radware

2020 ESG Report

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Letter from CEO

2020 was a year unlike any other and presented unprecedented challenges to our global community, the environment and to Radware.

The pandemic revealed the critical role that technology plays and underscored the opportunity to harness technology to shape the world in which we want to live and stay true to our mission.

At Radware, we help customers protect their critical applications and secure their digital experiences at all times, anywhere in the world, enabling businesses to maintain continuous activity and operation.

As we pursue our mission, we also recognize our responsibility to ensure that technology benefits society and the environment. We thrive to use our technology to address the world's challenges and we constantly seek to support the community. We do so through prioritizing inclusion and diversity, supporting communities around the world, and by advancing sustainable products and services.

Our corporate responsibility and sustainability approach is outlined in the enclosed Environmental, Social and Governance (ESG) report and is aligned with our values and mission. We are constantly evaluating our activities to improve and ensure that our commitment and actions towards a better society, environment, and company are fulfilled.

The health and safety of our employees remains a top priority and we are taking all measures deemed necessary to protect them since the pandemic broke out. During 2020 we quickly adopted remote working and implemented safety regulations for employees working on-site including masks, physical distancing, hand sanitizer, and more frequent cleaning of offices.

We are also committed to the mental well-being of our employees. During the lockdowns and the long periods of working from home, we opened a hotline offering experts' sessions on dealing with stress, supporting children, remote management, handling uncertainties and more.

Radware believes that creating a safe, healthy, and balanced workplace is essential for the personal and the collective success of our employees and business. We work to cement this success by sustaining a diverse, engaged and motivated workforce. We are dedicated to offering a workplace in which everyone feels welcome and equal regardless of, among other things, age, gender, sexual orientation or ethnicity and we work to reduce gaps in our employees' society by increasing the representation of women and underrepresented minorities in technology.

We also place high value on protecting the environment and minimizing any negative environmental impacts of our operations and seek to create sustainable products and services which optimize energy consumption and reduce hardware requirements.

Radware set quantitative reduction goals for the use of water, power and paper and during 2020, we were able to achieve significant progress in all of them. Radware is determined to continue to operate in sustainable way and reduce our environmental impact.

As part of our efforts to have a positive change, we feel responsible to our society, and we believe we should strengthen and support our community. Radware's approach to community engagement is based on building strong and long-term relationships, which allows us to better understand the community's needs while taking pride in witnessing the effects our programs have. We are proactive in volunteering in local communities to make individual's lives easier. Another important aspect of Radware is our work to empower the emerging generation of hi-tech employees and women through mentorship of high school students, internship programs and empowering women programs.

While we are proud of our progress and are excited to share our first ESG report, we will continue to drive change and work towards fulfilling our ESG goals and commitments to the benefit of our key stakeholders, including employees, customers, shareholders and communities, and, well, to the benefit of the planet and generations to come.

Roy Zisapel

President, CEO and Director
Radware Ltd**.**

Chapter 1
About Radware

Founded in 1996, Radware is a global leader of cyber security and application delivery solutions for physical, cloud and software defined data centers. Our award-winning solutions portfolio secures the digital experience by providing infrastructure, application, and corporate IT protection and availability services to enterprises globally. Our solutions empowered over the years more than 12,500 enterprise and carrier customers worldwide to quickly adapt to market challenges, maintain business continuity, achieve maximum productivity while keeping costs down and operating an ethically driven, stakeholder-oriented business.[1]

Radware is an Israeli company whose shares are traded on Nasdaq (Nasdaq: RDWR). We are headquartered in Tel Aviv, Israel with affiliates all over the world.

Headquarters and Affiliate Locations

➜ Israel (headquarters)
➜ United States (US)
➜ Canada
➜ United Kingdom
➜ Germany

➜ France
➜ Italy
➜ Spain
➜ China
➜ India

➜ Korea
➜ Japan
➜ Hong Kong
➜ Singapore
➜ Australia

Financial Highlights For 2020

Revenue	Employees	Countries	Cash flow from Operations
$250M	~1100	80	~$64M
		We offered our solutions in more than 80 countries	

Sustainability Highlights For 2020

➔ Radware was named in the Top 100 Workplaces for Diverse Representation by Mogul, an online platform seeking to advance the role of women in the workplace, and by TheMarker (BDI), one of Israel's leading financial newspapers.

➔ Radware partners with the local nonprofits she-codes; and QueenB, which actively work to promote, encourage and support women in the Israeli high-tech scene.

➔ Radware achieved a 15% annual decrease of total electricity consumption (compared to 2019).

➔ Radware decreased fuel consumption by 20% (compared to 2019).

➔ Radware recycled 37% more electronic waste in 2020 than the previous year.

Solutions: Service and Products

Radware, with its comprehensive industry-leading solutions, is committed to helping organizations protect their data centers and mission-critical applications and ensuring application delivery and secure cloud workloads. Our solutions fall into four main categories: data center protection, application protection, application delivery and public cloud protection.

➔ **Data center protection:** Radware offers DDoS protection solutions against advanced network and application DDoS attacks. These solutions employ behavioral-based technologies to detect and block attack traffic while allowing legitimate traffic flow.

➔ **Application protection:** The use of applications in a wide range of businesses from e-commerce to mobile phone programs has created the need for security systems designed to provide protection from cyber-attacks and ensure that they run smoothly and securely. Radware's application security solutions secure organization data as well as the consumer's data against multiple threats including web application attacks, API abuse, account takeover and more.

➔ **Application delivery:** ensure that data can be delivered to users safely and effectively, ensuring a seamless user experience on the consumer end, while granting our customers the comfort of knowing their apps are running smoothly and without risk of compromise.

➔ **Public cloud protection:** organizations have increasingly shifted to a model of applications and data storage relying partially or fully on public cloud resources. Radware's public cloud protection solutions provide protection for applications hosted on public clouds such as AWS and Azure with defenses that are designed to secure the public cloud environment against identity and access abuse, protect against malicious user behavior, and secure the overall security posture of the public cloud environment.

Awards

Radware won multiple industry awards in 2020, cementing its place as a world leader in cybersecurity.

Frost & Sullivan - we received the 2020 Indian WAF and Anti DDoS Vendor Company of the Year Award, which recognizes a high degree of innovation with products and technologies, and the resulting leadership in terms of customer value and market penetration.

Gartner - this leading research and advisory company ranked Radware Highest for API and High Security in 2020 WAAP Report; the Visionaries Quadrant of the 2020 Magic Quadrant for Web Application Firewalls and the Gartner Peer insights Voice of the Customer for Web Application Firewalls (in 2020 and 2021).

Quadrant Knowledge Solutions - This global consulting and advisory firm named Radware a Global Leader in Quadrant Knowledge Solutions' 2020 SPARK Matrix™: Bot Management.

Forrester - The Forrester Wave™ is a guide for buyers considering their purchasing options in a technology marketplace. Radware was recognized as a Strong Performer in Web Application Firewalls in the Forrester Wave Evaluation Forrester in 2020 and 2021.

Kuppingercole Analysts - we have been featured and recognized for Innovation in Web Application Firewalls by Kuppingercole, Europe's leading analysts on the topics of Information Security in the era of digital transformation.

EcoVadis - Radware has been awarded a bronze medal in its 2020 EcoVadis sustainability assessment, in recognition of sustainability achievement. EcoVadis is considered a global leader in ranking the sustainable practices of suppliers.

ESG approach

In an age of growing corporate awareness of our responsibility to the greater community and the environment, Radware strives to fuse competitiveness and responsibility, emerging not only as a leader in our field but as a company dedicated to establishing an ethical and humane future. We believe that with this approach, we will continue to revolutionize the fields of cybersecurity and data delivery while being a positive force in the communities in which we do business.

> *In an increasingly digital world, Radware serves our clients and communities as a defender of privacy, safety and freedom of information. I'm proud to be a part of a company that works to protect these basic human rights and embodies those principles in our business operations."*

- Gabi Malka, COO

Since its founding in 1996, Radware has been headed by Roy Zisapel, co-founder, CEO, President and Director, who has provided vision and direction to the Company through its development. Radware's entire leadership team manages ESG issues, with each officer tasked with overseeing relevant processes of their departments and fostering crucial stakeholder relationships.

Engaging stakeholders and establishing partnerships is an essential element of our business, and allows us to better understand the complex challenges we face. We are committed to operating with transparency and to developing long-term relationships with all of our stakeholders, including:

➔ employees,

➔ customers,

➔ suppliers, including manufacturing vendors,

➔ regulators,

➔ non-profit organizations, including academic institutions,

➔ [shareholders, and

➔ communities.

Integrated Management System

Radware Integrated Management System (IMS) encapsulates the organization's vision to continually improve quality of our products and services, EHS performance, supply chain and information management. Our IMS is designed to ensure that Radware operates ethically and in compliance with ISO 9001, ISO 14001, ISO 27001, ISO 28000, ISO 45001, and other laws and regulations. Our IMS approach is integrated into all relevant aspects of our business operations, communicated within the organization and regularly reviewed for accuracy as we strive to improve in these areas.

Radware's solutions and processes are constantly being improved to meet customers' growing requirements and expectations. The IMS is focused on continually integrating quality, safety, environmental and reliability considerations into product development, manufacturing, delivery and support services. Stakeholder engagement and participation as outlined by the IMS are incorporated in all our processes and are a key factor for our success.

Radware considers IMS requirements the personal responsibility of managers, employees and contractors who are committed to following this policy and its guidelines, setting a personal example. Radware will continuously improve the IMS compliance by employing methods for risk management and corrective actions for non-conformities or potential risks and by improving employee training and awareness.

International Standards

As a multinational enterprise, Radware views its adherence to international standards pertaining to multiple aspects of our operations from environmental protection to Anti-corruption and human rights as both a practical necessity and a moral responsibility. These include:

➔ The EU's Restriction on Hazardous Substances (RoHS) directive;

➔ Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulations;

➔ Waste Electrical and Electronic Equipment (WEEE) directives; and

➔ ISO standards on Quality Management 9001, Environmental Management 14001, Information Security Management 27001, Security Management Systems for the Supply Chain 28000 , Occupational Health and Safety 45001.

More details on the international standards to which we adhere can be found in the relevant chapters of this report.

UN Sustainable Development Goals

Radware is committed to conducting its business as a global leader in integrated application delivery and application security solutions, while honoring our responsibilities to our various stakeholders, including customers, employees, partners, shareholders, regulators and the environment and communities in which we operate.

Accordingly, we are dedicated to the United Nations' Sustainable Development Goals (SDG's) and to joining the global efforts to achieve a sustainable world. Our current activity aims to align with the following SDG's:

Chemical usage and pollution without regard for environmental factors is often detrimental to public health, so in our supply chain we aim to do our part to minimize the use of hazardous substances and reduce emissions to air, water and soil. We work to keep a safe and healthy work environment for our employees and communities.
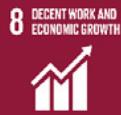
Human rights abuses and substandard working conditions, often related to poverty, inequality and discrimination, remain as major obstacles to achieving sustainable development. Radware is committed to protecting labor and human rights while promoting responsible business practices at every level of the Company, and we expect our partners and suppliers to meet our high ethical standards.

Aging, degraded or non-existent infrastructure makes conducting good business challenging. By committing to sustainable innovation across company operations, Radware is contributing to development efforts through upgrading technologies and minimizing the impacts that our operations and product life cycles may have on the environment.

Inequalities in income and wealth are severe and have been widening globally. In addition to avoiding contributing to inequality by promoting transparency in our operations, Radware addresses inequality through building an inclusive business model and community investments that focus on supporting education, empowering women, mentoring the next cyber generation and promoting equal opportunities.

As demand for materials begin to overtake efficiency gains in supply chains and overwhelm ecosystem services, companies must find new solutions that enable sustainable consumption and production patterns. Radware is promoting sustainability by efficiently managing the use of natural resources and reducing waste through prevention and reduction. Additionally, Radware adheres to responsible sourcing and maintains traceable data for all minerals purchased, ensuring no conflict minerals are used in its supply chain and production process.

