



FROM: Alex Davern, Chief Executive Officer

RE: Compliance with Anti-Bribery and Anti-Corruption Laws

National Instruments (“NI”) is committed to being a responsible corporate citizen in communities around the globe and for its key stakeholders: employees, customers, suppliers, and shareholders. This is accomplished through NI’s Code of Ethics and by complying with both the letter and spirit of applicable laws and regulations in each country where we do business.

NI’s Code of Ethics was approved by NI’s Board of Directors to clarify specific policies and to comply with SEC and NASDAQ regulations. The Anti-Bribery & Anti-Corruption Policy is a key component of NI’s Code of Ethics and must be complied with at all times when dealing with foreign officials.

The Anti-Bribery & Anti-Corruption Policy makes it a crime to give, promise, or offer to give, anything of value to government officials (including employees of state-owned companies) to improperly influence the performance of the officials’ duties. The Anti-Bribery & Anti-Corruption Policy also includes requirements that public companies have strong internal controls and accurate books and records. In addition, most countries where NI does business have enacted anti-bribery and anti-corruption laws.

The penalties for engaging in a prohibited act under the Policy and other anti-bribery and anti-corruption laws can be severe, lead to criminal and civil prosecution of the company and its representatives. Under NI’s Code of Ethics, the failure to comply with the Anti-Bribery & Anti-Corruption Policy and other anti-bribery laws will not be tolerated; any employee, agent, representative, consultant, distributor or joint venture partner who engages in conduct that results in a violation of the Anti-Bribery & Anti-Corruption Policy may be subject to discipline, which can include termination of his or her relationship with NI.

Understanding and interpreting what is and is not permitted under the policy and other anti-bribery and anti-corruption laws (such as gifts and corporate hospitality) can be challenging. We encourage you to carefully review NI’s Anti-Bribery & Anti-Corruption Policy. Please contact the applicable NI resource provided in the Policy in the event of any questions or the need to report an event of concern.

Thank you for joining us in our commitment to maintain the highest ethical and legal standards when conducting business in the United States and abroad.

A handwritten signature in black ink, appearing to be 'AD', written over a horizontal line.

Alex Davern
Chief Executive Officer

National Instruments Corporation
Anti-Bribery and Anti-Corruption Policy
Adopted by the NI Board of Directors

SCOPE

This policy applies to all National Instruments employees worldwide, including subsidiaries and other affiliates under NI's control, and any third parties working on behalf of NI.

BACKGROUND

Certain activities related to Government Officials (as defined below) – such as providing gifts, entertainment, travel-related benefits, political contributions or facilitating payments – can violate anti-bribery laws around the world. Bribery of non-governmental officials is also illegal under U.S. law and in many countries around the world, and violates NI's Code of Ethics (the "Code"). Under some circumstances, NI may be held liable for the prior acts and omissions of businesses that NI acquires or for the acts of any of NI's third parties while they are working on behalf of NI.

Numerous transnational laws and treaties have been adopted in recent years that prohibit a variety of corrupt practices, including transnational bribery. These include the:

- United States Foreign Corrupt Practices Act (FCPA)
- United States Travel Act
- United Kingdom Bribery Act 2010 (UKBA)
- Organization of Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions
- Council of Europe Criminal Law Convention Against Corruption
- Organization of American States (OAS) Inter-American Convention Against Corruption

POLICY STATEMENT

The Code and this policy prohibit any and all bribery. In addition to being a legal requirement, conducting business without engaging in bribery or other corrupt practices is a fundamental component of the Code and our overarching corporate values. It is NI's policy to ensure that National Instruments business is conducted in accordance with our Code, and with applicable local, national, and international anti-bribery and anti-corruption standards and laws where NI operates, including but not limited to the FCPA and the UKBA. NI does not do business with individuals or organizations known to make bribes, or who otherwise could harm our reputation. It is also a violation of this policy to

use, authorize, or induce any third party to perform any act prohibited by this policy, the Code or law. Willful blindness or conscious disregard for suspicious activities may be viewed as a violation of anti-bribery and anti-corruption laws and this policy.

