



Code of Conduct

Guide to Doing What's Right

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Message from the President & Chief Executive Officer



On behalf of myself and our Board of Directors, I am pleased to present the FARO® Code of Conduct. Our Code of Conduct defines how we do business the right way anchored by our strong ethical culture and acting with integrity in everything we do. FARO's reputation is also defined by the products we make, the services we provide and the way we treat each other. All FARO directors, officers and employees (FARO Employees) and anyone acting on FARO's behalf, must conduct business ethically and legally at all times.

The FARO Code of Conduct establishes those standards for how FARO Employees are expected to conduct business when dealing with each other, our business partners and other third parties. The Code of Conduct cannot anticipate all issues. When unsure, follow the guidance and seek the assistance of resources as described in this document.

All FARO Employees are expected to read, understand and conduct themselves in accordance with the Code of Conduct. Further, FARO should only do business with third parties who operate in a manner consistent with our values and this document.

Given that we operate around the world, there may be conflicts between applicable laws, the Code of Conduct or FARO policy and procedure. In such situations, FARO Employees should seek guidance and adhere to the strictest standards.

Following the Code of Conduct is not optional. If you are aware of a situation that may violate the Code of Conduct or applicable laws, you have options available to you to report the matter. No one should be discouraged from or retaliated against for raising ethical concerns in good faith.

It is everyone's responsibility to live up to FARO's values and maintain our hard-earned reputation throughout the world. Thank you for your commitment to adhering to the FARO Code of Conduct!

Respectfully,

A handwritten signature in black ink, appearing to read 'Peter J. Lau', with a stylized flourish at the end.

Peter J. Lau

President & Chief Executive Officer; Director



About



Our Mission

We enable customers to capture, measure, interact with and share data from our physical world in a virtual environment and then translate this information back into the physical domain.

Our Vision

FARO is a global leader in 4D Digital Reality solutions (hardware/software/services). Leveraging 40 years of industrial experience in the capture and digitalization of the physical world, our solutions significantly improve our customer's productivity by delivering workflow-based information, via a cloud-based, Software as a Service (SaaS) business model.



WE Strive for Excellence

We aim to exceed the expectations of our internal and external customers.



WE Think Big & Move Fast

We are pioneers in digitalization, leaders with bold ideas who act quickly to ensure we deliver on the value customers expect.



WE Make Our Mark

We offer solutions that enable our customers to work more efficiently and competitively, creating a more sustainable world.



WE Support Each Other

We embrace a culture of trust, integrity, transparency and diversity to nurture talent and foster a collaborative work environment.

How WE Work

- We consistently put the customer first
- We encourage feedback to help us learn and improve
- We are clear on expectations and deliver to them
- We do what we say and say what we do

- We accept that change is inevitable to remain competitive
- We value decisiveness and steady progress over perfection
- We are willing to try, fail and adapt — continuing to learn in all that we do
- We take big risks and own it

- We solve our customers problems by developing unique solutions
- We are trailblazers and accelerate speed to market
- We anticipate the challenges and opportunities of tomorrow
- We reduce time, waste and risk

- We are mindful of the global and local cultural norms of our customers
- We do what is right and assume positive intent
- We lead with vulnerability and hold ourselves and each other accountable
- We foster a respectful atmosphere that embraces diversity of thought

Our Code of Conduct

Why we have a Code of Conduct (“Code”)

Establishing a common set of principles guides each of us to make the right business decisions every day, every time. At FARO (the “Company”), adhering to the high ethical standards set forth in this Code protects our employees, our company and our reputation. The Code provides guidance on how to apply our values in the various and sometimes difficult situations we may encounter.

All FARO Employees must follow the Code. We also require anyone acting on our behalf, including agents, business partners and consultants, to conduct themselves in a manner consistent with the Code, the law, applicable policies and their contractual obligations.

Our Code applies everywhere we do business. If there is a conflict between the requirements of the Code and applicable laws, customs or practices in a particular area, consult with the Legal or Compliance Department to determine the best course of action.

The Code cannot cover every situation. If you need additional information or guidance, contact any of the resources listed throughout the Code.

Violations of the Code, our policies, laws or regulations can result in serious consequences for FARO Employees and for FARO. Violations may be subject to corrective or disciplinary action, including termination of employment, based on facts, circumstances and applicable employment law.

