

FARO®

Global Ethics Policy



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Statement of Intent

FARO's reputation is defined to the outside world in many ways — by the products we make; the services we provide; and the way we treat our fellow employees, customers, suppliers and shareholders. All directors, officers and employees (each a "FARO Person" and collectively "FARO Personnel"), and anyone else acting on FARO's behalf, must engage in and promote honest and ethical conduct and act responsibly.

The purpose of this policy (the "FARO Policy"), along with FARO's Anti-Corruption Policy and FARO's Employee Handbook, is to provide a standard for how FARO Personnel are expected to conduct business when dealing with fellow employees, customers, suppliers, or other business partners. This policy cannot anticipate all issues — we expect all FARO Personnel to think before acting and to seek assistance if the correct course of action is unclear. We must insist that all FARO Personnel conduct themselves in accordance with this Policy. In addition, any FARO Person who retains a third party to act on FARO's behalf is responsible for ensuring that the third-party acts in accordance with the tenets of this Policy. Nothing in this Policy shall in any manner alter FARO's at-will employment policy, which is more fully set forth in FARO's Employee Handbook.

FARO's senior executive team understands that business practices vary from country to country, and these differences will be respected where possible. However, we will not pursue business at any cost. All FARO Personnel must read, understand and abide by this Policy so that they can represent FARO appropriately in all business dealings. Although FARO does not expect its Personnel to be experts in all areas of law underlying this Policy, we do expect everyone to know enough about this Policy and the laws that support it to seek advice from supervisors, managers, and/or the Chief Compliance Officer ("CCO") when necessary.

References in FARO policies to the laws of the United States and other countries where we do business reflect the reality that a global company is regulated by many different laws. To that end, it is imperative that you review and understand FARO's policies, particularly our Anti-Corruption Policy, to ensure that you act lawfully and ethically in carrying out business on FARO's behalf. You should also recognize that there may be conflicts between applicable laws of two countries, or ambiguity surrounding regulations. If a law is stricter than the FARO Policy, you must comply with the law; however, if FARO Policy is more strict than the law, you must comply with FARO Policy. When you encounter such an issue, or if a local law or custom appears to conflict with the FARO Policy, including, in particular, the Anti-Corruption Policy, you should inform the Compliance Department to resolve any questions.

Those who violate this Policy will be subject to disciplinary action, up to and including termination, and may also be reported to appropriate government authorities at FARO's discretion. If you know of a situation that may violate or lead to a violation of this Policy, follow the instructions for reporting the matter and/or report it anonymously using "EthicsPoint" (see Page 3 of this Policy).

We are all privileged to work for a great company. It is our responsibility to carry out FARO's core ethical beliefs. We hope that each of you will help us with this important responsibility. By acting consistently within these guidelines, FARO will earn the respect of its employees, customers, suppliers and business partners throughout the world.

Respectfully,

FARO's Board of Directors

Introduction

Guiding Ethical Principles

As FARO Personnel we must —

- Follow the law always
- Be honest and truthful
- Never manipulate, misrepresent, abuse or improperly withhold information
- Avoid conflicts of interest between work and personal affairs
- Seek assistance if facing an ethical dilemma or question
- Immediately report ethics violations or potential policy violations
- Cooperate fully with any investigation of possible ethics violations
- Never harass or unlawfully discriminate against anyone
- Never act unethically - even if someone else instructs you to do so
- Never ask someone to act unethically
- Never retaliate against anyone for any unlawful reason, including for reporting a violation of this Policy
- Report any violations or suspected violations of this policy to an appropriate member of Management or the Compliance Department.

“Our mission of enabling mankind to easily and accurately connect the physical world to the virtual world goes hand in hand with the integrity and ethical conduct represented in the FARO Global Ethics Policy.”

USING OUR MISSION TO GUIDE US IN THE WAY WE DO BUSINESS

Every day we all influence — positively or negatively — our Company’s reputation everywhere we do business. FARO’s Global Ethics Policy helps to ensure that we conduct our affairs with unyielding integrity. FARO Personnel have worked hard to uphold the highest standards of ethical business conduct. Obeying the law, both in letter and in spirit, is the foundation of FARO’s ethical standards. FARO’s Global Ethics Policy embraces that spirit by setting out general principles of conduct to be followed everywhere, every day and by all FARO Personnel.

