



# **Code of Ethics** and Business Conduct



Aart De Geus  
Chairman and CEO  
Synopsys, Inc.

## Mission Statement

*Integrity has long been a hallmark of our success. It characterizes everything we do. In fact, when we talk about core values as a company, we start with integrity. In the words of our Chairman and CEO, Aart De Geus, "The most important, the most fundamental core value, and the one never, never to compromise on, is integrity."*

*Integrity means being straightforward, honest and transparent in our professional and business relationships. Practically speaking, this means doing what we say and saying what we do. Each of us makes a wide range of business and ethical decisions every day in the execution of our responsibilities on behalf of the Company. Synopsys is committed to ensuring that such decisions comply with the letter and spirit of the law, and are ethically above reproach.*

*This Code of Ethics and Business Conduct (the "Code") has been developed to increase awareness of ethical and legal issues. Although no document can address every decision you could face during your career with Synopsys, this Code sets expectations and provides guidelines applicable to every employee, officer and director of the Company that are intended to serve as the framework by which we conduct business.*

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# Code of Ethics and Business Conduct

This Code of Ethics and Business Conduct:

- Emphasizes our commitment to comply with all applicable local, state, federal and foreign laws.
- Emphasizes our commitment to maintain the highest standards of ethical business conduct.

As a result, all employees should:

- Follow this Code, applicable laws, regulations, and Synopsys' policies and procedures.
- Frequently review [Synopsys' Online Policy Library](#) to insure you are following the most current Company policy.
- Be sensitive to, and avoid, situations that could be perceived as unethical, or could lead to illegal or unethical actions.
- Review the reporting procedures applicable in your respective country (as described in Section 4.3 below) and the [Synopsys Ethics Reporting website](#).
- Seek guidance when legal or ethical questions arise in the workplace.

All employees are responsible for maintaining a work environment that encourages open communication about problems or concerns. Synopsys does not tolerate retaliation against any employee for asking questions or making good faith reports of suspected violations of law, this Code, or any other Synopsys policy. If you believe you are the victim of retaliation, you should immediately raise this concern with your local manager or Human Resources representative.

Through honesty and mutual respect, employees at every level have endeavored to build Synopsys' reputation as a fair and trustworthy partner. As Synopsys continues to grow, it is essential to maintain and build upon this reputation. Doing so will open the door to achieving the Company's other two core values: execution excellence and leadership.

## 1.0 SCOPE

This Code applies to all employees and officers of Synopsys and Synopsys subsidiaries worldwide. Where noted, this Code applies to the non-employee members of the Synopsys board of directors and to non-employee members of the board of directors of Synopsys subsidiaries, with respect to their activities in carrying out duties as directors. In this Code, the term "employee" generally does not refer to such directors.

Nothing in this Code is intended to alter existing legal rights and obligations of Synopsys or any of its employees or non-employee directors.

Nothing in this Code shall be interpreted or implemented such that it would prohibit, limit, or punish any activities protected by applicable laws.

## 2.0 ADDITIONAL REFERENCES REGARDING EMPLOYEE CONDUCT

In addition to complying with this Code, employees and directors are expected to comply with all applicable Synopsys policies and procedures, which may provide more detailed guidance than this Code. These additional policies and procedures include our internal financial controls, our disclosure controls and procedures (discussed in Section 3.10 below), and any other policy maintained on Synopsys' Online Policy Library and/or Employee Handbook as applicable. Synopsys may modify or update these policies and procedures from time to time and adopt new policies and procedures in the future in accordance with applicable laws.

## 3.0 Policy

### 3.1 GENERAL

Synopsys must comply with the laws and regulations of the many countries in which it does business. We must also act in a manner that upholds the spirit and intent of the law. If this Code or any other Synopsys policy or procedure differs from local laws, we must always follow the higher standard. If you believe the requirements of the Code or any other Synopsys policy conflict with local law, please contact the Synopsys Legal department. We do not expect employees to know every applicable law and regulation, but we do expect employees to recognize situations that require consultation with others to determine the appropriate course of action.

Your most immediate resource for any questions related to this Code is your supervisor. He or she may have the information you need, or may be able to refer the question to another appropriate source. There may, however, be times when you prefer not to go to your supervisor. In these instances, you should discuss your concern with the Chief Ethics Officer. The Chief Ethics Officer is responsible for: (1) answering questions with respect to interpretation or potential violations of this Code; (2) initially investigating possible violations of this Code which are reported to him or her and conducting further investigations under the direction and oversight of the Audit Committee or Corporate Governance and Nominating Committee; as appropriate; and (3) updating this Code as needed, with approval of the Board, to reflect changes in the law, Company operations and best practices. If you are uncomfortable speaking with the Chief Ethics Officer for any reason (for example, because he or she works in your department or is your supervisor), please contact the Chairperson of the Audit Committee (for matters related to accounting, internal accounting controls or auditing), the Chairperson of the Corporate Governance and Nominating Committee (for all other matters) or review Section 4.3 below for the proper reporting procedure in your jurisdiction. Communications to the chairpersons of such committees should be addressed to either the Chairperson of the Audit Committee or the Chairperson of the Corporate Governance and Nominating Committee, as appropriate, at: 700 East Middlefield Road, Mountain View, California, 94043.

### 3.2 HONEST DEALING

One of Synopsys' core values is to conduct business with

uncompromising integrity. This means treating people fairly, acting as a responsible corporate citizen, and keeping accurate books and records. All employees are expected to be honest and forthright in their interactions with one another and in dealings with customers, suppliers, business partners and shareholders. Synopsys will not condone dishonesty or deceitful actions in any form. This includes making misrepresentations to customers, making misrepresentations about our competitors, changing customer documents, making false or misleading entries on the Company's books or ledgers, falsifying expense reports, or falsely recording hours worked on time cards. The importance of accuracy in record-keeping and reporting are discussed in more detail in Section 3.10 below.

