


A pair of hands is shown from the bottom, cupping a small, realistic globe of the Earth. The globe shows continents in green and brown and oceans in blue, with white clouds. The background is a soft-focus bokeh of colorful circles in shades of blue, purple, and pink. On the left side, there are vertical bars of green, cyan, and purple. A dark blue semi-transparent box contains the report title.

2020

Aspen Technology, Inc.
Environmental, Social
and Governance (ESG) Report

An aerial photograph of a city with a dense forest in the foreground. The city features several high-rise buildings and a mix of urban infrastructure. The forest is lush green and occupies the bottom third of the image. The city buildings are in shades of grey and brown, with some greenery interspersed. The overall scene is a blend of nature and urban development.

“ By supporting their digitalization strategy, we help our customers reduce environmental impact, adapt to changing expectations and realize significant productivity gains. And by focusing on our own operations through an ESG lens, we ensure that we are consistently operating in a way that is responsible to the environment, our shareholders and society as a whole.”

Antonio Pietri
President & CEO
Aspen Technology, Inc.

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Sustainability and Corporate Responsibility

I am very pleased to present our latest Environmental, Social and Governance Report, a look at AspenTech's continuing commitment to delivering exceptional value — to our customers, to our employees, to our shareholders and to all other stakeholders. Our corporate mission is to accelerate the digital transformation of the industries we serve by optimizing their assets to run safer, greener, longer and faster. This mission is becoming increasingly important as we operate in a world that is volatile, uncertain, complex and ambiguous (VUCA), and is therefore demanding new responses from the corporate sector.

Pressures for greater sustainability, along with changing global demographics and an evolving workforce, will continue to impact the industries we serve for years to come. We are committed to responding to these pressures in the most responsible way possible and enabling our customers to do the same.

As we elevate our customers' level of operational excellence through asset optimization, we help them reduce greenhouse gas emissions and increase safety by improving reliability and eliminating inefficiencies in their operations, hence lowering their energy consumption and reducing the use of natural resources. By unlocking new levels of agility for these companies, we aim to support these industries in meeting all of today's challenges.

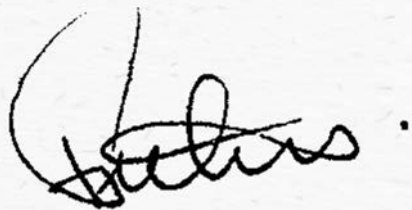
AspenTech consistently delivers value through the combination of decades of industry experience, a unique asset lifecycle offering and our strategy to embed AI across all our solutions. This is how we enable our customers to push the boundaries of what's possible, to safely run their assets to the limits of performance and maintain the highest levels of reliability and uptime. Every year, our customers create \$50 billion in value through the use of AspenTech solutions.



To deliver these benefits, we are committed to the long-term development and training of AspenTech employees around the world. Our people are our innovators, and their ambition is ultimately responsible for the success of our company and our customers. We pride ourselves on the expertise, skills and critical thinking of our employees worldwide, and we invest in attracting and developing the talented individuals who will drive our growth for years to come.

In addition, we continue to research, develop and acquire the latest, most effective technologies so we can deliver the capabilities our customers will need to achieve new levels of success — regardless of the external pressures they face. Simply stated, our keen awareness of the competitive landscape enables us to tailor our innovation and investment to meet the needs of tomorrow.

Digital transformation is what will enable companies to create a smart enterprise that delivers results for society and shareholders alike. I'm proud that we are investing in the future and helping our customers innovate to meet the demands of their stakeholders. I look forward to what we can achieve together in the years to come.



Antonio Pietri
President & CEO
Aspen Technology, Inc.





SAFER, GREENER, BETTER

Aspen Technology, Inc. (AspenTech) develops software to help customers in capital-intensive industries (such as energy, chemicals, engineering and construction, and increasingly metals and mining, food and beverage, and pharmaceuticals) address their biggest challenges: delivering increased value to stakeholders, responding to an evolving global population and reducing environmental impact and waste. Our distinct asset optimization lifecycle approach supports these goals through increased operational efficiency, and we help our more than 2,300 customers create in excess of \$50B USD in value every year.

ENVIRONMENT, SOCIAL, GOVERNANCE

AspenTech is committed to maintaining sustainable operations and has implemented comprehensive business practices to achieve our goals. These govern the allocation and management of capital investment, corporate governance and board oversight, positive impact on our communities and the protection of employee, customer and vendor data.

We also support our customers in the achievement of their sustainability and business goals, enabling them to create increased value for their stakeholders. Customer success means operations that are safer, greener, more reliable, more efficient and more profitable. It is a top priority for the companies that rely on our advanced software solutions to deliver their products in the most operationally efficient and environmentally responsible way possible.

