



US Associates

Code of Business Conduct



Experience In Motion

“Flowserve executives strive to proactively exemplify and drive a culture based on our six core values and the Code of Business Conduct.”

Lew Kling



Dear Flowserve Associate:

At Flowserve, our customer-centric culture is driven by our values. Competence, commitment, creativity, confidence, collaboration and character are what set us apart from the competition. They are the qualities by which we want our customers to identify Flowserve, and it is the responsibility of all of us – associates, managers and leaders – to live these values each day.

We must maintain a commitment to the highest standards if we are to be a trusted partner for our shareholders, customers, suppliers and each other. This Code of Business Conduct will serve as an important tool in the pursuit of that goal.

Flowserve's Code of Business Conduct provides you with a basic guide of the company's expectations of its associates, and you are responsible for reading and complying with the information contained within it. If you have questions, ask your supervisor or human resources representative. After reviewing the Code of Business Conduct, please follow the instructions on the inside of the back cover to ensure you understand and complete the acknowledgement process.

If you encounter a situation that raises possible ethical concerns and do not feel comfortable addressing the matter with your supervisor or human resources representative, please contact the Flowserve Ethics Hotline. This resource is available at all times – online and via a toll-free telephone number – for Flowserve associates to anonymously and confidentially report issues of concern.

Ethics, integrity and trust define our character, and it is the responsibility of all Flowserve associates to live the company's core values on a daily basis. Please use this Code of Business Conduct as a resource and help preserve our ethical culture.

Sincerely,

Flowserve Officers

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Accessing Flowserve's Policies and Procedures

Throughout this Code of Business Conduct, there are several topics and categories that have corresponding policies and procedures. All of Flowserve's policies and procedures are available on Passport and may be accessed at any time using the information below. Flowserve is constantly adapting and enhancing its policies and procedures, so Passport should be used as a centralized resource for these documents and guidelines.

To access Flowserve's policies and procedures:

1. Log in to Passport (<http://passport.flowserve.com>)
2. From the main page, click on "View Flowserve Policies" at the top of the screen
3. Select policies by either by division / function, topic area or most viewed
4. If you have a question about a particular policy, contact that policy's manager or e-mail intercom@flowserve.com.

If you do not have access to Passport, please ask your local human resources manager for more information on Flowserve's policies and procedures.

Passport





The Code of Business Conduct serves as a resource to explain basic guidelines and expectations. Associates must also rely on Flowserve's core values such as character to support good judgment and common sense.



Introduction

Flowserve is committed to conducting business according to the highest ethical standards. This Code of Business Conduct (“Code”) incorporates both our values and corporate policies. Use it as a guide to understanding the expectations around your conduct in all business affairs.

How to use the Code

The Code defines the standards for how we do business. It reflects our commitment to conducting global operations according to the highest ethical standards. It is a condition of your employment to conduct Flowserve business by adhering to the Code’s guidelines.

It is important to note that the Code does not replace or supersede company policies. Compliance with laws and regulations is incorporated into the Code. Violation, however, of the letter or intent of the guidelines in the Code could result in disciplinary

action or termination. The Code is not an employment contract and it does not provide a right to continued employment with Flowserve.

The Code cannot address every conceivable situation encountered in the workplace. Just because a situation is not covered in the Code does not mean it is considered acceptable. For more information, you can refer to official Flowserve policies and procedures on Passport, the company’s global employee intranet. You can also request copies of individual policies from your supervisor or human resources representative.

Which laws apply?

With operations in more than 56 countries, Flowserve is governed by the laws of multiple domestic and foreign jurisdictions. If a guideline in the Code conflicts with applicable law, Flowserve modifies the guideline only to the extent of bringing it into legal compliance with federal, state and local laws.

“Combining uncompromising character and ethical behavior, mutual respect among associates, and world-class products and services builds a culture that creates satisfied customers and profitable, sustainable growth.”

Your Responsibilities to Flowserve

Recognizing ethical issues and doing the right thing is your responsibility as a Flowserve associate.

Making ethical decisions

When faced with an ethical dilemma, consider the following:

- *What feels right or wrong about the situation?*
- *Is your planned action consistent with Flowserve policies and the Code?*
- *How would your action appear to or affect others?*
- *Would another person's input be useful in making your decision?*

Reporting ethical violations

It is your responsibility to report any violation of law, the Code and Flowserve policies. Consult with your supervisor or human resources representative if you suspect a violation or questionable ethical behavior.

Contact the Flowserve Ethics Hotline if you are not comfortable with this approach or if the concern relates to suspected fraudulent activity. You should also contact the Flowserve Ethics Hotline if you feel your concern has not been adequately addressed following a complaint.