We strive to compete with our competitors through superior business performance, not through unethical or illegal business practices. No employee may through improper means acquire trade secrets or other proprietary information from others, or induce disclosure of confidential information by past or present employees of other companies.

Employees involved in procurement have a special responsibility to adhere to principles of fair competition in the purchase of products and services by selecting suppliers based exclusively on normal commercial considerations, such as quality, cost, availability, service and reputation, and not on the receipt of personal or special favors.

Employees involved in sales and business development have a special responsibility to abide by all Synopsys policies regarding selling activities, including policies relevant to revenue recognition and side agreements.

### 3.3 RESPECT IN THE WORK ENVIRONMENT

Synopsys strives to maintain a workplace where all employees, customers, suppliers are treated with dignity, fairness and respect. We value the free flow of thoughts, ideas, questions and concerns. Synopsys encourages employees to raise work-related issues or concerns with their direct managers promptly. [Synopsys' Open Door Policy](#) also allows you to raise concerns with other managers within the Company. If employees are unable to resolve their concerns by raising them through Synopsys' Open Door Policy, some disputes may be submitted to [Synopsys' Internal Issue Resolution Policy](#).

**No Retaliation.** Synopsys does not tolerate retaliation – in any form – against employees for asking questions or making good faith reports of possible violations of law, this Code, or other Synopsys policies. If you believe you are the victim of retaliation you should immediately report the matter to a local Synopsys manager or Human Resources representative.

**Anti-Harassment and Safe Work Environment.** Synopsys does not tolerate harassment or discrimination based upon race, color, religion, gender, age, national origin, ancestry, disability, sexual orientation, veteran or marital status, or any other characteristic protected by applicable laws.

Threatening physical harm, engaging in violent behavior, or possessing weapons while on Company premises is absolutely prohibited. Similarly, being under the influence of alcohol or illegal drugs while at work is strictly forbidden. If you become aware of any harassment, discrimination, or threats or acts of violence, you must notify a manager immediately. Managers who receive information regarding alleged harassment or discrimination should notify Synopsys Human Resources immediately. Additional information regarding [Synopsys' Policy Against Harassment](#) is available online. Managers who receive information regarding violence or threats of violence in the workplace, or who are aware of or suspect there may be weapons or illegal drugs in the workplace should immediately notify Synopsys Security.

**Equal Employment Opportunity and Non-Discrimination.** Synopsys values diversity in its workforce and provides equal employment opportunity for all applicants and employees. Synopsys does not unlawfully discriminate on the basis of race, color, religion, sex, national origin, ancestry, age, disability, veteran or marital status, gender identity or sexual orientation. Synopsys also makes reasonable accommodations for disabled employees consistent with applicable laws and regulations.

We follow these core principles in all areas of employment, including recruitment, hiring, training, promotion, compensation, benefits, transfer, social and recreational programs, and any other area covered by applicable laws. Additional Synopsys policies relating to appropriate workplace conduct are contained in the [Synopsys Policy Library](#).

### 3.4 GIFTS AND ENTERTAINMENT (NON-GOVERNMENTAL)

Building strong relationships with customers, vendors and business partners, is essential to Synopsys' business, and socializing with non-governmental customers and suppliers is an integral part of building these relationships. Nevertheless, common sense and good judgment should always be exercised in providing or accepting business meals and entertainment or nominal gifts.

While individual circumstances differ, the overriding principle concerning all gifts and entertainment is not to give or accept anything of value that could be perceived as creating an obligation on the part of the recipient (whether a Synopsys employee or a customer) to act other than in the best interests of his or her employer, or that could be perceived as otherwise potentially tainting the objectivity of the individual involved. The exchange, as a normal business courtesy, of meals or entertainment (such as events or theater tickets) is a common and acceptable practice as long as it is not extravagant. Unless express permission is received from your Synopsys supervisor or the Chief Ethics Officer, non-governmental gifts or entertainment should not be offered, provided or accepted unless they are: (a) consistent with customary business practices; (b) consistent with Regional Expense Guidelines; (c) not susceptible to being construed as a bribe or kickback; (d) not in cash; and (e) not contrary to law.

This principle applies to transactions everywhere around the world. Even if practices contrary to this principle are widely considered "a way of doing business," in a particular locality, they are not the way Synopsys does business. With this principle in mind, you cannot accept gifts or entertainment that may reasonably be deemed to affect your judgment or actions in the performance of your duties. Our customers, suppliers and the public at large should know that our judgment is not for sale.

If you have a question about any proposed non-governmental gift or entertainment, you should immediately consult with the Synopsys Legal department or review Section 4.3 below for the proper reporting procedure in your jurisdiction.

### 3.5 POLICY ON INTERACTIONS WITH GOVERNMENT OFFICIALS

The anti-bribery laws of many countries, including the Foreign Corrupt Practices Act (FCPA) in the United States, and the Bribery Act in the United Kingdom, impose significant legal restrictions on the Company's dealings with employees of government agencies, government or state-owned entities and public international organizations (e.g., World Bank), and political parties, party officials and candidates for office (collectively "government officials"). These laws prohibit giving, authorizing or offering any money or anything of value, directly or indirectly through a third party, to any government official for the purpose of improperly obtaining or retaining business or securing any improper advantage, such as favorable tax or customs treatment.

