Risk Factors Comparison 2023-05-25 to 2022-05-20 Form: 10-K

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~~For more information on the risks associated with our competitors, please see " Risk Factors " – Risks Related to Our Business Strategy and Industry – " We operate in a highly competitive and dynamic environment, and if we are unable to compete effectively, we could experience a loss in market share and a reduction in revenue " and " We may need to change our pricing models to compete successfully, " in Item 1A included in this Annual Report on Form 10- K. Environmental, Social and Governance (ESG) Building a brand centered on trust is critically important, and our focus on corporate responsibility helps us earn trust from our users, employees, investors and shareholders. As such, environmental, social and governance topics are core to our business strategy: • Environment: Protecting our planet is fundamental to ensuring a safe and sustainable future. We work to reduce greenhouse gas emissions from our operations through operational efficiencies, reduce the environmental footprint of our products across their lifecycle through innovative approaches to product development and packaging, promote high standards for environmental stewardship in our supply chain and engage with employees and environmental partners to amplify our work. We believe we can contribute to a future where the natural world is thriving and call these efforts Environmental Stewardship. • Social: We are proud to support the communities where our team members live and work. Our community impact programs include employee volunteering and giving, product donations, signature programs that leverage our unique expertise in increasing digital safety literacy, and corporate philanthropic giving focused on digital safety education; diversity, equity, and inclusion; environmental action; and disaster response. We also support diversity, equity, and inclusion and employee engagement, discussed in more detail in the Human Capital Management subsection. • Governance: Governance covers many core operating principles overseen by the Nominating and Governance Committee of our Board of Directors. This committee has oversight of Corporate Responsibility issues and receives quarterly updates on topics such as diversity, ethics, environmental stewardship and community investment. Our global culture of responsibility, and the positive contributions we make to the customers, employees, communities, and other stakeholders that we serve drives value for our business. Setting strategic, achievable, and business- aligned corporate responsibility objectives helps to guide our work and improves our company performance. We align our objectives with the company' s financial goals and focus on the unique positive social and environmental impacts that our business model can have on the world. Our objectives include: • Data Privacy and Protection: We safeguard our customer, partner and employee data and offer products, including Norton Privacy Monitor Assistant that help consumers protect their personal data wherever it is found. • Cyber Safety: We leverage our leading expertise and technology in Cyber Safety to protect communities. Malicious phone and computer applications, known as stalkerware, are used to harass, control and harm people. We are a founding member of the Coalition Against Stalkerware and donate products to victims to help keep their personal data protected. We also provide Cyber Safety training to help empower victims and survivors to reduce their vulnerability. Additional examples of our efforts include our partnership with the World Association of Girl Guides and Girl Scouts on the Surf Smart program to empower girls to keep themselves and others safe online and The Smart Talk, a free tool co- created in partnership with National PTA. • Diversity, Equity & Inclusion in Technology: We are focused on bringing more women and under- represented groups into cybersecurity and tech. We do this by investing in high- impact, nonprofit organizations. We have made a three- year commitment to the Reboot Representation tech coalition, which is dedicated to doubling the number of Black, Latina and Native American women graduating with computing degrees by 2025. We also support Women4Cyber in Europe and the NASSCOM Foundation' s Cyber Security Skills Development Initiative for Women in India. In fiscal 2022, approximately 62 % of NortonLifeLock Foundation grants across all objectives had a focus on Diversity, Equity and Inclusion. • Employee Volunteering & Giving: We have created a variety of opportunities for employee volunteering and giving and work to increase employee participation rates. In fiscal 2021, we launched a virtual volunteer program with team building opportunities and joint events with our Diversity and Inclusion Communities. We offer employees paid time off to volunteer, have an employee matching gift program and provide dollars- for- doers grants to encourage volunteer service. Our employee participation rate in our volunteering and giving program was 41 % in fiscal 2022. • Environmental Stewardship: We finalized and launched our new environmental strategy, which focuses on climate and energy, sustainable products, our supply chain, engagement with employees and nonprofit partners and being transparent about our progress and commitments. Our annual ESG and Corporate Responsibility Report can be found via the NortonLifeLock website at https: / / www. nortonlifelock. com / about / corporate- responsibility. Our human capital management strategy reflects our unique values and growth mindset. Working in close partnership with our Board of Directors on our talent management strategy, we work hard to lead, develop and grow our diverse team. We strive to be a diverse, vibrant community with strong values and a shared commitment to each other, the work we do and the world we all share. At NortonLifeLock, our mission is to build a comprehensive and easy- to- use integrated portfolio that prevents, detects and responds to cyber threats and cybercrimes in today' s digital world. Our success in helping achieve this mission depends, in large part, on the success of our employees. • General Employee Demographics: As of April 1, 2022, we employed nearly 2, 700 employees in 24 countries worldwide, with approximately 1, 200 located in the U. S. None of our U. S. employees are represented by a labor union or covered by a collective bargaining agreement. We are focused on attracting, developing, rewarding and retaining a diverse and truly global team. The Compensation and Leadership Development Committee of our Board of Directors oversees senior management compensation and development, and our Board is invested in our talent management strategies, including DEI, culture and engagement. • Diversity, Equity and Inclusion (DEI): Our mission is to increase our global representation of underrepresented groups at all levels (diversity), where everyone has an opportunity for development and advancement (equity) and is able to~~

~~bring their whole selves to work and feel valued every day (inclusion). This mission is built upon four foundational pillars: (1) measurement and accountability; (2) fostering an inclusive environment; (3) diversifying our workforce; and (4) employee development and retention, which are designed to support, attract, retain and develop the best talent. Clear and actionable multi-year representation goals are set at the leadership level, and tracking the data regularly to assess our progress and drive accountability go hand in hand. We ask applicants, new hires and employees to self- identify not only their demographics, but also important characteristics to help us better measure the diversity of our applicant pool and of our team to derive insights and actionable people strategies. In fiscal 2022, we publicly disclosed our most recent US Equal Employment Opportunity Commission EEO- 1 Component 1 Data Collection Report on our investor relations website located at https: / / investor. nortonlifelock. com / governance / governance- documents /. Inclusion is something we strive for and invest in every day. Raising awareness and appreciation of various diversity topics via our learning curriculum, global all employee conversations, published Blogs and active employee engagement. We measure belonging as a key metric in our quarterly NGage employee surveys. We are proud to support our several employee resource groups communities for people to come together as allies, to learn, support, mentor, and celebrate with one another and to provide an environment where everyone feels seen, heard, respected and valued. Diversity is a key pillar of our talent management strategy. As of April 1, 2022, women represented 33 % of our workforce and held positions in 33 % of our leadership. In addition, as of April 1, 2022, women represented 44 % of our Board of Directors and half of our independent board membership. We partner with Work180, a women- focused recruitment site that only lists career opportunities from employers that support diversity, inclusion and flexibility. We post positions on several diverse recruiting sites, including Black Tech Jobs, Jobs for Her and Women Who Code. As part of our ongoing focus on employee development, we extended our participation in McKinsey & Company' s Connected Leaders Academy for our Asian, Black and Hispanic- Latino leaders. Additionally, we had women globally attend the Women in Tech conference and several employees attended the Out & Equal Global Workplace Summit. • Employee Development, Engagement and Training: We increased our investment in learning and development in fiscal 2022, launching Nvest Learning programs for all employees leveraging an extensive breadth of content and learning opportunities. This umbrella of offerings includes Nvest Mentorship, Nvest eLearning and Nvest NLOK University. Our homegrown Nvest Mentorship program and platform continued to grow and now boasts over 200 active mentors and mentees. Nvest eLearning, a collection of digital, on- demand modules categorized around leadership, health and wellness, business skills, and technical skills, launched in the second quarter of fiscal 2022 with a steady increase in participation during the year with over 600 individual learners. We also provide group learning designed around TED Talks on topics including leadership, change management and further diversity, equity and inclusion efforts. Nvest NLOK University (Nvest NU) launched in the third quarter of fiscal 2022 and is a leadership program that offers best- in- class content from Harvard ManageMentor that inspires, engages and invests in current and emerging leaders by leveraging 42 course options and group learning opportunities. Hundreds of recognition badges and certificates have been awarded to recognize various levels of achievement. Feedback from our employees is critical, and we have developed an ongoing dialogue with our teams via our quarterly Ngage pulse survey