

# **GENTEX CORPORATION**

## **CODE OF BUSINESS CONDUCT AND ETHICS**

Adopted by the Board of Directors  
on February 20, 2014

### **Introduction**

This Code of Business Conduct and Ethics (the "Code") covers a wide range of business practices and procedures, and is intended to apply in conjunction with the Team Member Handbooks of Gentex Corporation (the "Company"). It does not cover every issue that may arise, but it sets out basic principles to guide all directors, officers, and employees of the Company. All of our directors, officers, and employees must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. The Code may also be provided to and followed by the Company's other agents and representatives, including consultants.

If this Code conflicts with applicable laws, rules, or regulations, you must comply with such laws, rules, or regulations. If you have any questions about such conflicts, you should ask your supervisor how to handle the situation.

Those who violate the standards in this Code will be subject to disciplinary action, up to and including termination of your relationship with the Company. If you are in a situation which you believe may violate or lead to a violation of this Code, follow the guidelines described in Section 14.

### **1. Compliance with Laws, Rules, and Regulations and Company Policies**

Obeying the law, both in letter and in spirit, is the foundation on which this Company's ethical standards are built. All directors, officers, and employees must respect and obey the laws of the cities, states, and countries in which we operate. Although not all directors, officers, and employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers, or other appropriate management personnel.

Similarly, all directors, officers, and employees must respect and abide by all Company policies.

### **2. Conflicts of Interest**

A conflict of interest exists when a person's private interest interferes or potentially interferes in any way with the interests of the Company. A conflict situation can arise when a director, officer, or employee takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when a director, officer, or employee, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company. Transactions between the Company and entities in which directors, officers, or employees or their relatives have an interest, loans to

or guarantees of obligations of directors, officers, and employees or their relatives, employment of relatives, and similar situations may give rise to conflicts of interest.

It may be a conflict of interest for a director, officer, or employee or their relatives to work simultaneously for a competitor, customer, or supplier. No director, officer, or employee is allowed to work for a competitor, customer, or supplier in any capacity unless specifically authorized by the Board of Directors. The best policy is to avoid any direct or indirect business connection with the Company's customers, suppliers, or competitors, except on the Company's behalf.

Conflicts of interest are prohibited as a matter of Company policy, except when specifically reviewed and approved by the Audit Committee. Directors, officers, and employees are expected to avoid activities, financial interests, and relationships that may present possible conflicts of interest or the appearance of a conflict. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with senior management. Any officer, director, or employee who becomes aware of a conflict or potential conflict should promptly bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section 14 of this Code.

### **3. Insider Trading**

Director, officers, and employees who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of our business. All nonpublic information about the Company should be considered confidential information. To use nonpublic information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. In order to assist with compliance with laws against insider trading, the Company has adopted a specific policy governing directors, officers, and employees trading in securities of the Company. This policy is periodically distributed Company wide and is contained in the Company's Team Member Handbooks.

### **4. Corporate Opportunities**

Directors, officers, and employees are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. No director, officer, or employee may use corporate property, information, or position for improper personal gain, and no director, officers, or employee may compete with the Company directly or indirectly. Directors, officers, and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

### **5. Competition and Fair Dealing**

We seek to outperform our competition fairly and honestly. Misappropriating proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present representatives or employees of other companies is prohibited. Each director, officer, and employee should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors, and employees. No director,

officer, or employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage or affect business decisions. No gift or entertainment should ever be offered, given, provided or accepted by any Company director, officer, or employee, or relative of a director, officer, or employee unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff, and (5) does not violate any laws, rules, or regulations. Please discuss with your supervisor any gifts or proposed gifts which you are not certain are appropriate or in accordance with Company policy or practice.

## **6. Discrimination and Harassment**

The diversity of the Company is a tremendous asset. The Company is firmly committed to providing equal opportunity in all respects and will not tolerate any illegal discrimination or harassment of any kind, as set forth in the Company's Team Member Handbooks.