2020 was the second warmest year on record, as climate change continues to adversely affect the environment and every other goal related to sustainable development. Climate change can also negatively impact our business operations, putting at risk the quality of our customer service. We want our employees to enjoy a safe and healthy environment, and we support climate action both in our own operation and through our core product, which frequently help to reduce energy usage by cutting back the number of servers required and helping to reduce overall hardware needs. We mitigate climate change risks within our operations by implementing energy efficiency solutions, green IT practices and other sustainable resources-saving solutions.

Ethical Perception

Radware is dedicated to conducting its business with the highest ethical standards. We are accountable to all our stakeholders, including employees, shareholders, customers, suppliers, regulators, and community representatives to be honest and fair in all of our business activities. Our Code of Conduct and Ethics is communicated to all employees, to ensure that as they are acting on our behalf, they are aware of the standards of ethical behavior and integrity required in all business dealings. These standards both protect us from business risks and support the development of trust and positive relationships with our stakeholders. The Code of Conduct and Ethics outlines the Company's expectations with regards to, among other things, personal behavior and respect for individuals.

For the Company's code of conduct and ethics online.

Material Topics

During our first ESG reporting cycle, we analyzed the material impacts of the Company that revealed 20 key ESG issues. We are planning to conduct a materiality assessment in the near future that will rank ESG topics by importance to our stakeholders and business.

Key ESG Issues

- Energy management and GHG emissions
- Data security and cyber risks
- Risk management
- Data privacy
- Employee development and training
- Diversity and equal opportunities
- Innovation
- Anti-harassment policy
- Recycling
- Conflict minerals

- Products impact
- Bribery and corruption
- Green procurement and sustainable supply chain
- Response to natural disasters
- Community involvement
- Renewable energies
- Accessibility
- Sustainable travel
- Equal pay
- Waste management

Chapter 2
Employees and Work Environment

Radware believes that the foundation of our success lies in our diverse, engaged and motivated workforce, and we continuously advocate for our team by creating a work environment in which our employees can thrive in the spirit of productivity and development. Our approach to attract, train and retain highly qualified personnel begins with the measures we take to recruit the most qualified and diverse candidates, promoting gender and ethnic diversity. In 2021, Radware was named in the **Top 100 Workplaces for Diverse Representation by Mogul and by The Marker (BDI).**

We encourage a culture of open dialogue and provide various measures to support and attend to our employees' wellbeing. Our successful establishment of a supportive and open organizational culture is confirmed by our employees' feedback and is also revealed in the high tenure of employees, notably the **4.8 out of 5 average score on our employee engagement survey in 2020.**

Tenure	2019	2020
Average amount of years employees stayed with the Company	5.5	5.8

"Fighting for the good guys is the chance to make a real difference. For me, it means exciting day-to-day tasks that are both challenging and satisfying at the same time, investigating new technologies every day and manage to protect our customer's network environments."

Sapir Shkedi
Software Engineer

"Great company, talented people and nice colleagues! I am fortunate to be part of the Radware family and be surrounded by good individuals sharing their knowledge and their skills with me. At the same time I am discovering my hidden talents. I have learned and grown professionally and personally."

Annabelle Yu
Sales Manager

"I choose to work here because Radware is such an innovative company with great benefits, great people. The company really emphasizes the well-being of the employees. The environment is just like a family here. We actually really care about each other."

Lovely Martinez
Head of Digital Sales, NA

Our Employees*

	2019	2020
Number of full-time employees	663	687
Number of part-time employees	31	31
Number of external workers (holding professional positions)	100	101
Number of external employees absorbed as employees of the company	5	6
Number of employees to whom collective bargaining agreements apply	0	0

Percentage of employees that are:	2019	2020
Foreign nationals	1	1
Located offshore	0	0

Personnel data	2019	2020
Senior Management	31	36
Managers	168	165
Employees (permanent and temporary)	486	502
Students	9	15
Total	694	718

*The Information relates to Radware Ltd. and Radware Inc. (Radware largest affiliate located in the US)

> *Radware believes that creating a safe, healthy and balanced workplace is essential for the personal success of our employees and the collective success of our business, particularly given the challenges posed by a period of global uncertainty. Together with our employees we seek to sustain a thriving work environment which is conducive to their success and well-being."*
>
> **- Riki Goldriech, VP Global HR**

Adjusting to the New Reality

The COVID-19 pandemic presented challenges to the operation of the business, and Radware has worked diligently to support our employees as they strive to remain productive and motivated throughout these obstacles. We implemented a program of global engagement activities that consists of, among other things:

➔ Virtual communication channels, such as our COVID-19 site, HR, marketing and CEO communications, and learning newsletters;

➔ Our "going virtual" activities, including new virtual onboarding, virtual learning ramp up, global hackathon, and virtual branding;

➔ Upskilling program, composed of training and workshops, resilience training and skills boosters; and

➔ Wellbeing and employee care, in which we supported the wellbeing of each of our employees and their families by providing quarantine packages, holiday deliveries, virtual activities, live shows, talent competitions, and family meal vouchers.

Diversity and Inclusion

Radware is fully committed to creating a diverse and inclusive workplace, making sure to provide equal work opportunities. Our corporate policy maintains zero tolerance for harassment, sexual harassment and discrimination, and it imposes significant consequences for behavior deemed to create a hostile work environment.

To ensure the implementation of policies designed to encourage diversity and inclusion within our company, Radware has a dedicated affirmative action officer who works alongside Radware's supervisors to ensure that hiring practices are fair and promote equality. We use sourcing channels in our global recruitment process that reach minorities, females and all people from all ages and backgrounds to ensure diverse populations, as relevant. For example, while our Israeli location seeks to employ talent from, among others, the orthodox and non-Jewish sectors of society, our US location is working to increase the hiring of Hispanic and African American applicants.

Radware strives to provide a comfortable and functional work environment for all its employees. This includes bi-annual interactive round table discussions with employees on work conditions, added compensation for atypical work days, additional holidays and team fun days, the opportunity for remote work, healthcare and childcare services and the provision for a childcare allowance.

Case Study: **Accommodations in the U.S. office for people with disabilities, pregnant or breastfeeding mothers, and religious people**

Radware seeks to create a welcoming environment. In its update of its local Anti-Discrimination & Anti-Harassment Policy, our U.S. office included an issue of accommodations that could be required by people with disabilities, pregnant or breastfeeding mothers, and religious people.

Radware strives to accommodate the challenges presented to employees by motherhood, including those induced by pregnancy, childbirth recovery and any resulting medical conditions. These accommodations may include rest breaks, assistance with manual labor, job restructuring or modified work schedules, temporary transfers to more flexible positions and breastfeeding breaks and accommodations.

Our employees can also request accommodations for religious practices or disabilities, such as time off for holidays, modifications of dress code, adjustments of the workplace and work schedule, and physical accessibility of the workplace. Radware engages in dialogues with its employees to find proper solutions.

Preventing Harassment and Discrimination

Radware aims to ensure that employees who undergo, or may witness cases of, harassment or discrimination have a secure avenue to report these infractions to HR [and governmental authorities]. This includes protection from retaliation for those who report harassment or comply with investigations of harassment.

An essential aspect of our anti-harassment and discrimination policy is educating our employees to avoid and potentially identify and report such behavior. In addition, in order to ensure that employees do their part to uphold an harassment-free workplace, we require employees to undergo an annual training course in how to identify and handle harassment in the workplace.

We place an important emphasis on gender diversity, and we work to increase women representation. We ensure salary equity between men and women and implement polices to ensure that our workplace is inclusive and free of abuse, harassment and discrimination.

→ To achieve our vision of a more gender balanced workplace that empowers women, Radware partners with organizations designed to promote the role of women in the workplace, such as She-codes, an NGO whose goal is to reach 50% women software developers in the Israeli high-tech scene, and Queen B, a non-profit mentorship and training program in computer science for middle-school girls. Queen B was founded by computer science students who were disheartened by how few women enrolled to the computer science major as a way to promote the involvement of women in hi-tech. Radware has contributed resources to these initiatives by such as lectures, coaches and mentors and also hosted the She-codes hackathon event.

Radware annually conducts a comprehensive gender pay gap analysis that considers job function and seniority level to monitor our alignment with equal pay principles.

We are pleased to share that in the past five years, we have experienced **no reports of sexual harassment** in our company.

she codes;

QueenB

Total workforce gender composition 2020

Senior management gender composition, 2020
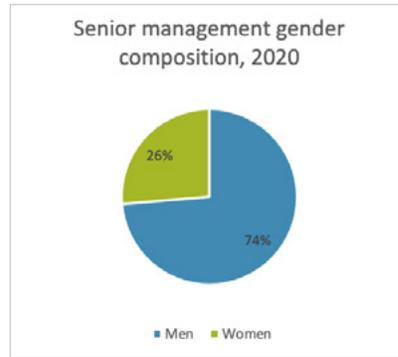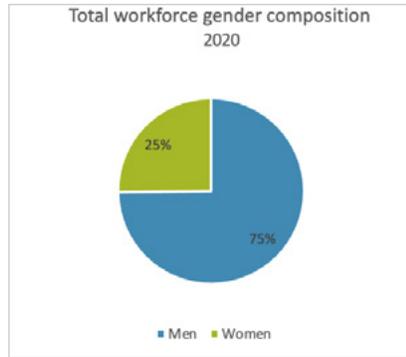
Employee Growth and Development

Investing in employee development and growth boosts Radware's effectiveness as a company while empowering our employees both personally and professionally. This process begins with our Buddy program, which pairs new employees with a buddy in order to facilitate their integration into the workforce, and continues with in-house training programs with a wide range of external conferences, workshops and courses designed to equip them with the necessary skills. We encourage employee excellence through bi-annual performance assessments and a variety of opportunities to innovate and grow internally.

Training & education	2019	2020
Employees participated in trainings	85%	90%

Case Study: Pilot Mentoring Program - Three Coaches For A Top Talent
Radware launched a pilot mentoring program at our site in the U.S. that we will expand to other locations if it proves successful. The program offers three mentorship forms: one mentor for each employee, a mentorship cross-function and a regional program employee to employee.

Technical and Professional Training Policy
Radware implemented a technical and professional training policy that outlines training procedures for both Radware employees as well as customers to help them develop knowledge of network security, application security, application delivery and web performance optimization. Our technical staff moves beyond the basics, gaining hands-on practical know-how to maximize the technology and system features that are built into Radware's solutions. Training courses are offered in person or online, and combine lectures, lab exercises, and analyses of real-world designs in addition to troubleshooting scenarios to further develop the student's learning experience. Radware's employees undergo training on various topics on an annual and ongoing basis, and suppliers and subcontractors go through training as needed.

Besides professional and technical skills, Radware develops the soft skills of our employees, including mindfulness, time management, and effective communication.

Encouraging Employee Excellence

Radware believes in maintaining an active dialogue with employees to support their progress and improve the effectiveness of the Company. Radware's management team is accountable for initiating and supporting a culture of continuous dialogue and individual growth.

Our Meet & Talk process, the performance assessment that we hold for all our employees twice a year, provides our people with the opportunity to assess their progress, establish development goals and confer with management regarding points to improve. All midyear discussions include annual mapping by 9-box methodology.

Case Study:

Each year, Radware's HR department recognizes the contributions of two outstanding employees in the nominations for "the most valuable employee" and "the center of excellence for sales."

Percentage of employees who received feedback during the year	2019	2020
End of the year	98%	97%
Mid of the year	91%	91%

Take an active part!

Review past year

Evaluate preformance based on rich data points: Ask for stakeholders inputs and relate to employees inputs

Set goals from the upcoming year

Aligning business needs and personal growth direction

The feedback Dialog

Ensure the employee understand what he/she need to be accountable for

Internal Mobility Policy

Radware strives to ensure that employees within the Company can transition between the jobs and departments which are best suited for their skills and abilities. Employees who have been with the Company for at least two years may inform their supervisor that they wish to transfer to another open position within the Company, and assuming the agreement of relevant managers, the transition takes place within 45 days.