Driving Top-Line Growth

AspenTech asset optimization solutions can create value for our customers in various market conditions — growth and contraction. Our global footprint and platform-agnostic software reduces barriers to enter new geographies and adjacent markets. Our integrated approach to asset lifecycle management provides opportunities for account expansion. We continue to develop strategic partner relationships to access new opportunities within new prospects and existing customers.



Financial Discipline

AspenTech has maintained solid margins and profitability through our focus on disciplined financial management, strategic investments and an organization structure designed for transparency and agility. This discipline underpins our ability to invest and support growth ahead of the market.

Developing Our People

We believe that investing in our people is as important as investing in our technology. Employees at all levels of the organization are provided with opportunities to learn, develop and grow their careers at AspenTech.

Investment for Future Growth

AspenTech invests in organic R&D and may make strategic acquisitions that will enable us to stay at the forefront of industry innovation. Our long-term investment thesis evaluates and prioritizes opportunities that support sustained shareholder value.

We have a strategy to embed AI capabilities across our portfolio, combining the speed and processing power of AI with the proven first-principle models of engineering. Recent acquisitions have expanded our portfolio to include predictive maintenance, advanced data visualization and the technology platforms on which to develop our AI-driven solutions for the future.

Recent Innovations for Safety and Emissions Reduction

Predictive analytics substantially reduce unplanned “flaring.” The World Bank estimates that flaring contributes more than [350 million tons of CO₂ emissions](#) globally every year, the equivalent of approximately 90 coal-fired power plants. These emissions could be dramatically reduced by increasing equipment reliability to eliminate unplanned shutdowns and the flaring that comes with them.

Predictive maintenance can dramatically improve safety. The Chemical Safety Board (CSB) asserts that unplanned startups and shutdowns [contribute to 50% of safety incidents](#) in the refining industry.

With recent product introductions of Aspen Mtell® and Aspen Fidelis Reliability™, AspenTech helps its customers turn unplanned downtime into planned downtime, employing models that provide recommendations on how to maintain greenhouse gas emission limits and operate within safety parameters.

AspenTech Partners With Industry for a Cleaner Future

AspenTech is a member of **The Clean Energy Smart Manufacturing Innovation Institute (CESMII)**, a U.S. Department of Energy (DOE)-sponsored institute formed in 2017 to improve the efficiency of U.S. manufacturing through innovations in the development and integration of advanced sensors, controls, software platforms and modeling.

AspenTech is a member of **RAPID** (Rapid Advancement in Process Intensification Deployment), the Modular Chemical Process Intensification Institute for Clean Energy Manufacturing. RAPID is a DOE-sponsored manufacturing institute that seeks to improve energy efficiency and lower capital investment requirements in the process industries through innovations in process-intensification technologies.

Industry Awards



McRock Capital: McRock IIoT Corporate Leader of the Year



Marathon Petroleum: Supplier Recognition Awards for Innovative Partnership



Hydrocarbon Processing Awards: Aspen Mtell — Best Asset Monitoring Technology



Automation World: Readers voted AspenTech “First Team” in MES/MOM Software





SUPPORTING SAFER OPERATIONS

For our customers, safety is the first operational priority.

AspenTech's solutions support safer operations in the most complex industrial environments. Our solutions are used to develop designs to ensure process safety and adequate risk management and allow operator simulators to rehearse emergency situations.

Safety is dependent on having predictable operations. By predicting maintenance needs and avoiding unplanned shutdowns and startups, safety incidents can be reduced by half.



Safer, greener operations are dependent on increasing the overall reliability of industrial assets while running processes and operations more efficiently.

ENABLING GREENER OPERATIONS

Environmental regulations, energy and water conservation, air quality and climate change are prime concerns for shareholders and customers alike. In particular, the circular economy of plastics requires a “full-cycle” approach to production and extended use, to conserve resources and protect the environment.

Innovation

Our products enable customers to pursue renewable energy projects such as bioethanol, biodiesel, carbon capture, solar and wind initiatives — with insights to improve profitability and reliability while reducing capital investments.

Carbon Capture

CO₂ capture from industrial operations is one of the targeted approaches to mitigating climate change. AspenTech has invested significant resources in the development of a highly effective modeling application to support design, validation and commercial scale-up of carbon capture technology.



IMPROVING RELIABILITY

AI-driven predictive maintenance can warn operators of potential equipment failures days, weeks or months in advance, reduce the number of unplanned shutdowns and keep production within safe operating limits.

