VERINT

ESG Report **2020**

Environmental, Social and Governance (ESG)
Performance Highlights

V

Contents

CEO Message

*Global Citizenship and Local Impact
for a Sustainable Tomorrow*

Verint helps the world's most iconic brands — including over 85% of the Fortune 100 companies — build enduring customer relationships by connecting work, data and experiences across the enterprise. The Verint Customer Engagement portfolio draws on the latest advancements in AI and analytics, an open cloud architecture, and The Science of Customer Engagement™ to help customers close the Engagement Capacity Gap.™

We are committed to delivering bold and innovative solutions for our diverse customer base. At the same time, we consistently strive to make the world a better place by using our technology and innovation to bring about positive change. As our world grows more complex and interconnected, social responsibility is not only a competitive differentiator or a business imperative, it is simply the right thing to do.

As a global leader in our markets, we take the responsibility of working to improve our sustainability performance seriously. We focus on a variety of areas from measuring our energy consumption to factoring in environmental design elements and end-of-life thinking into our products.

Our ability to provide our solutions and to impact the communities in which we work and operate is dependent on our people. Our management engages with our employees quarterly in a forum for them to ask questions and share suggestions. We emphasize employee development by providing a range of resources including development programs and technical and leadership training to facilitate employee success. We strive to provide competitive, fair compensation to all of our employees as well as substantial non-paid benefits. In addition to base salary, Verint affords its employees bonuses and other types of economic incentives based on the company's general financial performance including equity programs, profit sharing and other special

awards. Verint offers a comprehensive benefits package with many company-paid offerings that offer protection and value to our employees and their families, including paid time off, tuition reimbursement, paid training and wellness programs.

We also recognize the importance of corporate social responsibility and embrace opportunities to support the communities in which our employees live and work. In 2005, we launched Verint's Next Generation program to engage Verint's local employees around the globe in meaningful social and environmental projects to impact their local communities. Our program targets improving the lives and opportunities of children – the Next Gen – by working with qualified non-profit organizations that support the physical, educational, safety and social needs of children in our communities around the world.

Finally, we are committed to good governance practices, which take into consideration the interests of our key stakeholders, including customers, partners, employees, and investors.

This ESG Report is written by reference to the Global Reporting Initiative's (GRI) Sustainability Reporting Standards (SRS). We are proud of the environmental sustainability, social, and governance achievements that are outlined in this report and we are committed to continuing to improve in the future, pursuing initiatives, activities, and policies that foster a more sustainable, more informed, and better tomorrow for all of our stakeholders.

Dan Bodner
Chief Executive Officer and Chairman of the Board of Directors

VERINT.

3

About Verint – What We Do

Our Business

On February 1, 2021, Verint became a pure play customer engagement company with the completion of the spin-off of our Cyber Intelligence business into an independent public company called Cognyte Software Ltd. Cognyte is a global leader in security analytics software that empowers governments and enterprises with Actionable Intelligence® for a safer world.

Today, as a pure play customer engagement company, Verint supports brands that are challenged by new workforce dynamics, ever-expanding customer engagement channels and exponentially more consumer interactions – all with limited budgets and resources. Verint provides these organizations with solutions that are based on artificial intelligence (AI) and analytics to automate workflows across enterprise silos to help optimize workforce expense and at the same time drive an elevated consumer experience. Verint is uniquely positioned to help organizations close the Engagement Capacity Gap™ with our differentiated Verint Cloud Platform.

This report contains information on our Environmental, Social and Corporate Governance (ESG) programs and initiatives for the year ended January 31, 2021. Although Cognyte was part of Verint throughout such period, we have excluded Cognyte from the data included in this report so that is primarily focused on Verint's ongoing operations, unless otherwise noted.

Verint is headquartered in Melville, New York, and has more than 40 offices worldwide that are comprised of small and mid-sized facilities that are used to support our administrative, marketing, manufacturing, product development, sales, training, support and services needs.

Employee Location Data

As of January 31, 2021, excluding the Cognyte business, we employed over 4,300 professionals, including certain contractors, with approximately 47%, 32%, and 21% of our employees and contractors located in the Americas, EMEA (including Israel), and APAC, respectively. The geographical division of employees is as follows:

Location	Percentage of Total Employees
Americas	47 percent
EMEA *(including Israel)*	32 percent
APAC	21 percent

Our Core Values

Through our business activities and interactions with stakeholders, we work to realize our five core values:

- The **integrity** to do what's right.
- The **innovation** to create leading solutions for real-world challenges.
- The **transparency** that fuels mutual trust and productive, collaborative working relationships.
- The **humility** to view our successes as milestones in our journey, and our mistakes as opportunities for improvement.
- A **passion** for making our customers and partners successful.

These values are the foundation at the heart of our business activities, engagements and relationships with stakeholders—as well as our corporate responsibility program.

Our Commitment to a Better Tomorrow

Stakeholder Expectations and Communications

Communicating with our stakeholders is important to us and something we do through a variety of channels. The table below outlines what we have learned about the expectations of our stakeholders with respect to ESG from these communications and the methods used to communicate (in addition to this annual ESG Report).

Stakeholder Group	Expectations	Methods of Communication
Management	• Safe and healthy work environment for employees • Proper environmental and sustainability performance according to industry benchmarks • Execution toward meeting business results • Fulfillment of commitments to customers • Developing and fostering a good and productive relationship with customers	• Quarterly and annual sustainability progress updates

Stakeholder Group	Expectations	Methods of Communication
Employees	• Management leadership and commitment to Environmental Health & Safety (EHS) principles • Opportunities for professional training and advancement • Openness to employee ideas and concerns • Taking part in doing good for local communities and the environment • Fostering a safe, healthy, and inclusive work environment	• Participation in health & safety committees • Career & performance feedback sessions and development opportunities • Volunteer opportunities through our Next Generation program • Internal Verint sites and content repositories such as Global Connect and Verint Connect, executive messaging / blogs, newsletters and e-learning
Customers	• Compliance with legal requirements for products • Organizational commitment to EHS principles as part of the company's Corporate Social Responsibility (CSR) strategy	• Information and marketing on products and their specifications • RFPs/surveys • Relevant sustainability and corporate governance information on the company's website
Stockholders	• Compliance with legal requirements • Sound economic performance • Ethical conduct • Disclosure on ESG performance	• Annual report on Form 10-K • Earnings calls and relevant financial performance updates • Corporate governance policies
Certification & Accreditation Bodies	• Compliance with ISO/OHSAS standards • A global strategic and annual certification audit plan • Compliance with global and local EHS requirements	• Reporting on compliance with relevant standards • Audits • Communication with the Quality and Sustainability team
Non-Governmental Organizations (NGOs)	• Reporting and tracking environmental and social performance	• Relevant sustainability and corporate governance information on the company's website

Stakeholder Group	Expectations	Methods of Communication
Local Communities and Society at Large	• Clear communication and opportunities for dialogue • Ongoing consideration of how to foster economic and social development	• Relevant sustainability and corporate governance information on the company's website • Marketing and communications • Targeted support for local community non-profits
Suppliers and Subcontractors	• Fostering productive relationships with suppliers • Clear definition of requirements and expectations • Reporting mechanisms	• Clear policies and written expectations from suppliers and subcontractors • On-going communication with the Procurement team
Legal Authorities	• Compliance with applicable laws	• Reporting on compliance with relevant standards • Annual report on Form 10-K

Verint's Material ESG Issues

We have conducted a benchmark study of similar companies in the software and technology industry sectors in order to identify the ESG issues that are of highest relevance to businesses like ours and that are likely to have the highest impact on our sustainability. We used the ESG issues identified in that study to shape the content of this report and to inform the nature of our corporate social and environmental responsibility strategies.