Flowserve Ethics Hotline

The Flowserve Ethics Hotline is available globally, with multi-language capabilities, 24 hours a day, seven days a week. You have the option of remaining anonymous when reporting a possible violation.

- *Flowserve policy prohibits retaliation, in any form, against an associate who reports any matter of ethical concern; suspected retaliation should be reported to the Flowserve Ethics Hotline.*
- *Any employee who knowingly makes a false report against another employee is subject to disciplinary action or termination.*



Many times there are gray areas where a judgment call has to be made. Our ethics and Code of Business Conduct help us by providing a consistent, well-grounded base for making important decisions.



The Flowserve Ethics Hotline is available
24 hours a day, seven days
a week.

Access the Flowserve Ethics Hotline via:

The Internet:

<http://ethics.flowserve.com>

www.ethicspoint.com

Passport:

<http://passport.flowserve.com>

United States toll-free:

1-800-799-4597

International toll-free:

Refer to the Appendix for your country access code and dialing instructions.

Flowserve Ethics Hotline process

When calling the Flowserve Ethics Hotline, a trained communications specialist answers your call, listens to your concern and asks questions to better understand the situation. Translation services are provided in multiple languages.

When making a report online, you are guided through a series of questions to document your concern. With

either approach you are given a unique report key, password and follow-up date to check on the status of your report. When you follow up, you may be asked additional questions prior to a resolution being provided. A second follow-up may be required.

Following your submission, a communications specialist prepares a report that documents your question or concern. The report is routed to Flowserve's chief audit executive, chairman of the audit committee, chief compliance officer and general counsel. If one of the above is named in the report, they do not receive notification of that report nor do they have access to the information within the report. Reports are then processed by the corporate investigations team.

Online or telephone access to the status of your report – reviewed, in process or resolved – is available using your report key and password. Specific details regarding resolutions may contain confidential information and may not be shared with you.

Individual Conduct

Honesty and integrity are fundamental to good business practice. Simply put, you are expected to be honest in all your business dealings.

How your actions affect others

Flowserve makes no attempt to control your private life, but remember that personal behavior affects the perception others have about our company. Exercise common sense when performing your duties and act in an appropriate manner while at work or when representing Flowserve, even in a social or recreational setting. Avoid all activities that could call into question Flowserve's compliance with legal requirements or ethical standards.

Controlled substances in the workplace

Possession, use or distribution of controlled substances and the commission of illegal acts is prohibited. Drinking alcoholic beverages on company premises is prohibited except as provided by the Flowserve Drug and Alcohol Policy.

Personal relationships

Intimate personal relationships between supervisors and subordinates are prohibited. This includes a dating relationship with any person subject to your scope of supervision, influence or the ability to affect the terms, conditions or status of the subordinate's employment. Any situation should be immediately disclosed to your HR representative.

Gambling in the workplace

Participation in illegal gambling while on company premises is prohibited.

Weapons in the workplace

Possession of a handgun, firearm or weapon of any kind on company premises is prohibited, regardless of whether or not you are licensed to carry such a weapon.

Violence in the workplace

Flowserve is committed to providing a work environment that is safe from threats of violence, bodily harm or physical intimidation. Don't even joke about it; it is simply not tolerated.

Workplace violence includes:

- *Physical, verbal or written threats*
- *Violent behavior*
- *Conduct that threatens safety in the workplace*

It is your responsibility to report anything that could reasonably be considered violent behavior. If you do not feel comfortable in reporting this behavior to your supervisor or human resources representative, or if the behavior is related to illegal or suspected fraudulent activity, report it directly to the Flowserve Ethics Hotline.

“Character means doing the right thing for the right reasons. It guides how we treat people and speaks volumes about who we are as individuals and a company.”

John Jacko



“We live in an era where all public companies must disclose more information than ever before. Our Sarbanes-Oxley compliance initiative is an example of our commitment to living the spirit and letter of the law with everything from our people to our financial controls and information systems.”

Linda Jojo

Equal Opportunity and Respect in the Workplace

We encourage a culture of mutual respect and understanding for the similarities and differences among our associates, customers, suppliers and stakeholders.

Equal Employment Opportunity

Flowserve is an Equal Employment Opportunity employer. All employment and staffing decisions are made without regard to race, color, religion, national origin, age, gender, veteran status, sexual orientation or disability. For U.S. associates, the policy is posted on company bulletin boards and Passport.

Anti-discrimination and harassment

You are prohibited from harassing, discriminating against or unfairly treating any associate for any reason including race, color, religion, national origin, age, gender, veteran status, sexual orientation

or disability. Violation of this policy may lead to disciplinary action or termination.