Innovation and Open Feedback Culture

Radware employees are encouraged to provide their ideas and suggestions for how to better various aspects of company performance. Throughout the years, many improvements based on employee proposals have been implemented, including more environmentally friendly printing and sustainable canteen solutions, launch of a customer hack challenge, changes in the customer portal and new features in product solutions.

Case Study: Global Hackathon

Radware holds an annual hackathon with the goal of developing and rewarding the most innovative contributions to various aspects of our operations.

In 2020, we organized a global and cross-functional hackathon with 101 active contestants and 20 teams. Extra points were given to gender-diverse teams. The best five ideas were presented to the CEO. The winning teams received smartphones and smartwatches, and their ideas reached the design stage. The Hackathon took place in 2019 and 2020 and will take place for the third time in Q4 of 2021.

Chapter 3
Combatting Cyber Threats of The New Era

As life increasingly transitions to digital platforms, businesses are becoming more and more vulnerable to online threats due to the increase of their attack surface and decrease of the overall visibility into their traffic. COVID-19 significantly accelerated the digital transformation of organizations and the migration of applications to the cloud Radware's solutions secure the digital experience of enterprises and carrier customers by providing infrastructure, application and corporate IT protection and availability services worldwide.

Working from Home

Cloud Migration

Online Consumption of Goods
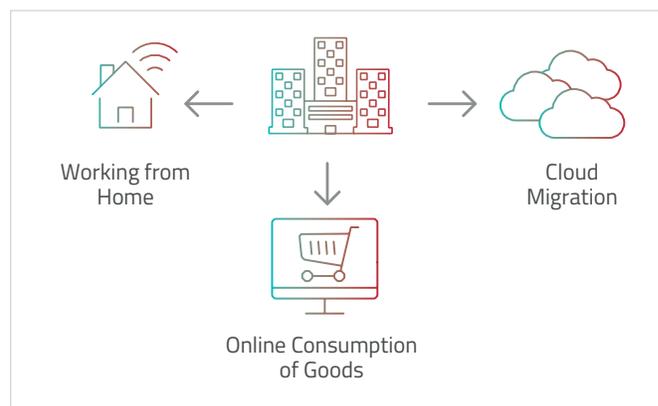
Cybersecurity Trends & Challenges

The COVID-19 pandemic presented challenges to the operation of the business, and Radware has worked diligently to support our employees as they strive to remain productive and motivated throughout these obstacles. We implemented a program of global engagement activities that consists of, among other things:

APIs are the next big threat. More than one-half of applications of nearly two in five organizations are exposed to the internet or third-party services via APIs. When developers create connections between apps to share data and drive functionality, points of entry grow for bad actors to target networks.

Denial-of-service (DoS) attacks are still very common and mostly volumetric, even against applications. Considered a network-level attack, DDoS is the most common attack vector against applications, with 80% reporting suffering DoS attacks against their applications.[4]

Only 36% of mobile apps have fully integrated security into their development life cycle, and a large proportion have either no security (22%) or only "bolted-on" security (42%), despite the fact that most information workers in 2020 relied on mobile apps for work tasks, entertainment and more as they shifted to at-home work.

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4   Information from Radware's annual 2020–2021 Global Application Security Report conducted with Osterman Research. The report surveys more than 200 professionals from midsize and large companies from all sectors across the world to study recent developments in the field of application infrastructure and digital security.

Enterprises are not prepared to properly manage bot traffic, with 82% of respondents suffering a bot attack. Despite the availability of dedicated solutions to detect and fend-off illegitimate bot activity, only one-quarter of organizations use it.[5]

Case Study: The Rise of Bad Bots

Organizations rely on the use of good bots to be more efficient and boost productivity; but at the same time, bad bots are often deployed by malicious actors to disrupt network services, steal data, perform fraudulent activities and even spread fake news. Bad bots are a tool to drive fear and doubt among people and are used as a weapon of influence and political bias, ensuring that fake facts get more exposure. This has become especially prevalent as a means to spread propaganda and misinformation surrounding the COVID-19 pandemic and climate change. These phenomena present obstacles in raising global awareness with regard to sustainability issues and shared welfare.

In 2019, bad bot traffic rose to 24.5% of total internet traffic, a 20% increase from the previous year. There are now four types of bad bots, each one more sophisticated than the last. The most recent and dangerous generation of bots are distributed, mutating bots. They rotate through large numbers of user agents and device IDs, generating just a few hits from each to avoid detection, and exhibit other human-like browsing characteristics. They record real user interactions, such as taps and swipes on hijacked or malware-laden mobile apps, to be able to replicate the movements and blend in with human traffic and circumvent security measures.

Our Solutions

Radware is a provider of cybersecurity and application delivery solutions for physical, cloud, and software-defined data centers (SDDC). Radware's solution portfolio secures the digital experience by providing infrastructure, application, and corporate IT protection and availability services to enterprises globally. Our solutions are deployed by, among others, enterprises, carriers and cloud service providers.

We offer a range of physical, software-based products, product subscriptions and cloud-based subscriptions (or a combination of these) for enterprise and carrier data centers, as part of their IT and application infrastructure.

We also offer technical support, professional services, managed services and training and certification to our customers.

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5   Information from Radware's annual 2020-2021 Global Application Security Report conducted with Osterman Research. The report surveys more than 200 professionals from medium and large companies from all sectors across the world to study recent developments in the field of application infrastructure and digital security.

Data Center Protection

DefensePro — This is a real-time network attack mitigation device that protects the application infrastructure against network and application downtime, application vulnerability exploitation, malware spread, network anomalies, information theft and other emerging network attacks.

Cloud DDoS Protection Service — provided a full range of enterprise-grade DDoS protection services in the cloud. Based on our DDoS protection technology, it aims to offer organizations wide security coverage, accurate detection and short time to protect from today's dynamic and evolving DDoS attacks. We offer a multi-vector DDoS attack detection and mitigation service, handling network-layer attacks, server-based attacks and application-layer DDoS attacks.

DefenseFlow Cyber control — a network-wide cyber command and control application that helps service providers to scale and automate network DDoS attacks response. DefenseFlow acts as a cyber-defense control-plane that collects and analyzes multiple sources of security telemetries and based on this information, applies designated intelligent security actions. DefenseFlow enables service providers to handle large amounts of customers efficiently and with minimal errors.

Emergency Response Team (ERT) — This team offers fully managed and under-attack services available on top of our DefensePro base product offering. It provides customers with information pertaining to attack sources recently involved in DDoS attacks. The feed provided by Radware's ERT enhances Radware's Attack Mitigation Solution and extends the automated, real-time protection provided by Radware's DefensePro, enabling preemptive blocking of attackers before they target the customer's network.

Threat Intelligence — a set of subscriptions that complement application and network security with constant updates of possible risks and vulnerabilities, enabling preemptive protection against emerging attacks. APSolute Vision — the network management tool and network monitoring tool for the Radware family of cyber security and application delivery solutions. It provides our customers immediate visibility to health, real-time status, performance and security of our products from one central, unified console.

Application Delivery

Alteon — Radware's application Delivery Controller (ADC) - provides advanced, end-to-end local and global load balancing capabilities for web, cloud and mobile-based applications. Designed to guarantee application service level agreement (SLA), Alteon ADC incorporates a set of next-generation services including SSL offloading, FastView Web Performance Optimization (WPO), HTTP/2.0 Gateway, Application Performance Monitoring (APM), AppWall Web Application Firewall (WAF), Authentication Gateway, bandwidth management, and SSL inspection security.

Alteon Global Elastic License (GEL) — is a new type of architecture and solution subscription that captures complete application lifecycle for large ADC deployments. GEL includes purchasing, provisioning and dynamic capacity management of ADC services for applications hosted in the cloud and on-premises.

Alteon Cloud Control — This enables simplified application delivery and security services deployment across various environments such as on-prem datacenters and private clouds and various public cloud providers. It ensures consistent management application delivery and security services and polices, regardless of where they are deployed.

SSL Inspection — In order to relieve Web servers in an organization's data center of the burden of encrypting/decrypting data sent via a secure socket layer (SSL) security protocol - SSL offloading sends the process to a separate device to perform the coding/decoding task. Our Alteon SSL inspection solution provides a simple one-box solution for offloading traffic encryption/decryption processing for both inbound and outbound traffic.

Application Protection

AppWall WAF — This Web Application Firewall is designed to secure the delivery of mission-critical web applications for corporate networks and in the cloud. AppWall is an ICSA Labs–certified WAF that combines positive and negative security models designed to prevent data theft and manipulation of sensitive corporate and customer information, and to help achieve payment card industry (PCI) compliance.

Cloud WAF Service — This service provides enterprise-grade, continuously adaptive web security protection and is based on our ICSA Labs–certified web application firewall. Cloud WAF includes full coverage of OWASP Top 10 threats, advanced attacks and zero-day attack protection. It automatically adapts the protections to evolving threats and protected assets. Our content delivery network(CDN) service is available as an add-on to our Cloud WAF Service customers.

Bot Manager — The Bot Manager is designed to protect web applications, mobile applications and APIs from emerging generations of automated threats (bots) targeting applications and systems, including account takeover, denial of inventory, DDoS, card fraud, web scraping and other OWASP automated threats. It also helps organizations reduce expenses and increase revenue.

Kubernetes WAF — A WAF solution for continuous integration and continuous development (CI/CD) environments orchestrated by Kubernetes, our Kubernetes WAF integrates with common software provisioning, testing and visibility tools in the CI/CD pipeline, offering both IT security and DevOps personnel–detailed insight down to the pod and container levels. It also enables organizations to implement effective application and data security in on-premise and cloud-based implementations.

Public Cloud Protection

Cloud Native Protector — This service provides protection for applications hosted on AWS and Azure with defenses that are designed to secure the public cloud environment against identity and access abuse, protect against malicious user behavior and secure the overall security posture of the public cloud environment.

By using our technology, our clients can gain peace of mind and ensure the best protection against the growing threats of this new era. Not only do our solutions protect and fight existing threats, but we do our best to also raise awareness of cyber vulnerabilities. We are industry recognized for innovation, leadership, performance and more. Our strategic partners – Nokia, Cisco and Checkpoint, to name a few – trust Radware to lead the way in cybersecurity.

Customer Satisfaction

Ultimately, Radware's primary concern is the security of our customers. Our customer base is diverse, ranging from service providers; to banks, financial institutions and governments; to technology, e-commerce and gaming companies; and more. What they each have in common, though, is a strong need for cybersecurity.

Although Radware's application security tools use automation and behavioral learning to adapt to new threats, we provide 24-hour customer support for our customers, which is especially needed in the case of a cyberattack. We are proud to report that customers rated Radware DefensePro #1 and Radware WAF #2, and that ratings for our Cloud Native Protector and Bot Manager both average five stars. We look forward to continuing to provide the best security solutions to our customers.[6]

DIVERSIFIED VERITCALS

- Service Providers
- Banking, Finance & Government
- Technology, e-commerce and gaming
- Other

15-20%
30-35%
25-30%
25-30%

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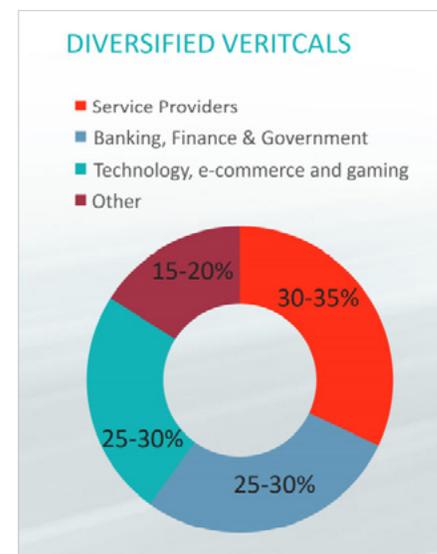
6   Chartbased on actual sales.

Case Study: U.S. Credit Union Relies On Cloud-Based Protection To Ensure A Superior Banking Experience

The Challenge

A large credit union operating throughout the Southeastern United States faced a cyberattack, resulting in customers' inability to access its portal or complete banking transactions. Despite implementing a web application firewall (WAF), the credit union was still being targeted by various application-based attacks, including a series of new bot-based, account-takeover attacks. Thus, the credit union contacted Radware to review application protection solutions.

