

The Sapiens logo features the word "SAPIENS" in a bold, white, sans-serif font. A small blue swoosh is positioned above the letter "A".

SAPIENS

Sapiens ESG Report 2024

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Message from the President & CEO

At Sapiens, we are committed to advancing the insurance industry through responsible corporate practices that create lasting value. These practices remain at the heart of our mission, driving continuous improvement across every aspect of our business. In this 2024 ESG report, you'll find highlights of our progress in enabling our customers' digital transformation, reducing our environmental footprint, and fostering a positive, ethical, and inclusive work culture.

This year, we reached an important milestone with the launch of our next-gen Sapiens Insurance Platform, a comprehensive, AI-driven, SaaS-based solution that unifies data management, cloud infrastructure, and digital capabilities. By embedding advanced AI and automation across our product suite, we empower insurers to modernize operations, enhance efficiency, and deliver superior customer experiences. Our ongoing collaboration with leading partners, including Microsoft, has further strengthened our innovation and operational excellence.

We are proud that Sapiens now serves over 600 customers in more than 30 countries, supported by a global team of more than 5,000 employees. Our diverse workforce spans 24 countries, and we continue to champion gender equality, with women representing 30% of our management team and 33% in technical positions. In 2024, our teams in Spain and Latvia were recognized for their strong commitment to diversity and inclusion, reflecting our global culture of belonging.

Sapiens' dedication to sustainability is reflected in our operational achievements. This year, we reduced our total electricity consumption by 2.8% and increased our use of renewable energy across our offices worldwide. Our efforts to minimize our environmental impact also include green building certifications, responsible waste management, and initiatives to encourage sustainable commuting and reduce emissions.

Our people remain at the core of our success. We continue to invest in employee well-being, professional development, and engagement initiatives across all regions. In 2024, our employees participated in over 100,000 hours of professional development and we expanded our digital onboarding and recognition programs to foster a culture of appreciation and growth. Our 4Cs approach, Care, Connect, Communicate, and Collaborate, ensures that every Sapiens employee feels valued and supported.

We are also deeply committed to making a positive impact in the communities where we operate. From volunteering and charitable initiatives in Israel, India, and Europe, to supporting youth development and gender equality, our teams actively contribute to social and environmental causes that matter.

Recognition from industry experts continues to affirm our leadership and innovation. In 2024 and 2025, Sapiens received multiple awards from Celent and InsuranceERM, including Luminary and XCelent distinctions across EMEA, APAC, and North America for our solutions in Property & Casualty, Life, and Reinsurance.

As we look ahead, we remain focused on upholding the highest standards of ethics, governance, and transparency. Our Board of Directors and management team are dedicated to ensuring that Sapiens operates with integrity and accountability, safeguarding the trust of our customers, employees, investors, and partners.

Thank you for your ongoing support and partnership as we continue to drive excellence and positive change throughout our business and the insurance industry.

Sincerely,

Roni Al-Dor
President & CEO

Sapiens

At a Glance

Sapiens International Corporation (NASDAQ and TASE: SPNS) is a global leader in intelligent insurance software solutions. With Sapiens' robust platform, customer-driven partnerships, and rich ecosystem, insurers are empowered to future-proof their organizations with operational excellence in a rapidly changing marketplace. We help insurers harness the power of AI and advanced automation to support core solutions for property and casualty, workers' compensation, and life insurance, including reinsurance, financial & compliance, data & analytics, digital, and decision management.

Sapiens boasts a longtime global presence, serving over 600 customers in more than 30 countries with its innovative SaaS offerings. Recognized by industry experts and selected for the Microsoft Top 100 Partner program, Sapiens is committed to partnering with our customers for their entire transformation journey and is continuously innovating to ensure their success.

Summary of Financial Results for 2024

(USD in millions, except per share data)

	GAAP			Non-GAAP		
	2024	2023	% Change	2024	2023	% Change
Revenue	\$542.4	\$514.6	5.4%	\$542.4	\$514.8	5.4%
Gross Profit	\$238.1	\$219.6	8.4%	\$248.9	\$233.0	6.8%
Gross Margin	43.9%	42.7%	120 bps	45.9%	45.3%	60 bps
Operating Income	\$85.8	\$78.9	8.9%	\$98.7	\$94.1	4.8%
Operating Margin	15.8%	15.3%	50 bps	18.2%	18.3%	-10 bps
Net income (*)	\$72.2	\$62.4	15.6%	\$83.3	\$75.0	11.0%
Diluted EPS	\$1.29	\$1.12	15.2%	\$1.48	\$1.35	9.6%

(*) Attributable to Sapiens' shareholders

Highlights from 2024

Driving ongoing Business Growth and Success:

\$542

Million USD in revenue

5000+

Employees

15.1%

Revenue CAGR ('12 - '24)

Promoting Female Leadership:

30%

women in
management positions

33%

women in
technical positions

Offering a Global Perspective:

24

Teams across 24 different countries

Powered by Renewable Electricity:

20%

renewable electricity powering our offices worldwide

Leading Innovation in the Industry:

Integrated

AI utilization

into product portfolio

Continued

mentorship

and support to insurtech startups



Industry Awards

2025

- Celent, Luminary in EMEA and APAC
- XCelent Awards for Breadth of Functionality and Customer Service in EMEA
- InsuranceERM, Data Solution of the Year in UK & Europe

2024

- Celent, P&C Claims Solution, Luminary, EMEA and APAC
- Celent, P&C Tia Enterprise Solution, Functionality Standout, EMEA
- Celent, ClaimsPro for P&C, Luminary, North America
- Celent, ClaimsPro for WC, Functionality Sandout, North America

2023

- Celent XCelent Award, Life & Annuity Illustrations Systems, North America
- Celent Life & Annuity Illustrations Systems, Luminary, North America
- Celent Ceded Reinsurance Solutions, Luminary, Global Edition
- Celent Life, Policy Admin Report, Luminary, EMEA
- Celent Life XCelent Award, Life Policy Admin Report, EMEA
- Celent Life, Policy Admin Report, Luminary, North America
- XCelent Award, Property & Casualty PAS, EMEA
- Celent P&C, Policy Admin Report, Luminary, EMEA and APAC
- Celent P&C, Policy Admin Report, PolicyPro for P&C, Functionality Standout, North America
- Celent, P&C Claims Report, Functionality Standout, North America

2022

- Celent Life, NB & UW Report, Functionality Standout, North America
- Celent Award, Life PAS, Luminary, North America
- 2022 Celent Model Insurer Awards, Anadolu Sigorta, Customer Experience Transformation Winner
- Celent Model Insurer Awards, Menora Mivtachim Group, Legacy and Ecosystem Transformation Winner
- Celent Award P&C, PolicyPro, Functionality Standout, North America
- Datos Insights P&C, PolicyPro and ClaimsPro Contender, North America

Our Management Approach and Stakeholder Engagement

Creating value for all our stakeholders – customers, employees, investors, suppliers, and the communities in which we operate – is a core principle of our daily decision-making processes and operational methods. We prioritize the interests of our stakeholders by fostering a safe workplace, driving innovation, developing solutions that meet their needs, and operating in a manner that inspires others.

We believe that effective communication is essential for operational success. To this end, we use multiple channels to engage with each stakeholder group, ensuring they are consistently updated and well-informed. Weekly meetings and monthly roundtable discussions with management and the board strengthen internal communication and build trust across the organization.

Furthermore, we engage with our stakeholders through the following methods:

- As part of our commitment to fostering strong relationships with our **investors**, we emphasize transparent, timely, and consistent communication. We keep investors informed about our financial performance, long-term strategic objectives, and key ESG initiatives. We continuously evaluate feedback and adapt our disclosures accordingly. For example, following requests from investors, we began providing Annual Recurring Revenue information. All relevant SEC filings and investor updates are easily accessible on our website. In addition, we engage with investors regularly through quarterly conference calls, press releases, and 6K filings, which cover important milestones such as new logos, product launches, and participation in investor conferences. We also host an annual investor conference at the Tel Aviv Stock Exchange to maintain an open line of communication.
- Our engagement with **employees** involves fostering a culture of open communication, providing opportunities for professional growth, and caring for employee health and overall welfare. We host regular fun and educational events for our employees, including regional events that provide the opportunity for employees to get to know their international colleagues.
- We engage with our **customers** by actively seeking their feedback, understanding their needs, and delivering high-quality products and services. We also communicate with our customers through online social media channels, providing consistent online resources to keep them informed and hosting a multi-day annual Client Conference in EMEA and a Customer Summit in North America.
- We build partnerships and promote innovation with our **suppliers** and the insurtech industry through participation in numerous and diverse industry conferences, webinars, and other educational and collaborative events across the globe. We build close relationships with our suppliers based on trust and mutual values.
- Finally, our engagement with local **communities** involves being a responsible corporate citizen, contributing to social initiatives, respecting the environment, and actively addressing community concerns.



We recognize that collaboration is key to innovation and work closely to build strong and meaningful relationships with our stakeholders that accelerate the insurance industry's evolution and modernization.

Roni Al-Dor,
President and CEO, Sapiens

ESG Material Issues

Sapiens has conducted an internal ESG gap analysis to assess our sustainability practices and define focus areas. The topics were selected based on industry benchmarks, ESG methodologies, and input from various stakeholders, including senior management. The topics are reviewed annually to ensure they remain relevant and are adjusted as needed. In 2024, there were no changes made to our material ESG topics.

Our Priority Issues Are Split Into the Three Pillars:



Environment:

- Advanced Sustainable Technologies and Solutions
- Energy Efficient Data Centers
- Energy Management
- Green IT Practices
- Green Office Practices
- Greenhouse Gas Emissions (GHG)
- Waste Management



Social:

- Community Engagement
- Development of Innovation
- Employee Attraction and Retention
- Employee Development and Career Growth
- Employee Diversity
- Employee Engagement and Satisfaction
- Employee Well-Being and Motivation
- Sustainability in the Supply Chain



Governance:

- Business Continuity
- Corporate Governance
- Customer Satisfaction and Dialogue with Customers
- Data Privacy and Cybersecurity
- Ethical Business Practices
- Intellectual Property Protection and Competitive Behavior
- Managing Systematic Risks from Technology Disruption



The United Nations Sustainable Development Goals (UN SDGs)

The United Nations Sustainable Development Goals (UN SDGs) are a blueprint to achieve a better and more sustainable future for all by 2030. Sapiens joins the global efforts to achieve these goals by integrating targets listed under SDGs 4, 5, 8, 12, 13 into our business activities. We strive to operate our business in accordance with the principles of corporate responsibility and make a positive environmental and socio-economic change.



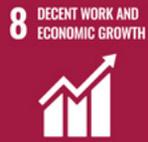
UN SDG 4 - Quality Education

Quality education enables upward socio-economic mobility and is a foundation for a better future. We strive to help youth and adults have relevant skills for employment, decent jobs, and entrepreneurship. In addition to the career and development programs for our employees, Sapiens, together with its partners, strives to improve access to education for students from underprivileged families.



UN SDG 5 - Gender Equality

Gender equality is not only a fundamental human right, but also a necessary foundation for a peaceful, prosperous, and sustainable world. SDG 5 is dedicated to gender equality, opportunity, and empowerment of women and girls worldwide. We promote gender equality through our fair hiring practices that encourage women of all backgrounds to join the STEM field workforce and develop their careers with us.



UN SDG 8 - Decent Work and Economic Growth

Quality jobs that drive progress and improve living standards are critical for sustainable economic growth. SDG 8 promotes inclusive and sustainable economic growth, employment, and decent work for all. We aim to hire locally wherever we operate so that we can promote higher levels of economic activity and productivity. We offer training and employee development programs to ensure that all our employees can succeed and flourish in their career.



UN SDG 12 - Responsible Consumption and Production

SDG 12 aims to ensure sustainable consumption and production patterns by decoupling economic growth from environmental degradation, increasing resource efficiency, and promoting sustainable lifestyles. Through our services and products, we encourage companies to modernize their processes, increase the efficiency of their operations, and improve resource consumption.



UN SDG 13 - Climate Action

Climate change is a global challenge that requires urgent action to ensure a healthy and livable planet for all. SDG 13 aims to lower greenhouse gas emissions, to prevent global warming from going above 1.5° C degrees, and reduce related climate risks. Sapiens strives to reduce our carbon footprint by increasing energy efficiency internally and for our customers and by utilizing 15% renewable energy in our offices. In addition, our software solutions help companies reduce resource consumption through digitization.



The background features a dark blue gradient with a series of curved, overlapping lines in shades of blue, purple, and green, creating a sense of motion and depth.

Impactful Products and Services

At Sapiens, our platform is not just a technological upgrade, but a strategic move toward a future-ready, SaaS-based, AI-driven integrated solution. Our comprehensive range of solutions and services is designed to modernize, digitalize, and automate insurers' processes, boosting operational efficiency, reducing costs, managing risks, and enhancing end-user experience.

By using cutting-edge AI technology at every stage of our product development, our offerings not only help our customers manage their core business functions effectively, but also support insurers on their journey to digital transformation. We firmly believe that by harnessing the latest innovations in AI and automation, we can help our customers streamline their operations, boost customer satisfaction, and stay ahead of the competition.

Our Solution

Our solution helps deliver core business benefits to our customers including:



Sapiens Data Offering: Products & Services

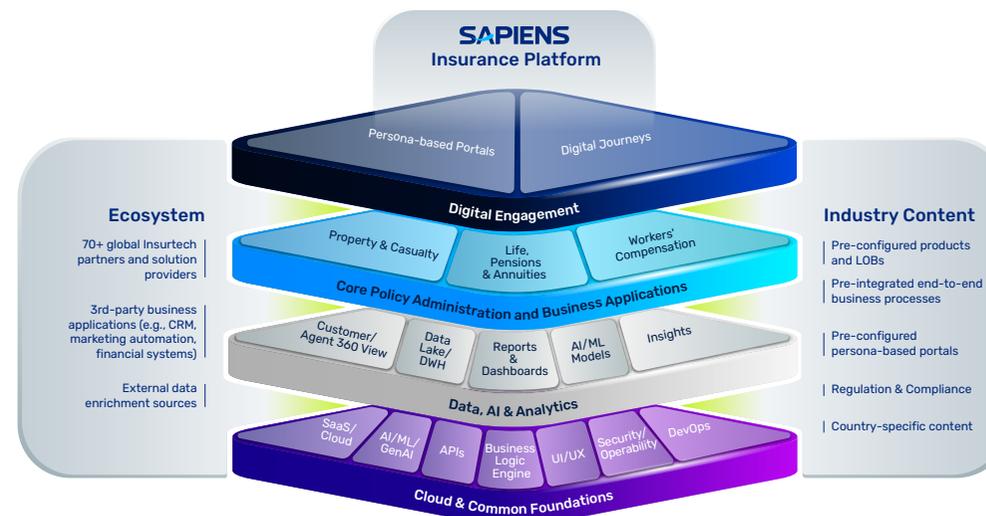
Sapiens Insurance Platform

One of the highlights of 2024 was the successful launch of the **Sapiens Insurance Platform**—a comprehensive, end-to-end solution that consolidates data management, cloud infrastructure, digital capabilities, and ecosystem partner management into a unified offering with shared infrastructure. Introduced in June 2024, the platform now serves as the foundation of Sapiens' product suite, enabling innovation and delivering measurable value across all business lines.

The platform's development was the result of extensive collaboration between internal teams—spanning R&D, product, delivery, and sales—and external stakeholders, including market analysts and consultants, who contributed to refining the platform's messaging and strategic positioning. Customers also played a critical role as early adopters, providing actionable feedback throughout the development process.

A central feature of the platform is its robust integration of artificial intelligence (AI), with a strong focus on generative AI (GenAI) to enhance operational efficiency and innovation. The platform includes a proprietary AI factory that supports machine learning use cases and smart AI dashboards tailored to specific user groups—employers, insurers, and brokers—delivering a highly personalized experience.

AI also serves as a co-pilot to Sapiens' product teams, automating processes and significantly improving productivity.