For these reasons, you must use caution when interacting with government officials or when overseeing third parties interacting with government officials on the Company's behalf. Above all, anything offered, given to or received by a government official (such as gifts, meals, and entertainment) must comply with all applicable local laws, the FCPA, the requirements set forth in this Policy on Interactions with Government Officials and the requirements set forth in your applicable Regional Expense Guidelines available on Synopsys' Intranet.

Note that Regional Expense Guidelines may, in some instances, be more restrictive than this Policy on Interactions with Government Officials. You are responsible for ensuring that all expenses, entertainment, meals and gifts conform to this policy and applicable Regional Expense Guidelines. If you have any question as to whether a particular expense or activity is lawful or appropriate, consult your supervisor or Synopsys' Chief Ethics Officer before offering or incurring the expense.

**Entertainment, Meals and Gifts.** Business entertainment, meals and gifts must be reasonable, customary, appropriate and have a valid business purpose. All entertainment, meals or gifts must be expensed through the expense report process or purchased through the procurement process via purchase requisitions, in accordance with Synopsys policies and Regional Expense Guidelines. In each case, the expense report or purchase requisition must identify the business purpose, amount of the expense and all attendees or recipients, including names, job titles and employer or business affiliation. Personal payment of entertainment, meals or gifts is not permitted. Any gifts to

government officials should be nominal in value, customary, and offered no more than two (2) times per year. In addition, gifts should generally be given only during customary gift-giving periods, and should not be given to officials before whom specific projects or approvals are pending.

**Facilitating Payments.** Facilitating payments are defined as small payments made to low-level government officials, with the purpose of expediting or securing the performance of routine governmental actions. Although the FCPA does not prohibit facilitating payments, many other anti-corruption laws, including the U.K. Bribery Act, make them illegal. Because of the many legal and business issues posed by facilitating payments, it is Company policy that facilitating payments are prohibited.

**Exceptions for Payments to Protect Employee Health and Safety.** In very rare circumstances, Company personnel may deem it necessary to make a payment to a government official to avoid an imminent threat to personal health, safety, or freedom. Defenses based on extortion and duress can apply to payments demanded by a government official where a person's life is threatened or physical harm is imminent, negating a violation of the FCPA or other anti-corruption laws. Such payments must be reported to Synopsys' Chief Ethics Officer as soon as possible after making the payment. Such payments must be accurately described and recorded in the books and records of the Company.

**Use of Consultants, Distributors and Other Third Parties.** Synopsys may engage third parties, such as consultants, to assist in renewing licenses with, securing business from, or engaging in other activities with respect to government-affiliated entities. Because the conduct of third parties can subject Synopsys and its employees to liability under the FCPA and other laws, third parties may only be engaged after written approval by the Regional VP and pursuant to a written contract. No payments to any third party should be made except as provided in a written contract with Synopsys. The Regional VP shall conduct appropriate due diligence before engaging the third party to assure him/herself that the third party will not engage in any improper conduct. A due diligence checklist is available from Internal Audit and includes such factors as: the third party's qualifications; the validity of any licenses required by the third party for lawful performance of the work; references; personal or professional ties to the government; reputation in the local and international community; and compensation.

**Books and Records.** The FCPA requires Synopsys to maintain accurate records of its expenses and transactions. In the event any questions about the appropriate record keeping for a particular transaction or payment arise, the issue shall be brought to an appropriate manager or the Chief Ethics Officer for resolution.

**Training.** Employees shall receive periodic training on anti-corruption laws and this policy. The attendance of each employee shall be maintained by Internal Audit. Training shall be available to all new employees within the first twelve months of employment. In addition, each employee must periodically certify that he or she has read, understands, and will comply with this Code which includes this Policy on Interactions with Government Officials.

**Reporting.** You should report any known or reasonably suspected unethical or illegal conduct, including any reasonably suspected violations of this Policy or improper record-keeping by following the procedures set forth in Section 4.3 of this Code. Failure to comply with the Code or this Policy on Interactions with Government Officials can lead to serious disciplinary consequences, including termination of employment.

### 3.6 HANDLING COMPANY AND CUSTOMER ASSETS

Synopsys spends considerable resources developing and maintaining its business assets. We each have a responsibility to comply with all procedures that protect the value of Synopsys' assets, including physical assets, information, Synopsys brands and our reputation. Similarly, we must protect the assets of our customers, suppliers and business partners that have been entrusted to us.

**Protecting Physical Assets.** Synopsys' physical assets include facilities, equipment, computers, telephones, and information and communications systems; they are intended to be used primarily for Synopsys business. For further information regarding Internet use, please review Synopsys' Internet Usage Standard. In all circumstances, however, we need to follow applicable security and use procedures to protect the Company's physical assets from theft, loss, damage, or misuse. Report any theft, loss or damage of Synopsys' physical assets to Synopsys Security as soon as possible.

**Information Security.** Proprietary Information is another valuable Company asset; it includes internal and external

communications, digital information stored on laptops, handhelds, desktops, servers, backups and portable storage devices, as well as hard copy documents and verbal discussions.

"Confidential Information" is any information not authorized for public release. This includes not only information owned by Synopsys but also information entrusted to us by our customers and business partners. The disclosure of Confidential Information to third parties, whether intentionally or inadvertently, can lead to significant business losses and legal liability, including criminal penalties.