Matrix of Material Issues:
Measurement of Business & Sustainability Impact

The following materiality matrix outlines the key issues we identified from our benchmarking study as well as their relative expected impact on our business and our sustainability.

Environment	Social	Economics & Governance
• Electronic Waste & Recycling • Energy Management	• Quality of Products & Services and Logistics • Employment, Career Management, and Skill Development • Customer Data Privacy & Cybersecurity • Health, Safety, and Wellbeing in the Workplace • Community Involvement & Giving	• Economic Performance • Ethical Conduct & Anti-Corruption • Innovation in Products & Services • Risk Management, Legal Frameworks, and Regulations • Local Economic Impact • Social and Environmental Investment

Verint Systems Materiality Matrix
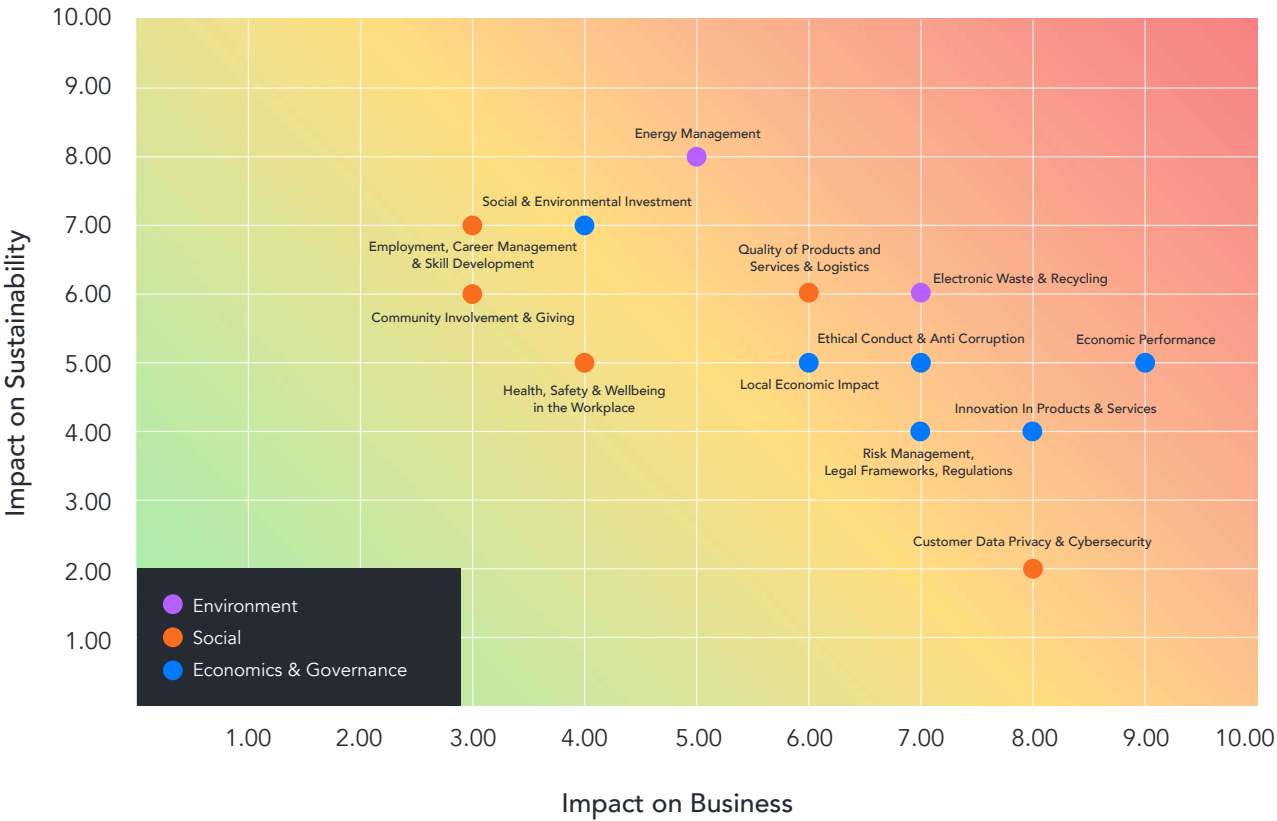
Our Corporate Responsibility & Sustainability Program

Verint's Global Corporate Responsibility & Sustainability function covers ethics and compliance, enterprise risk management, information security, internal audit, and process improvement. We are committed to enhancing our Global Corporate Responsibility & Sustainability Program to help meet the needs of evolving markets, emerging technologies, and a changing world. We also participate in forums dedicated to the evolution and success of these initiatives and encourage our employees to pursue an active role in their advancement. Learn more here.

Verint has developed several programs for instilling and realizing our corporate, social and environmental goals. In establishing these programs, which include policies, codes of conduct, and activities, we work to address our various stakeholders' expectations and to meet our organizational goals. Our Code of Conduct and many of our policies are available to the public on the "Corporate Governance" section of our website and outline our commitments to proper environmental, social, corporate and economic governance.

Our Models for Corporate Social Responsibility (CSR) Engagement

The United Nations has set 17 Sustainable Development Goals (SDGs) and 169 relevant targets for each of those goals. Through collaboration, policy making and value-driven engagement, participants in the public and private sectors – governments, non-governmental organizations, individuals and businesses – are expressing their commitments to help realize many of the SDGs and relevant targets by 2030. We have engaged with our stakeholders on these goals and considered them as part of our materiality assessment discussed above.

The SDGs and relevant targets that we found to correlate with our business include:

Sustainable Development Goal (SDG)	Relevant Targets	Relevant Materiality Matrix Issues
Quality Education and Lifelong Learning Opportunities	**4.4:** Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. **4.7:** Ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development. **4.8:** Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all.	• Employment, Career Management, and Skill Development • Community Involvement and Giving • Local Economic Impact • Social and Environmental Investment
Decent Work and Economic Growth	**8.2:** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation. **8.3:** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation. **8.5:** Achieve full and productive employment and decent work for all women and men. **8.6:** Substantially reduce the proportion of youth not in employment, education or training.	• Employment, Career Management, and Skill Development • Innovation in Products and Services • Local Economic Impact
Industry, Innovation and Infrastructure	**9.2:** Promote inclusive and sustainable industrialization. **9.5:** Enhance scientific research and upgrade the technological capabilities of industrial sectors in all countries.	• Quality of Products and Services and Logistics • Innovation in Products and Services

Sustainable Development Goal (SDG)	Relevant Targets	Relevant Materiality Matrix Issues
Responsible Consumption and Production	**12.5:** Substantially reduce waste generation through prevention, reduction, recycling and reuse. **12.6:** Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.	• Electronic Waste and Recycling • Social and Environmental Investment • Risk Management, Legal Frameworks, and Regulations

In addition, Verint is a member of EcoVadis, a sustainability ranking and scorecard organization for the supply chain that monitors corporate social responsibility (CSR) and ESG performance. Verint has been an active member of EcoVadis for the past four years

Environmental Sustainability and Resource Management

Our commitment to environmental stewardship is factored into the management of our global operations, including in the design of our products (from the use phase and through disposal), in our everyday working habits, including the encouragement of virtual meetings rather than in-person travel to help reduce greenhouse gases, and in the management of our relationships with suppliers and other key stakeholders. We try to consider the environmental impact of our activities and to measure and track our performance, where possible, using key performance indicators (KPIs), such as measurement of energy resource consumption.