Innovate with Intelligence

Introducing Sapiens Insurance Platform

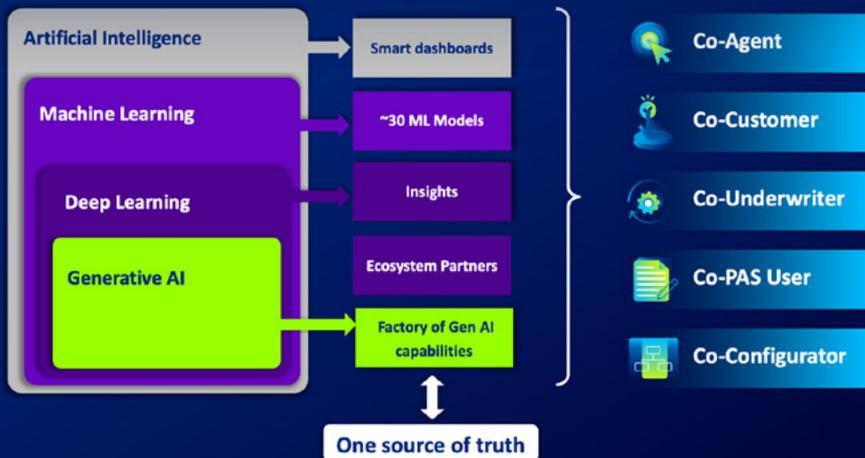
Empowering Sapiens to deliver end-to-end, intelligent business solutions by integrating core capabilities with data, analytics, and AI.

Enriched by industry expertise and a robust partners ecosystem, these solutions help insurers grow, modernize, and optimize.

Sapiens Insurance Platform Themes



Common AI and Gen AI capabilities



Sapiens Data Layer

Enterprise DWH/BI Solution, Pre-Integrated with Sapiens PAS/ Core suites with Prebuilt Reports, Dashboards, and extensive Self-Servicing capabilities

Sapiens DataOne

A Big Data Solution platform to consolidate and process data from diverse sources, supporting Advanced Analytics and NLP base querying (ASK)



Data Services

Other Services like Data Governance, Data Quality, Performance Tuning & more

Insurance DWH Framework

Insurance-specific Datastore to accelerate business-focused data warehouse implementations

Sapiens Advanced Analytics

Advanced Analytics solution, based on predictive models and deep learning, leverages data to gain a competitive edge in the market

Our Suite of Solutions



Property & Casualty (P&C)

A comprehensive software platform and solution supporting a broad range of business lines, including personal, commercial, medical professional liability (MPL) and specialty lines, as well as reinsurance and workers' compensation.



Life, Pension, and Annuities (L&A)

A comprehensive, cloud-based, digital software platform, suite and complementary solutions for the management of a diversified range of products for life, pensions and annuities.

In North America, in addition to our CoreSuite, our portfolio includes complimentary underwriting, application, and illustration modules.



Workers' Compensation

Full end-to-end solutions to handle comprehensive workers' compensation policy, billing, and claims needs.



Reinsurance

A market-leading complete reinsurance software solution for full financial control and auditing support.



Financial & Compliance

Financial & Compliance solutions comprised of both annual statements and insurance accounting software.



Digital

Sapiens SaaS, DigitalSuite enables insurers to incorporate a fully digital experience for customers, agents, and employers, enhancing insurers' engagement with customers and their end-consumers' experience and fostering rapid time to market for new digital initiatives.



Data & Analytics

An advanced data and analytics platform, which includes: an analytics solution that drives analytics adoption across the organization with compelling, insightful dashboards and apps; a comprehensive BI solution with pre-configured reports, dashboards, and scorecards; predictive analytics, which uses AI and Machine Learning to generate actionable insights based on various models across the insurance value chain.



Decision Management

Sapiens Decision is an enterprise-scale platform that enables institutions and "citizen developers" across verticals to centrally author, store and manage all organizational business logic-to track, verify and ensure that every decision is based on the most up-to-date rules and policies.



Technology-Based

Tailor-made solutions (serving multiple markets and verticals, not necessarily insurance or financial services market) based on our Sapiens eMerge platform, which provides end-to-end, modular business solutions, ensuring rapid time to market.

Innovative Digital Technologies

In 2024, we developed an extensive library of digital capability components and created an additional set of 30 machine learning models, ensuring ease of use and enhanced convenience for our clients.

At Sapiens, we believe that in the rapidly evolving communications landscape, organizations that invest in modern technology and streamline their processes are better equipped to maintain a competitive edge. This is why we focus on innovative digitalization processes both in-house and in our products:

- **AI Utilization.** At Sapiens, we are focused on integrating AI technology into our working processes and products, empowering our employees and customers. Generative AI is used for various tasks, from making user-interfaces more intuitive, to co-piloting work processes to increase ease, to document analysis and creation. In addition, machine learning provides actionable insights to agents through Sapiens' digital channels, and predictive modeling forecasts operational workload.



The Sapiens Insurance Platform exemplifies how advanced data, AI and GenAI capabilities, seamless digital experiences, and shared infrastructure can be unified into a comprehensive, coherent, end-to-end business solution. Built on cutting-edge architecture, it empowers insurers to drive sustainable growth, operational efficiency, and innovation at scale

Alex Zukerman, Chief Strategy Officer at Sapiens

- **SaaS.** Our SaaS proposition allows us to focus on continuous improvement and provide insurers with the flexibility and scalability necessary to meet the evolving demands. SaaS ensures a cost-effective and easily upgradable technological infrastructure, empowering insurers to stay agile and responsive in the ever-changing digital landscape.
- **Digital Communication Across Channels.** Implementing digitalization allows for customer engagement to select from diverse channels of communication including email, phone or WhatsApp, based on personal preferences. At the same time, our low-code/no-code digital business process builders allow e-business users to rapidly create new digital business processes.

- **Cloud-based operation.** Over the past few years, we have shifted our office IT to be centralized on the cloud. This makes our workflows agile and decreases our need to invest in physical IT assets, helping to reduce our energy footprint and IT waste.

Salient Features

Automated Pipeline



Exploratory Data Analysis



Model Explainability



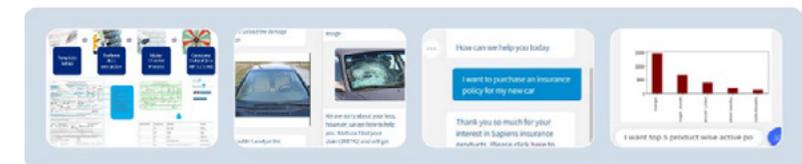
Model Monitoring



In 2024, we enhanced Sapiens' cloud hosting and SaaS capabilities to improve efficiency and reduce energy consumption across all our products.

In addition, we implemented regular functional enhancements to further optimize performance and user experience.

Other Capabilities



Intelligent Data Extractor (from PDFs, images, etc)

Image Analysis (deep-learning techniques)

Support chatbot, text analytics using Natural Language Processing



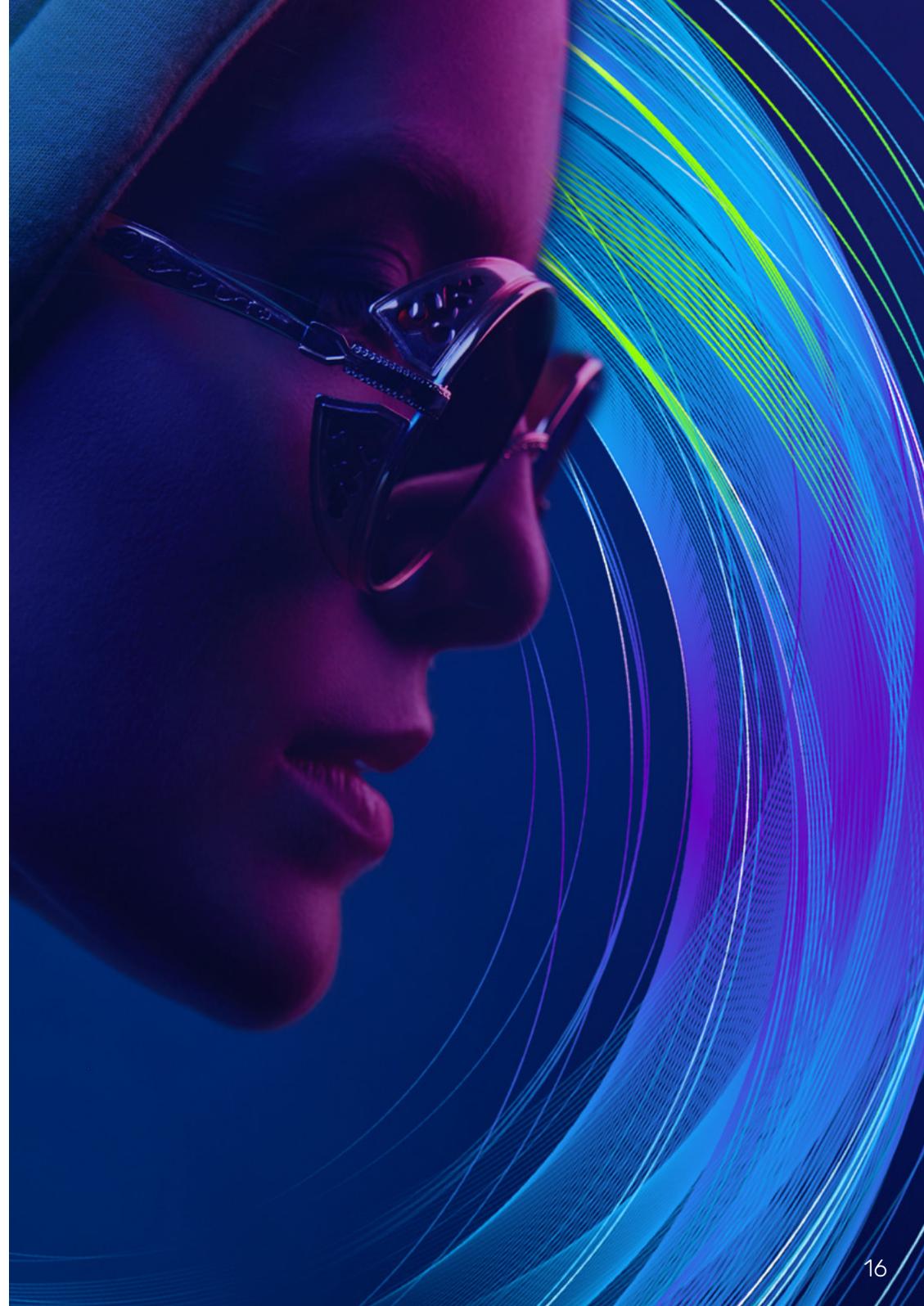
Case Study: Collaboration with Microsoft

As part of our commitment to innovation and operational efficiency, Sapiens has developed a key partnership with Microsoft, focusing on SaaS, Azure Cloud, and cutting-edge AI technologies. This collaboration is pivotal in ensuring that our solutions are not only effective, but also efficient, enabling optimal performance across all business sectors.

One of the primary areas of focus in our partnership is AI, where Microsoft leads the way in enabling the use of advanced AI technologies across our technical teams, R&D, and cloud operations. With Microsoft's expertise, we have been able to integrate AI technologies into our processes, driving innovation and enhancing our ability to provide state-of-the-art solutions to our clients.

In addition, data management is a critical component of this collaboration. Leveraging Power BI, Microsoft has streamlined our data deployment and automation, significantly improving the accuracy, speed, and efficiency of our internal processes. This is an integral part of our ongoing efforts to optimize our operations and ensure that data-driven decisions are made with precision.

We are proud to announce that as of December 2024, Sapiens has been listed on the Microsoft Marketplace, certified and fully integrated into their ecosystem.





Case Study:

Absa Group Enhances Growth & Efficiency with Sapiens Machine Learning Solutions

Absa Group, one of Africa's largest financial services groups, faced challenges in integrating multiple insurance systems and generating actionable data insights across its operations. Seeking a solution to streamline its processes, Absa turned to Sapiens for its proven expertise in data solutions and system integration.

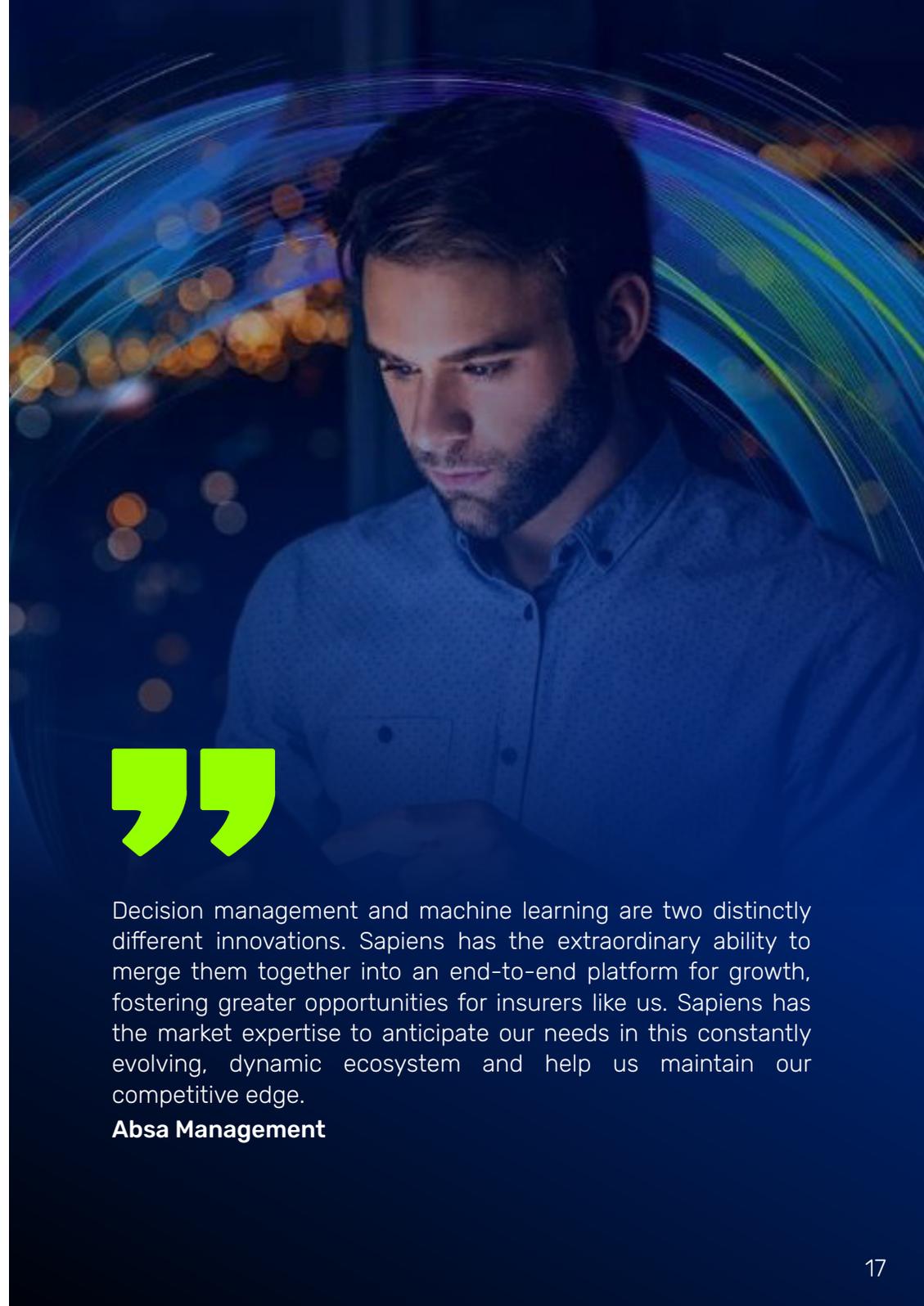
Sapiens provided DataSuite Premium Edition, which seamlessly integrated Absa's core systems using machine learning (ML) capabilities. This collaboration allowed Absa to enhance key processes like underwriting, claims, and customer personalization while leveraging advanced analytics for real-time decision-making.

The collaboration resulted in smoother operations, cost savings, and better customer experiences. By integrating ML, Absa gained deeper insights into business operations and was able to launch more personalized offerings, driving growth and efficiency.

The Benefits:

- Streamlined **core systems** integration improves operational efficiency across subsidiaries.
- ML enhances key processes like underwriting and claims management, reducing manual work.
- Personalized **customer service** through unified data insights creates a consistent experience across all channels.
- Cost Savings and **resource optimization** through elimination of IT redundancies and streamlined operations.

