



ANTI-BRIBERY POLICY

DIGITAL TRANSFORMS PHYSICAL

Scope

This policy applies to all full and part-time employees, temporary workers, contractors and business partners of PTC and its subsidiaries.

Policy Statement

Honesty and integrity in all our business dealings is a core value at PTC. Offering, soliciting, paying and/or receiving a bribe or kickback in exchange for favorable treatment contravenes these principles and is prohibited by PTC policy. Such actions may also violate applicable anti-bribery laws. It is PTC's policy to comply with all applicable anti-bribery laws, including the U.S. Foreign Corrupt Practices Act and all international anti-bribery laws. PTC personnel and business partners may not offer to pay, pay or accept bribes or kickbacks to or from any third party in the conduct of PTC business, whether or not that third party is a government official or commercial entity or private person. In addition, PTC policy prohibits the payment of so-called "facilitation" or "grease" payments to government officials, even if such payments are permissible under applicable law.

Bribery Defined

A bribe is providing something of value with the intent to obtain favorable treatment in return, such as offering gifts or money to influence official business decision makers. Likewise, accepting something of value in exchange for you conferring favored treatment on the offering party (e.g. awarding a contract to a third party) can also be a bribe or kick-back.

More than Just Cash Payments can be Considered a Bribe

The prohibition against bribery applies to all types of payments, gifts, gratuities and other items of value. Examples include:

- Cash
- Gift certificates
- Travel
- Entertainment
- Charitable contributions
- Political contributions
- Employment/Internships
- Other gifts of value (including electronic devices such as phones and cameras.)

Appropriate Business Entertainment

Because a person's underlying intent is often difficult to ascertain, authorities will look at the value of the gift or other item(s) exchanged as an indicator of intent. Accordingly, business entertainment or gifts that are given in appreciation of business relationships should not exceed the bounds of good taste or customary business standards in the community and should be kept at a reasonable level based on the expectation that they will become publicly known. As described further below, for governmental customers and public officials, the rules are much more stringent. Nothing of value should be provided to these persons unless the Legal Department or Compliance Team is first consulted. In all cases, business entertainment or gifts should never be offered or accepted in exchange for business. When gifts or entertainment become a quid-pro-quo for receiving business, they are considered a bribe. Gifts and Entertainment must comply with PTC's Regional Gifts and Entertainment Policies.



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Special Considerations for Customer Travel

In the case of travel, paid or reimbursed customer travel expenses are often scrutinized as potential bribes. While paying for customer travel expenses may be appropriate, these expenses must be reasonable and directly related to the marketing, demonstration or explanation of PTC products or services or the execution or performance of a contract. It is generally not reasonable to pay for first class airfare, for the itinerary to include extended pleasure detours, or for the travel to include family members. All customer travel must be pre-approved in advance in accordance with PTC's Policy for PTC-Sponsored Travel by Customers, Prospects, Their Agents and Other Business Partners.

PTC will not provide letters in support of visas for customer travel, whether such travel is to be paid for by PTC or the customer, unless such travel is directly related to PTC products or services. Any request for visa sponsorship must be approved in accordance with the PTC Policy for PTC-Sponsored Travel by Customers, Prospects, Their Agents and Other Business Partners.

Public Officials and The Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act (FCPA) in the United States makes it illegal to bribe public officials of any country in order to obtain business or otherwise influence official decisions. This law applies to PTC activities worldwide. Additionally, most countries also have laws that prohibit payments or gifts to government officials. Any individual employee or agent acting on PTC's behalf who breaks these laws could be required to pay a substantial fine out of personal funds, face termination by PTC and, in certain cases, be subject to criminal prosecution and imprisonment.

The FCPA provides for both civil and criminal penalties, including individual fines up to \$100,000, corporate fines up to \$2 million, and up to five-years imprisonment. These monetary penalties can also be increased to twice the gross gain obtained from the offense. Other potential penalties that PTC could be subject to include debarment from government contracts, denial of export privileges and ineligibility for government programs. Additionally, PTC could be subject to enforcement proceedings by the Securities and Exchange Commission for failing properly to reflect payments in PTC's books and records.

Definition of a Public Official

The prohibitions are not limited to those at high-level governmental policy positions. The prohibitions apply to employees of the government, government-owned businesses and institutions (such as doctors working at a government owned hospital), and public international organizations, as well as to political party officials and candidates for political office.

The FCPA Requires Accurate Books and Records

You should also be aware that, under the FCPA, it is also illegal to omit or misrepresent a third party payment or gratuity in PTC's financial records. As a result, even if a transaction is proper, a violation of the FCPA can occur if the details of that transaction are not properly recorded. Accordingly, all PTC expenses must be supported by authentic receipts and must be accurately described so as to ensure that all transactions are properly reflected in PTC's books and records.



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How To Comply - Your Vigilance is Critical

Watch for Red Flags

You must always watch for signs – “red flags” – that an improper payment has occurred or may occur. Potential red flags include the following:

- known relationships between a PTC representative (such as a reseller or other business partner) and government officials
- an unusual number of third parties involved in a single transaction
- payments to third parties
- payments in third countries
- payments in cash to offshore accounts, or through third parties
- hiring a representative with no expertise or experience in the area in which it will represent PTC or provide services
- hiring a relative of a customer or government official as an employee or intern at PTC
- refusal to provide written assurances against improper payments
- lack of transparency or undue secrecy
- being told "not to ask"
- inflated invoices or unusual rebates
- unexplained or large bonuses, commissions or expense reports
- reimbursement requests for travel and living expenditures for third parties
- requests for visa sponsorship for customer employees
- unusual payment patterns or financial arrangements
- off-the-books accounts or "slush funds"
- facts which appear suspicious
- anything that is "not quite right"

You should always check with the Legal Department or Compliance Team before making or authorizing any payment if you notice any "red flags" or are otherwise unsure if the payment is appropriate.

Pay special care when dealing with Public Officials

Observing the following general guidelines should help prevent a violation of the FCPA and other anti-bribery laws applicable to payments to government officials:

- Do not offer, authorize or pay any money or provide anything else of value to:
 - Any public official; or
 - Any private person if you know or have reason to know that it may be used to influence a public official.
- Be aware that it is a violation of the law even if the bribe you offer or authorize is not accepted.

Do not turn a blind eye toward questionable activities

It is important to note that, under the FCPA, it is also illegal to make any payment with "knowledge" that all or part of the payment will then be offered or given directly or indirectly as a bribe. You have such “knowledge” if available information suggests a high probability that the payment may be diverted. Furthermore, knowledge may also be inferred from "deliberate ignorance" or "willful blindness" of known



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circumstances that indicate a high probability of a violation of the FCPA. This means that you and PTC could be liable for improper payments made by third parties if you make a payment to that third party in circumstances where you knew or should have known that the payment would be improperly diverted as a bribe.

Reporting

All suspected violations of this policy must be reported to PTC's Legal Department or Compliance Team or through PTC's Confidential Reporting Helpline. Do not investigate suspected violations on your own or wait until you have specific evidence; rather, report a suspected violation as soon as you become aware of one. Also, never hesitate to seek advice from the PTC Legal Department or Compliance Team if you have any questions about (1) a gift you receive or are offered, (2) a proposed payment or (3) a transaction that has occurred.

No Retaliation against Reporters

PTC does not tolerate threats or acts of retaliation against those who report a suspected violation of this policy in good faith or against those who provide assistance to resolve a reported concern. Any individual who is found to have engaged in retaliation against a reporting person for raising, in good faith, a policy violation or for participating in the investigation of such a concern may be subject to the termination of employment or termination of the business relationship with PTC, as applicable.