

# PHOENIX TECHNOLOGIES LTD.

## Code of Ethics

### Introduction

Phoenix Technologies Ltd. (the "Company") is committed to maintaining the highest standards of ethical conduct. This Code of Ethics reflects the business practices and principles of behavior that support this commitment. Our Board of Directors is responsible for setting the standards of conduct contained in this Code and for updating these standards as appropriate to reflect legal and regulatory developments. We expect every employee, officer and director to read and understand this Code and its application to the performance of his or her business responsibilities. We will hold each of our employees, officers and directors accountable for adherence to this Code. Those who violate this Code will be subject to disciplinary action, up to and including termination. In addition, third parties representing Phoenix – such as consultants, contractors and agents – will be provided with this Code of Ethics and required to comply with applicable terms when performing work for the Company.

### Compliance Officer

The Company has designated the Company's General Counsel as the Compliance Officer to administer this Code. Employees, officers and directors may, at their discretion, make any report or complaint provided for in this Code to the Compliance Officer. The Compliance Officer will refer complaints submitted, as appropriate, to the Board of Directors or an appropriate Committee of the Board.

### Compliance With Applicable Laws

All employees, officers and directors of the Company must comply with all of the laws, rules and regulations of the United States and other countries, as well as all states, counties, cities and other jurisdictions, applicable to the Company or its business. Local laws may in some cases be less restrictive than the principles discussed here. In those situations, you must comply with this Code even if your conduct would otherwise be legal. On the other hand, if local laws are more restrictive than these standards, you must comply with the applicable local laws.

This Code of Ethics does not summarize all laws, rules and regulations applicable to the Company and its employees, officers and directors and provides only general guidance. This Code is intended to supplement, and not replace, the various guidelines and documents the Company has prepared on specific laws, rules, regulations and policies that you should be aware of, such as the Company's Employee Guide, Insider Trading Policy, Records Retention Policy, Electronics Communications Policy and Blogging and Internet Communication Policy. Please consult with the Compliance Officer if you have questions about laws that you think may be applicable to the Company or its business.

### Conflicts Of Interest

A "conflict of interest" may exist whenever the private interests of an employee, officer or director conflict in any way (or even appear to conflict) with the interests of the Company. While our employees, officers and directors should be free to make personal investments and enjoy social relations and normal business courtesies, they must not have any personal interests that adversely influence the performance of their job responsibilities. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her Company work objectively. Conflicts of interest may also arise when an employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company, whether received from the Company or a third party. Loans to, or guarantees of obligations of, employees, officers and directors and their respective family members may create conflicts of interest. Federal law prohibits loans to directors and executive officers. In addition, it is almost always a conflict of interest for a Company employee or officer to work simultaneously for a competitor, customer or supplier.

Although it is not always possible to avoid conflicts of interest, it is the Company's policy to prohibit such conflicts when possible. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with a member of management or the Compliance Officer. Any employee, officer or director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor or the Compliance Officer.

## **Corporate Opportunity**

Except as may be approved by the Board of Directors or a committee of independent directors, employees, officers and directors are prohibited from (a) taking for themselves personally opportunities that belong to the Company or are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain; and (c) competing with the Company.

## **Confidentiality**

All employees and officers, under the confidentiality agreement they signed when they joined the Company, and all directors, must maintain the confidentiality of confidential information entrusted to them by the Company or its suppliers or customers, except when disclosure is authorized by the Company or required by laws, regulations or legal proceedings. As more fully described in the confidentiality agreement, "confidential information" includes, but is not limited to, non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers if disclosed, or information material to a decision to invest in the Company's stock that has not been publicly disclosed. Whenever feasible, employees, officers and directors should consult with the Compliance Officer if they believe they have a legal obligation to disclose confidential information.

## **Fair Dealing**

Each employee, officer and director should endeavor to deal fairly with the Company's customers, suppliers, competitors, officers and employees. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice. Stealing proprietary information, misusing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited.

## **Protection and Proper Use of Company Assets**

All employees, officers and directors should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.

## **Anti-Corruption**

No one acting on the Company's behalf may directly or indirectly use bribes or other corrupt practices in conducting Company business to influence any federal, state or local government employee in any country. You are required to comply strictly with all ethical standards and applicable laws in every country in which Phoenix does business. As a Phoenix employee wherever located in the world, you must comply with all elements of the U.S. Foreign Corrupt Practices Act (FCPA). The FCPA prohibits giving or offering to give anything of value, any payment, gift, entertainment or service to foreign government officials and employees (including employees of government-owned or controlled businesses), foreign political parties or public international organizations (e.g., the Red Cross) for the purpose of obtaining or retaining business or to secure an improper advantage. If you have any questions or would like to discuss any particular situation, please contact the Compliance Officer.

## **Accounting Complaints**

The Company's policy is to comply with all applicable financial reporting and accounting regulations applicable to the Company. Employees, officers or directors who have concerns or complaints regarding questionable

accounting or auditing practices are encouraged to promptly submit those concerns or complaints (anonymously, confidentially or otherwise) to the Audit Committee of the Board of Directors, which, subject to its duties arising under applicable law, regulations and legal proceedings, will treat such submissions confidentially. Such submissions may be directed to the attention of the Audit Committee, or any director who is a member of the Audit Committee, at the principal executive offices of the Company. Additionally, the Company has in place a whistleblower hotline operated by an independent third party provider to meet the requirements of Section 301 of the Sarbanes-Oxley Act, which obligates companies to establish procedures for the receipt, retention and treatment of employee complaints regarding accounting and auditing matters. Employees, officers or directors who have concerns or complaints regarding questionable accounting or auditing practices may anonymously report such matters using the whistleblower hotline.

## **Reporting Any Illegal Or Unethical Behavior**

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about any observed illegal or unethical behavior and, when in doubt, about the best course of action in a particular situation. Any employee, officer or director who believes that a violation of this Code or any other illegal or unethical conduct by any employee, officer or director has occurred or may occur should promptly report such conduct to a supervisor, a corporate officer or the Compliance Officer. Such reports may be made confidentially or anonymously. Confidentiality will be protected, subject to applicable law, regulation or legal proceedings.

## **No Retaliation**

The Company will not permit retaliation of any kind by or on behalf of the Company or any of its employees, officers or directors against anyone who makes a good faith report or complaint that a violation of this Code or other illegal or unethical conduct has occurred.

## **Enforcement**

Employees who violate the spirit or letter of this Code will be subject to disciplinary action. The Company intends such disciplinary action to reflect our belief that all employees, officers and directors should be held accountable to the standards of conduct set forth herein. Accordingly, such disciplinary action may include, without limitation, censure by the Board, demotion, re-assignment, suspension or termination for cause, depending on the nature and the severity of the violation.

## **Public Company Reporting**

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission be accurate and timely. Depending on their respective positions with the Company, employees, officers or directors may be called upon to provide information necessary to assure that the Company's public reports are complete, fair and understandable. The Company expects employees, officers and directors to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements.

## **Amendment, Modification and Waiver**

The Compliance Officer has the authority to make administrative changes to this Code. Any substantive changes to this Code or waivers of its applicability to any employee, officer or director must be approved by the Board of Directors, subject to the disclosure and other provisions of the Securities Exchange Act of 1934, as amended, and the rules thereunder and the applicable rules of the Nasdaq Global Market.

Updated: January 2008