The partnership with Sapiens empowered Absa to leverage cutting-edge technology to stay competitive and drive long-term growth.



Decision management and machine learning are two distinctly different innovations. Sapiens has the extraordinary ability to merge them together into an end-to-end platform for growth, fostering greater opportunities for insurers like us. Sapiens has the market expertise to anticipate our needs in this constantly evolving, dynamic ecosystem and help us maintain our competitive edge.

Absa Management

High Quality Service and Customer Satisfaction

Sapiens is committed to delivering outstanding solutions that help our customers achieve their business objectives. We collaborate closely with our customers to gather feedback and insights that we use to develop cutting-edge software that powers the core of their operations. Our outstanding integration service is based primarily on the “one-hand-to-shake” concept, with one point of contact for all product-related and delivery processes, offering accountability across all aspects of a project. At the same time, in certain territories where we find it beneficial, we work with system Integrators with whom we have strategic collaboration.

Customer feedback is instrumental in shaping the future of Sapiens’ products. We dedicate resources to collecting input directly from customers, often through surveys, giving them the opportunity to express their preferences for upcoming features. While customer feedback doesn’t solely drive the roadmap, it plays a crucial role in ensuring that our products evolve in alignment with their needs and expectations.

We facilitate product user groups for each of our products, through which we collect feedback and continuously learn about our customers’ evolving needs. In select areas, we also provide a digital scoring system which allows for direct customer input and even voting on features which customers would like to see.

Our customers benefit from our extensive knowledge base, broad product portfolio, and comprehensive set of professional services, including project implementation, support, cloud-based managed services, transformation, and change management. By integrating customer feedback into our product development, we ensure that our solutions consistently meet and exceed our customers’ expectations.

Customer Understanding

- Improve customer understanding
 - Value-based segmentation
 - Behavior-based segmentation

Customer Acquisition

- Increase new customer quote conversion
- Buying propensity estimation



Customer Relationship Optimization

- Additional sales to existing customers
 - Cross-sell prediction
 - Buying propensity estimation
- Customer retention
- Policy renewal prediction

Highlight

Sapiens Wins 2024 Celent XCelent Award for Customer Base and Support for UnderwritingPro for Life & Annuities

In 2024, Sapiens UnderwritingPro for Life & Annuities received the 2024 XCelent award from Celent in the Customer Base and Support categories for new business and automated underwriting (NBUW) systems in North America. This marked the third consecutive year that Sapiens was recognized for its underwriting solution.

Celent analyzed 20 NBUW systems for North America life insurance, evaluating them based on the sophistication and breadth of their technology and functionality. Sapiens UnderwritingPro was highlighted as a “Functionality Standout” and recognized as a top performer in customer base and support. The system’s case management and underwriting features provide end-to-end functionality, and new features like direct messaging with agents enhance communication and document management. In addition, significant improvements to the Sapiens Underwriting Rules Engine, which simplifies configuration, were acknowledged.

Sapiens UnderwritingPro is a web-based solution that drives straight-through processing, providing efficient and innovative risk analysis for new business cases. Celent recommends the solution for insurers seeking to streamline their underwriting process.

The full report can be downloaded [here](#).

Enhancing Efficiency and Sustainability of Insurance Solutions

Sapiens' cloud-based software streamlines digital solutions, helping companies to transform labor-intensive, heavily paper-based processes to a streamlined and efficient digital format.

This transition has a variety of environmental efficiency benefits including:

- Increased accuracy resulting in reduced overall resource inputs. By utilizing AI-based technologies, our products seamlessly collect, analyze, and automate the insurance business processes. We recognize that employees' time also translates to energy inputs and always look for ways to increase the efficiency and save our client's resources.
- Reduced paper use. Reduction of paper use and related natural resource impacts.
- Lower reliance on physical products. Less reliance on real estate and related electricity, energy, and water consumption, as well as reduced operational costs.
- Decreased demand for physical IT infrastructure. By providing a comprehensive SaaS product, Sapiens drives strong cloud transformation, optimizing the usage of physical IT infrastructure.
- Reduction in emissions. By digitally providing contextual and accurate engagements with consumers via a chatbot, they are less likely to take the traditional route of travelling to a local service provider to resolve issues, which can reduce travel time and related CO2 emissions.

Highlight

Sapiens Life Product Client Community

The mission of each Sapiens Life Product Client Community is to serve as a space for clients to share, communicate, and collaborate with each other, while also providing Sapiens' input on potential enhancements and considerations for future solutions.

The Life Client Community has over 200 end user participants across 70 accounts for the following products: CoreSuite for Life & Annuity, IllustrationPro, ApplicationPro, UnderwritingPro, and ID3. Quarterly virtual meetings and our annual Community Business Forum session, held at our Sapiens North America Summit each fall, are led by our Community Leadership board along with Sapiens. The Client Community works in conjunction with their Sapiens Product team to:

- Generate product and technology enhancement ideas.
- Recommend, evaluate, vote, and prioritize enhancement ideas for the Product Specific Life system and its associated modules.
- Provide support (sponsorship of requirements and specifications) for priority ideas.
- Utilize the Client Community website to communicate on the above items and other Community activities.
- Work in conjunction with industry leaders to share and contemplate implications of new regulatory actions and their impact on the Life Product platform and current priority initiatives.



When we decided to launch this major initiative, Sapiens was the perfect partner to deliver a scalable, flexible solution that raises the standard of our illustration processes. Sapiens truly understands our need to stay competitive through quick and easy launches of new products across various distribution channels. Sapiens' tailored offering and comprehensive SaaS solution have exceeded our expectations and provided a true sense of partnership throughout the journey.

Bruce Parker, Global Pan-American Life Insurance Group



Case Study:

Hollard Group Risk Accelerates Core Transformation with Sapiens DataSuite

Hollard Group Risk (HGR) was migrating from a legacy policy administration system to Sapiens CoreSuite for Life & Pensions. To address the challenges of seamless data integration and reporting, HGR utilized Sapiens DataSuite, an innovative data management solution designed to integrate both legacy and new core systems. DataSuite enabled HGR to manage operational, claims, underwriting, financial, risk, and actuarial reports across both systems, providing valuable insights and supporting business-as-usual operations during the migration.

The solution consolidated data from multiple sources, simplifying reporting and offering comprehensive insights across all lines of business. It also facilitated policy administration, including bulk enrollment, payroll processing, premium payments, and claims management, ensuring HGR's data needs were met throughout the transition.

Benefits:

- Maintained seamless business operations during the migration process.
- Consolidated and simplified reporting across legacy and new systems.
- Provided real-time insights across operational, claims, underwriting, and financial data.
- Supported policy administration, reducing complexity in handling various processes.



The implementation of DataSuite propels our long and trusted relationship with Sapiens to a new level of partnership. Sapiens CoreSuite for Life & Pensions is replacing our core legacy system to drive down operational costs and deliver automated, seamless user experiences for customers, alliance partners, and HGR staff. CoreSuite and DataSuite will also help accelerate our digital transformation objectives. Sapiens' dedicated data solution and data warehouse have stepped in to handle our existing business volumes, while accommodating expected growth.

Duran Chetty, HGR's COO & CIO



Inspiring Disruptive Ideas with Insurtech

Sapiens values innovation as key to helping insurance companies undergo transformations.

As a cutting-edge software company equipping insurance businesses with critical solutions, we recognize that strong technological innovation allows companies to make the brave leap to digital transformation.

Our R&D teams are continuously looking at the short- and long-term roadmap of our products with the key goal of finding enhancements that can be incorporated into our line of solutions. Our CTO office oversees all technologies and works closely with all our customer divisions.

In addition to internal innovations through our CTO, strategy, and R&D teams, we place a great emphasis on building an ecosystem of partnerships so we can consistently provide our customers with inspiring innovations. This encompasses attending and presenting at insurtech conferences, conducting comprehensive research, publishing white papers, and developing collaborative partnerships with other insurtech companies.



We look forward to the new opportunities Sapiens is providing to streamline our reinsurance management program and boost efficiencies across our organization.

Thomas Schwefel, Vice President, Society Insurance



We're excited to announce our partnership with Sapiens, as it marks a significant step forward in transforming how insurers access and utilize location intelligence. Sapiens' commitment to providing world-class technology solutions aligns perfectly with our mission. By integrating our services, insurers can now seamlessly incorporate precise address matching, geocoding services, and comprehensive property and peril information into their workflows, enhancing their competitive edge in the market

Mark Varley, CEO, Addresscloud





Supporting Israeli InsurTech Innovation

Sapiens is proud to be closely collaborating with Israeli insurtech since its inception as program mentors and sponsors. Insurtech is an ecosystem for innovative start-ups in the field. In 2024, there were numerous events throughout the year that brought together investors, innovators, and insurance agencies. Events included the Insurtech Israel Global Summit, Women in Insurtech, and much more. In addition, they operate an insurtech accelerator program, of which Sapiens is proud to be a mentor. Insurtech supports participating start-ups in developing their go-to-market strategy, networking, and sector knowledge. Our partnership gives us a close relationship with original ideas and the market and helps to create value for our customers by integrating innovative solutions into our product proposition. **In 2024, Sapiens continued to mentor, support, and provide educational opportunities to multiple cohorts of Insurtech Israel startups.** Our insurtech mentoring program is an ongoing process, demonstrating our deep commitment to work with a few dozen mentees. The program includes:

- A biannual workshop and strategy day, providing insights, advice, and lectures on the market, customers, technology usage, and more.
- Periodic calls with specific startups for mutual brainstorming and advice.
- Mentoring and hands-on advice from a wide range of experts and departments at Sapiens.



Sapiens

People

At Sapiens, our people are at the heart of everything we do. Our approximately 5,000 employees are our greatest asset, and we prioritize their well-being. It is our people-first philosophy that has made us a trusted partner for our customers, business affiliates, and suppliers.

With employees in 24 countries, we strive to **Think Global, Act Local**. We believe in fostering a positive global employee experience to attract top talent, encourage growth and development, and are proud to have received many employer awards over the years and from around the world.

Our employee-centric approach creates a strong sense of connection and well-being among our diverse international teams, despite being spread across five continents. Diversity is integral to our company culture, and we celebrate the unique skills and perspectives that each Sapiens employee brings to the table. In **2024**, our **Spain team** received the **“Socially Responsible Company,”** award from the **Vivofácil Foundation and Foundation for Diversity** and our **Latvia team** was recognized as a **“Diversity-Inclusive Employer 2024,”** for its strong performance in implementing diversity principles and fostering an inclusive work environment. We also offer a range of career development options to our employees and provide them with the career tools they need to succeed and grow in their chosen path.

Number of Employees by Region, 2024



2024 Employee Demographics by Gender, Age, and Role

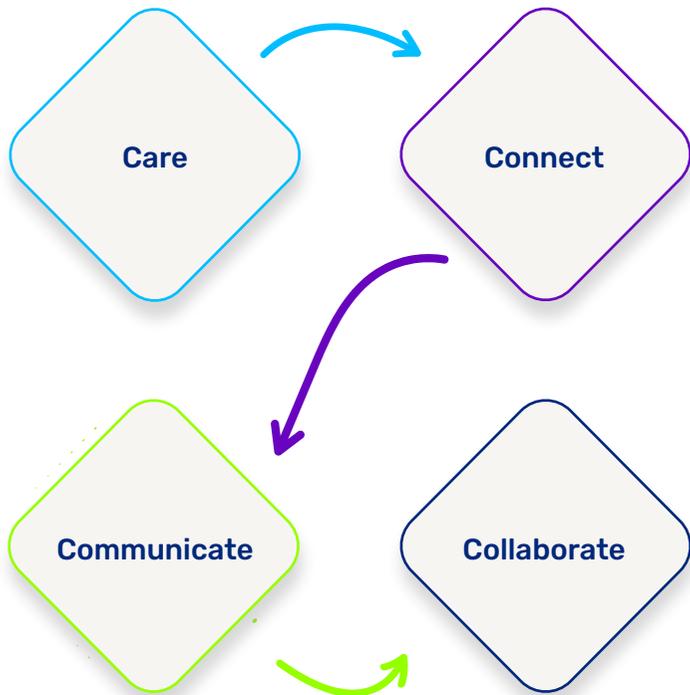
2024 Employees Breakdown	Indicators	Men	Women
Senior Management	Under 30 years old	0	1
	30-50 years old	115	34
	Over 50 years old	134	47
	Total	249	82
Managers	Under 30 years old	18	14
	30-50 years old	477	198
	Over 50 years old	91	59
	Total	586	271
General Employees	Under 30 years old	909	511
	30-50 years old	1114	628
	Over 50 years old	283	203
	Total	2,306	1,342

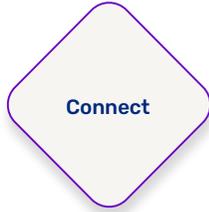
Our 4C's Approach to the Sapiens Community



Sapiens strives to foster a culture of mutual appreciation within our company where everyone is valued and supported. We recognize and celebrate the individuality and diversity of our employees across the globe. No matter their location, we come together as a community to collaborate and care for one another.

Our 4Cs approach (which stands for **Care**, **Connect**, **Communicate**, and **Collaborate**), is designed to create a sense of belonging and encourage personal connections among our team. This approach promotes collaboration and teamwork across units, locations, geographies, and cultures.





Caring for Employee Health and Wellness

At Sapiens, we recognize the importance of caring for our employees holistically including their physical and mental well-being. We have implemented a number of health and wellness services for our employees across many of our offices.

To make sure we are best serving our employees, we regularly review our offerings and update our programs.

Below are some exciting updates we made to physical and mental health initiatives in 2024 to meet the diverse needs of our global workforce:

- In Israel, employees and their families benefit from the Matan Meitar program, which provides mental and psychological assistance. We also conducted a dedicated Health Week featuring physical and mental health checks, and provided management with regular medical examinations.
- In North America, the focus on holistic well-being was strengthened through monthly wellness newsletters, bi-monthly yoga and meditation sessions, and quarterly cooking classes. Employees participated in two six-week step challenges and a November Health Week that included healthy cooking, meditation, and wellness sessions. Financial wellness webinars, personalized guidance from retirement savings consultants, and sessions on maximizing health plan benefits were also offered.
- In the UK, Sapiens encouraged our employees to connect with nature by sending gardening seeds each month and providing desk movement sessions during the winter. Employees also had access to private medical insurance and optical test coverage.
- In Germany, employees benefited from comprehensive medical services, including annual health checks, eye screenings, and vaccinations. New support measures for eye care were introduced, such as providing computer glasses for employees. In addition, employee mental health was

an area of focus, with engaging keynote sessions addressing topics like burnout, digital detox, addictive behavior, and nutrition.

- In South Africa, employees were offered regular medical check-ups and assessments of work-from-home environments to ensure healthy working conditions for our employees. They also launched a structured six-month well-being program, featuring an online platform and monthly coaching to support long-term lifestyle improvements.
- In both Lithuania and Latvia, employees benefited from emotional well-being sessions addressing stress management, burnout, and boundary-setting, while Well-Being Month encouraged physical activity and healthy lifestyle choices.
- In Turkey, employees enjoyed online Pilates classes and a Sports Day event aimed at encouraging physical activity. To ensure employees felt supported during times of need, thoughtful gestures were implemented like sending flowers to team members during their sick leave.

Our updated health and wellness programs are complemented by our ongoing well-being efforts. In 2024, we held well-being webinars and organized financial wellness sessions for our India team. Employees in North America also took part in financial wellness sessions.

Highlights

Healthcare in Poland

In Poland, employees and their families receive medical care at preferential rates. Physical activity is supported through co-financing a multisport card, granting access to various sports facilities, with the option to extend it to family members. The company also offers a comprehensive well-being and psychological support program through the Helping Hand platform, where employees can access unlimited therapy, chat-based support, and a range of educational materials. Monthly webinars are organized on topics like healthy living, self-care, and expert talks. In addition, a dietitian consultation is offered to promote healthy eating. Employees' children also participate in a contest focused on healthy breakfast ideas. To ensure a safe work environment, we provide regular medical checkups, as well as health and safety training. Employees on long-term sick leave receive a thoughtful gift basket as a gesture of support.

Highlights

Caring Initiatives in Spain

In Spain, employees have access to an employee assistance program that offers free personal, medical, psychological, and nutritional support via phone for employees and their families. In addition, biannual free medical checkups (EHS) are available to all employees who wish to participate.



