



Code of Conduct

December 2008

Dear Colleague:

As our company increasingly becomes an industry leader in powering the world's new technologies, so must we also emerge as a leader in setting an example of good corporate citizenship.

With this in mind, the Board of Directors of Power-One, Inc., following the review and recommendation of senior management, has determined that this Code of Conduct should be distributed annually to all Company employees. It summarizes the principles that guide our business activities in the global marketplace. It also underscores the importance that the Board and senior management attach to integrity and fair dealing, which are the cornerstones of acceptable business ethics. This Code of Conduct supplements and expands upon our applicable Employee Handbooks.

Like all other responsible companies, we have an obligation to provide products of high quality, to market them fairly and to conduct our affairs honorably. We also have some special responsibilities beyond these. One is to be a good corporate citizen, to contribute to our local, national and international communities and to remain sensitive to the economic role we play in the communities in which we work.

At Power-One, we believe that ethical conduct requires more than mere compliance with the laws, rules and regulations that govern our business. It is the conduct of Power-One's people — their personal integrity and their commitment to setting the highest standards in their personal and professional lives — that establishes the foundation on which our reputation is based. Our business objective is simple: to produce, in an ethical manner, the very best, most reliable products possible. Our customers, stockholders and employees demand no less, and we all share the responsibility for achieving that objective.

It is critical that each of us clearly understands our legal and personal duty to conduct ourselves in accordance with the Company's strict ethical standards. This booklet summarizes these standards to enhance understanding and to enable each of us to properly conduct the Company's business. By using good judgment and consistently applying these standards to our business relationships, we will continue to support a work environment that is conducive to the success of our employees and our Company.

Very truly yours,

Richard Thompson
President, and Chief Executive Officer

Linda Heller
Chief Financial Officer

December, 2008

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Power-One Code of Conduct

Power-One is a team of individuals, working together to build and maintain a responsible and ethical organization of which we can all be proud.

We believe that Power-One enjoys a reputation of which we can be proud, and one that reflects our goals and the manner in which we work to achieve them.

As a Power-One employee, you will be expected to know and comply with law and Company policies. Our standards of conduct are summarized in this booklet, and references are provided to certain key corporate policies and procedures which serve to guide you in complying with this Code. Simply restating these standards, however, does not lead inevitably to ethical conduct. You — the employee — must continue to understand, support and comply with these standards to enable us to achieve our business objectives. If you ever have any doubts as to whether certain conduct may violate this Code or any other policies of Power-One, you should always feel free to discuss the situation with your supervisor, your applicable Human Resources Representative or the Company's General Counsel. Regardless of information provided by the Company, however, you are expected to know and follow the law as it relates to you as an employee and citizen.

Shared Responsibilities

Each of us shares responsibility for our Company's reputation...

Power-One is committed to increasing its value to customers, employees and stockholders by profitably providing a full range of high-quality power products and services to markets around the world. We seek to fulfill this commitment while upholding the highest level of ethical conduct and meeting our responsibilities as a good corporate citizen. In this regard, our employees share certain responsibilities, and individually each is accountable for:

- Conducting the Company's business with integrity and operating in compliance with all applicable laws.
- Adhering to Company standards for the safe operation of our facilities.
- Demonstrating respect for, and commitment to, the protection of the environment.
- Avoiding situations where personal interests are, or appear to be, in conflict with the Company's interests.
- Safeguarding and properly using Company proprietary information, assets and resources, as well as those of other organizations entrusted to Power-One.
- Maintaining confidentiality of nonpublic, "insider" information and not acting on such information for personal gain.
- Establishing a healthy, cooperative workplace by treating fellow employees with respect and civility.

Underlying these basic responsibilities is the philosophy that we must maintain respect and dignity for the individual and ensure that each person is treated fairly.

Confidential Information

Keep proprietary information protected...

It is Power-One's policy that all employees must keep confidential all information about the Company's operations, products and business activities that has not been made public and that is not common knowledge among competitors, customers, suppliers and others, including other employees who do not have a valid business reason for obtaining the information.