The FCPA prohibits bribery of Government Officials (defined below). The UKBA prohibits all bribery, of both Government Officials and non-governmental private individuals, and includes prohibition of facilitation payments or “grease” payments, which are typically small, infrequent payments made solely to speed up non-discretionary actions, like getting electrical power turned on or phones installed. To make clear NI’s compliance with the UKBA and other local anti-bribery or anti-corruption laws, this policy also expressly prohibits facilitation or “grease” payments and prohibits bribery of non-governmental persons.

In addition to complying with this policy, you must also comply with NI’s Business Gifts and Entertainment Policy and Supplemental Guidance regarding Company-Sponsored Marketing Events which can be found [here](#).

Our Code mandates accuracy and transparency in all National Instruments transactions. Regardless of the type of transaction, all books and records established by National Instruments employees must be complete and accurate. National Instruments employees must never consent to the creation or submission of false or misleading documents by employees or NI Third Party Representatives, as defined below.

Any violation of this policy may provide reasonable grounds for employee discipline, up to and including termination of employment.

National Instruments managers must vigilantly comply with anti-bribery and anti-corruption laws, the Code, this policy, Business Gifts and Entertainment Policy and Supplemental Guidance regarding Company-Sponsored Marketing Events, and applicable local implementing policies and procedures setting forth more detailed procedural rules and in some cases stricter requirements (“Local Policies”). If any employee has a question or concern about anti-bribery or anti-corruption compliance, he or she should contact the NI Legal Counsel responsible for the employee’s business operation or region.

If any employee suspects that someone is violating the law, our Code or this policy, it is his or her duty to report it to the NI Legal Department or to use NI’s Ethics Hotline, which can be found below, to report the concern confidentially. National Instruments will not tolerate any retaliation against an employee who honestly reports an issue or concern regarding compliance.

Definitions

“Government Official” includes any:

- Government employee or elected or appointed official
- Members, officials, or employees of a political party
- Candidate for political office (even if not currently in office)
- Employees of state-owned or controlled entities such as a university professional (e.g. professor, teacher, researcher, administrator, etc.)

- Official or employee of quasi-public or non-governmental international organization (sometimes referred to as “NGOs”) or a public international organization such as the United Nations, Red Cross, International Monetary Fund and the World Bank
- Employee of a quasi-public agency and other companies or organizations partly or wholly owned or controlled by a government

NOTE: Business entities may be considered to be controlled by a government even though government ownership is less than 50%.

A “**bribe**” is the direct or indirect offer, authorization, gift or promise to give anything of value to a Government Official or other person, with corrupt intent to obtain or retain business, direct business to any person, gain an improper advantage, or improperly influence the recipient in any manner. For purposes of this policy, bribery includes facilitation payments.

An “**improper advantage**” is broadly defined to mean something to which the company is not clearly entitled, such as improper influence on a decision to purchase NI products, award a contract, grant a favorable court decision, or settle a tax dispute, or .

“**Third Party Representative**” includes any of the following when they do business with NI or otherwise act on NI’s behalf:

- Distributors, Resellers or System Integrators
- Commission or Sales Agents
- Consultants (including professors, teachers, speakers, or others providing services to NI)
- Suppliers
- Independent Contractors
- Brokers
- Travel Agents

Requirements

- Do not engage in acts that offer, authorize, promise, or give anyone a bribe, or create the impression that a bribe has been offered, authorized, promised or given;
- Take affirmative steps to prevent those doing business directly or indirectly before a Government Official, or in any commercial context, on NI’s behalf from engaging in bribery (for example, by following NI’s Business Gift and Entertainment Policy and Supplemental Guidance regarding Company-Sponsored Marketing Events);
- Assess, train and review Third Party Representatives for compliance with this Policy and applicable Local Policies;
- Review activities of, *i.e.* conduct due diligence on, acquisition targets to identify and address potential bribery issues;
- Comply with all record keeping requirements and financial controls to enable NI to demonstrate its compliance with anti-bribery laws;
- Promptly report to NI any suspected violations of applicable anti-bribery or anti-corruption laws or this policy by NI employees or others doing business on NI’s behalf.