## **7. Record-Keeping**

The Company requires honest and accurate recording and reporting of information. For example, only the true and actual number of hours worked should be reported. Also, many employees regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your supervisor.

All of the Company's books, records, accounts, and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform to applicable legal requirements, to the Company's system of internal controls, and to the Company's applicable policies and practices.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos, and formal reports. In the event of litigation or governmental investigation please consult the Company's corporate counsel.

## **8. Confidentiality**

Directors, officers, and employees must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, except when disclosure is authorized by senior management or required by applicable laws, rules, or regulations. Confidential information includes all nonpublic information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information in accordance with Company policy and practice continues even after employment ends.

## **9. Protection and Proper Use of Company Assets**

All directors, officers, and employees should endeavor to protect the Company's assets and ensure their efficient use consistent with Company policy and practice. Theft, carelessness, and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Company equipment should not be used for non-Company business, though incidental personal use may be permitted.

The obligation of employees to protect the Company's assets includes its 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 would violate Company policy and practice. It could also be illegal and result in civil or even criminal penalties.

## **10. Payments to Government Personnel**

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws, rules, 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 could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules.

## **11. Sustainability**

Sustainability and social responsibility have been a focus of the Company's business from its beginning. All directors, officers, and employees are expected to support the Company's sustainability programs, policies, and practices that guide the Company's compliance with environmental, social, and governmental/legal requirements and industry best practices. Such practices include seeking adherence with international human rights conventions in defiance of child labor, forced labor, and human trafficking, as well as conflict minerals management.

## **12. 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 entire Board or the independent directors and will be promptly disclosed as required by law, rule, or regulation.

### **13. Reporting any Illegal or Unethical Behavior**

The Company supports an "Open-Door Policy" for all team members to encourage effective communication, facilitate working as a team, and to discover observed illegal or unethical behavior, especially when in doubt about the best course of action in a particular situation. The Company's Open-Door Policy is set forth in the Company's Team Member Handbooks. It is the policy and practice of the Company not to allow retaliation for reports of misconduct by others made in good faith by employees. Employees are expected to cooperate in internal investigations of misconduct. Employees should follow the process for reporting any illegal or unethical behavior as outlined in the Team Member Handbook under "Open-Door Policy" section for all matters other than those related to accounting or auditing matters described below.

If a complaint involves allegations related to accounting and auditing matters, employees should refer to the Company's "Complaint Procedures for Accounting and Auditing Matters," to allow confidential, anonymous reporting to the Audit Committee of the Company's Board of Directors. This document describes the Company's procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting and auditing matters, internal controls, or fraud or unethical business practices. Any employee may submit a good faith concern regarding such questionable matters without fear of dismissal or retaliation of any kind. This document is available on the Company's IR section of the web site under "Corporate Governance," and can be found [here](#). A hard copy also is available without charge under written request to Varnum, Riddering, Schmidt & Howlett LLP, the Company's outside legal counsel, 333 Bridge Street, N.W., Suite 1700, Grand Rapids, MI 49504 (Attn: Gentex Corporation Accounting/Auditing Matters).

### **14. Company Policies and Agreements**

The Company has in place various policies which are set forth in handbooks and other Company literature. The Company also requires certain personnel to execute employment understandings and agreements. It is incumbent upon those to whom such policies, understandings, and agreements apply to comply with them.

### **15. Compliance Procedures**

Working together to ensure prompt and consistent action against violations of this Code is important. In some situations, however, it is difficult to know if a violation has occurred. Since this Code cannot anticipate every situation that will arise, it is important that the Company, its directors, officers, and employees have a way to approach a new question or problem. Employees should follow the process for reporting illegal or unethical behavior as outlined in the Team Member Handbook under the "Open-Door Policy" section for all matters other than those related to accounting or auditing matters described above.

Please refer to the Company's relevant Team Member Handbook which provides an appropriate approach to questions or problems.