If you are aware of, have observed or believe you have been harassed or discriminated against, notify your supervisor, human resources representative or contact the Flowserve Ethics Hotline.

At-will employment

Most Flowserve associates are considered “at-will” employees. Simply stated, either party may at any time terminate the relationship for any reason. At-will employment can only be modified by a company officer.

For more information, please visit Passport, click on “View Flowserve Policies,” and select “Human Resources.” You can also contact your local human resources manager.



The Code of Business Conduct

isn't just about how we work. It's about how we interact with and the respect we show our communities and the environment.

Safety, Health and Environmental Protection

The safety and health of Flowserve associates is a company priority. It is your responsibility to follow all policies, procedures, laws and regulations regarding public health, safety and environmental preservation.

Workplace safety

The use of safe work procedures and specified personal protective equipment is required at all times. Details on these requirements are found in the Flowserve Safety, Health and Environmental Policy and Procedures Manual and on Passport.

Environmental protection

Flowserve's Safety, Health and Environmental Policy and Procedures Manual provides comprehensive guidelines concerning environmental protection

issues. Copies of these manuals are available in every facility and on Passport. Your facility manager and facility health, safety and environmental affairs manager are also available to answer your questions.

Corporate social responsibility

We have a responsibility to be good neighbors and contributing corporate citizens in our communities. Flowserve is committed to conducting business in ways that honor our ethical values and respect people, communities and the environment.

For more information, please visit Passport, click on "View Flowserve Policies," and select "Legal." You can also contact your local human resources manager.

Financial Integrity

It is Flowserve's policy that financial reporting be consistent, above reproach and in compliance with generally accepted accounting principles in the United States and other countries.

We have established a system of internal controls that provides a standard for integrity and timeliness of our financial reporting process. You should strive to maintain the accuracy, effectiveness and integrity of Flowserve's financial results.

Company books and records

All financial documents, including agreements, invoices, check requests, inventories and other reports must be accurate. All transactions must be supported by accurate documentation in reasonable detail, recorded in the proper amount and placed in

the proper accounting period. You must also honestly record information related to your job responsibilities, such as time and attendance, expense reporting, production reports, research statistics and other schedules. You should maintain all supporting documentation for financial transactions in accordance with Flowserve policies.

False or unsupported financial reporting

You should never feel pressured to enter false or misleading financial entries. You may not interfere with or improperly influence any audit of Flowserve's financial statements. The intentional manipulation of financial data violates company policy and the law, and is considered fraud. Violation may lead to termination and / or prosecution.



“Flowserve leadership is committed to continuing to foster an environment where ethics are a key driver of how we treat each other, our customers, suppliers, partners and even our competitors.”

Ron Shuff

Reporting financial violations

If you believe that you have discovered a weakness or error in the company’s internal controls system or believe an ethical violation has or will occur, immediately notify your supervisor or contact the Flowserve Ethics Hotline.

Fraud

Flowserve is committed to preventing fraud. Fraud includes “any intentional or deliberate act committed to secure unfair or unlawful gain or to deprive another of property or money by guile, deception or other unfair means.”

Examples of situations that might involve fraud include:

- *Committing dishonest acts*
- *Intentionally recording a false or misleading transaction or accounting entry*
- *Manipulation of company records*
- *Forging or altering company checks*

- *Misappropriating assets of the company, employee, customer or supplier*
- *Submitting for reimbursement false or inappropriate expenditures*
- *Engaging in bribery, embezzlement or money laundering*
- *Using or taking company property or funds for private use*

Remember that fraud may be committed by employees or external parties. Flowserve is committed to continuously enhancing its policies and procedures to help prevent, detect and deter fraud.

Reporting suspected fraud

If you become aware of improper or questionable accounting or auditing matters, or feel that any other type of fraud has or will occur, immediately report this to your supervisor or contact the Flowserve Ethics Hotline.

Conflicts of Interest

Strive to avoid situations in which your interests or the interests of family or friends may even appear to conflict with the best interests of Flowserve. Do not let personal considerations or relationships influence business dealings while representing Flowserve or when making recommendations to management.

What is a conflict of interest?

