

## **LAYNE CHRISTENSEN COMPANY**

### **CLAWBACK POLICY**

#### **Introduction**

The Board of Directors (the “Board”) of Layne Christensen Company (the “Company”) believes that it is desirable, and in the best interests of the Company and its stockholders to maintain a culture that is focused on integrity, accountability, that discourages conduct detrimental to the Company's sustainable growth and is consistent with the pay-for-performance element of the Company's compensation philosophy. The Board has therefore adopted this policy (the "Policy") which provides for the recoupment of certain incentive compensation due to misconduct resulting in the Company's material noncompliance with any financial reporting requirement under the securities laws.

#### **Administration**

This Policy shall be administered by the Board or, if so designated by the Board, the Compensation Committee, in which case references herein to the Board shall be deemed references to the Compensation Committee. Any determinations made by the Board shall be final and binding on all affected individuals.

#### **Covered Executives**

This policy applies to the Company's current and former Chief Executive Officers and Chief Financial Officers ("**Covered Executives**").

#### **Incentive Compensation**

For purposes of this Policy, "Incentive Compensation" means any performance or incentive-based compensation payable in cash, shares (restricted or unrestricted), restricted stock units, stock options or any other form of compensatory performance-based award made by the Company, including all awards paid or eligible to be paid under any of the Company's equity, short-term or long-term incentive programs. Incentive Compensation shall not include compensation, in any form, for which vesting, payment, delivery, or exercisability is not based on goal or performance achievement.

#### **Recoupment; Accounting Restatement**

If the Company is required to prepare an accounting restatement of its financial statements due to misconduct resulting in the Company's material noncompliance with any financial reporting requirement under the securities laws, the Board has discretion to

require reimbursement or forfeiture of any Incentive Compensation received by any Covered Executive during the three-year period preceding the date on which the Company is required to prepare an accounting restatement (the "Accounting Restatement Date") other than with respect to payments made that are attributable to an amount that was earned and deferred by the Covered Executive's voluntary election more than three years prior to the Accounting Restatement Date. In determining the amount to be recovered, the Board may consider, in addition to other factors, the excess of the Incentive Compensation paid to the Covered Executive based on the erroneous data over the Incentive Compensation that would have been paid to the Covered Executive had it been based on the restated results, as determined by the Board.

### **Method of Recoupment**

The Board will determine the method and amount, in its sole discretion, for recouping Incentive Compensation hereunder which may include, without limitation:

- (a) requiring reimbursement of cash incentive compensation previously paid based on achievement of specific performance;
- (b) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer or other disposition of any equity-based awards;
- (c) offsetting the recouped amount from any compensation otherwise owed by the Company to the Covered Executive;
- (d) cancelling outstanding vested or unvested equity awards; and/or
- (e) taking any other remedial and recovery action permitted by law, as determined by the Board.

### **Interpretation**

The Board is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and any applicable rules or standards adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's shares are listed.

### **Effective Date**

This Policy shall be effective as of the date it is adopted by the Board and shall apply to Incentive Compensation that is approved, awarded or granted to Covered Executives on or after that date.

### **Amendment; Termination**

The Board may amend this Policy from time to time in its discretion and shall amend this Policy as it deems necessary to reflect regulations adopted by the Securities and Exchange Commission under Section 10D of the Exchange Act and to comply with any rules or standards adopted by a national securities exchange on which the Company's shares are listed. The Board may terminate this Policy at any time.

**Other Recoupment Rights**

The Board intends that this Policy will be applied to the fullest extent of the law. The Board may require that any employment agreement, equity award agreement or similar agreement entered into on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement and any other legal remedies available to the Company.

**Successors**

This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.