Depending upon the specific situation and the applicable country, examples of Synopsys Confidential Information include, but are not limited to:

- Employee confidential data such as addresses, compensation, social security numbers or bank accounts
- Competitive analyses
- Financial information
- Cost data
- Development plans and schedules
- Product or technical manuals
- Employee survey results
- Engineering specifications
- Source or object code
- Algorithms, interfaces, product architecture
- Notes and workbooks
- Internal e-mail messages, slides or presentations
- Technical strategies
- Organization charts
- Internal telephone or email directories
- Customer lists or preferences
- Pricing strategies
- Marketing plans
- Travel schedules of key employees
- Acquisition strategies
- Information received from another company in confidence

#### **Minimum procedures to protect the security of Synopsys Confidential Information include:**

- Properly labeling documents and materials as "Synopsys Confidential".
- Not disclosing or discussing Confidential Information with anyone who is not a Synopsys employee without permission

and unless the individual has entered into an approved non-disclosure agreement.

- At home or at leisure, don't discuss any work-related issues that may involve Confidential Information. Family members or friends may not be aware that they are receiving Confidential Information and may repeat it to others.
- Safeguard all Confidential Information in your possession. Don't leave Confidential Information out in the open or on your PC for stray eyes to see. When not in use, documents containing Confidential Information should be kept in a locked office or file cabinet. Company-issued laptops should be secured at all times.
- Disclose Confidential Information on a need-to-know basis only, even when sharing the information within the Company.
- Password protect any files containing Confidential Information whenever such data is saved on a local drive or sent via email to external addresses.
- Be cautious discussing Confidential Information in public places such as restaurants, airports and trade shows. Seemingly harmless information can be joined together to expose a revealing picture of Synopsys' activities.

You should also take steps to ensure that business-related paperwork and documents are produced, copied, faxed, filed, stored and discarded by means designed to minimize the risk that unauthorized persons might obtain access to Confidential Information. As described in Synopsys' [Social Media Policy](#), you may not discuss Synopsys business in any Internet "chat room" (regardless of whether you use your own name or a pseudonym), or otherwise post Confidential Information on the Internet. All Synopsys emails, voicemails and other communications are presumed confidential and should not be forwarded or otherwise disseminated outside of the Company, except where required for legitimate business purposes. An employee's obligation to protect and not use Proprietary and Confidential Information continues even after the individual is no longer a Synopsys employee. Just as Synopsys expects its employees to honor confidential information and trade secrets of former employers, former employees are required to honor their commitment not to disclose or use Synopsys Proprietary or Confidential Information. Additional guidelines for handling Confidential Information are provided on [Synopsys' Secure Information Program website](#).

**Material Information.** You may also learn of material information before it is released to the public. Employees who have access to such Confidential Information should take care to keep this information confidential. In addition, because we frequently interact with other companies and organizations, there may be times when you learn Confidential Information about our customers before that information is released to the public. You are required to treat such information in the same manner as you would treat Synopsys' own Proprietary and Confidential Information. There may even be times when you must treat as confidential the fact that we have an interest in, or are involved with, another company.

You are expected to keep such information confidential unless and until that information is released to the public through approved channels (usually through a press release, a filing with the U.S. Securities and Exchange Commission (SEC), or a formal communication from a member of senior management). Unauthorized use or distribution of Confidential Information is extremely serious, violates the written agreements you signed when you joined Synopsys, could be illegal and could result in civil liability or criminal penalties. It would also violate our trust in you, and our customers', suppliers' and business partners' trust in us. When in doubt, ask your supervisor.

**Personal Privacy.** Many countries have implemented, or are implementing privacy laws setting requirements for the appropriate handling of "Personal Data." Personal Data is any information that can be used to identify, contact, or locate an individual, including but not limited to, names, address, social security or government ID numbers, names of dependants, bank account information, etc. We believe individuals have the right to decide when their Personal Data is collected, used, or disclosed. We also believe that responsible stewardship of Personal Data is a critical component in maintaining employee and customer trust. Therefore, we each have a responsibility to comply with Synopsys' privacy and information security requirements when Personal Data is collected, stored, processed, transmitted or shared. When questions arise, consult Synopsys' IT or Legal departments.

**Safeguarding Trademarks and Brands.** Among Synopsys' most valuable assets are its trademarks and brands. To protect the value and recognition of Synopsys' trademarks, Synopsys has established guidelines that specify how and when they may be used.

We must follow these guidelines whenever we use the Company's trademarks and brands, whether in internal and external communications or in materials prepared by third parties, such as marketing agencies, contractors and customers. For further information regarding Synopsys' Trademark Guidelines visit: <http://www.win/~legal/trademark.html>.

**Representing Synopsys.** The value of Synopsys' reputation and good name must be upheld whenever we represent Synopsys. On occasion, Synopsys may request individuals to act as an employee, officer, director, partner, consultant, representative, agent or adviser of another entity. In those cases, the employee should discuss the situation with his or her supervisor. You may need to follow special rules to abide by this Code without any conflict of interest.

In other cases, such as when speaking on business or technology topics in a public setting or posting on the Internet, you should make it clear that you are expressing your own views and not those of Synopsys, unless you are speaking as an authorized representative of the Company.

You should also carefully follow special rules of conduct to avoid possible antitrust violations if you participate in, or take a leadership position with, any industry trade association.

### 3.7 CONFLICTS OF INTEREST

We respect your rights to manage your personal affairs and investments, and also require that you avoid conflicts of interest involving Synopsys. A "conflict of interest" involving Synopsys can occur when a person's personal interests are adverse to – or may appear to be adverse to – the interests of Synopsys. Conflicts of interest can arise when a person takes actions or has interests that may make it difficult to perform his or her work for Synopsys objectively and effectively. Conflicts of interest also arise when a person, or a member of his or her immediate family, receives an improper personal benefit as a result of the person's position with Synopsys. We expect our employees to be free from influences that could conflict with the best interests of Synopsys or might deprive Synopsys of their undivided loyalty in business dealings. Whether there is divided loyalty depends upon many factors, including: (a) the person's ability to influence Synopsys decisions that affect his or her personal interests; (b) the size of the investment, both absolutely and relative to the person's finances; and (c) the nature of the relationship between Synopsys and the other company, if any, involved.