Key Risk Areas

- Many alleged acts of corruption or bribery arise in the context of **business courtesies** provided to Government Officials, such as meals, drinks, entertainment, hospitality, recreation, tickets, passes, transportation, etc. In addition to following NI's Business Gift and Entertainment Policy and Supplemental Guidance regarding Company-Sponsored Marketing Events, employees should contact the applicable regional Events Compliance Committee responsible for the applicable business operation prior to providing a business courtesy to a Government Official.
- Bribery can also occur in connection with offers of employment for a Government Official or a relative, or other non-tangible items of value such as personal favors if done with corrupt intent.
- A **charitable contribution** is illegal under some anti-bribery and anti-corruption laws if the contribution is intended to improperly influence a Government Official. Employees who receive requests for charitable contributions in connection with business, legislative or regulatory interaction with a Government Official should seek advice from NI's Legal Counsel for the appropriate business operation prior to providing a charitable contribution to a Government Official. NI Legal Counsel, working with the employee, will conduct a diligent review of the charity to determine who benefits from the charity and whether it has adequate transparency and mechanisms to prevent inappropriate diversion of contributions.
- **Contributions to political parties, party officials, candidates for political office**, and persons closely related to them can also raise issues under anti-bribery and anti-corruption laws. No National Instruments employee may, except with prior approval from National Instruments' Chief Operating Officer and General Counsel, make any political contribution, either monetary or in-kind, on behalf of National Instruments or use National Instruments' name, funds, property, equipment or services for the support of any political party, committee or candidate.
- **Donations/free samples** provided to Government Officials also may be considered bribes if they are provided with the intent to improperly influence the recipient. When providing donations/free samples of products to customers, the purpose of providing the products should be for the customer to evaluate the product or develop an application for their organization and **not for their individual benefit**. As such, customers (including Government Officials) receiving donations/free samples are not permitted to resell the products or individually benefit in any way from the donation. When providing donations or free samples, they should be provided to the entity or company rather than an individual and must be a reasonable quantity.
- NI may also be liable under some circumstances for bribes or attempted bribes made or offered by **Third-Party Representatives** with whom NI does business. NI will not tolerate any such payments by Third-Party Representatives. As such, NI employees involved in oversight of Third-Party Representative relationships are responsible for the following anti-bribery and anti-corruption measures:
 - Prior to entering into the relationship, confirm the reputation of the Third-Party Representative relative to integrity and lawful conduct, including senior management and directors of Third-Party Representative (*i.e.*, a process referred to as "due diligence");

If due diligence reveals that one of such parties is, or is controlled by, a Government Official, or any beneficial or financial interest of a Government Official, or reveals any potential conflict of interest or “red flags”, NI’s Legal Department must be contacted immediately;

- Review contracts and include requirements for Third Party Representatives to comply with applicable anti-bribery and anti-corruption laws.

NI Legal Department

The NI Legal Department will:

- Answer questions about this policy and advise employees on applicable anti-bribery and anti-corruption laws;
- Support/guide due diligence of Third Party Representatives;
- Coordinate with local counsel and subject matter experts on questions involving bribery and other corrupt acts; and
- Coordinate with other compliance functions (e.g. Internal Audit and Finance).

Internal Audit

Internal Audit will periodically review NI’s books and records for compliance with this policy.

Reporting Violations

Any potential or actual violations of this policy should be immediately reported to NI’s Legal Counsel or via the Company’s confidential Ethics Hotline. Reports may be filed electronically or by phone. For detailed information please visit the [Ethics Hotline](#).

You can always ask questions or report suspected violations without fear of reprisal. NI does not tolerate retaliation in any form against anyone who asks questions or raises concerns in good faith.

References

National Instruments Code of Ethics can be found [here](#).

The text of the Foreign Corrupt Practices Act can be found [here](#).

A Resource Guide to the U.S. Foreign Corrupt Practices Act can be found [here](#).

The text of the United Kingdom Bribery Act 2010 can be found [here](#).

The text of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions can be found [here](#).

The text of the Council of Europe Criminal Law Convention on Corruption can be found [here](#).

Information about the Organization of American States Inter-American Convention against Corruption can be found [here](#).

National Instruments Corporation
Supplemental Guidance regarding Company-Sponsored Marketing Events
Adopted by the NI Board of Directors

SCOPE

This guidance regarding Company-Sponsored Marketing Events is provided to all National Instruments employees worldwide, including subsidiaries and other affiliates under NI's control. This guidance supplements NI's Anti-Bribery and Anti-Corruption Policy and NI's Business Gifts and Entertainment Policy.

