“For nearly 50 years, ANSYS has embraced corporate responsibility as a reflection of our culture and values. We are committed to extending and deepening our corporate responsibility efforts across the key themes of people, planet and practices while continuing to grow in a sustainable way.

Our stakeholders want to know more about our initiatives to address material, non-financial factors related to environmental, social and governance (ESG) topics. The efforts that we have communicated through our statutory filings and stakeholder engagements have resonated with our audiences. This document is an important step in continuing to communicate with our stakeholders on material ESG topics”

“Ajei S. Gopal
President and Chief Executive Officer

“Corporate responsibility is an important governance topic that encompasses a wide range of issues, including a company’s long-term sustainability as a successful enterprise. As board members, we are continuously engaged with management to evolve and report ANSYS’ corporate responsibility activities.

We are proud of our work and the impact it has on our employees, customers, stockholders and other key stakeholders. However, the board is continuing to work with management in seeking opportunities to improve the corporate responsibility initiatives of our company. We hope the details shared in the accompanying document provide further insight into our corporate responsibility practices.”

Ronald W. Hovsepian
Lead Independent Director
This document contains forward-looking statements, and actual results could differ materially. Risk factors that could cause actual results to differ are set forth in the “Risk Factors” section and throughout our most recent Annual Report and Form 10K that can be viewed at http://investors.ansys.com/financial-information/annual-reports.

These risk factors are subject to update by our future filings and submissions with the U.S. Securities and Exchange Commission.

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SECTION ONE GETTING STARTED
Innovation, inclusiveness, transparency and integrity are key components of ANSYS’ culture and values. Building high-quality, innovative products is the core of our business, and we are committed to creating sustainable, long-term value for our key stakeholders: our investors, customers, employees and partners. We are also responsible for sustaining and improving the environment in which we function.

We are committed to having a positive impact on the lives of people and improving the sustainability of the planet through our products and practices.
Our Corporate Responsibility (CR) program is managed by a committee of select senior leaders from our Human Resources, Finance, Industry Marketing, Investor Relations, Legal, Procurement and Facilities departments. Our General Counsel chairs this committee. Various departments in the company are tasked with specific initiatives. The committee reports progress to the CEO and to the board of directors, which has oversight of our CR activity through its Nominating and Corporate Governance Committee.

Some aspects of corporate responsibility—products, data privacy and security, business continuity and business ethics and integrity—are managed by different groups across the company, subject to committee oversight and board reporting.
People, Planet and Practices are the broad themes of our approach towards Corporate Responsibility. During the course of business, we create opportunities to engage with our key stakeholders both inside and outside the organization. This engagement can be formal (as with employee engagement surveys, technical seminars or investor or analyst days) or informal (such as face-to-face meetings with investors or executive communication meetings).

Our priority areas are informed in part by the outcome of these engagements, as well as by the Software and IT Services sector standard of the Sustainability Accounting Standards Board (SASB), various questionnaires we receive from investor groups, reports from ESG rating agencies and the activities and best practices of our industry peers.

People: Managing a global, diverse and skilled workforce is a critical part of our business. ANSYS believes in giving back to the communities in which we work and reside and in areas aligned to our business through our community relations efforts.

Planet: We believe that through our products, we have an opportunity to help our customers develop clean technologies and products. At the same time, we endeavor to integrate environmental resource management considerations into the planning of our facilities and data centers.

Practices: ANSYS’ position as a leader in engineering simulation is possible primarily due to our constant focus on providing high quality, innovative products to our customers. We acknowledge our customers’ expectations of data security and respect for their privacy, as well as the need to ensure business continuity and unwavering adherence to business ethics and integrity.
Managing a Global, Diverse and Skilled Workforce
We understand that our people make us what we are, and we are focused on recruiting, developing and retaining a global, diverse and skilled workforce.

**COMPENSATION AND BENEFITS**

The Compensation Committee of our board, in consultation with our CEO and HR team, is responsible for reviewing and approving our compensation policies and practices for the executive officers and our employees.

Paying for performance is the guiding principle of ANSYS’ total rewards strategy. ANSYS’ philosophy is to target actual total compensation delivered at the 50th percentile of the market. For sustained superior performance, ANSYS’ philosophy is to deliver premium actual total compensation that is comparable to the upper quartile of the peer group. Each element of compensation is chosen to attract and retain the necessary talent and to reward corporate performance by creating a balance between shorter-term corporate performance and providing incentives for the attainment of long-term strategic goals, which enhance stockholder value. All employees are eligible for restricted stock units (RSUs), which have been granted to more than 50% of our employees over the last two years.

