigation. Similarly, Kimball will not retaliate against any person (other than someone who is found to have violated this policy) for providing truthful information in connection with an investigation under these policies in any respect. Any employee of Kimball who retaliates against another employee for utilizing in good faith the procedures in this policy will be subject to discipline, up to and including termination, even for a first offense.

Employees and other persons can raise concerns and make reports without fear of reprisal, harassment, intimidation, threats, coercion, or discrimination because they:

1. file a complaint with Kimball or with federal, state, or local agencies;
2. assist or participate in any investigation, compliance review, hearing, or any other activity related to the administration of any federal, state, or local equal employment opportunity or affirmative action statute;
3. oppose any act or practice made unlawful by federal, state, or local law requiring equal employment opportunity or affirmative action; or
4. exercise any other employment right protected by federal, state, or local law or its implementing regulations.

Any employee who becomes aware of retaliation against anyone for exercising their rights under these policies must immediately report such conduct using the complaint procedure set forth above.

AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE

We are firmly committed to complying with the Americans with Disabilities Act (ADA), PWFA (Pregnant Workers' Fairness Act) and other federal and state legislation designed to ensure equal employment opportunities to persons with disabilities. Kimball prohibits discrimination based on disability (or handicap) in all employment practices or terms, conditions, and privileges of employment.

Consistent with this policy and in accordance with the ADA, upon request, Kimball will provide reasonable accommodations for the known physical or mental limitations of an otherwise qualified applicant or employee who is able to perform the essential functions of the job, unless the accommodation would cause an undue hardship on our business. Any applicant or employee who may require such accommodation should contact Human Resources.

YOUR EMPLOYMENT

At-Will Employment

Your employment with Kimball is "at will." This means that you are free to end your relationship with us at any time for any reason, and that we are likewise free to end the relationship with you at any time and for any lawful reason that we deem appropriate, unless otherwise specified in an enforceable, written agreement signed by an officer of Kimball.

Employee Self-Service Policy

Up-to-date, personal information is necessary for a number of reasons, including ensuring the administration of your employee benefits. It is your responsibility to maintain your personal data in our Employee Self-Service system within Workday. Personal data includes Name, Address, Home Telephone Number, Email Address, Education, Dependents, Information and Emergency Contacts.

The Employee Self-Service system is also used to enable you to utilize your healthcare benefits, make changes due to life events (such as marriage), and access pay statements. We provide several methods to access the Employee Self-Service system, both at work and from any Internet-connected device. You can access the Employee Self-Service (or ESS) system by signing in to Workday. Workday has a mobile app that is available for both iOS and Android devices.

Human Resources Records

Every employee has the right to examine the contents of their personnel file if they so desire by making an appointment with Human Resources to do so. A member of the Human Resources Department must be present at all times with you when you are examining your file. You may not remove any documentation contained within your file. You may request a copy of your personnel file or medical file or any document from Human Resources in accordance with applicable law.

Employment and Income Verification

Kimball protects the privacy of our employees. All requests for employment verification and references must be directed to your local HR representative. In accordance with our policy, only Human Resources is authorized to release any information responding to requests for employment verification or inquiries about our employees. Generally, the only information we will provide will be the dates of employment and current/last salary and position. We will not provide any other information concerning an employee or former employee to outside individuals or organizations unless the information is required by law or the employee consents in writing.

Anti-Human Trafficking and Slavery Statement

Kimball, in compliance with FAR 5222-50 Combating Trafficking in Persons, trains and encourages its employees to look for and immediately report any signs of Human Trafficking and Slavery. Kimball's Code of Conduct includes a commitment to a healthy work environment that extends beyond its own facilities. For additional information, see our UK Modern Slavery Act Transparency Statement on www.kimballelectronics.com.

Immigration Law Compliance

We are committed to compliance with the *Immigration Reform and Control Act of 1986* and other immigration laws. As a result, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form (I-9) and present documentation establishing the employee's identity and employment eligibility as required under the law. If you have questions or would like more information about immigration law compliance, you are encouraged to contact the Human Resources Department.

Reporting On-The-Job Injuries and Accidents

Kimball strives to provide all employees with a safe place to work. All employees are expected to work safely, follow safety policies and regulations, report unsafe conditions, and wear appropriate safety equipment.

Any on-the-job injury, accident or illness, no matter how minor it may appear, must be reported to the location Safety Manager or local HR immediately, so that appropriate accident reports can be completed and any safety hazard can be corrected. If you are injured at work, you may be eligible for worker's compensation benefits and

prompt reporting will enable you to qualify for any coverage as quickly as possible. Failure to timely report a work-related injury or illness can be grounds for disciplinary action, up to and including termination of employment.

CONFIDENTIALITY POLICY

By working for Kimball, you have access to our Confidential Information, which our competitors, our industry, and the public do not possess and which we developed over a long time and at great expense. Confidential Information means all information in any tangible or intangible form that relates directly or indirectly to Kimball, its business, or any other person or entity that has entrusted information to us in confidence. It also includes, without limitation, all trade secrets as defined under applicable federal and state laws that protect trade secret and confidential information. It does not include information about your own wages, benefits, or working conditions, though. By accepting this Agreement, you recognize that Kimball has a protectable interest in its Confidential Information and agree that if you ever disclose or use this Confidential Information, this would cause us irreparable harm. You agree you will not disclose or disseminate to any person or entity or appropriate for your own use any of Kimball's Confidential Information without our written consent. If you leave employment at Kimball for any reason, you must immediately return all of our property to us, including all Confidential Information, and must not retain copies or maintain access to it. Pursuant to 18 U.S.C § 1833(b)(1): "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." If you are found to have wrongfully misappropriated trade secrets, you may be liable for, among other things, exemplary damages and attorneys' fees.

It is not a violation of this policy to make a confidential disclosure of a trade secret to the government or in a court filing. These restrictions are intended solely to safeguard Kimball's protectable interests and legitimate business needs.

NON-SOLICITATION POLICY

Finding the proper balance between being a good corporate citizen, relative to seeking support for worthy charitable causes, and staying focused on serving our customers free from solicitation pressure is challenging.

Kimball recognizes its responsibility to ensure that working time is for work and to protect employees from any disruption from their workday. Accordingly, persons not employed by Kimball may not solicit or distribute literature in the workplace at any time for any purpose. Kimball recognizes that employees may have interests in events and organizations outside the workplace. However, employees may not solicit or distribute literature concerning these activities during working time and/or in working areas. Working time does not include rest or meal periods, or any other time when employees are not on duty. Working areas do not include break rooms or parking lots.