EthicsPoint and Ask HR Service Portal

EthicsPoint

FARO's EthicsPoint hotline provides an anonymous and confidential method to 1) report conduct that may violate the law or FARO policies or that is otherwise unethical, and 2) seek guidance regarding potential or actual misconduct. EthicsPoint allows FARO Personnel and other stakeholders (suppliers, customers, etc.) to communicate issues and establishes a formal mechanism for FARO to investigate, follow-up and respond to suggestions and problems.

EthicsPoint is intended as an alternative reporting mechanism when you are not comfortable addressing potential misconduct through normal reporting channels. While we encourage FARO Personnel to first try to resolve issues through normal reporting channels, you should feel free to call the EthicsPoint hotline at any time.

Ask HR Service Portal

FARO's Ask HR Service Portal also provides an anonymous, as well as non-anonymous, method for FARO Personnel to file grievances with the Company.

The Ask HR Portal is intended as a mechanism for FARO Personnel to raise Human Resource-related issues, when you are not comfortable addressing the issue through normal reporting channels. Examples of grievances that may be raised in the Ask HR Portal include, but are not limited to, issues with compensation, discrimination, harassment, workplace violence or other misconduct.

FARO policy prohibits the Company from retaliating against FARO Personnel who make good faith reports of potential misconduct. All FARO Personnel are expected to fully cooperate in any internal investigations regarding potential misconduct or concerns.

How do I access EthicsPoint?

- Access www.faro.com/ethicspoint from any internet-connected computer and click "file a new report"
- Toll free telephone numbers for the EthicsPoint hotline are listed on the website.

How do I access the Ask HR Service Portal?

- Access <https://faro.servicenow.com/hrportal> from any internet-connected computer and click "file a complaint"

Responsibilities with Respect to Our Company and Shareholders

Remember!

- Watch for financial reports that seem inconsistent with underlying performance and for transactions with no clear business purpose
- Be alert for any attempts to circumvent internal controls
- Ensure all transactions are fully and accurately documented in a timely manner in FARO's accounting records

FINANCIAL INTEGRITY

FARO requires honest and accurate recording and reporting of financial information in order to make responsible business decisions and to comply with disclosure laws and regulations. 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. No FARO document or record 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 applies equally to email, internal memos, and formal reports.

FARO has a separate "Code of Ethics for Senior Financial Officers" that imposes specific additional responsibilities on the Company's executive financial management team regarding financial integrity.

CONFLICTS OF INTEREST

On the job or in your free time, nothing you do should conflict with your responsibilities to FARO. We are all expected to devote our best efforts and attention to the full-time performance of our jobs. FARO Personnel are expected to use good judgment, to adhere to the highest ethical standards, and to avoid situations that create an actual or potential conflict between personal interests and the interests of the Company. A “conflict of interest” exists when a person’s non-FARO or private interests interfere or appear to interfere in any way with the Company’s interests. A conflict situation can arise when a FARO Person takes action or has interests that may make it difficult to perform his or her duties objectively and effectively. Conflicts can also arise when a FARO Person, or any member of his/her immediate family, receives improper personal benefits as a result of the FARO Person’s position at FARO. In addition, a conflict of interest can arise when a FARO Person’s loyalties or actions are divided between the Company’s interests and those of another, such as a competitor, supplier, customer, distributor or government agency. FARO Personnel are also prohibited from taking for themselves any opportunities that are discovered through the use of FARO property, information or position without the consent of the Audit Committee of the Board of Directors. No FARO Person may use FARO property, information or position for improper personal gain, and no FARO Person may compete with the Company directly or indirectly. FARO Personnel owe a duty to FARO to advance the Company’s legitimate interests when the opportunity to do so arises. Both the fact and the appearance of a conflict of interest must be avoided. Even if nothing wrong is intended, the appearance of a conflict can have negative effects. FARO Personnel unsure about whether a certain transaction, activity or relationship creates a conflict of interest should seek clarification from their immediate supervisor, human resources business partner or Compliance Department.