The Solution

Radware and Cisco, a Radware alliance partner, presented a joint solution to provide comprehensive protection against an array of network and application attack vectors. The solution was comprised of several Radware security solutions, including its Cloud WAF Service for protection against OWASP Top-10 zero-day assaults and other attack application-layer attacks; Radware Bot Manager, which safeguards the credit union's web and mobile applications and APIs from automated threats by distinguishing malicious bots from legitimate traffic; and a hybrid implementation of DefensePro, Radware's on-premise DDoS mitigation appliance, and Radware's Cloud DDoS Protection Service for protection against DDoS attacks, network Layer 3/Layer 4 and application Layer 7 attacks and SSL protection.

Staying in Business While Under Attack

Radware expedited the implementation and onboarding of Radware Cloud WAF Service and Bot Manager.

Both solutions mitigated the assaults and restored availability and security for the credit union's mobile and web applications. The VP of IT stated that the credit union's security team was impressed with the speed and effort of the implementation and the ability of Radware professional services to address the credit union's issues.

Since then, Radware's solutions have successfully safeguarded the credit union's application from a series of high-volume application and bot attacks, allowing the company to guarantee uninterrupted service for its customers. Because Radware's application security tools use automation and behavioral learning to adapt to new threats, the credit union security team has more time to do proactive planning for the next evolution of threats.

The Way Forward

Radware predicts that application security will be unintentionally undermined by increased attack surfaces and security gaps, as businesses rush to migrate their infrastructure into the cloud. Additionally, massive data breaches have continued to increase, fueling account-takeover attacks at a scale never seen before. We foresee an increase in number and severity of account-takeover attacks, rendering personal, corporate and government data sources more vulnerable to breaches than ever.

We are also concerned that, as customers use more homegrown and undocumented APIs, which are harder to observe and control than the standard alternative, there will be an increase in data theft as hackers maximize their use as entry points to access greater privileges. Additionally, as these APIs continue running and powering mobile and web applications, there is greater interconnectivity on core networks and clouds despite a lack of a comprehensive solution, and therefore greater risk of failure of an entire application. As such, Radware predicts that API protection will be the first area of investment in the future.

Human errors will not only become more frequent but also costlier, as it is difficult to provide hermetic protection. However, as these threats increase, trust will decrease, and, therefore, improved automation and orchestration tools will emerge to scale security across multiple clouds.

The use of bad bots to disseminate misinformation will also continue to increase, and bot traffic originating from mobile application channels will grow more than general web traffic.

With all of this in mind, Radware recommends that when selecting security solutions, companies prioritize their quality rather than just the ease of integration. They should maintain a consistent and visible security policy across all data centers and cloud platforms used. It is important that organizations assess the real impact of bad bots on their activities, to better manage them, and build capabilities to identify automated activity of sophisticated bots in seemingly legitimate user behavior. Companies should also enforce multifactor authentication systems, such as temporary access codes via SMS, in addition to login forms or other in-app authentication mechanisms, and they should block public cloud services and ISPs suspected of harboring bad bots. Similarly, monitoring failed login attempts and spikes in traffic can help webmasters and security teams take preemptive mitigative measures.

Chapter 4
Protecting the Environment

Managing our Environmental Impact

Radware is committed to building a more sustainable world through the products, services and solutions we offer and the way we operate. Our products and solutions often optimize energy consumption for customers by reducing the number of servers they require and implementing multifunctional solutions which reduce hardware requirements. We operate our business in a manner which adheres to international sustainability standards while striving to improve our environmental performance across the entire supply chain.

Radware's commitment to sustainability is evidenced by our implementation of key performance indicators (KPIs), which set quantitative reduction goals for the use of water, power and paper. The responsibility for the environmental management and performance is shared between Radware's Director of Quality & Engineering and our Facilities & Maintenance Manager.

In 2020, due to the natural reduction caused by working from home practice, as well as our targeted internal initiatives we reached [(compared to 2019)] a:

➜ 15% annual decrease of total electricity consumption,

➜ 20% decrease of fuel consumption

➜ 45% decrease in paper consumption and

➜ 5% decrease in total water consumption in our Israeli office.

Radware strives to continuously improve its environmental performance in the post-COVID era as well as while expanding these practices beyond its Israel facilities to include all company activities. In coming years, the implementation of a hybrid model allowing employees to work from home two days a week is expected to reduce fuel consumption associated with transportation, further contributing to our sustainability goals down the line.

Radware's Environmental Policy

Radware's commitment to go beyond the demands set by international environmental regulations is actualized in our corporate environmental policy, which ensures that all relevant aspects of Radware's operations are designed, assessed and optimized to reduce environmental impacts related to GHG emissions, energy consumption, dispose of waste and spreading the sustainability practices along the value chain. The policy is updated annually and approved by our board of directors and executive management.

In 2020, our Environmental Policy sets the following goals:

➔ Measuring our environmental impact.

➔ Making an effort to integrate environmental considerations into all aspects of the supply chain and production process including product development, manufacturing, transportation and service.

➔ Informing our customers about proper and environmentally-safe usage maintenance and disposal of our products.

Defining Success Through KPIs

In the 2020 fiscal year, our KPIs were targeted to progressively reduce the amount of water, paper and electricity consumed in our Israeli offices.

Radware achieved significant progress in most categories, bolstered by the prevalence of work-from-home arrangements due to COVID-19.

Performance via Targets	2019	2020	Yearly Target
Water, Liters/Work Hours	2.09	2.67	1.50
Paper, Kg/Employee	0.193	0.122	0.185
Electricity, kWh/Work Hours	4.08	3.29	3.50

Given our success in reaching these goals, the next objective for the company will be to uphold this performance, as employees are expected to return to work in the coming months. Given our determination to run our business sustainably, we work hard to build on the success of last year while progressively improving in the future.

Compliance with Environmental Standards

Recognizing the critical importance of environmental responsibility in today's business world, Radware has committed itself to meeting environmental standards set forth by the European Union (EU) as well as private regulatory bodies. In particular, we comply with the EU's Waste Electrical and Electronic Equipment Directive (WEEE), ensuring the safe and sustainable disposal of outdated hardware such as keyboards and hard drives, and we also regulate the use and disposal of chemicals in accordance with the EU's Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and Restriction of Hazardous Substances RoHS regulations. Furthermore, our operations in Israel are conducted in full compliance with the International Organization for Standardization's (ISO) 14001:2015 Environmental management systems.

Engagement of Employees, Customers and Suppliers

Radware remains committed to encouraging its employees and partners to comply with environmental guidelines and reduce environmental footprint. We raise awareness of our employees by sending employees monthly tips on sustainable behavior, posting best practices at the entrance of each office and through enabling actions for more environmentally friendly behavior. In 2020 59% of our employees passed an EHS training.

We also seek to expand environmental best practices across our supply chain by requiring all of our original

design manufacturers (ODMs) to be accredited by ISO 14001:2015. We also require that manufacturers have documented environmental policies, including commitment to environmental protection, prevention of pollution, and compliance with environmental legislation. All products supplied must comply with the relevant European Directives, such as RoHS (2011/65/EU), WEEE (2002/96/EC), REACH 1907/2006 and UL 94V02. We audit our main manufacturers on a bi-annual basis.

100% of our ODMs are compliant with ISO 14001:2015

100% of our ODMs have an environmental policy

Promoting Energy Efficiency through our Products

Radware recognizes that a crucial component of our company's environmental impact is providing energy saving products to our customers. With this in mind we have designed cutting-edge software solutions allowing customers to manage data safely and effectively while minimizing energy consumption.

The majority of our products have achieved 80 Plus certification, ensuring that they efficiently utilize at least 80% of the energy transferred to them. Alteon, our load balancing product, reduces the number of servers required to stream data, optimizing energy efficiency.

As a general strategy, Radware strives to design products that provide multiple solutions, maximizing the utility brought about by each unit in order to reduce the amount of software required by companies to operate. Furthermore, the instruction manuals have shifted from paper and disk-based instructions to online instructions, reducing the use of plastics and paper.

Our Green Office Practices

Recognizing the importance of conserving resources to safeguarding the environment, Radware aims to progressively reducing consumption of these products.

Energy and Water consumption	2019	2020
Total electricity consumption, KWh	3,871,255	3,501,511
Fuel consumption, liters	234,408	186,172
Water consumption, liters	2,008,000	1,914,850

Using Energy-Efficient Equipment:

Since 2014, we strive to use energy-efficient equipment in all of our Israeli sites , ensuring a higher degree of energy efficiency in our operations.

Making our Facilities Energy Efficient:

In recent years, we have refurbished several areas in our headquarters to minimize environmental impact. This includes the use of automated lighting and air conditioning systems which deactivate when they are not needed and an air conditioning system which heats sections of the workplace rather than the entirety to minimize energy use.

Sustainable transportation:

At present, 14 out of 87 cars in our leased vehicle fleet are hybrid. In coming years, we seek to increase our usage of energy efficient vehicles to reduce fuel consumption on a company-wide level. In addition, to encourage

employees to bike to work, we have installed showers in our offices in Israel.

Our Green IT practices:

Implementing Energy Efficient Printing:

In recent years we have removed printers from employees' offices and shifted to communal printers, which activate quickly to conserve energy and print-double sided by default. Furthermore, our system documents paper usage and compares it to the desired company benchmarks. This allows for mid-job cancelation and prevents accidental printing while providing this information to employees so they can adapt their behavior to conservation targets. These measures ensure that paper and energy will be preserved to the degree possible.

We also try to avoid unnecessary printing through the use of the virtual DocuSign system as part of internal
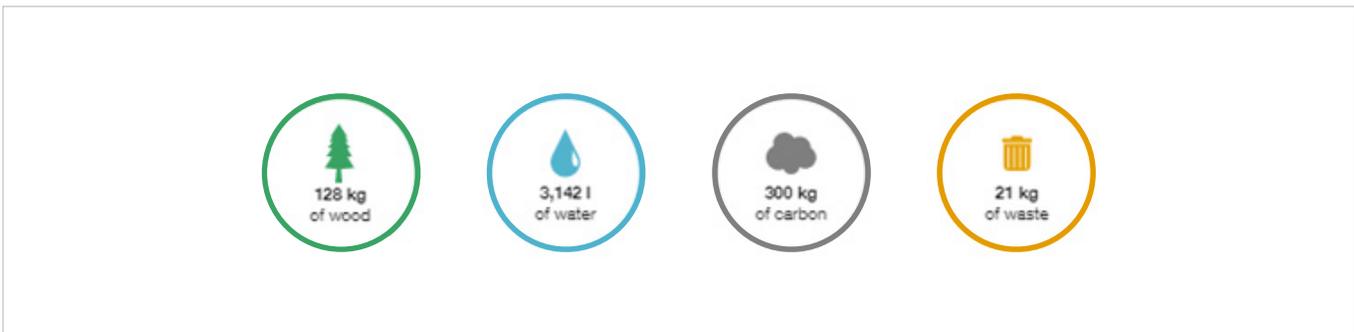
signature process for most agreements. Altogether, this has allowed us to annually save about:

Paper management, tons	2019	2020
purchased	1.18	0.64
recycled	2.81	1.78

Virtual Conferencing:

The use of high-definition video conferencing technology allows our representatives to communicate with colleagues and customers in an ecologically efficient way and reduces travel-based carbon emissions, while saving the Company time and funds expended during air travel. Furthermore, video conferencing rooms are built with smart sensors which deactivate lighting automatically when a room is empty.

TED training rooms:

Our Training rooms in Tel Aviv are designed in the "TED" style to serve as multifunctional work spaces while the operations room utilizes NVX video technology in order to minimize the amount of copper wiring required to function and travels.

Greenhouse Gas Emissions

In a time when the effects of climate change are becoming impossible to ignore, the reduction of carbon emissions is an important component of our approach to sustainability. We have taken measures to reduce the amount of employee travel, implementing a high definition video conferencing center to allow for carbon-free international meetings which do not sacrifice the intimacy and nuance of face to face communications. When travel by car is necessary, we use hybrid vehicles fleet to ensure that emissions are kept to a minimum.