It is impossible to describe every situation that could be viewed as a conflict of interest. Following are a few general examples:

- *Outside financial interests – Financial interest in a Flowserve supplier or vendor, except stock ownership in a publicly traded company.*
- *Gifts from customers – Receiving gifts from a customer, before or after a transaction, can have the appearance of impropriety; your position with Flowserve and the relationship of the other party must be evaluated to determine if a conflict exists.*

- *Gifts from suppliers – Gifts of more than nominal value accepted from suppliers often constitute a conflict of interest; never accept anything of value for business or personal use, except as explained in the Dealing with Customers and Suppliers section.*
- *Outside employment – If you are employed by a company that competes with or provides goods or services to Flowserve, or if your relationship could in any way influence your duties at Flowserve, you must immediately report this conflict of interest. This type of situation may require you to terminate your outside employment. You cannot use Flowserve resources in any way to facilitate outside employment.*

If you find yourself in a position where a potential conflict of interest exists or could arise, contact your supervisor to disclose and discuss the details. If you are uncomfortable approaching your supervisor, contact the Flowserve corporate legal department or the Flowserve Ethics Hotline.

“Leading by example through our strong Code of Business Conduct is critical to our success. People want to work with and for companies that demonstrate integrity and ethical behavior.”

Mark Blinn





It's important that giving or receiving gifts, or engaging in social activity with prospective customers or prospects should not influence your ability to make fair and impartial business decisions.

Dealing with Customers and Suppliers

All transactions with customers and suppliers should be impartial, objective, free from outside influence and in accordance with Flowserve policies. Gifts and entertainment should never influence, or give the appearance of influencing, your ability to make impartial decisions.

Accepting and giving gifts

The same guidelines apply for giving gifts to customers and prospects as with receiving gifts from suppliers. Do not give or receive gifts or favors except for:

- *Gifts customarily given or received in connection with holidays or special events and provided to others having a similar business relationship*
- *Advertising novelties or gifts of nominal value routinely used in the industry*

Customer and supplier relationships

There are occasions when you will work closely with an existing or prospective customer or supplier in order to better understand mutual needs and capabilities. Part of this process may include recreation, entertainment or other social activities.

Social activities of this kind are permitted as long as all of the following provisions are met:

- *The purpose is to develop a better understanding and develop a closer business relationship*
- *The activity is reasonable in nature, frequency and cost, and is consistent with customary business practices*
- *The activity does not violate the other party's own rules against such activity*

- *The activity is not a violation of any applicable law or regulation*
- *The general practice is approved under existing Flowserve policy or in advance by your supervisor, and your supervisor does not participate in the activity*
- *The activity is not seen as a condition or guarantee of future business*

It is inappropriate for you to attend an engagement in which the supplier (existing or prospective) providing the entertainment does not attend.

Supplier bribe offers / customer kickback requests

Participation in bribery, kickbacks and other financial misdealings is both against Flowserve policy and oftentimes illegal. Very simply, if someone offers you payment or goods – or solicits payment or goods from you – as part of a transaction, decline the offer and report the incident to your supervisor. If the transaction proceeds after your refusal, you are required to report Flowserve’s conduct in the transaction. Documenting these kinds of incidents protects both you and Flowserve from future accusations of impropriety.

Corporate Governance

Maintaining high standards of corporate compliance is important to continued Flowserve growth and success. We take seriously our responsibility to ensure that we conduct business fairly, honestly and ethically.

Flowserve is committed to the continued enhancement and maintenance of our compliance program. This includes preventing compliance risks, detecting compliance violations and responding to identified compliance issues.

As required by the Sarbanes-Oxley Act of 2002, Flowserve management, principal executive and financial officers certify in quarterly and annual statements their responsibility for establishing and maintaining control over the design and reliability of financial reporting.

For more information, please visit Passport, click on “View Flowserve Policies,” and select “Legal.” You can also contact your local human resources manager.

Regulatory Obligations

Flowserve is committed to dealing fairly with customers, suppliers and competitors. We will not engage in anti-competitive sales practices, unfairly limit trade or attempt to exclude competitors from the marketplace. As these are complex areas of law, contact the Flowserve corporate legal department with any specific questions.

Antitrust

Antitrust laws of the United States and other countries are designed to prevent monopolies and encourage competition. These laws are complex and difficult to interpret, and the penalty for violation can be severe.

- *Do not communicate or conspire with competitors to control prices in an effort to divide market share, harm suppliers or limit sales.*

- *Do not seek competitive advantage by using a competitor's confidential information or trade secrets.*

Trade associations

Trade associations bring competitors together for useful and legitimate functions. Such meetings, however, provide the opportunity to review issues with competitors that could violate antitrust law. When you participate in trade association functions, be careful to not exchange confidential data with competitors.

Insider trading

The following actions violate Flowserve policy and could violate U.S. securities laws:



Antitrust, insider trading and other regulatory matters are often complex areas of law. Consult the Code and the Flowserve corporate legal department if you have questions about your responsibilities.

“It is imperative that we deal with our customers, shareholders, suppliers and associates with the utmost integrity and business conduct. These qualities are the driving forces behind our success and how we want to be recognized as a company.”