Connecting and Creating Cross-Cultural Connections

As Sapiens operates on a global scale, it's crucial for us to foster global awareness, connect teams across different countries, and cultivate an understanding of diverse cultures and approaches. We believe this is the most effective way to promote growth and drive success.

Here are few key initiatives that took place at Sapiens in 2024:

Ripples

A new, global initiative where participants receive training focused on enhancing their personal branding while championing Sapiens' brand.



Annual Event 'Sapiens Utsav'

An annual event held in India that brings together employees and their families to enjoy cultural performances, refreshments, and games, creating lasting memories and connection.

'Fun Clubs' Established

An employee engagement initiative launched in India aimed at promoting inclusiveness and fostering a sense of belonging:

- **Supersonic Sports Club.** Organizes monthly indoor and outdoor sports and fitness activities.

- **Cultural Club.** Hosts cultural events to foster a positive and engaging work environment.
- **Shelf-Indulgence.** Encourages book lovers to explore new genres, discuss favorite reads, and share literary experiences.
- **Cinemates.** Brings members together to watch, discuss, and celebrate films from all genres.

Highlights

Building connections in Germany

- **Monday Meeting:** A 30-minute kick-off every Monday on-site, providing a brief overview of the week's activities, anniversaries, and birthdays.
- **Foodie Tuesday:** A bi-weekly lunch gathering in Hamburg.
- **Events:** Annual summer and Christmas parties, along with occasional theme-related events (e.g., ladies' lunch for International Women's Day).

North America

- **Organizational Culture Committee.** Distributes newsletters, organizes a Volunteer Half Day, and recognizes special days (twice monthly, such as Suicide Awareness, National Eating Disorders Week, and International Holocaust Remembrance Day) as well as special months (including Black History Month, Pride Month, and Hispanic Heritage Month).
- **Summer Gatherings.** Regular events to foster team spirit during the summer.
- **Holiday Gatherings.** Celebrations marking key holidays.
- **Spring Fling Games.** Seasonal team-building activities.
- **Summer Solstice Games.** Special games to celebrate the start of summer.
- **Oktoberfest Games.** Festive autumn events inspired by Oktoberfest.

UK Bubbles

- **UK Bubbles.** The UK Bubbles continued to meet throughout the year, with HR visiting all bubbles in the northern regions during 2024.
- **UK Country Event.** Brought together all divisions and functions for a full day of team-building exercises at Cardiff Castle, with opportunities for socializing into the evening.
- **Round Tables.** Held to review and discuss feedback from the Employee Survey.



Collaborating with Colleagues

Sapiens understands that collaboration is the key for a successful business.

We have implemented various channels to encourage collaboration and knowledge sharing among colleagues.

Sapiens created a managerial forum to provide a platform for global managers to collaborate and engage in strategic discussions.

This forum brings together managers from different regions and exposes them to new ideas and knowledge through lectures and presentations. By fostering collaboration and providing a platform for open communication, our managerial forum helps to build a more cohesive and productive team. In addition, Sapiens has implemented a unified global recruiting strategy aimed at sharing best practices across regions. As part of this, we created a manager toolkit to support effective interviewing, hiring, and process management.

In Israel, we also conducted three cycles of management courses—Team Leaders, Managers, and Directors—focused on developing leadership strategies and enhancing personal skills. These courses provided valuable knowledge and practical tools, offering participants across all divisions the chance for shared learning. We also held a VP Forum, which brought together senior leaders for collaborative learning and strategic dialogue, further deepening leadership alignment and organizational insight at the local level.

In Lithuania, employees were given a direct voice in shaping their work environment by voting on the engagement initiatives they wanted to see and choosing names for new office meeting rooms, fostering a strong sense of ownership and community.

In Poland, workshops on effective communication for cross-functional teams helped leads and leaders collaborate more effectively across departments.

In Germany, the culture of knowledge sharing was strengthened through quarterly Learning Lunches and Conference Days, where employees could volunteer to present on learning-related topics, as well as through the active use of Confluence channels.

In the UK, the divisional aspect of the 2024 Country Event enabled colleagues from different divisions to share knowledge and collaborate in person, deepening relationships and sparking new ideas.

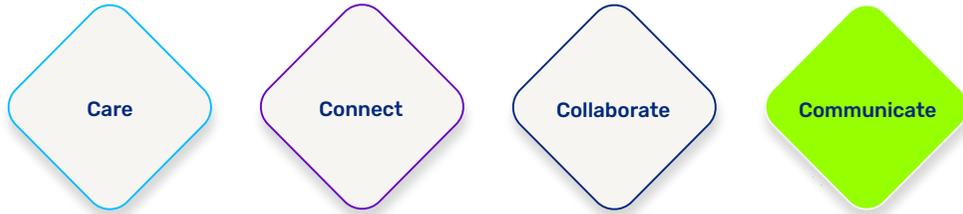
Highlights

Turkey, Managers Development through Workshops

In Turkey, we provide managers with workshops focused on essential tools and practical skills, enhancing their leadership capabilities and fostering continuous development.

Spain, Friday Knowledge Transfer Sessions

In Spain, we host Friday Knowledge Transfer sessions where subject matter experts present and share insights on their areas of expertise, allowing employees to expand their knowledge and learn from their colleagues.



Communicating Effectively Among Colleagues

At Sapiens, we employ several strategies to promote communication and encourage open dialogue among employees and management.

Beyond utilizing traditional methods such as newsletters, we focus on creating engaging communication through activities such as **divisionwide round tables, country-specific and divisionwide town halls, HR connect sessions, and face-to-face meetings** with executives across all global regions. These events provide opportunities for employees to share their thoughts and ideas, ask questions, and get to know their colleagues and managers on a more personal level. To keep employees informed, our different regional departments also organize local newsletters that update employees about important events and engagement opportunities in their region. In addition, we host country-specific and divisionwide town halls to share company updates, along with division roundtable discussions, leadership meetings, and HR connect sessions.

We also conduct **mid-year performance check-ins** with employees and **employee surveys** to gather feedback and ensure that everyone's voice is heard.

We also believe in fostering informal communication and collaboration, such as through the "coffee meetups" with management platform, which allows global teams, managers, and employees to meet and discuss technological and strategic topics in an open and relaxed setting.



Highlights

Employee Engagement Initiatives in Poland

At Sapiens Poland, we strengthen employee engagement through consistent local communication campaigns via a dedicated mailbox. We also host regular Leadership Coffee meetings with managers, providing a relaxed platform for open conversations. Another key initiative is our meetings with new joiners and leavers, promoting a culture of feedback and continuous learning within the organization. These meetings offer valuable insights, improve the employee experience, and help maintain a positive work environment.

Promoting Employee Engagement

At Sapiens, we understand that the unique value of each individual contributes to the success of our community. We prioritize employee engagement and create a culture of listening where employees are encouraged to speak up and make an impact.

To foster employee engagement, we have developed various initiatives that promote inclusiveness, belonging, and team building across our global workforce.

New employee engagement is a top priority, with a focus on making a great first experience during onboarding. Across our offices, we provide new employee gifts and orientation materials to ensure everyone feels welcome from day one. In North America, the onboarding process is further enhanced with 30-60-90-day check-ins, offering ongoing support and feedback throughout the first months.

In addition, our teams in India, North America, Germany, and the UK have a buddy system whereby new hires are assigned a buddy to help them navigate their first months at Sapiens.



In Germany, new hires receive personal onboarding, a mentor assignment, and regular probationary period meetings. In Poland, they get a welcome email from their manager and multiple surveys to gather feedback. In Portugal and South Africa, welcome packs with Sapiens merchandise and IT equipment are delivered, and onboarding presentations are done by HR. In Spain, new joiners enjoy a quarterly welcome breakfast with management and receive a Sapiens welcome pack.

In 2023, we launched a new AI supported digital onboarding platform called 'Sapie' for our employees in India. **In 2024**, the platform expanded to include the preboarding phase for new hires in North America. The platform enables a smooth and engaging experience through interactive communication and real-time updates. It connects future employees from the day of signing and throughout their onboarding period. The platform also helps to create digital visibility and track the progress of new hires, helping to support our HR team and give them an accurate understanding of employee needs.



Employee Recognition & Appreciation

We commend our employees' hard work and show recognition to our outstanding employees in a variety of ways, including outstanding employee awards, gifts, celebrating veteran employees from 5- to 30-plus years, peer-nominated awards, and our Global Appreciation week. During 2023, we introduced an internal appreciation system called Bravo. Our Bravo platform allows employees to send appreciation cards to recognize and appreciate the hard work and contributions of employees through peer-to-peer and management-to-employee feedback channels. Across our teams, outstanding employees are honored at the kickoff event with recognition and a diploma of excellence, in addition to quarterly Shine and PFS Awards.



Team-Building Exercise

We also encourage our employees to work together outside the office. A few examples from Israel include team breakfasts and volunteering activities. In India, employees participated in a week-long fitness program, sports events, book club gatherings, and cultural celebrations. Across our European offices, team spirit was strengthened through events such as work anniversary celebrations. In North America, team-building activities include baseball games, holiday parties, leadership training, Conversational Cafe sessions, and arcade game gatherings.

Fun Clans

Throughout our day-to-day work, we believe that small, routine breaks are essential and important for employees' well-being and productivity. These activities include arcade games, baseball games, holiday and seasons parties, and cruises and cooking workshops.

Feedback Working Group in North America

Our employees participate in an Organizational Culture Committee (OCC), a team of employees who work together to discuss, propose, and promote topics related to the organizational culture and community to senior management.

Highlight

Employee engagement activities across our teams

- **Lithuania:** Employees participate in a variety of engagement activities, including summer and winter parties, kids' parties, work anniversary celebrations, team outings, and management offsites. Active colleagues connect through STRAVA "clubs" for running, walking, hiking, and biking. Educational sessions are also offered, focusing on long-term planning and financial literacy.
- **Germany:** Employee engagement is fostered through summer and Christmas parties, bi-weekly Foodie-Tuesday gatherings, sports activities like the Harbor City Run, and regular get-togethers such as monthly birthday celebrations and after-work meetings. Employees are also recognized with birthday and jubilee greetings and vouchers. Language support is provided through German lessons for international employees.
- **South Africa:** Team engagement includes a spring dinner in Durban and Johannesburg, and a full-day autumn event with laughter sessions and dinner, bringing together employees from all locations.

Training and Developing Experts

Continuous Learning Opportunities

At Sapiens, we are committed to providing our employees with opportunities to learn and grow professionally and personally. Our range of programs and activities ensures that our team members have access to the knowledge and skills they need to excel in their roles and contribute to the company's success.

To ensure that our employees are equipped with the necessary knowledge and skills they need to perform at the highest levels, we have implemented a comprehensive learning and development program. Our new employees, for example, complete eLearning on insurance and follow a standard learning path to familiarize themselves with Sapiens' solutions. As part of their onboarding, new employees also participate in training sessions on privacy awareness, an introduction to Sapiens, and the Sapiens Insurance platform, which are all available to every employee.

In addition, we have implemented a blended learning model for our solutions, using eLearning with simulated screens and transactions. We have also launched a number of key campaigns, including a promotional campaign for Sapiens University, and global learning weeks, as well as learning games and a digital chatbot to assist learners.

We also offer a **"Master Class"** soft skills training program, which includes participation from teams in the U.S., Poland, India, and Israel, Portugal, Germany, Latvia, Lithuania, Spain, Portugal, and the UK.

This program offers soft skills workshops designed to help employees grow personally and professionally. It focuses on key areas such as effective communication, negotiation skills, presentation skills, customer service, leadership skills, and building resilience.

Moreover, we organize an annual learning program in India with a comprehensive training calendar and a national upskilling program that includes over 30 external courses in areas such as international business analysis, agile project management, and health and safety.

In India, soft skills development programs included collaboration workshops, a Global Stakeholder Excellence course, Managing Teams

Effectively sessions for team leads, and Presentation to Influence workshops. The Management Mastery Program (MMP) and the Leadership Mastery Program (LMP) were also delivered, demonstrating a strong commitment to continuous learning and leadership development.

Throughout 2024, Sapiens provided tailored learning opportunities across multiple regions to support employee growth. In Israel, employees participated in Excel training for accountants, negotiation management, and communication skills workshops, while senior leaders engaged in the VP forum to foster leadership alignment. In Portugal, employees benefited from access to LinkedIn Learning, Udemy courses, and external certification programs aimed at enhancing professional skills.

Germany hosted quarterly Learning Lunches and a Conference Day featuring employee-led presentations. Poland enriched its learning culture with webinars on AI-based attacks, disinformation, and communication workshops. North America offered e-learning and consultant-led training on AI and interview skills. Latvia and Lithuania focused on customer-facing skills, business negotiation, storytelling, persuasion, and modern business etiquette. The UK delivered specialized workshops on presentation skills for remote delivery and cross-cultural feedback, helping employees adapt to global workplace demands.

In 2024, our employees participated in 100,000 hours of learning including technical, insurance, product, process, tools, and soft skills training in both instructor led and e-learning modes.



Employees training and development by numbers: 2024

- **100%** of leaders have received in-depth training and learning modules
- **Over 5,500** employees participated in learning activities
- **More than 5,000** hours spent on LinkedIn learning
- **Over 200** external certifications earned
- **Over 150** customer training sessions conducted

Language Support Across Regions:

- Recognizing the importance of effective communication and strong English language skills, Sapiens offers English classes to employees in Spain and Germany, empowering them to collaborate more effectively with colleagues worldwide.
- In addition, language classes are available in several countries; for example, in Portugal, Portuguese language courses are organized for Indian employees, and Spanish classes are provided to select team members to meet specific business needs.



Promoting Professional and Personal Growth

At Sapiens, we are committed to offering a wealth of opportunities for our employees to develop their skills and expertise. We are proud that many of our employees have been with us since our inception or shortly after, and we recognize their unique value as a knowledge base. Our investments in our employees have earned us wide international recognition for our positive office work environment.

Sapiens has many mechanisms to support and encourage employees' professional journeys at the company. In recent years, we have adjusted some of our procedures to simplify the internal mobility process and insure clarity for all employees regarding the program. In addition, we have in place an online 'Growth Hub' which centralizes knowledge for employees on different roles, opportunities, and career paths.

These resources continue to build on our ongoing commitment to long-term employee success. By allowing employees to more smoothly transition to different roles and units across the company, we can empower our employees and help to retain our talent.

In addition to supporting professional growth, we also prioritize creating an engaging and inclusive workplace culture tailored to specific teams.

Manager Development

Across our teams, we deliver specialized training programs and workshops to strengthen leadership and management capabilities at all levels.

In Israel, managers participated in targeted development programs, including team leads, directors, and attendees of the inaugural VP forum session.

In North America, 150 managers—representing 90% of the region's managerial team—engaged in a range of initiatives such as the SCS Leadership Training: Conversations That Build Allies and the Sapiens DEIB Leadership Training Program. Additional offerings included the Executive Conversational Café, Be A Better Leader Academy, and the DE&I Leadership Program, all designed to enhance inclusive leadership, communication, and collaboration.

In Europe, managers took part in global management development initiatives, which addressed a variety of topics and learning formats to support ongoing professional growth:

- **Spain:** Insights Discovery session for People Managers to improve self-awareness, communication, and collaboration.
- **Poland:** Leadership Academy (4th edition) for team leaders and individual coaching sessions with external experts.
- **Latvia:** Advanced customer-facing skills training and the launch of the “Team Leaders Club,” a quarterly networking and soft skills forum for team leads.
- **Lithuania:** Business negotiation skills workshops.
- **Turkey:** Basic managerial skills training.



Performance management is an annual process that evaluates employee performance during the past year and sets work-related objectives and personal growth plans for the coming year. **Employee performance reviews are a mandatory process with a coverage of 100% of eligible employees.**

To improve leaders’ managerial mindset and provide them with tools to better manage their teams, we offer **local leadership courses** in India, Latvia, Poland, and Israel, North America, and the UK.

We believe that investing in our employees’ growth and development is crucial to the long-term success of our company and our employees as experts worldwide.