GHG emissions	2019	2020
Scope 1, tons Co2e	554.11	441.36
Scope 2, tons Co2e	1935.63	1750.76

GHG normalized per office sizes

2019 (scope 1+2): 0.21 Co2e/sq meter

2020 (scope 1+2): 0.18 Co2e/sq meter

Approach to Hazardous Chemicals and Waste Management

An important component of our environmental policy is ensuring that the materials we use and the means by which we dispose them do not harm the environment. To this end Radware's operations are in full compliance with the EU'S Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and Waste Electrical and Electronic Equipment (WEEE) directives, ensuring that we limit the use of hazardous chemicals and dispose of electronic equipment in an environmentally sustainable manner.

Waste Reduction

Broken, malfunctioning or outdated hardware contains parts that may be harmful to the environment while also containing some reusable components. Rather than discarding old, broken and malfunctioning hardware, we turn unusable equipment over to a recycling company several times a year to ensure that it is handled responsibly and in accordance with the EU's WEEE directive. Furthermore, rather than discarding usable hard drives, we usually transfer their contents to a cloud drive and continue using them.

Chemical Management Policy

An important aspect of our environmental policy is limiting the use of substances that may harm both consumers and the environment. Radware has adopted the EU's Restriction on Hazardous Substance (RoHS) directive and REACH regulations.

Adherence to these policies includes auditing our suppliers to ensure compliance across our entire supply chain and publishing safety data reports.

Recycled waste, tons	2019	2020
Electronic waste – recycled	4.369	11.879
Plastic waste – recycled	0.563	0.909

In an age when responsible ecological practices have been recognized as a necessity in the corporate world, Radware has adopted policies designed to reduce resource and equipment waste, reduce energy consumption and carbon emissions, and surpass regulatory environmental guidelines while cooperating with corporate partners who adhere to the same sense of responsibility. This ensures that we progressively improve our performance in this regard.

While Radware made significant progress in reducing its environmental impact in 2020, we recognize that there is still much to accomplish. We seek to expand our environmental policies to our facilities outside of Israel in order to fully integrate our vision of sustainability into our sites.

Chapter 5
Responsible Business Practices

Corporate Governance

Strong corporate governance, based on the principles of accountability, fairness, transparency and responsibility, is an integral part of our sustainability approach. We believe that it is a critical aspect of our sustainable growth and value creation.

Our Board of Directors currently consists of six members, of whom four are independent directors (according to Nasdaq criteria) and one is a woman.

The members of the Board of Directors are elected for a three-year period, and there is no age limit.

In 2020, 14 meetings of Radware's Board of Directors were held, with the directors' attendance rate being 88%. Each director attended at least 80% of all Board meetings.

Member of the Board	Yehuda Zisapel
Role in the Company	Chairman of the Board of Directors
Description	Yehuda Zisapel, age 79, is the Chairman of Radware's Board of Directors. He is also a Cofounder of Radware and has served as a member of the Board of Directors since the company's inception.
	Mr. Zisapel also serves as a Director of Radware Inc. and is a Founder and a Director of both RAD Data Communications Ltd. and BYNET Data Communications Ltd. He is Chairman of the Board of Directors of RiT Technologies Ltd. and a director of other businesses in the RAD-Bynet Group, including SILICOM Ltd. and several private companies.
	Mr. Zisapel has an Award of Honorary Doctorate, Doctor Honoris Causa (DHC), from Technion, the Israel Institute of Technology, and an M.B.A. from Tel Aviv University. He holds Bachelor of Science and Master of Science degrees in electrical engineering, also from Technion.
Independent Director (Nasdaq Criteria)	No
Date of Joining the Board	5/1996

Member of the Board	Roy Zisapel
Role in the Company	CEO, President and Director
Description	Before founding Radware, Mr. Zisapel, age 50, directed research and development projects for RND Networks Ltd., pioneering the company's award-winning IP load-balancing product line, and led algorithmic research for Madge Networks' LAN ATM switch. Mr. Zisapel began his career as a software engineer at Algotech Systems, a medical imaging solutions company.
	Mr. Zisapel was drafted to the Israel Defense Forces in 1989, where he served within the Intelligence corps until 1994. Mr. Zisapel graduated summa cum laude with a Bachelor of Science degree in mathematics and computer science from Tel Aviv University, where he was honored with the International Wolf Prize for research students. Additionally, Mr. Zisapel holds several U.S. patents and patent applications in the areas of global load balancing, network proximity, traffic redirection and multi-homing.
Independent Director (Nasdaq Criteria)	No
Date of Joining the Board	4/1997
Member of the Board	Yair Tauman
Role in the Company	Director (Member of the Audit Committee and Compensation Committee)
Description	Prof. Yair Tauman, age 73, has been the Dean of the Arison School of Business in the Interdisciplinary Center (IDC) in Herzliya since January 2010. He is also a Professor of Economics and the Director of the Center for Game Theory in Economics at Stony Brook University in New York. His areas of research interests are game theory and industrial organization. Professor Tauman currently serves on the Boards of Directors of several companies engaged in the areas of online auctions, financial information, education and IT, including ADVFN Plc, which is traded on the London Stock Exchange. Professor Tauman obtained his PhD and Master of Science degree in mathematics from the Hebrew University in Jerusalem and holds a Bachelor of Science degree in mathematics and statistics also from the Hebrew University.
Independent Director (Nasdaq Criteria)	Yes
Date of Joining the Board	10/2010
Member of the Board	Naama Zeldis
Role in the Company	Director (Member of the Audit Committee and Compensation Committee)
Description	Naama Zeldis, age 58, joined Radware's Board of Directors in September 2020. Ms. Zeldis brings with her more than 30 years of experience in finance and management roles. She currently serves as the CEO of Aquarius-Spectrum. Formerly, she served in senior CFO positions in a variety of leading high-tech and industrial companies, such as Tahal Group, Netafim, EDS and Radguard. In addition, she served as an independent director for several companies that are at the forefront of industry in Israel, including Metalink Ltd., NOVA Measuring Instruments Ltd., Rafael and Orbit Communication Systems Ltd.
	Ms. Zeldis holds a Bachelor of Arts degree in Economics and a Master's degree in Business Administration, Specializing in Financing, from the Hebrew University (both MCL) and a Bachelor of Arts degree in Accounting from Tel-Aviv University.
Independent Director (Nasdaq Criteria)	Yes
Date of Joining the Board	9/2020

Member of the Board	Gabi Seligshon
Role in the Company	Director (Chairperson of the Compensation Committee)
Description	Gabi Seligsohn, age 55, has served as a member of our Board of Directors since May 2020. Mr. Seligsohn served as the CEO of Kornit Digital Ltd. (Nasdaq: KRNT), a company engaged in the area of digital printing on textiles, from April 2014 through July 2018. From August 2006 until August 2013, he served as the President and CEO of Nova Measuring Instruments Ltd. (Nasdaq: NVMI), a company specializing in the design, development and production of optical metrology solutions for the semiconductor industry. Prior to that, from 1998 to 2006, he served in several leadership positions at Nova. Mr. Seligsohn currently serves as Executive Chairman of the Board of Directors of Augwind Energy Tech Storage Ltd. (TASE: AUGN) and as a member of the Boards of Directors of Kornit Digital and Ion Acquisition fund (NYSE: IACB, a SPAC) as well as PubPlus, a privately owned company. Mr. Seligsohn also currently serves on the Board of Directors for ION Acquisition Corp. Mr. Seligsohn holds a Bachelor of Laws degree from the University of Reading in the UK.
Independent Director (Nasdaq Criteria)	Yes
Date of Joining the Board	5/2020
Member of the Board	Stanley B. Stern
Role in the Company	Director (Chairperson of the Audit Committee)
Description	Stanley Stern, age 63, is Managing Partner of Alnitak Capital, which he founded in 2013 to provide board-level strategic advisory, M&A advisory and equity market advisory services, primarily in technology, healthcare and alternative energy and related industries. Before founding Alnitak, Mr. Stern was a Managing Director at Oppenheimer & Co. from 1982 to 2000 and from 2004 to 2013, where, among other positions, he was head of the firm's investment banking department and technology investment banking and financial institution groups. Mr. Stern also held roles at Salomon Brothers, STI Ventures and C.E. Unterberg. Mr. Stern is currently the Chairman of the Board of Audiocodes Inc., a leader in VOIP infrastructure equipment, a Board member of Ormat Technologies, a global leader in geothermal energy, as well as Ekso Bionics and Polypid, and a Board member of Tigo Energy, a private solar energy equipment supplier. Previously, Mr. Stern was Chairman of the Board of Directors of Sodastream, the global leader of at-home beverage makers, a member of the Board of Directors of Foamix Pharmaceuticals Ltd., a member of the Board of Directors of Given Imaging, a member of the Board of Directors of Fundtech Inc., Chairman of the Board of Directors of Tucows Inc., and a Founder and Director of Odino dba diamond.com. Mr. Stern holds a Bachelor of Arts degree in Economics and Accounting from City University of New York, Queens College, and a Master of Business Administration from Harvard University.
Independent Director (Nasdaq Criteria)	Yes
Date of Joining the Board	9/2020

Board of Directors' Committees

The Board of Directors appoints committees to help carry out its duties. Each committee reports the results of its meetings to the Board of Directors. The Board of Directors established the Audit Committee and the Compensation Committee and, from time to time, has established ad hoc committees for various matters or projects.

Audit Committee

The Audit Committee is responsible for monitoring the company's internal control system, financial information, and its disclosure, among other things. The Committee currently consists of three members, all of whom are independent directors.

In 2020, the Committee held seven meetings, with a 100% attendance rate.

The Compensation Committee

The Compensation Committee is responsible for reviewing and formulating recommendations regarding remuneration policies for directors and senior management, among other things. The Committee currently consists of three members, all of whom are independent directors.

In 2020, the Committee held nine meetings, with a 100% attendance rate.

Ethical Behavior

We are proud of our commitment to high professional and ethical standards, and they are of paramount importance to our company. Our value for human dignity and commitment to responsible operations guide the conduct of our employees to each other, our stakeholders and greater society and is an essential component of all company activities.

To ensure that Radware employees, contractors and suppliers adhere to necessary ethical standards, we have adopted a number of policies addressing relevant aspects of conduct. These include our Code of Conduct and Ethics, our Anti-Corruption, Insider Trading, Anti-Discrimination and Anti-Harassment, Reporting and Anti-Retaliation and Human Rights and Labor Standards policies as well as a Supplier Code of Conduct.

Code of Conduct and Ethics

Radware's Code of Conduct and Ethics forms the backbone of our corporate ethics approach. It regulates employee conduct in a number of areas related to corporate compliance. These include requirements to adhere to laws in all Radware locations, the conditions under which employees can receive gifts from partner organizations, required conduct in situations where employees face the risk of personal or financial conflicts of interests, the requirement to respect intellectual property laws and the requirement to treat others respectfully. Incoming employees review and sign the Code of Conduct and Ethics upon joining our workforce and all employees review it and receive relevant training on an annual basis to ensure that they fully understand and comply with its requirements. The code is approved by the Board of Directors and executive management and periodically reviewed. A copy of the complete Code of Conduct and Ethics is available on our website.

In both 2019 and 2020, 100% of our employees were acquainted with the code. If an employee violates it, Radware has implemented a policy to ensure that infractions are reported, investigated and dealt with appropriately. The whistleblower can submit concerns regarding violations via an anonymous hotline, which automatically sends the recorded voice files to each of our Audit Committee members.
All incidents are reported to the head of the HR department, who protects the anonymity of the submitting party while passing the matter on to the General Counsel for investigation.

Following any incident, Radware will act swiftly to respond while preventing similar violations from occurring in the future.