TECHNOLOGY ACCEPTABLE USE POLICY

Kimball allows its employees to use Kimball computers, personal digital devices (such as smartphones, tablets, and other data-enabled devices), and their own computers and personal digital devices to access our data network, cloud services, e-mail, the Internet, and telephone/voice mail/call log systems (collectively referred to as "Electronic Communications Systems") for the purpose of engaging in "electronic communications" or the storage or access of "stored communications" as those terms have been defined by federal statutes and case law (collectively referred to as "Electronic Communications"). Kimball's policy is to limit the use of its Electronic Communications Systems solely to appropriate business use during working time. We are not responsible for

material viewed or downloaded by employees from the Internet. Employees accessing the Internet do so at their own risk.

While occasional personal use of the Electronic Communications Systems is permitted if it does not interfere with timely work performance, the personal use must comply with all of our applicable policies (including, but not limited to our anti-harassment policies) and must occur outside of your working time. When you have finished with the personal use, you should consider removing any data created or stored on the Electronic Communications Systems. Personal use or storage will not receive priority over the operational or maintenance requirements of our Electronic Communications Systems.

You may not use our Electronic Communications Systems to engage in communications that are in violation of Kimball policy, for example: (1) transmitting or posting defamatory/libelous (maliciously false), obscene, profane/explicit, threatening, or harassing (as defined by our harassment/discrimination policy) messages, including by text message or voice mail; (2) copying, using, or transmitting software or other information protected by copyright, trade secret, patent, or other laws without an appropriate license, license exception such as a fair use, or authorization; (3) accessing another employee's e-mail or voice mail without authorization; (4) downloading obscene or explicit material from the Internet; (5) soliciting prohibited by our solicitation policy; and (6) because such actions may violate federal and state laws like the CAN-SPAM Act, sending spam, unsolicited commercial e-mail (UCE), or other "junk" e-mail. Because Electronic Communications are sometimes misdirected, forwarded, or accessed by persons other than the intended recipient, you are reminded that any business-related Electronic Communications should demonstrate the same level of care, judgment and responsibility as letters or internal memoranda written on Company letterhead. You should assume that your colleagues, our customers, and others may read anything you post online, even if you believe that you have posted it "privately." If you are uncertain, you should consider resolving all doubts in favor of not transferring the information and contacting the appropriate supervisor for guidance. Note that nothing in this policy, or in Kimball's other policies, that may apply to online conduct prohibits employees from engaging in non-business Electronic Communications with friends or co-workers, even if the communication is about Kimball or employees' terms and conditions of employment with us.

If you suspect or discover misuse of the Electronic Communications Systems, you should immediately contact your supervisor, the KESC, or Human Resources.

Social Media: Kimball views social media positively and respects the right of employees to use social media as a medium of self-expression. In general, what employees do on their own time is their affair. However, activities outside of work that may adversely affect your job performance, the performance of others, our customers, our business partners, or our interests are the proper focus of Kimball policy. For the most part, our employees have no need to use social media to perform their job duties. In certain cases, Kimball may decide that such use is in our interests and may authorize particular employees to use specific social media tools within guidelines that we establish. Business use of social media is prohibited absent such express authorization. This includes, for example, social media posts intended to promote Kimball, its products, or its services.

Company Property: User names, accounts, passwords, etc. that you use in the course of performing work for us and any communications or information contained in or transmitted via such an account are the sole property of Kimball to the full extent permitted by any applicable state law, or user or license agreements. This includes, without limitation, "followers," "contacts" or "friends" associated with any account used for Kimball business. Social media tools not provided by us should not be used for conducting Kimball business, including official business communications with fellow employees.

Speak in Your Own Voice. When Kimball wishes to communicate publicly, it has established means to do so. Only those officially designated by Kimball have the authorization to speak on our behalf, whether in social media or elsewhere. When communicating through social media, you must make clear that you are not speaking on behalf of Kimball unless you have been authorized to do so. You must consider whether any personal thoughts

you publish may be misunderstood as expressing our positions. You may provide links from your social media site or content to Kimball's website. However, without our prior written authorization, you may not use Kimball's logo or reproduce any Kimball material in any social media for commercial purposes or to engage in or depict any conduct that is unlawful or that violates our policies.

Be Respectful. Our employees and customers reflect a diverse set of customs, values, and points of view. While we hope that our workplace is a friendly one, employees may wish to maintain professional boundaries and refrain from some or all interaction with co-workers outside of work, whether through social media or otherwise. You should respect these boundaries. Note that repeated, unwelcome requests to "friend" another employee may violate Kimball's harassment policy.

Report Violations of Company Policy. Violations of our policies that occur through social media must be reported to your supervisor in the same manner as if the activities had occurred offline. In particular, if you become aware of communications by or between Kimball employees that violate our policies on discrimination, harassment, or retaliation, you must report this conduct to us immediately as specified in the applicable policy.

Violations of this Technology Acceptable Use Policy may result in disciplinary action, up to and including discharge. In appropriate circumstances, we will make a referral for prosecution for possible violations of any criminal laws.

SEARCHES: WE RESERVE THE RIGHT TO MONITOR AND INSPECT

We reserve the right to monitor the operations and use of our equipment and systems, including Electronic Communications. We also reserve the right to access all records and files on our property and within those systems. Employees, customers, suppliers, and visitors using our equipment and systems, including our Electronic Communications Systems, whether for business, personal, or private purposes, do so at their own risk and have **no reasonable expectation of privacy**, regardless if such equipment or systems are accessed using a password or other entry code. We reserve the right to inspect all equipment and systems, including desks, lockers, storage areas, and Electronic Communications, at our discretion and with or without prior warning.

At times, Kimball may monitor and/or record any of its employees on video, digital, and/or audio recordings for one or more of the following reasons: (1) to ensure the safety of employees and the facility; (2) to investigate the possible misconduct, criminal activity, or breaches of security, (3) to ensure compliance with company policies; (4) to monitor or document employees' work; (5) to investigate and respond to internal complaints, charges, or governmental investigations; (6) to investigate, prosecute or defend threatened or actual lawsuits, or (7) any other legitimate business reasons. Kimball may further monitor, record, and/or review images, photographs, e-mail, text messages, phone conversations or any other business communication of its employees. To ensure that our business needs are met, please be aware that this monitoring may occur continuously or at random, without any further notice.