Employees must not disclose to others, or use for themselves or others, any confidential information they have originated or acquired in connection with their employment by Power-One. It is equally important to protect proprietary or confidential information received from other companies, and to honor all terms of any confidentiality or non-disclosure agreement which may be in effect. It is our policy to never accept unsolicited confidential information from a third party regarding another company. Any employee who questions whether information he or she acquires is confidential has a responsibility to determine its classification by asking his or her immediate supervisor.

All Company documents, records, memoranda and other written materials are solely the Company's property and must be returned to the Company upon termination of employment. Employees must also return all Company data that has been stored electronically, such as on computer disks which may be in their possession, and must delete any information which they may have stored on any "offsite" personal computers (e.g. used at home). Nondisclosure obligations continue to apply after the period of employment, as well.

Obviously, it is not possible to list all types of Company information that must be treated as confidential. Employees should be guided by the general principle that the Company considers confidential any information that is not officially disclosed (for example, through official reports or press releases) and which might be desired by others, for matters such as buying or selling Power-One stock or competing against Power-One.

Our corporate policy for confidential information is CORP-103. A copy may be found at the Corporate ONE-NET intranet found at <http://one-net/> via the link to CORPORATE Policies and Procedures.

Public Disclosure of Company Information

Only authorized individuals should communicate Company information in public disclosures

The Company is a public company with its common stock actively traded on the NASDAQ stock market. Our stock draws interest from a wide range of individual investors as well as large investment institutions. Maintaining consistent messaging, and controlling the timing, content, and recipients of information the Company desires or is obligated to provide under applicable securities laws, is of great importance to the Company.

Only selected officers and appointed employees are authorized and allowed to speak with media, press, trade publications, financial analysts, or other third parties which may issue reports, comments, or other public materials concerning the Company.

The key securities laws which apply to the trading of our common stock strictly prohibit selective disclosures of material news or information concerning the Company. The applicable laws set rules prohibiting insider leaks or selective disclosure of company information that could give certain investors an advantage in determining whether or not to buy or sell a stock.

The Company expects that all employees will comply with these applicable laws and Company policies which deal with disclosures of material Company information. The consequences, both to employees and the Company, of unauthorized, inappropriate, or inadvertent disclosure of material information can be significant. Understanding of the applicable rules and Company policies, and compliance with those rules and policies, is an element of every employee's duties.

Our corporate policy regarding disclosures is CORP-111. A copy may be found at the Corporate ONE-NET intranet found at <http://one-net> via the link to CORPORATE Policies and Procedures.

Insider Trading

*Do not buy or sell Power-One's stock
based on inside information...*

A related topic is the importance of complying with the United States securities laws. Power-One has registered its common stock with the Securities and Exchange Commission so that it can be publicly traded. The securities laws are rigidly enforced and are intended to prevent misuse of corporate information by regulating the manner in which securities may be bought or sold.

It is against the law for employees to buy or sell Power-One stock based on material, nonpublic "insider" information about the Company. Employees also may not supply family, friends or other acquaintances with that information. As a general rule, play it safe and never speculate in the securities of Power-One when you are aware of information affecting our business that has not been publicly released, or in situations where trading would call your judgment into question.

This also applies to the securities of other companies (customers, suppliers, partners) about which you receive information in the course of your employment at Power-One. For example, if you become aware that the Company is considering buying another company, you and your family members may not buy or sell securities of that company until the Company has publicly announced its decision.

Just as with all other confidential information, the principles that should guide you are straightforward: do not use nonpublic information for your own personal gain, and do not pass along that information to anyone else unless that person has a legitimate business reason to know.

Our corporate policy regarding "insider trading" is COPR-104. A copy may be found at the Corporate ONE-NET intranet found at <http://one-net> via the link to CORPORATE Policies and Procedures.

Conflicts of Interest

Avoid relationships or activities that present a conflict between your personal interests and your duties as an employee...

All Power-One employees must be wary of any investment, business interest or other association that interferes — or even appears to interfere — with their objective ability to act in the best interests of the Company.

A conflict of interest arises when an employee's judgment in acting on behalf of the Company may be influenced by an actual or potential personal benefit of any kind. The benefits may be direct or indirect, may or may not be financial in nature, and could exist through family connections, personal associations or otherwise.