Anti-Corruption Policy

The Anti-Corruption Policy informs Radware employees of explicitly corrupt practices while bringing light to a number of "red flag" situations that may be signs of attempted corruption by Radware's partner companies. Employees aware of potential violations in this regard are instructed to report possible infractions to the Chairman of Radware's Audit Committee and are protected from retaliation when reporting corruption issues to management. The Anti-Corruption Policy is updated annually and approved by our Board of Directors and executive management.

Due to the critical importance of maintaining a workplace free of corruption, Radware requires its employees to attend training sessions designed to educate them regarding corporate corruption and to fill out our Anti-Corruption questionnaire at the beginning of their employment. Penalties for breaching this policy include disciplinary action and possibly even termination.

In both 2019 and 2020, there were no reported cases related to corruption in the company.

Insider Trading Policy

Through their work for Radware, certain employees may receive access to sensitive information, which is to be held in trust. The use of this information to gain monetary advantages through trading in company securities is unlawful and strictly forbidden by Radware's Insider Trading Policy. This includes "tipping" information about the company as well as trading in company securities while in possession of material nonpublic information. All employees are required to read and sign the policy and are directed to the appropriate personnel for any questions regarding the legality of trading company securities.

Anti-Discrimination & Anti-Harassment

Radware takes pride in the high standards to which we hold our employees to treat others with dignity, decency and respect. We prohibit all forms of discrimination and harassment within the workforce and among suppliers, contractors and consultants. Radware treats the potential infractions of our harassment and discrimination policies with utmost seriousness and takes measures to educate its employees on these critical matters while preventing harmful conduct and disciplining potential violators. The Anti-Discrimination and Anti-Harassment Policy is found within the Code of Conduct and Ethics.

Reporting and Anti-Retaliation Policy

Employees who have been subjected to harassment or discrimination of any kind, as well as those who believe they have witnessed such behavior directed toward others within the Radware community, must immediately report this to their manager, HR, or a member of management. False reporting or failing to comply with a company investigation regarding harassment are violations of the Code of Conduct and Ethics as well as specific policies in Israel and the U.S. and subject to disciplinary action. The Reporting and Anti-Retaliation Policy is found within the Code of Conduct and Ethics and the specific policies.

In addition to requiring the reporting of harassment discrimination, Radware has a detailed investigation procedure in place to address such instances and takes measures to ensure that reporting is not met with retaliation from the subject of the complaint or from any other members of our community.

In 2020, there were no reported cases related to harassment or discrimination in the company. In 2019, there was one, after which Radware updated its Anti-Discrimination and Anti-Harassment and Reporting and Anti-Retaliation Policies and Reporting and Investigation Procedure.

Human Rights and Labor Standards Policy ⬀

Radware respects the rights and dignity of all people and complies with human rights and international law in all of our company's activities. Our Human Rights and Labor Standards Policy, which is approved by Radware's Board of Directors and executive management, includes the need to respect the labor rights of our workers and provide equality of opportunity for individuals regardless of gender identity, race, creed, nation of origin, sexual orientation and demands that employees meet a high standard of professional conduct. Furthermore, we apply these standards to our supply chain, outsourced labor and those who supply materials to assure that all aspects of our business operations are run ethically.

Supplier Code of Conduct ⬀

Radware's commitment to ethical behavior and human rights extends to its suppliers, contractors and consultants as stipulated in our Supplier Code of Conduct. This code is rooted in international legal documents such as the United Nations Declaration of Human Rights and the International Labor Conventions.

Although the Supplier Code of Conduct may set standards that are not covered in a given area in which Radware operates, our partners would still be expected to adhere to the code, with failure to do so resulting in a potential termination of our agreement.

The standards covered by our Supplier Code of Conduct cover the same areas as Radware's own ethics policies including anti-corruption, avoiding conflicts of interest and risk analysis, prohibitions on insider trading, preservation of intellectual property, nondisclosure requirements, upholding ethical workplace practices, responsible sourcing and supply adherence to environmental requirements and the requirement to follow an integrated management system policy.

Radware may ensure compliance with its Supplier Code of Conduct through auditing or other assessments of a partner entity's facilities, records or business practices. Responsibility for handling potential breaches of our Supplier Code of Conduct is referred to Radware's General Counsel. The Supplier Code of Conduct has been approved by the Board of Directors.

Conflict Minerals ⬀

In recent years, the use of minerals procured in conflict areas, potentially through practices violating international human rights law, has become a matter of increasing concern in the corporate world. As a potential downstream user of products containing such materials, Radware recognizes the obligation to protect human rights and to take global steps to interrupt the funding of groups conducting crimes against humanity. We therefore operate in compliance with the requirements of the conflict minerals rules promulgated under the U.S. Securities Exchange Act of 1934, as amended, and implement due diligence practices to identify potential sources of conflict minerals (as defined in such rules) in our supply chain.

Radware's approach to mitigating the use of conflict minerals includes assessing company products likely to contain these materials while exercising due diligence with relevant suppliers in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and

the procedures provided by the Responsible Minerals Initiative (RMI). This raises supplier awareness of conflict minerals and requires suppliers to identify the smelters that process the minerals they purchase, engaging in dialogue with suppliers inadvertently using conflict minerals, requiring suppliers to provide us with completed conflict minerals declarations using the Conflict Minerals Reporting Template (CMRT) and maintaining traceability data as reasonably sufficient to allow review of past years while ensuring that our suppliers do likewise. When entering an agreement with suppliers, Radware incorporates the principles of this policy into our contractual Purchase Order Terms and Conditions and views the breach of these terms as potential grounds for terminating cooperation.

Health and Safety

Radware's Commitment to Employee Safety

Radware is committed to providing a safe and healthy workspace for all of our employees. We ensure a high standard of employee safety through maintaining a proper work environment and ensuring that employees are informed of and comply with relevant health and safety guidelines. Radware fully adheres to relevant international standards including ISO 45001:2018 and OHSAS 18001:2007.

Maintaining a Safe Working Environment

Ensuring that our facilities are maintained to avoid employee injuries is a critical aspect of our safety policy. Radware has built safety measures into our workplaces, including fall protection system, walkways, handrails and so on. We maintain tools and equipment to ensure they are used safely, provide necessary health and safety equipment, keep walkways clear of debris, abide by a comprehensive safety policy and educate employees in safety measures and reporting guidelines. These measures protect individual employees from injury, ensure the effectiveness of company operations and are a critical component of the ethical standards to which we hold ourselves.

Recognizing the significant harms of secondhand smoke, Radware also maintains smoke-free work facilities. While employees may smoke at their discretion during work breaks, company policy mandates that they do this outside of our offices or work sites.

Employee Conduct

Employees are the eyes on the ground when it comes to the implementation of our health and safety policy. To ensure that safety standards are met and hazards are avoided, our workers must be aware of risks and take responsibility in reporting them to management.

Additionally, Radware occasionally updates its safety policies in response to safety concerns or changes in international standards. Employees are expected to familiarize themselves with these policies so as to guarantee their full enforcement.

Measures taken by employees to ensure employee safety include inspecting tools and equipment before use and informing supervisors in a timely manner of both real and potential safety risks, including improperly functioning equipment, unsafe work conditions and/or practices in the workplace and any injuries that occur. Furthermore, Radware's safety officer conducts root cause analysis on injuries to prevent their recurrence in the future.

	2019	2020
Number of injury incidents	6	2
Days lost to Sickness or Injury	3835	2977.5

*Data in the above table is taken from all Radware Sites.

Information Security and Data Protection

As a leading provider in cybersecurity and application delivery, ensuring the highest standards of information security and data protection is a critical aspect of Radware's management approach. Radware meets relevant international privacy standards including the EU's General Data Protection Regulation (GDPR), follows best practices for its information security management system and is certified for ISO 27001, ISO 27017, ISO 27018 and ISO 27032. We are also certified for ISO 28000 Supply Chain Security and ISO 9001 Quality Management. PCI service provider and HIPAA compliance is confirmed by an annual self-assessment. Furthermore, Radware is in the process of completing SOC 2 Type 2 attestations for its cloud security services.

Information Security Policy

Radware's Information Security Policy is rooted in our responsibility to preserve the confidentiality, integrity and accessibility of data belonging to Radware and our customers and provide our stakeholders and customers with a sense of security and trust. Our Information Security Policy serves as the foundation for detailed internal procedures, standard and policies, which form the basis of our data security approach.

Radware's information assets include:

➜ Intellectual property
➜ Proprietary information
➜ Customer information
➜ Corporate management information system
➜ Human resource information.

To ensure that this essential information is safeguarded, periodic risk assessments are conducted. Information is divided into four levels of sensitivity and assigned to data owners, who are responsible for classification of information assets and determining appropriate criteria for obtaining access to these sensitive information assets.

Information Security: Everyone's Responsibility

Radware's Information Security Policy is organized under a documented responsibility structure, with each manager playing a unique role in its implementation. The process of supervising the policy is handled by the company's senior management, who revise the information security principals annually and review performance metrics and security incidents to continuously improve Radware's approach in this critical field.

The Director of Cybersecurity and the Chief Information Security Officer (CISO) are directly responsible for defining the security strategy, with the support of company executives. Their roles include documenting and disseminating the company's security policy, educating employees about relevant policies and responding to any breaches or violations of policy that may occur. The CISO is responsible for defining Radware's Information

Security Policy, ensuring that violations are monitored and responded to in a way that minimizes risk to Radware. The Director of Cybersecurity is responsible for the implementation, operation and monitoring of the systems and procedures necessary to maintain the secure environment.

The Information Security Steering Committee is tasked with providing oversight and direction in all matters regarding the protection of company data and privacy assurance. This includes overseeing the implementation of Radware's strategic information systems security plan and systems security policy, assuming responsibility in the case that exceptions to these policies are required and advising department managers about potential risks and opportunities.

Data custodians are given responsibility for specific information assets and are responsible for ensuring that all relevant security laws are followed when granting access to said information.

Finally, data users – whether Radware employees, contractors or third parties – who are granted access to information are responsible for adhering to relevant company guidelines and for reporting any breaches or violations to relevant parties.

Information Security: Practices and Procedures

In addition to designing products and services, which minimize the processing of data to reduce the vulnerability of information breaches, Radware performs a number of critical procedures to secure company and customer information. These include employee training, conducting annual risk assessments, encrypting data in transit and storage, conducting internal and external audits of control procedures and ensuring that access to company and customer information is limited to employees based on their specific job function. Radware ensures that customers are aware of all relevant information and security procedures through our Data Processing Agreement.

At the time of their hiring and on an annual basis, Radware employees are required to undergo information security training, so that they retain the knowledge and competence necessary to maintain a high standard of information security on a company level. This includes procedures designed to protect the digital processing of data as well as the shredding of hard copies to ensure that company and customer information is disposed of expediently when it is no longer necessary for the services provided. Most important, in the event of a suspected breach, employees are instructed to follow an escalation process allowing the company to identify and respond to potential breaches. Finally, in case of a breach, Radware would implement an incident response plan (IRP) to address breaches as quickly and effectively as possible.

We incentivize employees to take information security and data protection seriously, including this topic as part

of Radware's performance evaluation process. Employees who fail to uphold these standards may face disciplinary consequences.

Case Study: Protection Against Breaches and Leaks

In 2020, Radware experienced two DDoS attacks against radware.com. The company successfully dealt with the attacks, with **no breaches or leaks of customer information**. No customer information was compromised. No fines or penalties were paid by Radware in relation to information security breaches or other cybersecurity incidents.

Data Protection

In addition to ensuring that Company records and data are secured, preserving our customers' private information is a crucial aspect of Radware's operations. Our company operates in compliance with, [among other data privacy regulations,] the European Union's General Data Protection Regulations (GDPR) and acts in accordance with our Data Protection Code of Conduct and individual Data Processing Agreements which address the way in which data is processed, record keeping and data protection requirements. Upholding these standards falls under the competence of Radware. In addition, all 3rd party relationships are evaluated for compliance with data protection and privacy requirements.

Radware offers customer within the EU the ability to store data within the European Economic Area (EEA). Furthermore, in dealing with countries that do not offer adequate data protection by law, Radware offers contractual agreements in accordance with the GDPR.