Tom Pajonas

- *Disclosure or use of non-public information about company financial results, business performance or other activities when trading Flowserve securities*
- *“Tipping” or passing on non-public information to anyone who might use it to buy or sell securities or pass the information on to others*

Treat all non-public Flowserve information as confidential and follow the applicable requirements within the Confidential and Proprietary Information section. Contact the Flowserve corporate legal department prior to making any questionable securities transactions.

Government business

If you conduct Flowserve business with a federal, state or local government, whether domestic or foreign, comply with all laws, rules and regulations concerning government business relationships. Be sure to familiarize yourself with all applicable

regulations, statutes and Flowserve guidelines for conducting government business before entering into government contracts.

Federal procurement guidelines

The U.S. federal procurement process prohibits government contractors and procurement officials from engaging in certain activities during the procurement process. This includes soliciting or discussing post-government employment and soliciting, obtaining or disclosing proprietary or source selection information.

The procurement process extends from the development, preparation and issuance of a solicitation through the award of a contract and any modification or extension of the contract.

For more information, please visit Passport, click on “View Flowserve Policies,” and select “Legal.” You can also contact your local human resources manager.



International Business Activities

With global operations, Flowserve routinely encounters laws that may appear inconsistent with the laws of the United States. You must obey the laws of the United States and the countries in which Flowserve conducts business.

Follow the guidelines in the Code even in countries where common business practices might be less restrictive. If you encounter a direct conflict between these guidelines and local law, contact the Flowserve corporate legal department prior to taking action.

Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act (FCPA) and other U.S. laws prohibit the payment of money or providing anything of value to a foreign official, political party or candidate for office for purpose of obtaining or directing business. Flowserve insists on compliance with FCPA. Violations of FCPA,

either deliberate or accidental, expose Flowserve and individual associates and officers to serious civil or criminal penalties or lawsuits.

There are strict rules on providing or receiving entertainment, gifts or gratuities to or from a foreign or domestic government official, regardless of purpose or intent. Use only legitimate methods to secure business with any foreign or domestic government or agency. If any issues arise concerning solicitations or violations of FCPA, immediately speak to your supervisor, the Flowserve corporate legal department, the chief compliance officer or contact the Flowserve Ethics Hotline.

Export controls and embargoes

Flowserve products, services and technology are often subject to trade restrictions and export controls when provided to foreign nationals or shipped or

transmitted outside the United States. Exercise care to comply with such controls and to assure compliance with applicable legal requirements.

The Flowserve Export Control Policy Statement and Compliance Manual is posted in the Corporate / Legal section of Passport.

Export licensing

It is Flowserve policy to obtain export licenses from government agencies (i.e., Bureau of Industry and Security, Directorate of Defense Trade Controls, Nuclear Regulatory Commission, etc.) as required for export shipments. These shipments may include products, services or technology.

Consult the Export Control Policy Statement and Compliance Manual for information on export licensing requirements.

Anti-boycotts and foreign economic boycotts

U.S. corporations and their foreign subsidiaries are generally prohibited by U.S. law from complying with customer requests or foreign government policies supporting restrictive trade practices, including boycotts against other specified countries or against U.S. organizations or persons.

If you receive a request that could be construed as a restrictive trade practice, report it to the Flowserve corporate legal department before making any response to the request. Flowserve is required to report all such anti-boycott requests to U.S. authorities.

For more information, please visit Passport, click on “View Flowserve Policies,” and select “Legal.” You can also contact your local human resources manager.



More information on Flowserve's export compliance program can be found on Passport in the legal section.

Computer Systems and Information Technology

Flowserve provides computers and other communication technologies (Internet access, Blackberry, etc.) to help you do your job. Use this equipment in a manner consistent with Flowserve values and ethical business practices.

Electronic communication equipment

- Do not send, download or distribute information reasonably considered offensive, defamatory or disruptive to employees who are working
- Communication considered to be verbal abuse, defamation, harassing, vulgar, obscene or threatening, such as sexually explicit messages, cartoons, jokes, unwelcome propositions, ethnic or racial slurs or any other such messages is prohibited and could result in disciplinary action or termination

Internet

- Limited personal Internet use is permitted but should never interfere with your job performance
- Flowserve has the right, without notice, to block, monitor or examine your Internet usage and will do so for legitimate business purposes
- Never use the Internet for purposes that could interfere with Flowserve IT operations

Telephone

- Personal telephone use is permitted; attempt to keep calls to a minimum and made during lunch and break times
- Certain employees have access to cell phones provided by Flowserve; limit their use, as much as possible, to business purposes

E-mail and instant messaging

- Flowserve e-mail and messaging systems are intended for business-related communications; reasonable personal use is acceptable but should not interfere with your job performance
- As with Internet use, Flowserve has the right to block, monitor or internally examine your e-mail and messaging use and will do so for legitimate business purposes.