When combined with our dynamic modeling technology, our solutions can rehearse critical situations. By collecting, aggregating and conditioning data from across the enterprise, our advanced reliability technology helps remove uncertainty.

INCREASING EFFICIENCY

Understanding where inefficiencies occur and working to mitigate them is critical to reduce emissions, water consumption and waste.

There are many opportunities to design new plants with higher efficiency and lower waste production and to improve existing plants' abilities to optimize between margin and waste production. Frequently, investing to reduce facility wastes and pollutants pays back quickly with lower operating costs while improving the environment.



Saved a total of
\$19.2M
PER YEAR

Reducing Energy Consumption With Strong ROI

Their challenge

A global manufacturing company wanted to achieve a company-wide goal of a 10.3% reduction in energy consumption and greenhouse gases by 2020.

Our solution

We used Aspen Performance Engineering (Aspen Plus®, Aspen Energy Analyzer™ and Aspen Exchanger Design & Rating) to identify over 250 methods for reducing energy consumption. The customer has implemented 31 of these methods to date.

Value created

The customer saved a total of **\$19.2M USD per year**. This means the \$22.4M USD capital spent is paid back in 1.2 years, along with a **12% reduction in energy use and carbon emissions**, and future opportunity to achieve another 15% reduction in energy use.



Saved more than
\$10M
BY AVOIDING OVER-DESIGN

Designing Process Safety for Regulatory and Legal Compliance

Their challenge

A complex Middle Eastern refinery needed to ensure that a new design provided an adequate pressure relief system to avoid a worst-case refinery operations scenario.

Our solution

Aspen Performance Engineering, incorporating process safety design tools within the Aspen HYSYS® modeling environment, was used to rapidly re-model the plant and re-validate and size new pressure safety values, a pressure relief network and flares.

Value created

The safety analysis was completed three times faster than by using non-integrated tools, **saved more than \$10M USD by avoiding over-design** and enabled our customer to be certified in compliance with government safety rules.

Achieved energy
conservation of

40%

**FOR PRODUCTION OF
THE NEW PRODUCT**

Reducing Operating Costs and Energy Use for New Chemical Production

Their challenge

A chemical customer asked us to find the most efficient process design to double their production capacity for making a new chemical while reducing operating costs.

Our solution

We modeled the new operation using Aspen Performance Engineering to create a digital twin of the proposed new process for analysis.

Value created

An improved process achieved **energy conservation of 40% for production of the new product**, reduced operating costs and improved sustainability due to reduced energy use.

Saved
10%
OF THEIR
WATER USE

Saved
5%
OF THEIR
ENERGY USE

Increasing Efficiency to Reduce Energy and Water Use

Their challenge

One of the largest oil and gas operators in the Middle East wanted to encourage leadership in reducing energy use, water use and hydrocarbon losses.

Our solution

We created a field-wide, digital twin model that captured efficiency opportunities and optimized real-time implementation and modeled optimal water and energy use. All users had access to a dashboard using our Aspen HYSYS® utility optimization and manufacturing execution (Aspen InfoPlus.21®) technologies to guide every operator's actions on plant-wide water consumption.

Value created

The customer saved **10% of their water use and 5% of their energy use.**



Saw an estimated
\$10M
INCREASE IN PROFIT

Reducing Energy Use With Minimal Investment

Their challenge

A leading global ethylene producer asked for help reducing the energy consumed in their ethylene unit — with minimal capital investment.

Our solution

Using the Aspen Plus modeling system, we created a digital twin of the operation, then analyzed the data from operations and equipment using Aspen Energy Analyzer. Based on our recommendations, 20 energy-saving projects were implemented.

Value created

The company saw an **estimated \$10M USD increase in profit, a 3-4% reduction energy consumption** and a 3% contribution to sustainability metrics.



Reduced SAFETY CONCERNS

Improving Reliability to Reduce Costs and Safety Risks While Increasing Productivity

Their challenge

A customer was experiencing hyper compressor failures in its polyolefin production, leading to unplanned equipment shutdowns that increased safety risks. These outages were also causing higher maintenance costs and increasing the risk of missing customer delivery dates.

Our solution

The company deployed our Aspen Mtell® tool on their production unit to increase the fault notification period. They are now able to detect faults inside hyper compressors in advance of failure.

Value created

The company now has advance failure warning and a transfer of learning to employees so **failures can be predicted, scheduled and controlled**. With fewer unplanned shutdowns, safety concerns are reduced.