Diversity and Inclusion

At Sapiens, we are committed to promoting diversity and inclusion and strive to provide equal opportunities for all our employees. We strongly believe that a diverse and inclusive workforce enhances our ability to achieve our business goals. We recognize and respect the unique value that every individual brings to our company, regardless of their gender, location, or ethnicity.

To ensure fairness in our hiring, compensation, and benefits practices, we use advanced human resource approaches that include data analytics. We have a zero-tolerance policy for any harassment to ensure a safe and respectful workplace for everyone. In addition, we also work to celebrate and highlight diverse holidays and local and global days highlighting different identities based on the region.

As part of our ongoing commitment to diversity, equity, and inclusion (DE&I), we collaborate with various organizations to promote inclusive hiring practices. In Israel, we partner with organizations such as Lotus, Fursa, and Talpiot to support the recruitment of diverse talent. In the U.S., we work with Circa to post all our job openings on DE&I-focused job boards. In India, we partnered with "Enable India" to organize our International Day of Persons with Disabilities speaking engagement.

Furthermore, in Israel, Latvia, and Lithuania, we send monthly emails to DE&I organizations, such as Riga Tech Girls and Olim Beyahad, to encourage candidates from underrepresented communities to apply for open positions.

Gender Diversity

Sapiens is proud of the strong female voice in the company. **Sapiens' executive leadership team includes five women**, and we strive to constantly increase women's representation within our operation. We celebrate the success of women at Sapiens, recognize the integral value they bring to the company, and promote an empowering work culture. Our current female employee breakdown includes:

30% women in management positions

33% women in technical positions

35% total women employees

We understand the critical role of education in achieving gender equality, and we are committed to supporting initiatives that create opportunities for girls and women to access education. We strive to provide an inclusive and welcoming workplace for all our employees, where everyone is encouraged to respect and appreciate each other's unique perspectives and backgrounds.



Highlights

Israel's spotlight on promoting gender equality

As part of our commitment to empowering women, Sapiens participated in the "Girl's Week" project by the Shavot Organization, where women from Sapiens met with students from Ort Ironi D School in Modi'in to share their career paths, opportunities, challenges, and successes.

In addition, to celebrate Women's Day, a lecture "When Vision Meets Reality," was held for all employees, where the speaker shared an inspiring entrepreneurial journey, discussed the challenges faced as a woman in a male-dominated industry, and how she successfully turned her vision into reality.



Sapiens also promotes gender diversity through local initiatives in Europe:

- **Germany:** Hosted Boys & Girls Day to introduce schoolchildren to professions less typical for their gender.
- **Poland:** Organized Men & Women Day, encouraging employees to suggest ways to make the workplace more inclusive.
- **Spain:** Held Insights Discovery sessions for People Managers to enhance self-awareness and communication, supporting women's leadership.

Celebrating Pride

Sapiens is dedicated to fostering a culture of belonging and respect for all employees, regardless of sexual orientation or gender identity. We celebrate Pride Month and recognize key LGBTQ+ observances, including Transgender Day of Remembrance, International Day of Transgender Visibility, and National Coming Out Day, particularly in North America. In Poland, we supported LGBTQ+ rights through a donation to LAMBDA, an NGO that advocates for the LGBTQ+ community. These efforts reflect our ongoing commitment to inclusion, visibility, and support for LGBTQ+ colleagues across our global offices.



Diversity, Equity, Inclusion, and Belonging Training Series

In 2024, we continued to strengthen our commitment to Diversity, Equity, Inclusion and belonging (DEI&B) by expanding our training initiatives.

We initiated a DE&I training program for a select group of managers in North America and incorporated DE&I resources into the hiring manager toolkit. Globally, we marked **International Day of Persons with Disabilities** with an educational activity to raise awareness. We also brought together our global Talent Acquisition team for a collaborative session to present the DE&I roadmap, emphasize its importance in attracting diverse talent, and identify future opportunities. Looking ahead, we are preparing to implement formal DE&I training companywide to further embed these values into our culture and operations.

Employees with disabilities

Sapiens is dedicated to supporting employees with disabilities and fostering a culture of inclusion and accessibility across all regions.

On December 3, we marked the International Day of Persons with Disabilities with two global webinars featuring Moses Chowdari Gorrepati from EnAble India, which encouraged meaningful discussions on disability inclusion and workplace accessibility.

Our country-specific initiatives include:

- **Poland:** Provided targeted benefits for employees with children with disabilities, participated in the Poland Business Run to support people with mobility challenges, hired employees with disabilities, and organized the Black World Workshop in Lodz to raise awareness and break stereotypes about disabilities.
- **Portugal:** Continued efforts to hire people with disabilities and prioritized diverse talent recruitment.
- **Germany:** Maintained legal compliance for hiring people with disabilities, explicitly inviting applications from all genders and people with disabilities in job ads, and donated to minorities and disadvantaged groups.

Making a Positive Impact in Our Communities

At Sapiens, we are dedicated to making a meaningful difference in the communities where we operate. We strive to make a positive impact on all our stakeholders including our customers, employees, and the communities where we live and work. Our community contributions in 2024 spanned multiple regions and included a diverse range of initiatives aimed at supporting those in need.

Our volunteering and community engagement initiatives

Bringing together Employees and local communities in the UK

In the UK, a new initiative was launched in 2024 to bring the company and its employees together virtually to support a local food bank during the festive season. A Christmas tree was set up in the Cardiff office, adorned with gift ideas on tags, and employees were encouraged to participate in the company's gifting program.



Community Engagement in Lithuania

In the spring of 2024, we organized a crowdfunding event in the form of a "game evening," with all funds raised donated to support Ukraine. In the winter of 2024, another crowdfunding initiative took place as a "cake day," where the proceeds were donated to a local shelter. In addition, a forest planting event was held in the spring as part of our "green" initiative, where employees volunteered to contribute to environmental sustainability.

Community Engagement in Israel

In Israel, employees participated in meetings with teenagers from the Atid for Youth program, an initiative aimed at preparing at-risk youth for employment and equipping them with the skills needed for a successful career. In addition, we collaborated with the “Jesse Cohen” Association in Holon to pack fruits and vegetables, supporting their efforts to reduce poverty and social inequality in the city.



Our team also joined the anniversary celebrations of the “Etgarim” Association in Petah Tikva, which empowers individuals with disabilities through challenging sports activities. In honor of the first anniversary of the “Etgarim” running group, our employees took part in a shared running and walking experience, supporting and accompanying individuals with disabilities.

Efforts to support Youths

In Poland, we participated in a Youth Awareness workshop for high school students, where we highlighted development opportunities in IT, with insights provided by TA and business representatives. In Latvia, we took part in the Mentorship Academy roundtable discussions, and several of our employees are actively involved in the Mentorship program, receiving guidance from mentors outside the organization.

Empowering Disabled People in Our Communities

In Poland, employees took part in the nationwide charity event, Poland Business Run, supporting individuals with disabilities who face mobility challenges. In addition, in 2024, Sapiens employees began a mentorship program in collaboration with the “A La Par” foundation, aimed at helping disabled individuals find employment opportunities.

Community Engagement in India

In 2024, we successfully installed three Smart Bus Stops in India, prioritizing user safety and improving the commuter experience, while setting new benchmarks for Bangalore’s public transportation infrastructure.

Empowering and Supporting the Well-being of Young Girls in India

In 2024, Sapiens India’s Finance, HR, Operations, and Legal teams collaborated on impactful CSR initiatives focused on improving healthcare and supporting young girls’ well-being across the country. A key highlight was the donation of essential medical equipment to the Sri Sri College of Ayurvedic Science & Research Hospital, aimed at enhancing healthcare quality and access for women in the region. The accompanying image shows Sapiens representatives alongside hospital employees and the donated equipment, underscoring the tangible impact of this contribution.



Menstrual Health Awareness in India

Sapiens also led a large-scale educational campaign, reaching over 5,000 young girls in Karnataka through interactive sessions on menstrual health, nutrition, and yoga. These programs addressed the importance of breaking menstrual taboos and promoted dignity, health, and confidence among participants. The images capture Sapiens employees engaging directly with students at government schools, fostering open dialogue and providing valuable resources. Community feedback was overwhelmingly positive, highlighting the effectiveness of these efforts in raising awareness and supporting the holistic well-being of young girls.



Latvia: Fostering Youth Development and Community Support

Latvia's commitment to community engagement is evident through a range of impactful initiatives. The company contributed to the Latvian Public Media initiative, supporting individuals with serious diagnoses, and championed the "RigaTech Girls" program to encourage youth participation in technology. In addition, active involvement in the Mentorship Academy provided employees with valuable opportunities for professional growth and guidance from external mentors, further strengthening the local talent pipeline.

Charitable and Volunteer Initiatives Across Europe and North America

Across other regions, employees also played a meaningful role in supporting their communities. In Germany, a dedicated Volunteering Day in September saw employees register for a variety of charitable activities, complemented by regular company donations to environmental and children's causes. Meanwhile, in North America, unused Volunteer Day T-shirts were donated to a summer camp for art activities, ensuring surplus materials were put to creative and meaningful use.

Helping Food Security

Our team in Israel worked with various organizations to support the community. Our employees volunteered with the "Leket Israel" association by supporting farmers with picking and packing fruits and vegetables which would otherwise go to waste.



In the U.S., we brought together remote employees for the opportunity to volunteer at a local food bank and help support food security.

Donations

As part of our ongoing commitment to social responsibility and community engagement, we support a range of charitable initiatives across the globe through meaningful donations. In Israel, our donations supported organizations such as the "Gdolim Mehachaim" Association and the "Shalva" charity race. In Poland, we contributed to the FOSA Foundation's Blue Shoes Program for psychological support to children and adolescents, the Polish Humanitarian Action's SOS Powódź Program for flood relief efforts, and the Pajacyk Program to support the nutrition of children in need through the "DoNotEatAlone" campaign on Fat Thursday. In Germany, beyond our regular support for environmental causes and disadvantaged children, we made additional donations to organizations assisting disadvantaged people more broadly, further extending our impact to vulnerable groups across society.

Operational Excellence

Corporate Governance

Sapiens is committed to responsible corporate governance practices. Through our consistent implementation of corporate governance and ethical standards, we ensure that all our stakeholders are carefully considered in our management decisions. We have established a strong management system that inspires ethical behavior and information security.

To ensure our compliance with regulations, disclosures, and internal controls, it is the responsibility of the Chief Executive Officer, Chief Financial Officer, the legal department and Controller to bring any material information that may negatively impact the company's ability to the attention of the Audit Committee of the Board of Directors. This demonstrates our dedication to maintaining the highest level of transparency and integrity.

Members of the Board



Guy Bernstein

Chairman of the Board
of Directors

Joined: January 2007

Guy Bernstein has served as a director of the company since January 1, 2007, and was appointed Chairman of the Board of Directors on November 12, 2009. Mr. Bernstein has served as the Chief Executive Officer of Formula, our parent company, since January 2008. From December 2006 to November 2010, Mr. Bernstein served as a director and the Chief Executive Officer of Emblaze Ltd. or Emblaze, our former controlling shareholder. From April 2004 to December 2006, Mr. Bernstein served as the Chief Financial Officer of Emblaze. He also served as a director of Emblaze from April 2004 until November 2010. Prior to joining Emblaze, Mr. Bernstein served as the Chief Financial and Operations officer of Magic Software, a position he held since 1999. Mr. Bernstein joined Magic Software from Kost Forer Gabbay & Kasierer, a member of EY Global, where he acted as Senior Manager from 1994 to 1997. Mr. Bernstein also serves as Chief Executive Officer of Magic Software, as Chairman of the Board of Matrix IT Ltd, Zap Group Ltd, and Michpal Group, and as a director of TSG IT Advanced Systems Ltd. Mr. Bernstein is a Certified Licensed Public Accountant and holds a BA in accounting and economics from the College of Management Academic Studies.



Roni Al-Dor

President, CEO
and Director

Joined: November 2005

Roni Al-Dor joined the company as President and Chief Executive Officer in November 2005 and has served as a director of the company since November 2005. Prior to joining Sapiens, Mr. Al-Dor was one of the two founders of Team Telecom International Ltd., (TTI), a global supplier of operation support systems to communications service providers, and from August 1996 until 2004, Mr. Al-Dor served as President of TTI. Prior to that, Mr. Al-Dor served as TTI's Co-president from November 1995 until August 1996 and its Vice President from September 1992 to November 1995. During his service in the Israeli Air Force, Mr. Al-Dor worked on projects relating to computerization in aircraft. Mr. Al-Dor is a graduate of the military computer college of the Israeli Air Force, studied computer science and management at Bar Ilan University, and attended the Israel Management Center for Business Administration.



Yacov Elinav

Director (Independent)

Joined: March 2005

Yacov Elinav has served as a director of the company since March 2005. For over 30 years, Mr. Elinav served in various positions at Bank Hapoalim B.M., which is listed on the London and Tel Aviv Stock Exchanges, including over 10 years as a member of the Board of Management, responsible for subsidiary and related companies. From 1992 through 2006, Mr. Elinav served as Chairman of the Board of Directors of Diur B.P. Ltd., the real estate subsidiary of Bank Hapoalim. From August 2004 until 2009, Mr. Elinav served as Chairman of the Board of Directors of DS Securities and Investments, Ltd. From August 2004 through 2008, Mr. Elinav served as Chairman of the Board of Directors of DS Provident Funds Ltd., and from 2010 until August 2015, served as Chairman of the Board of Directors of Golden Pages Ltd. Mr. Elinav also serves on the board of directors of several other public and private companies.



Eyal Ben-Chelouche

Director (Independent)

Joined: August 2008

Eyal Ben-Chelouche, a highly accomplished professional with more than two decades of experience in finance and capital markets, has held significant leadership positions throughout his career. He began his tenure as a director at the company in August 2008. Notably, he served as the Commissioner of Capital Market Insurance and Savings at the Israeli Ministry of Finance from 2002 to 2005, where he spearheaded critical reforms. His roles also included Deputy Commissioner and Senior Foreign Exchange and Investment Manager at the Bank of Israel, as well as an Investment Officer at the Bank of England in London. Mr. Ben-Chelouche played a pivotal role in the Bachar Committee on Capital Market Reform, which shaped the financial landscape in Israel. Presently, he serves as the Chairman of the Board of Directors for the David Shield Passport Card Group since 2018 and David Shield Insurance since 2020. As an independent director, he brings extensive financial expertise to organizations such as Matrix IT Ltd., Migdal Holding Ltd., and several other private companies.

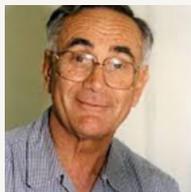


Naamit Salomon

Director (Independent)

Joined: September 2003

Naamit Salomon has served as a director of the company since September 2003. She held the position of Chief Financial Officer of Formula from August 1997 until December 2009. Since January 2010, Ms. Salomon has served as a partner in an investment company. Ms. Salomon also serves as a director of Magic. From 1990 through August 1997, Ms. Salomon was a controller of two large, privately held companies in the Formula Group. Ms. Salomon holds a BA in economics and business administration from Ben Gurion University and an LL.M. from the Bar-Ilan University.



Uzi Netanel

Director (Independent)

Joined: March 2005

Uzi Netanel has served as a director of the company since March 2005. He served as Chairman of the Board of Directors of Maccabi Enterprise Development & Management Ltd. from 2012 through 2022 and has served as a director of Maccabi Health Services since 2005. He previously served as Chairman of Maccabi Group Holdings Ltd., from 2000 through 2017. From 2004 through 2007, Mr. Netanel served as Chairman of the Board of Directors of M.L.L. Software & Computers, and from 2000 through 2011 served as a Director of Bazan and Carmel Olephine. From 2001 through 2003, Mr. Netanel served as partner in the FIMI Opportunity Fund. From 1993 through 2001, he served as Active Chairman of Israel Discount Capital Markets and Investments Ltd. From 1997 to 1999, Mr. Netanel served as Chairman of Poliziv Plastics Company (1998) Ltd. From 2005 through 2014, he served as Director of Maman Group, and from 2012 through 2014, he served as Director of Gadot Biochemicals. Mr. Netanel also serves at present on the Board of Directors of Dorcel (B.A.Z.) Ltd.

Our Board of Directors

Sapiens six-member Board of Directors is composed of industry-leading experts with diverse backgrounds in the financial, insurance, and computer science sectors. To ensure strong corporate governance, our Board of Directors operates with a commitment to high ethical standards and transparency. The board oversees the company's strategy, risk management, and overall performance, ensuring alignment with stakeholder interests.