We also provide our employees with comprehensive employee benefit programs suitable to the country in which they work. For example, in the United States, we provide medical, dental and vision insurance, a 401(k) plan, life and disability insurance and flexible spending accounts, with additional plans and programs made available to eligible employees. Please see our ANSYS Benefits page for more details.

We typically do not provide post-termination retirement- or pension-type non-cash benefits or perquisites to our executive officers that are not available to our other employees.
**EMPLOYEE ENGAGEMENT**

ANSYS strives to maintain positive and strong relationships with our employees. Employee feedback and engagement is critical to the success of ANSYS. In 2017, we launched a global employee engagement survey with the goal of using the feedback to improve the work environment and employee satisfaction and engagement. Managers are active in communicating results to their teams and involving employees in the action planning process. We plan to conduct these surveys annually. The learnings from these surveys will help ANSYS continue to drive improvements in key areas. We also encourage employee feedback via our compliance and ethics hotline.

ANSYS encourages our employees to participate actively in every community in which we operate around the world by volunteering their time to community projects or lending their expertise for STEAM-related initiatives. We view our support as an investment in building long-term relationships with the communities in which our employees work and live around the globe.

**DIVERSITY AND INCLUSION**

ANSYS is an equal opportunity employer. Creating an inclusive workplace that promotes and values diversity is important to us.

Our [Code of Business Conduct and Ethics](#) enshrines our commitment to diversity and strictly forbids discrimination, harassment or intimidation based on race, color, religion, national origin, gender, sexual orientation, age, veteran status, disability or any other status protected by applicable federal, state or local law. ANSYS attracts talent of different capabilities and from various backgrounds to develop solutions that support our customers and communities on a global basis. We have always been and always will be committed to promoting diversity.

We have also established an ANSYS Women in Technology initiative to raise awareness for the need to recruit, develop and retain women in our organization and to empower our employees to build their career, confidence and network at ANSYS.

**EMPLOYEE TRAINING**

Because our employees are important to us, we support their professional development by supporting talent development initiatives, offering tuition assistance, paying for selected professional association memberships and events, conducting annual performance assessments and providing continual feedback on performance.

**Employee Training**

Based on employee feedback received during the 2017 Employee Survey, we created the ANSYS Learning Center, which provides easy online access to a catalog of professional development courses for employees.

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**Employee Engagement Survey**

93% of ANSYS employees worldwide participated in our 2017 and 2018 Employee Surveys.

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**#PressforProgress**

On International Women’s Day, our employees across ANSYS—from San Jose and San Diego to Austin, to Pittsburgh, and all the way around the world to Shanghai and India—supported the call to #PressforProgress.
ANSYS UNIVERSITY PROGRAM

We nurture future engineers, technologists and other professionals through relationships with universities. Each semester, we offer students tools and training to bring innovation to life through simulation. And, through various university partnerships and diversity outreach initiatives, we, in turn, seek talent to help us redefine engineering through pervasive simulation.

HEALTH AND WELLNESS

ANSYS supports the health and well-being of our employees. In the United States, we provide onsite wellness fairs and flu shots, wellness screenings, financial planning seminars, seasonal farmers markets, access to nutritional consultants and more. Globally, local offices have organized onsite gyms, sponsorship of half marathons, group runs during the lunch hour and weekly relaxation sessions. We encourage our employees to pursue a healthy work-life balance.
APPRECH TO PHILANTHROPY

We are engaged with our local communities to help those in need. ANSYS invests by partnering with nonprofit organizations that support initiatives to address critical social needs facing the community or region in the following areas: health and human services, education and public welfare and cultural and scientific programs. This includes organizations based in the US and recognized by the United States Treasury Department as tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

We also endeavor to make a difference for engineering students through our products and technology. ANSYS offers students access to our software free of charge, providing them with engineering simulation capabilities for use outside of the classroom and in non-commercial applications. We provide software for university-based student teams participating in competitions such as Formula SAE (FSAE), Solar Challenge, Electronic Design Competition, Solar Splash, SpaceX Hyperloop Pod Design, Racing Aeolus, Human Powered Vehicle Challenge (HPVC) and many more. See our Free Student Products and Students’ sponsorship program pages for details.