Even the appearance of a conflict of interest where none actually exists can be damaging and should be avoided. Conflicts of interest are prohibited unless authorized in writing by a Synopsys manager.

If you have any questions about a potential conflict of interest you should discuss this matter with your supervisor or Synopsys' Chief Ethics Officer. If you become aware of an actual or potential conflict, you should follow the reporting guidelines set forth in this Code. Supervisors may not authorize a conflict of interest or make a determination as to whether a potential conflict of interest exists without the employee first completing [Synopsys' Outside Activity/Conflict of Interest Disclosure Form](#) or a [Close Familial Relationship Disclosure Form](#) and receiving the approval of the employee's Business Group senior management and Synopsys' Legal department. Once received, such concerns must be recertified each year. Failure to follow these reporting guidelines may result in disciplinary action, up to and including termination of employment, in accordance with applicable laws.

Factors that may be considered when evaluating potential conflicts of interest activities include, among other things:

- Whether it may interfere with the employee's (or others') job performance, responsibilities, or morale;
- Whether the employee has access to Confidential Information or influence over significant company resources or decisions;
- Any potential adverse or beneficial impacts on Synopsys' business;
- Any potential adverse or beneficial impact on relationships with customers or suppliers;
- Whether it would enhance or support a competitor's business;
- The extent to which it would result in financial or other benefit to the employee, customers or suppliers, directly or indirectly;
- The extent to which it would appear improper to an outside observer.

Although no list can include every possible situation in which a conflict of interest could arise, the following are examples of situations which, depending on the facts and in accordance with applicable laws, should be avoided:

- Employment by, consulting or contracting for, or serving on the Board of Directors of, a Synopsys competitor, supplier or other service provider;

- Owning (either directly or indirectly) a significant financial interest in any entity that does business with us, seeks to do business with us, or competes with us;
- Receiving payment for providing industry advice or information about Synopsys to any third party, such as employment or consultation with an “expert network” or technology consultant;
- Soliciting or accepting gifts, favors, loans, or preferential treatment from any person or entity that does business with us, or seeks to do business with us (see Sections 3.4 and 3.5 for further discussion of such conflicts);
- Soliciting contributions to any charity or for any political candidate from any person or entity that does business or seeks to do business with us (see Sections 3.4 and 3.5 for further discussion of such conflicts);
- Teaching, writing books/articles, or otherwise using knowledge acquired while working for Synopsys, or related to one’s duties at Synopsys, for compensation;
- Taking personal advantage of any corporate opportunities (see Section 3.8 for further discussion);
- Selling products or services similar to Synopsys’ products or services;
- Conducting Synopsys business transactions with a family member or a business in which you (or a family member) have a significant family interest (please consult with your local manager); or
- Exercising supervisory or other authority on behalf of Synopsys over a co-worker or contractor who is also a family member (please consult with your local manager).

**Special Note For Directors.** Like employees, non-employee members of the Synopsys Board of Directors should seek to avoid conflicts of interest in the performance of their duties. To that end, any director who finds himself or herself confronting a potential conflict of interest should take steps reasonably necessary to avoid the conflict of interest, including if appropriate, recusal from Board discussions about the potential conflict situation. If a director believes a situation may exist in which he or she has a conflict of interest that would interfere with the ability to perform his or her responsibilities as a director of Synopsys, he or she should promptly notify the chairperson of the Corporate Governance and Nominating Committee (or, in the case of such chairperson, the chairperson of the Audit Committee).

**Special Note Regarding Employee Loans.** Loans by Synopsys to employees or their family members, or guarantees of their loan obligations, could constitute an improper personal benefit to the recipients of these loans or guarantees. Synopsys loans and guarantees for executive officers and directors are expressly prohibited by law and Company policy.

**Special Note Regarding Related Person Transactions.** A “related person transaction” is any transaction that is required to be disclosed pursuant to U.S. SEC Regulation S-K, Item 404. Synopsys, through its Chief Ethics Officer, will review all related person transactions. All related person transactions must be reviewed and approved by the Audit Committee or another independent body of the Board of Directors.

A “related person transaction” includes any transaction, or series of similar transactions, since the beginning of Synopsys’ most-recently-completed fiscal year, or any currently proposed transaction, in which Synopsys or its subsidiaries was or is to be a participant, in which the amount involved exceeds \$120,000, and in which any of the following persons had or will have a direct or indirect material interest: any director or director nominee; any executive officer; any holder of five percent or more of the Synopsys’ common stock; or any immediate family member of such persons. “Immediate family member” means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of such director, director nominee, executive officer or 5% stockholder, and any person (other than a tenant or employee) sharing the household of such director, director nominee, executive officer or 5% stockholder.

For further clarification as to what constitutes an actual or potential conflict of interest and whether engaging in an outside activity must be disclosed to the Company, please contact Synopsys’ Chief Ethics Officer.

### 3.8 CORPORATE OPPORTUNITIES

You may not take personal advantage of any opportunities for Synopsys that are presented to you or discovered by you as a result of your position with Synopsys or through your use of corporate property or information, unless authorized as described in Section 4. 4 below. Even opportunities that you acquire independently from Synopsys may be questionable if they are related to our existing or proposed lines of business. As a result, significant participation in an investment or outside

business opportunity that is directly related to our lines of business should be disclosed and approved in advance by Synopsys.