The following discussion outlines our environmental activities and performance during calendar year 2020. Our Business Continuity Management team submits reports on this information to management periodically. These reports serve as an opportunity to review our environmental performance and set targets for improvement for the future. Our environmental program is managed according to ISO 14001 for Environmental Management. Through this standard, we work to establish company-wide guidelines and to systematically assess our performance. In addition, and through our Environmental Health and Safety Policy (EHS Policy), we manage our environmental impact such as energy usage, health and safety, and facilities operations and management.

The data in this section is subject to internal and external audits in line with our EHS Policy and ISO 14001 requirements. Data that supports public commitments, such as our goals to reduce greenhouse gas (GHG) emissions, are subject to third-party validation.

Energy Management

Energy Resources Used in Operations and Maintenance

As a technology company, Verint relies on energy resources, primarily electricity consumption, for powering the operation of our global offices and in the deployment of our solutions. We are committed to reducing our dependence on non-renewable energy sources and our consumption of energy where possible.

Our company-wide commitment to reducing energy consumption and increasing efficiency is outlined in our EHS Policy. The policy is an integral part of our corporate culture.

We measure our electricity consumption on a global scale, generating a monthly average for electricity consumption for our offices included in our ISO 14001 certification. This data includes electricity used for normal building usage and critical equipment that supports our data centers. In addition, we have historically analyzed the average electricity consumption per employee. Each year, we set an organizational goal for reducing our electricity consumption, and endeavor to enhance our electricity usage tracking capabilities at all major offices going forward.

In 2020, our total electricity consumption fell by approximately 12% as a result of our temporary work from home policy implemented due to the global COVID-19 pandemic. This translates into a 7.5% reduction of energy consumption per employee for the year 2020.

We continue to evaluate opportunities to reduce annual energy usage by consolidating or eliminating redundant or underutilized office space. We endeavor to continue to reduce electricity use at our facilities and to reduce average consumption per employee.

Energy Resources Required for Use of Products and Services

As part of our commitment to deliver the most advanced solutions to our customers, we take factors such as energy use and savings into consideration. Our research, development, and product management teams monitor the efficiency and environmental impact of the third-party hardware solutions we offer, and make efforts to reduce energy usage and prolong the lifespan of our products. We also endeavor to adhere to relevant Energy Star® requirements[1] applicable to our products to offer downloadable or cloud-based software solutions where possible, and to distribute our marketing and other communication materials electronically.

Most of our product offerings are now available in the cloud, which can cut energy usage compared to traditional on-premises deployments while giving our customers the flexibility and resiliency to maintain operations in a variety of circumstances. Our multi-tenant cloud offerings result in sharing computing resources among many customers, where we can achieve economies of scale, especially when it comes to carbon emission and energy consumption. We seek to partner with cloud hosting

---

[1] *Energy Star® is a voluntary program launched by the US Environmental Protection Agency (EPA) and now managed by the EPA and the US Department of Energy (DOE) that helps businesses and individuals save money and protect the environment through superior energy efficiency.*

Monthly Avg. Electricity Consumption (mwh) vs. Electricity Per Employee (kwh)
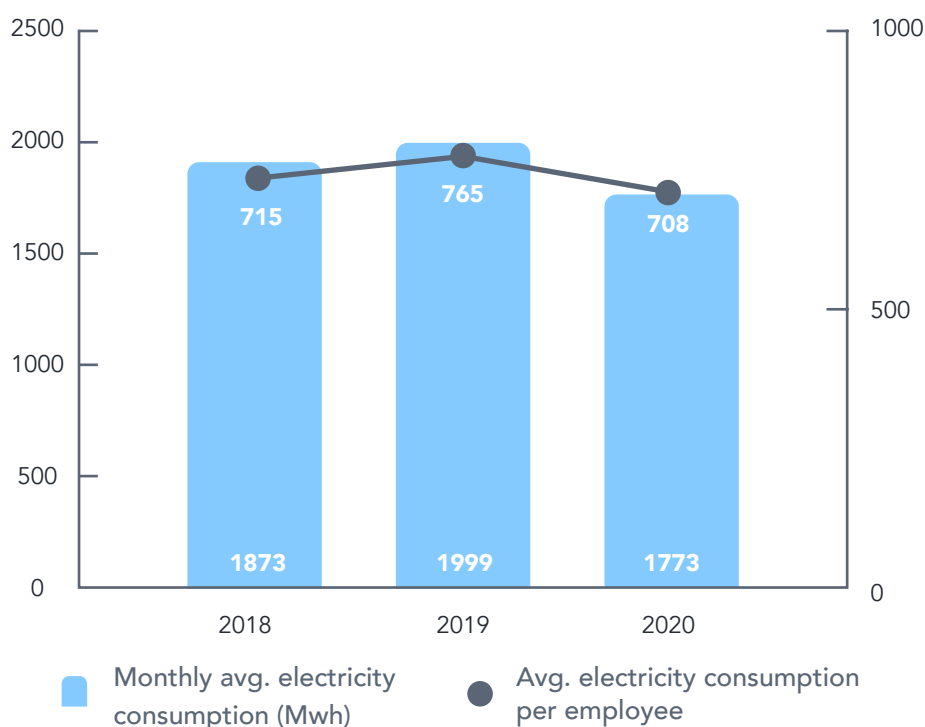
providers who are committed to working toward achieving 100% renewable energy, cloud efficiency and the reduction of water usage in cooling their data centers. For our on-premises deployments, we typically fulfill the software electronically via download.

Monitoring Our Fuel Consumption

As part of our efforts to monitor our energy use, we historically tracked and reported data on fuel consumption for our vehicle fleet in Israel. We measure the monthly average fuel consumption and set relevant goals for reduction.

For calendar year 2020, we achieved a 40% reduction in average monthly fuel usage, versus a target of 13%. We also achieved a reduction of 30% in fuel consumption per car compared to the prior year. This decrease was mainly attributable to the impact of the COVID-19 pandemic on travel and office utilization and the downsizing of our vehicle fleet by 15%, from 305 vehicles to 260 vehicles. In addition, we increased the proportion of hybrid vehicles in our fleet from 10% to 46%.

As a result of the Cognyte spin-off, Verint's vehicle fleet in Israel has been assumed by Cognyte and will no longer be included in Verint's environmental KPI's for 2021 and forward.

---

1 Energy Star® is a voluntary program launched by the US Environmental Protection Agency (EPA) and now managed by the EPA and the US Department of Energy (DOE) that helps businesses and individuals save money and protect the environment through superior energy efficiency.