This guideline does not attempt to describe all possible conflicts of interest that could develop. Some examples of the more common conflicts from which FARO Personnel and members of their immediate family must refrain include the following:

- Working for a competitor, supplier or customer, or any other employment that interferes with the performance of FARO job duties
- Engaging in self-employment in competition with the Company
- Using proprietary or confidential Company information for personal gain or to FARO’s detriment
- Having a direct or indirect financial interest in or relationship with a competitor, customer, distributor or supplier
- Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to the Company
- Accepting gifts, gratuity or entertainment from a competitor, customer, distributor, supplier or government official.

Remember!

- Rule of thumb: If you or any member of your family has an opportunity to personally benefit and FARO is involved, the situation is probably a conflict of interest
- Both actual and “perceived” conflicts of interest must be avoided
- Ask before you act – professing ignorance is not a defense or justification

Remember!

- You should only use FARO communication tools in accordance with Company policies
- Safeguard all physical, financial, intellectual and other Company assets

FARO ASSETS

The use of Company facilities, equipment, supplies, personnel, or other goods or services is limited to Company business unless specifically permitted by FARO. All FARO Personnel should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on profitability. Any suspected incidence of fraud, theft, or malicious activity must be immediately reported to your supervisor or manager or Compliance Department for investigation. The obligation of FARO Personnel to protect the Company's assets also includes its proprietary information and 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 violates FARO policy.

Where permitted by law, FARO Personnel should have no expectation of privacy as to the use of FARO communication tools, including email, voicemail and computers, all of which are considered Company property, and the Company has the right to (and does) monitor your communication tools, including their content and your usage frequency of such tools.

INSIDER TRADING

United States federal securities laws (“Securities Laws”) prohibit the purchase or sale of any publicly traded stock, like FARO’s, by a person in possession of important information that is not publicly known about the issuer. It is the policy of FARO to comply with all applicable Securities Laws, to inform its Personnel of the consequences of trading in violation of the Securities Laws, and to insist that its Personnel comply with all applicable Securities Laws.

No FARO Person may (1) purchase or sell securities of the Company while in possession of material, nonpublic information (also known as “inside information”) concerning FARO, (2) communicate such information to (that is, “tip”) anyone outside the Company, or (3) purchase or sell securities of any other company while in possession of material, nonpublic information regarding that company that the FARO Person learned as a result of business dealings between FARO and that company. Furthermore, FARO Personnel may not purchase or sell FARO stock during blackout periods as described by FARO’s Insider Trading Policy.

Inside information is any non-public information that a reasonable investor is likely to consider important in making an investment decision. Common examples of inside information include but are not limited to the following:

- Projections of future earnings or losses, or other financial data
- Write-ups or write-downs of assets, or changes in accounting methods
- Public offerings or private sales of debt or equity securities
- News of a significant or pending merger, acquisition or tender offer
- Actual or projected changes in industry circumstances or competitive conditions that could significantly affect revenues, earnings, financial position or future prospects
- News of a significant sale of assets or the disposition of a subsidiary
- Significant litigation or disputes with suppliers or contractors
- Changes in dividend policy or the declaration of a stock split, stock redemption or stock repurchase program
- Changes in management personnel
- Significant expansion or reduction of operations
- Significant new products, discoveries, services or marketing plans
- Impending bankruptcy or financial liquidity problems
- The gain or loss of a significant supplier or customer

It is important that you review the FARO Insider Trading Policy for a more complete description of the restrictions on insider trading.

Remember!

- Do not disclose non-public information about FARO to anyone outside of the Company
- Disclose non-public information to other FARO employees only on a “need to know” basis
- Do not purchase or sell securities of FARO or any company while in possession of material, nonpublic information about that company

CONFIDENTIAL INFORMATION

Remember!