**Special Notes For Directors.** Members of the Synopsys Board of Directors must ethically handle their participation in any material business opportunity in which Synopsys has already expressed an interest or which is closely related to Synopsys' business or its anticipated future plans. If a director believes a situation may exist in which he or she (or an affiliated person or entity) may participate in a corporate opportunity, then he or she should promptly notify the chairperson of the Corporate Governance and Nominating Committee (or in the case of such chairperson, the chairperson of the Audit Committee).

### 3.9 INSIDER TRADING

Many countries, including the United States, have insider trading laws restricting securities trading and other activities by anyone in possession of material, non-public information. Material, non-public information is any information not generally known to the public that people might find important in making their decisions to buy or sell Synopsys stock or a third party's stock.

Any Synopsys employee, and any non-employee member of the Synopsys board of directors or of any board of directors of a Synopsys subsidiary, who possesses material, non-public information regarding Synopsys or any other company must not:

- Trade in that company's stock while in possession of inside information;
- Use the inside information for personal advantage or the personal advantage of others; or
- "Tip" others who may buy or sell securities on the basis of the inside information.

When you have access to material, non-public information concerning Synopsys or another company, you should take special care in planning securities trades. Synopsys' Insider Trading Policy provides guidance on the kind of information that might be considered material, non-public information and guidelines on when and how you may purchase or sell shares of Synopsys stock or a third party's stock, including certain limited exceptions to the policy. No director, officer or employee may enter into any short sale (including a "short against the box") or purchase or sell calls, puts, or any other similar securities or derivatives whose value is directly related to, or is determined

by reference to, the price of Synopsys stock. Subject to certain exceptions set forth in the Insider Trading Policy, persons considered "Designated Insiders" under Synopsys' Insider Trading Policy should not trade in Synopsys' securities outside of the applicable trading windows or during any special blackout periods that Synopsys may designate and persons considered "Section 16 Insiders" under Synopsys' Insider Trading Policy may not trade in Synopsys securities at any time. Section 16 Insiders are also subject to pre-clearance procedures set forth in the [Section 16 Officer and Director Trading Procedures](#).

Violations of Synopsys' Insider Trading Policy or being a designated insider trading during a closed trading window can result in disciplinary action up to and including termination in addition to civil and criminal penalties in accordance with applicable laws. For more information, please refer to [Synopsys' Insider Trading Policy](#).

### 3.10 PUBLIC REPORTING REQUIREMENTS

We strive to maintain complete integrity of our records and our public disclosures. Our corporate and business records, including all supporting entries to our books of account, must be completed honestly, accurately and understandably. Our records are important to the Company, our investors and creditors. They serve as a basis for managing our business and are important in meeting our obligations to customers, suppliers, creditors, employees and others with whom we do business. We depend on our books, records and accounts accurately and fairly reflecting, in reasonable detail, our assets, liabilities, revenues, costs and expenses, as well as all transactions and changes in assets and liabilities.

To help ensure the integrity of our records and public disclosure, we require that:

- All business transactions must be supported by appropriate documentation and reflected accurately in our books and records;
- No entry may be made in our books and records that is intentionally false or misleading;
- Employees comply with our system of internal controls and be held accountable for their entries;
- Any off-balance sheet arrangements of the Company are clearly and appropriately disclosed;
- No cash or other assets be maintained for any purpose in any unrecorded or "off-the books" fund; and

- Records be retained or destroyed according to Synopsys' document retention policy or procedures then in effect.

Our internal controls are designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer, and effected by the Board of Directors, management and other personnel, including Internal Audit, to provide reasonable assurance regarding the reliability of Synopsys financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of Synopsys;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the issuer are being made only in accordance with authorizations of management and directors of the issuer; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Synopsys assets that could have a material effect on the financial statements.

Our disclosure controls and procedures are designed to ensure that information required to be disclosed by Synopsys in the reports that it files or submits to the SEC is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by Synopsys in the reports that it files or submits to the SEC is accumulated and communicated to Synopsys management, including its Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Our Internal Audit department has the general responsibility to evaluate the effectiveness of our internal controls and our disclosure controls on a regular basis. Employees who collect, provide or analyze information for or otherwise contribute in any way in preparing or verifying these reports should adhere to all internal controls and disclosure controls and generally assist Synopsys in producing financial disclosure or other reports that contain all of the information about Synopsys that is required by

law and would be important to enable investors to understand our business and its attendant risks. In particular:

- No employee may take or authorize any action that would cause our financial records or disclosures to fail to comply with generally accepted accounting principles in the United States, the rules and regulations of the SEC or other applicable laws, rules and regulations;
- All employees should cooperate fully with our Finance and Internal Audit departments, as well as our independent auditor and counsel, respond to their questions with candor, and provide them with complete and accurate information to help ensure that Synopsys' books and records, as well as reports filed with the SEC, are accurate and complete; and
- No employee should knowingly or recklessly make (or cause or encourage any other person to make) any false or misleading statement in any Synopsys report filed with the SEC or other government agency, or knowingly or recklessly omit (or cause or encourage any other person to omit) any information necessary to make the disclosure in any of such reports accurate in all material respects.

If you become aware or suspect that our public disclosures are not full, fair and accurate, or if you become aware of a transaction or development that you believe may require disclosure, you should report the matter immediately to a supervisor, a member of the Internal Audit department or the Legal department in accordance with the reporting guidelines set forth in this Code.