Employee Responsibilities

Doing the right thing, every time, in every situation and with everyone we interact with is the responsibility of all FARO Employees.

Employee responsibilities:

- Know and follow the Code, policies, laws and regulations that apply to your job.
- Ask questions when unsure and report concerns.
- Treat others with respect.
- Cooperate fully and honestly when responding to an investigation or audit.
- Complete all required compliance awareness training and certifications.

Leaders and supervisors have additional responsibilities:

- Set an example for others to follow.
- Set clear expectations and ensure employees understand their responsibilities.
- Foster an environment where others are comfortable asking questions and raising concerns.
- Consistently adhere to our values and hold people accountable.
- Never ask or pressure anyone to do something you are uncomfortable with or prohibited from doing.
- Instruct third-parties on our expectations and their obligations.

Raising Questions and Concerns

If you witness or have good reason to suspect misconduct, you have options available to you to report the matter as described in the Code. By asking questions or raising concerns, you are giving FARO an opportunity to address problems and make improvements as needed.

FARO Employees are encouraged to first contact their supervisor. If you are uncomfortable speaking with your supervisor or they are unable to address your concerns, you may contact the following:

- Human Resources
- Legal or Compliance
- Workday Help
- FARO EthicsPoint
- FARO worker representative (where locally applicable)

Workday Help

Workday Help provides a method for FARO Employees to raise Human Resource-related questions, issues or concerns. Such issues include, but are not limited to, compensation, illegal discrimination, harassment, workplace violence or other misconduct. Please note, submissions through Workday Help are treated as confidential, but are not anonymous.

To access Workday Help, go to <https://www.myworkday.com/faro/wdhelp/helpcenter>.

FARO EthicsPoint

FARO's EthicsPoint hotline provides an anonymous and confidential method to 1) report conduct that may violate the Code or other policies, laws or regulations, and 2) seek guidance regarding potential or actual misconduct. EthicsPoint is operated by an independent third party, available 24 hours a day and supports multiple languages.

Reports can be submitted anonymously where allowed by local law. Reporters should provide as many details as possible related to the matter, including who, what, when, where and why. If additional information is needed, EthicsPoint will provide the reporter with a method to check in and answer any follow up questions.

EthicsPoint reports are monitored by trained personnel and investigated if needed. FARO Employees must cooperate fully and honestly in any investigation. Where necessary, FARO will report conduct that objectively appears to be criminal in nature to the appropriate authorities and cooperate fully with any resulting investigation.

To access EthicsPoint, go to www.faro.com/ethicspoint and click "file a new report."

Non-Retaliation

FARO prohibits retaliation against FARO Employees who raise concerns in good faith. "Good faith" means you report truthfully and honestly about the facts and information that led to your concern, regardless of whether the investigation of your report uncovers any actual misconduct. Similarly, purposely false and malicious reports are prohibited and will be subject to disciplinary action.

Ethical Decision Making

If you encounter a difficult decision or situation, ask the following questions:

Is it consistent with our values?



Is it consistent with our Code or policies?



Is it legal?



Would you be comfortable disclosing the matter to friends, family or the public?



If the answer to any of the questions is **"No"** or you aren't sure, stop and seek guidance.



Policy in Focus

Employment-Related Decisions

Includes hiring, placement, promotion, transfer, training, compensation, benefits and termination.

Legally Protected Traits

Includes race, color, gender, religion, age, disability, national origin, sexual orientation, marital status, pregnancy, veteran status or any other protected group status as defined by applicable law.

Our People

Health and Safety

FARO strives to maintain the highest safety standards and minimize environmental impact. Doing so safeguards the health and safety of FARO Employees and business partners. While performing their duties, FARO Employees must contribute towards:

- Compliance with all applicable environmental, health and safety laws and job safety procedures
- Creating and maintaining a safe work environment
- Helping prevent accidents and injuries
- Reducing waste and appropriately disposing of hazardous materials

Do not work under the influence of alcohol, controlled substances or illegal drugs. Do not attempt to work if you are unable to perform your job safely or if your condition compromises your safety or those around you.

FARO Employees should instruct other employees, contractors and third-parties to adhere to safety standards and should never accept others who bypass or ignore those standards. All injuries should be reported immediately to your supervisor and Human Resources representative.