WHAT DRIVES US

INVESTING IN TALENT WORLDWIDE

Our 1,700-plus employees are citizens of more than 50 countries, and their commitment drives AspenTech. Our customers, which include many of the world’s largest corporations, value our employees’ expertise in solving their greatest challenges. People are at the core of our strategy and we couldn’t fulfil our mission without attracting, developing and rewarding extraordinary employees who embrace this commitment.

Our Values

AspenTech embraces a set of values that represent the foundation of who we are at the core of our business.

They are the anchor of our culture across the globe and are integrated into everything we do. Our values inform our recruitment decisions and are hardwired into our learning programs and performance management assessments.

Every quarter, our CEO recognizes Values Excellence through awards to employees who have demonstrated our values in action.

OUR VALUES

INTEGRITY

Do the right thing. Follow through on commitments and be accountable for your actions and words. Act and communicate with honesty and respect.

CUSTOMER FIRST MINDSET

Customers are central to our success. Support the goals of your customers, internal and external. The needs of our customers will inform decision-making at all levels of our organization.

INNOVATION

Create the future. Have the intellectual curiosity to reimagine tomorrow. Explore new ideas and new ways to create value for AspenTech and our customers.

COLLABORATION

Work together for better results. Within your team and across the organization, seek alignment and mutual accountability. Encourage diversity of thought to make better decisions.

COMPETITIVE SPIRIT

Know your competition, refuse to lose. Be all in, shape the outcome and deliver.

EXECUTION

Achieve desired results. Understand your business. Pay attention to the details. Act with speed and purpose to deliver success. Empower others to do their best work.

ENTREPRENEURIAL THOUGHT-AND-ACTION

Identify and seize the opportunities. Grab the bouncing balls. Assess and take risks, invest, determine outcomes quickly, learn from the experience.

Encouraging Career Growth and Development

Our commitment to our employees' career development is led by our CEO and carried through all management levels. From executive education to emerging talent to college-hire training, we know continuing education is crucial to career development.

- Our Leadership 2.0 program provides a multi-faceted approach to training and developing our people managers to drive a high-performance culture.
- Our Performance & Growth X-Change deploys workshops globally for employees and managers on giving and receiving feedback.
- AspenTech uses Workday software to provide employees easy access to all their critical career information.
- We offer employees access to LinkedIn Learning and Skillsoft eLearning programs. AspenTech employees tend to exceed LinkedIn Learning's benchmarks.
- We offer tuition reimbursement to full-time employees to enhance career development opportunities and improve job-related skills and knowledge.
- Employees can access an online resource for learning English as a second language.
- We sponsor employee-led Toastmasters Clubs, with several participants who have competed nationally.



Diversity

Our culture is inclusive and intentionally seeks out ideas and inputs from across the globe and throughout the organization.

As a global company with approximately 50% of our employees outside the U.S., we celebrate the diversity of our cultures and of every individual. Innovation is driven by new ways of thinking, new perspectives on a challenge and the confidence to take a risk and fail before ultimately succeeding. We encourage diversity of thought that brings ingenuity to our business and enables us to meet our goal of being customer-first in everything we do.

We know that we are on a journey to measure and increase the diversity within our workforce and leadership teams. Our journey has begun with a commitment from every member of the Executive Team, as well as the comprehensive training and development programs that have been implemented during the last 18 months. We continue to seek the most talented individuals to recruit and develop in AspenTech.

Empowering Everyone

Through networking, development and mentoring events, our Women's Leadership Forum helps to create an inclusive workplace and increase employee engagement and global collaboration. Although it is named the Women's Leadership Forum, the group is open to everyone and represents the interests of all employees. The Forum plays an important role in making AspenTech an empowering place to work for everyone.



Leadership 2.0

We believe that every great employee deserves a great manager. Managers can attract, motivate and retain employees — and they can inspire everyone to achieve growth in their careers and for the business.

AspenTech has implemented a world-class leadership initiative that includes offsite, classroom and online training and support. Leadership 2.0 is a comprehensive program designed to accelerate growth through a culture of empowerment, accountability, trust and high performance that we call “disciplined agility.” This transformation initiative is supported by our CEO and the entire Executive Team.

Listening to Our Employees

We are committed to transforming AspenTech’s culture to support our growth ambitions, so we ask employees for feedback via our annual engagement survey, “Our Values, Your Voice.” Employees review and analyze the results in order to address challenges and celebrate progress. We conduct surveys at regular intervals and maintain open channels for feedback.

Developing the Next Generation of Leaders

Employees selected from our Bedford, Houston, São Paulo, Paris and Reading offices graduated from the Emerging Leader Program in 2019. Launched in 2018, this 14-month program includes Cornell University/SC Johnson School of Business courses to help future leaders of AspenTech to develop their careers.



