

2024 Responsible Business Report

synopsys®

About This Report

Synopsys empowers technology innovators with trusted and comprehensive engineering solutions from silicon to systems, helping transform the way we live and work. We take responsibility for making our operations, products, and ecosystem more sustainable, driving strategies for efficiency and resiliency that benefit our business, stakeholders, communities, and the world. This Synopsys Responsible Business Report covers certain environmental, social, and governance data relating to our fiscal year 2024, which began November 1, 2023, and ended October 31, 2024. The exception includes our social impact data (calendar year 2024) and other instances as noted. All data, goals, targets, and risks discussed in this report reflect Synopsys’ operations prior to its acquisition of ANSYS, Inc. (Ansys) on July 17, 2025, and do not include Ansys’ operations. As we work to integrate Ansys into Synopsys’ operations, such data, goals, targets, and risks may change or be updated.

This report has been prepared with reference to the 2021 Global Reporting Initiative (GRI) Standards. We considered the recommended

disclosures in the Software & Information Technology (IT) Services industry standard of the Sustainability Accounting Standards Board (SASB), which are part of the International Financial Reporting Standards (IFRS). Our reporting is intended to align with the Task Force on Climate-related Financial Disclosures (TCFD). Synopsys reports separately to CDP as a part of our disclosure efforts.

We promote our report through:

- » Prominent disclosure on our website
- » Targeted employee communications
- » Outreach to current and potential stockholders
- » Outreach to other stakeholders with whom we have built relationships
- » Responding to customer requests
- » Our social channels

We welcome feedback on this report and our performance. Please send comments and suggestions to responsiblebusiness@synopsys.com.



Photo credit: Utkarsh Pandharkar, Synopsys employee, India

In this report, we are proud to display many photographs taken by Synopsys employees. Each photo is credited to the corresponding employee. Thank you to all the talented employees who submitted their work for potential inclusion in the report. In addition, select photos include biomimicry principles bridging the gap between technology and nature.

When we use the terms “Synopsys,” “company,” “we,” “us,” or “our” in this report, we mean Synopsys, Inc. and any entities owned by Synopsys in our fiscal year 2024, on a consolidated basis, unless we state, or the context implies, otherwise. The use of the term “partner” or “partnering” in this report does not mean or imply a formal legal partnership, and is not meant in any way to alter the terms of Synopsys’ relationship with any third parties. Any reference to our support of, work with, or collaboration with a third-party organization within this report does not constitute or imply an endorsement by Synopsys of any or all of the positions or activities of such organization.

This 2024 Responsible Business Report contains forward-looking statements pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934 and other federal securities laws, and actual results could differ significantly. These statements are based on management’s current opinions, expectations, beliefs, plans, objectives, assumptions, or projections regarding future events or results, including, but not limited to, our Responsible Business strategies, initiatives, goals, and commitments; our business plans and strategy, including the recent acquisition of Ansys; our technology, products, and services; risks and opportunities; and our stakeholder engagement efforts. Risk factors that could cause results to differ are set forth in the “Risk Factors” section in our most recent Annual Report on Form 10-K and subsequent 10-Q

filings. In this report, the use of the term “material” and similar terms is intended to reflect our priority Responsible Business issues. We are not using such terms as they are used under the securities or other laws of the United States or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting. This report also contains human capital measures or objectives that may be different from or are in addition to those that Synopsys must disclose in our SEC filings. For a discussion on human capital measures or objectives that Synopsys focuses on in managing our business, please see the “Human Capital Resources” section in our most recent [Annual Report on Form 10-K](#).

Note that many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees. In addition, historical, current and forward-looking sustainability-related statements may be based on standards, controls or processes that are still developing and assumptions that are subject to change. The information and opinions contained in this report are provided as of the date of this report and are subject to change without notice.



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A Letter from Our CEO

At Synopsys, we are on a mission to empower innovators to drive human advancement. We provide comprehensive engineering solutions, from silicon to systems, that make world-changing innovation possible, from improving healthcare outcomes to tackling climate change and more. I am grateful for the trust customers place in Synopsys every day to enable their innovations.

Today, products are increasingly evolving into intelligent systems that are silicon-powered, software-defined, and AI-enhanced. In building these products, engineering teams face unprecedented design complexity and cost pressure, while the pace of innovation continues to accelerate. They need the fastest, most cost-effective path to deliver their innovations — solutions that provide the performance, power efficiency, and quality their customers expect. At Synopsys, we strive to be a trusted and strategic partner, empowering customers to transform ideas into groundbreaking innovations that shape the future.

In July, we expanded our opportunity with our acquisition of Ansys. To build the products of tomorrow, engineers need holistic design solutions with a deeper integration of electronics and multiphysics, augmented by AI. With Ansys' leading simulation and analysis solutions now part of Synopsys, we can give them the industry's most comprehensive solutions to design, optimize, and virtualize not only the silicon, but also the entire system. Together, we can maximize the capabilities of research and development teams and enable world-changing innovation across more industries, from semiconductors, high-tech and automotive to aerospace, industrial, healthcare and more.

As we help to ignite innovation for our customers, we know we must move forward thoughtfully and intentionally. Our foundational commitment to act responsibly and generously shapes how we operate. We aim to cultivate trust, conduct our business with care, and apply our resources and expertise to optimize our own impact on the world, while encouraging others to do the same. This 2024 report highlights the strides we are making across four key areas:

- » **Driving Energy Efficiency for a Better Future:** We are committed to delivering solutions that help drive greater energy efficiency and sustainability in our customers' silicon and systems. We are also making progress in improving the sustainability of our own operations by increasing the use of renewable energy at our data centers and offices. For example, in 2024, we signed a virtual power purchase agreement for 90 MW of new solar power to reduce our North America electricity-related emissions.
- » **Addressing Global Challenges:** We are helping tackle the global semiconductor industry's talent gap¹ and nurturing the interests and skills needed to bring the next generation of engineers into the workforce. Our Synopsys Academic and Research Alliances (SARA) program helps build knowledge and career paths at more than 1,000 universities globally.
- » **Supporting Our People:** We continue to invest in our people and foster a culture of growth and innovation, providing opportunities for learning and career development that empower our teams to thrive and shape the future of technology. We are proud to have received nearly 60 awards for our workplace and culture in 2024, including recognition as a Great Place to Work in 14 countries.

- » **Generating Positive Community Impact:** We are proud to contribute to and expand opportunities in the communities in which we operate. In 2024, the Synopsys Foundation contributed \$4.5 million to various organizations, and our employees volunteered more than 16,000 hours to support and strengthen our communities in the areas of science, technology, engineering and math education, environmental clean-up and more.

Although we've made important progress, there is more to do. We are committed to making the world a better place — through innovation, responsible business practices, and meaningful impact. Operating responsibly is fundamental to building long-term value for our company and all stakeholders. I am certain we can continue our track record of achievement and success because of our passionate employees and our enduring culture built on trust, agility, courage, and an unwavering pursuit of excellence.

Thank you to our customers, partners, stockholders, and employees around the world who help us advance our mission. Together, we will ignite innovation — from silicon to systems — and empower innovators everywhere to drive human advancement.

Sincerely,



Sassine Ghazi,
Chief Executive Officer, Synopsys

¹ Deloitte, [The Global Semiconductor Talent Shortage Report](#).



ABOUT SYNOPSYS

Powering innovation today that ignites the ingenuity of tomorrow

Synopsys is the leader in engineering solutions from silicon to systems, enabling customers to rapidly innovate AI-powered products. We deliver industry-leading silicon design, IP, simulation and analysis solutions, and design services. We partner closely with our customers across a wide range of industries to maximize their R&D capability and productivity, powering innovation today that ignites the ingenuity of tomorrow.

Our Mission

At Synopsys, our mission—to empower innovators to drive human advancement—drives what we do every day. Our mission is aligned with the company’s core values, which were recently reshaped to better reflect our purpose and foundational commitments. Our new values embody the mindset and behaviors that will drive our continued growth and fuel innovation. Together, they shape a vibrant culture that supports innovation, responsible growth, and a shared commitment to solving the world’s toughest challenges..

Synopsys Core Values



AGILITY
ADAPT TO THRIVE



COURAGE
CHALLENGE THE STATUS QUO



EXCELLENCE
DELIVER EXCEPTIONAL VALUE



TRUST
BUILD TOGETHER

Our Foundational Commitments

- » We are accountable owners, partnering together to accomplish our mission.
- » We are wholeheartedly invested in our customers’ success.
- » We have exponential ambitions coupled with a commitment to act responsibly and generously.

Welcome Ansys

The increasing complexity of developing intelligent systems demands design solutions with a deeper integration of electronics and physics, enhanced by AI. On July 17, 2025, Synopsys completed the acquisition of ANSYS, Inc. (Ansys), creating the leader in engineering solutions from silicon to systems. Together, Synopsys and Ansys can maximize the capabilities of product R&D teams broadly enabling them to rapidly innovate AI-powered products.

2024 by the Numbers



116
global offices



20,000+
employees globally



87%
of employees
are engineers



3,400+
active patents



\$6.1B
annual revenue



34%
of revenue
devoted to R&D

Synopsys — Re-engineering Engineering™

The engineering teams we serve face increasing complexity, costs, and time-to-market pressure in developing silicon-powered, software-defined, and AI-enhanced products. To maximize our customers' R&D capabilities and empower their future innovation, Synopsys is re-engineering how engineering is performed, with mission-critical design solutions that span from silicon to systems.

Our products deliver unprecedented insights across multiple domains, showing how our customers' products will perform in some of the most challenging environments. These capabilities help engineers manage complexity and costs, improve product quality and sustainability, and accelerate development cycles.

More information can be found at synopsys.com.



2024 Product Innovation Highlights

Pioneering AI in Chip Design

Synopsys pioneered artificial intelligence (AI) as a core capability in chip design and expanded our Synopsys.ai™ suite to help our customers boost engineering productivity. Synopsys.ai is the first EDA suite that utilizes generative AI across the full EDA stack, accelerating the time it takes to design advanced chips.

Advancing Multi-Die Design and Manufacturing

Synopsys plays a foundational role in advancing 2.5D and 3D multi-die design and manufacturing, which combine multiple integrated circuits (ICs) in a single package for improved performance and energy efficiency. In 2024, strategic collaborations with Intel Foundry, Samsung, and TSMC (Taiwan Semiconductor Manufacturing Company) helped engineers meet increasing demand for AI and high-performance compute (HPC) designs with production-ready reference flows.



Responsible AI

Synopsys is committed to the responsible use of artificial intelligence AI in our investments, research, and the deployment of AI technologies in creating new silicon-based applications. We are dedicated to developing and deploying AI systems that are both safe and trustworthy and to promoting their responsible use across all our initiatives.

For more details, please refer to the [Responsible AI](#) section of this report.

Industry-First Solutions

Synopsys launched the industry's first complete Universal Chiplet Interconnect Express (UCIe) solution, which efficiently facilitates data transmission speed to address the increased performance requirements of the world's fastest AI data centers. We also launched multiple industry-first advanced silicon IP solutions to address the increased computing capacity, efficiency, and security demands of high-performance, AI-powered workloads.

Leading Virtual Design

In 2024, we launched our strategy to enable multi-fidelity, multi-domain, and multi-level electronics digital twins (eDT) where hardware and software of complete electronic systems can be designed, validated, and optimized virtually.

Innovation at Synopsys

Synopsys is a mission-critical enabler of silicon to systems engineering solutions empowering innovators everywhere.



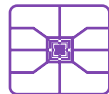
Chip design software that's driving digital transformation

Advancing AI-enabled engineering solutions through innovative technologies.



Unprecedented insights across multiple physics domains

Simulations analyze product performance in some of the most challenging environments.



Enabling chips that are reshaping applications

Advanced chips' massive processing power is bringing new software inventions to life.



AI that's accelerating everything

AI enables faster and more efficient chip designs.

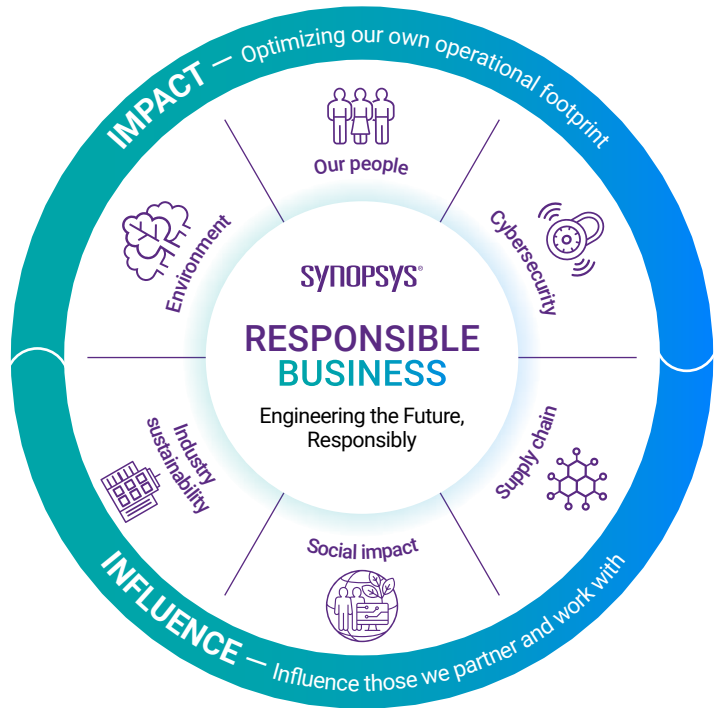


RESPONSIBLE BUSINESS AT SYNOPSISYS

Engineering the Future, Responsibly

In this era of pervasive intelligence, where technology is woven into the fabric of our daily lives, Synopsys plays a mission-critical role. We provide engineering solutions from silicon to systems to enable our customers' world-changing innovations. We equip engineers to solve global challenges, improve lives, and drive lasting progress.

Photo credit: Kurma Chandra Shekar Kollati, Synopsys employee, India



Responsible Business at Synopsys

Our mission—empowering innovators to drive human advancement—guides *what* we do. Our foundational commitment to act responsibly and generously shapes *how* we operate. We cultivate trust, conduct our business with care and apply our resources and expertise to optimize our own impact on the world and influence others to do the same.

This means we pursue efficiency, build resiliency, and work hard to have a positive impact on our employees, communities, and the planet. We actively engage with our ecosystem, fostering collaboration to promote and adopt sustainable practices and drive positive societal outcomes. As a responsible business, we work toward a brighter future for all.

How We Manage Responsible Business

Led by our Senior Vice President, Deputy General Counsel, the Synopsys Responsible Business Management Team oversees our efforts to advance responsible business practices across the company, with support from the Responsible Business Leadership Committee (Leadership Committee).

The Leadership Committee includes executives from across our business tasked with driving environmental, social, and governance matters at Synopsys. The committee provides data and oversight of the implementation of our strategies within their respective areas of responsibility.

Our Board of Directors' Corporate Governance and Nominating Committee (CGN Committee) oversees our responsible business matters, except for business areas assigned to other committees. Their responsibilities include reviewing, assessing, and recommending policies and practices, priority and risk assessments, risk management measures, public disclosures, and related initiatives, goals, and progress to the Board as necessary. The Responsible Business Management Team updates the CGN Committee and the Board of Directors' at least twice annually on Synopsys' responsible business strategy, goals, performance, and evolving related regulatory requirements.

Responsible Business Governance Structure



Engaging Our Stakeholders

Synopsys regularly engages our stakeholders and strategically integrates their insights into our programs and practices.



Stockholders

We proactively communicate with stockholders to provide regular updates on our programs and progress, understand their interests and expectations, and respond to their questions.



Suppliers

We drive responsible business practices by expecting all our suppliers to operate in a manner consistent with our Code of Ethics and Business Conduct and to follow our Supplier Code of Conduct.



Employees

We believe our people are the key to our success. We maintain a comprehensive employee feedback program to gain an understanding of the employee experience and to make improvements in a variety of areas across the business, including in matters related to our responsible business practices.



Industry Partners

Our collaborations and industry partnerships help drive sustainability solutions across our value chain.



Customers

We partner with our customers to advance shared priorities and best practices in creating silicon to systems engineering solutions.