Equality, Inclusion and Discrimination

Equal employment practices do more than keep FARO in compliance with applicable labor and employment laws. They contribute to a culture of respect. FARO is committed to diversity and equal employment opportunities. FARO prohibits making **employment-related decisions** or illegally discriminating based on **legally protected traits**.

FARO is committed to complying with all laws, including those pertaining to freedom of association, privacy, collective bargaining, immigration, working time, wages and hours.

Please refer to the Employee Handbook and compliance training material for further information and policies regarding employment and unlawful discrimination practices.

Harassment

FARO Employees are prohibited from harassing another employee, customer, or supplier in any way, including offensive messages, comments and inappropriate jokes. Harassment can be verbal, physical or visual and can include unwelcome touching, rude gestures or other disrespectful conduct.

You should never tolerate physical or verbal intimidation, bullying, unwelcome sexual advances, inappropriate comments or other disrespectful conduct. Help create a positive work environment where everyone feels respected and valued and can contribute to their full extent.

Please refer to the Employee Handbook and compliance training material for further information and policies prohibiting harassment in the workplace.

Our Company

Our Assets and Assets of Others

FARO Employees must protect all Company assets from loss, damage, theft, waste and improper use. We must also protect the assets of others. Take precautions to protect our asset as if they were your own and safeguard them from loss or theft. This includes exercising financial responsibility in purchasing decisions for products and services.

Company assets are intended for business purposes. Any personal use of assets should be reasonable and responsible and not in a manner that contradicts the Code, or other FARO policies and procedures. Secure your office, workstation and equipment by locking items, completely shutting down systems and not leaving them unattended in public places.

FARO assets include:

- **Physical** – Facilities, vehicles, equipment and supplies.
- **Information** – Data including intellectual property, trade secrets, patents, trademarks, copyrights, logos, engineering and manufacturing designs and plans, cost and pricing, employee compensation, databases, unpublished financial data and reports, files and records.
- **Financial** – Company funds including checks, credit cards, invoices and other records that serve a monetary value.
- **Electronic** – Computers, electronic storage devices, telephones, information systems, internet/intranet access, and other similar devices, systems and technology.

Information Systems

Follow all Company policies and practices dedicated to securing our information networks, computers, programs and data from attack, damage or unauthorized access. This includes:

- Protecting usernames and passwords
- Exercising caution with unfamiliar or unusual emails and suspicious links
- Reporting any equipment that is damaged, unsafe or in need of repair

Email, information systems and internet access are the property of the Company, as are all correspondence and material contained on these systems. Unless otherwise provided for under local laws and regulations, FARO Employees should have no expectation of privacy as to the use of FARO communication tools, including email, voicemail and computers. To the extent permitted by law and regulations, the Company may access and review data and activity on such systems within its reasonable discretion to ensure compliance with applicable laws and regulations and to protect the security, reputation and legal interests of the Company and FARO Employees. Please note that all FARO business communications must be conducted on FARO systems and FARO approved applications.

Any suspected incidents of fraud, theft or malicious activity should be reported in accordance with the Raising Questions and Concerns section of the Code.



Q&A

Q: I perform consulting services after hours or when I have extra time at work. Can I use my Company computer to store client files and access their systems?

A: No. You should use separate, personal equipment for your business. Further, you should disclose your consulting services to your Supervisor, Human Resources and Compliance to ensure a conflict of interest doesn't exist. Conflicts of interest can be very serious, and you should report any suspected or actual conflict of interest that you are aware of as described in the Code.



Q&A

Q: My supervisor asked me to record a transaction in a way that is clearly inconsistent with its actual business purpose. They also asked me to submit their expenses on my expense report so that they can approve it. Is this right?

A: No. Transactions must only be recorded in a manner that is consistent with their business purpose. Further, supervisors must submit their own expenses in a timely and accurate manner and should not ask subordinates to do this on their behalf. Doing so circumvents accounting controls. You should refuse and report the matter in accordance with the Raising Questions and Concerns section of the Code.

Our Company

Confidential Information

FARO Employees must protect confidential Company information, including intellectual property. Only share on a need-to-know basis with those who are authorized and need it to do their jobs. Be careful when creating and storing confidential information and when discussing confidential information around other FARO Employees or in public. This includes conversations on elevators, in common areas, when using mobile phones or attending video conferences in public spaces.