Monthly total compsumption (avg. K-liter)

Monthly avg. consumption per car (Liter)
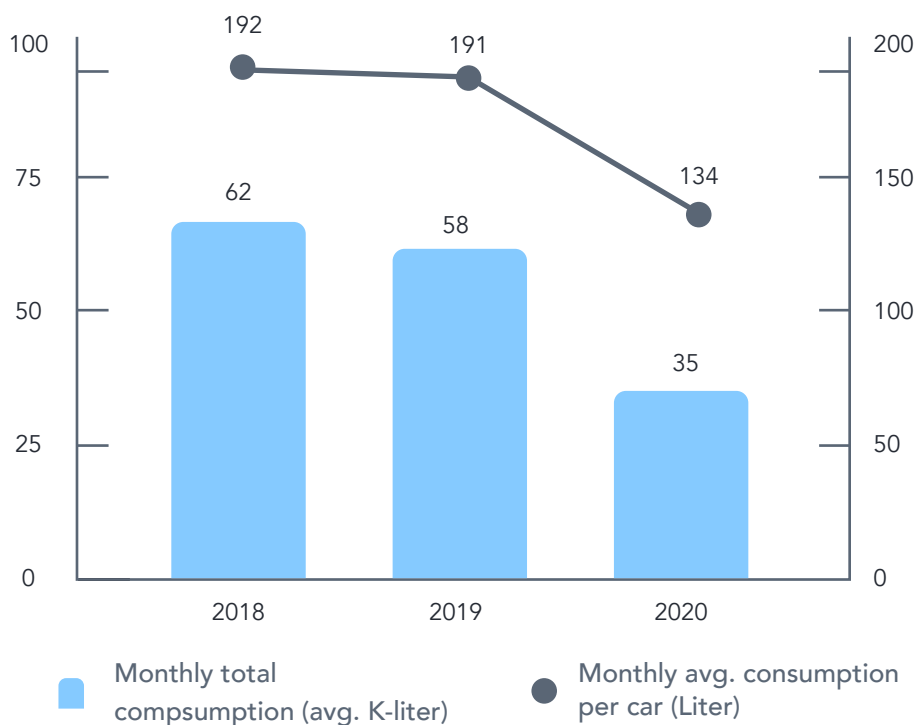
Electronic Waste and Recycling

We are committed to managing our environmental impact throughout the value chain – from design, to disposal, and the steps in between – which is why we closely monitor our use of materials and strive to adhere to all relevant regulations. These commitments are not only a critical part of our environmental goals but are also central to our approach to quality management for our customers. Our ongoing focus on recycling, reuse and recovery programs to reduce waste from products and materials is reflected in our EHS Policy.

Our Policies for Electronic Waste Recycling

Internally at Verint, our employees have ready access to e-waste bins where they can recycle electronic products and batteries. Employees are encouraged to bring in old electronics from home and to recycle them at Verint as part of our recycling collection events. In addition, we recycle all electronics and computers used in our offices. The table below shows the monthly average of our recycled e-waste over the last three years and is comprised of e-waste from offices that were decommissioned, old IT equipment, and recycling e-waste events for employees; however, for 2020, we were unable to hold recycling e-waste events due to the global pandemic. We are working to enhance our ability to track and report on electronic product intake and ultimate e-waste recycling efforts going forward.

While the total amount of our e-waste recycled declined in 2020, we also generated a significantly lower amount of e-waste in 2020 due to the COVID-19 pandemic.

Monthly Avg. Recycled E-waste (kg)
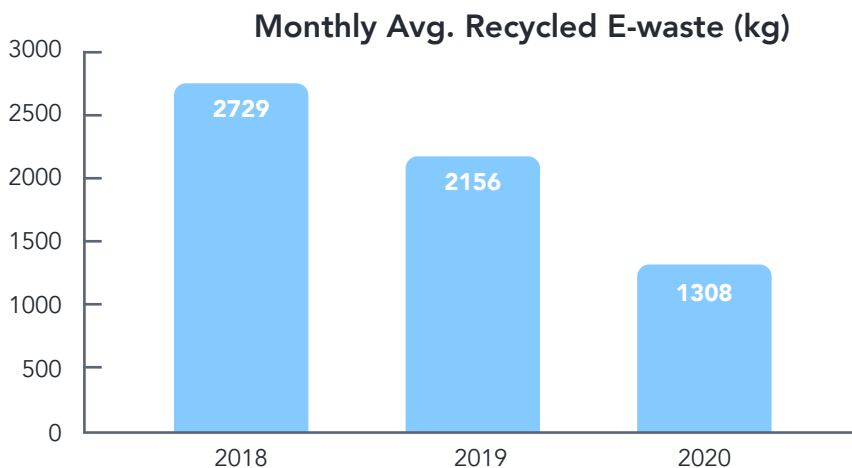
We are exploring opportunities to consolidate and streamline our physical office space and intend to set recycling goals for all significant Verint sites over time.

Monitoring of Material Use, Re-Use and Recycling

As part of our environmental management efforts, we closely monitor and track the use of materials in an effort to ensure that they are correctly disposed of or recycled, where possible. We have historically done very little manufacturing, and thus the majority of the data we track regarding materials usage pertains to office supplies such as paper, cardboard, and light bulbs. We expect this trend to continue.

We achieved a 40% reduction in the amount of paper we purchased in calendar year 2020 compared to 2019, along with a corresponding 37% decrease in the amount of paper we recycled in the office, primarily as a result of employees working from home due to the COVID-19 pandemic. We track this data through our paper suppliers who deliver our paper and remove discarded paper from our shredding bins. Our recycling vs. purchased paper rate continued to increase, from 295% in 2019 to 308% in 2020. In some offices, we have installed printer management systems that reduce paper usage and waste by requiring an employee ID card to be physically presented to the reader. This also allows for more secure printing.

Recycled vs Purchased Paper (Monthly Avg. in kg)
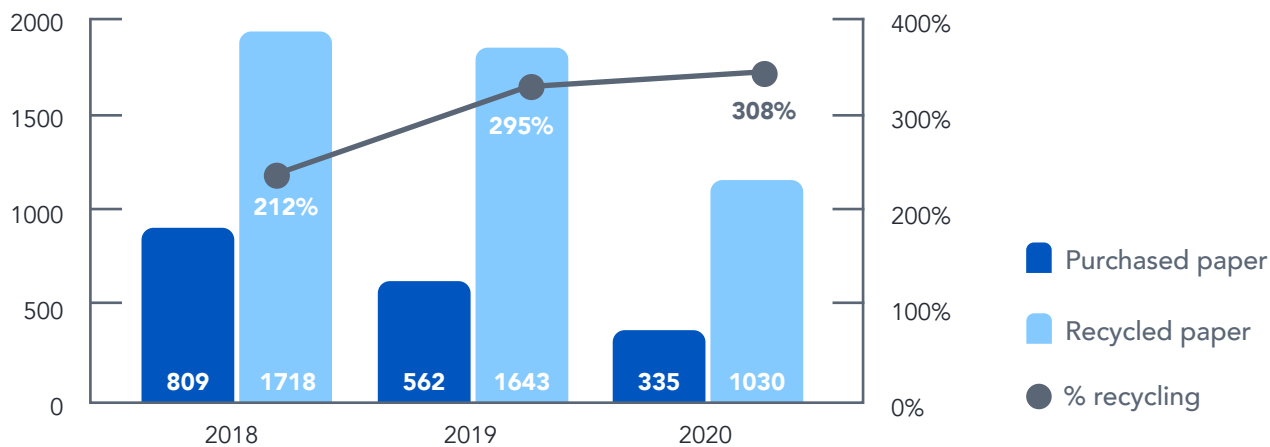
For products not delivered electronically, cardboard is used for packaging. In many cases, we use recycled or repurposed cardboard.

The data in the chart below is estimated based on data provided by our landlords and vendors about cardboard recycling. Many of our landlords have shared cardboard recycling bins for all tenants and we are attributed a pro-rata share relative to other tenants each year. We also re-use cardboard from incoming shipments for outgoing shipments.

Based on the available data, we saw an approximate 30% decrease in the amount of cardboard we recycled in calendar year 2020, primarily as a result of a reduction in physical shipments (and use of cardboard packaging) by us due to the COVID-19 pandemic.