For more information, please visit Passport, click on “View Flowserve Policies,” and select “Information Technology.” You can also contact your local human resources manager.



Sending occasional personal e-mails or using the Internet is OK, but don't let it interfere with your job performance.



“Our customer-centric focus is driven by our values. We are committed to conducting business around the world according to the highest ethical standards.”

Mark Dailey



Company Property, Privacy and Security

Flowserve strives to provide secure work areas, safe equipment and the latest technology systems to help you perform your job. However, there should be no expectation of privacy regarding their use.

Privacy

Flowserve retains the right to search all company property, at any time and without notice, to determine if company policy or any law has been violated. The company may also permit or request public safety or law enforcement officials to conduct searches. Such inspections may be conducted during or after business hours and in the presence or absence of the associate.

Occasional use of company technology systems for non-business purposes is permitted. Information maintained on computers and servers or transmitted through voicemail, messaging and e-mail systems, however, is considered company property. Flowserve has the right to override passwords and codes in order to access any computer and communication systems.

Any work performed on or transmitted by company property is subject to company review.

Examples include:

- *E-mail, voicemail, text and instant messages*
- *Graphics, software or electronic files*
- *Documents or data composed, sent, received or stored on company property*

Security

You may access only files or programs, whether electronic or hardcopy, that you have permission to access. Review, duplication, dissemination, removal, damage or alteration of files, passwords, computer systems or programs, other company property or improper use of information obtained, if unauthorized, is a violation of the Code.

Any work product created or transmitted on Flowserve computer systems or other electronic communication resources (including all e-mail and voicemail messages, graphics, software, electronic files, documents or other data composed, sent, received and stored on Flowserve property or electronic systems) may be subject to investigation, monitoring, search and review.

Intellectual Property

Flowserve's business is built upon the immense amount of experience and talents of the company's employees and heritage brands.

This experience has resulted in a body of confidential data, technology, products, services and information that enables Flowserve to compete and succeed in the marketplace. You are required to maintain the security, integrity and proprietary nature of all Flowserve confidential and proprietary information.

Confidential / proprietary information

Do not disclose to a third party, or use for personal gain, proprietary or confidential information relating to Flowserve or any of its activities, personnel, products or services.

Examples include:

- *Market research*
- *Marketing strategies*
- *Customer / supplier lists*
- *Price lists*
- *Bills of materials*
- *Manufacturing and engineering processes, data and techniques*
- *Personal employee information*

This responsibility extends beyond your employment with Flowserve and applies to all methods of communication. Do not copy, take or retain any Flowserve proprietary or confidential information for personal use. If you doubt whether information is proprietary or confidential, or how

Confidentiality agreements between customers, suppliers and other third parties require just that – confidentiality. Be careful when discussing Flowserve business at industry meetings or tradeshow.



to handle it, contact your supervisor or the Flowserve corporate legal department.

Trade secrets

Trade secrets – product specifications, material codes, engineering drawings, technical data – are Flowserve property and may not be copied, disclosed or used except to promote Flowserve's business interests.

Flowserve often enters into confidentiality agreements with customers, suppliers and other third parties in which it agrees to hold business information in confidence. Be cautious when discussing Flowserve business relationships with outsiders so that you do not disclose non-public information or trade secrets.

Inventions made by associates

Inventions developed during your employment related to Flowserve work or information, and tools or resources received in connection with this work, are the property of Flowserve. You are required to disclose and assign such inventions to Flowserve.

Outside information

Competitor information that could be considered proprietary or confidential, no matter how obtained, should not be used to benefit Flowserve in any way. Contact your supervisor or the Flowserve Ethics Hotline should you encounter such information.

“The expectation of high integrity does not vary based on title or location. In every region of the world, integrity is a constant throughout all levels of Flowserve and unifies all of us around our common values.”

Andy Beall



Community Interaction

Flowserve promotes good citizenship and encourages associates to be involved in political activities. Do not, however, perform these activities during work hours or utilize Flowserve resources.

Political contributions

As a private citizen, you are free to contribute to causes of your choice. Flowserve funds or other assets, however, may not be contributed, directly or indirectly, to any political party, committee, candidate, or holder of federal, state or local government office in the United States.

In countries other than the United States in which political contributions by companies are lawful, political contributions may be made only with the written approval of the Flowserve chief executive officer.