Material Topics

From late 2023 through 2024, we conducted a double materiality assessment (DMA) to understand both the financial impacts of sustainability-related risks and opportunities on our business performance and the impacts of our business activities on people and the environment. We engaged a third-party expert to conduct the DMA in alignment with the European Sustainability Reporting Standards (ESRS) and implementation guidance. The process involved mapping our value chain and identifying potential impacts, risks, and opportunities, which were analyzed and scored against financial and impact materiality thresholds. We engaged stakeholders at multiple points to inform and validate our findings, which will be used to inform our decisions on any potential future reporting.



Photo credit: Marco Sousa, Synopsys employee, France

2024 Responsible Business Highlights

2024 Highlights

90 MW

of solar power VPPA contract signed

770 KW

of data-processing capacity consolidated to more efficient data centers

1.8M sq. ft.

of green-certified office space

~60

awards for our workplace and culture

24,000+

leadership learning hours

200,000+ lbs

of e-waste reused or recycled

\$4.5M

in Synopsys Foundation giving

16,000+

employee volunteer hours reported

1,000+

universities using Synopsys University Software Program curriculum globally

Awards



received nearly 60 awards for workplace and culture





Photo credit: Ahmad Ghazzawi, Synopsys employee, United States

Responsible Business Ambitions



Enable customers to innovate for a greener world



Reduce our GHG emissions in line with our SBTi validated targets



Support, value, and respect our global talent to enable a culture of innovation



Ensure security across our enterprise and help our customers design trusted silicon



Build a resilient and responsible supply chain



Generate positive impact in the communities where we work



ENVIRONMENT

Engineering a more sustainable future

Synopsys actively manages the environmental impact of our operations and engages our customers, industry, and suppliers in sustainable practices. Our technologies empower our customers to develop more innovative and energy-efficient chips, and we are working to reduce our resource consumption and greenhouse gas (GHG) emissions to reflect customer preferences and do our part in being a sustainable business.

Photo credit: Jon Ames, Synopsys employee, Germany

Environmental Sustainability

The Responsible Business Management Team at Synopsys drives our environmental strategy and oversees its implementation, guided by the C-suite-led Climate Action Steering Committee and the cross-functional Responsible Business Leadership Committee, while considering the expectations of key stakeholders.

The team evaluates our performance against goals and adjusts our strategies as needed. In our operations, we focus on energy efficiency and emissions reductions. We continuously seek innovations that will enhance the sustainability of our products and services, with a focus on energy efficiency. Foundationally, we set goals and targets for priority topics and continually improve data management processes to track and report our progress.

To drive environmental sustainability in our operations, we:

- » Prioritize environmental performance certifications in all new office building construction
- » Incorporate sustainability into the management of our facilities worldwide
- » Prioritize the selection of landlords and vendors with clean energy to support our offices and data centers
- » Pursue large-scale renewable energy purchase agreement contracts as markets allow
- » Commit to reduce emissions associated with employee commuting and business travel
- » Strive to ensure our electronic waste is recycled or reused
- » Track water withdrawals and office waste disposal
- » Leverage our contracting and procurement processes to seek and work with vendors that demonstrate a strong commitment to sustainability
- » Engage with industry collaborations such as the Clean Energy Buyers Association (CEBA), the Sustainability Roundtable, and the Semiconductor Climate Consortium

To extend sustainability solutions with our semiconductor customers, we:

- » Enable low-power design in System-on-a-Chip (SoC) architectures
- » Optimize energy efficiency and cooling of high-performance computing and data center applications
- » Help AI chip designers meet or exceed performance and energy goals
- » Continue to innovate for our next-generation, hardware-assisted verification products, to enable higher verification task efficiency

The acquisition of Ansys brings a variety of additional sustainability solutions for a better future.



Photo credit: Yuki Huan, Synopsys employee, China

Our Influence through Innovation

We live in a time of unprecedented acceleration in advanced digital technologies. As Synopsys works to meet the demand for advanced design solutions that enable greater speed, power, and reliability, we recognize the need for significant improvements in energy efficiency across the technology industry. We are committed to driving energy savings in the semiconductor ecosystem with innovative solutions that optimize energy efficiency in the design and use of chips and systems, while also reducing energy consumption, water use, and waste in semiconductor manufacturing.

Increasing Efficiency through Software Solutions

Processing a single wafer in a semiconductor fab can require hundreds of process steps and significant time for assembly, testing, and packaging to deliver a finalized chip to market. These processes generate large amounts of data that must be analyzed quickly and accurately to optimally control high-volume manufacturing, minimize process excursions, and produce the best possible yield using minimum energy and water resources. Synopsys addresses these challenges for our customers with software solutions spanning chip design, verification, mask synthesis, process modeling, on-chip testing and monitoring, and AI/machine learning (ML)-based data analytics.



Photo credit: Mehnoor Dhar, Synopsys employee, India



ZeBu Cloud

ZeBu® emulators offer industry-leading performance for pre-silicon design verification, enabling early identification of potential downstream issues before they become more difficult to resolve. The ZeBu Cloud was introduced as a Synopsys-hosted solution that provides flexible, turnkey emulation for quick and convenient access across multiple cloud applications. In addition to the key benefits of cloud computing, there are numerous environmental advantages. By hosting cloud operations in our data centers, we ensure that the electricity used to power our products comes from some of the cleanest energy sources available on the grid. This approach also reduces our customers' need

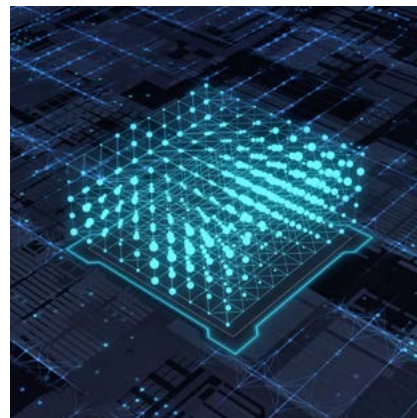
to navigate the infrastructure requirements and challenges related to powering and cooling their own data centers.

Moreover, we streamline logistics by shipping the emulators directly from the manufacturer to the data centers, reducing the number of individual shipments made globally. As these emulators approach the end of their useful life, we prioritize their reuse or recycling. Synopsys is expanding ZeBu Cloud access globally, reducing barriers to innovation through energy-efficient and reliable cloud access that increases the speed and quality of AI chip development.

Driving Energy Efficiency through System Design

Energy-efficient SoCs are critical for high-performance computing, artificial intelligence, data centers, networking, and other applications. Synopsys' solutions drive significant improvements in compute power per watt across every phase of the SoC design process:

More information can be found at [energy-efficient SoC design](#).



Software Solutions

facilitate power consumption profiling to enable energy-efficient systems on a chip



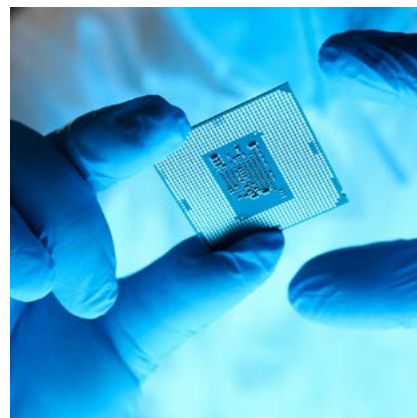
Architecture

that supports systems power management strategies and enables intelligent systems integration for increased efficiency



Logic Design

to support efficiency through power tradeoffs and tool-guided techniques



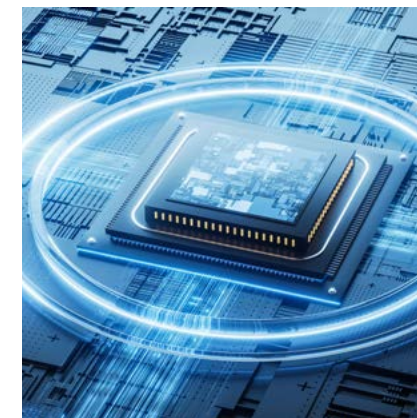
Implementation

helps designers optimize power, performance, and area results in their chips



Signoff

enables designers to create competitive and sustainable semiconductor designs



Verification

techniques are employed for advanced power management in the functional verification of complex SoCs



Addressing Our Own Operational Impact

Synopsys strives to reduce our environmental impact by continuously seeking efficiencies and optimizing our operational footprint. We have ambitious GHG emissions reduction targets, prioritize renewable energy, and implement strategies and partnerships to reduce our impact. Our dedication to environmental responsibility also helps us attract and retain talent, meet our customers’ expectations, and enhance the communities where we operate.

Climate Resilience

As climate change increasingly impacts our world, Synopsys is committed to doing its part to decarbonize our operations while managing the potential impacts of climate change on our business. We undertake periodic assessments to review climate risks and opportunities relevant to our business and update our mitigation and adaptation strategies accordingly. In late 2024, we conducted a quantitative climate scenario analysis that evaluated exposure to physical and transition risks, as well as the potential for market opportunities. Analysis of the results will continue into 2025, as we work to understand the implications of the findings and apply them to our strategies and plans.

Synopsys’ Business Continuity and Resilience team conducts risk and vulnerability assessments for locations where operations are conducted. Our new Synopsys Climate Analysis Report (SCAR) tracks climate-related risk across key operations, to better anticipate and mitigate emerging threats. The SCAR incorporates data from actual climate impacts to our operations and people. In 2024, we updated our tracking systems to include extreme temperature incidents, reflecting the increasing impact of climate-related risks. We also assessed our global facilities’ unmitigated risk exposure to a range of water-related physical risks, including flooding.

Climate Disclosure

We report on our climate-related practices using three leading assessment frameworks:

- » The CDP Climate Change questionnaire, where we annually disclose our potential climate impacts, risks, and opportunities
- » EcoVadis assessment to evaluate our sustainability practices and make data accessible to our customers
- » The Task Force on Climate-related Financial Disclosures (TCFD), to provide investors with information on climate-related risks pertaining to our products, operations, and supply chain

See our [TCFD Index](#) for more details on Synopsys’ climate-related risks, opportunities, and strategies. Material risks are also reported in our [Annual Report on Form 10-K](#).



Photo credit: Annaraja Lakshmanan, Synopsys employee, India

Beyond Value Chain Mitigation

In addition to maintaining our operational emission reduction targets, Synopsys supports activities that avoid, reduce, and remove GHG emissions beyond our own value chain by investing in high-quality carbon offset projects that also make sound business sense. This approach reflects climate responsibility beyond our own footprint. In accordance with our standing policy, Synopsys does not use the credits associated with these offset projects to claim progress toward our emissions reduction target.

We endeavor to procure high-quality carbon credits that support impactful projects in locations where we have a major business presence, to the extent possible. As part of our commitment to responsible business, we disclose detailed information about the credits we purchase. All carbon credits purchased in fiscal year 2024 are listed in our [Voluntary Carbon Market Disclosure](#). To date, we have purchased carbon credits through Climate Impact Partners, enabling us to achieve their CarbonNeutral® company certification across our global operations for six consecutive years. This certification is assessed through Climate Impact Partners' [Carbon Neutral Protocol](#).

Carbon Offset Projects

Synopsys supports conservation, carbon sequestration and avoidances, and technological development initiatives that reduce greenhouse gases. We follow globally recognized best practices to support accurate measurement, transparent reporting, and independent verification of emissions reductions. See the following carbon offset projects purchased through Climate Impact Partners in 2024.



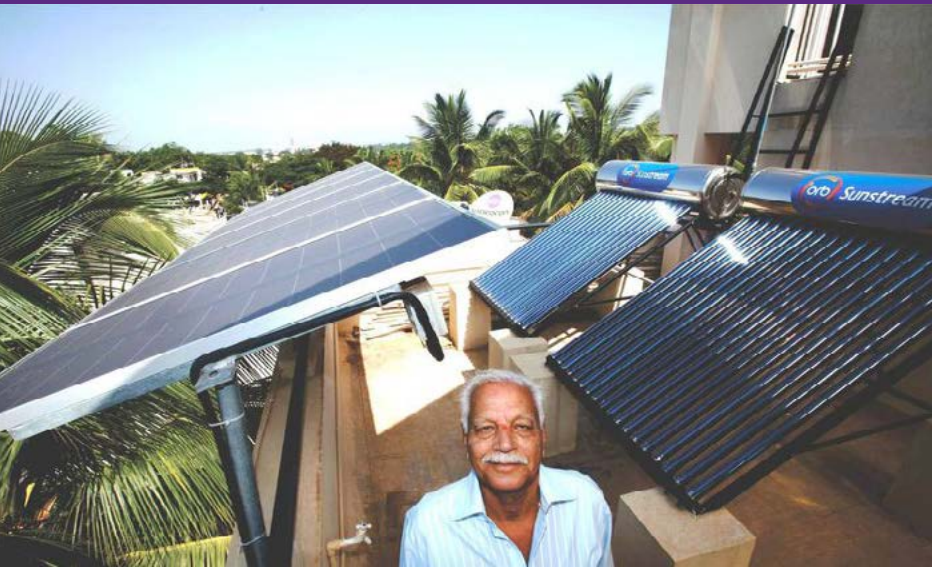
Mississippi Valley Reforestation



PROJECT TYPE Afforestation and Reforestation
COUNTRY U.S.
STANDARD American Carbon Registry™

Over the past 50 years, sustained deforestation and agricultural land use conversion have reduced the dense forest coverage in the Lower Mississippi Alluvial Valley to less than 20% of its original 22 million acres. This project, developed and operated by the GreenTrees platform, aims to reforest one million acres. Landowners who enroll in the project commit to planting and protecting trees, while reducing an estimated 200 tCO₂e per acre. The project generates revenue for participants, creates jobs in the area, and improves local water quality and biodiversity. Learn more [here](#).

Orb Rooftop Solar



PROJECT TYPE Micro Renewables
COUNTRY India
STANDARD Gold Standard for the Global Goals (Gold Standard)

Demand for electricity in India often exceeds supply, resulting in blackouts for those connected to the grid. In rural areas, kerosene or other fossil fuels are used for energy and lighting. This project brings solar power and solar water heating systems to customers throughout the country, reducing emissions by an estimated 55,000 tCO₂e per year. The project also reduces household electricity bills by more than 50%, reduces indoor air pollution, and provides reliable light after sunset, which increases reading and learning opportunities. Learn more [here](#).

Rural Clean Cooking



PROJECT TYPE

Clean Cooking

COUNTRY

China

STANDARD

Gold Standard

Many rural households in China rely on burning coal to cook, while unused animal waste from farms leads to harmful methane (CH₄) emissions. This project brings a clean cooking solution to rural homes through the construction of biodigesters, avoiding methane emissions from animal waste and reducing the reliance on coal for cooking, reducing more than 50,000 tCO₂e per year. Families benefit from lower monthly fuel expenses and avoid the harmful effects of coal smoke within their homes. Learn more [here](#).

SELCO Solar Energy Access



PROJECT TYPE

Micro Renewables

COUNTRY

India

STANDARD

Verified Carbon Standard (VCS)

Rural and low-income populations in India face challenges in accessing renewable energy. The SELCO Solar Energy Access project seeks to improve energy accessibility through the distribution of solar products, including lighting, water heating, and photovoltaics (PV). With the support of carbon finance, the project aims to empower users by offering a complete solution package, including products, servicing, and financing. In addition, the "Light for Education" initiative distributes solar lamps to students for evening study at home. In its first year, it supported over 60 schools and distributed more than 2,500 lamps. Learn more [here](#).

CO₂ Concrete Mineralization



PROJECT TYPE

Engineered Solutions

COUNTRY

U.S.

STANDARD

VCS

Concrete is a widely used man-made material with a significant carbon footprint, due to its cement content. This project utilizes emerging technology to capture CO₂ emissions and inject them into concrete during production. The injected CO₂ reacts with calcium oxide, to form nano-calcium carbonate (CaCO₃) minerals that permanently embed in the concrete. The project also aims to reduce the carbon footprint of the construction industry, enhance water-use efficiency over time, and decrease greenhouse gas emissions. Learn more [here](#).

Progress Toward Our Emissions Reduction Targets

Synopsys is committed to achieving our four near-term targets validated by the Science Based Targets initiative (SBTi). Since our 2019 base year, Synopsys has experienced significant operational growth with an 82% increase in revenue and 44% increase in our employee base. Despite this significant growth, we have made meaningful progress toward our targets. Through 2024, we have reduced our Scope 1 and 2 emissions by 18%, reduced our combined employee commute and business travel emissions per employee by 46%, and reduced our hardware product emissions per-lifetime verification task by 63%.