Monthly Avg. Recycled cardboard (kg)
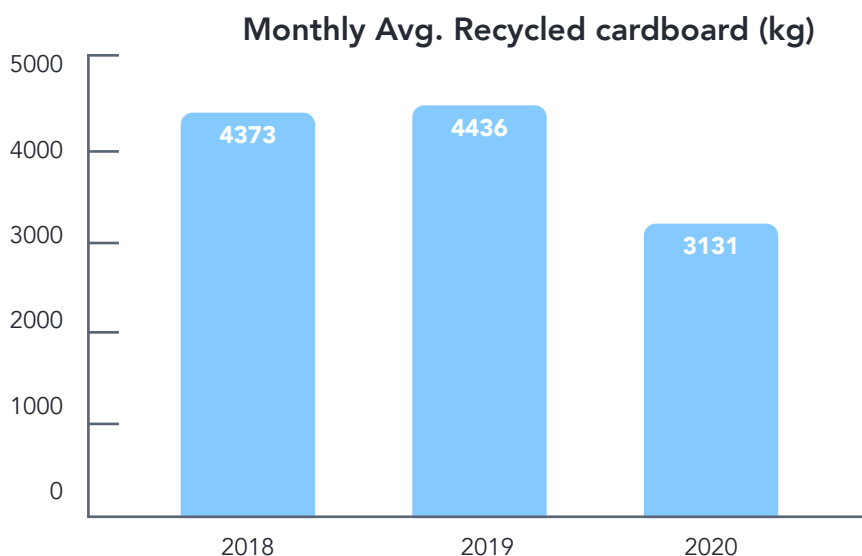
In addition to paper and cardboard, we collect and recycle several other materials such as light bulbs used in our offices and production facilities, cans, plastic and glass bottles, alkaline batteries, and coffee pods. We do not currently collect data on the recycling of these materials. Going forward, we intend to improve our ability to collect, track and report on data related to our recycling efforts.

Quality of Products & Services and Logistics

Our culture is quality-centric, and each Verint employee is encouraged to be a quality champion. Verint is globally certified on the ISO 9001 international standard for Quality Management. We have a company-wide quality management system designed to encompass all of Verint's relevant business operation enablement processes. The pillars that comprise our global quality policy include meeting or exceeding customers' expectations; driving meaningful innovation for the benefit of our customers and our organization; and striving for organizational and individual excellence. We strive to ensure that all of our customers receive the desired product in a timely fashion and that all of their relevant quality-related expectations are addressed.

Adherence to Relevant Environmental Regulations and Design for Environment (DfE) and Quality

While our primary focus is on developing and producing software, to accommodate customers' desire for turnkey solutions, we also deliver some solutions that incorporate third-party hardware components. This has historically applied primarily to our legacy Cyber Intelligence segment (now Cognyte), as the vast majority of the solutions in our Customer Engagement segment (Verint) are comprised solely of software components.

We utilize both unaffiliated manufacturing subcontractors, as well as our internal operations, to produce, assemble and deliver solutions incorporating hardware components. These internal operations consist primarily of installing our software on externally purchased hardware components, final assembly, repair and testing, which involves the application of extensive quality control procedures to materials, components, subassemblies and systems. We also perform system integration functions prior to shipping turnkey solutions to our customers.

We take the safe design, manufacturing, and disposal of our products seriously and hold our manufacturing partners/contractors to applicable standards. Approximately 80-90% of our manufacturing is performed by contract partners, and we work closely with them on meeting our standards including compliance with:

- European Directive 2011/65/EC as amended by Directive 2015/863 on the restriction of hazardous substances (RoHS), which manages the use of certain hazardous substances in the manufacture of various types of electronics and electrical equipment;
- the Registration, Evaluation, Authorization and Restriction of Chemicals (EC) 1907/2006 (REACH) regulation that addresses the production and use of chemical substances and their impacts on human health and the environment;
- the Waste Electrical and Electronic Equipment Directive (WEEE) that manages the collection, recycling and recovery targets for electrical goods;
- the conflict minerals rules under the Dodd-Frank Wall Street Reform and Consumer Protection Act;
- European Regulation (EC) No 1272/2008 on Classification, Labeling and Packaging of Substances and Mixtures; and
- Directive 94/62/EC (Packaging and Packaging Waste) and relevant regulations regarding ozone-depleting substances (ODS).

In addition, we produce and package our products according to the Environmental Protection Agency's (EPA) Design for Environment (DfE) concepts aimed at reducing the use of hazardous substances, power consumption in production, packaging materials, and following initiatives for

encouraging reuse and recycling of our products. We apply the DfE concepts throughout the product lifecycle, starting in the pre-manufacturing phase and through to the end-of-life or disposal phase. The overall goal is to eliminate, where possible, as many potential environmental and health and safety impacts as possible in an effort to create sustainable solutions for our customers. We also strive to provide relevant employees with training and professional skill building relating to DfE with the goal of ensuring that all of our products are environmentally friendly.

Environmental Management of the Supply Chain

As a company with operations and customers across the globe, Verint has a large and dispersed supply chain.

We manage our relationships with and expectations for our suppliers through our Third Party Code of Conduct which requires third parties to comply with applicable environment laws, legal and regulatory requirements, data and IP protection and general business ethics requirements. Our EHS Policy sets our overall environmental and sustainability expectations that partners adhere to all relevant environmental and social regulations and directives.

In selecting our key suppliers, our procurement department analyzes a number of relevant environmental parameters and policies, such as the location of the suppliers, in order to promote and encourage adherence to local procurement practices, as well as the supplier's ability to comply with our environmental requirements. As part of our agreements with hardware vendors, we require that the vendor acknowledge that the components they supply to us comply with or have initiatives in place to comply with REACH, RoHS, the Conflict Minerals Rule, European Regulation (EC) No 1272/2008, and Directive 94/62/EC. In addition, we ask our suppliers to use environmentally conscious packaging. Requirements placed on suppliers also include:

- the use of packaging materials that can be reduced, reused or recycled;
- no use of halogenated chlorofluorocarbons (CFCs) or hydrogenated chlorofluorocarbons (HCFCs) in the manufacturing of materials for Verint;

- minimizing the use of methyl Bromide (commonly used as a fumigant for solid wood packing materials) through the use of alternative packaging materials where feasible;
- measurement of the sum concentration of incidental amounts of lead, cadmium, mercury or hexavalent chromium in any packaging material or components;
- use of disposable packaging that is biodegradable;
- compliance with ISPM 15 in the use of wood platforms; and
- avoidance of the use of stickers on packaging, with a recommendation to print information directly on the package.

Suppliers are required to provide Verint, upon request, declarations regarding the material contents of parts or products that are supplied to us.

Our procurement team works with suppliers to improve their level of compliance with our environmental policies and sourcing standards. The procurement department annually assesses suppliers' level of compliance with the environmental, health and safety, and social standards through an established and documented audit process. At the end of the audit process, each key supplier is rated according to an established scale, at which point we determine whether or not to continue to work with them. Furthermore, our procurement team works with suppliers to actively improve their environmental performance, which includes offering relevant training opportunities and assisting the suppliers in developing detailed improvement plans.

Customer Data Privacy and Cybersecurity

Verint has an established security protocol that is managed through the ISO 27001 Information Security Management Standard. Through our Information Security Policy, we outline how Verint manages, monitors and minimizes information security risks, provides information to employees on their responsibilities to protect information, how the topic of information security is integrated into Verint's business processes, and how our data privacy policies comply with relevant regulations for the protection of personal information. Verint is committed to continually improving our information security efforts in compliance with globally accepted standards.