Confidential business information means any information that is proprietary, not publicly known or is subject to restrictions on how it can be shared. Examples include, but are not limited to, the following:

- Unannounced products, software and services
- Trade secrets and intellectual property
- Earnings and other financial information that have not been publicly disclosed
- Supply chain and procurement plans
- Prices and discounts
- Business plans including mergers and acquisitions
- Business and contractual negotiations
- Marketing strategies
- Employee or other personally identifiable information
- Other material non-public information about FARO and its business

Seek guidance from Legal to ensure confidential information is properly labeled, distributed and destroyed in accordance with Company policy.

Accurate Financial Reporting

Honest and accurate financial information is relied upon by our Company to make responsible business decisions and by external regulators and investors. All financial books, records and accounts must accurately reflect transactions and events, and must conform to generally accepted accounting principles and to FARO's system of internal controls. All transactions must be supported by proper documentation and clear and complete descriptions, including expense reports and other interactions with third-parties.

No FARO financial records may be falsified for any reason, and no undisclosed or unrecorded accounts of FARO's funds or assets may be established for any purpose. This includes email or any other documents and reports used to support recording of financial transactions. Any demands to record, or awareness of, falsified or inaccurate information must be reported in accordance with the Raising Questions and Concerns section of the Code.

Follow Company policies on handling, storage and disposal of financial records. Any legal hold notices must be followed according to their instructions.



Q&A

Q: We are working on some exciting advancements in FARO's products and I'm excited to tell my friends online about the work we are doing. Is that ok?

A: No. Only authorized FARO Employees may make announcements on FARO products and advancements. Not only may your post have non-public information, but it may also provide information to our competitors and hinder marketing strategies and plans.



Policy in Focus

Personal Information

Generally, includes data that can be used to identify a specific person such as: a personal address; personal phone number; photo; birth date; employee files; driver's license, passport or government-issued identification information; banking or payroll information; medical condition or history; or other personal information revealing any other characteristic protected by applicable law.

Sharing Information

External Communications

Only certain FARO Employees may speak publicly on behalf of the Company. Never speak publicly or give the impression that you are speaking on behalf of the Company unless you are authorized to do so. If you receive an outside inquiry about the Company from the media, investment analysts or others, you should decline to provide any comment or information and immediately notify the Chief Financial Officer. If you are contacted by a regulatory agency regarding our business, immediately notify Legal.

Social Media and Electronic Communications

Social media is a useful tool to establish relationships with people and potential customers but should be treated with care before posting online.

- Do not post confidential information about the Company, fellow employees or our business partners.
- If you list FARO as your employer on any social media site, understand that your social media activity may have an impact on our business or reputation.
- Do not engage in activity online that would be unacceptable in person.

When using internal and external electronic communications, keep them professional and in compliance with Company policies.

Personal Information and Privacy

The collection, use and protection of FARO Employee and third-party data is critically important. Respect for individual privacy must be maintained at all times. FARO should only obtain and use **personal information** for lawful, legitimate and ethical business purpose. Personal information must be kept safe and secure with respect and care for the privacy of FARO Employees, customers and business partners.

Data privacy laws are complex and vary depending on country or region. These laws govern how we collect, store, use, share, transfer and dispose of personal information. If you work with personal information, be sure to understand and follow the laws, policies and procedures that apply and seek guidance from the Legal Department if you have any questions.

If you observe any personal information being handled inappropriately, report it according to the Raising Questions and Concerns section of the Code.

Sharing Information

Insider Trading

During the course of performing your job for FARO, you may become aware of material, non-public information (also known as inside information) about FARO, its customers or business partners. Common examples of inside information include but are not limited to:

- Projections of future earnings or losses or other financial data
- Write-offs or changes in accounting methods
- Planned purchase or sale of debt or equity securities
- News of a significant or pending merger, acquisition or tender or disposition of a subsidiary
- Significant litigation or disputes
- Changes in management personnel
- Significant new products, discoveries, services or marketing plans

FARO Employees must not:

- Purchase or sell securities while in possession of inside information
- Communicate or tip such information to anyone outside the Company, or to anyone inside the Company who does not have a legitimate need to know.

Further, FARO Employees may not purchase or sell FARO stock during blackout periods as described by FARO's Insider Trading Policy. Even when no blackout period is in effect, FARO Employees must confirm with the Chief Financial Officer and Legal whether they need to pre-clear trading in FARO securities.