However, we expect our future progress will vary from year to year until the target date. For example, due to a combination of business

growth and the increasing power demands of advanced computing, progress towards our Scope 1 and 2 emissions reduction targets may be minimal or even negative over the next few years, while renewable power facilities associated with our power purchase agreements come online. See our [GHG Emissions Data Table](#) for details on progress toward our SBTi emissions targets.

We plan to review our targets in 2027, based on SBTi criteria and guidance. If a significant change to our business or emissions accounting methods occurs before 2027, we will review our targets accordingly.



Renewable Energy

Boosting our use of renewable energy is an integral part of Synopsys' emissions reduction strategy. In 2024, we continued to advance our progress with a new virtual power purchase agreement (VPPA) for 90 MW of new solar power with Millers Branch Solar. This project is expected to become operational at the end of 2026, and will mitigate a significant portion of energy demand related to our North American data center operations. This is in addition to a 15 MW VPPA already in place in Texas and a power purchase agreement (PPA) in Bangalore, India. In addition, our headquarters office in California sources renewable energy through a Community Choice Aggregation (CCA) program. Several of our global data center locations are also powered by renewable energy, including hydro- and wind-generated power. We intend to continue exploring new renewable energy procurement opportunities across our operating regions, considering CCAs, PPAs, VPPAs, and utility programs that prioritize local sourcing.

Renewable Energy Locations



U.S.



Canada



Netherlands



India

Targets and Progress

SBTi Target²

Progress Toward Goal

55%
reduction in absolute Scope 1 and 2 GHG emissions by 2032

33%

62%
reduction in Scope 3 GHG emissions from employee commuting and business travel, per employee, by 2032

74%

62%
reduction in Scope 3 GHG emissions from use of sold products, per lifetime verification task, by 2032

100%

45%
of our suppliers for purchased goods and services and capital goods, based on spend, will maintain their own science-based targets, by 2027

64%³

² Base year: 2019.

³ This represents suppliers with validated SBTi targets.



Photo credit: Rose Lu, Synopsys employee, United States

Prioritizing Data Center Efficiency

In 2024, Synopsys made significant progress in a multi-year strategy to enhance the sustainability of our data centers. Collaborations with colocation providers are a key component of this effort, along with initiatives to optimize our on-premise data center infrastructure. We closed 11 less-efficient data centers in 2024, bringing the total number of closures to 40 since launching the strategy. The remaining closures are scheduled to be completed in 2025, for full optimization. At the end of 2024, our optimization strategy had successfully transitioned 770 KW of data-processing capacity to more efficient data centers.

We seek out colocation vendors that can leverage local resources for clean energy. Our data center in Eindhoven, Netherlands, uses 100% renewable energy from wind generation, with hydrogen fuel-cell back-up power generators. This facility, along with others operated by the vendor, also provides residual heat to over 10,000 houses and more than 350 businesses in the area. Additionally, our data center in Montreal operates primarily on hydroelectric power (+90%), sourced from various regions across Quebec, Canada.

We target continuous efficiency measures at all data centers, such as reducing rack density, as feasible. We use a Data Center Infrastructure Management (DCIM) tool to help manage energy use. The DCIM tool helps optimize energy use and space planning in data centers by providing

capacity planning and real-time power monitoring. It enables the team to accurately reserve space for future server and storage installations by analyzing available rack space and real-time power usage. Additionally, its monitoring and alerting capabilities ensure efficient power management by notifying teams of any power issues, helping to maintain a stable and energy-efficient data center environment.



Sustainability in Our Facilities

As a signatory to CEBA's Commercial Real Estate Principles, we aim to foster partnerships with our landlords regarding energy usage, efficiency, and incorporation of renewable energy. In 2024, Synopsys began working with a third-party company to manage our properties worldwide and better support sustainability initiatives within our real estate portfolio. The partnership includes an initiative to collect detailed data on operational energy, water usage, and waste management. We plan to establish performance baselines and use them to develop internal action plans in 2025. We are also leveraging their expertise to create a Green Leasing Principles toolkit and training program. The Green Leasing Principles will enable better alignment with landlords on sustainability goals and improve access to high-quality utility data.

Our long-term real estate strategy focuses on growth hubs strategically located worldwide. As part of our efforts to attract and retain talent while enhancing sustainability, we target facility locations in vibrant, walkable areas that are well-served by public transportation. During site selection and the leasing process, several environmental metrics are used to evaluate potential sites: emissions levels, energy efficiency, water efficiency, and waste recycling capabilities. We also consolidate our real estate footprint to strategically align with business needs. In 2024, we reduced leased space at three locations, reducing our total square footage to 3.5 million square feet.

Synopsys' owned and leased facilities generate 63% of our annual Scope 1 and 2 GHG emissions. Thus, improving energy efficiency and reducing carbon emissions are critical to achieving our corporate climate targets. To begin, we are benchmarking energy usage intensity and carbon performance across 116 Synopsys sites. We then intend to set a portfolio-wide energy usage reduction target, strategy, and roadmap for our facilities that align with our SBTi targets for Scope 1 and 2 emissions.



Real Estate Sustainability Strategy

Performance Measurement

Ensuring accurate baselines and measurable targets to understand progress toward goals



Water and Waste Data Collection, Baselining, and Goal Setting



SBTi-Aligned Energy Goal Development

Decarbonization Strategic Planning

Developing a data-driven strategy for decarbonizing the portfolio and working toward SBTi targets backed by proven methodology



Portfolio Decarbonization Roadmap

Sustainability Implementation

Programs to enable embedding sustainability into all aspects of our real estate operations



Green Leasing Strategy Development and Training

Green Building Certifications

We aim to operate in buildings with sustainability standards and certifications, such as the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED), the Building Research Establishment Environmental Assessment Methodology (BREEAM), and comparable organizations. We prioritize certification for new building construction and renovation, and work to achieve these criteria at existing facilities as feasible. At the end of 2024, Synopsys occupied approximately 1.8 million square feet of green-certified office space worldwide.

Water and Waste

Water efficiency and waste are components of LEED certification of our facilities. In addition, local teams across our footprint identify opportunities to conserve water and reduce waste. For example, only one of our colocated data centers consumes water for cooling. Our headquarters in Sunnyvale, CA, continues to partner with the City of Sunnyvale's FoodCycle program to donate an average of 1,400 pounds of food scraps weekly. The program reduces the amount of food scraps sent to landfill and recycles the waste into feedstocks for anaerobic digestion systems that create biogas.

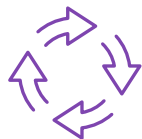
Synopsys has a limited direct water footprint. However, we recognize that water and climate are closely related and in 2024, we initiated a water risk assessment on real estate and data center facilities. Additionally, we conducted a current state analysis of water and waste data within our real estate portfolio as part of our sustainability strategy. In partnership with our new facilities management company, this work has identified key stakeholders and methods for improving water and waste data collection points across our sites. These benchmarks will lay the groundwork for efficiency measures and targets relating to water and waste in our facilities.

E-waste

We contract with Information Technology Asset Disposition (ITAD), which is certified to the Responsible Recycling (R2) standard to ensure responsible disposition of all non-functional and unrepairable electronics. ITAD provides quarterly reports detailing the total weight of equipment recycled or reused. Our e-waste quantities may vary year-to-year due to the useful life of the equipment as well as our business priorities. In 2024, approximately two-thirds of our e-waste was recycled, with the remainder reused, totaling more than 200,000 pounds.



Electronics Recycling and Reuse



60,485

pounds reused



166,753

pounds recycled

Equivalencies⁴

Energy Savings

72,182,338 megajoules, the equivalent of electricity needed to power 1,651 U.S. households per year

Greenhouse Gas Avoidance

4,431,591 kg of CO₂e, the equivalent of removing 949 passenger cars from the road each year

Solid Waste Avoidance

2,248,511 kg, the equivalent of solid waste generated by 1,209 U.S. households per year

⁴ ITAD obtains all data and metrics for equivalencies from the Environmental Protection Agency's Electronic Benefits Calculator, including all equivalencies, assumptions, and underlying research.



SOCIAL

Investing in people and potential

We recognize that our long-term impact is shaped by how we invest in our people, nurture future talent, and engage with our communities. We work to foster an innovative culture that welcomes a global workforce, supports its development, safety, and well-being, and respects individual differences. We extend our impact to cultivate research, innovation, and our industry's future talent pipeline, and we address critical needs in communities where we operate through grantmaking and employee community engagement.



Our People

Our People and Places Team, led by our Chief People Officer, focuses on building a vibrant workplace culture where our talent around the globe can learn, grow, and bring their best selves to work. Our people strategy is built around five key pillars. As part of our commitment to succeed in each of these areas, the Chief People Officer provides quarterly performance reports to the Board of Directors' Compensation and Organizational Development Committee.

1

Drive Performance

Build excellence and high performance across Synopsys, unlocking the full potential of our workforce.

2

Inspire Leaders and Teams

Create a thriving culture where our leaders and teams are inspired to excel, adapt, and collaborate.

3

Foster Learning and Growth

Fuel a culture of continuous learning, providing employees with the tools and opportunities for upskilling, career growth, and internal mobility.

4

Transform Experiences and Engagement

Transform workforce experiences and engagement to create personalized, timely, and responsive interactions.

5

Accelerate Next Gen Synopsys

Plan and forecast the skills, talent, and spaces we need to unleash innovation to power the era of pervasive intelligence.



Transforming Experience and Engagement

Synopsys' mission is to empower innovators to drive human advancement. We believe our people are our most important asset in making this a reality. We care about employee experience because we believe a more engaged, passionate workforce brings their best to the workplace, which drives innovation and value for our customers.

We strive to cultivate a positive workplace culture characterized by open communication, creativity, and collaboration, which enables innovation. We

continuously listen to our employees through a comprehensive feedback program that helps us understand their experiences and engagement levels. This feedback informs improvements across the business, including in areas related to our responsible business practices.

As part of our continuous employee listening strategy, the SHAPE feedback survey is designed to measure engagement and is one of the primary ways we hear from all employees at the

same time. In October 2024, approximately 91% of employees participated in the SHAPE feedback survey, with 82% of employees recommending Synopsys as a great place to work. Employees expressed trust in leadership, a strong sense of belonging at Synopsys, and a personal connection to our mission. We are pleased with the strong engagement we see through the survey and continue to address opportunities for improvement.

We recently launched new company values:

Agility, Courage, Excellence, and Trust.

These values define how we engage with our employees, customers, and communities. The launch included leadership engagement, employee communications, training, and integration of the values into both physical and digital workspaces. These efforts are helping to embed them into our culture, align behaviors with our mission, and strengthen connection and cohesion across the organization.



Building Our Talent for Tomorrow

At Synopsys, we understand that the future of innovation depends on our employees continuously developing advanced and future-focused skills. That’s why we actively encourage the pursuit of knowledge and skills at all levels, in every function, with a focus on the future of their roles. To help our employees thrive, we offer opportunities for learning and growth, tools for collaboration and innovation, respectful work environments, and comprehensive total rewards. We believe this creates value for our business, enhances employee engagement, and gives us a strategic advantage in the marketplace.

We focus on building skills and capabilities through relevant and outcome-oriented development at every level—from early career to senior leaders. A digital learning platform and an evolving skills ecosystem support continuous learning by offering access to interactive courses, external articles, videos, podcasts, and books. Cohort-based learning experiences, delivered through a host of in-person and on-demand learning sessions, further develop skills, capabilities, and mindsets required for the future.



Inspiring and Developing Leadership

To drive Synopsys’ success, our managers must possess the skills to nurture and motivate their teams while fostering a vibrant, engaged work environment for all. Our management development approach is designed to increase capability in communication, engagement, coaching, hiring, and key business skills. It also aims to cultivate an ethical and supportive work environment that is free from harassment and embraces global perspectives.

In 2024, we introduced new learning opportunities focused on helping our managers lead through change and giving them the tools to be great coaches and leaders. Over the course of the year, our leaders completed more than 24,000 hours of learning. We are now reimagining the management development journey for the next generation of leaders. Additionally, we will launch a new executive development journey in 2025 to align with our new values and build the capabilities of next-generation leaders to accelerate Synopsys’ future.

Learning and Growth in Action

We prioritize ongoing skill development and career progression by leveraging performance data and providing on-demand learning opportunities, including on-the-job training, mentoring, and formal courses. This approach cultivates a skilled and adaptable workforce. Our balanced strategy, which also includes job rotation, targeted training, and performance workshops, ensures continuous improvement and motivation, driving both personal and organizational growth.

Through our digital learning platform, instructor-led sessions, and other support for training, mentoring, and listening, we make it easy for our employees to curate, share, and discuss their knowledge, which cascades future-focused capabilities throughout

the organization. In 2024, our employees completed more than 132,000 learning hours. One highlight was the Engineering Excellence Group’s quarterly learning initiative, which resulted in nearly 1,000 employees completing more than 16,000 learning items. These focused on high-demand skill areas such as Python and machine learning. These efforts directly support our goals by fostering a culture of continuous improvement and innovation.

As we move into 2025, we continue to transform what and how we learn and work through AI enablement — including the launch of an AI coaching tool and AI academies for all our employees, with emphasis on our technologists and the experts who support them.



Driving Exceptional Performance

Each year, employees participate in our performance development process, which highlights key accomplishments for the preceding year, establishes new stretch goals and objectives, and identifies critical capabilities for development. As part of this process, we encourage managers to gather and share supportive multi-rater feedback, reinforcing a culture of teamwork and collective success. In 2024, we achieved over 99% completion of annual performance development reviews.

In 2025, we are building on this foundation by driving performance through more frequent check-ins, real-time feedback, and a greater emphasis on how individuals and teams deliver results in alignment with our new values. These efforts will be supported by the implementation of a new AI-powered performance management platform.



Transformation with Custom GenAI Applications

In 2024, we took a significant leap forward by developing and deploying custom generative artificial intelligence (GenAI) applications designed to enhance cross-functional productivity and allow our teams to focus more on high-value, customer-centric activities. These innovative solutions, trained on our proprietary data, are now an integral part of our operations across various departments:

Engineering

Our engineering teams are experiencing a surge in productivity, leveraging GenAI to innovate and accelerate project timelines.

Global Sales and Customer Success

Team members can effortlessly access product information and obtain answers, streamlining their workflow and improving customer interactions.

Marketing

The marketing team is crafting compelling brand collateral, clarifying messaging, and boosting social media engagement, thereby enhancing our brand presence.

Investor Relations

We are expediting the analysis and reporting of market data, providing timely insights to our stakeholders.

Opportunity and Community at Synopsys

Our success depends on the more than 20,000 extraordinary professionals that make up our workforce across 30-plus countries. Our efforts to create a great work environment at Synopsys span every part of the employee experience, from how we attract and retain talent to our efforts to create a culture of working together. We strive for people practices that are fair for all and regularly review and improve talent management processes, including those in hiring, compensation, talent development, and promotions. Because our leaders and managers play a key part in creating this experience, we want them to have the mindset and skills to lead effectively. We are committed to upholding this important part of our culture. We also offer programs and events globally to help our employees learn about each other, foster connections, and collaborate every day.

Our Employee Communities

Synopsys’ employee-led communities create space for our employees to foster a workplace culture of respect that celebrates and connects all of our people. These communities welcome all employees who want to share experiences and ideas and connect with their colleagues, our business, and the communities around us. In 2024, two new communities were created, Caregivers and Parents (CAPE) and the Synopsys Neurodiversity Group (SYNG), bringing our total number to seven.



NEX-GEN (Early Career)



Women Impact Network (WIN)



HOLA! (Hispanic and Latinx)



Caregivers and Parents (CAPE)



PRIDE (LGBTQIA+)



The Very Inclusive Black Employee Network (VIBE)



Synopsys Neurodiversity Group (SYNG)



Awards and Recognition

In 2024, Synopsys received nearly 60 awards for workplace and culture, including:

- » Certification as a **Great Place to Work** in 14 countries
- » **Best Workplace for Women** by Comparably
- » **Best Company for Career Growth** by Comparably
- » **Best Workplace in Technology** by Fortune
- » **100 Most Loved Workplaces for Young Professionals** by Most Loved Workplaces

We also received recognition from *Newsweek*, *Forbes*, *Fortune*, *U.S. News & World Report*, and others. These honors demonstrate Synopsys' stability, resiliency, and the strength of our highly engaged global workforce.