It is not possible to describe all the circumstances where conflicts of interest may exist, but the following examples provide some activities that should raise a "red flag":

- Competing with, or helping others to compete with, Power-One.
- Accepting gifts, payment or services in excess of \$25.00 USD in value from those seeking to do business with the Company.
- Making or providing gifts to others which are intended or hoped to secure favored treatment for the Company in any business dealing, governmental interface, or any other dealings which impact the Company's operations, assets, personnel, facilities, or the conduct of its business.
- Acting as a consultant, employee, officer or director for any outside business organization for a competitor, customer or supplier of the Company.
- Owning a substantial interest in a company that is a competitor, customer or supplier of the Company, or directing Company business to a firm in which a Power-One employee has a substantial interest (except that an ownership interest of five percent or less in such a company, where the employee has no influence on the management of that company, is not prohibited).
- Any other arrangement or circumstance which might prevent the employee from acting in the best interests of Power-One.

Keep in mind that all of the foregoing is prohibited whether the conflict relates to the employee or to a member of his or her immediate family.

If an employee finds himself or herself in a situation where a conflict of interest seems unavoidable, he or she should bring the matter to the attention of his or her immediate supervisor and/or their divisional Human Resource department, who will be responsible for contacting Power-One's General Counsel for appropriate guidance.

Gifts, Entertainment and Travel

Use good judgment in accepting or offering gifts or other business courtesies...

Accepting Gifts from Others

No employee should directly or indirectly seek or accept any payments, fees, services or other gratuities — regardless of the size or amount — outside the normal course of the employee's business duties from any person, company or organization which does or seeks to do business with Power-One. Gifts of cash, or cash equivalents, of any amount are strictly prohibited. It is acceptable to receive certain common business courtesies, such as sales promotional items of small value, occasional meals and reasonable entertainment appropriate to a business relationship. However, employees should exercise judgment and disclose these items if they have any doubt about whether they are appropriate. Do not put yourself or the Company in a situation where your motives could be questioned.

Making or Offering Gifts on Behalf of the Company

Similarly, no employee should make or offer any improper payment for the benefit of any individual, company or organization, which is designed to secure favored treatment for the Company in any business dealings. Bribes and kickbacks are strictly forbidden, and under federal statutes it is a crime, punishable by imprisonment and substantial fines, to make payments or gifts to foreign officials, political parties or candidates for the purpose of influencing them to misuse their official capacity to secure business advantages. Our policy, however, is significantly broader and is intended to apply regardless of whether the payment is lawful under the laws of a particular country.

Reasonable Business Entertainment and Travel

All dealings with suppliers, customers or others doing business with Power-One must be conducted solely on a basis that reflects both the Company's best interests and our high ethical standards. Providing common business courtesies, including entertainment and occasional meals for business associates, in a manner appropriate to the business relationship and associated with business discussions, is acceptable provided the expenses are reasonable and authorized in advance.

Travel expenses should also be consistent with the needs of business. Our goal is that employees should neither lose nor gain financially as a result of business travel and entertainment. Employees are expected to spend the Company's money as carefully as they would their own.

Political Contributions and Government Relations

Refrain from mixing your politics or public service with your employment...

We encourage our employees to become involved in civic affairs, and all employees are free to endorse, advocate, contribute to, or otherwise support any political party, candidate or social cause they may choose. However, employees must strictly limit these activities to their own time, and any donations of time, money or services must be at their own expense. In addition, in any public statements made by an employee regarding any political or social cause, references to an employee's affiliation with the Company should be avoided. In all such personal activity, it should be clear that the employee is speaking for themselves personally, and not acting on behalf of the Company. The use of Company letterhead, information systems (e.g. email), premises, etc. to suggest or infer Company support for any political party, candidate, or social cause is prohibited.

Power-One unequivocally forbids the use of Company funds or property for the support of political parties or political candidates for any office, federal, state or local. In the United States, federal law prohibits corporate donations to candidates for federal offices, and similar foreign, state and local statutes control these activities in their jurisdictions.