ACCESS TO KIMBALL PROPERTY

All equipment, including electronic and telephone communications, equipment, desks, storage areas, systems, and software are Kimball property. We make our equipment, desks, storage areas, systems, and software available to our employees solely for the purposes of conducting official business and for job-related activities. The unauthorized use of our equipment, desks, storage areas, systems, and software, including the installation or use of unapproved software or programs, is strictly forbidden. Information, data, records, and files, including information created using or retained in our equipment, systems, and software, are Kimball property.

Parking and Other Facilities

We provide parking and other facilities at our locations for the convenience of our visitors and employees, but we assume no responsibility for damages to or losses of automobiles or other personal property at our locations. Employees may not in park spaces designated for visitors. Please be courteous in parking lots and observe traffic signs and lines. Park in the center of spaces to allow cars on both sides to park, and drivers to get out of their cars safely.

CELLULAR PHONES AND PERSONAL DIGITAL DEVICES

Where job or business needs demand immediate access to an employee, Kimball may issue a business cell phone or other personal digital devices (such as smartphones, tablets, and other data-enabled devices) to you for work-related communications. While at work, employees are expected to exercise the same discretion in using personal or Kimball-owned cellular phones as is expected for the use of Kimball landline phones. Excessive personal calls during the workday, and/or texting, regardless of the phone used, can interfere with employee productivity and be distracting to others. Employees are therefore asked to make any personal calls on non-work time and to ensure that friends and family members are aware of our policy. Flexibility will be provided in circumstances demanding immediate attention.

It is considered work time when a non-exempt employee uses a cell phone for work calls or checking work e-mail. As a result, non-exempt employees who are not able to log into our time keeping system prior to engaging in work on Kimball's behalf must submit their time worked as soon as possible afterwards, but not later than prior to the end of the pay period of which the work was completed.

Employees in possession of Kimball equipment such as cellular phones are expected to protect the equipment from loss, damage or theft. Upon resignation or termination of employment, or at any time upon request, you may be required to produce the phone for return or inspection. We will not be liable for the loss of personal cellular phones brought into the workplace.

Employees who separate from employment with outstanding debts for equipment loss or unauthorized charges will be considered to have left employment on unsatisfactory terms and may be subject to legal action for recovery of the loss.

Safety Issues for Cellular Phone Use

Safety must come before all other concerns. Cell phone use while driving should be kept to a minimum. Whenever possible, you should use your phone while your vehicle is parked and/or use your phone with a headset, speaker phone, in-car audio system, or some other technology that frees both hands while you talk. If you are driving for business purposes, you must refrain from using your phone for any purpose unless a hands-free device is employed, and only when hands-free use is permitted by law. Regardless of the circumstances, including slow or stopped traffic, we strongly encourage you to pull off to the side of the road and safely stop your vehicle before using your phone.

Upon request with departmental approval, we will provide hands-free equipment to all employees whose job functions require regular driving to facilitate the provisions of this policy. Employees who are charged with traffic violations resulting from the use of their phone while driving will be solely responsible for all liabilities that result from such actions. Violations of this policy will result in discipline up to and including termination.

Violations of this policy will be subject to discipline up to and including termination.

DRUG-FREE WORKPLACE – U.S. POLICY

Kimball Electronics recognizes the value of each employee to our overall success and is committed to the goal of protecting the health, safety, and well-being of our employees, contractors and visitors. Substance abuse poses a significant threat to that goal. While we have no intention of interfering with the private lives of our employees, contractors or visitors, we must maintain a safe and productive work environment that is free of substance abuse. We administer this policy in accordance with the requirements of state and federal law, including notification of Federal contracting agencies, if applicable. Violations of this policy may result in discipline up to and including immediate discharge from employment (or the withdrawal of an offer of employment for applicants).

This policy extends to:

- **Who:** applicants, all employees (full and part-time), anyone conducting Kimball business (including contractors and interns).
- **When:** during working hours or at any time while conducting Kimball business.
- **Where:** while on Kimball property, at company-sponsored events, in a Kimball vehicle, or at any location while conducting Kimball business.

Prohibited Behavior

Employees may not use, possess, transfer, distribute, manufacture, or sell alcohol, illegal drugs, or illegal drug paraphernalia while on duty, on our premises, or while in a vehicle that is owned, leased, or rented by Kimball. In addition, employees may not report to work or remain at work while under the influence of alcohol or any illegal drug. For purposes of this policy, "illegal drugs" means drugs or controlled substances that cannot be legally possessed under federal, state, or local law. This includes but is not limited to prescription drugs for which an employee does not have a valid prescription or that are used in a manner inconsistent with prescription directions.

The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to safely and effectively perform the essential functions of the job. Employees who are unable to safely and effectively perform their essential job functions (with or without any reasonable accommodations) due to medication should seek time off under Kimball's leave policies. Employees may, in moderation, consume alcohol at a Company-sanctioned gathering or event where alcoholic beverages are offered. However, the consumption of alcohol is never required and employees may always elect non-alcoholic beverage options.

Your Additional Obligations

Prescribed and Over-the-Counter Medications - If you take prescribed or over-the-counter medications, you will be responsible for consulting your prescribing physician and/or pharmacist to ascertain whether the medication may interfere with the safe and effective performance of your job. If the use of a medication could compromise your safety, or the safety of fellow employees or the public, or otherwise interfere with your ability to effectively perform your job, it is your responsibility to use appropriate procedures (e.g., call in to request time off, request change of duty, notify supervisor, notify HR, etc.), to avoid unsafe workplace practices. Store prescribed medications in their original containers to more readily document the validity of and potential interactions/warnings about the prescription.

Notification of Convictions - Any employee who is convicted of a criminal drug violation must notify their HR manager within five calendar days of the conviction. Kimball will investigate and may take appropriate action within 30 days of notification.

Examinations and Searches for Drugs and Alcohol

Kimball reserves the right, in its discretion, to examine or test individuals for the presence of drugs and/or alcohol under specific circumstances that include, but are not limited to:

1. As part of a pre-employment physical examination.
2. As part of a physical examination that we may require employees to undergo on a regular basis, on a schedule to be determined by us.
3. Due to the safety or health risk or sensitive security duties of a specific job, as determined by us, at any time.
4. Following a safety infraction or work-related accident that does or might cause bodily injury or damage to property, in our sole judgment.
5. Specific employee behavior on the job that we determine gives us reasonable suspicion that such behavior might be or is due to alcohol or drug use.
6. As otherwise required or permitted by applicable law.