In addition to external recognition, we continued to foster a culture of appreciation internally. Our “Celebrating You” program and recognition platform empower employees to acknowledge individual achievements and cross-functional collaboration. This initiative plays a key role in reinforcing our values and building a culture where contributions are celebrated across the organization.

In 2025, we are introducing two new recognition programs to further elevate our culture of appreciation:

ONE Synopsys Teams of the Year Award honoring outstanding cross-functional team achievements

Catalyst Award recognizing exceptional individual contributors who embody our core values and drive meaningful impact

In 2024, we also launched **Culture HQ**, a new platform designed to globally showcase employee-generated content—both internally and externally—highlighting the voices, stories, and experiences that shape our culture every day.

More information can be found at [Synopsys Careers](#).



Total Rewards

Our Total Rewards program provides meaningful global benefits, compensation, and awards in recognition of the time, energy, commitment, skills, and expertise employees bring to Synopsys every day. Our approach is designed to deliver fair compensation for employees based on their contribution and performance. We benchmark market practices and regularly review our compensation and benefits against the market to help ensure that they are competitive. We also offer a comprehensive set of benefits for employees and their families focused on physical, mental, and financial health and well-being. Our compensation, benefits, and awards programs are tailored to the various geographies in which we operate and, for eligible employees, may include:

- » Market-competitive salary and cash bonus opportunity
- » Equity Grant Opportunity
- » Stock grants (for eligible employees)
- » Robust medical, dental, vision, and wellness benefits
- » Employee Assistance Program (EAP) providing access to specialized services to assist employees with specific needs
- » Comprehensive leave plans
- » Life insurance options
- » Retirement plans and associated benefits
- » Financial planning tools and employee assistance plans
- » Student loan repayment assistance
- » Cancer-specific prevention, early detection, treatment, and support programs
- » Parental resources and adoption benefits

More information can be found at [Synopsys Benefits](#).



Pay Equity

In 2024, we conducted a pay equity review for all positions globally, to ensure equitable pay levels among employees performing similar work in similar locations. Women at Synopsys earned an average of \$0.99 for every \$1 men earned in the same position and location.

Health and Safety

Synopsys is committed to promoting safe and healthy work environments through our Occupational Health & Safety Management System. We consistently enhance our health and safety initiatives across our global locations as we identify workplace risks and evolving regulations. Current efforts include working toward alignment with the International Standards Organization (ISO) 45001 globally recognized standards for workplace health and safety.

As a responsible business, we prioritize the health and safety of all Synopsys employees, contractors, and visitors. To support this commitment, we have established policies and standards focused on proactive hazard identification and mitigation, comprehensive safety training, effective emergency response, and adherence to global health and safety regulations. We employ a contract medical officer through a third party to help inform our practices. Employees undergo safety training and have access to safety courses on the Synopsys digital learning platform, while contractors receive information about our health and safety practices during onboarding. We also perform tabletop exercises and drills to practice readiness in case of an incident or emergency.



SynopsysALERT

At Synopsys, ensuring the safety and well-being of our employees remains a top priority. Our SynopsysALERT system is a critical component of our emergency preparedness strategy, designed to quickly notify employees and their families in urgent situations, while providing them with the necessary resources. We conduct quarterly tests of the system's effectiveness.

Synopsys continued to refine and expand our emergency response protocols in 2024:

- » We codified and published Wildfire Response Protocols, ensuring that employees and facilities have clear procedures for evacuation, safety checks, and access to essential support. These protocols were activated during the devastating Los Angeles wildfires in early 2025, including safety checks using SynopsysALERT.
- » Synopsys participated in the Global Shakeout earthquake preparedness activity for the second consecutive year. We identified high-risk areas with significant employee presence and used SynopsysALERT to conduct earthquake drills.
- » In response to worsening air quality and pollution concerns, we are developing new response protocols for 2025. In 2024, poor air quality impacted a facility in India, prompting the use of SynopsysALERT to implement remote work options. A response drill took place in January 2025 to further strengthen preparedness for air quality emergencies.
- » In 2024, Synopsys introduced a Workplace Violence Prevention Program at select facilities. The program provides employees with protocols in the event of an incident and a confidential reporting mechanism for potential threats. Response training is required for all employees at these locations, and we conducted a drill in early 2025 to test our response protocols.

Emergency Response Programs and Protocols

We invest in emergency response and preparedness programs to protect the health and safety of our employees and our facilities around the globe. We monitor a wide range of risks, including climate and geopolitical issues, and outline response protocols for use in an emergency. Our Synopsys Emergency Response Teams, comprising over 750 members, are trained to respond to various types of emergencies that could affect our people and operations. For more information on our preparedness and response strategies, please refer to the [Business Continuity](#) section of this report.

Hazardous Substance Safety

Synopsys is primarily a software company, with limited exposure to hazardous substances. Our Hazard Communication Program is designed to inform relevant personnel about any hazardous substances present or in use in the workplace. This program applies to Synopsys employees and personnel affiliated with vendors or third parties. We require that safety data sheets be accessible and that relevant employees receive training on hazardous substances.



Laboratory Safety

Synopsys is committed to maintaining laboratories that are safe for our people and the environment. Our Laboratory Safety Program, updated in 2024, provides personnel with standards to be implemented at every Synopsys laboratory. Examples include personal protective equipment, safe operation of tools and equipment, and safe materials handling and disposal. The program also outlines hazard identification and risk assessment protocols regularly conducted at each laboratory. Incident reporting requirements are also defined. Laboratory-specific safety training is provided for all Synopsys employees and contractors before they enter a lab.

Workforce Development for the Future

The global semiconductor industry faces a significant talent shortage. Rapid growth in technology and government investment in chip production is driving an increasing need for skilled workers. However, specialized expertise in chip design, manufacturing, and advanced packaging is lacking. A [Deloitte Report](#) expected that the global semiconductor industry would need to add a million skilled workers by 2030, or more than 100,000 annually. Key industry trends continue to compound the talent challenge. At Synopsys, we are meeting that challenge with programs and partnerships that engage academic, corporate, and government sectors to uncover tomorrow’s breakthroughs and foster engineering talent.



Synopsys Academic & Research Alliances

The Synopsys Academic & Research Alliances (SARA) program works closely with universities worldwide to enhance workforce development initiatives. By focusing on fostering research, innovation, and talent, the program aims to strengthen Synopsys’ position as a preferred technology partner and support the workforce of tomorrow. Our initiatives engage a wide range of academic stakeholders:

- » **Students:** Empower and educate the next generation of engineers, to be ready to tackle tomorrow’s challenges
- » **Educators:** Provide learning opportunities and training materials while lowering access barriers to Synopsys technology for education and research
- » **Researchers:** Address evolving challenges in the semiconductor industry, uncover new solutions, and pave the way for future technologies
- » **Entrepreneurs:** Collaborate to discover new technologies and turn fresh ideas into market-ready products

SYNOPSYS® ACADEMIC & RESEARCH ALLIANCES

Closing the Talent Gap

Synopsys is expanding how we address the technology talent gap, with a workforce development approach that consists of two key components:

- » Engaging students to create a pipeline for early talent
- » Upskilling the current workforce at partner organizations to prepare them for advancing technologies



Upskilling Technology Talent

Synopsys addresses the talent gap by upskilling the industry's existing workforce. We partner with our customers to provide training on our advanced products and solutions to elevate their workforce capabilities, making room for emerging talent to thrive within their organizations. We also have a partnership with SiCADA in Taiwan which fosters collaboration between academia and industry to train aspiring IC design engineers. By leveraging the SARA program's resources, we aim to incorporate industry experience into the development of programs focused on career advancement.

Engaging Early Talent

We aim to accelerate classroom learning and help highly skilled graduates to gain hands-on experience with real-world challenges, preparing them for future careers. The Synopsys University Software Program is the foundation of SARA, offering universities access to cutting-edge, commercial-grade Synopsys technology in the classroom and for research projects. SARA's curriculum currently includes more than 150 full-semester courses for bachelor's and master's degrees, with fully developed collateral materials, including slides, syllabi, labs, homework, exams, and projects. Dedicated employees take an active role in leading, organizing, and participating in varied educational initiatives, such as workshops, contests, thesis advising, training programs, and fundamental research-supporting partnerships. These efforts focus on educating professors and students, building a strong talent pipeline, and driving progress within the industry.

Partnerships

In addition to our direct engagement with academic stakeholders, Synopsys has partnerships worldwide to help develop future semiconductor talent. At Purdue University, Synopsys supports and provides educational resources toward the [Semiconductor Degrees Program](#), a suite of innovative credentials and degrees that is designed to facilitate the rapid development of skilled semiconductor talent in the field. This global partnership in semiconductor workforce and innovation includes a multi-disciplinary introduction to [Changing the World with Chips](#), which puts students from all engineering majors into academic pathways in semiconductors. At the [Chips to Startup](#) program under the Ministry of Electronics and Information Technology in India, the Synopsys SARA team provides tools and learning resources in support of 275+ institutions.

SARA research partnerships and strategic academic collaborations foster the discovery of innovative solutions and pave the way for future technologies. We collaborate with New York University to support its work in the expanding field of GenAI for chip design. Additionally, we tap into student talent and support student groups such as ML@B at the University of California Berkeley for AI and machine learning projects.

In the future, we plan to explore opportunities to collaborate on specialized education and training programs designed for K-12 students, academic institutions, and veterans, providing support and resources across the talent development spectrum.



Social Impact

Synopsys brings our values to life by actively working to create meaningful change in our communities, which also enhances our strong culture and boosts employee engagement. Our Synopsys for Good program serves as a catalyst for this change, focusing on three main areas: supporting K–12 science, technology, engineering, and math (STEM) education to prepare students for the future; addressing essential needs in communities worldwide; and working to mitigate climate change.

The Synopsys for Good program includes corporate-led efforts, grants through the Synopsys Foundation, employee giving, and volunteerism. Synopsys for Good is managed by our Social Impact team and executed in partnership with employee Community Leads and Community Involvement Teams around the world. We take a regional management approach to philanthropy and employee community engagement, supported by a globally accessible online portal to support volunteer projects, monetary and volunteer-time matching gifts, and employee giving campaigns.

Synopsys for Good Focus Areas



**SYNOPSISYS
FOR GOOD**

Education

Focusing on K–12 (primary and secondary) education, we aim to prepare students for the future of work and innovation with STEM education experiences. We partner with organizations that work to close achievement gaps; inspire and engage students to build problem-solving, design-thinking, and digital skills; and expand STEM education and career pathways.

Community

Focusing on the communities where we operate, we aim to improve quality of life and address essential needs for individuals and society. We partner with organizations that combat food insecurity and hunger, provide basic needs, and leverage technology to address social challenges.

Environment

Focusing on climate change, we aim to mitigate its effects on people and the planet. We partner with organizations that help protect ecosystems, improve access to and use of clean energy in rural and low-income communities, and create experiences that shape the next generation of environmental stewards.

2024 Social Impact by the Numbers

\$4.5M

Synopsys Foundation
giving

\$1.2M

Synopsys India CSR
2% giving

\$2.2M

Employee giving
reported

16,628

Employee volunteer
hours reported

Engaging Employees in Our Communities

We encourage employee volunteerism that supports our Synopsys for Good focus areas where our people live and work. Total participation continues to increase.

Season of Service

Engagement is also increasing in [Season of Service](#), our annual one-month global volunteer program. Employees may participate in person at Synopsys offices, at nonprofit locations or project sites, and virtually. In 2024, our employees participated in 85 volunteer projects, engaging 56 Synopsys office locations in 23 countries.

Learn more about our [2024 Season of Service Volunteer Projects](#).



85

Projects

23

Countries

56

Office locations



Matching Gifts

Synopsys' global Matching Gift Program amplifies our employees' community impact, with 1:1 matches for their charitable donations and a \$10 contribution for every hour of their volunteer time, collectively up to \$1,000 USD per employee per year. In 2024, combined employee giving and the Synopsys Foundation match delivered \$3.5 million to nearly 2,000 eligible charities and nonprofits worldwide.



Points of Light

GLOBAL

Provides access to its Network Affiliates and partners in selected locations to create managed volunteer experiences addressing needs in local communities where our employees live and work.

SYNOPSYS® THE SYNOPSYS FOUNDATION

The Synopsys Foundation provides grants to eligible organizations in the communities where Synopsys operates, aligned with our focus areas of supporting K–12 STEM education to prepare students for the future; addressing essential needs in the community; and working to mitigate climate change.



Maison Chance

VIETNAM

Provides on-site shelter, support, and vocational training to homeless children and individuals with special needs.



North American Association for Environmental Education

AMERICAS

Provides K–12 students with environmental leadership and climate change education through an E-STEM program, which challenges students to solve environmental issues with science, technology, engineering, and math.



Kodea

CHILE

Provides the Los Creadores program, which helps students aged 12 to 18, as well as their teachers and tutors, solve local community challenges by developing digital skills through innovation projects, boot camps, and a design thinking master class.



STEP.ai (Science & Technology Education Program)

ARMENIA

Provides curriculum for high school students about the main components and fundamentals of Artificial Intelligence (AI), helping students and teachers gain knowledge and acquire skills about AI tools and technologies.

Synopsys Outreach Foundation

The Synopsys Outreach Foundation, founded in 1999, works to ignite interest, nurture potential, and empower all K–12 students in STEM. Through collaboration with Greater Bay Area stakeholders and community partners, it expands access to STEM education through project-based opportunities. In 2024, it supported over 143,000 STEM interactions, including:

- » Building STEM Classrooms, which provided over 1,000 local educators with essential supplies
- » STEM Shops, which provided foundational supplies to over 725 new-to-career educators in six counties
- » \$345,000 in STEM Opportunity Fund grants to local STEM expos, family education nights, maker spaces, field trips, classroom activities, and intervention programs
- » Sciencepalooza!, which hosted more than 500 community members and 30 community partner organizations at San Jose State University for free, fun, hands-on activities that explored facets of STEM and pathways to STEM futures



Synopsys India Corporate Social Responsibility

In India, Synopsys creates positive social impact by partnering with organizations that provide STEM education, infrastructure support, essential needs, and protect ecosystems. During the financial year in India (April 1, 2024, to March 31, 2025), Synopsys India collaborated with 25 nonprofit organizations to implement 34 projects. This included partnerships with 11 new nonprofit organizations and the launch of 20 new projects respectively, impacting more than 56,000 beneficiaries. For example, our partnership with Sambhav Foundation, World Vision India, and Shri Mahakal Education and Charitable Trust supported under-resourced schools with STEM infrastructure and coding sessions, while improving their facilities through the installation of toilets, clean drinking water systems, and solar panels.

These initiatives support our Synopsys for Good focus areas, while also fulfilling requirements under Section 135 of India's Companies Act 2013. This mandates that companies meeting specific thresholds for net profit, net worth, and revenue dedicate at least 2% of their average net profits to corporate social responsibility activities.



GOVERNANCE

Acting with integrity in all we do

Synopsisys places ethics and integrity at the core of our business and our relationships with stakeholders. We are committed to adhering to all applicable laws and regulations and utilizing best practices in our operations, governance, reporting, and disclosures.

Photo credit: Sunny Chaovivatkul, Synopsisys employee, United States



Corporate Governance

Our Board of Directors oversees our business and operations for the benefit of our stockholders. The Board strives to propel the success and growth of our business and operations through the selection of qualified management, oversight of our strategic goals, and ongoing monitoring designed to ensure that our operations are conducted in a responsible manner.

To fulfill its fiduciary duties to stockholders, the Board operates within a framework of Synopsys’ Bylaws, Corporate Governance Guidelines, committee charters, and various policies. This framework allows for effective oversight of key issues, including, among other things, those related to sustainability and cybersecurity. The Board carries out its oversight duties directly and through its committees, which regularly report their findings to the full Board.

For detailed descriptions of Synopsys’ corporate governance practices, please refer to our most recent [Proxy Statement](#) and [Annual Report on Form 10-K](#), or visit the [Corporate Governance and Ethics](#) page of our website. For details on our responsible business governance, see [How We Manage Responsible Business](#).