- Handle all confidential information with care to avoid inadvertent or careless disclosures
- Do not disclose confidential information to anyone outside the Company without express written pre-approval
- Disclose confidential information to other FARO employees only on a “need to know” basis

FARO respects the privacy of our Personnel, customers and suppliers. Your position within the Company may give you access to confidential information, and you are required to handle all private information in a confidential and responsible manner — just as you expect your private information to be handled. You should consider all information gained through your employment as confidential FARO information. Accessing or attempting to access confidential or personal information for non-business purposes is strictly prohibited. You must return all confidential FARO information, including but not limited to computers, flash or external hard drives, computer disks, and any other electronic means of storing Company information, to FARO along with any other Company property in your possession, upon termination of employment. The obligation to preserve confidential information continues even after FARO employment or directorship terminates, subject to any applicable privacy or employment laws.

Only specially authorized FARO Personnel are permitted to make public statements regarding the Company to the general press, trade journals or on internet websites and blogs. FARO Personnel should ensure their use of social media does not compromise the confidentiality of FARO’s trade secrets or confidential business information.

CONTINUOUS COMMUNICATIONS

FARO is committed to making sure that accurate information about its affairs is made available to stakeholders in a timely manner. In order to do this, FARO's executives rely on all managers to bring anything significant and unexpected to their attention. Examples include accidents, regulatory breaches and various commercial risks. Do not wait to gather all the facts; please communicate all such matters promptly to your supervisor and ask him/her to share it with the appropriate Senior Executive Team member.

Remember!

- It is everyone's responsibility to follow these internal reporting guidelines
- Communicate regularly with your supervisor

Remember!

- Gifts can take many forms, not just money or items
- Other than FARO-branded items of nominal value, all giving of gifts must be pre-approved and should generally be avoided (please refer to FARO's Anti-Corruption Policy and the Gifts and Gratuities Policy)

GIFTS & GRATUITIES

Note: You must review and understand FARO's Anti-Corruption Policy and its Gifts and Gratuities Policy to thoroughly understand your obligations with respect to giving and receiving gifts. The abbreviated statement below merely highlights FARO policy. You are required to comply with the more detailed policies and procedures set forth in the Anti-Corruption Policy and the Gifts and Gratuities Policy.

No FARO Person may offer, promise, give or authorize the giving of any gift or gratuity to any person for or on behalf of FARO other than as specifically permitted by FARO's Anti-Corruption Policy and its Gifts and Gratuities Policy. Under no circumstances may a gift or gratuity be given to any person for the purpose of influencing official action, obtaining an unfair or improper business advantage for or on behalf of FARO, or causing the recipient otherwise to perform his/her work duties disloyally or improperly. FARO Personnel must be familiar with and comply at all times with FARO's Anti-Corruption Policy and its Gifts and Gratuities Policy.

FARO Personnel are prohibited from requesting, soliciting, agreeing to receive or accepting any gift or gratuity from another person if it is offered, or might be perceived as being offered, with the intention of inducing the FARO Person to perform, or rewarding him/her to perform, work duties disloyally or improperly. In addition, FARO Personnel are generally prohibited from accepting gifts or personal gratuities from any person or business with whom the FARO Person conducts business in the course of his or her employment with the Company. Also, FARO Personnel should never ask for, accept or approve of suppliers making donations on behalf of FARO, nor should any FARO Personnel provide a list of our suppliers to charitable organizations for the purposes of fundraising. FARO acknowledges that practices in gift giving may vary from country to country where refusal of a gift may be impractical or embarrassing. In such instances, or others where there is any question about whether the item is appropriate and reasonable to be accepted, advice should be sought from the Compliance Department.

Gifts and gratuities may only be given or accepted in accordance with the provisions set forth in FARO's Gifts & Gratuities Policy. It is the responsibility of all FARO Personnel to exercise good judgment when it comes to giving or receiving any gifts or gratuities.

Responsibilities with Respect to *Our Business Partners*

RELATIONSHIPS WITH BUSINESS PARTNERS

You are expected to conduct your business relationships with uncompromising honesty and integrity. We expect everyone to maintain a high standard of business and personal ethics in dealings with the public, customers, suppliers, distributors, third parties and fellow FARO Personnel.