Such examinations can include but are not necessarily limited to blood, urine, breath, hair, or other tests for evidence of the presence of alcohol, drugs, and perception-altering or other substances in the body. To ensure the accuracy and fairness of our testing program, all testing will be conducted according to Substance Abuse and Mental Health Services Administration (SAMHSA) Mandatory Guidelines for Federal Workplace Drug Testing Programs where applicable. Kimball also reserves the right to search employees' packages, vehicles, lockers, handbags, and similar items while on Kimball property or business. Your acceptance of the Employee Handbook is consent to such searches. Revocation of this consent may be grounds for your termination and/or immediate removal from our property.

Assistance

We recognize that alcohol and drug abuse and addiction are treatable illnesses and that early intervention and support improve the success of rehabilitation, so we:

- Encourage employees to seek help if they are concerned that they or their family members may have a drug and/or alcohol problem.
- Encourage employees to utilize the services of qualified professionals in the community to assess the seriousness of suspected drug or alcohol problems and identify appropriate sources of help.
- Offer all employees and their family members' assistance with alcohol and drug problems through the Employee Assistance Program (EAP).

However, the fact that an employee has a substance abuse problem, is under the influence of illegal drugs or alcohol, or has sought treatment for substance abuse problems will not excuse any misconduct, absences (other than approved absences for substance abuse treatment), failure to meet our legitimate performance expectations or competently perform assigned job duties, or violation of this or other Kimball policies or the law.

Confidentiality

All information received by Kimball Electronics through the operation of this policy is confidential. Access to this information is limited to those who have a legitimate operational or legal need to know.

COMPENSATION AND BENEFITS

One of our guiding principles states, “We want our employees to share in their company’s success, both financially and through personal growth and fulfillment.” One of our fundamental values is that every employee’s compensation should include some form of incentive pay. This philosophy encourages productive, value-added work and enables Kimball employees to share in the company’s success.

You will be provided with information concerning your “exempt/non-exempt” status for purposes of establishing whether you are exempt from the overtime pay requirements of the federal Fair Labor Standards Act (FLSA) and applicable state and local laws when you are hired, transferred, promoted, or whenever your employment status or work location changes. Our hourly-paid employees are all classified as “non-exempt.” If you have questions about your exempt or non-exempt status, please contact Human Resources to discuss your individual situation.

As a benefit to our employees, we offer a direct deposit plan. If you are paid by this method, your paycheck will be automatically deposited into your bank account on regular paydays. You will receive an electronic paycheck stub and deposit voucher the same day the check is deposited to your account. Direct deposit is the most secure, efficient, and cost-effective method of payment. Newly hired employees must enroll in direct deposit online using the Employee Self Service portal (unless applicable state and/or local laws requires us to make an exception). It is your responsibility to input correct bank transit and account numbers so funds are deposited into your accounts. Kimball deposits U.S. employees’ net pay into their checking and/or savings accounts at the financial institution of the employee’s choice. Funds are available at the financial institution’s opening time on the pay date.

You may make changes to your bank accounts, deposit amounts, or percentages at any time by using the Employee Self Service portal. You can view and print up to 3 years of your detailed pay statements, including earnings and deduction details, online using the Employee Self-Service portal. We will make payroll deductions from your paychecks in accordance with federal, state, and local laws, and based on your voluntary elections. We will only make deductions for your voluntary elections after we receive your proper written authorization.

Work Week

For pay purposes, the workweek begins at 12:00 AM Monday and ends at 11:59 PM Sunday, unless another period is deemed necessary by a business unit and communicated to the specific group of employees impacted.

Payroll Accuracy

We will make every effort to avoid errors in your paycheck, including errors in the calculation of overtime pay for non-exempt employees and errors in deductions. If you believe that your paycheck is incorrect, please contact Human Resources. Reports of improper payments or deductions will be promptly investigated. If it is determined that an error has occurred, we will promptly correct the error.

Attendance and Punctuality

Our success depends largely on the regular attendance of every employee. We work as a team and this requires that each person be in the right place at the right time. Employees must be ready to begin work at the designated start time. That is, if an employee is scheduled to start a shift or return from a break at 7:30 am; they must be ready to start work at that time. Kimball recognizes that most absences are legitimate, and we have made provisions for employees to take authorized leaves of absences when required. If, for any reason you cannot report to work on time, you must notify Kimball promptly (typically at least two hours before the start of your scheduled shift) according to the policies your facility or supervisor have established if you will be absent or late. Calling us to inform us of your absence or lateness, though required, does not excuse your absence. Lateness or repeated, unexplained or unreported absenteeism may result in disciplinary action, up to and including termination.

If you leave a message, it is your responsibility to continue to call to make sure the message was received. You should report all absences and not rely on a voice or text message to report an absence. Absences planned in advance must be approved by your supervisor. If you are going to be absent more than one day, you are responsible for continuing to follow up with your supervisor each day, unless you made other arrangements in advance. A doctor's note may be requested by Kimball for frequent absences, absences in conjunction with requested days off or regularly scheduled days off, or repeated absences.

If an employee ever walks off the job during a shift, we will consider the employee to have voluntarily resigned. If an employee is absent for three days without notifying us, we assume that the employee has abandoned their position and has voluntarily resigned.

Time and Attendance

To ensure that you are paid properly for hours worked, you must account for all of your time in our time keeping system. All non-exempt employees are required to clock into the timekeeping system upon starting work, clock out at the beginning of a lunch or any departure from work, clock back in after returning to work, and clock out at the end of the day. If you are a non-exempt employee, and you miss a clock-in, or if the timekeeping system is unavailable, you will be required to complete a form in order to accurately account for the time you would have clocked that you and your supervisor sign. Additionally, our time keeping system will account for all paid time off or sick time taken. An employee who fails to accurately record time worked may be disciplined, up to and including termination.

As lunch is unpaid for non-exempt employees, the timekeeping system must indicate time that is taken for lunch. Any unpaid lunch break should be 30 minutes. Failure to accurately record meal breaks will result in disciplinary action. Additionally, we will provide any additional breaks (paid or unpaid) required by state and local laws or regulations, and facility policy. Please review your business unit or facility appendix for specific requirements and scheduling.