Additionally, to ensure there are no conflicts of interest or other potential legal issues which may affect the Company, any employee who wishes to hold or pursue any governmental (federal, state, provincial, or local) office, affiliation, or other involvement as a member of any government agency, office, department, or other entity must secure the prior written approval for same from the General Counsel of the Company. All questions regarding any such government service, affiliation, or employment should be directed to the General Counsel of the Company.

Use of Company Funds, Assets and Facilities

Take care of Company property and remember its primary business purpose...

Each employee is personally responsible for any Company funds over which he or she has control, and anyone spending Company money should always be sure the Company receives good value in return.

All employees are responsible for the proper use of Power-One's property, information resources, facilities and equipment. Company property is vital to our business, and your vigorous protection of our assets is critical to our long-term success. Use and maintain these assets with the utmost care and respect, and help the Company guard against waste and abuse by being alert to opportunities for improving efficiency and quality, while reducing costs.

The Company's assets are provided for legitimate business purposes. They should never be sold, loaned or removed from Company property without permission from your supervisor. It is recognized, however, that occasional personal use by employees may be reasonable if it does not adversely affect the interests of the Company. Employees should always consult with their supervisors for appropriate guidance.

Computer and Software Use

The use of Company-owned technology assets is for business purposes only...

Power-One provides employees with all necessary hardware and software for business purposes, including computers, printers, software packages, and cellular telephones. These items remain the property of the company and are to be used for the purpose of conducting company business.

The company email system is for the primary purpose of communications which involve and support company business. The email system is not to be used for any distribution of offensive, harassing, “off-color”, or comparable messages, images, materials, or content. Misuse of the company email system is cause for immediate disciplinary action, up to and including dismissal from employment.

The company complies with all licensing and subscription requirements and respects and protects the copyrights and intellectual property interests of software developers/owners. The company does not condone the illegal duplication of software, or any use of “pirated” software. Employees may not copy software or related documentation for any purpose without the prior written authorization and approval of the Information Technologies department.

Power-One also maintains a continuous connection to the Internet for the primary purpose of conducting business with customers and vendors in direct response to our commercial needs. We recognize that employees will, from time to time, use this Internet connection, with great discretion, for very limited personal use. We expect employees to keep personal use of the Internet connection to an absolute minimum, and to remember that the primary purpose of this connection is to serve and support our business needs and goals. The use of the Internet connection for excessive personal purposes is not allowed. Additionally, any misuse of the Internet connection (e.g. for accessing sites which contain obscene, pornographic, or comparably patently offensive materials; for accessing sites which advocate, promote, or encourage any illegal activity; etc.), or to assist with or affect the commission of any illegal act (e.g. downloading or uploading unauthorized or pirated software, or any other copyrighted materials) is cause for immediate disciplinary action, up to and including dismissal from employment, and possible further legal action.

Records, Costs and Controls

Maintain accurate, honest records of all business transactions and dealings...

Keeping accurate and complete records is necessary for the Company to meet its financial, legal and management obligations. Records must be kept in accordance with accepted accounting rules and controls at all times, and should fully and accurately reflect all business transactions.

All reports, vouchers, bills, payroll and service records, measurement and performance records, expense accounts and other important data must be prepared with care and honesty. Employees are responsible for ensuring that labor and material costs are properly recorded and charged on the Company's records. No employee should ever, under any circumstances, misrepresent facts or falsify records.

Records containing personal data, including computer data, about employees are confidential. They are to be carefully safeguarded and kept current, relevant and accurate. They should be disclosed only to authorized personnel or in accordance with a lawful process.

Environment, Health and Safety

Help keep the workplace — and the communities in which we operate — healthy, safe and clean...

Power-One is committed to environmental, health and safety protection for its employees, customers, neighbors and others who may be affected by its products or activities. Although this commitment is based on compliance with the law, it goes well beyond that foundation: we strive to make the communities in which we work cleaner, safer places to live.

Federal, state, local and foreign environmental laws regulate the emission of pollutants into the atmosphere, the discharge of pollutants into surface and underground waters and the handling and disposal of wastes. The Company has policies and operating procedures to ensure compliance with these laws and regulations. Employees are responsible for reporting to management any accident or situation that may lead them to believe that a product used or produced by the Company may present a substantial risk of injury to health or the environment.

