



Modern Slavery Statement for Financial Year 2021

This statement fulfils the requirements of Section 54 of the Modern Slavery Act 2015 and covers the period 1 January 2021 to 31 December 2021.

Our Commitment

Being a sustainable leader in cybersecurity is as much about delivering the best services and solutions as it is about our people and our values that determine how we do business. We are committed to doing business with integrity, including protecting and advancing human dignity and human rights in our global business practices and throughout our supply chains.

CyberArk¹ does not tolerate or condone any form of human trafficking, modern slavery, labor exploitation or any other human rights abuses in any part of our global organization. In any instance where such abuses are suspected, we will act swiftly to investigate and remedy the situation.

¹CyberArk Software Ltd. together with its global subsidiaries including Cyber-Ark Software (UK) Limited (CyberArk's United Kingdom incorporated trading entity for sales activities within the EMEA region), are referred to collectively in this statement as "CyberArk."

About CyberArk

We are the global leader in Identity Security, centered on privileged access management. CyberArk provides the most comprehensive security offering for any identity – human or machine – across business applications, distributed workforces, hybrid cloud workloads and throughout the DevOps lifecycle. The world’s leading organizations trust CyberArk to help secure their most critical assets. Our solutions empower customers to execute their strategies and protect their businesses, enabling them as they build more sustainable organizations.



*See [Press Release](#) for year ended December 31, 2020.

**As of 2021, CyberArk received an MSCI ESG Rating of AA.

Our Policies

In accordance with our commitment to combat human trafficking and modern slavery, we have adopted and implemented the following policies:

- **Global Human Rights Statement:** This Statement sets out our company's recognition and respect for human rights in its global business and throughout its supply chain and encouraging the reporting of any concerns.
- **Code of Conduct:** Our Code of Conduct reflects our core values and provides guidance to employees on how to act with integrity, honesty and professionalism and to maintain the highest standards of ethical conduct in all our activities.
- **People Policies:** The human rights of our employees are covered by our people policies and commitment to comply with local labor laws wherever we do business.
- **Global Health and Safety Policy:** This policy recognizes our responsibility to provide a safe work environment and protect the general wellbeing for all of our global employees, contractors and visitors.
- **Vendor and Business Partner Code of Conduct:** Applicable to our vendors, suppliers, distributors, partners, business associates, and third-party representatives, this Vendor and Business Partner Code of Conduct sets out our expectation that our business partners will uphold high standards of ethics and comply with all applicable laws and regulations, including all applicable human rights laws prohibiting child, forced, indentured, or involuntary labor.
- **Whistleblower Policy:** Our Whistleblower Policy provides for confidential and, to the extent permitted by law, anonymous reporting of any suspected wrongdoing and a commitment to non-retaliation for reports made in good faith.
- **Anti-Corruption Policy:** We recognize that human rights abuses and corruption go hand-in-hand. Our Anti-Corruption Policy establishes a zero tolerance for corruption and bribery in our business operations, including for all business partners acting on our behalf. The full policy is made available to all employees and a summary of the policy is published on the Investor Relations section of our website.
- **This Modern Slavery Statement:** We will continue to publish a statement annually describing our ongoing efforts to combat modern slavery and human trafficking.

Our Due Diligence Process

All of our business partners and critical vendors are subject to due diligence screening during onboarding and throughout the lifecycle of our engagement with them. This screening is facilitated via a dedicated platform, run by an external provider, and risks evaluated during this process include human rights and modern slavery risks. If required, screening results may trigger additional in-depth due diligence led by our Compliance team. Results of this process influence the risk profiles of our third parties and our follow-up actions.

During 2021 we considered how to further automate our processes by integrating our external due diligence platform into our internal databases. We will continue working with our IT department to further streamline this process in 2022.

Our Risk Assessment and Management

We have completed an initial risk assessment of our business practices and supply chains for human rights abuses, including human trafficking and modern slavery. Given our operating model, we have concluded that our risk profile is relatively low. This is because our core areas of business are the development, sale and support of software and cloud-based cybersecurity solutions, which require skilled professionals, rather than un-skilled low-wage labor or target vulnerable populations such as children or immigrants. We do not engage in any manufacturing activities and do not rely heavily on outsourced third parties to perform our core areas of business. At our offices, we purchase goods and services such as food, cleaning, and marketing products from well-established national and local businesses. Similarly, primary business partners are well-established distributors, resellers and technology partners, who do not rely on vulnerable populations or engage in the manufacture of goods where human trafficking and modern slavery are most likely to occur.