The majority of our board is composed of independent members, ensuring objective oversight of management decisions, with four independent directors serving on the board. The board is composed of five men and one woman.

For more information on our Board of Directors and governance procedures, please refer to our [2024 20F](#).

Board of Directors Committees

2024 Board and Committee Meetings	Board of Directors	Audit Committee	Compensation Committee
Number of Members	6	3	3
Percentage Independent Directors	67%	100%	67%
Number of Meetings	9	7	3
Board Meeting Attendance Rate	98%	90%	100%

Audit Committee

The Audit Committee plays a vital role in Sapiens' corporate governance framework, providing independent oversight of the company's financial reporting processes, internal controls, and compliance activities. The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities by reviewing financial information, internal controls, and the audit process. In addition, the committee is responsible for oversight of the work of our independent auditors.

The committee meets on a regularly scheduled quarterly basis, with additional meetings convened as necessary to fulfill its oversight responsibilities. Through its diligent work, the Audit Committee helps maintain the highest standards of financial transparency, accountability, and integrity at Sapiens.

The committee is composed of three independent members, ensuring objective oversight of the company's financial information and is committed to maintaining transparency and integrity in all financial reporting and audit activities.

In 2024, the committee held seven meetings, with a 90% attendance rate.

Compensation Committee

The Compensation Committee is a key component of Sapiens' governance structure, ensuring that the company's compensation practices align with its strategic objectives and regulatory requirements. The committee is responsible for making decisions regarding the compensation of our senior executives, ensuring that they are aligned with performance, shareholder value, and industry best practices. The committee is composed of three members, two of whom are independent, ensuring objective decisions on compensation matters.

The Compensation Committee's core responsibilities include reviewing and approving the compensation of our senior executives and grants of equity-based compensation to our employees. In addition to these duties, the committee develops and oversees the implementation of compensation policies that align with the company's strategic objectives and promote long-term value creation. It ensures that compensation practices are fair, equitable, and competitive within the industry.

The Compensation Committee holds regularly scheduled meetings to fulfill its responsibilities.

In 2024, the committee held three meetings, with a 100% attendance rate.



Our foundational principles—integrity, accountability, and respect—shape our ethical conduct and define how we engage with our employees, clients, vendors, and the broader community. By consistently honoring these values, we foster trust and build strong relationships that fuel sustainable business growth. Our dedication to these principles not only mirrors our core beliefs, but also enhances our adaptability and long-term success

Alon Rapaport, General Counsel, Sapiens

Ethical Business Conduct

At Sapiens, we uphold the highest professional standards in our business, conduct and pride ourselves on our reputation for quality, service, and integrity. We recognize that maintaining the confidence and trust of our stakeholders including customers, employees, investors, suppliers, and regulators is foundational for our success.

We understand that adhering to outstanding ethical business practices and complying with all applicable laws and regulations is essential. With thousands of employees working across the world, each facility upholds its unique organizational culture while remaining dedicated to our global [Sapiens Code of Business Ethics and Business Conduct](#). This ensures that our company's values are consistently upheld, regardless of location.

In 2024, we reinforced this commitment by providing several training programs for our finance, information system and operations teams, including anti-fraud and whistleblower courses. These training programs encourage employees to actively participate in upholding our ethical standards. We also reinforced our message that if employees observe anything concerning, they are encouraged to raise the issue. The Code of Ethics training further emphasizes this, fostering an environment where ethical conduct is expected and encouraged.

Our Executive and Financial Officers promote a culture of ethical responsibility and compliance and help to maintain a work environment that encourages employees to raise concerns. It is imperative that our employees feel comfortable bringing any compliance concerns to our attention. As such, our officers are dedicated to promptly addressing these concerns to ensure that any issues are resolved quickly and effectively. By fostering an environment of transparency and accountability, we can uphold our commitment to outstanding ethical business practices.

The role of the internal auditor is to provide assurance that the company's risk management, governance, and internal control processes are operating effectively. This includes examining, among other things, our compliance with applicable law and orderly business procedures, including the implementation of proper internal controls in compliance with SOX requirements and our Related Party Transactions Policy.

The Code of Ethics and Business Conduct

Sapiens is dedicated to upholding the highest standards of ethical behavior and integrity, as outlined in our Code of Ethics and Business Conduct. This Code is a vital resource for all employees and service providers, ensuring that our business practices reflect our commitment to ethical conduct.

The Code is accessible [online](#) as a searchable PDF and it is mandatory for every employee to familiarize themselves with it on joining the company. In addition, the Code is shared with our suppliers, who are required to sign it as part of their service contracts. It is circulated annually to all employees, with a biennial requirement for signed acknowledgment, ensuring ongoing awareness and compliance. The most recent acknowledgment was completed in January 2024.

In 2024, we continued to enforce compliance with the Code, which is intended to deter misconduct and promote the following:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.
- Full, fair, accurate, timely, and understandable disclosure in reports and documents Sapiens files with, or submits to, the Securities and Exchange Commission and the Israel Securities Authority and in other communications made by Sapiens.
- Compliance with applicable governmental laws, rules, and regulations.
- Prompting internal reporting of violations of the Code to the appropriate person or persons identified.
- Accountability for adherence to the Code.
- Adherence to a high standard of business ethics.

Our Board of Directors has adopted various policies and procedures that are meant to implement risk management on a companywide level, including:

Code of Ethics and Business Conduct

Insider Trading Policies

Anti-Fraud Policy

Anti-Corruption Policies

Whistleblower Policy

Anti-Slavery Policy

We review the Code of Ethics and Business Conduct and company policies every few years or on an as-needed basis to make sure that they remain up-to-date and as per company expectations.



Whistleblower Policy

Sapiens employees, suppliers, and contractors are encouraged to report violations regarding accounting, auditing, internal accounting controls, fraud, or regulatory breaches. Whistleblowers who make reports in good faith of suspected violations are protected from retaliation due to reporting. In 2023, we streamlined our whistleblowing reporting process, increasing accessibility by implementing an online submission which can be filled out directly on our [website](#). Alternatively, an anonymous email can be sent to our Compliance Officer. All submitted cases undergo a formal investigation process, including the prompt notification of the audit committee. If the investigation confirms that a violation has occurred, the company will promptly take appropriate corrective action.

In 2024, there were zero whistleblower complaints made.



Insider Trading Policy

Sapiens maintains a comprehensive Insider Trading Policy that provides guidance to all employees and officers regarding the trading of Sapiens securities. This policy is particularly relevant during specific periods and when in possession of “material non-public information” about Sapiens, its customers, or suppliers. Employees, officers, and their immediate family members are permitted to trade Sapiens’ securities only outside of clearly defined blackout periods. Employees are encouraged to report any violations or concerns to the Internal Auditor. A failure to comply with the policy could result in significant violations of securities laws, potentially leading to both civil and criminal penalties.

The revised Insider Trading Policy was approved by the Board of Directors in February 2025 and is available [online](#).

The Insider Trading Policy is available [online](#).



Anti-Fraud Policy

Sapiens Anti-Fraud Policy aims to aid employees and the company in avoiding fraud through preemptive action. Once every three to five years or, more frequently if deemed necessary, the company will perform a fraud risk assessment. In addition, all Sapiens employees must sign that:

- Fraud can deprive Sapiens of assets and resources and may potentially damage Sapiens’ reputation.
- Each employee has an obligation to act honestly and with integrity and safeguard the Sapiens’ resources for which they are responsible.
- Each employee has an obligation to report any activity that might be fraudulent.

Corruption and Bribery

Sapiens has zero tolerance for corruption and bribery, and we are devoted to working honestly and ethically to ensure a truthful business and partnership. Our employees are expected to comply with the applicable laws in all countries to which they travel and where we otherwise do business, including laws prohibiting bribery. The Code establishes clear guidance on gifts and entertainment which employees are required to follow. Employees should consult with their supervisor or Compliance Officer if they are unsure about the appropriateness of any proposed entertainment or gifts.

In 2024, as in previous years, there were no legal cases relating to corruption and bribery.

Human Rights

Sapiens prioritizes protecting the human rights of all people. Respect, fairness, and equality in our daily business are important to us. We attempt to do everything in our power to ensure that all our stakeholders are treated according to those principles as well as in compliance with the Code of Ethics and Business Conduct. We are dedicated to ensuring that our supply chains do not rely on or benefit from slavery or human trafficking. To this end, we have formulated, and seek to enforce, Sapiens Code of Ethics and Business Conduct on our suppliers, which requires our suppliers, among other things, to adhere to the following:

- **Not make use of forced labor/child labor;**
- **Recognize employee rights (including freedom of association);**
- **Not permit harassment or abuse; and**
- **Treat migrant employees equally to local workers.**

The company carries out risk assessments in relation to its suppliers and monitors its suppliers’ compliance with Sapiens’ Code of Ethics and Business Conduct as well as any other applicable national or local regulation. To date, we have received no reports of any incidents relating to modern slavery or human trafficking in our supply chains.

Anti-Competitive Behavior

We believe that a competitive market is vital for our society, economy, and business. It helps to keep prices low, ensures a high quality of goods and services, offers a range of choices, and encourages companies to innovate. For that reason, we are against any anti-competitive behavior as it interferes with building a well-functioning market.

In 2024, no anti-competitive behavior was reported.

Related Party Transaction Policy and Process

Sapiens upholds our commitment to ethical business practices and ensures that all related party transactions are conducted in a transparent and accountable manner. We have thus implemented a formal Related Party Transaction Policy that outlines a clear procedure for engaging and disclosing all related party transactions. Furthermore, any transaction, including employment of related party, must be approved by the audit committee, after examination that the terms are in accordance with the market practice. For usual and immaterial related party transactions (that do not exceed a certain amount), the Head of Legal and CFO may approve them and report them to the Audit Committee.

Compliance with Laws, Rules and Regulations

In addition to the specific aforementioned topics, at Sapiens we expect all directors, officers, and employees to respect and obey all laws, rules, and regulations applicable to our business and operations. While directors, officers, and employees may not know all details of these laws, rules, and regulations, it is important to us that they know enough to determine when to seek advice from supervisors or other appropriate Sapiens personnel.

In 2024, there were no legal cases related to material non-compliance issues.

To maintain compliance, our company has appointed an internal auditor to oversee the effectiveness of our risk management, governance, and internal control processes. This includes examining, among other things, our compliance with applicable law and orderly business procedures.

Non-Discrimination and Anti-Harassment Policy

We have zero tolerance for any kind of harassment, which involves discrimination, sexual harassment, humiliation, and abuse of authority. Any wrongful doing that comes to light will be handled immediately, with the utmost seriousness and will have legal and disciplinary consequences.

Freedom of Association

Stakeholders at Sapiens have the right to join or establish a group of their choice. We do not restrict the freedom of association and support our workers in freely discussing issues, including working conditions at Sapiens. We address any concerns and requests to optimize the terms and conditions of our employees.

Fair Employment and Equal Opportunities

Offering a workplace in which each employee feels safe and respected is one of Sapiens' key priorities. We do our best to listen to every need and request of our staff members to provide fair employment that creates equal opportunities for all. All contracts comply with laws and regulations by the country operating and, in some cases, we have established employment procedures that are beyond the standards required.

Department leaders are responsible for managing risks within their respective areas. In line with our policy, comprehensive risk assessments are conducted every three years, with the most recent assessment completed in 2022 (our internal audit plan for 2025 includes conducting a risk assessment). This process includes detailed mapping and reporting of potential risks. Each department plays a role in identifying key risks and determining audit priorities, covering operational, financial, fraud, legal, and other relevant areas.

Fraud risk assessments are conducted every three years, complementing our internal audit plan, which evaluates risks across various business processes. The most recent fraud risk assessment was completed in 2024.

To ensure ongoing oversight, our internal control team conducts multiple audits throughout the year, while an independent internal auditor performs four to five audits annually, providing an additional layer of review.

Cybersecurity and Data Protection

At Sapiens, maintaining cybersecurity and protecting information remain critical priorities. Our goal is to safeguard the confidentiality, integrity, and availability of our information assets, whether digital- or paper-based, across all our networks and systems.

To address the rapidly evolving threat landscape, we continuously invest in advanced detection, prevention, and proactive systems to minimize cybersecurity risks. In 2024, we strengthened our Security Governance, Risk Management, and Compliance (GRC) framework to enhance security oversight and support a more resilient information security strategy. We optimized Security Business Processes (SBP) and expanded our information security architecture to respond effectively to emerging threats.

In line with our commitment to cybersecurity, we have reinforced our business continuity practices to ensure operational resilience in the face of potential disruptions. We also collaborated closely with our Security Operations (SecOps) team to optimize processes and controls, enhancing our defense systems for more effective threat detection and response.

Recognizing the growing significance of AI in shaping the future of digital security, we made substantial progress in AI security in 2024. While we did not adopt the AI standard—primarily a business-oriented framework rather than a security one—we took decisive steps to secure AI-related innovations. We established an AI Security Taskforce to oversee governance and risk management for AI initiatives. This included creating and implementing a comprehensive AI Security and Privacy Policy to align with regulatory and internal standards.

In addition, we launched awareness campaigns and training programs to educate employees on the risks of AI and safe usage practices. We also reviewed Microsoft AI products, with a focus on security and compliance, and developed secure deployment guidelines for Microsoft Copilot Studio. Our proactive collaboration with AI product teams ensured further alignment with security best practices throughout the development process.

As we continue to evolve in the face of these technological advancements, Sapiens remains committed to upholding the highest data protection standards, safeguarding internal and customer data, and maintaining the trust of our stakeholders. Through ongoing investments in cybersecurity, the

expansion of our Information Security team, and the implementation of robust security measures, we ensure that our organization remains secure and resilient in the digital era.

Information Security Policy

The Sapiens Information Security Policy safeguards the company's information assets against various threats. In 2024, we continued to enhance our information security posture by implementing advanced technologies to better protect Sapiens and our customers. These include an information security system for SaaS solutions, an EPM system, an integration system for identifying information security threats, and a CSPM & ITP (CS) system.

We follow a best-practice approach to information security, aligning with regulatory requirements, business needs, and contractual obligations. Our policy includes key principles such as:

- Information will be protected against unauthorized access, and confidentiality, integrity, and information security will be maintained at all times.
- Compliance with regulatory and legislative requirements is upheld and demonstrated.
- All information security breaches, actual or suspected, will be reported and investigated in accordance with the appropriate procedures, policies, and handbooks.

To ensure digital information security, we have implemented advanced access controls, encryption, and multi-factor authentication to protect sensitive data. We conduct regular audits, vulnerability assessments, and penetration tests to identify and proactively mitigate risks. Furthermore, our employees undergo comprehensive security awareness training to understand and adhere to our security protocols.

Cybersecurity Governance and Employee Engagement

At Sapiens, we take proactive steps to engage all levels of management and staff in our cybersecurity program. Our Cybersecurity Department has established a cybersecurity steering committee, led by the Chief Technology and Information Officer (CTIO). This committee meets monthly to address and discuss the security risks identified in our annual security risk assessment.

During these sessions, we prioritize the identified risks, evaluate mitigation efforts, and assign responsibilities to ensure timely resolution. The meetings also serve as a platform to monitor progress on risk mitigation strategies and update action plans as needed.

The committee also periodically meets with our company's Global Chief Information Security Officer (CISO), Chief Technology and Information Officer (CTIO), Head of Sapiens Global Operations, and other relevant members to ensure continued alignment on security risk management efforts. Detailed minutes and follow-up reports from these meetings are maintained to provide transparency and demonstrate our commitment to continuous improvement to auditors and stakeholders.

Our managers and employees play a crucial role in maintaining a secure digital environment. Each business unit has a designated senior staff member as the Key Data Owner. These individuals work closely with the Sapiens Information and Cybersecurity Team to ensure compliance with our security protocols. The CISO collaborates with the Global Head of IT to communicate process changes and ensure adherence to performance requirements. In addition, the CISO conducts an annual review process to keep our policy appropriate and up to date.

In 2024, we continued to prioritize employee training and awareness as part of our commitment to cybersecurity. New employees undergo security and privacy training during onboarding to familiarize themselves with our policies and best practices. In addition, we conducted phishing campaigns throughout the year to enhance employee resilience against social engineering and phishing attacks. Employees who clicked on phishing links had to complete additional training to reinforce their knowledge and awareness.