Statement about "Off the Clock" Work

Kimball is committed to compensating all employees for all time worked, including overtime. "Off-the-clock" work is prohibited and any violations may lead to disciplinary action, up to and including termination. Additionally, it is a violation of Kimball policy for any employee to instruct another employee to work off the clock or to allow them to do so. Employees should report such violations immediately to Human Resources.

Work Hours

Your specific work hours and location will be established by your supervisor and may include remote work or business travel some or all of the time. Exempt and non-exempt employees, even those performing similar job duties, may have different work hours and locations. While we try to assign employees to a regular work schedule and location, it may be necessary to change work hours and locations to meet the needs of our customers and the demands of our business.

Overtime

All overtime must first be authorized by your supervisor. Failure to receive authorization may result in disciplinary action, up to and including termination. We may attempt to use volunteers, but we may also require employees to work mandatory overtime depending on our business needs. Pay for overtime is calculated for non-exempt hourly employees at the rate of one and one-half times their regular hourly rate for hours worked in excess of 40 hours in our work week, unless state law provides otherwise. Certain types of leave, such as jury duty, bereavement, unpaid leave, flex time, personal leave, or FMLA are not included in determining overtime eligibility. Thus, only PTO, holiday, and actual time worked count toward computing weekly overtime.

If an emergency or other condition should cause you a problem with your assigned overtime work, please discuss this matter with your supervisor.

Lactation Breaks

Employees who wish to express breast milk at work may request a reasonable accommodation from Human Resources to do so, which may include increased break time and privacy. You can make your request orally or in writing and need not submit any specific form. The time for a lactation break should, if possible, be taken concurrently with regularly scheduled breaks. Non-exempt employees should record any time beyond the regularly scheduled break period on their time record because the additional break time is unpaid. The company will also make a reasonable effort to provide a private area (other than a bathroom) close to the employee's work area for the employee to express milk with access to electricity, a sink with running water, and suitable cold storage in close proximity.

Observance of Religious Holidays

To accommodate for various religious beliefs and associated holidays, Kimball has established a policy allowing employees to observe religious holidays other than those stipulated as a paid holiday by notifying their manager and getting approval for the observance. The notification should be one week prior to the holiday, and the time off can be charged to your Paid Time Off (PTO). You are also eligible for one floating holiday per year, which you may use for the same purposes. If you have no accrued PTO, you can take the time off without pay.

Reimbursement of Necessary and Business-Related Expenses

Kimball reimburses employees for necessary work-related expenses that they incur in accordance with applicable law. If you incur work-related expenses, you must submit those expenses for reimbursement with the appropriate form(s) and supporting documentation, such as original receipts, as soon as practicable, and in any event no later than 30 days after the expense is incurred. If you believe the amount you are reimbursed does not represent a complete reimbursement, please immediately contact Human Resources. If you fail to submit timely expense reports in compliance with this policy, you may be subject to discipline up to and including termination of employment.

HOURLY INCENTIVE BONUS PROGRAM

Direct weekly paid employee of Kimball Electronics manufacturing units shall participate in the Hourly Incentive Bonus Program. This philosophy helps drive improvement in our business and promotes the attitude of "company ownership". Each Business Unit determines the metrics included in the plan and will pay an incentive based on the performance to the key metrics. The incentive is calculated based on the hours you worked during the measurement period. To earn a bonus under this Program, you must be a full-time employee of the Company on the date that the Business Unit makes Program payments to similarly situated employees.

PAID TIME OFF

Kimball Electronics recognizes that employees have diverse needs and require a flexible approach to balance work, home life and other personal needs and interests. Kimball Electronics has established this Paid Time Off policy for its U.S. employees to help meet those needs. We have consolidated the traditional practices of vacation are consolidated into this single Paid Time Off policy. In addition, Bereavement and Jury Duty are included as special situations, covered by additional Paid Time Off where applicable.

Reminder: The annual allotment is allocated and made available on January 1 except where accrual and carry over is required by law. This allotment is meant to be an annual amount and failure to work an entire year should

assume a pro-rated allocation (example: retirement March 31st would assume ¼ of annual allotment as reasonable usage before employment ends). PTO approval is based on manager discretion tied to business needs.

Paid Holidays

We provide ten (10) paid holidays consisting of 9 U.S. nationwide holidays plus 1 floating holiday to be determined by the business unit. This equates to 80 hours. For employees who work alternative schedules/shifts, designated holidays may result in fewer than 9 calendar days but will total 80 hours. Kimball recognizes the following U.S. Holidays: New Year's Day, Martin Luther King Jr.'s Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving, Friday after Thanksgiving, and Christmas. The floating holiday may be designated by the business unit/location and occur on different days each year. Full Time employees are eligible for Paid Holidays upon date of hire. If you are on a leave of absence, you will not receive holiday pay. Holidays are paid at your base pay rate at the time of the holiday. Holiday pay includes any applicable shift differential but does not include overtime or any special form of compensation such as commission and/or bonuses. Please review your business unit or facility appendix for specific holiday scheduling.

Paid Time Off (PTO)

Kimball believes that work/life balance is important for your success at work. Eligible employees are entitled to paid time off per the following schedule. PTO does not accrue during any periods of non-paid time (such as unpaid leaves). You may use Paid Time Off for any planned or unplanned time away from work. However, prior notice is required for PTO requests. Please request PTO in accordance with procedures in place at your business unit/location. There may be occasions, such as sudden illness, when you cannot notify your supervisor in advance. In those situations, you must inform your supervisor of your circumstances as soon as possible. PTO requests will be reviewed based on several factors, including business needs and staffing requirements. PTO is paid at your base pay rate at the time of PTO. It includes any applicable shift differential but does not include overtime or any special form of compensation such as commission and/or bonuses.

Paid Time Off may be taken in increments determined by the business unit/location (days, 1/2 days, hours). Business units/locations may schedule and expect employees to take Paid Time Off due to a short business unit/location shutdown driven by business demand.

We created this policy to encourage employees to take time off during the year. Accordingly, Kimball does not pay accrued but unused PTO at termination unless required by state or local law.

Regular Full Time Employees

Regular full-time employees are eligible for Paid Time Off as determined by years of Kimball full-time service.