Review the FARO Insider Trading Policy for a more complete description of the restrictions on insider trading. It is your obligation to confirm compliance with the FARO Insider Trading Policy in advance of any purchase or sale of FARO securities. Understanding this policy is critical to protecting yourself and FARO.



Policy in Focus

Inside information is information that a reasonable investor would find useful in determining whether to buy, sell or hold a stock or other security and that has not been released to the public. Inside information may be information that could be perceived as either positive or negative.

Information is **material** if there is a substantial likelihood that a reasonable person would consider the information important in making a decision to buy or sell securities.

Information is **non-public** until one full business day after it has been widely disseminated to the public through a press release and/or a report made to the U.S. Securities and Exchange Commission.

Financial securities include any stocks, bonds, options or other securities of any public company.



Policy in Focus

A **bribe** is anything of value that is given to influence the behavior of someone in government or the private sector in order to obtain a business, financial or commercial advantage. A bribe can be something other than cash. A gift, a favor, an offer of a loan or a job, even if it does not succeed in its intended purpose, could be considered a bribe.

Facilitation payments are typically small payments to a low-level government official that are intended to encourage the official to perform their responsibilities.

A **government official** includes anyone who works for or is an agent of a government-owned or government-controlled entity. This includes elected and appointed officials of national, municipal or local governments. It also includes officials of political parties and candidates for political offices, as well as employees of a government or a state-controlled company or educational institution.

Working with Others

Third Party Relationships

Successful business is built on successful relationships. We expect all FARO Employees and business partners to maintain the high standard of ethics and conduct set forth in this Code as well as compliance with laws and regulations. Failure to do so exposes FARO to reputational and legal risk.

All contracting and purchasing decisions must be objective and based on the capability to meet FARO needs and standards with consideration for quality, service, and price. Avoid conflicts of interest. Your decision must never reflect personal interests, biases or friendships.

FARO Employees shall not engage in deceptive behavior and must always engage transparently with our business partners. This includes:

- Follow all FARO due diligence procedures, as required, prior to engaging the third party
- Follow established contracting procedures and ensure all parties meet contractual obligations
- Protect the confidential information of business partners
- Follow laws and regulations related to the products and services being provided
- Ensure all parties act consistently with our values and the Code

See our policies on vendor and channel partner management for further details and guidance.

Anti-Corruption

Anti-corruption laws such as the U.S. Foreign Corrupt Practices Act (FCPA) prohibit bribery and corrupt activities. These laws are expansive and strict and must be followed by FARO Employees and all business partners at all times. FARO prohibits directly or indirectly offering, promising, giving or receiving anything of value for the purpose of influencing official action, obtaining an unfair or improper business advantage or causing the recipient otherwise to perform their work duties disloyally or improperly. If there is any instance in which FARO policy or applicable anti-corruption laws conflict, the stricter requirements apply.

FARO Employees must always maintain accurate books and records that honestly describe and document the nature of payments made. Never mis-classify, split or in any way distort or disguise the true nature of any transaction.

Activities of third-parties must always be monitored. We are not only responsible for our actions, but also for the actions of any third-party who represents FARO. Exercise due diligence to ensure we do not do business with third-parties who have a reputation for questionable business practices.

If you are aware of or suspect any corrupt activities, you should report the matter according to the Raising Questions and Concerns section of the Code. Consult with the Legal and Compliance Departments for guidance and to ensure you avoid any potential illegal activity.

See our Anti-Corruption policy for further details and guidance.

Working with Others

Government Interactions

Particular caution must be exercised with respect to transactions involving government officials as these transactions are subject to various restrictive laws and regulations and often susceptible to corrupt or improper business practices, violation of which may result in substantial fines and penalties for FARO or its employees. This includes facilitation payments which are illegal in many countries and strictly prohibited by FARO.

Conflicts of Interest

A conflict of interest exists when an individual's private interests interfere or appear to interfere with their ability to make objective decisions on the Company's behalf. FARO Employees must avoid conflicts of interest. Any potential conflicts must be disclosed. Contact your immediate supervisor, Human Resources, Legal or Compliance if you suspect a conflict of interest.

It is impossible to list all potential situations which may present a conflict of interest, but the following are common examples:

- **Business with close relatives** – Hiring, supervising or engaging in business transactions with close relatives as an employee or at a customer or supplier.
- **Financial interests** – Having any financial or other interest in a FARO vendor or customer. Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to the Company.