Verint's Global Information Security (GIS) program is built on an information security infrastructure that incorporates various controls for people, processes and technology to reduce the risk of exposure. Our GIS program is led by our Chief Administrative Officer, who is accountable to Verint's Board of Directors with respect to information security company-wide. We have implemented a global cross-functional Information Security Committee to guide our overall GIS program, as well as a number of subject matter-specific information security sub-committees. We employ information security professionals that are highly experienced in information risk management, with certifications that include Certified Information Systems Security Professional (CISSP), Certified Information Security Manager (CISM), Certified Information Systems Auditor (CISA), Certified in Risk and Information Systems Control (CRISC), and ISO 27001 Lead Auditor.

Information security considerations are an integral part of our business, and are present throughout our business processes, including within product development lifecycles. To this end, we are committed to promoting a security-minded culture by providing ongoing education and awareness on information security topics. We provide employees with information security training when hired and annually thereafter. Furthermore, our technical services teams – who may come in contact with customer data during the course of their work – must comply with our internal protocols on the appropriate handling of customer data.

Verint works to provide the highest levels of operational security, integrity, resiliency and redundancy to our customers. Our approach includes a confidential, high-level security environment with security controls to address our customers' requirements and expectations.

Human Capital: Our People Are our Greatest Asset

Employee Engagement

To ensure we provide a rich experience for our employees, we promote organizational culture and employee engagement to build on the competencies that are important for our future success. We engage our employees quarterly in a forum that allows for management to share updates on the Company's performance and initiatives, present employees with performance recognition from their peers, and for employees to ask questions and share suggestions and comments.

Powering Our People

We consider our relationships with our employees to be a central and critical factor in our success. That is why we work to provide our employees with ample opportunities to grow personally and professionally while working at Verint. These opportunities range from technical skill development, such as programming and product design, to soft skills such as social media marketing and leadership skills. In addition, we are proud of our tight-knit and diverse organizational culture, which we foster through company events and bonding opportunities.

Information Security

- Security Expertise – certified personnel with separation of duties.
- Information Security Management System – secure architecture ensures environment integrity, covering:
  - Authentication
  - Access
  - Confidentiality
  - Availability
  - Logging
  - Auditing
  - Data Validation, etc.
- Incident Management – detection, notification, and response.
- Business Continuity – prevention of unexpected events from impacting continuity.
- Facilities and Environmental Systems – data centers and facilities to exceed physical security requirements, including environmental protection (air conditioning, fire protection, backup power systems, etc.)

Encouraging Local Employment

We encourage local employment and the hiring of local managers, where possible. Working hand in hand with the local community to foster job creation, and thereby to support the local economy, our goal is to create ecosystems of employees rich in technical and professional knowledge.

Employee Benefits

We strive to provide competitive, fair compensation to all of our employees according to their level of professional knowledge and on-the-job performance. In addition to base salary, Verint affords its employees bonuses and other types of economic incentives based on the company's financial performance and in some cases, equity programs, profit sharing and other special awards.

Verint offers a comprehensive benefits package with many company-paid offerings that offer protection and value to our employees and their families, including paid time off, tuition reimbursement, paid training and wellness programs. In the U.S., our plans offer multiple options so employees can choose based on their own circumstances. Furthermore, managers are empowered to evaluate and accommodate employee requests for allowance of telecommuting and flex-time as needed.

All social protection and retirement benefits, including vacation and paid time off, are afforded to employees according to local regulations and practices. Funding requirements for programs required by local laws are determined on an individual country and plan basis and are subject to local country practices and market circumstances.

For example, in the U.S., we maintain a 401(k) Savings Plan for our employees. The plan allows eligible employees to elect to contribute up to 60 percent of their annual compensation, subject to the maximum allowable amounts. Verint also matches a portion of employee contributions and provides for pre-tax, post-tax and Roth savings vehicles. Verint provides its U.S. employees with company-paid life insurance, parental paid leave, and fertility and adoption benefits. We provide retirement benefits for non-U.S. employees as required by local laws (or to a greater extent) in accordance with customary local practices.

Community Outreach

At Verint, we are committed to giving back to the communities in which we live and work. In 2005, we launched the Verint Next-Generation Program, which engages Verint employees around the globe in projects that benefit children in need. The program puts our core values to work in our local communities, with the goal of affording the next generation greater opportunities and the tools for making the most of them. As part of the program, Verint employees engage in various community activities, from supplying food pantries, to participating in blood drives, to collecting clothing and school supplies, to building playgrounds, and cleaning parks and planting gardens. Verint is also proud to support our employees' community service activities through direct donations, programs for donating employee time to qualified children's organizations and matching grants. In 2020, Verint employees in the U.S. donated over $300,000 of paid time off to children's charities through the program. Additionally, globally, over 500 Verint employees donated their time, by participating in

more than 50 events to help raise money, clothing, and food for those that are underprivileged and particularly, underprivileged children. In 2020, we also focused on supporting events to help families struggling due to the COVID-19 pandemic by providing food and clothing to those in need.

Employee Development Opportunities

At Verint, we are dedicated to providing a productive, ethical, and safe working environment in which innovation and market leadership can flourish. We recognize that our employees are the driving force behind Verint's success. Our fast-paced, challenging, and collaborative work environment nurtures professional growth and offers a wide array of career advancement opportunities, and our workforce planning tools provide managers with a framework for thinking strategically about how best to hire and retain the talent our company requires to achieve our business goals.

Continuous learning and the professional development of our employees are key factors to our success. Verint's approach is based on the learning philosophy of "70:20:10". We believe that seventy percent of skill development occurs through on-the-job experiences, twenty percent through colleague and leadership interactions, and ten percent through formal professional and academic learning opportunities.

We afford our employees a range of opportunities to take part in our robust training programs, with the ability to focus their learning on the skills and knowledge that are most relevant for their professional development. We offer thousands of training courses in our online Learning Center in addition to classroom trainings. Throughout the pandemic, we have encouraged our employees to continue their professional development and acquisition of knowledge and skills, through existing and newly developed online learning.

We support employees who choose to establish an Individual Development Plan in collaboration with their managers to establish and facilitate the employee's short- and long-term development goals. These plans are tailored to the employee's own individual competencies and aspirations in the context of our business goals and available opportunities.

Encouraging a Diverse and Inclusive Workplace

We embrace differences and work to cultivate an inclusive organization. We believe in providing a supportive environment and opportunities for all of our employees to develop and advance. We support diverse groups in the workplace, with equal terms of employment, professional opportunities, and benefits. We recognize differences in family composition and our U.S. benefit plans provide options for employees in a wide range of family circumstances including domestic partner benefits, adoption assistance, and fertility assistance. We track and periodically report on our global diversity results to our board of directors. For calendar year 2020, our gender diversity increased slightly, as did our minority versus non-minority employee composition. After giving effect to the Cognyte spin-off, the number of women within our business leadership team increased by 5% to 18% over the last year. We are working to enhance and broaden our ability to track and disclose employee and executive diversity data going forward. We

intend to continue to focus on underrepresented communities, gender and inclusion, including through recruitment and promotional opportunities, in the current year and beyond.

In 2020, we established a Diversity & Inclusion Council. The Council's mandate is to help us foster an environment that attracts and retains the best talent, values diversity of life experiences and perspectives, educates our personnel, and encourages innovation. The Diversity & Inclusion Council currently has several initiatives underway, including partnering with non-profit organizations for on-going support and an educational series to recognize meaningful holidays throughout the year. The Diversity & Inclusion Council increases cultural and diversity awareness within our organization and encourages employees to continue to drive outreach opportunities through employee and recruiting events.