All contracting and purchasing decisions must be based on capability to meet FARO specifications and standards, and consideration of quality, service, and price. When deciding among competing suppliers and distributors, weigh all of the facts impartially. Your decision must never reflect personal interests, biases, or friendship with a colleague.

We expect our business partners to be people of integrity who supply excellent quality, with timely deliveries, and at competitive prices. We also expect our business partners to follow all applicable legal requirements in their business practices. FARO will always employ only the most highly ethical business practices in the selection, negotiation, and administration of all business partner relationships. We will respect and safeguard the proprietary information of our business partners.

Remember!

- Avoid conflicts of interest in business partner selection, such as directing business to a supplier or distributor owned or managed by a relative or a friend
- You should demand the same honesty and integrity of business partners as FARO requires of you

Remember!

- Local practices or customs in a foreign country do not excuse failure to comply with anti-corruption laws. If you have questions, contact an appropriate Senior Executive Team Member or the DIA/CCO
- Documents and records relating to anti-corruption compliance should never be destroyed or discarded without specific written permission

ANTI-BRIBERY and ANTI-CORRUPTION LAWS

Note: You must review and understand FARO's Anti-Corruption Policy and Gifts and Gratuities Policy in order to thoroughly understand FARO's policy with respect to anti-corruption and anti-bribery compliance. The abbreviated statement below merely highlights FARO's policy. You are required to comply with the more detailed policies and procedures set forth in the Anti-Corruption Policy and the Gifts and Gratuities Policy.

The U.S. Foreign Corrupt Practices Act (FCPA) and other U.S. and foreign anti-bribery and anti-corruption laws prohibit bribery. In accordance with these laws and with FARO's commitment to integrity, FARO policy prohibits you from directly or indirectly offering, promising, giving or authorizing anyone else to offer, promise or give anything of value to any person or entity for the purpose of influencing official action, obtaining an unfair or improper business advantage for or on behalf of FARO, or causing the recipient otherwise to perform his/her work duties disloyally or improperly. In many respects, FARO's policies are more restrictive than the applicable anti-corruption laws. This is intentional and serves to promote legal and ethical behavior by FARO Personnel and all of FARO's agents and other business partners at all times. If there is any instance in which the applicable anti-corruption laws are more strict, the stricter requirements apply.

Particular caution must be exercised with respect to transactions involving government officials, which include officers or employees of any government or government-controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any such government, entity or organization, or any political party of official thereof, or any candidate for political office.

ANTITRUST

Antitrust laws protect free enterprise by ensuring vigorous competition. These laws prohibit activities that restrain trade. FARO is committed to legal compliance by requiring all FARO Personnel to follow all applicable antitrust laws. In general, antitrust laws prohibit:

- Any agreement with a competitor, customer or supplier that unreasonably restrains trade
- Agreements or other conduct that unreasonably restrains FARO's competitors, customers or suppliers from doing something they might otherwise do in the normal course of their business
- Agreements or other conduct that has the purpose or effect of excluding FARO or its competitors, customers, or suppliers from a market or a part of a market

The following are examples of activities that should be avoided under the antitrust laws:

- 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
- Exchanging any unpublished or non-public information concerning prices, terms of sale or any other competitive information with a competitor
- Tie-in sales, where the supplier refuses to sell a product to FARO unless FARO does something else in exchange; no quid pro quo
- Agreements to boycott a third party; while it is not illegal for FARO to decide that it will not do business with certain companies, you should never discuss with others FARO's intention to do or not do business with specific companies
- Various laws may also prohibit other types of activities, such as selling below cost, refusals to trade, and certain trade association activities

FARO will not participate in any activity intended to restrain trade or promote a refusal to conduct business with customers, members, or suppliers in any country where such a refusal would be in violation of an applicable law. If you learn of a refusal to conduct business or any related communication regarding such a refusal, contact the Legal Department.

Remember!