ASPENTECH GIVES BACK

We are one global community with more than 30 offices united by our commitment to the AspenTech Values. Our employees demonstrate an impressive generosity, giving their time, talent and money to make life better for their colleagues, neighbors and communities.

Our AspenTech Gives Back program provides opportunities for employees to support local causes and communities. The company provides funding and support to employees for charitable causes and organizes volunteer opportunities for hands-on community service projects. Through AspenTech Gives Back, our employees collaborated with more than 40 organizations in the last 12 months.



Bedford, MA: Building children's playhouses for local military families in collaboration with Habitat for Humanity



Houston, TX: Donating coats to families in need



Reading, U.K.: Creating arts and crafts bags for a local charity, Parents and Children Together (PACT)



Mexico City: Making kids smile at Hogar Dulce Hogar Orphanage by donating time to play games, sing songs, read books and help with homework



Singapore: Collecting and delivering books, clothes, toys and essentials to underprivileged children living in the Rayale Village of Nepal



Beijing: Donated food and visited with staff at Sunvillage, a local orphanage



Shanghai: Taking part in a month-long Walk for Charity Challenge to benefit the China Social Welfare Foundation



Montreal: Raising money for children's charities at the 24-hour Tremblant ski challenge



Houston, TX: One AspenTech team member organized an impromptu office shoe drive, and personally distributed the shoes to children in Antigua.



Reading, U.K.: Raised money for a local charity, Parents and Children Together (PACT), by riding a stationary bike over 415km, spending a total of 17 hours on the bike.

To keep up with AspenTech's community support through donations and volunteering, follow **@We Are AspenTech** on Instagram, and search for **#weareaspentech** on Facebook, Twitter and LinkedIn.



LOW ENVIRONMENTAL IMPACT

As a software company, our environmental impact is inherently low. As a global company with facilities on five continents, AspenTech strives to maintain our offices in a sustainable way.

All our space is leased, and we seek out buildings and landlords that comply with local sustainability practices and regulations. Wherever possible, we choose buildings with good access to public transportation and efficient energy and wastewater management practices. We also maintain paper-saving and energy-saving programs at each of our locations.

More than 75% of our approximately 1,700 employees are based in one of these locations:

- Bedford, Massachusetts, U.S.
- Houston, Texas, U.S.
- Reading, U.K.
- Shanghai
- Singapore

These are some of our local sustainability features and programs:

Energy Management

- Software to manage energy usage
- Building management system to reduce building energy consumption in off-peak work hours
- LEED Gold certifications and ENERGY STAR ratings
- Light sensors
- Seasonal adjustment of exterior lighting schedules
- HVAC start times and water temperatures
- Zoned air conditioning
- LED lighting
- Air conditioning that meets the Green Mark Platinum standard
- Main building cooling units that operate using variable speed eco-drive motors

Water and Wastewater Management

- Automatic faucets and low-flow flushometers
- Well for irrigation water
- Low-flow faucets, toilets and urinals
- Rainwater recycling

Environment

- Low-VOC (volatile organic compound) paints
- Green building initiatives: sustainable purchasing, green cleaning



Going Greener in Mexico

The Mexico City office has accumulated a lot of paper over the years. As the team prepared to move to a new building, they were looking for ways to minimize paper use and eliminate clutter.

Working together, the Customer Support & Training (CS&T), R&D and Sales teams gathered over 1,000 lbs. of paper to recycle. With the money they received, the team bought toys for a local charity. The Mexico City team was inspired “go greener” after the CS&T team introduced e-books for classroom training. With so many great online tools for learning, it’s easy to leave paper behind.

Other Practices to Promote Sustainability

- Electric vehicle charging stations
- Metro bus stop
- Shuttle to subway station
- Bike racks and a Bike to Work Day
- Recycling programs: office paper, plastic, bottles, cans and glass, light bulbs, cardboard, single-stream, paper shredding and electronic waste
- Limiting printing and reducing color printing



Medal-Worthy in Japan

Our office in Japan contributed to the Tokyo 2020 Organizing Committee’s Medal Project by gathering old phones, computers and other electronics to recycle. The recycled items will be used to manufacture the medals for the Tokyo 2020 Olympic and Paralympic Games.

CORPORATE GOVERNANCE IN OPERATIONS

Adhering to effective corporate governance practices is critical for any company, especially in dynamic, fast-changing technology environments. As a market leader, Aspen Technology is committed to the highest standards of ethical business conduct and corporate governance. Every employee is guided by the principles contained in our Aspen Technology Values, and we have adopted corporate policies that drive our overall governance practices.