We have a "zero tolerance" policy for unlawful discrimination, sexual harassment, or other discriminatory actions based on age, race, color, national origin, religion, gender, sexual orientation or disability, and provide training to our employees and managers on complying with this policy. We prohibit violence or any aggressive behavior in the workplace and strongly encourage our employees to report any such acts to the Human Resources Department or their direct manager.

Our employees and managers come from an array of cultural backgrounds, resulting in a diverse workforce that we believe demonstrates our openness and humility toward differences. We outline our commitments to diversity, equal opportunity, and non-discrimination in our Code of Conduct.

Health, Safety and Wellbeing in the Workplace

The health and well-being of our employees is of critical importance to us as an organization, which is why we have measures and standards in place to control, monitor and report on our global health and safety performance. Our EHS Policy outlines our commitment to providing our employees with a safe and healthy work environment and guides our response to relevant areas of concern. As discussed above, we also strive to design, produce and distribute our products in ways that minimize health and safety hazards and potential impacts.

In March 2020, in response to the global COVID-19 pandemic, and in order to protect our employees' health, the Company implemented its business continuity program applicable to a pandemic situation and a temporary work from home mandate was established at all Verint offices globally. The Company also enhanced its wellness offerings to employees during the pandemic, including discounts on healthy food delivery services and fitness equipment, and a wellness stipend.

We are committed to preventing work-related accidents, as well as integrating health and safety considerations into our activities. For example, in our Americas locations, we assign safety/floor wardens who are trained on CPR, AED and First Aid in order to assist other employees in

emergencies. Further, we conduct fire drills and earthquake drills. As discussed above, we also strive to design, produce and distribute our products in ways that minimize health and safety hazards and potential impacts.

The overall responsibility for Occupational Health and Safety is led by the Human Resources Department together with the SVP of Operations. The Quality, Sustainability and Business Continuity Management (BCM) function is responsible for reporting and tracking progress with regard to specific health and safety certifications and performance. We encourage employee participation and consultation in the area of health and safety through two-way communication channels, as well as the establishment of joint health and safety committees that include employee and management representatives.

We aim to manage occupational health and safety based on the principles of the ISO 45001 standard. Our facilities in Israel and Cyprus have received official ISO 45001 certification.
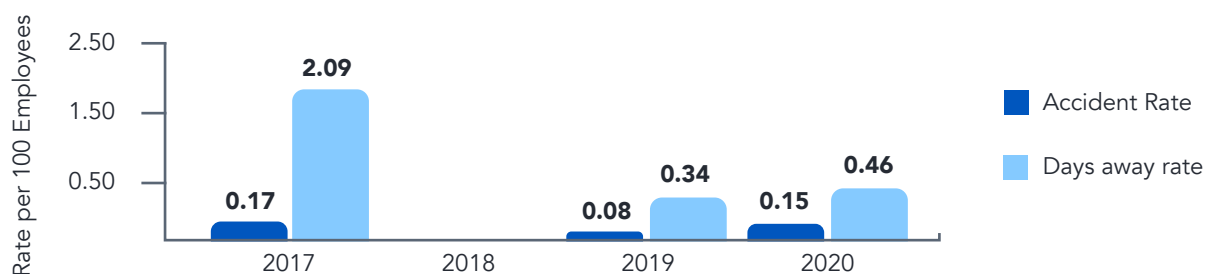
One way we evaluate safety performance is through tracking our work-related accident rate. The previous chart demonstrates the safety performance in Israel and Cyprus over the past four years. We plan to explore further opportunities to expand our ability to track and report on our work-related accident rate in our other locations in the future.

In addition, we have invested in a number of health and safety projects to help reduce the number of work accidents and improve the overall well-being of employees in the workplace. These initiatives were identified through a risk assessment process that included an assessment of fire and ergonomic hazards, as well as hazards at workstations.

In response to the global COVID-19 pandemic and our resulting work from home policy, our Israel and Cyprus offices focused on reducing ergonomic injuries by providing remote trainings, providing employees with a budget to purchase office supplies for use at their home, and offering employees the option of taking supplies from the office for work-at-home use, such as ergonomic chairs, laptop stands, and screens.

We have also developed ergonomic equipment standards, a process for employees with ergonomic issues to request special ergonomic equipment, and provided lectures on ergonomics to our employees.

In order to help reduce the number of car accidents by Verint employees, we require relevant employees to take road safety courses to improve their driving skills.

We share various health and safety content with our employees through a dedicated EHS portal on our internal intranet.

Health and Safety in the Supply Chain

In order to ensure that our suppliers uphold relevant health and safety standards, we require them to acknowledge a number of requirements including: communication to employees and subcontractors on EHS hazards; commitment to keeping the worksite free from EHS hazards through the use of engineering controls; provision of personal protective equipment and other resources; and prevention of damage to Verint's premises and/or interference with Verint's activities.

With our key suppliers, we perform relevant health and safety audits and help them implement emergency plans. In certain cases, and when relevant, we provide our suppliers with training opportunities or suggest improvement plans to help them meet our health and safety requirements. In accordance with our Third Party Code of Conduct, we require all of our suppliers to ensure that they provide their employees with a safe and healthy work environment in compliance with all applicable laws and regulations, and ensuring, at a minimum, reasonable access to potable water and sanitary facilities, fire safety, and adequate lighting and ventilation.

Furthermore, suppliers must provide adequate safety equipment and training to ensure that employees are not overexposed to chemicals, physical hazards, or overly demanding tasks in the workplace, that safety information is made readily available, and that emergency plans and response procedures are in place. In addition, we expect our suppliers to respect our expectations for the work environment, which include respecting child and forced labor laws, providing equal employment opportunities, ensuring non-discrimination, providing accommodations for individuals with disabilities, ensuring fair wages, working hours and benefits, and allowing for the freedom of association.

Encouraging Socially Responsible Procurement Practices

Our Code of Conduct and the Third Party Code of Conduct also outline our expectations of suppliers regarding record keeping, adherence with relevant laws and regulations, employment, diversity and provision of equal opportunities, management of conflicts of interest, and use of Verint's technology and electronic assets. In addition, we conduct annual supply chain due diligence with regards to adherence with the Conflict Minerals Rule for the management of responsible sourcing of certain minerals and maintain a Conflict Minerals Policy that we ask all of our relevant suppliers to honor. In addition, we encourage socially responsible procurement practices by actively pursuing business relationships with suppliers owned by minorities or by women. We are in the process of expanding our social procurement practices by mapping all of

our suppliers by spend according to these categories. In 2020, we devoted $6.85 million of our procurement spending to these categories of suppliers and have set a goal to be at or above this level in 2021. In Israel, we have also been involved with ASMINE, an NGO promoting businesses owned by Jewish and Arab women.

Sound Corporate Governance, Ethical Conduct & Anti-Corruption

We view sound corporate governance and ethical conduct as essential to the success of our business. Our board of directors and executive management sets the tone at the top with respect to conducting our business in both an ethical and legally compliant manner. We believe that enduring economic success is inextricably linked to ethical business conduct and responsible corporate citizenship.

Our Code of Conduct clearly articulates Verint's Values, policies and procedures, providing our team with guidance on important ethics and compliance issues, along with a framework for making good decisions and communicating areas of opportunity, improvement and concern. Many of our corporate governance policies are available at our website at the following link.

All of our employees and executive officers, as well as our board of directors, are required to comply with our Code of Conduct, which is offered in four languages – English, French, Hebrew and Portuguese. The Code of Conduct is available on our website. In addition, we comply with the UK Modern Slavery Act through which we ensure that all of our practices are in line with relevant human rights and labor standards.