### 3.11 ANTITRUST

Antitrust laws, sometimes called unfair competition laws, govern the way that companies behave in the marketplace. Antitrust laws encourage competition by prohibiting unreasonable restraints on trade. The laws deal in general terms with the ways companies treat their competitors, customers and suppliers. Violating antitrust laws is a serious matter and can place both Synopsys and individual employees at risk of substantial criminal penalties.

In all regions and countries where Synopsys does business, we are committed to competing vigorously, but fairly, for suppliers and customers.

To adhere to antitrust laws, we must not:

- Communicate with any competitor relating to price, terms that affects pricing, or production levels;

- Divide or allocate markets or customers;
- Agree with a competitor to boycott another business; or
- Place improper conditions on purchases or sales.

When questions arise, contact Synopsys' Legal department for guidance.

### 3.12 IMPORT AND EXPORT COMPLIANCE

Synopsys does business in numerous worldwide locations where local laws and regulations govern imports and exports. Many of these laws and regulations restrict or prohibit the transfer or electronic transmission of software and technology to certain destinations, entities and foreign persons. In many cases, the laws require an export license or other appropriate government approvals before an item may be transferred. We have a responsibility to comply with these laws and regulations. Therefore, we must clear all goods through customs and must not:

- Proceed with a transaction if we know that a violation has occurred or is about to occur;
- Transfer controlled software or technology unless we have obtained an approved export license; or
- Apply inappropriate monetary values to goods and services.

Violations, even inadvertent ones, could result in significant fines and penalties, denial of export licenses, loss of export privileges, or customs scrutiny and delays. Because these laws and regulations are complex and unique to each country, Synopsys provides a detailed Export Compliance Policy and training program. If you have any question regarding Synopsys' Import and Export Compliance practices please contact the Synopsys Legal department.

### 3.13 ENVIRONMENTAL COMPLIANCE

A number of environmental laws, standards, requirements and policies apply to our worldwide business operations, practices and products. It is our policy to conduct our business in an environmentally responsible way that minimizes environmental impacts. Synopsys strives to:

- Minimize or eliminate the use of substances that may cause environmental damage;
- Reduce waste generation and improve safe and responsible waste disposal;
- Minimize environmental risks by employing safe technologies; and

- Be prepared to respond appropriately to accidents or emergencies

### 3.14 MEDIA CONTACT AND PUBLIC COMMUNICATIONS

It is our policy to disclose material information concerning Synopsys to the public in accordance with applicable law and other regulations, and in alignment with Synopsys' accepted communications practices. By providing clear processes and practices, we help to ensure that appropriate information is communicated in a way designed to provide accurate, broad, non-exclusionary distribution of material information to the public. Our communication practices are also designed to ensure that confidential and/or sensitive information is not disclosed to the public. As a result, all inquiries or calls from the press must be referred to Synopsys' Public Relations department. Similarly, all inquiries or calls from investors and financial analysts must be referred to Synopsys' Investor Relations department. Any other external inquiries which you are not qualified, or authorized, to address, should be immediately forwarded to Synopsys' Vice President of Marketing or the Public Relations department.

We have designated our Chief Executive Officer, Chief Financial Officer and Vice President of Investor Relations as our official spokespersons for investors and analysts. These spokespersons may also designate other employees to officially communicate certain company messages on specific topics. We have also designated our Chief Executive Officer, Senior Vice President of Marketing and Director of Public Relations as official spokespersons for press and industry analysts. These spokespersons may also designate other employees to address specific questions in functional areas or to promote certain product or technology messages.

Synopsys does not make contributions or payments that could be considered contributions to political parties or candidates. However, you are free to exercise your right to make personal political contributions within legal limits. You should not make these contributions in a way that might appear to be an endorsement or contribution by Synopsys. Synopsys will not reimburse you for any political contributions.

### 3.15 SPECIAL OBLIGATIONS FOR THE CHIEF EXECUTIVE OFFICER, PRESIDENT AND SENIOR FINANCIAL OFFICERS

While we expect honest and ethical conduct from all of our employees, officers and directors, we have the highest expectations for our Chief Executive Officer, President and senior financial officers. This special category includes Synopsys' Chief Executive Officer, President, Chief Financial Officer, Controller or other principal accounting officer, and other personnel performing similar functions. These officers have important roles in Synopsys' governance, financial reporting and legal compliance that we expect them to fulfill with the highest degree of integrity at all times. They also serve as important examples for other employees, so we expect them to foster a culture of integrity and honesty. All of the provisions of this Code apply to Synopsys' Chief Executive Officer, President and senior financial officers; this Section is designed to underscore certain additional responsibilities. The job responsibilities of Synopsys' chief executive and senior financial officers include obligations to:

- Set an example by acting with honesty and integrity in accordance with this Code, including avoiding conflicts of interest, and taking other steps to promote a culture throughout the Company in which all employees, officers and directors are encouraged to act honestly and with integrity, avoiding conflicts of interest;
- Take all steps necessary to promote full, fair, accurate, timely and understandable disclosure in reports and documents that Synopsys files with or submits to the SEC and in other public communications that Synopsys makes from time to time;
- Take all steps necessary to promote compliance with applicable governmental laws, rules and regulations, and with those of the NASDAQ Stock Market; and
- Take all steps necessary to ensure that the reporting guidelines set forth in this Code are followed, protect all persons who in good faith report violations of this Code from retaliation, and to promote accountability for adherence to this Code.

## 4.0 ADMINISTRATION OF POLICY

### 4.1 IMPLEMENTATION

A copy of this Code will be furnished to each Synopsys employee upon commencement of employment with the Company. All employees, and non-employee members of the

Board of Directors of a Synopsys entity, will be required to sign a statement acknowledging receipt of, and their affirmation to abide by, this Code.