EMPLOYEE PARTICIPATION

ANSYS encourages our employees to participate actively in every community in which we operate around the world by volunteering their time to community projects and lending their expertise for STEAM-related initiatives. These efforts are often supported by ANSYS matching funds. It is a part of ANSYS’ culture and values to invest in the communities in which we are located worldwide.

Student Products and Sponsorships

In 2017, ANSYS free student version was downloaded about 260,000 times.

In the same year, we sponsored more than 400 student competition teams worldwide who used our software for vehicle or prototype design.
ASSOCIATION WITH UNIVERSITIES AND ENGINEERING INSTITUTIONS

Our associations with engineering institutions are special to us. Our technology is used for research and/or teaching in around 3,200 engineering schools around the globe, including both undergraduate and graduate degree programs. However, our association with academic institutions has much stronger roots. For example, one of the planned outcomes of our partnership with Carnegie Mellon University is the creation of ANSYS Hall, a new building in the center of the university’s engineering campus that will allow faculty, students, ANSYS researchers and other corporate partners to interact in a large computer-supported collaboration space. As another example, our collaboration with Cornell’s Sibley School of Mechanical and Aerospace Engineering makes a Massive Open Online Course (MOOC) based around our ANSYS Student product available free of charge. Through our collaboration, the Polytechnic University of Madrid (UPM) offers an online master’s degree that uses ANSYS engineering simulation software to train tomorrow’s experts in the area of computational fluid dynamics and structural mechanics.

Supporting the Next Generation of “Makers”

A new nonprofit was formed within our ANSYS community. Started by an ANSYS employee, Matt’s Maker Space Inc. has a vision to inspire a new generation of creative, collaborative and experiential learners through STEAM-focused programming. ANSYS has been a part of their community, and many ANSYS employees have volunteered their time to make this vision a reality. Matt’s Maker Space is a way of giving back to the community by providing funding to help those who cannot otherwise afford or obtain access to these amazing spaces. This includes schools, libraries, community centers and preschools. It will also provide maker programming and scholarships to youths who want to create and be makers. Maker spaces may well produce the next generation of ANSYS employees!
Clean Technology Contributions Through ANSYS Products
At ANSYS, we recognize that sustainability and the transition to a low-carbon economy are fundamental drivers of business and technology.

For nearly five decades, we have worked with our customers and partners to help design, develop and operate products to reduce carbon emissions, from nuclear reactors to electric cars. ANSYS solutions help pioneers of modern technology to evaluate new concepts and accelerate product development using computational methods by enabling them to virtually test the performance of their products and processes for real-life deployment. Engineering simulation is useful for most environmental and sustainability applications including energy efficiency, reduced greenhouse gas emissions and reduced water usage.

**ENERGY-EFFICIENT CONFIGURATIONS FOR CUSTOMERS' PRODUCTS**

Applications of ANSYS solutions are not just for energy and power generation companies. Benefits can be seen across the entire supply chain of products and services. Examples include:

+ Reduce material usage and weight (lightweighting), lowering transportation and construction costs
+ Electrify transportation, industrial machinery and distributed power
+ Develop more energy-efficient equipment and increase system energy intensity
+ Reduce emissions, capture pollutants
+ Reduce waste water and process heat
+ Recapture material (recycle)

As a result, ANSYS customers can innovate and evolve their products to work towards a lower carbon footprint for the entire product life cycle.
MORE SUSTAINABLE DESIGN FOR ENERGY SYSTEMS

More directly, ANSYS solutions are used to accelerate innovation and ensure sustainable design for energy systems.

Consider the design and development of a tree-like wind power generator with steel branches and plastic leaves. ANSYS customer New Wind used engineering simulation to help create an aesthetically pleasing alternative energy source for urban environments, bringing energy generation closer to people. Aeroleaf® design enables energy production by capturing wind in specially shaped plastic "leaves". New Wind engineers were able to design and predict the real-world operation of the aerodynamic, structural and electromagnetic parameters of the wind tree that their company’s founder had envisioned only a few years before.

You can read more about how our products help energy system simulation in Breakthrough Energy Innovation.