- **Outside employment and board of director opportunities** – Taking an outside job or serving on a board that interferes with your work, or at a company that is a supplier, a competitor or any organization that does business with FARO.
- **Outside opportunities** – Pursuing any opportunity for yourself that is either (a) discovered through your work at FARO or (b) where you use FARO property, equipment, networks, supplies or other assets (including FARO information) to perform outside services for your own benefit. Examples include providing scan consulting services using FARO equipment or FARO information. Even other outside opportunities unrelated to FARO can cause a conflict of interest and should be submitted to FARO for review.
- **Gifts and gratuities** – Accepting gifts, gratuities or entertainment from a competitor, customer, distributor, supplier or government official.

FARO Employees unsure about whether a certain transaction, activity or relationship creates a conflict of interest should seek clarification from their immediate supervisor, Human Resources, Legal or Compliance.

See our Conflicts of Interest policy for further guidance.



Q&A

Q: One of our Sales Managers has a relative working at one of our Distributors but no one else knows about it. I think this is impacting the discounts and sales opportunities they are giving to that Distributor. What should I do?

A: This relationship represents a potential or actual conflict of interest. You should report the matter according to the Raising Questions and Concerns section of the Code for further investigation.



Policy in Focus

- Gifts and entertainment can take many forms.
- The nature, value and recipient have a significant impact on the potential risk of each activity.
- Providing gifts, entertainment and travel to government officials must be treated with extreme care as many governments strictly limit or prohibit such activities.
- FARO's Gifts and Gratuities policy establishes guidance for acceptable and unacceptable activities and when pre-approvals are required.
- FARO-branded promotional items of nominal value are generally allowed without pre-approval.
- All gifts and entertainment must be accurately recorded in employee expense reports and FARO books and records.



Q&A

Q: One of our Distributors is coordinating with a competitor and an affiliated entity to submit bids on a tender to meet a three-bid minimum requirement. The group has already decided who will win the tender and have agreed to split the profits. Is this ok?

A: No. This is a direct violation of antitrust laws and a common source for funds used for bribery and kickback purposes. This activity could subject FARO and its employees to fines, penalties and prosecution. You should deny the transaction and notify Legal and Compliance immediately.

Working with Others

Gifts & Entertainment

Giving or receiving an occasional gift or entertainment with a customer or business partner is often viewed as a normal and acceptable part of doing business. However, if not handled properly, that gift or entertainment can be viewed as excessive, a potential conflict of interest or even illegal.

Gifts and entertainment should always be modest in value (generally less than \$50 USD), not frequent and there should always be a clear and appropriate business purpose. Gifts and entertainment should never be in the form of cash or cash equivalents. FARO Employees may not offer, promise, give or authorize the giving of any gift or gratuity, nor may they request, solicit, agree to receive or accept any gift or gratuity in violation of FARO's Anti-Corruption policy or Gifts and Gratuity policy.

FARO Employees are prohibited from accepting gifts or personal gratuities from any person or business with whom FARO does business with that may create a conflict of interest. If you're ever unsure, seek guidance from the Compliance Department.

See FARO's Gifts and Gratuities policy for additional guidance and details.

Fair Competition

Antitrust laws protect free enterprise by ensuring competition is open, fair and in the best interest of the public. FARO Employees and business partners must follow all applicable antitrust laws. Antitrust laws are complex and generally prohibit any agreement with a competitor, customer or supplier that unreasonably restrains trade.

The following are examples of activities that should be avoided:

- Agreements or discussions with competitors with respect to price, terms of sale, costs, profits, profit margins or the division or allocation of markets, territories or customers
- Rigging bids with a competitor, such as agreeing which party should win a bid, exchanging bid prices or submitting false bids in order to meet minimum bidder requirements
- Exchanging any unpublished or non-public information concerning prices, terms of sale or any other competitive information with a customer or competitor
- Reciprocal dealings with customers or suppliers (quid pro quo)

Antitrust violations can have severe consequences for individuals and can result in large financial penalties for FARO. If you are aware of any activity which may violate antitrust laws, remove yourself from the situation immediately and contact the Legal Department. See FARO's Antitrust policy for further details.

Working with Others

Trade Compliance

Trade compliance laws govern the conduct of trade across borders, including laws that are designed to ensure that transactions are not being used for money laundering, laws prohibiting companies from cooperating with unsanctioned boycotts, and laws regulating imports and exports. FARO Employees and business partners must comply with all such laws.