Regular Full Time Employees		
Full-time Service <small>(based on date of hire or rehire)</small>	Paid Time Off Days <small>(based on 40+ hour work weeks, may be adjusted, in writing, for alternative shifts by location)</small>	Equivalent Paid Time Off Hours <small>(based on 40+ hour work weeks, may be adjusted, in writing, for alternative shifts by location)</small>
25 Years and above of full-time service *	25	200
20-24 Years of full-time service *	23	184
15 – 19 Years of full-time service *	22	176
10 - 14 Years of full-time service *	21	168
5 – 9 Years of full-time service*	20	160
3 – 4 Years of full-time service *	17	136
1 –2Years of full-time service *	15	120
* Employees become eligible for additional PTO on January 1 of the year in which they accumulate designated milestone years of full-time service.		

The schedule below prorates PTO before 1 year of full-time service (based on month full-time service begins)

Month of Hire or Rehire	Paid Time Off Days <small>(based on 40+ hour work weeks, may be adjusted, in writing, for alternative shifts by location)</small>	Equivalent Paid Time Off Hours <small>(based on 40+ hour work weeks, may be adjusted, in writing, for alternative shifts by location)</small>
January	15	120
February	14	112
March	13	104
April	12	96
May	11	88
June	10	80
July	9	72
August	8	64
September	7	56
October	5	40
November	3	24
December	1	8

If you are a regular, full time Direct employee and do not use all of your Paid Time Off by the end of the calendar year, Kimball will pay you for any unused hours at your current hourly base rate (or quarterly average), plus any applicable shift premium. Indirect employees are not eligible for unused PTO payouts and PTO does not carry over in to the next year except where required by law. Please review your business unit or facility appendix for shift-specific PTO eligibility.

Part Time Employees

Part-time employees are eligible for Paid Time Off based on their regular hours worked in the previous six-month period, times 5%. The Company calculates and deposits PTO into part-time employees' leave banks twice a year in January and in July. For each six-month period, the cutoff date for calculating Paid Time Off is the last payroll date in that period. Part time employees must use PTO granted within that 6-month, January-to-June or July-to-December period. PTO does not carry over between 6-month periods.

CHRISTMAS BONUS

At the discretion of management, all employees may receive a Christmas Bonus. If approved, the amount paid is based on (1) your total years of service and (2) your employment status as of December 25. The payment amounts are as follows:

Regular Full Time Direct and Indirect

Years of Service	Bonus
Under 3 months	\$40
After 3 months	\$60
After 1 year	\$75
After 3 years	\$100
After 5 years	\$125
After 10 years	\$175
After 20 years	\$200

Part Time and Seasonal Direct and Indirect

Years of Service	Bonus
Regardless of service	\$50

RETIREMENT PLAN

The Kimball Electronics Retirement Plan is designed to encourage long-term savings by Kimball employees for retirement or other purposes. The plan is a defined contribution 401(k) profit sharing plan that permits employees to save on a tax-favored basis. This means the plan does not guarantee a fixed benefit at retirement. Instead, the benefit employees ultimately receive will depend on the total contributions that an employee makes, the

contributions Kimball makes on the employee's behalf, and the earnings or losses on the investment of those contributions.

Kimball Electronics' Retirement Plan supports the Guiding Principle of "sharing in the company's success." As Kimball succeeds, profits are shared via contribution to the plan. Kimball's contribution is discretionary and is not dependent upon employee contribution.

Kimball Electronics U.S. employees are eligible to participate in the plan. Once an employee becomes a participant, The Vanguard Fiduciary Trust Company (the Plan's trustee), will maintain an individual account for that employee. For more information or questions regarding the Plan, call Vanguard Participant Services at 800-523-1188 Monday through Friday from 8:30am to 9:00pm, Eastern time, or access the Vanguard website at www.kimballelectronics.com/employee and click on the Vanguard link. To register for account access online, you will need your plan number (# 094144) to register.

BENEFITS ELIGIBILITY

In addition to the regular paycheck you receive for working at Kimball, we offer numerous benefits, services, and conveniences to help provide protection and assistance for you and your family. Some of the programs (such as Social Security, Worker's Compensation, and Unemployment Insurance) cover all employees in the manner prescribed by law.

Other benefits, such as health, vision, dental, and life insurance, 401(k), severance, and other plans are discussed in more detail in formal booklets, contracts, and other plan documents. In the event there is any question or conflict in language or interpretation between those booklets and documents in relation to the provisions of this handbook, the terms of the actual contracts and other plan documents will control over this handbook.

In general, all regular full-time or part-time employees become eligible for plan benefits on the first day of employment provided enrollment is completed within their first week. However, an employee who, because of an employee health-related reason, is not actively at work on the date coverage would otherwise be effective, may nonetheless be eligible for certain coverages but not all. Please contact Human Resources if you believe this situation applies to you. Your eligibility for benefits may change during any leaves of absence. Please discuss your benefits eligibility with Human Resources prior to (or upon) taking any leave of absence so that you can understand any impact the leave may have.

LEAVE OF ABSENCE FOR U.S. EMPLOYEES

If you want to take a leave of absence of any type (including FMLA), you must notify your supervisor and Human Resources of your intent to take leave at least 48 hours before the start of the leave, unless such notice is not practicable. Reasonable accommodations will be made in terms of any notice required.

You must contact Human Resources to obtain the proper paperwork and forms for requesting leave. Depending on the type of leave, you may be required to provide appropriate information about or certification of the purpose of your leave. If you do not provide the appropriate information or certification, your leave may not be granted and/or maintained and your absence may be considered unexcused.

Kimball does not prohibit its employees from holding other jobs during non-work hours; however, Kimball prohibits employees from working at other jobs while on leave (except Military Leave) from Kimball.

Kimball Cares Paid Time Off

We believe that providing generous paid leave time to our employees with a qualified care-giving need (referred to as "Kimball Cares Paid Time Off" in this policy) supports our Guiding Principles and Creates Quality for Life for our employees. This paid time off provided for in this policy is separate from and supplemental to any leave that you may be eligible to receive under laws such as the Family and Medical Leave Act (FMLA), Pregnancy Discrimination Act (PDA), Americans with Disabilities Act (ADA), or similar state and local laws. While Kimball Cares Paid Time Off may run concurrently with them, you may take this leave even if you do not also qualify for one of these other types of leave due to tenure or our expanded definition of qualified family members. This leave is intended for serious care-giving needs whereby the condition exists for multiple consecutive days. It is not a replacement for PTO for short term care giving needs (such as sick child and no day care today). It may be utilized in daily increments where an approved FML for a serious health condition exists with intermittent needs (such as handicapped child requiring multiple visits to specialist doctor care over the span of time).