Synopsys will maintain a program to periodically review components of the Code with non-employee directors and employees.

### 4.2 COMPLIANCE AND VIOLATIONS

Employees who violate this Code may be subject to disciplinary action, which, in appropriate circumstances may include termination of employment, legal action or referral for criminal prosecution.

### 4.3 PROCEDURE FOR REPORTING SUSPECTED UNETHICAL CONDUCT & ENFORCEMENT

If you become aware of or reasonably suspect that some unethical or illegal conduct may have occurred or is about to occur, you are encouraged to immediately notify your local Synopsys manager, a Local Human Resources Manager, senior management from your Business Group, or a designated employee representative (if any).

Because the manner to which reports of violations may be made varies from country to country, any employee having information, knowledge, or suspicion of any actual or contemplated act which is, or appears to be, in violation of this Code may also contact the Synopsys' Ethics Hotline or [Synopsys' Ethics reporting website](#) for guidance on which matters, to whom and how such matters may be reported. This website will guide you through Synopsys' web-based reporting tool and provide toll-free hotline numbers for international locations where Synopsys operates. Employees may report violations or suspected violations anonymously or by identifying themselves. Please keep in mind, however, that in some circumstances it may be more difficult, or even impossible, for Synopsys to thoroughly investigate reports that are made anonymously. Synopsys therefore encourages employees to share their identity when reporting.

Reports of unethical or illegal conduct will be promptly and thoroughly investigated as appropriate under the circumstances and in accordance with local law. For instance, depending upon the country and the report in question, some concerns may be redirected back to the country for investigation, whereas in other

countries, consistent with applicable law, such investigations may occur through the Chief Ethics Officer, the Audit Committee, or the chairperson of the Corporate Governance and Nominating Committee.

Any concerns or complaints should convey as many facts as possible, so that the concern or complaint can be properly assessed. For example, you are encouraged to provide the following information wherever possible: (i) the matter or issue that is the subject of the concern or complaint; (ii) the name of each person involved; (iii) who else knows about the subject matter; (iv) if the concern or complaint involves a specific event or events, the approximate date(s) and location(s) of each event; and (v) any additional information, documentation or other evidence to support the concern or complaint.

Synopsys will not tolerate adverse actions being taken against an employee for good faith reporting of suspected violations of law or Company policies, or for participating in internal investigations. For more information on Synopsys' Open Door Policy and Internal Issue Resolution Process, refer to the Company's online Policy Library.

Employee cooperation during any investigation is expected, including that of the employee whose conduct is the subject of investigation. To the extent permitted by applicable law, failure to fully cooperate in any investigation upon request may be viewed as grounds for disciplinary action up to, and including, termination. In certain cases, information may also be shared with local law enforcement or other authorities as necessary to comply with legal requirements or to protect the Company's interests. The subject of an investigation will be notified of the report as soon as reasonably practical as required by applicable law. Synopsys reserves discretion to not provide the subject of an investigation with the name of the reporting individual unless required by law.

The data collected and processed (which may include personal information related to the employee or the accuser's name, position, etc.) will be treated confidentially and proportionate in relation to the specific purpose for which it is collected or further processed. Processed personal data shall be retained no longer than required or permitted by applicable law. All information will be dealt with in accordance with local data protection legislation.

Supervisors who receive complaints or observe Code violations should follow the reporting guidelines set forth on Synopsys Ethics Reporting website. If you believe your supervisor has not taken appropriate action, you may also raise a concern or question yourself in accordance with the guidelines set forth on Synopsys' Ethics Reporting website. Neither you, nor your supervisor, should conduct any preliminary investigation, unless expressly authorized to do so by Synopsys.

If any investigation indicates that a violation of this Code has likely occurred, Synopsys will take action as we believe is appropriate under the circumstances and in accordance with applicable laws. If we determine that an employee is responsible for a Code violation, he or she may be subject to discipline, up to and including termination of employment and, in appropriate cases, civil action or referral to criminal prosecution consistent with applicable laws. Appropriate actions may also be taken to deter any future violations as permitted by local laws.

#### 4.4 WAIVERS AND DISCLOSURES

This Code shall be made available to the public on the Synopsys website at [www.synopsys.com](http://www.synopsys.com) and as otherwise may be required by SEC rules and regulations, or other applicable law. Waiver of any provision of this Code that applies to any of the directors or executive officers of Synopsys must be approved in writing by the Board of Directors of Synopsys or a committee of the Board of Directors, and promptly disclosed as required by applicable laws, rules and regulations.

Waiver of any provision of this Code with respect to any non-executive employee must be approved in writing by the senior manager of the employee's business unit and by the General Counsel.

#### 4.5 QUESTIONS

Questions regarding this Code may be sent to Synopsys' Chief Ethics Officer at [ethics.officer@synopsys.com](mailto:ethics.officer@synopsys.com).

The identity of Synopsys' Chief Ethics Officer and direct contact information is listed at: <http://sw/C9/Legal>.

**ACKNOWLEDGMENT**

I acknowledge that I have received a copy of Synopsys' Code of Ethics and Business Conduct (the "Code").

By signing this document I signify that I understand that all Synopsys personnel are expected to adhere to the principles and standards of the Code.

I affirm that I personally will strive to conduct all business affairs in which I am involved on the Company's behalf ethically, to the best of my judgment. I further affirm that I am aware of the procedures for reporting unethical conduct relating to Synopsys' business.

By signing this document I further acknowledge that I understand that engaging in unethical conduct may be grounds for disciplinary action, up to and including termination of my relationship with Synopsys in accordance with applicable laws.

**Signature**

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**Print Name**

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**Title**

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**Date**

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