In the event of a personal data breach, Radware has policies and measures in place to detect, report and address incidents quickly and effectively. This includes the use of automated detection capabilities and prevention systems, antivirus software, log analyzers and through reports submitted by users suspecting a breach. In the event that a breach is confirmed, Radware reports the breach to the documented Customer contact and will report the breach to the relevant supervisory authorities within the timeframes required by applicable law.

Website Privacy Policy

Radware's comprehensive Website Privacy Policy covers all relevant aspects of data protection. This includes collection and use of personal information, along with the ability of users to modify or remove that information, restrictions regarding the collection of personal information of children, security and encryption, our data retention policy which requires Radware to delete personal data when it is no longer using them in the providence of a product or service, and the conditions under which Radware may share data with another party.

No fines or penalties, associated with customer privacy were paid by Radware in 2020. Zero leaks, thefts or losses of customer data were identified.

Relevant details are covered comprehensively in the Website Privacy Policy available on our website.

> *Radware recognizes that ensuring the security of company information and personal data are essential components of both our business operations and our customers', employee's and investors' continued confidence in our company. For this reason, the Company's information security and data protection policies are of paramount importance as we continue providing the highest standards of service in these areas and progressively improving relevant policies and procedures"*

- Arik Rosenbaum, Radware's Chief Information Officer

Chapter 6
Community Investments

Radware's sense of responsibility to society underlies our approach to community outreach and engagement. We strive to establish ourselves as contributing members of the communities where we live and work. To accomplish this, Radware supports community programs, promotes gender diversity, participates in inclusion programs for disadvantaged communities, and strives to empower the next generation of hi-tech innovators.

The most significant aspect of our outreach and engagement strategy is the proactive approach we take towards volunteering within local communities with the goal of fostering sincere, ongoing and passionate engagement. Radware encourages employees to volunteer in a way which accommodates their professional and personal needs, offering paid volunteering days and building a framework which supports community engagement. As a critical part of this approach, Radware partners with Helpi, an Israeli nonprofit dedicated to finding short-term micro-volunteering opportunities which allow employees to fit volunteering into their other life activities. Through this initiative, our employees in Israel have engaged in numerous charitable activities including lecturing, filling out government forms, providing minor home repairs and other simple but meaningful tasks which make life easier for individuals and local communities.

In 2020, we launched our first Global Social Responsibility event, challenging 1,000 Radware employees to complete as many good deeds as possible in ten days. Working with NGOs in Israel, the US, India and Japan we believe we positively impacted the lives of over 2,000 families worldwide. This initiative built an immense amount of enthusiasm and increased the number of employees engaging in volunteering activities as our employees from around the world came together to help others.

"Employees liked the idea of giving back to community and paying it forward"

- Roseanne Donohue, [Radware] US

> *"This initiative helped people to do good deeds. To work with differently abled and help them in some small way is a dream come true for some."*

- Surabhi K., [Radware] India

> *"Ten Days Give was such a thoughtful initiative. Corporate social responsibilities are great opportunities to help oppressed if executed properly. I have no doubt to say this this was one such strategically and systematically executed initiative. Well done, team ShieldSquare and Radware."*

- Manwendra Mishra, Radware India

Our community investments are structured around four main pillars: local communities, next cyber generation, empowering women and inclusion of underrepresented communities.

Community Investment Structure

- Local Community
- Empowering Women
- Next Cyber Generation
- Inclusion of Underrepresented Communities

56% / 19% / 19% / 6%
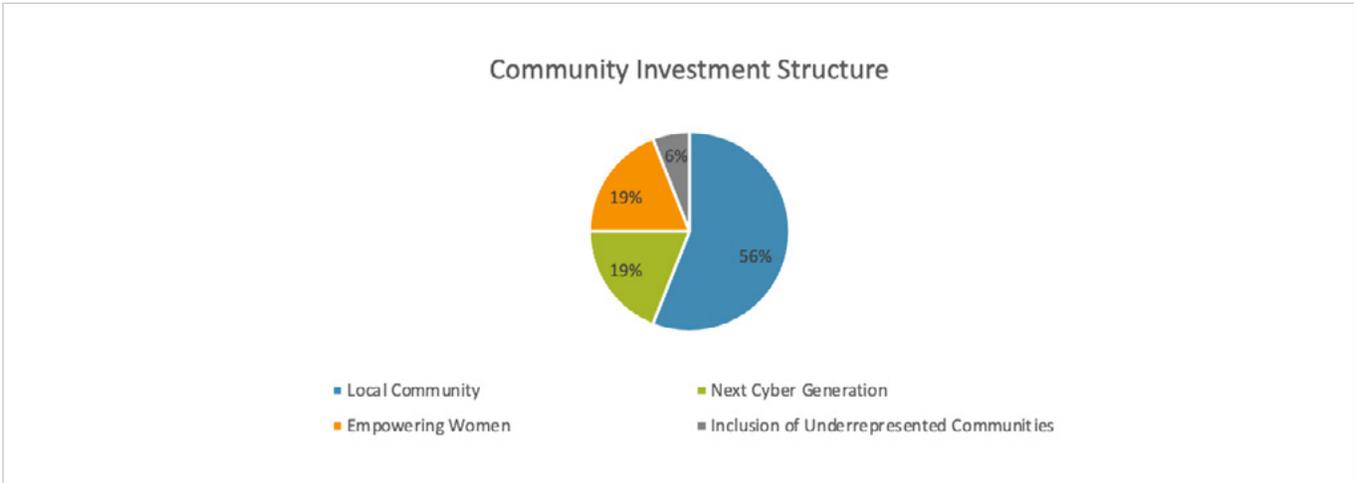
Affecting Local Communities

Radware's approach to community engagement is based on the idea of building strong bonds between the representatives of our company and the communities they seek to positively affect. We believe that building long-term relationships allows us to better understand the needs of these communities while taking pride in witnessing the effects our programs have on local populations firsthand. Maintaining a high level of community engagement creates a genuine sense of satisfaction and cohesion within our employees.

As the world faced the social and economic challenges of the COVID-19 crisis, Radware employees globally worked hard to provide relief. We participated in a food drive for Holocaust survivors and supported local businesses as well as Radware employees' family businesses in Israel, distributed care packages and refurbished laptops in India and donated blood in Taiwan, in addition to many other activities. This was done to provide assistance as the world faced the challenges of a global pandemic.

Case Study: Radware School of Hope

Radware's support for Yunfeng Middle School in Sichuan Province, China, began in 2008 when we made a donation to rebuild the school following a debilitating earthquake. As a result, the school was renamed Radware School of Hope. Since then, Radware has continued to support the school to enhance

the educational experience of its students by providing scholarships for 10 students every year and paying for students' uniforms and school supplies.

"Radware built intimate relationships with Yunfeng Middle School since 2008, when WenChuan earthquake erupted. Radware was involved in the reconstruction of the disaster area and raised [funds] to help us build a new schoolhouse. Over the years, Radware has been concerned with the construction of the school and the growth of the students. 同学们，加油！"

- Yunfeng's head master 2018

Empowering Next Cyber Generation

In a world where technology has come to play a prominent role in the modern world, empowering the emerging generation of hi-tech employees is an important aspect of Radware's outreach approach.

To further this goal, we welcome over ten interns for a four-month internship each year. The internship experience allows aspiring hi-tech innovators to learn valuable professional skills and benefit from mentorship and guidance provided by our staff. 30% of these interns begin a career at Radware. We are particularly proud of the fact that we were able to sustain this program during the COVID-19 pandemic, with interns continuing their work remotely.

For the past five years, Radware has collaborated with Taasiyeda, a nonprofit that seeks to bridge the gap between theoretical knowledge taught at schools and challenges faced in the workplace . Our mentors meet with high school students throughout the school year to provide them with practical experience and up-to-date knowledge about cybersecurity, allowing them to experience Radware's daily operations and corporate culture firsthand. Radware is proud to support STEM education by donating K–5 math textbooks to Paterson Public School.

Empowering Women

Radware considers the advancement of women to be an important aspect of our corporate outreach program. To that end, we have partnered with NAILIT, an Israeli nonprofit which seeks to empower young women who find themselves out of place in the formal Israeli education system through broadening their financial possibilities. Every two weeks, participants from the program provide manicure and pedicures for Radware employees who are encouraged to serve as role models and contribute to the participants' sense of empowerment.

Radware is extremely proud of our engagement with She-codes and Queen-B, two NGOs committed to advancing the role of women in the field of STEM in terms of both employment and education. See Gender Diversity.

Case Study: **Mogul**

To attract more female employees to our workforce, Radware's U.S. office has partnered with Mogul, an online platform seeking to advance the role of women in the workplace. As part of this collaboration, Radware cohosted a virtual Q&A event in partnership with Mogul. This event served as an initiative to give back to the community by educating women about tech through sharing advice. This partnership is a critical part of our diversity and talent branding efforts to attract women to Radware.

Radware features an employer profile page on the Mogul platform where we can add talent branding content targeting potential female employees. The website also allows Radware to identify applicants who are applying from Mogul in our hiring process.

Inclusion of Underrepresented Communities

Radware works to actively include individuals coping with disabilities or mental health conditions in society and the workplace as part of our social engagement campaign.

Case Study: **Makers for Heroes Project**

Case Study: Makers for Heroes Project

In 2021, Radware participated in the "Makers for Heroes Project," an initiative where companies across Israeli can come together to develop customized solutions for wounded soldiers in the Israel Defense Forces (IDF).

Over the course of half a year, the Radware volunteer team worked collaboratively with Noi Saraf-Abraham, a former IDF officer who has a muscle-nerve disease caused by an accident. Due to her injury, Noi has difficulty standing in place for a sustained period of time, feeling intense pain in her legs after standing for only a few minutes. Not being able to stand causes many challenges, but it is particularly hard for Noi, who is an avid baker and cook and was used to enjoying her hobby while standing in her kitchen.

As a solution, the team developed a device that helps her stand for longer periods of time by reducing the stress from the weight of her body on her legs. The device helps to support her in an upright position so she can get back to her baking hobby and other activities. Named "Kalnoi," in Hebrew a pun using her name and the word "lightweight," the team imagines a similar device could potentially help others suffering from nerve diseases such as fibromyalgia. The Radware team was excited about the success of the project and the opportunity to give back to those who serve in meaningful ways.

Case Study: Social Library

Radware's Israel offices have partnered with Save the World, an Israeli NGO helping individuals with mental health issues develop professional and social skills and increase their ability to work independently.

Working with Save the World, Radware has established a social library at our Israeli headquarters. Once a week, participants in the program who are coping with mental health challenges come to Radware's headquarters to refresh the books in our library and interact with employees.

At a time of socioeconomic upheaval caused by the COVID-19 pandemic, Radware recognized the critical need to give back to the community as our employees from around the world came together to provide relief for local communities and business. While the pandemic presented significant challenges to our outreach efforts, Radware remains unshaken in its commitment to give back to the community and empower a diverse generation of innovators. We remain optimistic that as the world reopens, we will fully resume our efforts to positively impact local communities."

- Riki Goldriech, VP Global HR

Chapter 7
Response to COVID-19

The COVID-19 pandemic has adversely affected businesses, economies and financial markets worldwide, placed constraints on the operations of businesses and decreased consumer mobility and activity. It has also brought new paradigms that have increased exposure to cyberattacks, as companies have adapted to remote work and virtual, cloud-based collaboration. We have witnessed a substantial increase in cyberattack activity since the beginning of the pandemic and a corresponding demand for our solutions, as businesses began to invest more in enabling and securing remote access and online operations.

With the outbreak of COVID-19, we immediately adopted the remote work mode of operation in compliance with regulations to sustain business continuity. We worked to keep our employees engaged by supporting them at home with virtual communication channels and activities, resilience training, workshops on home parenting and management, care packages and more. We were also able to sustain our internship program and adapt it to remote work to allow aspiring high-tech innovators to learn valuable professional skills and benefit from mentorship and guidance provided by our staff. In this new reality, we plan to permanently implement the hybrid work model, allowing employees to work from home two days a week, and in parallel enjoy the reduction in fuel consumption associated with transportation.