Other laws, such as the Occupational Safety and Health Act and similar laws of other jurisdictions, regulate the physical safety and exposure to conditions in the workplace that could harm employees. These laws establish specific industrial hygiene and other safety procedures. Employees must observe all posted warnings and regulations. Report immediately to your supervisor any accident or injury sustained on the job, or any conditions in the workplace which you believe to be unsafe.

The laws in this area are complex, and violation can result in severe criminal and civil penalties for the Company, as well as for individual employees. If you have any doubts about whether to raise safety-related concerns with your supervisor, always err on the side of disclosure.

Equal Opportunity

Respect the diversity of your colleagues...

The Company values each employee's equal opportunity to achieve his or her potential, and recognizes the importance of providing a workplace where individuals feel respected, appreciated and satisfied.

Power-One will not tolerate discrimination of any kind, especially involving race, color, religion, gender, age, national origin, disability, sexual orientation, or veteran or marital status. We are committed to equal treatment for all employees in connection with hiring, promotion, training, compensation, termination and disciplinary action.

Discrimination can have serious consequences for the Company, most notably by exposing us to potential litigation and unfavorable publicity. More importantly, though, it undermines the positive work environment that the Company is committed to fostering, an environment which supports integrity, respect, trust, responsibility and citizenship.

Harassment

Recognize and avoid behaviors which could be considered harassment...

Any harassment by one employee towards another is expressly prohibited. Harassment includes verbal, physical and visual harassment, as well as sexual harassment. All employees must be allowed to work in an environment free from unsolicited and unwelcome sexual overtures. Sexual harassment does not refer to occasional compliments or other generally acceptable social behavior. Sexual harassment refers to behavior that is not welcome, personally offensive, undermines or weakens morale and, therefore, unreasonably interferes with the work effectiveness of its victims and their co-workers.

Sexual harassment includes not only obvious offenses such as 1) demands for sexual favors, accompanied by implied or overt promises of preferential treatment or threats concerning an individual's employment status, 2) pressure for sexual activity, or 3) offensive, unwanted physical contact such as patting, pinching or constant brushing against another's body. Sexual harassment can also include engaging in offensive sex-oriented verbal "kidding", joking or other dialog, and/or distributing or displaying off-color jokes, photographs, cartoons, etc. with sexual connotations, whether in person, via email, or otherwise.

If an employee becomes aware of any harassment of any kind, or feels that he or she is a victim of harassment, this information should be communicated immediately to his or her supervisor, his or her applicable Human Resources Representative or our General Counsel. The employee can make this report without fear of retaliation, and may do so without any requirement that he or she directly confront the harasser. The Company will take prompt and necessary steps to investigate and, where appropriate, correct any harassment.

Antitrust Compliance

Promote fair competition and strictly adhere to all antitrust laws...

Antitrust is the general term for laws that protect the free enterprise system by promoting open and fair competition in business. These laws exist in the United States, Europe and many other countries where the Company does business, and are vigorously enforced. It is the Company's policy to compete fairly in the marketplace based on our ability to provide high-quality products and service at reasonable prices.

Failure to comply with antitrust laws could result in serious consequences for the Company and its employees. Violations of many antitrust laws are crimes, subjecting offenders to heavy fines and even imprisonment. In addition, the Company may be required to pay triple damages and be ordered to refrain from engaging in the activity.

The antitrust laws deal with conspiracies and understandings that may improperly "restrain trade." The law prohibits, for example, any understanding between competitors regarding price or price stabilization. Also forbidden are understandings between competitors with respect to the amount of their production, the division or allocation of markets, territories or customers and the boycotting of third parties.

Prohibited arrangements between competitors do not require formal documentation to be illegal. A violation will be found to exist whenever it is shown that there was any kind of mutual understanding which gave the parties a basis for expecting that a business practice or decision adopted by one would be followed by the other.

These laws also apply to international operations and transactions related to imports into, and exports from, foreign countries. Employees responsible for any dealings with competitors are expected to know that U.S. and foreign antitrust laws may apply to their activities, and should always consult with counsel prior to negotiating with or entering into any arrangement with a competitor.