SOLUTIONS FOR INDUSTRIES AND EMERGING TECHNOLOGIES

In addition to clean technology and renewable energy systems, ANSYS solutions are used by industry segments most expected to change and be disrupted1 by innovation and sustainability requirements. Primary industries include the Automotive, Energy, Mining, Water and Wastewater, High-Tech and Industrial industries. ANSYS has also been developing solutions catered to emerging technologies for Autonomous Vehicles, energy storage and Battery Management Systems and manufacturing through the Industrial Internet of Things (IIoT) and Additive Manufacturing.

1Source: https://www.cleantech.com/industries/ accessed on 8/3/18
02 Environmental Resource Management
We are committed to pursuing creative and cost-effective technology solutions and employing best practices to save energy and water and to recycle waste at our facilities and data centers.

INTEGRATION OF ENVIRONMENTAL CONSIDERATION IN STRATEGIC PLANNING FOR FACILITIES AND DATA CENTER NEEDS

ANSYS has numerous ongoing sustainability initiatives at our facilities and data centers, based on the suitability of such initiatives to each location. These initiatives include, among other things, a LEED certified corporate headquarters as well as recycling and water and energy conservation initiatives at our various locations around the world. These initiatives will be made part of our global workplace strategy starting in 2020.

Energy-conservation-related initiatives at our various locations include the replacement of inefficient old equipment with more efficient technology, the implementation of control schemes to reduce energy consumption, air containment strategies, free cooling, motion sensitive lighting and “bike-to-work” initiatives. Starting in 2018, we are expanding our initiative of using green construction materials for the interiors of new office projects worldwide.

ELECTRONIC WASTE

Across our locations, we ensure that all electronic waste is recycled. We endeavor to select IT vendors that have buy-back programs to ensure that such waste is disposed of in the most environmentally friendly manner possible. For our locations in India, we also endeavor to find opportunities to repurpose such equipment for initiatives helping to bridge the digital divide.

Renewable Energy Initiative

A 140 kWp rooftop solar power plant project initiated at our Pune, India office is expected to reduce CO₂ emissions by 6,300 tons over the lifecycle of the project. This is estimated to be equivalent to planting 25,200 trees.
SECTION FOUR
PRACTICES
01 Products
PRODUCT QUALITY

ANSYS provides quality products with reliability customers can trust, allowing our customers to analyze designs in less time and be assured of accurate results.

Our employees generally perform product development tasks according to predefined quality plans, procedures and work instructions. Certain technical support tasks are also subject to a quality process. These processes and plans define, for each project, the methods to be used, the responsibilities of project participants and the quality objectives to be met. We establish quality plans for both our products and services. Our product designs are subjected to multiple levels of testing and verification in accordance with processes established under our quality system.

Read more about this topic on our Quality Assurance page.

PRODUCT INNOVATION

We know that being a market leader means we must be constantly innovating. Our customers depend on us to develop new solutions that in turn enable them to drive innovation across their industries. We are passionate about expanding our technology into new areas to benefit our customers.

Simulation is being adopted across the entire product lifecycle, empowering engineers to imagine more options—a trend ANSYS calls Pervasive Engineering Simulation. In our continuing effort to help our customers tame complexity and bring innovation to market, we have embarked on a mission to deliver on these evolving customer needs. This focus ensures that our product offerings extend across the full spectrum of the product life cycle.

Our focus on innovation means we have engineering simulation solutions that our customers can adopt to drive innovation in the engineering space for some time to come, covering trends like Digital Twins and Metal Additive Manufacturing.

Delivering Pervasive Engineering Simulation

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Data Privacy and Data Security
ANSYS is committed to utilizing appropriate policies and practices to protect the personal and protected data of our customers, partners and employees. ANSYS Privacy and Information Security teams work closely to identify and address potential risks to the security of personal and protected data throughout the lifecycle of its collection and use.

**DATA PRIVACY**

Our global privacy program, administered by our Global Data Privacy Director (also serving as the company’s Data Protection Officer for regulatory compliance purposes), includes appropriate policies, procedures, training, security measures, oversight and verification mechanisms to meet ANSYS’ compliance obligations around the world while striving for continuous improvement.

The Global Data Privacy Director (reporting to the Company’s General Counsel) works together with the Global Information Security Director to oversee data privacy compliance and to manage data protection risks for the organization while also driving more efficient ways of sharing valuable customer insight data across core teams. Training; process mapping, improvement and documentation; requirements gathering and problem-solving with a view towards enterprise uses of data; and an agile approach to adopting appropriate industry standards and practices to meet customer-driven requests are the foundation of this program. See our Privacy Notice for more information about how we manage personal data.
DATA SECURITY

The ANSYS Information Security Office (ISO) is passionate about security and committed to delivering and maintaining a global enterprise information security program. Our program, administered by the Global Information Security Director, is designed based on industry standard frameworks and is continuously improved to address ever-changing threats and to embrace Our Values and commitment to our customers.

