



AUDIT COMMITTEE CHARTER

of the Audit Committee of the Board of Directors
of ForeScout Technologies, Inc.

(As amended and restated by the Board of Directors effective February 8, 2017)

I. General Statement of Purpose

The purposes of the Audit Committee (the “**Audit Committee**”) of the Board of Directors (the “**Board**”) of ForeScout Technologies, Inc. (the “**Company**”) are:

- a. Overseeing the integrity of the Company’s financial statements and the Company’s accounting and financial reporting processes and financial statement audits.
- b. Overseeing the Company’s compliance with legal and regulatory requirements.
- c. Overseeing the qualification, independence and performance of the Company’s registered public accounting firm (the “**Independent Auditor**”).
- d. Overseeing the Company’s systems of disclosure controls and procedures, internal controls over financial reporting, and compliance with ethical standards adopted by the Company.
- e. Overseeing risk assessment and risk management pertaining to the financial, accounting and tax matters of the Company.

Consistent with these functions, the Audit Committee should encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures, and practices at all levels. The Audit Committee should also provide for open communication among the Independent Auditor, financial and senior management, and the Board.

The Audit Committee has the authority to conduct investigations into any matters within its scope of responsibility and obtain advice and assistance from outside legal, accounting, or other advisers, as necessary, to perform its duties and responsibilities.

In carrying out its duties and responsibilities, the Audit Committee shall also have the authority to meet with and seek any information it requires from employees, officers, directors, or external parties.

The Company will provide appropriate funding, as determined by the Audit Committee, for compensation to the Independent Auditor, to any advisers that the Audit Committee chooses to engage, and for payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee will primarily fulfill its responsibilities by carrying out the activities enumerated in Section IV of this charter.

II. Composition

The Audit Committee will comprise three or more directors as determined by the Board.

Each Audit Committee member will meet the applicable standards of independence and the determination of independence will be made by the Board.



Each Audit Committee member shall serve on no more than four (4) Audit Committees of publicly traded companies, unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Company's Audit Committee.

All members of the Audit Committee must comply with all financial-literacy requirements of the securities exchange(s) on which the Company is listed. To help meet these requirements, the Audit Committee will provide its members with annual continuing education opportunities in financial reporting and other areas relevant to the Audit Committee. At least one member will qualify as an "Audit Committee financial expert" as defined by the SEC and determined by the Board.

Audit Committee members will be appointed by the Board to serve until their successors are elected. Unless a chairperson is elected by the full Board, the members of the Audit Committee may designate a chairperson by majority vote.

III. Meetings

The Audit Committee will meet at least quarterly, or more frequently as circumstances dictate. A majority of the members of the Audit Committee shall constitute a quorum for purposes of holding a meeting, and the Audit Committee may act by a vote of a majority of members present at such meeting. In lieu of a meeting, the Audit Committee may act by unanimous written consent, which may include electronic consent, in accordance with the Company's bylaws. The Audit Committee will maintain written minutes of its meetings and actions by written consent, which minutes and actions will be filed with the minutes of the meetings of the Board.

The Audit Committee chairperson will approve the agenda for the Audit Committee's meetings, and any member may suggest items for consideration. Briefing materials will be provided to the Audit Committee as far in advance of meetings as practicable. Each regularly scheduled meeting will conclude with an executive session of the Audit Committee without members of management present. As part of its responsibility to foster open communication, the Audit Committee will meet periodically with management, and the Independent Auditor in separate executive sessions. In addition, the Audit Committee will meet with the Independent Auditor and management to discuss the annual audited financial statements and quarterly financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations".

IV. Audit Committee Activities

The Audit Committee's responsibilities shall be to:

- a. Documents/Reports/Accounting Information
 - i. Review this charter at least annually and recommend to the Board any proposed amendments.
 - ii. Meet with management and the Independent Auditor to review and discuss the Company's annual financial statements and quarterly financial statements (prior to the Company's Form 10-K and 10-Q filings or release of earnings), as well as all internal control reports (or summaries thereof). Review other relevant reports or financial information submitted by the Company to any governmental body or the public, including management certifications as required in Item 601(b)(31) of Regulation S-K and relevant reports rendered by the Independent Auditor (or summaries thereof).
 - iii. Recommend to the Board whether the financial statements should be included in the annual report on Form 10-K.



- iv. Discuss earnings press releases, including the type and presentation of information, paying particular attention to any pro forma or adjusted non-GAAP information. Such discussions may be in general terms (i.e., discussion of the types of information to be disclosed and the type of presentations to be made).
- v. Discuss financial information and earnings guidance provided to analysts and ratings agencies. Such discussions may be in general terms (i.e., discussion of the types of information to be disclosed and the type of presentations to be made).
- vi. Review the regular internal reports to management (or summaries thereof) prepared by the internal audit function, as well as management's response.