It is against policy for a Flowserve manager to direct you to make a contribution to any political party, committee or candidate. In addition, your status within Flowserve shall not be lessened or improved because of participation, or lack of participation, in lawful political activity.

Charitable and community contributions

Flowserve is committed to supporting the communities in which we all live. We encourage associates to do the same. Such activity, however, should not be done during working time or in violation of Flowserve's Solicitation, Distribution and Access to Company Property Policy.

In addition, you should not claim to represent Flowserve in any public function unless specifically requested to do so by Flowserve management.

Communications Made on Behalf of Flowserve

Communications from and within Flowserve must be carefully controlled to ensure an accurate and consistent message, and to ensure compliance with federal disclosure regulations.

Only those whose job responsibilities include communications with the public or the media should represent Flowserve. The director of public affairs is the principal company spokesperson. Others may be asked to serve in this role depending upon the information to be communicated.

Media inquiries

Direct all media inquiries to the director of public affairs (469-420-3264). You are not permitted to comment on behalf of Flowserve to any media representative.

Investor / analyst inquiries

Direct all questions from investors or financial analysts to the director of investor relations (972-443-6557). You are not permitted to comment on company performance on behalf of Flowserve.

Internal communications

Internal communications follow similar guidelines as external communications. Direct all questions on internal communications processes or resources to the director of integrated communications (972-443-6615). You may also e-mail intercom@flowserve.com.

Consistent communications to investors and the media is critical. If a reporter ever asks you a question about a business-related issue, be sure to refer them to the director of public affairs.



Policy Application, Implementation and Enforcement

The policies and guidelines referenced in the Code are applicable to all Flowserve associates. The standards are enforced fairly and without prejudice at all levels, and done so consistent with Flowserve's obligations under the law and within established company processes.

The Code is not intended to define all work rules or policies applicable to every company location. Each location may have work rules or policies in addition to those in the Code. You are required to comply with all applicable work rules and policies. You should understand that the provisions in the Code establish only the minimum standard of conduct.

Violation of any of the ethical standards of conduct in this Code is prohibited and may result in disciplinary action or termination. Legal proceedings may be engaged to recover improper expenditures, profits realized by the offending associate and any damages sustained by Flowserve.

Any actual or contemplated conduct that you reasonably believe may constitute a violation of the Code must be promptly reported to your supervisor, human resources representative or the Flowserve

Ethics Hotline. Flowserve takes all reasonable steps to keep confidential the identity of associates about or against whom allegations are brought unless it has been determined that a violation has occurred or that the company must obtain such information as part of an investigation. Flowserve takes all reasonable steps to keep the identity of anyone reporting a possible violation confidential, unless disclosure is necessary to comply with legal processes or to provide the alleged violator with an opportunity to defend him or herself.

Nothing in the Code, or an associate's acknowledgement, constitutes an employment contract.

For further information on specific policies for Flowserve's functions and divisions, please visit Passport, or ask your supervisor or human resources representative for assistance.

Following this publication, Flowserve reserves the right to periodically update the Code. The most recent version is available on Passport or from your supervisor or human resources representative.



***A comprehensive list of
Flowserve's policies and procedures
can be accessed easily on Passport.***



Appendix

Instructions for the Flowserve Ethics Hotline

To call Flowserve's Ethics Hotline anytime toll-free, dial your country's access number listed below. At the voice or operator prompt, dial 800-799-4597. You'll be connected with someone who speaks your language.

Calling from the United States or Canada:

Dial direct (1-800-799-4597)

Calling from other countries:

1. Obtain an outside line
2. Dial the AT&T Direct Access Number for your country listed on pages 33 and 34. For example, in Belgium, dial 0-800-100-10
3. Once you enter the AT&T Direct Access Number, a voice prompt or an AT&T Operator will ask you to enter the toll free number (800-799-4597)
4. Enter the toll-free number. There is no need to dial "1" before the toll-free number
5. You will now be connected to a communications specialist to report your concern

Toll-Free Number: (800-799-4597)