Our approach is intelligence driven and risk based. It allows key business leaders throughout the organization to prioritize and mitigate risk effectively and protect what matters most. Maintaining this program is possible only by promoting the right company culture among our employees and business partners and by fostering the perfect partnership with our Global Data Privacy Director and our senior leaders as well as our board of directors. The Audit Committee of the board also provides oversight over cyber-security.

Information security encompasses all aspects of ANSYS, from our employees to our customers and the products and services we deliver. Building a strong corporate culture that values security is just as important as employing next-generation security technologies. We employ prevention, detection and response capabilities to protect from external and internal threats along with continuous training and education for our employees, ensuring they are empowered to lead our first line of defense. Our employees always have a direct line to the ISO to report potential risks and threats, giving us the ability to quickly adjust.
Business Ethics and Integrity
Our organization was founded on the belief that integrity and ethical conduct are fundamental to our long-term success. When conducting business on behalf of ANSYS, we must not only comply with the rules and regulations that apply to our business, but we must make sound ethical business decisions that uphold the reputation and integrity of ANSYS and all of its employees.

CODE OF BUSINESS CONDUCT AND ETHICS

Our Code of Business Conduct and Ethics, or Code, is an expression of the company’s core values of innovation, excellence and integrity. The Code applies to all employees, officers and directors of the company and its subsidiaries. The Code sets forth the company’s expectations for behavior to meet the ethical and legal standards that keep our company competitive. Our Code is available on our corporate website.

EMPLOYEE PARTICIPATION AND TRAININGS

Maintaining an ethical culture at ANSYS depends on each and every employee. Employees are encouraged to ask questions, seek guidance and report any suspected violations of the Code or policy using a variety of methods that are available to them. In addition, company policy expressly forbids retaliation of any kind against employees, customers or vendors who make a report in good faith.

All newly hired employees are trained on the Code and workplace harassment. All employees complete an annual certification on the Code and related policies. Additionally, all employees are retrained on the Code and workplace harassment every two years. Other trainings, both in-person and online, are disseminated as needed.

OUR CHANNEL PARTNERS

We expect the same level of integrity and ethical conduct from our partners, suppliers and service providers. Our channel partners, as well as our notable suppliers and service providers, are required to conform to ethical practices as part of the contracting process.
04 Business Continuity and Incident Response
An unplanned business interruption can result from the loss of a critical service (e.g., computer processing, telecommunications), a loss of building access, physical facility catastrophe (e.g., fire, flood, etc.) or another incident or crisis that impacts the business. The ANSYS Business Continuity and Incident Response process is designed to provide an immediate response to any unplanned business interruption and to facilitate the subsequent recovery.

A centralized group oversees response and recovery activities and supports the recovery of impacted teams. ANSYS has corporate policies and procedures for disaster recovery and information security. Policies support each area and services exist to assess, mitigate and remediate any negative impacts of such an interruption. In addition, ANSYS has emergency response plans that focus on safeguarding staff and recovering facilities following a site-level disruption.

BUSINESS CONTINUITY

Business continuity focuses on the recovery or continuity of critical business processes within ANSYS business units. Disaster recovery plans outline measures for the restoration of critical systems and data in the event of a crisis or disaster, including the loss of a data center. In addition, ANSYS has a crisis management process that focuses on decision making and communication during a crisis. The recovery process establishes the strategies, resources and procedures required to recover from any short- or long-term business interruption. As part of this recovery plan, customer support requirements have been incorporated and are also overseen by the incident management team.

INCIDENT RESPONSE PLAN

The goal of the ANSYS Security Incident Response Plan is to detect, quantify and respond to security incidents in a responsible manner that minimizes the impact to ANSYS and keeps all stakeholders informed at the appropriate stages. Roles and responsibilities, categorization of incident types, general methodologies, relationships to other policies/procedures and notification requirements and stages are defined in the Incident Response Plan. The ANSYS Information Security team is charged with executing this plan.
For further information, please contact our Corporate Responsibility Coordinator at corporateresponsibility@ansys.com