- Avoid giving/accepting or discussing with a competitor any unpublished information concerning prices, terms and conditions of sale, or any other competitive information
- Antitrust violations can have severe consequences for individuals and can result in large financial penalties for FARO
- If you have questions about any of these antitrust issues, you should contact the Compliance Department or the Legal Department

Remember!

- Be familiar with import/export regulations that could impact your function
- Insist that all employees, vendors and other third parties comply with FARO's Import and Export policies

IMPORT/EXPORT COMPLIANCE

Import/export laws and guidelines facilitate the flow of trade and are rules that must be strictly complied with as they relate to imports, exports and deemed exports of goods, services and intellectual property. Under no circumstances will sales or other transactions be made contrary to import/export regulations of the United States and/or local countries of operation. This applies to all transactions regardless of size or if only for a limited duration. Special care should be taken to prevent transactions with entities involved in the proliferation of missiles and weapons of mass destruction, terrorism or terrorist financing, countries under U.S. embargo (e.g., Crimea – region of the Ukraine, Cuba, Iran, North Korea, Sudan and Syria), and persons or entities that have been identified as restricted. FARO Personnel must be familiar with the various trade rules and regulations applicable to their job function, including not only trade laws applicable to their location, but also the laws in the countries which they have business relationships. For example, some governments administer a variety of trade restrictions, such as embargoes and sanctions, against a number of countries including nationals of those countries.

Please refer to FARO's Global Import Policy and Global Export Policy for detailed policies, procedures and guidelines.

Responsibilities with Respect to FARO Employees

EQUAL EMPLOYMENT OPPORTUNITY

Employment decisions at FARO are made based only upon relevant business factors such as ability, qualifications, work quality, and experience — not unrelated or illegal factors such as race, color, gender, religion, national origin, age, disability, citizenship, marital status, veteran status, sexual orientation, or any other protected group status as defined by applicable law. 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 complying with all laws, including those pertaining to freedom of association, privacy, collective bargaining, immigration, working time, wages and hours, as well as laws prohibiting forced, compulsory and child labor and employment discrimination. Beyond legal compliance, we strive to create an environment considerate of all employees wherever FARO business is being conducted.

Please refer to the applicable Employee Handbook for FARO's detailed Equal Employment Opportunity Policy and guidelines, as well as detailed policies regarding other employment practices.

Remember!

- FARO hires and promotes the most qualified people without regard to race, color, religion, gender, national origin, age, disability, citizenship, marital status, veteran status, sexual orientation, or any other protected group status as defined by applicable law
- Unlawful discrimination of any kind by our employees will NOT be tolerated

Remember!

- Do not make insulting or offensive remarks, or display physical conduct that demeans or shows hostility towards any other person
- Do not make sexual advances or initiate actions of a sexual nature toward any customer, employee or person with whom you work
- Do not show favoritism on performance evaluations or in other actions based on personal relationships

HARASSMENT AND DISCRIMINATION

FARO Personnel are prohibited from harassing or unlawfully discriminating against another employee, customer, or supplier in any way, including, without limitation, by reason of a person's race, color, gender, religion, national origin, age, disability, citizenship, marital status, veteran status, or sexual orientation. Sexual harassment of any type will not be tolerated. It is FARO's policy to provide its Personnel with a working environment free from the influence of all forms of harassment and unlawful discrimination, and to respect the privacy and dignity of all FARO Personnel. All FARO Personnel must comply with this policy and take appropriate measures to ensure that such conduct does not occur. FARO will not tolerate harassment or unlawful discrimination of any kind and will take appropriate corrective action should harassment or unlawful discrimination occur.

Violations of this policy will result in disciplinary action against the offender, up to and including termination. Any violation of the applicable laws may expose both FARO Personnel and FARO to liability. As a result, FARO will vigorously enforce its policies and all applicable laws, rules and regulations pertaining to harassment and unlawful discrimination.

If you believe you have been harassed or unlawfully discriminated against, you should report the potential violation to Human Resources, any supervisor, or the EthicsPoint hotline. All reports will be handled sensitively and investigated without bias, prejudice or retaliation.