BACKGROUND

Company marketing events such as NI Week, NI Days and other similar customer marketing events are important and appropriate ways to develop customer awareness of NI product/service offerings. However, sponsoring customer attendance at these events by paying for a customer's transportation, lodging or entertainment expenses ("Sponsored Travel Events") can also create the perception that business decisions are made because of these benefits and not on the basis of fair and objective criteria. Special laws and rules apply to transportation, lodging, entertainment and personal benefits to Government Officials. Therefore, supplemental guidance to employees is necessary in connection with NI-sponsored events.

POLICY STATEMENT

It is NI's policy that the Company may sponsor customer attendance at marketing events by paying for a customer's transportation, lodging and entertainment expenses so long as the expenditures are (1) reasonable in amount (not lavish or excessive), (2) bona fide (actual), (3) directly related to promotion, demonstration, or explanation of the Company's products/services, or required by a contract with a foreign government entity, (4) not violating local law, and (5) accurately and transparently booked in the company's accounting records.

Recordkeeping

Travel, lodging and entertainment-related expenses shall always be accurately reflected on the Company's books. This is true even if the expenses may be contrary to applicable law, or NI's or the recipient's policies. **Expenditures for travel, lodging, entertainment and other expenses must be itemized.**

Government customers and employees

Local laws in the United States and around the world strictly limit dealings with Government Officials (and in certain jurisdictions, local bribery and anti-corruption laws, such as the United Kingdom Bribery Act, apply to dealings with non-governmental private individuals), and NI employees must always comply with all such restrictions. Violating these restrictions may be criminal acts, regardless of whether they are paid for with NI or personal funds.

February 19, 2016

Prior to providing travel and accommodations to any private customer or Government Official in connection with a Sponsored Travel Event, **you must obtain prior approval from the applicable regional Events Compliance Committee.** Local implementing policies set forth the process to be followed to seek such approval. The definition of “Government Official” is broad and includes employees of state-owned or controlled entities such as university professionals (e.g. professors, teachers, administrators) who work in a public or government-sponsored education program (e.g., state-owned university) and other employees of companies or organizations partly or wholly owned or controlled by a government. Be sure to consult NI’s Anti-Bribery and Anti-Corruption Policy for the definition of “Government Official,” and provide all relevant details to the applicable regional Events Compliance Committee when reviewing prospective attendees for Sponsored Travel Events. Company procedures may vary for different locations around the world; thus, employees should consult the applicable regional Events Compliance Committee when considering sponsoring customers and/or Government Officials to Sponsored Travel Events. For the avoidance of doubt, procedures set forth in applicable Local Policies must be followed.

Requirements:

- Selection of the attendee(s) to the event should be based on objective, pre-determined, merit-based criteria and/or the employer of the attendee should have decision-making authority as to who attends the event.
- Pay all costs directly to travel and lodging vendors whenever possible.
- Reimburse costs only upon presentation of a receipt.
- Do not advance funds or pay for reimbursements in cash.
- If third parties are used in connection with the event (e.g., a travel agency), ensure that the relationship is memorialized by written agreement, and the agreement contains appropriate anticorruption language.
- Ensure that expenses are limited to those that are necessary and reasonable.
- Ensure the expenditures are transparent both within NI and with the employer of the private customer or Government Official.
- Do not condition payment of expenses on any action by the customer or Government Official.
- Provide no additional compensation, stipends, or spending money to the attendee.
- Obtain a certification from each attendee indicating that attendance at such an event does not violate applicable local laws, their employer’s rules or any ethical regulations.
- Ensure the costs and expenses are accurately recorded in the Company’s books and records.

Violations

Any violation of this policy may provide reasonable grounds for employee discipline, up to and including termination of employment.

NI Legal Department

The NI Legal Department will answer questions about this policy

Internal Audit

Internal Audit will periodically review NI's books and records for compliance with this policy.

References

National Instruments Code of Ethics can be found [here](#).

NI's Policy on Anti-Bribery and Anti-Corruption can be found [here](#).

NI's Policy on Business Gifts and Entertainment can be found [here](#).