Our Board of Directors

The Board of Directors oversees the management of Synopsys’ business operations and ensures the interests of Synopsys’ stockholders are served. Our Board members bring leadership expertise and decades of experience in the software, semiconductor, manufacturing, and technology industries. As part of the Board member search process, the Corporate Governance and Nominating Committee (CGN Committee) actively seeks qualified individuals from a variety of backgrounds in accordance with our Corporate Governance Guidelines.

Synopsys’ Board of Directors is supported by three standing committees: the Audit Committee, the Compensation

and Organizational Development Committee, and the CGN Committee. These committees assist the Board in overseeing the company’s business strategy and strategic planning, which includes financial reporting, strategic transactions, senior management development, succession planning, and talent management. Our Board of Directors is also responsible for overseeing our company-wide risk management efforts and has delegated certain areas of risk oversight to each of our standing Board committees.

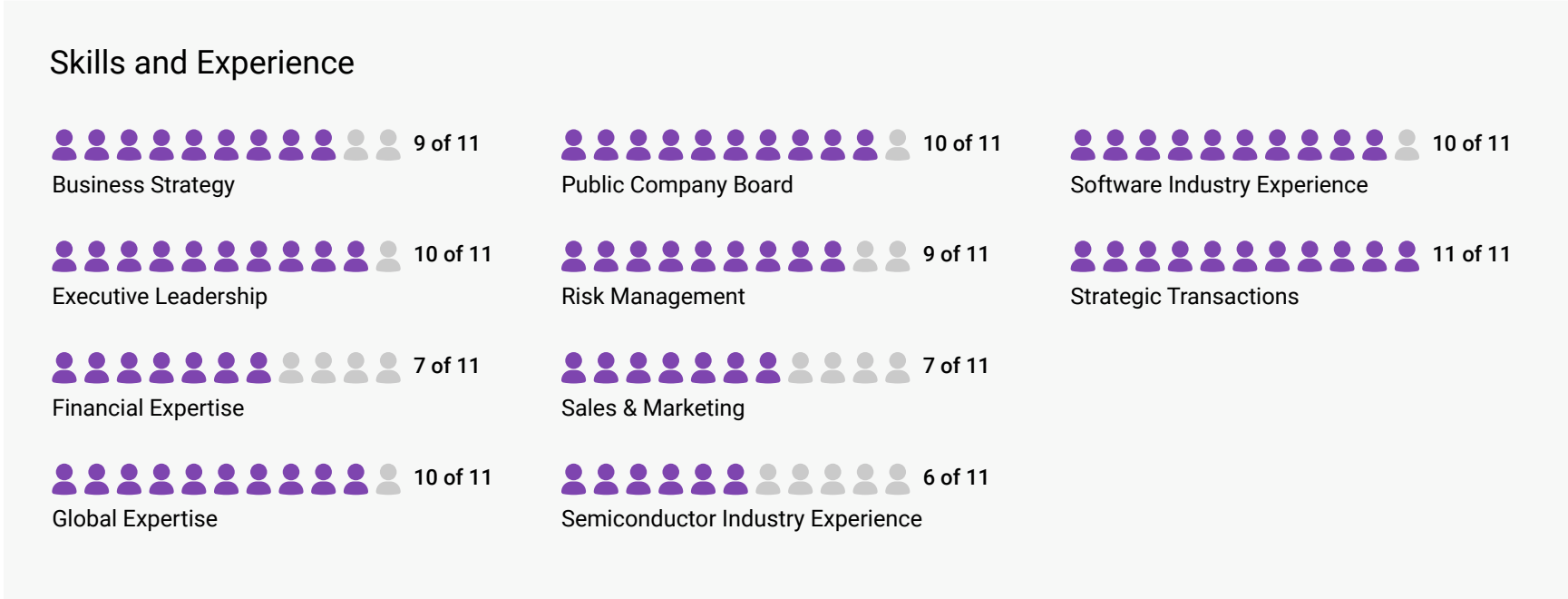
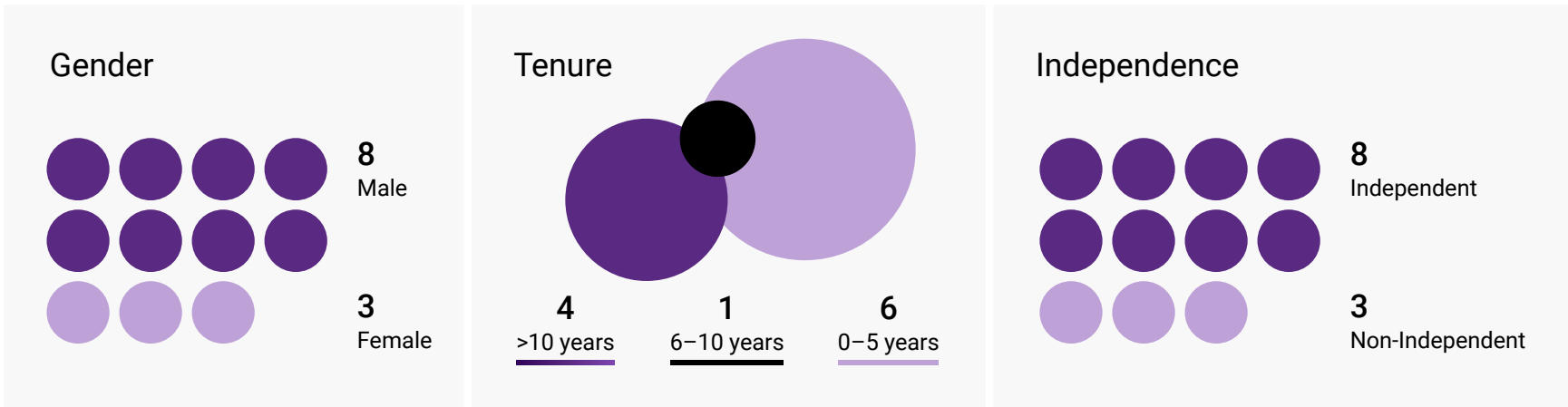
Our Board recognizes that to advance the interests of stockholders, the interests of other Synopsys stakeholders,

including our customers, employees, business partners, and local communities, are important. The CGN Committee oversees Responsible Business at Synopsys, which encompasses environmental, social, and governance matters. These discussions are subsequently reported to the full Board. For more information, see the [How We Manage Responsible Business](#) section of this report.

To learn more about the Board of Directors and its Committees, see our most recent [Proxy Statement and the Board Committees](#) section of our website.

Board Composition⁵

The CGN Committee works to ensure that the Board of Directors is comprised of directors who bring global viewpoints and perspectives and exhibit a variety of skills, professional experiences, and backgrounds to effectively represent the interests of our stockholders. To achieve this, the CGN Committee works with our Board to determine the appropriate skills, experience, qualifications, and attributes that we seek in our Board members, in light of our business environment, strategic priorities, and existing Board composition.



Enterprise Risk Management

Synopsys has an enterprise risk management (ERM) program that provides a company-wide perspective on a broad range of our compliance, strategic, operational, and financial risks.

The ERM program is overseen by a committee comprised of members of Synopsys’ senior management and is led by Synopsys’ General Counsel. The program identifies the most significant risks facing Synopsys, which are then reported to the Board. The members of management identified by the ERM program as responsible for the top risks provide our Chief Executive Officer with quarterly updates on their efforts to manage and mitigate such risks.

⁵ As of the publication date of this report, September 15, 2025.

Ethics and Compliance

Synopsys’ Ethics and Compliance (E&C) program is led by the Chief Ethics and Compliance Officer, who provides regular reports to the Audit Committee of the Board of Directors. Our Code of Ethics and Business Conduct (the Code) guides the behaviors and actions of our global workforce in accordance with our core values, high ethical standards, and legal obligations. The Code contains links to underlying policies and procedures. Employees read and attest to adherence to the Code at onboarding and annually.

In addition to the Code, our Business Partner Code of Conduct and Supplier Code of Conduct communicate our high ethical and legal standards throughout our business ecosystem.

Compliance Risk Assessment

We conduct an Enterprise Compliance Risk Assessment annually to identify, assess, and prioritize the areas of legal compliance risk defined in the Ethics and Compliance Program Charter. The risk assessments measure inherent risk, control maturity, and the resulting residual risk for each area. Results of the assessment are coordinated with Synopsys’ Enterprise Risk Management Office and are communicated with the Board of Directors.

Policies and Statements

- » [Synopsys Board Committee Charters](#)
- » [Synopsys Bylaws](#)
- » [Synopsys Business Partner Code of Conduct](#)
- » [Synopsys Code of Ethics and Business Conduct](#)
- » [Synopsys Conflict Minerals Policy](#)
- » [Synopsys Corporate Governance Guidelines](#)
- » [Synopsys Data Privacy and Protection Statement](#)
- » [Synopsys Political Activities Policy](#)
- » [Synopsys Privacy Policy](#)
- » [Synopsys Statement on UK Modern Slavery Act](#)
- » [Synopsys Supplier Code of Conduct](#)
- » [Synopsys Voluntary Carbon Market Disclosure](#)

SPEAK UP.

Your voice matters.

Ask questions or raise your integrity concerns through our Integrity Helpline.

We’re listening.



SYNOPSYS®

Contact the Synopsys Integrity Helpline.

- Online or via phone
- Available 24 x 7
- Anonymous reporting option

[synopsys.ethicspoint.com](#)

Integrity Awareness Month

Every year, Synopsys highlights the importance of ethics and integrity through the activities of Integrity Awareness Month. The 2024 Code of Ethics and Business Conduct Training was translated into 12 languages and included an Integrity video featuring Synopsys employees and executives. New Integrity Helpline Posters were posted in all offices with more than 20 employees. In addition, global Synopsys leaders further reinforced our commitment to integrity in emails and personalized videos shared with employees.



Ethics and Integrity Training

Employees receive training on the Code and its related policies to aid understanding and adherence to the Code. Additional training is offered for certain roles and geographies with higher risk. Topics include but are not limited to anti-corruption, import/export compliance, privacy, harassment prevention, and protecting confidential information.

Synopsys employees and contractors are required to read, understand, and attest to abide by the Code. Employees and contractors complete this requirement during onboarding and annually as part of Integrity Awareness Month. One hundred percent of employees completed the 2024 Integrity Awareness training and attested to abide by the Code.

Reporting Concerns

Synopsys expects our employees to report any suspected violations of laws, rules, regulations, or company policies by fellow employees or our suppliers, vendors, resellers, or distributors. Employees can raise these concerns at any time without fear of retaliation. Reports can be made to a manager, the People and Places team, Legal or E&C, or our third-party managed [Integrity Helpline](#). The E&C team handles the intake of Helpline reports, and ensures reports are properly evaluated and communicated to the Audit Committee as appropriate.

Anti-Bribery and Anti-Corruption

Synopsys promotes high standards of ethical business conduct, including a zero-tolerance policy for bribery and corruption. We are committed to complying with all applicable global anti-bribery laws in the countries where we do business; our E&C team conducts an annual anti-corruption risk assessment and collaborates with Internal Audit to evaluate Synopsys’ operations for potential corruption risks.

Our Code outlines our expectations regarding anti-corruption compliance. Employees can access additional support via our internal Synopsys Anti-Corruption Compliance Policy and guidance materials. Additionally, we have launched specialized anti-corruption training for key employee groups, tailored to the scope of their responsibilities and associated risks.



Photo credit: Harshal Dhande, Synopsys employee, India



Business Continuity and Resiliency

Preparedness and resiliency are essential to Synopsys’ continuing ability to serve our employees, customers, and stockholders. We invest in people, technology, processes, and controls to strengthen our ability to meet evolving threats. To maintain Synopsys’ resiliency, we refresh our business continuity plans annually, maturing and testing their ability to perform during scenario-based events such as economic or geopolitical crises, public health emergencies, and extreme climate events that threaten our people, offices, operations, and assets. In 2024, we requalified our control assessment for ISO 22301 certification, which demonstrates the resilience of our business continuity management systems.

We continue to refine our business continuity model to meet evolving challenges. We combine technology, analytics, and AI to improve our ability to scan and monitor the horizon for emerging risks, identify potential disruptions, and plan mitigation scenarios. We test our response and recovery capabilities throughout the year.

We also integrate our annual climate risk assessment outcomes into business continuity plans. In addition, we integrate our business continuity efforts with our work on employee safety and natural disaster preparedness with tools such as SynopsysALERT, our internal mass notification system.

Travel Risk

Synopsys maintains a travel security program to monitor safety, security, cyber, and health risks during employee business travel. Employees traveling to high-risk countries receive additional guidance and protocols, including safety check-ins.





Cybersecurity and Privacy

Synopsys is dedicated to addressing the ever-evolving landscape of cyber threats across our value chain. We strive to protect our IP, help our customers design protections into their systems, and maintain the security and privacy of our partners’ and employees’ data.

Information technology and data security, particularly cybersecurity, is a top area of focus for Synopsys’ Board of Directors, which considers these areas as essential for the success of our company and the broader technology industry in which we operate. Our Chief Information Security Officer (CISO) leads our cybersecurity program.

Our Board is actively involved in overseeing cybersecurity risk management. At least once a year, senior management, including our CISO, presents to the Board on Synopsys’ cybersecurity performance and risk profile. Further, senior management and our CISO present semiannually to our CGN Committee on Synopsys’ cybersecurity risk oversight activities and cybersecurity preparedness efforts. The CGN Committee, a majority of whom are individuals with a strong background in cybersecurity and related matters, meets with members of senior management to review our information technology and data security policies and practices, and to assess current and potential threats, cybersecurity incidents, and related risks.

Our CISO reports directly to our executive management team, advises Synopsys on cybersecurity risks, and assesses the effectiveness of information technology and data security processes. The materials presented to our Board and the CGN Committee include updates on our data security posture, results of third-party assessments, progress toward predetermined risk-mitigation related goals, our incident response plan, and certain cybersecurity threat risks or incidents and developments, as well as the steps management has taken to respond to such risks. Members of the Board and the CGN Committee are also encouraged to regularly engage in ad hoc conversations with management on cybersecurity-related news events and to discuss any updates to our cybersecurity risk management and strategy programs. Material cybersecurity threat risks may also be considered during separate Board meeting discussions.



Synopsys’ cybersecurity policies and procedures are designed to align with multiple industry-recognized frameworks, including the National Institute of Standards and Technology Cyber Security Framework (NIST CSF) and the ISO/International Electrotechnical Commission (IEC) 27001 Information Security Management Framework. In addition, some Synopsys products are ISO27001 and/or SOC2 Type 2 certified. Our internal audit department regularly assesses our conformity with these frameworks. We track our NIST CSF implementation through regular third-party maturity assessments, which provide the basis for establishing performance goals for the coming period. We also closely monitor the ever-changing landscape of related laws and regulations and regularly update our policies and processes to promote continued compliance.

In addition, we maintain cyber liability insurance that covers certain liabilities related to data breaches and other cyber incidents. Since 2015, Synopsys has experienced no material information security breaches or associated penalties/settlements, and the expenses we have incurred from cybersecurity incidents were immaterial.⁶ During the same time period, while some of our suppliers have experienced security breaches, none of these breaches have had a material impact on Synopsys.

⁶ As of the publication date of this report, September 15, 2025.

Our Data Privacy Commitment

Synopsys is committed to strong privacy principles and transparency about our use of personal data, which is limited, due to the nature of our business. Our privacy programs support compliance with privacy laws and protect the company from brand and reputational damage. We never sell personal data to third parties.

We monitor the evolving global legal landscape and update our program to account for new privacy obligations. Our Chief Privacy Officer is responsible for reviewing policies, procedures, contracts, services, and technology platforms

designed to address evolving data privacy regulations in Europe, the U.S., Asia, and around the globe. Our Data Privacy and Protection Statement (DPPS) applies to our entire global business enterprise and outlines our data privacy principles. The DPPS is reviewed regularly and was updated in 2024 to reflect all relevant laws and regulations. We also updated the privacy training provided to employees during their onboarding and intend to expand privacy training in 2025. In addition, our document retention policies specify the periods of time after which data is to be deleted based on country-specific rules.