International Business Activities (U.S. Foreign Corrupt Practices Act)

Conduct all dealings with government officials ethically, and never seek to gain special advantage through improper payments...

Power-One will conduct all business and interactions with public officials in a proper, ethical, and legal manner. The Company will never condone, encourage, or tolerate any payments, special favors, or other comparable activities which are made or intended for the purpose of gaining special treatment, unfair advantage, or other comparable results relating to governmental actions, awards, or business opportunities.

The primary guidance and basis behind this Company position is the U.S. Foreign Corrupt Practices Act (the "Act"). The Act, although a U.S. law, serves as the model for all Company employees worldwide. Worldwide coverage and compliance is essential in light of the U.S. public company status of Power-One, Inc. as the ultimate corporate parent entity.

In summary, consistent with the Act, Power-One prohibits any employee from paying or offering, directly or indirectly, any "bribes" or other improper payments to any government official. The rules and guidelines of the Act, and Power-One's expectations of employee compliance, are complex, and beyond the scope of detailed discussion in this Code of Conduct. The Corporate Legal Department should be consulted, in advance, on any questions about any possible payments or offers of anything of value to any governmental official in any country around the world.

Our corporate policy for the Act is CORP-116. A copy may be found at the Corporate ONE-NET intranet found at <http://one-net/> via the link to CORPORATE Policies and Procedures.

International Commerce

Know and follow the law when involved in business abroad...

Power-One is a global, multinational company. While continuing expansion provides great advantages and new opportunities, it also brings with it important new responsibilities.

For example, it is illegal to enter into an agreement to refuse to deal with potential or actual customers or suppliers, or otherwise to engage in or support restrictive international trade practices or boycotts which U.S. law does not explicitly sanction. The U.S. Treasury Department maintains a list of countries with which trade is officially embargoed, and the Company complies with those embargo requirements.

Other laws, including foreign tax laws, may apply in those countries in which the Company does business. As indicated above, anti-corruption, antitrust and similar regulations impose additional obligations in those areas of law for which there are existing U.S. statutes applicable to domestic commerce.

The Company follows a policy of strict compliance with all U.S. and foreign statutes regarding international commerce, and no employee should violate — or assist any third party to violate — the laws of any country. Any employee transacting business on behalf of the Company in foreign countries should become familiar with these and other laws pertaining to international business practices in those particular countries.

Duties to Report and Inquire

*Always report potential violations, and inquire freely
when questions arise...*

Each employee is responsible for bringing to the Company's attention any circumstance or conduct that the employee believes may constitute a violation of this Code of Conduct. Failure to discharge this responsibility may be as serious as the violation itself.

The primary method for reporting matters to the Company is via our "Employee Hotline" process. Employees are encouraged to report suspected violations anonymously using the Company's "Employee Hotline" process. The main portal for and description of the "Employee Hotline" process, including its primary anonymous email system for submitting information to the Company, is located on the internet at <http://inform.power-one.com>.

The Employee Hotline procedure is contained in Corporate Procedure CORP-106. A copy may be found at the Corporate ONE-NET intranet located at <http://one-net> via the link to CORPORATE Policies and Procedures.

As an alternative to the "Employee Hotline" process, information regarding violations may be given to the employee's supervisor, his or her applicable Human Resources representative or, if the employee prefers, directly to Power-One's General Counsel.

The Company encourages employees, without fear of retaliation, to make good faith reports of suspected wrongdoing by the Company, its officers, directors or employees. As a condition to employment with Power-One, employees are expected to comply with the policies and procedures included in this Code of Conduct. When in doubt, employees have the responsibility to seek clarification from their supervisor, their applicable Human Resources Representative or, if necessary, from our General Counsel. In addition to any legal consequences, violations of this Code of Conduct are grounds for disciplinary action up to and including immediate termination of employment.

Receipt and Acknowledgment

I acknowledge that I have received my personal copy of the Code of Conduct of Power-One, Inc. I understand that as an employee of a company within the Power-One family of companies, I am personally responsible for knowing, understanding and adhering to the principles, standards and requirements of this Code of Conduct.

Signature _____

Print Name _____

Date _____

Supervisor _____

Location _____