Code of Conduct

A code of conduct lays out an organization's expectations and guiding principles for appropriate workplace behavior. Aspen Technology publishes a Code of Business Conduct and Ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions.

The Code of Business Conduct and Ethics applies to financial conduct, as well as to relationships among employees and with our customers and suppliers. All new hires and existing employees are required to complete Code of Business Conduct and Ethics training on a regular basis. We have posted a copy of the Code of Business Conduct and Ethics in the Investor Relations section of our website, located at ir.aspentech.com.

Anti-Bribery/Anti-Corruption

Anti-bribery and anti-corruption guidelines provide key principles that apply to all interactions with the company's customers, business partners and other third parties in both the public and private sectors.

Aspen Technology has an anti-bribery and anti-corruption compliance program designed to encourage a culture of integrity and transparency in all company activities and to show that bribery and corruption are not tolerated. This includes:

- Training in anti-bribery and anti-corruption for all employees
- An independently managed Whistleblower Hotline that allows anonymous reports via email and phone



Non-Discrimination

Aspen Technology is an Equal Opportunity/Affirmative Action employer. All qualified applicants will receive consideration for employment without regard to age, race, color, religion, creed, gender or gender identity, sexual orientation, national origin, disability, protected Veteran Status or any other basis protected by federal, state or local law.

Board of Directors and Committees

Robert M. Whelan, Jr. continues to serve as independent chair of the board of directors. By maintaining an independent board chair, we have an environment that is conducive to objective evaluation and oversight of management's performance that can increase management accountability and improve the ability of the board to monitor whether management's actions are in the best interests of our stockholders. As a result, we believe that having an independent

board chair can enhance the effectiveness of the board as a whole. Currently, eight of the board members are independent, with Antonio Pietri, Aspen Technology President & CEO, being the ninth.

Aspen Technology has a rigorous process for identifying and recruiting members of the board of directors. Factors considered include judgment, skills and character, expertise, industry knowledge and corporate governance knowledge, as well as their ability to commit sufficient time to our board and their focus on driving long-term value for shareholders. We are committed to maintaining a board of directors that represents a diversity of skills and experience relating to financial management, leadership experience, vision and strategic abilities, business operations and judgment.





Aspen Technology's board of directors' governance policy includes the following components:

- The Nominating and Corporate Governance Committee of the board performs an annual assessment of director performance and considers the composition of the board on an ongoing basis.
- The Compensation Committee of the board approves executive compensation as well as corporate incentive plans and compensation policies.
- The Audit Committee ensures Aspen Technology uses accurate and transparent accounting methods.
- The board of directors uses the definition of independence established by The NASDAQ Stock Market. Under applicable NASDAQ rules, a director qualifies as an "independent director" if, in the opinion of the board, he or she does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.
- We have adopted a policy that any nominee for director in an uncontested election who receives more withheld votes than votes in favor must submit an offer of resignation. More information on the director nomination process can be found in the Proxy statement posted on the Investor Relations section of our company website at ir.aspentech.com.
- The board of directors has adopted written policies and procedures for the review of any related-party transaction. If a related person proposes to enter into such a transaction, arrangement or relationship, which we refer to as a "related person transaction," the related person must report the proposed related person transaction to our general counsel. The policy calls for the proposed related person transaction to be reviewed and, if deemed appropriate, approved by the audit committee. More information can be found in the Proxy statement posted on the Investor Relations section of our company website at ir.aspentech.com.
- In April 2019, Georgia Keresty PhD, MPH, joined the board as an independent director. Ms. Keresty brings more than 35 years of experience within the highly regulated pharmaceutical and health care industry, where she has built a strong reputation as a scientific leader who drives operational excellence and innovation.



- In January 2020, Tom Bradicich, PhD, MSEE was appointed to the board as an independent director. Dr. Bradicich adds extensive experience in converged operational and information technology to the current board. During his career, Dr. Bradicich has been responsible for multiple product introductions, managing high-growth business units and leading IoT strategy at Hewlett Packard Enterprise.

Aspen Technology is committed to operating with the highest levels of integrity and in compliance with all applicable law. Aspen Technology provides annual training for employees on conflicts of interest, financial integrity, General Data Protection Regulation (GDPR), cybersecurity, anti-bribery/Foreign Corrupt Practices Act (FCPA), non-discrimination and sexual harassment.