In 2021 we published our first Environmental, Social & Governance (ESG) report, which is available on our corporate website. We have achieved strong ESG ratings with independent agencies that assess our ESG risk management, including human rights. In addition, in 2020 and early 2021, we partnered with an independent consultant to review our ESG risks and we are implementing a program to continue to manage identified risks.

Nevertheless, we recognize that human rights abuses can occur within any organization and its supply chain. With that in mind, we have worked to implement stronger policies and controls within our business and supply chain.

Our Key Controls

We have continued our strong efforts in 2021 to manage human rights and modern slavery risks in our business, including the following:

- **Strong Tone from the Top:** A demonstrated commitment from our Board and Management on conducting business with integrity.
- **Policies:** Policies that unequivocally denounce human trafficking and modern slavery and set forth a commitment to combatting such abuses. Policies are reviewed annually.
- **Program Management:**
 - Recruitment of a new VP Compliance & Ethics to provide strategic direction to our global compliance program as well as in-house compliance program management, oversight and optimization.
 - Recruitment of our first inhouse Head of Internal Audit to provide third line of defense audit support.
 - A global procurement function to oversee procurement across our business operations and optimize vetting of vendors in the supply chain.
- **Reporting Channels:** Besides encouraging reporting to line managers and Compliance, we have a publicly available reporting hotline allowing for anonymous reporting of any suspected wrongdoing.
- **Due Diligence Program:** Screening of our business partners and vendors at onboarding and during our engagement with them to ensure their conduct meets legal obligations and aligns to our values.
- **Contractual Controls & Consequences:**
 - A contractual commitment on business partners to respect applicable laws and, for newer contracts, an agreement that such business partners will comply with our Vendor and Business Partner Code of Conduct.
 - Potential termination of the business relationship for a violation of the Vendor and Business Partner Code of Conduct.
- **Keeping in Touch:** Frequent global, regional and departmental touch-points with all personnel as a result of the rapid shift to remote working in response to Covid-19, to ensure the continued protection of the physical and mental wellbeing of our personnel and to increase dialogue and visibility of potential issues.

Our Key Performance Indicators

We are committed to continuous improvement in our ethics and compliance program, including measures to prevent modern slavery and other human rights abuses. Given our low risk profile, our primary key performance indicators (KPIs) are number of incidents and reports to our whistleblowing hotline, of which none were related to human rights or modern slavery in 2021. We also conduct annual employee certifications of our Code of Conduct. In the future, we will consider developing additional KPIs to increase the robustness of our control effectiveness assessments.

Our Training

To help ensure long-term success, our ethics and compliance program needs to be part of the way we operate and who we are. Core elements of our program include awareness raising and training activities aimed at enabling everyone to live and breathe our values in everything they do. We conduct training on our Code of Conduct, anticorruption and bribery, insider trading, data privacy and cybersecurity.

Our Next Steps

The business ethics and compliance program will be led by our new VP Compliance & Ethics and be supported by our new Head of Internal Audit, both of whom joined CyberArk in January 2022. Once both individuals have settled into their roles, we will assess how and when to build on our existing mitigation efforts.

In the interim we will continue to manage the human rights and modern slavery risks in our business and supply chain following the controls and processes set out above. In particular, we will continue to work with our business partners to move to best practice contract templates, which includes our Vendor and Business Partner Code of Conduct. Finally, we will continue our ESG initiatives across our global offices.

Our Board and Management believe that such steps will positively contribute to the protection and advancement of the inalienable dignity and human rights of all individuals.

This Statement has been reviewed and approved by CyberArk's Board on May 10, 2022 and applies to the fiscal year 2021 (ending 31 December 2021). We will provide an updated statement on our ongoing efforts on an annual basis.

In signing this Statement on behalf of CyberArk's Board, we affirm our commitment to protecting and defending human rights in all aspects of our global business practices.

Signed,



Ehud (Udi) Mokady, /s/ Udi Mokady
Chairman & CEO, CyberArk Software Ltd.

May 10, 2022