Radware also recognized the critical need to give back to the community during this time, and our employees around the world worked hard to provide relief through participation in a variety of activities.

We conducted a business continuity plan (BCP) with all of our vendors to ensure an immediate recovery in case a crisis might impact the supply of our products and services. Thanks to our employees and systems in place, the impact of COVID-19 on our manufacturing and supply chain was immaterial.

COVID-19 has significantly impacted online behavior and the security of businesses and individuals. Although cyber attackers and other malicious actors are increasingly sophisticated and may operate large-scale and complex automated attacks, Radware is prepared to face these challenges and to provide our customers with the best solutions against these increasing threats.

About this Report

General

This is Radware's first ESG report, containing an overview of environmental, social and governance projects, activities and initiatives in fiscal year 2020, which ended on December 31. This is a global report detailing activities relating to our ESG material issues at Radware sites in Israel (Radware Ltd.) and in the U.S. (Radware Inc.) only, which intends to provide in-depth information to all stakeholders, including customers, industry analysts, shareholders, nongovernmental organizations, employees, sustainability specialists, governments, and others.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option and the Sustainability Accounting Standards Board's Software & IT Services Sustainability Accounting Standard.

To determine the content of this report, we considered, among other things:

➜ Our materiality assessment.

➜ Input from executives and content experts across Radware.

➜ Input from external stakeholders.

➜ The broader sustainability context and trends.

➜ External standards and frameworks such as the Global Reporting Initiative Sustainability Reporting Standards, the UN Global Compact, the UN Sustainable Development Goals, the Sustainability Accounting Standards Board Hardware Sustainability Accounting Standard, the Task Force on Climate-related Financial Disclosures, and the World Economic Forum International Business Council Stakeholder Capitalism Metrics.

➜ Global reporting trends and best practices.

The calculation of GHG emissions was conducted according to GHG Protocol and included Scope 1 – emissions that are the direct responsibility of the reporting company, and Scope 2 – emissions for which the reporting company is indirectly responsible, such as the consumption of electricity.

Advisers and Inquiries

We'd like to thank the whole Radware team who contributed data and time in preparation of this report. The report was written with the assistance of the following external advisors:

➜ Good Vision – CSR Consulting Firm, of the Fahn Kanne & Co. Grant Thornton Group.

➜ Goldfarb Seligman & Co., our outside Israeli legal counsel.

However, we did not seek, nor was there, external assurance or audit of this report from third parties [with respect to most of the information in this report, unless otherwise expressly noted herein].

Your comments and suggestions are important to us. If you have any questions or comments about this report, please contact:

➜ Pazit Rochverger, Director of Legal Affairs: PazitR@Radware.com

➜ Ivri Verbin, Sustainability Partner of the Fahn Kanne & Co. Grant Thornton Group: Ivri.Verbin@goodvision.co.il

➜ Valentina Yakhnina, Director of International ESG Department, Fahn Kanne & Co. Grant Thornton Group: Valentina.Yakhnina@goodvision.co.il

➜ Ido Zemach, Adv. or the ESG Taskforce team at Goldfarb Seligman & Co.: ESG@goldfrab.com

Annexes

Annex 1. Employee Hires and Dismissals

Employee hires and dismissals	Age group	2019		2020	
		Employees and managers who have been hired	Employees and managers whose employment has ended (dismissed / resigned / retired)	Employees and managers who have been hired	Employees and managers whose employment has ended (dismissed / resigned / retired)
Men	Under 30 years old	38	3	32	6
	30–50 years old	50	61	34	45
	Over 50 years old	21	22	20	17
Men total		109	86	86	68
Women	Under 30 years old	11	2	10	5
	30–50 years old	22	17	14	7
	Over 50 years old	2	6	3	2
Women total		35	25	27	14
Under 30 years old total		49	5	42	11
30-50 years old total		72	78	48	52
Over 50 years old total		23	28	23	19
Total		144	111	113	82

Annex 2. GRI Table

GRI Standard Title or Topic	Disclosure Number	Disclosure Title	Page/Reference
Organization profile	102-1	Name of the organization	About Radware
	102-2	Activities, brands, products, and services	About Radware
	102-3	Location of headquarters	About Radware
	102-4	Location of operations	About Radware
	102-5	Ownership and legal form	About Radware
	102-6	Markets served	About Radware
	102-7	Scale of the organization	About Radware Our Employees
	102-8	Information on employees and other workers	Employees and Work Environment
	102-9	Supply chain	Protecting the Environment; Ethical Behavior
	102-10	Significant changes to the organization and its supply chain	It's the first report of the Company
	102-11	Precautionary Principle or approach	About Radware
	102-12	External initiatives	Community Investments
	102-13	Membership of associations	About Radware
Strategy	102-14	Statement from senior decision-maker	A Message from our CEO
Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	About Radware
Governance	102-18	Governance structure	About Radware; Corporate Governance
	102-40	List of stakeholder groups	About Radware
	102-41	Collective bargaining agreements	Employees and Work Environment

GRI Standard Title or Topic	Disclosure Number	Disclosure Title	Page/Reference
Stakeholder engagement	102-42	Identifying and selecting stakeholders	About Radware
	102-43	Approach to stakeholder engagement	About Radware
	102-44	Key topics and concerns raised	About Radware: Materiality Topics
	102-45	Entities included in the consolidated financial statements	20F
	102-46	Defining report content and topic Boundaries	About Radware
	102-47	List of material topics	About Radware
	102-48	Restatements of information	It's the first report of the Company
Reporting practice	102-49	Changes in reporting	It's the first report of the Company
	102-50	Reporting period	About this Report
	102-51	Date of most recent report	It's the first report of the Company
	102-52	Reporting cycle	About this Report
	102-53	Contact point for questions regarding the report	About this Report
	102-54	Claims of reporting in accordance with the GRI Standards	About this Report
	102-55	GRI content index	Annex
	102-56	External assurance	About this Report

GRI Standard Title or Topic	Disclosure Number	Disclosure Title	Page/Reference
Management Approach (requiered for each material aspect)	103-1	Explanation of the material topic and its Boundary	About Radware; Our Employees; Combatting Cyber Threats; Protecting Environment; Responsible Business Practices; Community Investments
	103-2	The management approach and its components	Our Employees; Combatting Cyber Threats; Protecting Environment; Responsible Business Practices
	103-3	Evaluation of the management approach	Employees and Work Environment; Protecting the Environment; Responsible Business Practices
Economic performance	201-1	Direct economic value generated and distributed	About Radware
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Community Investments
	203-2	Significant indirect economic impacts	COVID-19; Community Investments
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	Ethical Behavior
	205-3	Confirmed incidents of corruption and actions taken	Ethical Behavior
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethical Behavior
Energy	302-1	Energy consumption within the organization	Protecting the Environment
	302-3	Energy intensity	Protecting the Environment
	302-4	Reduction of energy consumption	Protecting the Environment
	302-5	Reductions in energy requirements of products and services	Protecting the Environment
Water	303-1	Water withdrawal by source	Protecting the Environment
Emissions	305-1	Direct (Scope 1) GHG emissions	Protecting the Environment
	305-2	Energy indirect (Scope 2) GHG emissions	Protecting the Environment

GRI Standard Title or Topic	Disclosure Number	Disclosure Title	Page/Reference
Effluents and Waste	306-2	Waste by type and disposal method	Protecting the Environment
	306-4	Transport of hazardous waste	Protecting the Environment
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Protecting the Environment
Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	Protecting the Environment
Employment	401-1	New employee hires and employee turnover	Annex
Occupational Health and Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Health & Safety
Training and Development	404-2	Programs for upgrading employee skills and transition assistance programs	Employees and Work Environment: Employee Growth & Development
	404-3	Percentage of employees receiving regular performance and career development reviews	Employees and Work Environment: Employee Growth & Development
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Employees and Work Environment; Corporate Governance
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Diversity and Inclusion Ethical Behavior
Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	ESG Approach Ethical Behavior
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Community Investments
Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	Ethical Behavior Conflict Minerals
Public Policy	415-1	Political contributions	Radware prohibits any political contributions activity. In 2020, we did not contribute to political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups.
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security and Data Protection

Annex 3. SASB Table

SASB Topic	Accounting Metric	Category	Unit of Measure	Code	Disclosure
Environmental Footprint of Hardware Infrastructure	Total energy consumed, percentage grid electricity, percentage renewable energy	Quantitative	Gigajoules, Percentage (%)	TC0102-01	Protecting the Environment
	Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress	Quantitative	Cubic meters (m3), Percentage (%)	TC0102-02	Protecting the Environment
	Description of the integration of environmental considerations to strategic planning for data center needs	Discussion and Analysis	n/a	TC0102-03	Protecting the Environment
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	Discussion and Analysis	n/a	TC-SI-220a.1	Information Security and Data Protection
	Number of users whose information is used for secondary purposes	Quantitative	Number	TC-SI-220a.2	This data is confidential
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Quantitative	Reporting currency	TC-SI-220a.3	Information Security and Data Protection
	1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	Discussion and Analysis	n/a	TC-SI-220a.4	Radware did not receive any requests for customer information from government or law enforcement sources. Total number of substantiated complaints received concerning breaches of customer privacy: • complaints from regulatory bodies – 1 request was received from the Bavarian Privacy office – the complaint was filed due to a failure to implement an unsubscribe request • complaints received from outside parties and substantiated by the organization - none
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Discussion and Analysis	n/a	TC-SI-220a.5	Data was not tracked for the reported period

SASB Topic	Accounting Metric	Category	Unit of Measure	Code	Disclosure
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Quantitative	Number, Percentage (%)	TC-SI-230a.1	Information Security and Data Protection
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Discussion and Analysis	n/a	TC-SI-230a.2	Information Security and Data Protection
Recruiting & Managing a Global, Diverse Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	Quantitative	Percentage (%)	TC-SI-330a.1	Confidential data
	Employee engagement as a percentage	Quantitative	Percentage (%)	TC-SI-330a.2	Employees and Work Environment
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Quantitative	Percentage (%)	TC-SI-330a.3	Employees and Work Environment
Managing Systemic Risks from Technology Disruptions	Number of (1) performance issues and (2) service disruptions; total customer downtime	Quantitative	Number, Days	TC-SI-550a.1	Confidential data
	Discussion of business continuity risks related to disruptions of operations	Discussion and Analysis	n/a	TC-SI-550a.2	Radware Covid-19
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Number	TC0102-16	Data was not tracked for the reported period

Important Notice

Except for the historical information contained herein, the statements contained in this report may contain forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995 and other applicable laws. Actual outcomes could differ materially from those anticipated in these forward-looking statements. We urge you to consider that statements which use the terms "believe," "plan," "seek," "strive," "would," "will," "project," and similar expressions, or the negative thereof, are intended to identify forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this report include the expectations of objectives and anticipated ESG performance of Radware, including with respect to various ESG criteria and goals and the anticipated timing of achieving such criteria and goals, if at all. These statements reflect our current views, expectations and assumptions with respect to future events, are based on assumptions, and subject to risks and uncertainties over which we may have little or no control. Factors that could cause or contribute to such differences include, but are not limited to, the risks and uncertainties identified in this report or discussed in our Annual Report on Form 20-F and our other filings with the U.S. Securities and Exchange Commission ("SEC"). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. Except as required by applicable law, we do not intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Statements in this report that use the word "material" or "key" or similar expressions are used within this report to describe issues for voluntary ESG reporting that Radware considers to be of importance in terms of stakeholder interest and potential social impact. Accordingly, no reference to or disclosure of any matter in this report should be construed to establish a standard of materiality in other reports or filings made by Radware with the SEC or otherwise.

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About Radware

Radware® (NASDAQ: RDWR) is a global leader of cybersecurity and application delivery solutions for physical, cloud and software-defined data centers. Its award-winning solutions portfolio secures the digital experience by providing infrastructure, application and corporate IT protection and availability services to enterprises globally. Radware's solutions empower more than 12,500 enterprise and carrier customers worldwide to adapt quickly to market challenges, maintain business continuity and achieve maximum productivity while keeping costs down. For more information, please visit www.radware.com.

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