## FORUM ENERGY TECHNOLOGIES, INC.

ANTI-CORRUPTION POLICY STATEMENT

Statement of Policy. It is the policy of Forum Energy Technologies, Inc. that Forum Energy Technologies, Inc. and all of its operating companies and subsidiaries (together, the "Company"); and all Company officers, directors, and employees (collectively "Personnel"); all agents, distributors, intermediaries, contractors, consultants, and other third parties representing the Company (collectively, "Agents"); and all joint venture partners and partners in similar business arrangements with the Company (collectively, "Partners") shall comply fully with all applicable provisions of the United States Foreign Corrupt Practices Act of 1977, as amended ("FCPA"), the U.K Bribery Act 2010 ("UKBA"), and all other anti-corruption and/or anti-bribery laws applicable to the Company.

<u>Policy Manual</u>. The Company has prepared and will maintain an Anti-Corruption Compliance Program and Manual (the "Manual") to provide specific guidance on the implementation and enforcement of this Policy. The Manual will be distributed to all Personnel, Agents, and Partners.

<u>Administration of the Policy</u>. The Policy will be administered by the Company's Compliance Officer and his or her designees. Contact information for the Compliance Officer is provided in the Manual.

**Requirements of the FCPA**. The FCPA has two basic requirements which may be summarized as follows:

Anti-Bribery Provisions. The Company's Personnel, Agents, or Partners may not directly or indirectly corruptly offer to, promise to, or provide cash or anything of value to any *foreign official*, foreign (non-U.S.) political party or party official, or candidate for foreign (non-U.S.) political office in order to assist the Company in obtaining or retaining business or in directing business to anyone else.

The term "foreign official" means any officer or employee of a non-U.S. government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality. "Foreign official" is defined broadly to include any officer or employee of any level of federal, state, provincial, county, or municipal government outside of the United States. It also includes all levels of employees and officials of any commercial enterprise owned, controlled, or operated by a government other than the United States, for example, national oil companies such as PEMEX, Aramco, Petrobras, Petromina, and many others. Public international organizations include the International Monetary Fund, the European Union, the World Bank, and other similar organizations.

Record-Keeping and Accounting Provisions. The Company is required to keep accurate books and records in reasonable detail and to maintain a reasonable system of internal accounting controls.

Applicability of the FCPA. The Company is organized in the United States and accordingly is subject to the anti-bribery provisions and record-keeping and accounting of the FCPA, not only in respect of its own activities but also those of its U.S. and non-U.S. Personnel, Agents and Partners. U.S. entities and persons also are directly subject to the FCPA anti-bribery provisions.

Non-U.S. persons or entities not otherwise subject to the FCPA anti-bribery provisions are subject to them to the extent they carry out any part of any prohibited activity in the U.S. Given the Company's status as a U.S. company, it should be assumed that the FCPA anti-bribery provisions apply to all the Company operations.

Requirements of the UKBA. The UKBA makes it a criminal offence: (1) to directly or indirectly offer, promise or give a bribe; (2) to directly or indirectly request, agree to receive, or accept a bribe; (3) to directly or indirectly offer, promise, or give a briber to a *foreign public official* in order to influence the official in his official capacity and to obtain or retain business or an advantage in the conduct of business; and (4) for a commercial organization to fail to prevent a person or entity that performs services on its behalf from bribing any person, including a *foreign public official*, with the intention of obtaining or retaining business, or an advantage in the conduct of business.

The term "foreign public official" means anyone who holds a legislative, administrative, or judicial position, whether elected or appointed of any government outside the United Kingdom, an official or agent of a public international organization, and anyone who exercises a public function for a foreign country or its public agency. Therefore this will likely include employees and officials of any commercial enterprise owned, controlled, or operated by a government other than the United States, for example national oil companies such as PEMEX, Aramco, Petrobras, Petromina, and many others.

<u>Applicability of the UKBA</u>. The Company has business units incorporated in the U.K. and carries on a business in the U.K., and accordingly is subject to the UKBA, not only in respect of its own activities but also those of its U.K. and non-U.K. Personnel, Agents and Partners.