Please refer to FARO's Employee Handbook for detailed policies prohibiting harassment and unlawful discrimination in the workplace.

ENVIRONMENT, HEALTH & SAFETY

Through management's leadership and employee commitment, FARO strives to conduct its operations in a safe manner that minimizes environmental impact and safeguards the health and safety of our Personnel and customers. All FARO Personnel must contribute towards:

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

Remember!

- Create and maintain a safe working environment and prevent workplace injuries
- Consider environmental, health and safety impacts in the design and production of FARO's products and services as part of evaluating the "life cycle" of our products
- All injuries — however minor — should be reported immediately to your supervisor and Human Resources representative

Remember!

- Think before you act and speak
- Realize that we are all held accountable for our words and actions
- Report violations or concerns to your supervisor and Human Resources representative immediately

STANDARDS OF CONDUCT

FARO believes that all FARO Personnel deserve to work in an environment that strives to be respectful, values diversity, is safe, and promotes effective teamwork. In order to encourage this environment, FARO will not tolerate reckless, offensive or inappropriate behavior. We require all FARO Personnel to use common sense to avoid major offenses such as, but not limited to, the following:

- Violation of any applicable law
- Violation of a safety, fire prevention, health or security rule, policy or practice
- Violation of FARO's Global Ethics Policy
- Violation of FARO's Anti-Corruption Policy
- Failure to perform essential job duties in a satisfactory manner
- Failure to follow the instructions of the Company
- Violation of FARO's policies prohibiting harassment and unlawful discrimination in the workplace
- Inappropriate destruction or mishandling of FARO's documents and records
- False, fraudulent, misleading or harmful statements, actions or omissions
- Accepting or engaging in any outside employment with a competitor of FARO, or conducting any outside business while on the FARO jobsite
- Unauthorized use, removal or theft of FARO property, including trade secrets and confidential information
- The use of profane, abusive, threatening or offensive language
- Possession or control of a weapon while on FARO property or a FARO jobsite
- Violation of FARO's Drug and Alcohol Abuse Policy
- Gambling or disorderly or inappropriate conduct while on Company business or at a FARO jobsite
- Failure to fulfill the responsibilities of the job to an extent that might cause injury to a person or Company assets
- Chronic, habitual or excessive lateness or absenteeism

These Standards of Conduct merely serve as examples of the types of conduct that will result in disciplinary action, up to and including termination of employment. Please refer to the applicable Employee Handbook for a detailed explanation of FARO's disciplinary policies and procedures.

Penalties for Violations

FARO Personnel who violate the spirit or letter of FARO's policies are subject to disciplinary action up to and including termination of employment, and may be reported to government authorities at FARO's discretion. Misconduct that may result in discipline includes, but is not limited to, the following:

- Violation of FARO policy or applicable laws, rules or regulations
- Requesting others to violate FARO policy or applicable laws, rules or regulations
- Failure to promptly raise a known or suspected violation of FARO policy
- Failure to cooperate in FARO investigations of possible violations
- Retaliation against another FARO Personnel for reporting an ethics concern or possible violation
- Failure to demonstrate leadership and diligence to ensure compliance with FARO policies and applicable laws

Every effort will be made to resolve potential conflicts of interest when these are disclosed promptly to management and the parties involved have acted in good faith. In the unlikely event potential conflicts cannot be resolved, waivers will only be given for matters where it is absolutely appropriate under the circumstances and granting a waiver will not present a material financial, legal or reputational risk to FARO.

All FARO Personnel are required to report any conduct that the Personnel believes in good faith to be a potential violation of FARO's Global Ethics Policy, as well as any potential violation of law or other Company policy. FARO will not retaliate against any FARO Personnel who makes such report or complaint and will not permit retaliation by others. FARO will promptly respond to any potentially wrongful conduct and remedy any deficiencies, and may report any violation of applicable law to appropriate governmental authorities.

FARO Absolutely Prohibits Retaliation

Revision History

Version	Revision Date	Revised By	Brief Description of Revision
1	Jan. 18, 2019	T. Mauch	Initial Upload