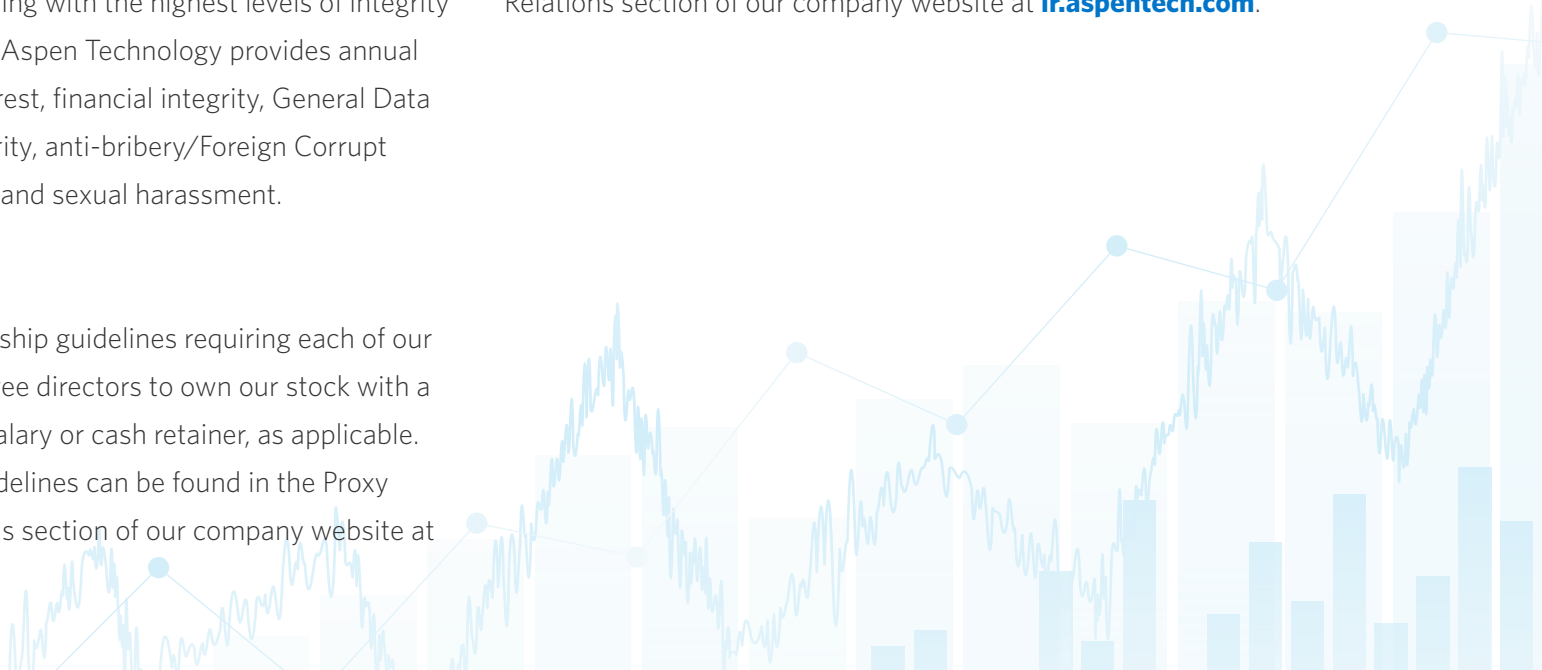
Stock Ownership Guidelines

Aspen Technology maintains stock ownership guidelines requiring each of our named executive officers and non-employee directors to own our stock with a value related to each individual's annual salary or cash retainer, as applicable. More information on stock ownership guidelines can be found in the Proxy statement posted on the Investor Relations section of our company website at ir.aspentech.com.

Independent Compensation Committee

Aspen Technology's compensation committee now consists of four independent directors: Donald P. Casey, Simon J. Orebi Gann, Robert M. Whelan, Jr. and Georgia Keresty, who joined in FY19.

Additional corporate governance information can be found on the Investor Relations section of our company website at ir.aspentech.com.