Sapiens' security department launched a three-day awareness campaign, conducted three General Information Security Awareness sessions, attended by 1,682 participants, and provided three Phishing Security Awareness training sessions to 1,450 employees through the security GRC Team. Regular security newsletters and phishing campaigns were distributed, along with a targeted newsletter specifically for ISR employees on OP Israel Security. This newsletter highlighted potential threats on April 7th, including website defacement, denial-of-service attacks, database intrusions, data theft, and ransomware, while outlining preventive measures. Our Security AI specialist developed AI training for Sapiens' developers, and we plan to expand these training efforts into other areas in 2025. In addition, we have begun building a Security GRC portal, which is expected to be completed by 2025.

To further promote ongoing awareness, we delivered a monthly security newsletter that updated employees on emerging threats and provided recommended responses. All employees participated in mandatory annual security training covering key security principles, including multi-factor authentication (MFA). Employees were required to pass a test with a minimum passing rate of 70%; those who did not pass were required to retake the training. We also provided information security training, which was offered by a third party, and more than 2,400 participants engaged with this content in 2024.

As part of our developer-focused initiatives, we equipped our development teams with secure coding skills and implemented secure software development practices in line with NIST's Secure Software Development Framework (SSDF).

Through these initiatives, we empower our managers and employees to contribute to our cybersecurity objectives actively, fostering a culture of responsibility throughout the organization.

In 2024, we achieved an impressive participation rate of over 93% in our widespread awareness training programs, demonstrating our employees' commitment to maintaining a secure environment.

Case studies

Our training programs are specifically designed to tackle emerging security challenges, including AI-driven threats and secure software development frameworks (SSDF/SSDLC).

- **This year, one of our trainings focused on addressing AI-based cyber threats, such as adversarial attacks, and promoting the ethical use of AI.**
- **In another training, we focused on best secure development practices, vulnerability management, and adherence to industry standards.**

These training initiatives were developed in response to the growing concerns around AI security and the increasing need for robust software security practices.

Managing Cybersecurity Risk Alongside Our Customers

Information security is a top priority. We have taken significant steps to optimize our organizational methods for the benefit of our customers, and we continue to increase our security budget and team capacities to develop and implement ongoing technological solutions. In 2022, we established a security business partner team to support our internal and external clients through ongoing communication, specialized training, and fostering strong relationships between Sapiens and its customers.

In 2024, we launched an online Trust Center for our existing and potential customers. This platform, which operates on a login basis, provides clear and transparent information on managing clients' data, improving accessibility to crucial security information. In 2024, we enhanced the Trust Center by incorporating an access check system. While anyone can enter the Trust Center, not all evidence and sensitive data are accessible to everyone; access is carefully controlled to ensure visibility is appropriate based on user permissions. This initiative further strengthens our commitment to transparency and customer trust while maintaining the security and confidentiality of sensitive information.

We continually upgrade our technologies and strive to maintain the highest standards and data protection. As part of the risk management program, Sapiens focuses on protecting against the risk of computer-related crimes and viruses. The program aims to provide customers with clarity and transparency to reduce and minimize information security risks.

Responsible AI and Information Security

The rise of AI presents immense opportunities for enhancing work efficiency and improving the customer experience. However, responsible and ethical use of these tools is essential to safeguard company data. We recognize potential biases in AI models and expect our employees to take corrective actions to ensure fairness and equity in AI applications.

In 2024, we focused on strengthening our AI-driven security capabilities. We adopted and adhered to the DORA standard, expanded security assessments and penetration tests to cover environments and product security, and conducted a comprehensive cleanup of our Active Directory to reduce legacy risks and improve access controls. Our threat intelligence operations were also enhanced through real-time data to drive proactive

defense strategies. Furthermore, we refined our Secure Software Development Lifecycle (SSDL) integration to embed security measures earlier in the development process.

To provide employees with clear guidelines for the responsible use of AI, we established an AI Security Task Force and implemented an AI Information Security Policy in 2023. This policy addresses crucial topics, including 'Safe Usage Fundamentals' and 'Secure AI Model Training,' and has been shared with all employees. The Information Security team hosted a webinar on the secure use of AI as part of its commitment to ongoing education. In 2024, the policy underwent a thorough review as part of our annual policy review process. This ensures the policy remains relevant, comprehensive, and aligned with the evolving risk landscape and business operations.

While we previously disclosed our intention to comply with the new ISO 42001:2023 international standard for AI, we have decided not to adopt this standard in 2024. Despite this, we have made significant progress in AI security. Our security and Privacy Policy have been fully implemented and align with regulatory and internal standards. We launched awareness campaigns and training to educate employees on the risks and safe usage of AI, and reviewed Microsoft AI products, with a focus on security and compliance. Secure guidelines for Microsoft Copilot Studio were developed to ensure safe deployment, and we actively collaborated with AI product teams to integrate security best practices into the development process.

In 2024, we also reinforced AI security and privacy education across all company levels, fostering a culture of security-first innovation. Collectively, these initiatives position our employees at the forefront of AI-driven innovation, while ensuring the protection of company and stakeholder data.

Please refer to the 'Product and Services' chapter to learn how we use AI to drive innovation in our products and processes.

Software and Information Protection

Sapiens complies with applicable regulations when using licenses to minimize the risk of computer viruses and data breaches. To reduce the risk of computer viruses, we only permit authorized and licensed copies of commercial software to be installed on our computer systems. In addition, we deploy advanced Endpoint Detection and Response (EDR) software across all information assets.

Upholding International Standards

Sapiens invests significant efforts to maintain high privacy standards and ensure international compliance with privacy laws requirements including the General Data Protection Regulation (GDPR) and other relevant mandates. We process personal data only on documented instructions from our customers, and only to the extent necessary for providing our services and in accordance with our customers' instructions, in alignment with the GDPR standard. As part of our comprehensive training initiatives, we also conduct mandatory annual privacy and awareness training alongside our cybersecurity training, ensuring that our employees remain well-informed about privacy and security best practices. To ensure consistent security performance during unexpected events, we have a Business Continuity Management plan for all sites worldwide.

We are equally committed to enhancing our security posture and operational resilience as we pursue excellence. As part of our ongoing efforts, we annually review all our policies to ensure they remain adequate, relevant, and aligned with evolving security threats and regulatory requirements. This continuous review process includes updating, upgrading, and introducing new policies to address emerging needs and regulatory standards. In 2024, we introduced several new policies and procedures, such as the Upload File Policy, Azure WAF Procedure, Software Installation Policy, and B2B External Collaboration Guidelines. We also updated and upgraded critical policies, including the Acceptable Use Policy, Risk Management Policy, and Patch Management Policy. In addition, we are currently developing and seeking approval for policies, including the Email Policy, Intellectual Property Rights Policy, and Internet Usage Policy, which are expected to be finalized in 2025.

Whenever we identify a gap between our existing policies and emerging needs, we proactively create new policies to address those gaps, further strengthening our framework.

Examples of Policy Enhancements Addressing Security

Gaps:

1. Software Installation Policy:

- **Identified Gap:** We observed inconsistent software installation practices across different teams, leading to unauthorized application usage and potential security risks.
- **Action Taken:** A formal Software Installation Policy was introduced to define approved software lists, enforce software request approvals, and implement security monitoring to detect unauthorized installations. This ensures compliance with security and operational requirements.

2. Upload File Policy:

- **Identified Gap:** There was an increased risk of malware and data exfiltration through file uploads across internal and external platforms.
- **Action Taken:** We established an Upload File Policy, incorporating security controls such as file type restrictions, antivirus scanning, sandboxing, and monitoring mechanisms. This significantly mitigates the risk of malicious file uploads and unauthorized data sharing.

As part of our privacy and security initiatives, we conduct annual awareness and cybersecurity training for all employees. This ensures that our team remains well-informed about best practices for privacy and security. We have also established a Business Continuity Management plan for all our global sites, providing consistent security performance during unexpected events.

Furthermore, in 2023, Sapiens conducted a comprehensive internal privacy audit to ensure compliance with data protection regulations and best practices. This audit thoroughly reviewed our data handling processes, policies, and internal measures, and recommended enhancements to Sapiens' privacy program framework.

Throughout 2024, we have diligently implemented these recommendations. This involved among other things, updating our privacy policies, enhancing internal data privacy protocols, and our data breach response plan to ensure swift and effective action in case of any incident.

Sapiens proudly holds the following certifications, which demonstrate our commitment to the highest standards of privacy and security:

- ISO 27001 (Information Security Management)
- ISO 27701 (Privacy Information Management)
- ISO 27017 (Cloud Security)
- ISO 22301 (Business Continuity Management)

These certifications are communicated throughout our organization and supported by regular training and awareness programs for our employees. Compliance is rigorously monitored through regular audits, risk assessments, and incident reviews, ensuring prompt action to address gaps. In addition, we have implemented technical controls, including access management, monitoring tools, and incident response systems, to enforce security measures effectively.

Performance in Data Security and Privacy

We continue to significantly improve Sapiens' data leakage prevention system. Our company has strategically strengthened security processes, ensuring robust and consistent protection across all operations. Adopting advanced technologies has enhanced our capabilities to detect, prevent, and respond to emerging threats. Furthermore, no fines or penalties were paid for information security breaches, customer privacy violations, or other cybersecurity incidents.

Our privacy policy is available on our [website](#), which clearly outlines how we use and protect user data in relation to use of our website and our services, and also describes user rights in relation to their personal data.

Sustainable Supply Chain

At Sapiens, we recognize the vital role our vendors play in shaping our business, and we are committed to amplifying our positive impact by integrating sustainability practices throughout our supply chain. To ensure alignment with these values, we engage our suppliers and employees in the process. We attach the Code of Ethics to the Purchase Order we issue to our vendors. Furthermore, in 2024, employees within our procurement department underwent approximately five hours of ESG/sustainability training.

We evaluate potential suppliers closely during the selection process to ensure they are responsible business partners. Currently, we conduct limited ESG risk assessments, primarily focusing on key suppliers. In 2025, we plan to enhance this approach with structured evaluations, improved monitoring, and stronger mitigation strategies. Our upcoming P2P system will also include ESG criteria for evaluating new vendors.

To promote responsible business practices in our supply chain and improve risk management, we seek to enforce the Code of Ethics and Business Conduct across all suppliers and business partners.

We prioritize working with suppliers who align with our values, specifically those that:

- **Employ individuals from underrepresented populations**
- **Operate locally within the regions where we do business**
- **Demonstrate sustainable business practices**

Many of our suppliers actively engage their value chains on critical issues such as climate change, emissions reduction, sustainable sourcing, and transparency, while others are gradually progressing toward these goals. Whenever possible, we collaborate with certified green businesses to strengthen our sustainability efforts.

We track key supply chain performance indicators to monitor our progress, including the percentage of local suppliers and the proportion of suppliers with environmental policies or certifications.

In addition, Sapiens partners with non-profit organizations, certified green businesses, and utilizes Fair Trade-certified services.

Key Statistics for 2024:

- **80% of our suppliers have signed our Supplier Code of Ethics**
- **We work with approximately 2,700 vendors globally**
- **70% of our suppliers are local businesses**
- **70% of our suppliers have an environmental policy**
- **Around 40% of our suppliers are ISO 14001 certified**



Cultivating a Responsible Environment at Sapiens

Sapiens recognizes the numerous environmental challenges affecting people and economies today and is committed to positively contributing to the protection of our planet through environmentally responsible business practices. Across our global operations, we have ongoing efforts to implement green office practices, adopt sustainable innovations, and encourage efficient commuting among our employees. In addition, we track our resource consumption to make informed decisions and ensure continuous improvement.

To accommodate the changing work landscape, we have adopted a hybrid work model, allowing employees to work both from the office and remotely. This approach has significantly reduced the occupancy in our offices, promoting a more efficient use of resources and helping us minimize our environmental footprint. In addition, we have implemented adjustments to our office environments, including downsizing and the introduction of hot desking, to optimize space utilization.

We are committed to enhancing our monitoring systems for energy and water consumption. Our GHG calculation represents the vast majority of the main sites of the company with approximately 96.7% of the company's employees covered in calculation for 2024. Our extended monitoring capability also covers electricity used for heat consumption. Currently, our monitoring encompasses almost all our leased offices except for our U.S. Rolling Meadows office¹. It is important to note that the report also excludes six coworking spaces worldwide: Lisbon (Portugal), Istanbul (Turkey), Mumbai (India), Johannesburg (South Africa), Bogota (Colombia), and Mississauga (Canada). The GHG calculation also does not cover employees working out of home offices globally.

In 2024, our cumulative electricity consumption throughout our global office sites was 3.5 million kWh a 2.8% reduction from 2023. This year we were proud to have 28% of our electricity procured through renewable energy generation. In 2024, renewable energy consumption in Bangalore, India, doubled compared with 2023, while Riga, Latvia, also saw a substantial increase. Together, these improvements were key drivers of the organization's overall growth in renewable energy use.

During the same period, water consumption rose mainly due to the acquisition of NDCD and the addition of a new company office featuring a garden that requires regular irrigation.

	Unit of measure	2023	2024
Total energy consumption	kWh	3,616,150	3,472,000
Total renewable energy consumption	kWh	544,000	962,000
Total water consumption	m3	5,755,000	5,415,000

GHG EMISSIONS (tCO2e) ¹	2023	2024
Scope 1	375	424
Scope 2 (Location-based)	2,704	1,841
Scope 2 (Market-based)	2,316	1,361

¹Changes to the office properties in 2024 were as follows:

Launching new serviced office: Bogota, Colombia (Oct. 24);

Office Closure Mid-year: Orlando, U.S;

Downsize: Copenhagen, Denmark, Hamburg, Germany, Vilnius, Lithuania, Szczecin, Poland

²Note: Emission factors have been updated for this reporting cycle, which has led to minor changes in the 2023 emissions data compared with what was reported in the previous ESG report.

Green Office Practices

Despite leasing our company offices, we are deeply committed to fostering meaningful partnerships with property owners to uphold sustainable practices in energy, water, and waste management. Our priority is to select office locations that have ample natural light, spacious windows, and cutting-edge design elements that minimize reliance on artificial lighting while fostering employee wellness. Moreover, we work with property owners to explore eco-friendly solutions. In addition, we actively advocate for further actions to reduce waste and promote reuse initiatives, as outlined below.

Prioritizing Green Buildings

Sapiens continues to strengthen its environmental stewardship by improving energy efficiency and gradually expanding sustainability tracking and reporting mechanisms.

Green Certifications and Renewable Energy



Several Sapiens offices are in buildings that hold third-party sustainability certifications or use renewable energy sources:

- **India (Bangalore):** LEED Platinum and WELL V2 Certified.
- **Poland (Katowice):** LEED Gold and WELL Health-Safety Certified.
- **USA (Orlando, Raleigh):** ENERGY STAR Certified.
- **Latvia:** Uses district heating from Rīgas Siltums and electricity from Latvenergo (a renewable source).
- **Lithuania:** Green Electricity Certificate.

- **Denmark:** Covered under the national ECO electricity certificate and local energy efficiency labeling.
- **UK (Cardiff):** 100% renewable electricity backed by a Renewable Electricity Certificate.
- **Israel (Holon):** LEED Gold Certified.

Furthermore, the buildings in Orlando, FL, and Raleigh, NC (both U.S.) where our offices are located, have received the Energy Star certificate and our Cardiff, UK, Madrid, Riga, and Latvia offices are in buildings recognized with the BREEAM Excellent certificate and BREEAM in-use certificate, respectively.

For buildings that are not currently certified (e.g., Allentown, Rochelle Park, Rolling Meadows), we continue to implement best practices in energy management while assessing future certification opportunities.

Seven buildings housing our offices globally hold renowned sustainable building certifications:



Promoting Responsible Waste Management

In 2024, we recognized the need to improve the consistency of our waste data across offices. While some sites report local efforts—such as office recycling stations and reduced use of disposable materials—a formal tracking system is not yet in place. Establishing standardized waste data collection will be a priority for future reporting cycles.