**Definition of "Government Official"**. For purposes of this Policy and the Manual, the term "government official" means any officer or employee of a government, a public international organization or any department or agency there of or any person acting in an official capacity for such government or organization. This includes:

- (i) a *foreign official* as defined in the FCPA;
- (ii) a *foreign public official* as defined in the UKBA;
- (iii) an officer or employee of a Government-owned, -controlled, or -operated enterprise, such as a national oil company; and
- (iv) any non-U.S. political party or party official or any candidate for political office (consistent with the FCPA).

Agents and other Third Parties. The FCPA and UKBA prohibit corrupt offers, promises and payments of money or anything of value that are made indirectly through a third party. Thus the Company and its Personnel who are subject to the FCPA or UKBA could be liable for indirect offers, promises of payments, or payments to any Government Official if such offers, promises or payments are made through a third party with the knowledge that such Government Official

will be the ultimate recipient. Knowledge includes conscious disregard and deliberate ignorance of facts which indicate a high probability that the relevant payment will occur.

This means that it is important for the Company to know the third parties that it works with and in particular to understand which individuals and companies are considered Agents of the Company. For example, the following are considered Agents of the Company:

- Sales Agents that sell Company products.
- Resellers and Distributors that purchase Company goods for resale or distribution.
- Intermediaries that act on the Company's behalf.
- Freight Forwarders that ship Company merchandise into or out of a country.
- Immigration Agents that obtain visas or work permits for Company personnel.
- Tax Advisors that interface with a government on behalf of the Company or Company personnel or provide tax advice to the Company.
- Attorneys that provide legal advice or represent the Company.

This list is not necessarily comprehensive. If you are unsure of whether a company or individual is an Agent of the Company, please direct your questions to the Compliance Officer or his or her designee.

It is also important for Company Personnel, Agents, or Partners to report any suspicion of a potential corrupt offer, promise of payment, or payment through one of the reporting channels discussed in the Manual.

<u>Facilitating Payments are Prohibited</u>. Payments made to any Government Official to speed up or secure routine and non-discretionary governmental action—such as processing visas or scheduling inspections—are sometimes referred to as "facilitating payments" or "grease payments." These payments are not permitted under the UKBA and the Company does not permit these payments to be made.

<u>Penalties</u>. The penalties for violating the FCPA and UKBA are severe. In addition to the penalties listed below, any officer or employee of the Company who violates any of these or other applicable anti-corruption and/or anti-bribery legislation will be subject to disciplinary action, up to and including termination for cause. Persons or entities who provide services to the Company as contractors, consultants or other agents should similarly expect to have their contracts terminated for cause if they violate any of these laws. The Company or the relevant member of the Company will actively seek to recoup any losses which it suffers as a result of a violation of any of these laws from the individual or entity who carried out the prohibited activity.

Companies that violate the FCPA anti-bribery provisions may be subject to a fine of up to \$2,000,000, or an alternate fine that could be much greater. Individuals who violate the FCPA anti-bribery provisions may be imprisoned for up to five years and are subject to a fine of up to \$100,000, or an alternate fine that could be much greater. An employer is not permitted to reimburse fines for FCPA violations.

Individuals who violate the UKBA may be imprisoned for up to ten years and/or subject to an unlimited fine. Companies that violate the UKBA may be subject to an unlimited fine. Where a company is convicted of any of the first three offences under the UKBA (bribing any person, receiving a bribe, or bribing a Government Official) and a senior officer is shown to have consented or connived in the company committing the offence, such officer will be guilty of the underlying offence and subject to penalties as an individual and, if applicable, may be disqualified as a director of the company.

Education and Monitoring. The Company will implement and maintain a program to provide periodic anti-corruption education and training to all Company management (including officers, directors, business unit heads, and other managers); all employees who work in accounting, sales, purchasing, marketing, or legal; all employees who are involved in the selection and/or supervision of Agents and/or Partners that will or may have contact with a Government Official on the Company's behalf; or (c) have control over the Company's funds or have responsibility for recording transactions that impact the Company's books and records. The Company has also implemented and will maintain a program to actively monitor compliance with this Policy by the Company, it Personnel, Agents, and Partners. The details of those programs are specified in the Manual.

<u>Further Information</u>. This Policy provides a summary of important anti-corruption laws and issues, but additional details on particular questions and issues are available. Any questions about the Policy or the Manual should be directed to the Compliance Officer or his or her designee.