Our Cybersecurity Approach

- » Security and privacy reviews designed to identify risks from new features, software, suppliers, and vendors
- » A vulnerability management program designed to identify software vulnerabilities
- » A variety of tools designed to monitor our networks, systems, and data for suspicious activity
- » An internal red team program that simulates cyber threats, enhancing our ability to fix vulnerabilities before they are exploited by threat actors
- » A threat intelligence program designed to model and research our adversaries
- » Products and services to structure, test, and assess the rigor of our software security practices
- » A variety of privacy, cybersecurity, and incident response trainings and simulations, including mandatory yearly training for all employees, additional training for all Information Technology and Information Security personnel, and regular controlled penetration testing and cyber incident exercises to test the robustness of our data security protections and incident response readiness
- » For suppliers and service providers, pre-engagement risk-based diligence, contractual security and notification provisions, and ongoing monitoring as appropriate
- » Maintaining cyber liability insurance that covers certain liabilities related to data breaches and related incidents



Supply Chain Engagement

Synopsys actively promotes responsible business practices throughout our business ecosystem. We engage key suppliers on various topics routinely to maintain a resilient and responsible supply chain.

Our supply chain program is underpinned by our membership in the Responsible Business Alliance (RBA). All of our suppliers must comply with applicable laws and regulations and abide by our Supplier Code of Conduct (Supplier Code). The Supplier Code mirrors the RBA Code of Conduct (RBA Code) standards for labor, governance, health and safety, and environmental and ethical practices. In 2024, our Supplier Code was updated to align with the RBA Code standard version 8.0. Key suppliers, selected based on spend, are periodically asked to confirm compliance with our Supplier Code; all suppliers in this group provided confirmation in 2024. During the same period, processes and policies related to the RBA Code were reviewed for gaps. A supply chain risk assessment was also conducted using RBA datasets—including supplier location, sector,

and expenditure—to identify potential risk areas. The results of this analysis are used to inform supplier prioritization and due diligence.

As part of our SBTi emissions reduction targets, Synopsys commits that 45% of its suppliers for purchased goods and services and capital goods, based on spend, will maintain their own science-based targets by 2027. In 2024, we developed a supplier engagement framework and created an engagement roadmap.

Synopsys continues to improve our supplier screening and monitoring processes. We require that all vendors agree to operate in a manner consistent with the Synopsys Code of Ethics and Business Conduct. In addition, all new vendors must complete an onboarding questionnaire and are screened against various risk management indicators, including the Uyghur Forced Labor Prevention Act (UFLPA).

Our Business Continuity and Resiliency team is building the framework for a Supply Chain

Resilience Tool to support our hardware purchasing. The tool overlays Tier One supplier locations with a threat map and various impact scenarios to monitor potential disruptions in our operations.

Synopsys made our annual conflict minerals filing with the U.S. Securities and Exchange Commission (SEC) for the 2024 reporting year on May 30, 2025. We sought to survey all our suppliers and identify high-priority suppliers.

We received responses to the Conflict Minerals Reporting Template (CMRT) from approximately 91% of our suppliers, which account for over 99% of our spending on hardware products for this reporting year.

Further information regarding our efforts, including our statements in compliance with the UK Modern Slavery Act and Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act, can be found on our [Supply Chain website](#).



Software Supply Chain Risk Management

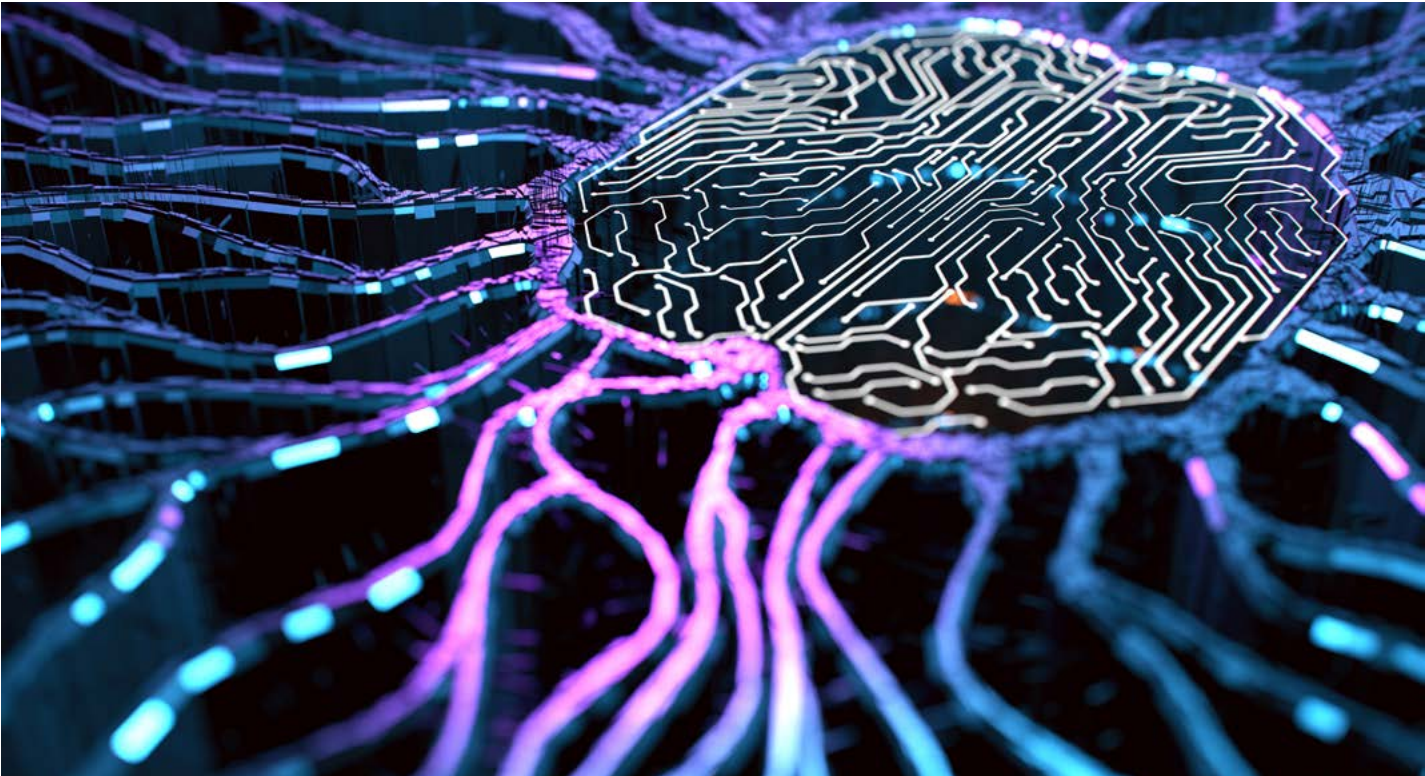
Global demand for secure software is growing exponentially, and as a result, software supply chain risk management is receiving increased attention. The U.S. federal government’s Secure Software Development Framework (SSDF) rule requires that software developers selling to the federal government formally attest that their software is developed according to specific practices that cover all aspects of the software development lifecycle. This includes providing a Software Bill of Materials (SBOM) with all software deliveries and managing the provenance of our code base. Synopsys employs industry best practices in its software development lifecycle, aligned with SSDF standards. For suppliers that provide software components incorporated into our end products, we also require conformity with SSDF as part of our procurement contracts.



Responsible AI

At Synopsys, we have always been pioneers in artificial intelligence and remain committed to advancing our products and services through innovative AI applications. We are adopting AI to optimize Synopsys systems, find ways to increase the energy efficiency of our offerings, and empower our employees to achieve greater productivity and innovation. Our Board of Directors maintains oversight of risks related to AI, and the Synopsys AI Tools Review Board, a dedicated cross-functional team, spearheads our efforts to use AI responsibly and effectively. This team meets regularly to review and evaluate new opportunities for AI integration to maximize its potential, while maintaining ethical standards and mitigating risks.

In 2024, the AI Tools Review Board began formalizing our guiding principles for AI usage, striking a balance between risk and opportunity. These principles encompass our AI policies and practical use cases, providing clear guidance for our teams. This important work continued into 2025, culminating in the publication of these guidelines internally and adoption of the Artificial Intelligence/Machine Learning Policy, to help ensure the ethical use of AI and balance the benefits and competing concerns raised by such use.





Political Activities and Contributions

Synopsys is committed to compliance with applicable laws, rules, and regulations, including lobbying registration and disclosure laws, ethics rules, Foreign Corrupt Practices Act provisions, and anti-bribery laws worldwide. In 2024, Synopsys engaged in direct advocacy with government officials on public policies relevant to the company, following applicable law and relevant internal procedures and approvals as stipulated in our [Political Activities Policy](#). In the U.S. and abroad, we also engaged with trade and industry associations that may undertake advocacy on behalf of their members.

In 2024, Synopsys established Synopsys PAC as a separate segregated fund, as permitted by U.S. federal law, to accept voluntary contributions from certain eligible employees and to make limited, disclosed contributions to support the campaigns of candidates for U.S. Congress who share Synopsys' legislative priorities and policy positions. While Synopsys defrays the administrative costs of operating the separate segregated fund, as permitted by U.S. law, Synopsys does not deposit corporate general treasury funds into it and does not otherwise make contributions to political candidates, political parties, or political action committees.

More information can be found at [Government Affairs](#).



Photo credit: Mehnoor Dhar, Synopsys employee, India



Appendices

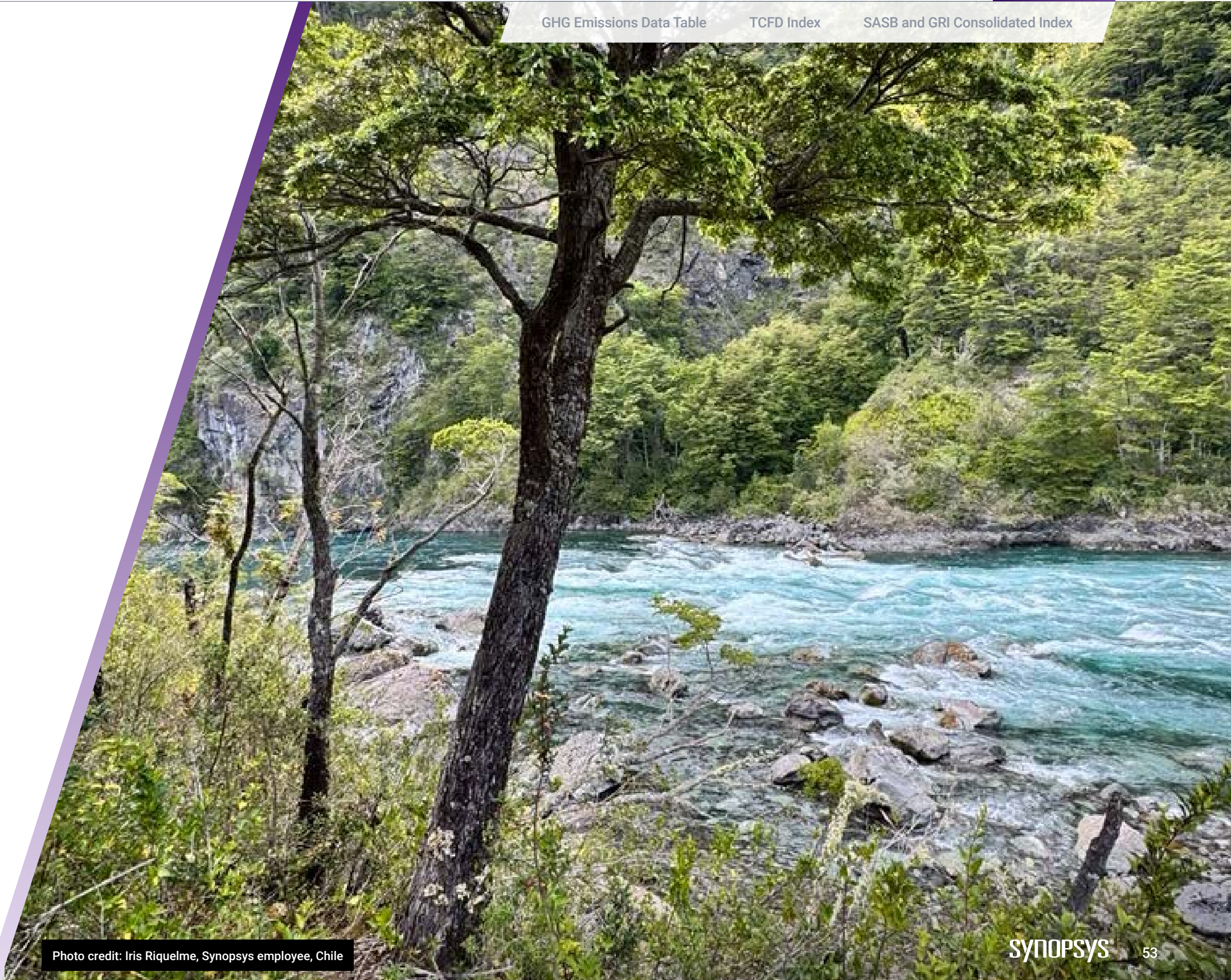


Photo credit: Iris Riquelme, Synopsys employee, Chile



GHG Emissions Data Table

	FY2019 MTCO2e ⁷	FY2023 MTCO2e	FY2024 MTCO2e
SCOPE 1 EMISSIONS			
Fugitive Emissions (Refrigerants)	1,151	1,414	1,261
Natural Gas Combustion	1,886	2,119	793
Diesel Fuel Combustion	14	0	81
Mobile Emissions	694	164	138
TOTAL SCOPE 1	3,745	3,697	2,273
SCOPE 2 EMISSIONS (PURCHASED ELECTRICITY)			
Offices	18,296	10,136	15,169
Colocated Data Centers	11,715	19,700	10,085
TOTAL SCOPE 2 (MARKET)	30,011	29,836	25,254
SCOPE 3 EMISSIONS ⁸			
Purchased Goods and Services	59,667	89,560	82,467
Capital Goods	58,710	51,975	41,883
Fuel and Energy Related Activities	8,639	12,259	13,708
Upstream Transportation & Distribution	1,742	3,376	3,615
Operational Waste	538	2,831	3,259
Business Travel	19,176	20,441	24,359
Employee Commute	28,102	16,912	14,994
Upstream Leased Assets	Not calculated	2,142	1,594
Use of Sold Products	25,698	37,757	33,815
End-of-Life of Sold Products	6	14	1
Downstream Leased Assets	1,135	1,478	1,292
Investments	Not calculated	315	161
TOTAL REPORTED SCOPE 3	203,413	239,060	221,148
TOTAL REPORTED EMISSIONS	237,169	272,593	248,675

The data used in calculating GHG emissions are subject to measurement uncertainties due to inherent limitations based on the nature and methods used. The GHG Protocol allows for multiple measurement methodologies which could result in materially different emission values. For more information see our [External Assurance Statements: FY24 Emissions Data](#).

⁷ FY2019 data is in reference to Synopsys’ SBTi base year.
⁸ The categories of Processing of Sold Product and Franchises are not applicable to our business and are not included in our Scope 3 inventory.

TCFD Index

The table below addresses the recommendations of the Task Force on Climate-related Financial Disclosures. Synopsys maintains that the climate risks outlined below do not have a material impact on our financial performance and operational results.