This policy provides for up to four (4) weeks of paid Kimball Cares PTO per rolling 12 months for Full Time employees who have worked for Kimball Electronics for at least 6 months. The Kimball Cares Paid Time Off should be scheduled in advance to the degree practicable with the exception of catastrophic injury, to self or qualified family member.

Qualified Events include:

The birth of a child and to bond with the newborn child within one year of birth.

The placement with the employee of a child for adoption or foster care and to bond with the newly placed child within one year of placement.

A serious health condition as defined by the Family Medical Leave Act that makes the employee unable to perform the functions of his or her job.

To care for the employee's qualified family member who has a serious health condition. (Note: Qualified family members under this policy is more broad than what qualifies for FML)

Note: Kimball Cares Paid Time Off would follow any paid leave available (i.e. STD) for situations where paid leave exists to cover the time off.

Qualified family members include:

Spouse or domestic partner, parent, step-parent, parent-in-law, children, step-children, sibling – be they step/half/adoptive

Grandchild, step-grandchild, daughter/son-in-law, grandparent, step-grandparent

Aunt, uncle, niece, nephew

Employees on this PTO are paid 100% of their normal base salary or hourly rate (including any applicable shift premium). Kimball Electronics will make payroll deductions in accordance with federal, state, and local laws and based on your elections and will pay you according to its regular payroll schedule. During this leave, all benefits provided to you under our employee benefit plans are governed by the terms and conditions of the applicable employee benefit plan documents in accordance with applicable law. For all other benefits, if you are on Kimball Cares PTO, you will receive the same rights and benefits as employees on a paid leave of absence. We will continue to deduct your share of any benefit plan premiums based on your plan enrollments.

An employee will not lose seniority or their job because of taking this PTO. However, nothing in this policy requires us to reemploy individuals who are not eligible for reemployment rights under applicable law. Similarly, this policy does not modify our at-will employment status. Only an enforceable, written agreement signed by an officer of Kimball can do that.

This paid time off is retirement and bonus eligible. This leave resets every on a rolling 12 month basis similar to FML. This Paid Time Off is NOT paid out in the event of termination.

As with any other type of leave, this will be initiated by contacting Human Resources for approval and submission of proper paperwork to substantiate the request. HR will then enter the relevant PTO in the employees timecard in Workday. Employees utilizing this paid time off must check in with HR to provide return date confirmation.

Bereavement

Kimball recognizes that the death of a loved one is an unfortunate, traumatic event. Kimball provides paid time off to employees to grieve and/or arrange for/attend the funeral of immediate family members.

Relationship to Full-Time Regular Employee	Leave Offered
Spouse or domestic partner, father, step-father, father-in-law, mother, step-mother, mother-in-law, children, step-children, sibling (step/half/adoptive)	Up to 3 days (24 hours)
Brother/sister-in-law, grandchild, step-grandchild, daughter/son-in-law, grandparent, step-grandparent	Up to 2 days (16 hours)
Aunt, uncle, niece, nephew	Up to 1 day (1 shift)

Kimball also understands there may be other family circumstances, such as an employee who was raised by another person or close family member, where bereavement pay may be appropriate. If these circumstances apply to you, please consult with Human Resources to discuss your bereavement leave.

Military Leave

As part of its civic commitment, Kimball will provide unpaid military leave to the fullest extent required by applicable law for employees who require time off work in order to satisfy military commitments. You must provide evidence of the military orders you received. Reinstatement following military leave is provided to the full extent required by applicable law. If you leave for military duty, you may choose whether to use some or all of your accrued paid time off during the leave.

Jury Duty

Kimball believes that good citizens make good employees. We therefore recognize an employee's civic duty to serve on a jury when called to do so. Jury duty leave is paid at 100% of your salary or hourly rate (based on 40 hours per week) including shift premium, if applicable. If you receive a jury summons, you should immediately bring it to your supervisor to verify (1) the name and location of the court; (2) The date jury duty begins; (3) the approximate duration of jury duty (if known). **Personal court appearances, such as subpoenas or court-ordered appearances, are not covered by this Jury Duty policy, but by our attendance policy.**

If you are excused in advance from jury duty on a scheduled workday, you must notify us and report to work as scheduled. Jurors are often excused for a portion of a day or even a full day. Please understand that jury duty and paid time off are not the same and that we expect you to return to work whenever you are excused for a reasonable portion of a workday.

Additional Time Off for Special Circumstances

We will consider any requests for additional unpaid time off on a case-by case basis. If you need additional time off after exhausting your PTO allotment, management will meet with you to determine the best approach to accommodate your specific circumstances while meeting the needs of the business. Please understand that your eligibility for benefits under our plans may be impacted by any unpaid leave of absence you take.

FAMILY AND MEDICAL LEAVE ACT (FMLA) POLICY

Kimball's policy is to grant periods of unpaid leave to employees who request time off for family or medical reasons, in accordance with the Family and Medical Leave Act of 1993 ("FMLA"). The eligibility criteria and general guidelines used in administering this policy are set forth below.

Covered Employees. To be eligible for leave under the FMLA, you must have been employed by Kimball for at least twelve months, whether consecutive or intermittent, worked at least 1,250 hours during the rolling twelve-month period measured backward from the date your leave first begins, and you work at a location where Kimball employs 50 or more employees within a 75-mile radius.

Reasons for Leave. You may request leave under the FMLA for the following events: birth of a child; placement of a child with you for adoption or foster care; time needed to care for a spouse, child or parent with a serious health condition; you are unable to perform your job due to your own serious health condition; time needed to care for a spouse, son, daughter, parent, or next of kin who is a service member recovering from serious illness or injury sustained in the line of active duty; or because of a qualifying exigency arising out of the fact that the spouse, child, or parent of the employee is on active duty or has been notified of an impending call to order to active duty in the Armed Forces in support of a contingency operation. For purposes of this policy, a "serious health condition" is an illness, injury, impairment or physical or mental condition that involves inpatient care in a hospital, hospice or residential medical care facility, or continuing treatment by a health care provider. For purposes of this policy, "serious illness or injury" is any injury or illness incurred by the service member in the line of active duty in the Armed Forces that may render the member medically unfit to perform the duties of the member's office, grade, rank, or rating.

Length of Leave. If the FMLA leave is for the purpose of caring for a spouse, son, daughter, parent, or next of kin who is a service member recovering from serious illness or injury sustained in the line of active duty, then FMLA leave is limited to a total of twenty-six (26) work weeks during a twelve-month period. Otherwise, leave under the FMLA is limited to a total of twelve (12) work weeks during a twelve-month period.