FARO Employees must be familiar with the various trade rules and regulations applicable to their job function. In particular:

- The U.S. and certain other countries we operate in maintain lists of **sanctioned** countries, entities and individuals. Sanctions are used to block assets and impose trade restrictions to accomplish foreign policy and national security goals. FARO must not transact with any sanctioned countries, entities or individuals.
- **Import laws** and regulations govern the importation of goods to ensure only admissible goods enter the importing country, and that the correct amount of duties and taxes are paid on those goods. Export control laws govern the transfer of goods, services and technology to another country. This may include goods, services, technical data, technology and equipment transported physically or through electronic means.

- FARO must never participate in or promote **economic boycotts** that the U.S. government does not support. For example, FARO is prohibited from entering into agreements or transactions accepting or supporting the Arab League boycott of Israel. If you receive a request or see contractual requirements to participate in a boycott, contact the Legal Department immediately.
- **Money laundering** is the process by which illegally obtained funds are moved through the financial system to conceal their criminal origin. Check for “red flags” which may be cause for concern. If you suspect money laundering activities, contact our Legal Department.

Any attempt to circumvent trade compliance controls by FARO Employees or business partners will not be tolerated. Refer to FARO’s Trade Compliance policy and available compliance training for further details and guidelines.



Policy in Focus

Common trade compliance “red flags” include:

- Reluctance to offer information about the end-use of the product or service.
- The products and services being sold do not fit the buyer’s line of business.
- The customer has little or no business background or has little or no web presence.
- The customer address is a residential address, a closed/abandoned property, or an empty lot.
- Use of personal email accounts instead of company email addresses.
- Unusual shipping routes or locations.
- Requests for cash payments, payments to/from off-shore accounts or other unusual payment terms or practices.



Our Community

Human Rights and the Environment

FARO is committed to respecting the human rights and dignity of everyone and will not tolerate abuse of human rights in our operations or in our supply chain. FARO Employees and business partners must comply with all applicable laws pertaining to fair employment practices as well as laws prohibiting forced and compulsory labor, child labor, employment discrimination and human trafficking.

Any suspected human rights abuses should be reported in according with the Raising Questions and Concerns section of the Code.

Political and Charitable Contributions

FARO's participation in any political activity is strictly governed by laws and regulations. The Company generally does not participate in political activities. Any such activities require pre-approval by Chief Executive Officer, Chief Financial Officer and Legal.

FARO Employees have the right to participate in political processes, however, political activity should be kept separate from work. Specifically, participate in political activities as an individual citizen on your own time and at your own expense. Identify your political statements as your own and not FARO's. Never pressure other FARO Employees or business partners to support or oppose any political cause.

Oftentimes, FARO Employees will support charitable activities throughout our local communities. However, never associate personal charitable activities with the Company without prior approval as required by our policies. This includes use of FARO assets and time spent at work. Be wary of any requests by customers or government officials to contribute to specific charitable organizations as this may be a sign of improper activity. Consult with the Compliance Department to determine whether additional due diligence or assurances are necessary.

Contacts and Resources

This Code does not cover every policy or situation that you may encounter while conducting business on behalf of the Company. If you are not clear on what is expected of you, or have a question, seek guidance as instructed in this Code or by using the resources listed below

Compliance Department – compliance@faro.com

Legal Department – legal@faro.com

Data Privacy – privacy@faro.com

EthicsPoint – www.faro.com/ethicspoint

Amendments and Waivers

Nothing in this Code or in any of our policies is intended to limit or interfere with the right to engage in activities protected under applicable labor laws, such as discussions related to wages, hours, working conditions, health hazards and safety issues. Nothing in this Code is intended to limit or interfere with mandatory local employment laws and regulations, including applicable works council agreements.

Our Code may occasionally be updated or amended for changes in laws, policies and practices. Any changes to the Code must be approved by the CEO.

Any request for a waiver of the Code of Conduct must be approved by the Board of Directors or the Audit Committee as directed by Legal.

Acknowledgement

All FARO Employees are required to acknowledge that they have read, understand and will comply with the Code upon hire and periodically as requested thereafter.

Copyright and Trademarks

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Effective date: June 6, 2024

Last Revision: June 6, 2024

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