Governance

RECOMMENDATIONS	DISCLOSURE/LINKS TO MORE INFORMATION	2024 CDP REFERENCE
Describe the board's oversight of climate related risks and opportunities	The Synopsys Board of Directors (the Board) oversees risk management at Synopsys and executes its oversight responsibility directly and through its committees. The Corporate Governance and Nominating Committee (CGN Committee) of the Board has direct oversight of responsible business matters, the scope of which includes climate-related issues. As stated in its publicly available charter, the CGN Committee is responsible for reviewing, assessing, reporting, and recommending to the Board as necessary, policies, practices, priority and risk assessments, risk management, initiatives, goals, progress toward goals, and public disclosures relating to responsible business matters, except to the extent delegated to other committees of the Board. The CGN Committee coordinates with other committees of the Board to oversee responsible business matters, including Synopsys' reporting, legal, and regulatory requirements with respect to environmental, social and governance matters as and when appropriate. The CGN Committee receives updates from the Responsible Business Management Team, led by Synopsys' SVP and Deputy General Counsel.	CDP Report (4.1.2)
Describe management's role in assessing and managing climate-related risks and opportunities	The Synopsys Responsible Business Management Team is responsible for our environmental, social and governance strategy and goals, which includes assessing, monitoring, and managing climate-related risks and opportunities. The C-suite-led Climate Action Steering Committee guides our environmental strategy. The Responsible Business Management Team is made up of of senior leaders in Legal. The Responsible Business Leadership Committee includes executives from across our business who are tasked with driving Synopsys' environmental, social and governance matters and ensuring the implementation of our strategy in their respective areas of responsibility. Members of the Responsible Business Leadership Committee participate in the climate-related risk and opportunity assessment of business activities and strategies. They also help inform the climate-related aspects of our strategy and roadmap, including stakeholder engagement, metrics and disclosures, and special projects.	CDP Report (4.3)



Strategy

RECOMMENDATIONS	DISCLOSURE/LINKS TO MORE INFORMATION		2024 CDP REFERENCE	
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	In 2022, we completed our initial climate-related risk and opportunity assessment of the potential relevance and significance of the following climate-related risk and opportunity drivers applicable to our business over short (0–1 years), medium (2–3 years), and long (4+ years) time horizons. We update this assessment periodically to reflect potential changes in our risk profile and to incorporate additional internal stakeholders as relevant.		CDP Report (2.1, 3.1, 3.1.1, 3.6, 3.6.1)	
	RISK CATEGORY	DESCRIPTION		TIMEFRAME
	Acute Physical	Increasing frequency/severity of climate-driven events (e.g., floods, wildfires, heatwaves, power interruptions) and potential disruption of operational and supply chain activities.		Short–long term
	Chronic Physical	While our direct operations are not water intensive, chronic physical changes including changing precipitation patterns and water scarcity could impact our supply chain, potentially leading to increased costs to secure key materials and/or manufacture our hardware products.		Medium–long term
	Transitional – Regulatory/Legal	Regulatory: Failure to meet regulatory and investor reporting and disclosure requirements leads to fines and negative investor ratings. Legal: While we are not in a highly carbon-intensive sector, we could potentially face legal risk—for example, associated with inaccurate GHG emissions reporting and/or other climate-related expenses and disclosures. Further, statements about our climate initiatives and goals, and progress against those goals, may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change.		Short–long term
	Transitional – Policy	Escalating energy and carbon costs increase supply chain costs and impair profitability.		Medium–long term
	Transitional – Reputational	Lack of comprehensive climate strategies could impact our attractiveness to customers, investors, and talent, reflecting on our commitment to climate risk management.		Short–long term



Strategy

RECOMMENDATIONS	DISCLOSURE/LINKS TO MORE INFORMATION			2024 CDP REFERENCE
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term (continued)	OPPORTUNITY CATEGORY	DESCRIPTION	TIMEFRAME	CDP Report (2.1, 3.1, 3.1.1, 3.6, 3.6.1) (continued)
	Resilience	Potential to increase resilience through incorporation of climate scenarios into business resiliency planning.	Short–long term	
	Products/Services/Market	Drivers for the low-carbon economy transition to stimulate increased demand for Synopsys’ products.	Medium–long term	
	Resource Efficiency	Opportunities to hedge against future increases in fossil fuel costs driven by carbon pricing and other factors through investments in energy efficiency.	Medium–long term	
Describe the impact of climate-related risks and opportunities on the organization’s business, strategy, and financial planning	<p>Periodically, we assess our risks and opportunities against the TCFD framework. As such, we have not identified any physical or transitional climate risks as having a high risk or material impact on our business, strategy, or financial planning. However, acute physical risks such as severe storms may cause business disruptions, impacting our hardware and digital supply chain operations. These disruptions are factored into our financial planning as well as our business continuity and resiliency programs. This includes related measures such as the maintenance of buffer stock for component parts and finished goods. Synopsys relies on third-party contract manufacturers to assemble our hardware products, such as the ZeBu® emulation system. Several of these manufacturers as well as their component and raw material suppliers are in regions, such as Southeast Asia and Northern Europe, that are vulnerable to increasing extreme weather events that can result in flooding and other impacts. Disruption to supplier operations can result in delays to production lasting from several days to several months, depending on the severity of the event. For our hardware supply chain function, we maintain a buffer stock of product and key components to support six months of supplier disruption. Additionally, where possible, we maintain two sources for parts and contract manufacturers in different geographies in an effort to avoid being impacted by the same disruption event. These strategies have helped us to avoid significant product supply disruption due to severe weather events. Additionally, as a technology company, we see great opportunities related to the development of low power products and solutions for chip design that optimize performance per watt. Applications from AI to smart devices depend on silicon chips running faster, scaling down to smaller node sizes, integrating more capabilities, and processing more data—all while consuming less power. Synopsys has more than 25 years of Low Power Design and Verification technology leadership and has contributed extensive technical input to industry groups advancing standards on this topic. This broader opportunity is strategically relevant to our research and development investments and financial planning.</p> <p>To help further address climate-related risks and opportunities, including transitional risks associated with attracting and retaining customers, we have set emissions reduction targets, which were validated by the Science Based Targets initiative (SBTi) in 2023. These goals, and our related efforts to reduce emissions, help us respond to our customers’ expectations and support our customers’ mission for a low-carbon supply chain. We have also implemented Virtual Power Purchase Agreements (VPPAs) to increase our use of renewable energy, and in 2022, began to realize the economic and carbon-free benefits of these agreements.</p>			CDP Report (3.1.1, 3.6.1, 5.2, 5.3.1, 5.3.2)



Strategy

RECOMMENDATIONS	DISCLOSURE/LINKS TO MORE INFORMATION	2024 CDP REFERENCE
Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2-degree Celsius or lower scenario	<p>In 2022, we undertook an initial climate risk scenario analysis focused on transitional risks associated with carbon pricing. In 2024, we updated that analysis and expanded our scenario analysis efforts to include an assessment of physical risks across our global locations, including flooding, drought, water stress, wildfire, extreme heat, and cyclones. We also began assessing climate transition-related opportunities including those associated with expanding our support of the electric vehicle market and other renewable energy and low-carbon markets. These expanded analyses included both qualitative and quantitative assessments of potential impacts on costs and revenues.</p> <p>For the physical risk assessment, we considered three Shared Socioeconomic Pathways with Representative Concentration Pathways (SSP RCP) scenarios from the Intergovernmental Panel on Climate Change’s (IPCC) sixth Assessment Report (March 2023): SSP 1 RCP 2.6, which assumes 1.5° Celsius global average temperature increase by 2050; SSP 2 RCP 4.5, which assumes greater than 2° Celsius temperature increase by 2050; and SSP 5 RCP 8.5, which assumes 3° Celsius temperature increase by 2050. These scenarios assume increasing physical risk with increased global average temperature increases. To assess transition risk and opportunities, we used three scenarios developed by the Network for Greening the Financial System (NGFS) (November 2023): Net zero by 2050, which assumes 1.5° Celsius global average temperature increase by 2050; Below 2° Celsius temperature increase by 2050; and Current Policies, which assumes 3° Celsius temperature increase by 2050. These scenarios assume transitional risks are lower in the Current Policies scenario, increase in the Below 2° Celsius scenario, and are highest in the Net Zero 2050 scenario.</p> <p>We undertake climate scenario analysis to help us review and understand potential climate-related risks and opportunities we could be exposed to over time. We periodically review and update our analysis based on new data from climate models and from our operations, to help us manage these risks and opportunities in a manner that supports our business.</p> <p>For example, our operating model includes leasing the majority of our office and data center space from third-party landlords and colocated data center vendors, with limited-term leases and service agreements. This enables us to be flexible and responsive to the changing climate and related physical risks, and means that our exposure to the financial and strategic implications of climate change for property asset maintenance, repair and upgrade costs, and property valuation is minimal.</p> <p>Our updated carbon pricing analysis indicates we may face increased costs due to increased carbon prices across all scenarios assessed, with the highest cost impact in the NGFS’ Net Zero 2050 scenario. However, the analysis also indicates that our exposure to these price increases would be lessened by reducing our emissions in line with our science-based emissions targets. These directional estimated costs support the business case to invest in emissions reduction initiatives across our value chain, which reduces our exposure to mandatory carbon pricing. Additionally, we are working to increase our resiliency to future carbon pricing of fossil fuels by placing an internal cost on carbon through our CarbonNeutral® company certification, thereby improving the net present value of internal efficiency and emissions reduction projects. We are also reducing our reliance on fossil-fuel-based electricity—for example, through our participation in one of the largest aggregated VPPAs at the time it was signed.</p> <p>The scenario analysis also illustrates the potential for significant revenue increase related to growth in the electric vehicle market across all three of the NGFS scenarios we reviewed. Our efforts to expand our offerings that support the electric vehicle market, as well as other renewable energy and low-carbon markets, support the ongoing resilience of our strategy.</p>	CDP Report (5.1, 5.1.1, 5.1.2)



Risk Management

RECOMMENDATIONS	DISCLOSURE/LINKS TO MORE INFORMATION	2024 CDP REFERENCE
Describe the organization’s processes for identifying and assessing climate related risk	<p>We identify and assess potential climate-related risks and opportunities regularly. Working with an expert consulting partner, we research and update potentially relevant risks and opportunities and perform assessments of them using impact and likelihood criteria. As part of our climate risk and opportunity assessment update, we convene a working group of risk and opportunity “owners,” which are functional leaders with responsibilities across our value chain, including corporate functions, operations, supply chain (upstream), and products (downstream). Using the framework outlined below, the assessment considers:</p> <p>Inherent Risk/Opportunity Rating:</p> <ul style="list-style-type: none">▪ Likelihood: The frequency and/or probability of events/impacts arising in the next 1–2 years (short term), 2–3 years (medium term) or 4+ years (long term)▪ Impact: Implications for revenue, operating costs, business continuity, safety, reputation, compliance <p>Residual Risk/Opportunity Rating (adjustment of inherent rating taking into consideration):</p> <ul style="list-style-type: none">▪ Preparedness: How prepared (i.e., on track, plans in process, needs improvement) management is to effectively mitigate the risk or realize the opportunity, taking into consideration both active and developing plans <p>High-rated residual risks and opportunities are those we focus on for more detailed analysis (including scenario analysis) and by making additional investments to mitigate, accept, or transfer the risks, or to realize opportunities. For medium-rated risks and opportunities, we maintain or enhance current programs and plans, and monitor for changes in risk profile. For low-rated risks and opportunities, we maintain existing programs and periodically re-evaluate the risk/opportunity rating.</p>	CDP Report (2.2.1, 2.2.2)



Risk Management

RECOMMENDATIONS	DISCLOSURE/LINKS TO MORE INFORMATION	2024 CDP REFERENCE
Describe the organization's processes for managing climate-related risks	<p>Based on the individual risks, we consider strategies to mitigate, accept, or transfer physical climate-related risks. Strategies include:</p> <ul style="list-style-type: none">▪ Mitigation measures to reduce the impact of physical climate change:<ul style="list-style-type: none">• Our Business Continuity and Resiliency program helps us maintain readiness for extreme events.• From an IT operations standpoint, we have a high degree of data center redundancy for our revenue services and continue migrating from on-premises locations to a more resilient colocation strategy.• We maintain buffer inventories of parts and finished goods within our hardware product supply chain.• We provide financial support to organizations working on climate adaptation measures and habitat restoration.▪ Mitigation measures to reduce transitional risks associated with our energy use and GHG emissions footprint:<ul style="list-style-type: none">• Setting reduction targets for Scope 1 and 2, and Scope 3 GHG emissions that are validated by SBTi, as well as progressing initiatives to deliver the targets.• Investing in renewable energy, including sourcing data center colocation vendors who can provide clean or renewable energy solutions, as well as seeking PPA's to support our office energy usage in global markets. We also enabled 15MW wind and committed to the development of 90MW of solar energy developments through VPPAs.• Establishing green leasing principles to prioritize sustainable energy and energy efficiency projects, including LEED-certified office space.• Asking vendors about their GHG emissions and reduction targets as a step towards decarbonizing and mitigating climate risks in our supply chain.	CDP Report (2.2.1, 2.2.2)
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	The results of our climate-related risk and opportunity assessment, led by the Responsible Business Management Team with cross-functional engagement, are considered in Synopsys' Enterprise Risk Management program, which includes climate change and is reported to the Board of Directors.	CDP Report (2.2.1, 2.2.2)



Metrics and Targets

RECOMMENDATIONS	DISCLOSURE/LINKS TO MORE INFORMATION	2024 CDP REFERENCE
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	<p>Metrics we use to help us understand our exposure to climate-related risks and opportunities include:</p> <ul style="list-style-type: none">▪ Scope 1 and 2, and Scope 3 GHG emissions reduction and progress toward our SBTi validated targets▪ Annual costs to realize our CarbonNeutral® company certification⁹▪ Financial savings/returns from our PPAs, which inform our renewable energy strategy▪ Volume of customer and investor requests for information about our corporate climate strategies and performance, and evolving stakeholder expectations in this area▪ Ratings and rankings that include climate risk management indicators <p>We have added language to our data center provider agreements detailing our commitment to renewable energy.</p>	
Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	<p>Our Scope 1 and 2, and Scope 3 emissions are reported in the GHG Emissions Data Table and in our 2024 CDP Climate Change disclosure.</p> <p>Risks related to our emissions footprint include the potential for policy-driven carbon price increases; reputational risks of reduced ability to attract and retain employees and customers; and regulatory and legal risks of inaccurately reporting our emissions. We have assessed these risks as having a low residual risk rating based on the programs we have in place to manage the risks and reduce our footprint over time.</p>	CDP Report (7.6, 7.7, 7.8)
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	<p>Synopsys is committed to being a part of the transition to a lower-carbon economy both through our industry-leading energy-efficient systems design solutions and by managing emissions arising across our value chain. In 2023, our targets to reduce our value chain emissions were validated by SBTi.</p> <p>Our validated targets are to:</p> <ul style="list-style-type: none">▪ Reduce absolute Scope 1 and 2 GHG emissions 55% by 2032 from a 2019 base year▪ Reduce Scope 3 GHG emissions from employee commuting and business travel 62% per employee by 2032 from a 2019 base year▪ Reduce Scope 3 GHG emissions from use of sold products 62% (per lifetime verification task) by 2032 from a 2019 base year▪ 45% of our suppliers (by spend) for purchased goods and services and capital goods will have their own science-based targets by 2027 <p>Progress toward our targets is reported in the SBTi Progress section of our report. Synopsys has an ongoing initiative to reduce our global data center footprint through a strategy of optimization, consolidation, and decarbonization. Based on our current plans, by 2024 our efforts will have transitioned 770 KW of data-processing capacity to assets and colocation providers that are both more energy efficient and located in regions with less carbon-intensive grids.</p>	CDP Report (7.53, 7.53.1, 7.54)

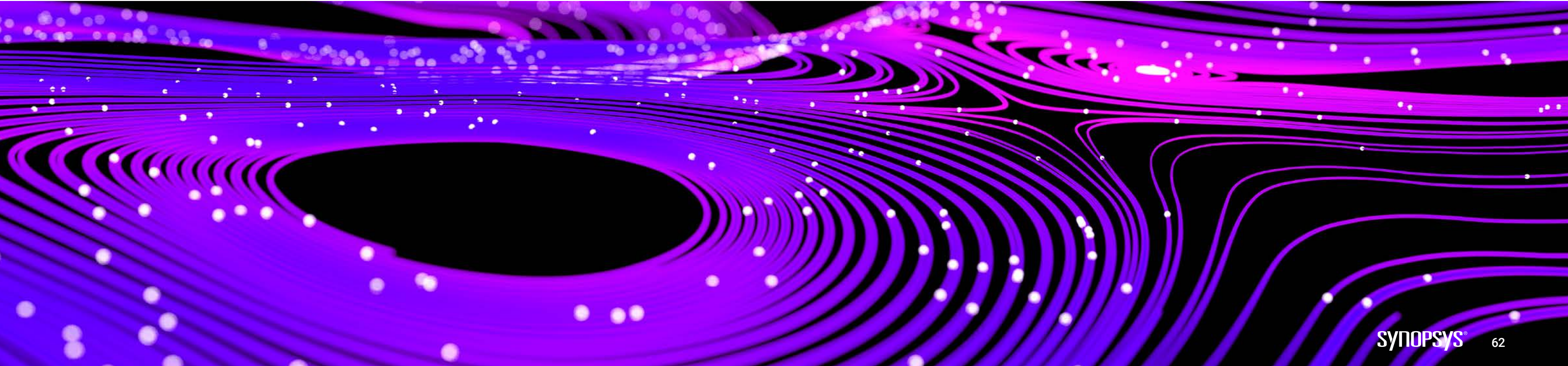
⁹ The purchase of EACs and offsets specifically for the CarbonNeutral® company certification are not accounted for in our emissions inventory, including progress toward our emissions reduction target.