b. Independent Auditor

- i. Appoint (and recommend that the Board submit for shareholder ratification, if applicable), compensate, retain, and oversee the work performed by the Independent Auditor retained for the purpose of preparing or issuing an audit report or related work. Review the performance and independence of the Independent Auditor and remove the Independent Auditor if circumstances warrant. The Independent Auditor will report directly to the Audit Committee, and the Audit Committee will oversee the resolution of disagreements between management and the Independent Auditor if they arise.
- ii. Select, retain, compensate, oversee and terminate, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.
- iii. Actively engage in dialogue with the Independent Auditor with respect to any disclosed relationships or services that may affect the independence and objectivity of the Independent Auditor and take appropriate actions to oversee the independence of the Independent Auditor.
- iv. Review and preapprove (which may be pursuant to preapproval policies and procedures) both audit and non-audit services to be provided by the Independent Auditor. The authority to grant preapprovals may be delegated to one or more designated members of the Audit Committee, whose decisions will be presented to the full Audit Committee at its next regularly scheduled meeting. The Chair of the Audit Committee is authorized to provide preapproval for any services up to \$50,000.
- v. Consider whether the Independent Auditor's provision of permissible non-audit services is compatible with the Independent Auditor's independence.
- vi. Discuss with the Independent Auditor the matters required to be discussed under the standards of the PCAOB.
- vii. Review with the Independent Auditor any problems or difficulties and management's response.
- viii. Hold timely discussions with the Independent Auditor regarding the following:
 - 1. All critical accounting policies and practices;
 - 2. All alternative treatments of financial information within generally accepted accounting principles related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Independent Auditor; and



3. Other material written communications between the Independent Auditor and management, including, but not limited to, the management letter and schedule of unadjusted differences.
- ix. At least annually, obtain and review a report by the Independent Auditor describing:
1. The Independent Auditor's internal quality-control procedures;
 2. Any material issues raised by the most recent internal quality-control review or peer review, or by any inquiry or investigation by governmental or professional authorities within the preceding five years with respect to independent audits carried out by the Independent Auditor, and any steps taken to deal with such issues; and
 3. All relationships between the Independent Auditor and the Company or any of its subsidiaries.

This report should be discussed with the Independent Auditors and used to evaluate the Independent Auditor's qualifications, performance, and independence, including whether there are any relationships or services that may impact the objectivity and independence of the Independent Auditor. Further, the Audit Committee will review the experience and qualifications of the lead partner each year and determine that all partner rotation requirements, as promulgated by applicable rules and regulations, are executed. The Audit Committee will also consider whether there should be rotation of the Independent Auditor itself. The Audit Committee should present its conclusions to the full Board.

- x. Set policies, consistent with governing laws and regulations, for hiring personnel of the Independent Auditor.
- c. Financial Reporting Processes, Accounting Policies, and Internal Control Structure
- i. In consultation with the Independent Auditor, review the integrity of the Company's financial reporting processes (both internal and external).
 - ii. Periodically review the adequacy and effectiveness of the Company's disclosure controls and procedures and the Company's internal control over financial reporting, including any significant deficiencies and significant changes in internal controls.
 - iii. Understand the scope of the review of internal control over financial reporting conducted by the Independent Auditor and obtain reports on significant findings and recommendations, together with management responses.
 - iv. Receive and review any disclosure from the Company's CEO and CFO made in connection with the certification of the Company's quarterly and annual reports filed with the SEC of: a) significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial data; and b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
 - v. Review major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; major issues as to the adequacy of the Company's



internal controls; and any special audit steps adopted in light of material control deficiencies.

- vi. Review analyses prepared by management and the Independent Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
 - vii. Review the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the financial statements of the Company.
 - viii. Review and approve all related-party transactions, defined as those transactions required to be disclosed under Item 404 of Regulation S-K and the requirements of the securities exchange(s) on which the Company is listed.
 - ix. Establish and oversee procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for confidential, anonymous submissions by Company employees regarding questionable accounting or auditing matters.
- d. Ethical Compliance, Legal Compliance, and Risk Management
- i. Oversee, review, and periodically update the Company's code of business conduct and ethics and the Company's system to monitor compliance with and enforce this code.
 - ii. Review, with the Company's General Counsel, compliance and other legal matters that could have a significant impact on the Company's financial statements.
 - iii. Discuss policies with respect to risk assessment and risk management, including appropriate guidelines, and policies to govern the risk assessment process, as well as the Company's major financial risk exposures and the steps management has undertaken to control them.
 - iv. Consider the risk of management's ability to override the Company's internal controls.
- e. Reporting
- i. Report regularly to the Board regarding the execution of the Audit Committee's duties and responsibilities, activities, any issues encountered, and related recommendations.
 - ii. Review and approve the report that the SEC requires be included in the Company's annual proxy statement.
- f. Other Responsibilities
- i. Discuss, with the Independent Auditor, the internal audit function, and management, the extent to which changes or improvements in financial or accounting practices have been implemented.
 - ii. Review with management the Company's finance function, including its budget, organization, and quality of personnel.
 - iii. Conduct an annual performance assessment relative to the Audit Committee's purpose, duties, and responsibilities outlined herein.



- iv. Perform any other activities consistent with this charter, the Company's bylaws, and governing laws that the Board or Audit Committee determines are necessary or appropriate.

V. General

- a. The Audit Committee may establish and delegate authority to subcommittees consisting of one or more of its members, when the Audit Committee deems it appropriate to do so in order to carry out its responsibilities.
- b. The Audit shall make regular reports to the Board concerning areas of the Audit Committee's responsibility.
- c. In carrying out its responsibilities, the Audit Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Audit Committee may consult. The Audit Committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's Independent Auditor or any other professional retained by the Company to render advice to the Company attend a meeting of the Audit Committee or meet with any members of or advisors to the Audit Committee. The Audit Committee shall also have the authority to engage legal, accounting or other advisors to provide it with advice and information in connection with carrying out its responsibilities and shall have sole authority to approve any such advisor's fees and other retention terms.
- d. The Audit Committee may perform such other functions as may be requested by the Board from time to time.