Country Access Numbers

Country	AT&T Direct Access Number
Argentina (ALA)	0 800 288 5288
Argentina (Telecom)	0 800 555 4288
Argentina (Telefonica)	0 800 222 1288
Australia (Optus)	1-800-551-155
Australia (Telstra)	1-800-881-011
Austria	0800-200-288
Belgium	0-800-100-10
Bolivia	800-101-110
Bolivia (Spanish)	800-101-111
Brazil	0800 890 0288 or 0800-8888-288
Chile (AT&T Node)	800-225-288
Chile (Cell or Mobile Phones)	*288
Chile (Easter Island)	800-800-311
China, PRC - Northern region, Beijing and vicinity	108-888
China, PRC - Southern region, Shanghai and vicinity	108-11
Colombia	01 800 911 0010
Costa Rica	0-800-011-4114
Denmark	8001-0010
Dominican Republic	1-800-872-2881
Ecuador (Andinatel)	1-999-119
Ecuador (Pacifictel)	1-800-225-528
Egypt (Cairo)	510-0200
Egypt (Outside Cairo)	02-510-0200
Finland	0 8001 10015
Germany	0-800-2255-288
Guyana	159
India	000-117
Indonesia	001-801-10
Israel (Bezeq)	1-800-94-94-949
Italy	800-172-444
Jamaica	1-800-872-2881
Jamaica (Public Phones)	#1
Jamaica (SELECT HOTELS)	872
Japan (IDC)	00 665-5111
Japan (JT)	00 441-1111
Japan (KDDI)	00 539-111
Korea (DACOM)	0030-911
Korea (DACOM US MILITARY)	550-2872
Korea (Korea Telecom)	0072-911
Korea (Korea Telecom US MILITARY)	550-4663
Korea (ONSE)	0036-911
Lebanon (Beirut)	426-801
Lebanon (Outside Beirut)	01-426-801
Malaysia	1-800-80-0011
Mexico	01-800-288-2872
Mexico (alternative)	001-800-462-4240
Netherlands	0800-022-9111
New Zealand	000-911

Country	AT&T Direct Access Number
Panama	800-0109
Peru (Telephonica)	0-800-50-288
Philippines	105-11
Poland	0-0-800-111-1111
Portugal	800-800-128
Puerto Rico	1-800-225-5288
Romania	021-800-4288
Romania (US Military Bases)	021-801-0151
Russia (Ekaterinburg)	8-10-800-110-1011
Russia (Irkutsk)	8-10-800-110-1011
Russia (Moscow)	755-5042
Russia (Novosibirsk)	8-10-800-110-1011
Russia (Omsk)	8-10-800-110-1011
Russia (Rostov-on-Don)	8-10-800-110-1011
Russia (St. Petersburg)	325-5042
Russia (Ufa)	8-10-800-110-1011
Russia (Vladivostok)	8-10-800-110-1011
Saudi Arabia	1-800-10
Scotland	0800-89-0011 or 0500-89-0011
Singapore (Sing Tel)	800-0111-111
Singapore (StarHub)	80-0001-0001
South Africa	0-800-99-0123
Spain	900-99-00-11
Suriname	156
Sweden	020 799 111
Switzerland	0-800-890011
Taiwan	00-801-10-288-0
Thailand	1-800-0001-33 or 001-999-111-11
Trinidad and Tobago	1-800-872-2881
United Arab Emirates	0-800-121
United Arab Emirates (Military)	0-800-151
United Kingdom (BT)	0800-89-0011
United Kingdom (C&W)	0500-89-0011
Uruguay	000-410
Venezuela	0 800 2255 288

If your country is not listed above:

1. Gain connection with an International operator
2. Communicate to the operator that you would like to place a reverse charge (collect call) to the United States of America and provide him or her the +1-503-352-7138 number.
3. When the operator ask who is placing the call, simply state: "Flowserve Corp" vs. giving a name
4. The operator will dial the line and confirm with the EP Call Center that the charges will be accepted

Country	Collect Call Number
Algeria	503-352-7138
Iran	503-352-7138



Acknowledgement Form

Instructions

If you DO have access to a Flowserve e-mail account:

If you have a Flowserve e-mail address, you will soon receive instructions via that account on how to complete the acknowledgement process online. Please keep this copy of the Code of Business Conduct for your reference. You will be asked to provide identification information from it during the acknowledgement process.

If you DO NOT have access to a Flowserve e-mail account:

If you do not have access to a Flowserve e-mail account, please complete the form on this page, detach and return it to your supervisor or site manager. Please ensure that the identification information from the label below is clearly legible. This information is required for each associate.

I acknowledge that I have received a copy of the Flowserve 2005 Code of Business Conduct (Code) and have had an opportunity to ask questions about the policies and practices referenced in the Code. I understand that it is my responsibility to follow the policies, practices and rules set forth in the Code and that my compliance is a term and condition of my continued employment. I understand that the Code is designed to serve as a guide to Flowserve policies and practices in conducting business affairs in an ethical manner. I understand that company policies provide additional detail and are available at my request.

I understand that Flowserve has a right to modify, amend or withdraw any or all of the policies and procedures described in the Code at any time.

Signed: _____

Date: _____

(Associate name and address label to be attached here)

Please retain a copy of this acknowledgement form for your personal records.