We actively encourage our employees to report grievances or concerns, in correlation with our values of transparency and integrity, to their managers, local or global human resources contacts, legal department contacts or members of senior management. We also maintain an Ethics Help Line where employees can anonymously submit concerns or grievances or report violations of the Code of Conduct 24 hours a day, 365 days a year via phone or the Internet, with a link available on our public website.

Verint has a comprehensive corporate compliance training program that consists of five core course topics including: Code of Conduct, Information Security Awareness, Anti-Corruption and Bribery, Insider Trading and Trade Compliance. All employees and contractors are typically required to take all five courses annually. New employees are required to complete Code of Conduct and Information Security Awareness training upon commencement of their employment or engagement with Verint. We delivered over 23,000 training courses to our employees and certain contractors and third parties over the course of 2020.

Our Commitment to Anti-Corruption and Anti-Bribery

Verint prohibits corrupt payments of all kinds, including facilitating payments. We also expect our third party partners to share our commitment to uphold the highest ethical standards in this regard.

Our Anti-Corruption Compliance Program is multi-layer, and includes the following:

- Third Party Due Diligence Procedures
- Third Party Anti-Corruption and Anti-Bribery Awareness Training
- Third Party Screening
- All employee mandatory annual Anti-Corruption training
- Contractual requirements and representations from our partners
- Periodic audits of our practices and procedures

To view Verint's Global Anti-Corruption Policy click here.

Community Engagement and Giving: Making a Local Impact

Since 2005, our Verint Next Generation program has enabled our employees around the globe to engage and give back to organizations in the local communities where they work, particularly those benefiting disadvantaged children. As such, many of our employees have taken part in community activities – from supplying food to food banks, participating in blood drives, collecting plastic trash on the beach, collecting clothing and school supplies, cleaning parks, and much more. Through these activities, our employees demonstrate Verint's Values in their local communities and nurture positive relationships with community members. In 2020, due to the global pandemic, our onsite events were limited, and our focus shifted to virtual events and programs through which we donated to over 40 children's charities globally.

Americas

- Our Americas Team raised over $300,000 for children's charities across the country, by donating their own Paid-Time Off to their children's charity of choice.
- Employees in our Customer Service Organization around the nation collected and donated over 1500 lbs. of food during Hunger Action Month to local food banks.
- Employees in our Ann Arbor, Michigan office collected food items for their local food pantry so people in their communities would have a holiday meal and assisted in sorting and packing items.
- Our Spokane, Washington office held a food drive to benefit the local Food Bank and conducted a coat drive, providing over 100 coats to children in need.
- Over 200 of our employees across the U.S. participated in on-site and virtual Salvation Army holiday events, making over 150 children's wishes come true for the holidays.
- Our Virginia employees partnered with NWFCU Foundation to collect and donate over 2700 diapers for infants in need of supplies during the pandemic shortage.
- Our Americas Team raised almost $3,500 during the Virtual St. Jude walk.

EMEA

- All of our employees in our EMEA Region participated in a run, walk, cycle challenge, with a goal of 8,000 km, which is the distance of a trip to all our EMEA offices. They surpassed their goal with 19,734 km travelled and all donations were split amongst the 8 children's charities supported by the EMEA employees.
- Employees on our Sales team donated almost $5,000 from a raffle to support a children's hospital in France.
- Employees in Northern Ireland and Scotland had a Halloween bake sale to raise funds to split amongst the 8 children's charities supported by the EMEA employees.

APAC

- Our Bangalore employees participated in a food and blanket drive that provided donations for 40 families.
- Our APAC team participated in collecting food for a local food bank.
- Our Hong Kong employees donated their own food vouchers in exchange for 120 family gift packs for underprivileged families impacted by COVID-19.
- During the holidays 65 of our employees in the Queensland Office volunteered at a local food drive and also raised over 2,000AUD toward the purchase of food for those in need.
- Employees from our Brisbane office participated in a food drive that collected over 5,000AUD to purchase food for those impacted by COVID-19.

ISRAEL & CYPRUS

- Our employees in our Cyprus Office held a supplies and clothing drive collection for local refugees and held two fundraising activities to gather donations.
- Our Israel employees participated in a food donation program with youth in risk that produced over 240 packages of food for families in need.
- Employees from Israel and Romania donated old computers and products to children and youth at risk.
- Employees in our Cyprus office sold Valentine's Day gifts to support a foundation for children with cancer or special needs.
- Employees in the Israel region participated in a campaign to raise money and support the Foundation for Leukemia Awareness.

We will continue to seek ways to improve how we give back to the local communities in which we operate and have established a steering committee in each of our offices to drive giving and volunteering plans on a local level.

Risk Management, Legal Frameworks, and Regulations

The proper and transparent management of relevant environmental, social, health, and safety risks and opportunities at our organization is something we take very seriously. We also view compliance with applicable regulations as an essential element of our risk management, undertaking regular review of these regulations and our associated policies.

We understand that ethical conduct is critical to our ability to create value for our stakeholders and that a company is only as ethical as its employees. We believe that the most important and effective way to communicate the importance of ethics and compliance to our employees is to set an effective "tone at the top" starting with our Board and Senior Management. We accomplish this by:

- Modeling ethical behavior at the Board and management team level, as well as their open and responsive approach to concerns that are raised by others
- Communicating about ethics and compliance issues frequently, seriously, and openly at all levels of the organization
- Maintaining an effective governance and compliance infrastructure for the company

We keep our Board of Directors informed of our compliance objectives several times per year as part of scheduled updates, and more frequently where necessary. The Board is actively involved in setting compliance priorities, evaluating the Company's assessment of its risk and control environment, and overseeing progress of risk mitigation activities.

About this Report

Verint is committed to conducting business in an ethical manner and to creating sustainable value for our stakeholders including customers, stockholders, company management, employees, suppliers, contractors, certification and accreditation bodies, non-governmental organizations (NGOs), legal authorities, the local communities in which we work, and society at large.

The concept of sustainability is broad and focuses on meeting the needs of the present without compromising the ability of future generations to meet their needs.
We use our ESG Report to share how we are managing and measuring progress against our Corporate, Social, and Responsibility (CSR) goals, to measure and highlight progress against our Environmental, Social and Governance (ESG) commitments, as well as to respond to a broad set of stakeholder expectations and inquiries we receive.

As discussed above, we have identified the issues we believe have the greatest impact on the company in a number of areas related to sustainability. This report discusses how Verint addresses its sustainability goals as a whole, and where relevant, in each of its markets. Some data presented in this report has been rounded. Monetary figures are in U.S. dollars unless otherwise noted. This report contains information for our fiscal year ended January 31, 2021 and/or the calendar year ended December 31, 2020. Although Cognyte was part of Verint throughout such periods, where possible, we have excluded Cognyte from the data included in this report so that it is primarily focused on Verint's ongoing operations.

This report tracks information from offices in the following locations, unless otherwise stated:

United States:
Alpharetta, Georgia
Columbia, Maryland
Denver, Colorado
Melville, New York
Santa Clara, California

EMEA:
Belfast, United Kingdom
Weybridge, United Kingdom
Limassol, Cyprus
Herzliya, Israel

APAC:
Delhi, India
Hong Kong

Americas

info@verint.com

1-800-4VERINT

Europe, Middle East & Africa

info.emea@verint.com

+44(0) 1932 839500

Asia Pacific

info.apac@verint.com

+(852) 2797 5678

ESG@verint.com
verint.com
twitter.com/verint
facebook.com/verint
blog.verint.com

VERINT®