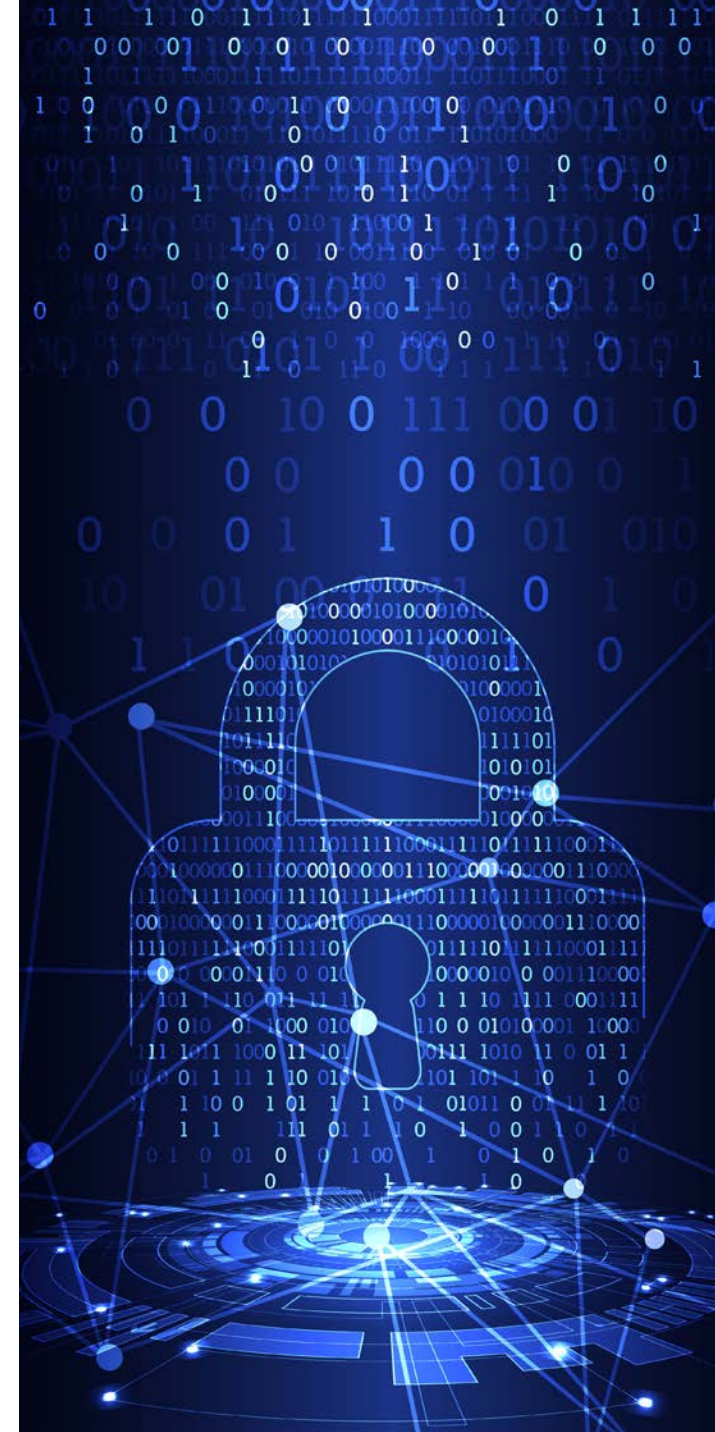
Information Security and Privacy

Aspen Technology is committed to safeguarding customer, employee and supplier information and maintaining compliance with evolving government data protection measures. We have put comprehensive measures in place to ensure compliance with current laws, regulations, guidelines and customer/vendor contracts.

We continually seek to protect against theft, corruption or destruction and to preserve our intellectual property, including trade secrets. We strive to create a “culture of security” so that all employees participate in the protection of information assets. We train employees on best practices in information security and privacy and publish newsletters and bulletins to keep them informed. We also ensure that information technology security personnel have advanced training.

Proper information handling processes in place at Aspen Technology include:

- Formal governance processes for keeping management aware of security policies, incidents and program plans
- Documented security program controls, including risk management, acceptable use, incident response, data protection, physical security, vendor management and audit controls
- Advanced data security and technology protection
- Continual review of current cyber defenses, identification of possible new defenses and the Privacy and Security policy posted on our website at www.aspentech.com



About Aspen Technology

Aspen Technology (AspenTech) enables its customers to run their operations safer, greener, longer and faster. We support capital-intensive industries to manage the challenges of an evolving workforce, shifting competitive landscape and evolving energy and resource needs. As a global leader in asset optimization our software enhances asset performance across the design, operations and maintenance lifecycle through a combination of deep domain expertise, a unique approach to asset lifecycle management and a strategy to embed AI across our offerings to create the smart enterprise of the future. AspenTech has been named to the Forbes Magazine World's Most Innovative Companies multiple times, has received the Hall of Fame Achievement Award for Service Excellence in customer support and the CSX Supplier Innovation Award.

www.aspentech.com

As a software company, we keep our environmental footprint low and are committed to further reducing it through a variety of initiatives around the world. We strive to comply with all local sustainability practices and regulations, and maintain efficient energy, wastewater management, paper-saving and energy-saving programs and practices.

The biggest positive impact we make to the environment is through our everyday innovation and commitment to ensuring our customers can run their operations to be safer and greener, more efficient and more reliable.