SASB and GRI Consolidated Index

This table covers disclosures that may be found in our 2024 Responsible Business Report, SEC filings, and company website and covers the following frameworks:

- 1. Sustainability Accounting Standards Board (SASB) Standard for the Software & Information Technology (IT) Services industry, which are part of the International Financial Reporting Standards (IFRS). We do not currently disclose all metrics included in the Standard for our sector, but we intend to continue to evaluate them in the future.
- 2. 2021 Global Reporting Initiative (GRI) Sustainability Reporting Standards. We report with reference to the standards.

Unless otherwise noted, all data and descriptions apply to our entire company and are for the fiscal year ending October 31, 2024.





Company Overview

DESCRIPTION	RESPONSE	SASB	GRI
Organizational Details	Synopsys, Inc. (NASDAQ: SNPS) is incorporated in Delaware, in the United States. Our headquarters address is 675 Almanor Avenue, Sunnyvale, CA 94085. For the locations of our operations, see Countries/Regions . For further information, see Synopsys’ Annual Report on Form 10-K for fiscal year ended October 31, 2024.	–	2-1
Entities included in the organization’s sustainability reporting	Regions where Synopsys operates and that are relevant to the topics covered in this report are: the Americas, Europe and the Middle East, Asia Pacific, and Japan. Find more information on our locations here . Operations data in this report also includes majority-owned subsidiaries.	–	2-2
Reporting period, frequency, and contact point	About This Report The Synopsys 2024 Responsible Business Report covers our performance for our fiscal year 2024, which began on November 1, 2023, and ended on October 31, 2024. The exception is our social impact data (calendar year 2024), and as otherwise noted. For more information, contact responsiblebusiness@synopsys.com .	–	2-3
Restatements of information	Emissions data has been updated from prior publications to reflect improved measurement methods and enhanced data quality.	–	2-4
External assurance	We received external limited assurance on the following data: <ul style="list-style-type: none">FY 2024 GHG Emissions Scope 1 and 2, Scope 3 categories relevant to Synopsys See External Assurance Statements: FY24 Emissions Data with independent assurance verification thereon.	–	2-5
Activities, value chain, and other business relationships	Synopsys made no significant changes to the organization’s size, structure, or supply chain in 2024. For additional information, see Synopsys’ Annual Report on Form 10-K for fiscal year ended October 31, 2024.	–	2-6



Environment

DESCRIPTION	RESPONSE	SASB	GRI
(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	1) 354,804 GJ 2) 100% 3) 46%	TC-SI-130a.1	
(1) Total water withdrawn (2) Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Our hardware infrastructure is managed by colocation data center vendors. Water withdrawal and consumption do not fall within our operational control.	TC-SI-130a.2	
Discussion of the integration of environmental considerations into strategic planning for data center needs	Environment: Prioritizing Data Center Efficiency	TC-SI-130a.3	
Energy consumption within the organization (GJ)	Fuel: 20,804 GJ Electricity: 572,496 GJ Total Energy: 592,580 GJ	–	302-1
Energy consumption outside of the organization (GJ)	260,593 GJ	–	302-2
Reduction of energy consumption (GJ)	34,438 GJ	–	302-4
Direct (Scope 1) GHG emissions	GHG Emissions Data Table 2,273 MTCO2e	–	305-1
Energy indirect (Scope 2) GHG emissions	GHG Emissions Data Table Location-based: 51,213 MTCO2e; Market-based: 25,254 MTCO2e	–	305-2
Other indirect (Scope 3) GHG emissions	GHG Emissions Data Table 221,148 MTCO2e All Scope 3 emissions categories are included except Processing of Sold Product and Franchises, as they are not applicable to our business.	–	305-3
Reduction of GHG emissions (MTCO2e)	In 2024, approximately 6,006 MTCO2e of GHG emissions were reduced as a direct result of reduction initiatives of Scope 1 and 2 emissions.	–	305-5



Social

DESCRIPTION	RESPONSE	SASB	GRI
Number of employees	2024 by the Numbers	–	2-7
New employee hires and employee turnover	In fiscal 2024, despite hiring new employees, our total employee headcount decreased by approximately 1%, due to the divestiture of our Software Integrity business. As of our fiscal 2024 year-end, our voluntary turnover rate was 6.4%.	–	401-1
Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social: Total Rewards See our Benefits website for additional information related to employee benefits.	–	401-2
Occupational health and safety management system	Synopsys has implemented an Occupational Health & Safety Management System that enables safe and healthy workplaces globally. We are committed to the health and safety of Synopsys employees, contractors, and visitors through the establishment of policies and standards that emphasize proactive recognition and control of hazards, emergency response procedures, comprehensive safety training, and global health and safety regulatory compliance.	–	403-1
Promotion of worker health	Social: Total Rewards	–	403-6
Average hours of training per year per employee	Social: Building Our Talent for Tomorrow In 2024, approximately 19,000 employees accessed learning through our digital learning platform and instructor led training.	–	404-1
Programs for upgrading employee skills and transition assistance programs	Social: Building Our Talent for Tomorrow In 2024, our leaders completed more than 24,000 learning hours.	–	404-2
Percentage of employees receiving regular performance and career development reviews	Approximately 99% of employees completed a performance review during the reporting period.	–	404-3
Ratio of basic salary and remuneration of women to men	Social: Total Rewards In 2024, women at Synopsys earned an average of \$0.99 for every \$1 men earned in the same position and location.	–	405-2
Employee engagement as a percentage	In October 2024, approximately 91% of our employees participated in the SHAPE survey. We received an engagement score of 80, which was calculated by averaging the scores of all employee responses to questions about job satisfaction on a 100-point scale.	TC-SI-330a.2	



Governance

DESCRIPTION	RESPONSE	SASB	GRI
Governance structure and composition	<p>Governance: Corporate Governance</p> <p>For a comprehensive description of Synopsys’ corporate governance practices, please refer to our most recent Proxy Statement and Annual Report on Form 10-K or visit our Corporate Governance & Ethics website.</p> <p>See Board of Directors</p>	–	2-9, 405-1
Nomination and selection of the highest governance body	<p>To learn more about Synopsys’ process for nominating and selecting members of our highest governance body, see our most recent Proxy Statement.</p>	–	2-10
Chair of the highest governance body	<p>To learn more about the composition of Synopsys’ highest governance body and its committees, visit our Corporate Governance & Ethics website and see the most recent Proxy Statement.</p>	–	2-11
Role of the highest governance body in overseeing the management of impacts	<p>Responsible Business at Synopsys: How We Manage Responsible Business</p> <p>Synopsys’ Corporate Governance and Nominating Committee (CGN Committee) of the Board of Directors has responsibility for oversight of responsible business matters, including risk assessment and management.</p> <p>See our Corporate Governance and Nominating Committee Charter.</p>	–	2-12
Delegation of responsibility for managing impacts	<p>Responsible Business at Synopsys: How We Manage Responsible Business</p> <p>Synopsys’ CGN Committee of the Board of Directors has responsibility for oversight of responsible business matters, including risk assessment and management. The CGN Committee delegates responsibility for managing responsible business related impacts to our Responsible Business Management Team, with the support of the Responsible Business Leadership Committee. The Responsible Business Management Team is made up of senior leaders in the Legal team. The Responsible Business Leadership Committee is comprised of executives representing Finance, Global Marketing and Communications, Hardware Operations, Information Technology, Investor Relations, Legal, People and Places, Safety, Security and Resiliency, and Social Impact. It is responsible for driving environmental, social and governance matters for Synopsys and in their respective areas of responsibility.</p> <p>See our Corporate Governance and Nominating Committee Charter.</p>	–	2-13
Role of the highest governance body in sustainability reporting	<p>Responsible Business at Synopsys: How We Manage Responsible Business</p> <p>Synopsys’ CGN Committee of the Board of Directors has responsibility for oversight of responsible business matters, including Responsible Business reporting.</p> <p>See our Corporate Governance and Nominating Committee Charter.</p>	–	2-14



Governance

DESCRIPTION	RESPONSE	SASB	GRI
Conflicts of interest	Governance: Ethics and Compliance To learn more about Synopsys’ practices to avoid conflicts of interest, see our Code of Ethics and Business Conduct .	–	2-15
Communication of critical concerns	The Synopsys Ethics and Compliance Program Charter requires all allegations of significant misconduct by Synopsys employees, contractors, agents, or business partners be reported to the Audit Committee of the Board of Directors.	–	2-16
Collective knowledge of the highest governance body	To learn more about Synopsys’ highest governance body members and previous experience and expertise, see our most recent Proxy Statement .	–	2-17
Evaluation of the performance of the highest governance body	To learn more about the performance evaluation of Synopsys’ highest governance body, see our most recent Proxy Statement .	–	2-18
Remuneration policies	To learn more about Synopsys’ remuneration policies, see our most recent Proxy Statement .	–	2-19
Process to determine remuneration	To learn more about Synopsys’ remuneration processes, see our most recent Proxy Statement .	–	2-20
Annual total compensation ratio	To learn more about Synopsys’ annual total compensation ratio, see our most recent Proxy Statement .	–	2-21
Statement on sustainable development strategy	CEO Letter	–	2-22
Policy commitments	Governance: Policies and Statements Our precautionary approach is reflected in our Responsible Business program and our Enterprise Risk Management program. The Synopsys Code of Ethics and Business Conduct is a roadmap that guides the behaviors and actions of our workforce across the globe in accordance with our core values, high ethical standards, and legal obligations. For a complete description of Synopsys’ corporate governance practices, please refer to our Annual Report on Form 10-K or visit our Corporate Governance & Ethics website .	–	2-23
Mechanisms for seeking advice and raising concerns	Governance: Ethics and Compliance Synopsys stakeholders are expected to promptly speak up if they believe Synopsys personnel or a Synopsys supplier, vendor, or channel partner is engaging in misconduct. To learn more about Synopsys’ mechanisms for seeking advice and raising concerns, see our Code of Ethics and Business Conduct . The Synopsys Integrity Helpline is a publicly available resource where anyone may report concerns about potential misconduct. Integrity Helpline posters are posted in all major Synopsys offices globally, and every employee receives associated communications during the annual Integrity Awareness Month.	–	2-26



Governance

DESCRIPTION	RESPONSE	SASB	GRI
Compliance with laws and regulations	No significant fines or non-monetary sanctions for non-compliance occurred during this reporting period. We consider significant fines to be those that are required to be disclosed in the company's Securities and Exchange Commission (SEC) filings.	–	2-27
Membership associations	Synopsys is a member of the following associations: <ul style="list-style-type: none">▪ Responsible Business Alliance (RBA)▪ Clean Energy Buyers Association (CEBA)▪ Semiconductor Climate Consortium	–	2-28
Approach to stakeholder engagement	Responsible Business at Synopsys: Engaging Our Stakeholders	–	2-29
Process to determine material topics	Responsible Business at Synopsys: Material Topics We determined the focus of this report by reviewing our most recent environmental, social and governance priority assessment outcomes and through ongoing engagement with our Responsible Business Leadership Committee, our employees, and key external stakeholders, such as our customers and investors.	–	3-1
List of material topics	Responsible Business at Synopsys: Material Topics <ul style="list-style-type: none">▪ Human Capital Management (Talent Management, Employee Engagement, Opportunity and Community, Health and Wellness)▪ Innovation▪ Cybersecurity and Data Privacy▪ Product Security▪ Market Access▪ Crisis Management and Business Continuity▪ Climate Change and GHG Emissions▪ Corporate Governance▪ Ethics▪ Supply Chain▪ Public Policy▪ Social Impact <p>There were no significant changes to the list of material topics compared to the previous reporting period.</p>	–	3-2



Governance

DESCRIPTION	RESPONSE	SASB	GRI
Management of material topics	Governance: Corporate Governance	–	3-3
Operations assessed for risks related to corruption	Internal Audit collaborates closely with our Ethics and Compliance team to assess Synopsys’ operations for corruption risks. These assessments include general evaluations of our anti-bribery and anti-corruption compliance program’s design and implementation, as well as substantive testing to evaluate the program’s practical effectiveness. We also deploy culture surveys in targeted locations to obtain employees’ input on what they are seeing and experiencing, and to whom they are reporting concerns. Additionally, Ethics and Compliance conducts an annual anti-corruption risk assessment as part of its Compliance Risk Assessment process.	–	205-1
Communication and training about anticorruption policies and procedures	Governance: Ethics and Compliance Every employee at Synopsys is required to read, understand, and abide by our Code of Ethics and Business Conduct, affirming their commitment to act with integrity. Employees attest to this requirement at hiring, and also annually through mandatory company-wide training on integrity topics during our annual Integrity Awareness Month.	–	205-2
Legal actions for anti-competitive behavior, antitrust, and monopoly practices	No legal actions were pending or completed during the reporting period regarding anti-competitive behavior or violations of antitrust or monopoly legislation.	–	206-1
New suppliers that were screened using environmental criteria	All new suppliers are required to complete the New Vendor Questionnaire (NVQ), which addresses topics including GHG emissions, conflict minerals, cybersecurity, and data privacy practices. In 2024, approximately 3,200 vendors completed the NVQ questionnaire.	–	308-1
New suppliers that were screened using social criteria	All new suppliers are required to complete the New Vendor Questionnaire (NVQ), which addresses topics including GHG emissions, conflict minerals, cybersecurity, and data privacy practices. In addition, through our Conflict Minerals Due Diligence process for FY24, we received responses from approximately 91% of our suppliers, which account for 99% of our spend on hardware products for this reporting year.	–	414-1
Political contributions	Governance: Political Activities and Contributions See Synopsys’ Political Activities Policy .	–	415
Substantiated complaints concerning breaches of customer privacy and losses of customer data	Since 2015, Synopsys has experienced no material information security breaches. Data breaches that may result in a material adverse effect on Synopsys’ financial position or the business would be disclosed in our public filings with the SEC.	–	418-1
Description of policies and practices relating to targeted advertising and user privacy	Governance: Cybersecurity and Privacy See Synopsys Data Privacy and Protection Statement .	TC-SI-220a.1	–



Governance

DESCRIPTION	RESPONSE	SASB	GRI
Number of users whose information is used for secondary purposes	Synopsys does not use personal information for secondary purposes and uses information only for the reasons we give when we collect the data.	TC-SI-220a.2	–
Total amount of monetary losses as a result of legal proceedings associated with user privacy	In FY24, we had zero monetary losses as a result of legal proceedings associated with user privacy that required disclosure in our public Securities and Exchange Commission (SEC) filings.	TC-SI-220a.3	–
(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of users affected	Since 2015, Synopsys has experienced no material information security breaches.	TC-SI-230a.1	–
Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Governance: Cybersecurity and Privacy	TC-SI-230a.2	–
Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	No legal actions were pending or completed during the reporting period regarding anti-competitive behavior or violations of antitrust or monopoly legislation.	TC-SI-520a.1	–
Number of (1) performance issues, (2) service disruptions and (3) total customer downtime	In 2024, Synopsys did not experience any technology incident that caused a material disruption to our business or to our customers. Synopsys actively monitors the availability and performance of our technology infrastructure.	TC-SI-550a.1	–
Description of business continuity risks related to disruptions of operations	Governance: Business Continuity and Resiliency	TC-SI-550a.2	–

The background of the slide is a microscopic image showing a series of parallel ridges and valleys, resembling a circuit board or a textured surface. A magnifying glass is positioned on the right side, focusing on a specific area of the texture, which is highlighted with a bright, colorful glow. The overall color palette is dark, with shades of green, blue, and purple.

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Our Technology, **Your Innovation**[™]