

TO: OSISOFT
FROM: COMPLIANCE
SUBJECT: POLICY FOR BUSINESS GIFTS, TRAVEL, AND ENTERTAINMENT OF FOREIGN OFFICIALS
DATE: JANUARY 27, 2020
CC: BOB GUILBAULT, JASON SCULLY, WOLFGANG KUCHEN

Travel, Entertainment and Gifts-

The following Travel, Entertainment and Gifts policy is an addendum to OSISOFT's *Policy Regarding Improper Influence of Foreign Officials*. It is mandatory that all OSISOFT employees and anyone acting on OSISOFT's behalf (including distributors and resellers) follow this policy for all gifts, entertainment, or travel provided to Foreign Officials, as described below.

Business Gifts, Travel, and Entertainment of Foreign Officials

A. WHO IS A FOREIGN OFFICIAL?

Foreign Official includes:

- Any officer or employee of a government or any department, agency, or public international organization, any employee of a public sector entity (as described below), or any person acting in an official capacity for or on behalf of any such government or entity.
- Members of royal families.
- Candidates for a political office.
- Immediate family members (parents, children, spouse, and in-laws), significant others, close friends, and business associates of a public sector employee.

A public sector entity is any entity that is owned or controlled by a government. This will include any entity where a government has greater than 50% ownership, or otherwise controls the entity. If you are unsure, you should consult OSISOFT's Compliance Officer for a determination as to whether an entity is government owned for purposes of this policy. In countries with a central government and pervasive ownership of companies

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in the petrochemical, telecommunications, water and/or power industry, you should assume that any entity you're dealing with is public sector.

B. WRITTEN PRE-APPROVAL REQUIREMENTS.

You must obtain written preapproval from 1) your Theater Vice President, and 2) Compliance Counsel prior to incurring any expense associated with the following:

- Providing travel and lodging to a Foreign Official.
- Providing a business gift or entertainment to a Foreign Official that exceeds the monetary or frequency limitations described below or otherwise does not comply with the below requirements.

If you wish to seek pre-approval, you need to provide the following information to your Theater Vice President, who will then seek approval from Compliance Counsel if they approve:

- A written statement describing the business purpose for the expenditure and the reason(s) for exceeding the policy limitations;
- A list of all attendees, their titles and their roles; If it's an event that OSIssoft is sponsoring you must provide:
 - the agenda for the entire event;
 - a list of all entertainment and other items of value that will be provided to all Foreign Officials; and
 - demonstrate that leisure time is proportionate and incidental to the time spent on business (generally no more than 20% of the event time); and that entertainment expenses during the event are reasonable and intended to facilitate the business purpose.

C. BUSINESS GIFTS TO FOREIGN OFFICIALS

You may give a business gift, defined as anything of value provided free of charge or without payment, to a Foreign Official if the following requirements are met: :

- The value of the gift is less than \$100 USD;
- The recipient has not received a gift within the last six months;
- The gift is provided as a token of esteem, courtesy or in return for hospitality;

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- The gift is not provided during a competitive bid process or contract negotiation, unless the gift is promotional material such as OSIssoft logo marketing items;
- A gift that includes the company's logo (*e.g.*, pens, t-shirts, hats, mugs, ties, tote bag) is preferred.
- The gift is NOT cash;
- The gift is presented openly with complete transparency.

D. BUSINESS ENTERTAINMENT OF FOREIGN OFFICIAL

You may provide meals or entertainment to a Foreign Official if the following requirements are met:

- The amount spent on behalf of the Foreign Official over any six month period is less than \$150 USD and no single event exceeds \$1,000 USD;

The entertainment paid for can be commonly deemed reasonable and is not excessive, lavish, or frequent; Sightseeing or other recreational activities during an OSIssoft sponsored trip are not allowed unless they are minimal and incidental in nature. A modest city sightseeing tour, for example, is allowed.

E. GENERAL REQUIREMENTS THAT APPLY TO BOTH BUSINESS GIFTS AND ENTERTAINMENT

- No gift or entertainment may be provided:
 - in direct exchange for a reciprocal action;
 - that is illegal, sexually explicit, or that may cause embarrassment to OSIssoft;
 - that might present an appearance of impropriety, conflict of interest, or undue influence; or
 - such as to permit its interpretation as a bribe or other improper form of compensation or payment.
- All gifts and entertainment must be:
 - permitted under both local law and the guidelines of the public sector entity;
 - commensurate with local custom and appropriate for the occasion; and

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- recorded and supported by appropriate documentation in the employee's expense report and correctly recorded on the company's books and records. If required as described above, the expense must be approved in writing *prior* to the giving of the gift and such written approval must be included in the employee's expense report.

F. TRAVEL AND LODGING FOR FOREIGN OFFICIALS

OSIsoft can pay for the travel and lodging of Foreign Officials, but only under the following limited circumstances:

- OSIsoft will only pay costs directly to an OSIsoft approved service provider.
- All travel and lodging expenses must be directly related to an OSIsoft sponsored promotional or training event, e.g., User's Conference stay at a designated hotel only.
- Reimbursement for airfare will be for economy class only.
- All transportation and lodging must be per OSIsoft's Corporate Travel Policy.
- The foreign government or public sector entity must approve who receives the travel and lodging. You may not select the particular Foreign Official who will travel. That decision must be made solely by the foreign government or public sector entity. An invitation letter detailing the purpose, approximate expense for, and itinerary of the trip must be sent in advance to the foreign government or public sector entity. The letter should also request the foreign government or public sector entity to confirm that the travel complies with their internal policies and regulations.
- Travel and lodging is provided only to the designated officials and NOT their spouses, family members, or friends.
- Reimburse for incidental expenses are limited to \$35 USD per day and require presentation of valid written receipts..
- Any souvenirs provided to the Foreign Official should be in accordance with OSIsoft's Gift Policy, as described above.

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- Any entertainment must be in compliance with OSIssoft's Entertainment Policy, as described above.
- Apart from the expenses outlined above, do NOT compensate the foreign government or the officials for their visit, or provide the officials with any stipend or spending money.