In determining the amount of FMLA available to you, we will consider the twelve-month period preceding the date the leave is to be used. Leave taken to care for a sick family member or because of your own serious health condition may be taken intermittently or on a reduced work schedule when medically necessary and supported by certification from your doctor or other health care professional. In such a situation, however, you may be transferred temporarily to a position which, at the discretion of Kimball, better accommodates the leave schedule, but is equivalent in pay and benefits to the position held prior to the leave. FMLA leave taken because of a qualifying exigency arising out of the fact that the spouse, child, or parent of the employee is on active duty or has been notified of an impending call to order to active duty in the Armed Forces in support of a contingency operation may also be taken on an intermittent basis. FMLA leave taken for the birth of a child, or for the placement of a child for adoption or foster care, must be taken as a single block of time, unless otherwise agreed to by Kimball, and eligibility for such leave ends twelve months after the date of birth or placement.

Pay Status During Leave. Your pay status during a period of leave under the FMLA will depend on the reason for the leave, the length of the leave, the amount of available (i.e., earned but unused) PTO time as of the beginning of the leave, and whether you receive disability or worker's compensation benefits during the leave. Unless you

receive paid leave pursuant to a disability leave plan, you will be required to utilize PTO that you have available concurrently with your FMLA leave entitlement. Once your PTO is exhausted, you will be in unpaid status during the remainder of the leave. PTO will not accrue during any period for which you are in unpaid status, even if you are receiving disability benefits pursuant to a Company-sponsored insurance policy.

Notice Required. If the need for leave is foreseeable, you must notify us at least thirty days prior to the date the leave is to begin. If the need is not foreseeable, you should provide as much notice as practicable, but at least two hours before the start of your scheduled shift. The request for leave should be made in writing and include the reason for the leave and amount of time required. If the leave is needed because of a serious health condition, whether yours or that of a family member, or because of a serious illness or injury of a military service member in your family, you will be required to provide us with a health care provider's certification, on a form we will supply, to support the need for the leave. In the case of leave taken because of your own serious condition, certification of your ability to return to work will be required.

Effect on Benefits and Employment. Coverage under Kimball's group health plan will continue at no additional expense to you during any period that you are on FMLA leave. You will, however, be required to continue paying your portion of the premium for your own and any dependent coverage, as well as any contributions to Flexible Spending Accounts, if any, should you wish to keep such coverage in effect. If you make such payments more than 30 days late, we may discontinue your coverage. Should you fail to return to work after the expiration of your leave, you may, depending on the circumstances, be required to refund to Kimball any health insurance premiums paid on your behalf during the leave.

Certifications. Under certain circumstances as provided by law, including (but not limited to) situations in which the need or nature of the approved leave changes, the Company may, in its sole discretion, require certification and/or periodic, recurring recertification of your serious health condition. The Company may also request recertification every year in which FMLA leave is taken for any serious health condition that lasts longer than 1 year. We also have the right to ask for a second opinion if we have reason to doubt a certification or recertification. In these situations, we will pay for you to get a certification from a second doctor, which the we will select. If necessary to resolve a conflict between the original certification and the second opinion, the company will require the opinion of a third doctor. The company and the employee will mutually select the third doctor, and the company will pay for the opinion. This third opinion will be considered final. The employee will be provisionally entitled to leave and benefits under the FMLA pending the second and/or third opinion. We may deny FMLA leave to an employee who refuses to release relevant medical records to the health care provider designated to provide a second or third opinion.

Upon return to work from leave under the FMLA, you will be placed in the position you held prior to the leave or in one which, in Kimball's judgment, is equivalent in pay, benefits, and other conditions and terms of employment to that held prior to the leave, subject to certain exceptions in the FMLA regulations. If you are considered a key employee under the FMLA, however, we are unable to guarantee reinstatement.

FMLA Fraud. An employee who fraudulently obtains Family and Medical Leave from Kimball is not protected by the FMLA's job restoration or maintenance of health benefits provisions. In addition, Kimball will take all available appropriate disciplinary action against such employee due to such fraud.

The provisions set forth above are a brief summary of the entitlements and requirements under the FMLA. It is our intention to administer the policy in a manner consistent with regulations issued by the Secretary of Labor. Questions regarding the FMLA should be directed to Human Resources.

Kimball's FMLA Commitment

Kimball will not interfere with, restrain, or deny the exercise of any right provided by the FMLA, nor will it discharge or discriminate against any individual for opposing any practice or involvement in any proceeding relating to the

FMLA. We recognize the co-existence of state and/or local family and medical leave laws. Where such laws apply and provide greater family and medical leave rights than the FMLA, Kimball will comply with those laws.

EMPLOYEE SEVERANCE PLAN

Kimball Electronics has a Severance Benefit Plan to provide severance benefits to eligible employees who lose their jobs under certain circumstances, such as reductions in force, plant closings, and reorganizations. Employees are eligible for severance benefits if Kimball terminates their regular full-time employment without cause, they work until the separation date provided by the Company, and they sign and do not revoke a release agreement in a form reasonably acceptable to Kimball in the required timeframe. Severance is not applicable under the following circumstances: voluntary resignation, retirement or other termination initiated by the employee, termination for cause, death or disability, layoff that is considered temporary from which the employee is expected to be called back to work, or the employee's refusal to accept an equivalent position.

All regular, full-time U.S. employees with one or more years of full-time service are eligible for the Severance Benefit Plan. Service and full-time status are determined as of the separation date. Service is the combined total of all periods of full-time service only for periods reflected in our electronic system payroll records. The severance benefit is one week of pay for each year of full-time service with a minimum of 2 weeks, maximum of 26 weeks.

Full-time Service	Number of Weeks' Severance
0-1 year	0
1-2 years	2 weeks
3-26 years	1 week per year of service
27+ years	26 weeks

Severance pay is calculated by multiplying the eligible employee's pay times the number of weeks as determined above. For direct employees, pay is defined as the employee's hourly rate times 40, or the prior six-week hourly average for those employees not on a flat hourly rate, times 40. For indirect employees, pay is defined as the weekly salary or hourly rate times 40 hours. Severance pay also includes a Medical COBRA allowance, which is after tax ("grossed up"), for the same number of weeks as determined above. Please see the Severance Benefit Plan documents for full details and definitions.