To promote responsible waste management, we have implemented comprehensive waste segregation practices across our offices. We separate waste into categories such as paper, plastic, bio and glass, while also providing dedicated battery collection stands. In addition, we actively encourage a paperless office environment, minimizing printing and photocopying wherever possible and configuring computer systems to default to two-sided and black and white printing.

In our offices, we prioritize sustainability wherever possible by promoting reuse and minimizing waste. We reuse decorations instead of buying new ones annually and donate old items to those in need. We opt for eco-friendly alternatives like paper gift bags and emphasize practicality in gift-giving.

Electronic waste management

Sapiens is committed to the responsible disposal of electronic waste across its global offices. While local building policies may vary, Sapiens ensures that all e-waste, including batteries, laptops, and printer cartridges, is collected, sorted, and recycled through certified vendors in accordance with local regulations such as the EU WEEE directive, German standards, and the Polish BDO system. In some offices, disposal is tracked through official waste databases, and certifications are provided to confirm compliance. This effort reflects our broader approach to minimizing environmental impact and ensuring sustainable IT practices throughout the company.

Community and Circular Economy Initiatives

In 2024, Sapiens continued to engage in sustainability and community-minded practices across several of its global locations. The company maintains a structured laptop refresh policy, typically replacing equipment every four to five years. Where possible, old laptops and electronic equipment are either recycled through certified vendors or offered to employees for repurchase in line with data security protocols. Several offices took the opportunity during office relocations to donate excess furniture, stationary, and non-IT equipment to schools, kindergartens, and other community organizations. In some locations, Sapiens has begun exploring the formalization of recurring community donation projects, such as donating wiped laptops to local schools or families in need.

Highlight

Refreshing Offices and Promoting Circularity

When our offices undergo renovations, relocation or downsizing, we prioritize reuse of our furniture to reduce waste and keep it in circulation. Where possible, we donate or resell office equipment insuring it gets a second life.



Initiating Green Practices in Our Offices

Sapiens is committed to reducing its energy consumption and carbon footprint through targeted efficiency measures including the following:

- Motion-activated lighting (India, Poland, Latvia, Germany)
- HVAC system optimization, timers, and setpoint controls (India, Lithuania, Denmark)
- Smart lighting and reduced lighting in non-occupied areas (UK, Latvia)
- Automatic equipment shutdowns and low-energy modes (Orlando, Raleigh, Israel)
- LED lighting upgrades (Germany, Latvia)

These measures are designed to reduce unnecessary energy usage, promote employee comfort, and lower operational costs.



Encouraging Climate-Friendly Canteens

We also strive to promote sustainable practices within our canteen facilities. Whenever feasible, we minimize single-use plastic and paper items, opting for reusable cups, glasses, and utensils. In fact, we are proud to have four of our sites using exclusively reusable items, a significant step to cutting back our food-related waste. To further cut single-use plastic, some of our offices have installed water filtering dispensers at select locations to reduce single-use water bottle consumption. In addition, throughout most of our offices, we prioritize inclusivity by providing vegetarian and vegan menu options for company events and in our canteens.



Raising Environmental Awareness

Raising awareness about environmental responsibility is a priority across our organization. In India, our Sapiens office hosts an annual Environment Week featuring events such as 'Trash to Treasure' to encourage transforming old items into new ones and tree planting events. In Germany and many of our other offices, we have green teams of employees which help seek out ways to make the work-life more sustainable and organize lectures and activities on relevant environmental topics.

Highlight

Reducing Food Waste Feeding our Employees Not the Trash

Reducing food waste not only conserves valuable resources but also addresses global hunger and contributes significantly to mitigating climate change by reducing emissions from organic waste. In our offices in Szczecin, Poland, leftover lunch food from the canteen is thoughtfully offered to employees for takeaway in multi-use containers, ensuring no food goes to waste.



Efficient Commuting

Sapiens is committed to reducing our carbon footprint from employees' commuting. We have implemented various initiatives to promote sustainable transportation options and minimize the environmental impact associated with commuting.

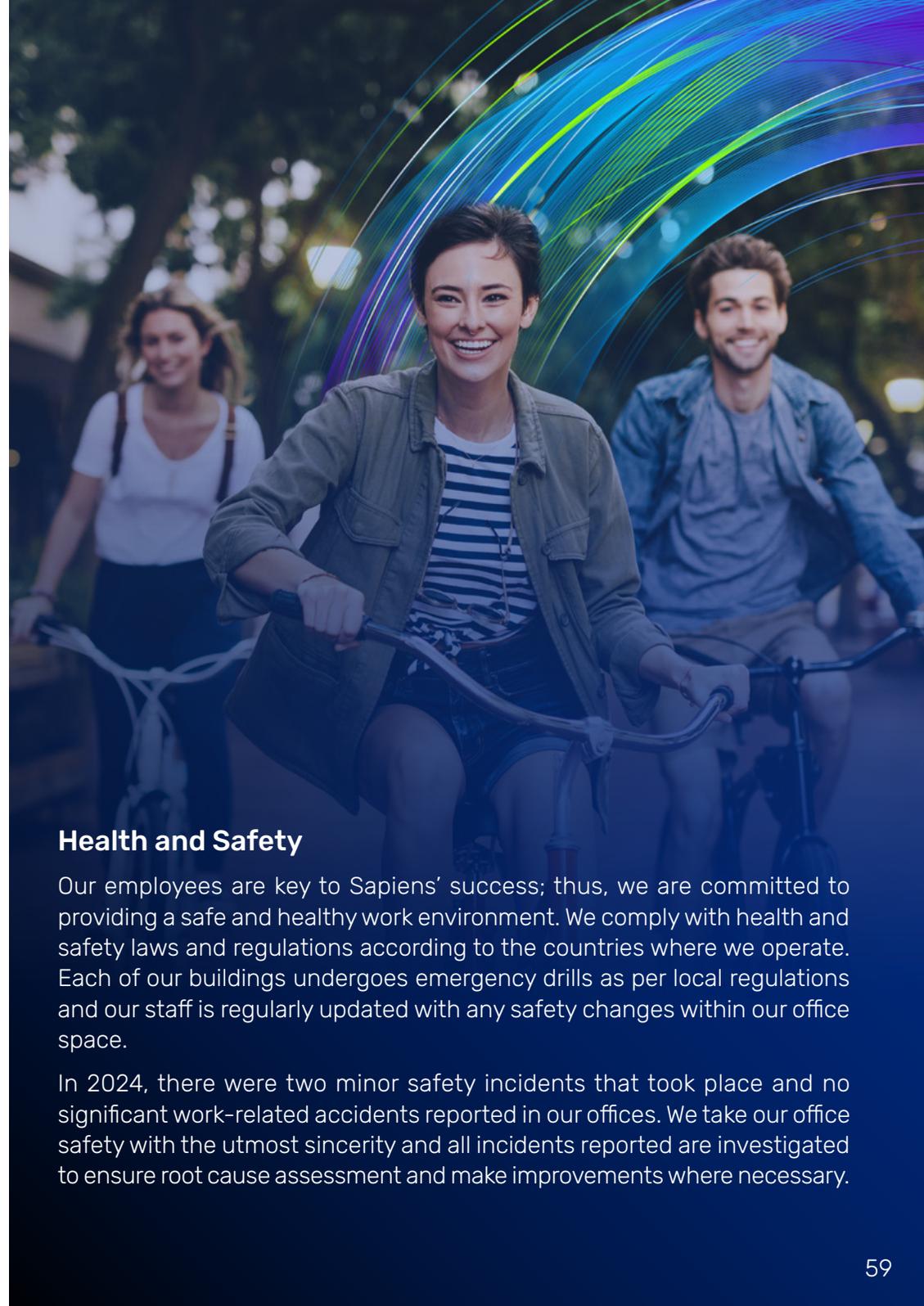
Embracing Electric Cars

Our fleet is almost 50% hybrid or electric to embrace cleaner modes of transportation.

At our U.S. branches in Orlando and Raleigh, as well as our European offices in Riga, Latvia, and Katowice, Poland, we are proud to offer EV charging stations, supporting the adoption of electric vehicles. By providing this infrastructure, we not only accommodate the needs of electric vehicle owners, but also actively encourage the transition to eco-friendly transportation options.

In our Poland office, we actively encourage and support carpooling as an eco-friendly commuting option. Carpooling not only contributes to fewer emissions, but also fosters a sense of community among our employees.

	Unit of measure	2023	2024
Fuel consumption (gasoline for cars)	Liter	141,613	162,526
Fuel consumption (diesel for cars)	Liter	19,060	19,570
Number of cars (owned or leased)	Number	121	125



Health and Safety

Our employees are key to Sapiens' success; thus, we are committed to providing a safe and healthy work environment. We comply with health and safety laws and regulations according to the countries where we operate. Each of our buildings undergoes emergency drills as per local regulations and our staff is regularly updated with any safety changes within our office space.

In 2024, there were two minor safety incidents that took place and no significant work-related accidents reported in our offices. We take our office safety with the utmost sincerity and all incidents reported are investigated to ensure root cause assessment and make improvements where necessary.

About this Report

About this Report

We are happy to present the Sapiens 2024 ESG report, our fourth global periodical ESG reporting cycle. This report provides a global overview of Sapiens' corporate responsibility projects, and activities. We aim to provide in-depth information to the various stakeholders. It was prepared in compliance with the Global Reporting Initiative (GRI) and is also based on Sustainability Accounting Standards Board (SASB) standards. To determine report contents, we considered:

- Our materiality assessment
- Input from executives and content experts across Sapiens
- Input from external stakeholders
- External standards and frameworks such as the GRI SRS, the UN Sustainable Development Goals, the SASB Software, and IT Services Sustainability Accounting Standard
- Global reporting trends and best practices

Reporting Scope and Measures

This report describes Sapiens' ESG policies and programs globally, unless stated otherwise. It includes performance data for the year 2024, unless stated otherwise.

The information in this report is current as of the date of its publication. All references to years are to the calendar year.

Statement from Good Vision, Sustainability Advisors, Fahn Kanne & Grant Thornton Group

Good Vision supported Sapiens in the writing of this report. Good Vision is a member organization of the GRI Community working to empower businesses, corporations, and decision makers everywhere to strive for a more sustainable economy and future through ESG initiatives and stewardship.



Feedback

If you have any questions or comments about this report, please contact:

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Acknowledgements

We wish to thank all the people involved in the concept development, data collection, writing, and production of this report, which could not have happened without dedicated efforts across the company.

GRI Content Index

GRI Standard Title/Topic	Disclosure Number	Disclosure Title	Reference/Disclosure
The Organization and its Reporting Practices	2-1	Organizational details	Sapiens at a Glance Sapiens operates globally in North America, EMEA, UK, Nordics & DACH and Asia-Pacific. Sapiens HQ is in Israel
	2-2	Entities included in the organization's sustainability reporting	Sapiens at a Glance
	2-3	Reporting period, frequency and contact point	About this Report
	2-4	Restatements of information	NA
	2-5	External assurance	NA
Activities and Workers	2-6	Activities, value chain and other business relationships	Sapiens at a Glance
	2-7	Employees	Sapiens People
	2-8	Workers who are not employees	NA

Governance	2-9	Governance structure and composition	Operational Excellence; Corporate Governance
	2-10	Nomination and selection of the highest governance body	Operational Excellence; Corporate Governance
	2-11	Chair of the highest governance body	Operational Excellence; Corporate Governance
	2-12	Role of the highest governance body in overseeing the management of impacts	Operational Excellence; Corporate Governance
	2-13	Delegation of responsibility for managing impacts	Operational Excellence; Corporate Governance
	2-14	Role of the highest governance body in sustainability reporting	Operational Excellence; Corporate Governance
Governance	2-15	Conflicts of interest	Operational Excellence; Ethical Business Conduct
	2-16	Communication of critical concerns	Operational Excellence; Corporate Governance
	2-17	Collective knowledge of the highest governance body	Operational Excellence; Corporate Governance
	2-18	Evaluation of the performance of the highest governance body	Operational Excellence; Corporate Governance
	2-19	Remuneration policies	Please refer to our 2024 20-F
	2-20	Process to determine remuneration	Please refer to our 2024 20-F
	2-21	Annual total compensation ratio	NA

Strategy, Policies and Practices	2-22	Statement on sustainable development strategy	Sapiens at a Glance; Impactful Products and Services
	2-23	Policy commitments	Operational Excellence; Ethical Business Conduct
	2-24	Embedding policy commitments	Operational Excellence; Ethical Business Conduct
	2-25	Processes to remediate negative impacts	Operational Excellence; Ethical Business Conduct
	2-26	Mechanisms for seeking advice and raising concerns	Operational Excellence; Ethical Business Conduct
	2-27	Compliance with laws and regulations	Ethical Business Conduct
	2-28	Membership associations	Sapiens at a Glance; Our Management Approach and Stakeholder Engagement
Stakeholder Engagement	2-29	Approach to stakeholder engagement	Sapiens at a Glance; Our Management Approach and Stakeholder Engagement
	2-30	Collective bargaining agreements	NA
Disclosures on Material Topics	3-1	Explanation of the material topic and its boundary	Sapiens at a Glance; ESG Material Issues
	3-2	List of material topics	Sapiens at a Glance; ESG Material Issues
	3-3	Management of material topics	Sapiens at a Glance; Our Management Approach and Stakeholder Engagement
Indirect Economic Impacts	203-2	Significant indirect economic impacts	Impactful Products and Services; Inspiring Innovation within InsurTech
Procurement Practices	204-1	Proportion of spending on local suppliers	Operational Excellence; Sustainable Supply Chain
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	Operational Excellence; Ethical Business Conduct
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Operational Excellence; Ethical Business Conduct

Energy	302-1	Energy consumption within the organization	Cultivating a Responsible Environment
	302-5	Reductions in energy requirements of products	Impactful Products and Services; Digitizing Insurance for Efficient Sustainable Solutions
Water	303-1	Water withdrawal by source	Environment, Health and Safety at Sapiens
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Operational Excellence; Sustainable Supply Chain
Employment	401-1	New employee hires and employee turnover	Sapiens People
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	Cultivating a Responsible Environment; Health and Safety
Training and Education	404-1	Average hours of training per year per employee	NA
	404-2	Programs for upgrading employee skills and transition assistance programs	Sapiens People; Training and Developing Experts
	404-3	Percentage of employees receiving regular performance and career development reviews	Sapiens People; Training and Developing Experts
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Sapiens People; Diversity and Inclusion
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Operational Excellence; Ethical Business Conduct
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Sapiens People; Acting as a Global Citizen
Public Policy	415-1	Political contributions	The company does not support any political party and makes no political contributions
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Operational Excellence; Performance in Data Security and Privacy
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	Operational Excellence; Ethical Business Conduct

SASB Content Index

SASB TOPIC	Accounting Metric	Code	Page
Environmental Footprint of Hardware Infrastructure	Total energy consumed, percentage grid electricity, percentage renewable energy	SASB TC0102-01	Cultivating a Responsible Environment
	Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress	SASB TC0102-02	Cultivating a Responsible Environment
Data Privacy & Freedom of Expression	Discussion of policies and practices relating to collection, usage, and retention of customers' information and personally identifiable information	SASB TC0102-04	Operational Excellence; Cyber Security and Data Protection
	Amount of legal and regulatory fines and settlements associated with customer privacy	SASB TC0102-06	Operational Excellence; Cyber Security and Data Protection
Data Security	Number of data security breaches and percentage involving customers' personally identifiable information	SASB TC0102-09	Operational Excellence; Cyber Security and Data Protection
	Discussion of management approach to identifying and addressing data security risks	SASB TC0102-10	Operational Excellence; Cyber Security and Data Protection
Recruiting & Managing a Global, Diverse Skilled Workforce	Percentage of gender and racial/ethnic group representation for: (1) executives and (2) all others	SASB TC0102-13	Sapiens People; Diversity and Inclusion

SASB indicators TC0102-05, TC0102-03, TC0102-07, TC0102-08, TC0102-11, TC0102-14, TC0102-15, TC0102-16, TC0102-17 were not presented due to confidentiality and/or due to not being tracked for the reported period.

The logo for SAPIENS features the word "SAPIENS" in a bold, white, sans-serif font. A small, light blue swoosh is positioned under the letter 'A'. The background is a dark blue gradient with a complex, abstract pattern of concentric, overlapping lines in shades of blue, cyan, and purple, creating a sense of depth and motion.

SAPIENS