on a targeted topic that drives actions and improvements. • Human Capital Governance: We partner closely with our Board of Directors and the Compensation and Leadership Development Committee on our strategies and objectives related to talent management, talent acquisition, leadership development, retention and succession, DEI and employee engagement. Intellectual Property We are a leader amongst Cyber Safety solutions for consumers in pursuing patents and currently have a portfolio of over 1, 000 U. S. and international patents issued with many pending. We protect our intellectual property rights and investments in a variety of ways to safeguard our technologies and our long- term success. We work actively in the U. S. and internationally to ensure the enforcement of copyright, trademark, trade secret and other protections that apply to our software products and services. The term of the patents we hold is, on average, twelve years. From time to time, we enter into cross- license agreements with other technology companies covering broad groups of patents; we have an additional portfolio of over 2, 100 U. S. and international patents cross- licensed to us as part of our arrangement with Broadcom as a result of the asset sale of our former Enterprise Security business. Circumstances outside our control could pose a threat to our intellectual property rights. Effective intellectual property protection may not be available, and the efforts we have taken to protect our proprietary rights may not be sufficient or effective. Any significant impairment of our intellectual property rights could harm our business or our ability to compete. In addition, protecting our intellectual property rights is costly and time consuming. Any unauthorized disclosure or use of our intellectual property could make it more expensive to do business and harm our operating results. In addition, companies in the technology industry may own a large number of patents, copyrights and trademarks and may frequently request license agreements, threaten litigation, or file suit against us based on allegations of infringement or other violations of intellectual property rights. For more information on the risks associated with our intellectual property, please see " Risk Factors " in Item 1A included in this Annual Report on Form 10- K. Information Security and Risk Oversight We maintain a comprehensive technology and cybersecurity program to ensure our systems are effective and prepared for information security risks, including regular oversight of our programs for security monitoring for internal and external threats to ensure the confidentiality and integrity of our information assets. We regularly perform evaluations of our security program and continue to invest in our capabilities to keep customers, employees and critical assets safe. Our Head of Cyber Security is ultimately responsible for our cybersecurity program, which includes the implementation of controls aligned with industry guidelines and applicable statutes and regulations to identify threats, detect attacks and protect these information assets. We have implemented security monitoring capabilities designed to alert us to suspicious activity and developed an incident response program that includes periodic testing and is designed to restore business operations as quickly and as orderly as possible in the event of a breach. In addition, employees participate in an ongoing program of mandatory annual training and receive communications regarding the cybersecurity environment to increase awareness throughout the company. We also implemented an enhanced annual training program for specific specialized employee populations, including secure coding training. Recently, our Board of Directors established a Technology and Cybersecurity Committee of the Board~~

~~with direct oversight to the Company’ s (1) technology strategy, initiatives and investments and (2) key cybersecurity information technology risks against both internal and external threats. The Technology and Cybersecurity Committee is comprised entirely of independent directors, two of whom have significant work experience related to information security issues or oversight. Management will report security instances to the committee as they occur, if material, and will provide a summary multiple times per year to the Committee. Additionally, our Head of Cyber Security meets regularly with the Board of Directors or the Audit Committee of the Board of Directors to brief them on technology and information security matters. We carry insurance that provides protection against the potential losses arising from a cybersecurity incident. In the last three years, the expenses we have incurred from information security breach incidences were immaterial. This includes penalties and settlements, of which there were none. Governmental Regulation We collect, use, store or disclose an increasingly high volume, variety and velocity of personal information, including from employees and customers, in connection with the operation of our business, particularly, in relation to our identity and information protection offerings, which rely on large data repositories of personal information and consumer transactions. The personal information we process is subject to an increasing number of federal, state, local and foreign laws regarding privacy and data security. For information on the risks associated with complying with privacy and data security laws, please see “ Risk Factors ” in Item 1A included in this Annual Report on Form 10- K. Available Information Our Internet home page is located at https: / / www. nortonlifelock. com. We make available free of charge our annual reports on Form 10- K, quarterly reports on Form 10- Q, current reports on Form 8- K, and amendments to those reports as soon as reasonably practicable after we electronically file such material with the Securities and Exchange Commission (SEC) on our investor relations website located at https: / / investor. nortonlifelock. com. The information contained, or referred to, on our website, including in any reports that are posted on our website, is not part of this annual report unless expressly noted. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding our filings at http: / / www. sec. gov. Item 1A. Risk Factors RISKS RELATED TO THE PROPOSED MERGER We may fail to consummate the Proposed Merger with Avast plc, may not consummate the Proposed Merger on the expected terms, or may not achieve the anticipated benefits. It is currently anticipated that the Proposed Merger will be consummated in mid- to- late calendar 2022. Completion of the Proposed Merger is subject to, among other things, approval from the U. K. Competition and Markets Authority (the “ CMA ”) and other customary closing conditions for the acquisition of a UK public company, including the sanction of the UK’ s High Court. All necessary regulatory approvals have been satisfied, with the exception of approval required from the CMA, which has referred the Proposed Merger to a Phase 2 investigation. As a result, the possible timing and likelihood of completion are uncertain, and, accordingly, there can be no assurance that the Proposed Merger will be completed on the expected terms, on the anticipated schedule or at all. In addition, the CMA may require, in connection with granting its approval of the transaction, divestitures or ongoing restrictions on the operation of the combined business, each of which could have a material impact on the anticipated strategic benefits and synergies from the combination. Any delay in consummation of the Proposed Merger will result in greater transaction costs and professional fees and continue to expose us to market risk. If we fail to receive approval from the CMA and cannot consummate the Proposed Merger, we may be required to pay Avast a break fee of up to $ 200 million under the Co- operation Agreement. If consummated, the success of the Proposed Merger will depend, in significant part, on our ability to successfully integrate Avast and its subsidiaries, grow the revenue of the combined company and realize the anticipated strategic benefits and synergies from the combination. We believe that the addition of Avast and its subsidiaries represents an attractive opportunity to create a new, industry leading consumer Cyber Safety business, leveraging the established brands, technical expertise and innovation of both groups to deliver substantial benefits to consumers, shareholders and other stakeholders. Achieving these goals requires growth of the revenue of the combined company and realization of the targeted synergies expected from the Proposed Merger. This growth and the anticipated benefits of the Proposed Merger may not be realized fully or at all, or may take longer to realize than we expect. Actual operating, technological, strategic and revenue opportunities, if achieved at all, may be less significant than we expect or may take longer to achieve than anticipated. If we are not able to achieve these objectives and realize the anticipated benefits and synergies expected from the Proposed Merger within a reasonable time, our business, financial condition and operating results may be adversely affected. Litigation filed against us could prevent or delay the completion of the Proposed Merger or result in the payment of damages following completion of the Proposed Merger. As previously reported in our Form 8- K dated October 29, 2021, we received letters on behalf of our purported stockholders, in each case stating the stockholder’ s belief that the proxy statement filed by us on October 4, 2021 omitted material information with respect to the Merger and demanding that we make additional and supplemental disclosures regarding the Merger. Additionally, six complaints have been filed by our purported stockholders in connection with the Merger (collectively, the Merger Complaints). The Merger Complaints were brought by the plaintiffs individually and also allege that the proxy statement omitted material information with respect to the Merger. After the Company issued its October 29, 2021 Form 8- K, the plaintiffs in the Merger Complaints dismissed their actions as moot while reserving the right to seek a fee in connection with their respective litigations. RISKS RELATED TO COVID- 19 The COVID- 19 pandemic has affected how we are operating our business, and the duration and extent to which this will impact our future results of operations and overall financial performance remains uncertain. The COVID- 19 pandemic has had widespread, rapidly evolving, and unpredictable impacts on global society, economies, financial markets, and business practices. At the onset of the pandemic, to protect the health and well- being of our employees, partners and third- party service providers, we facilitated a work- from- home requirement for most employees and established site- specific COVID- 19 prevention protocols. We continue to monitor the situation and over the past several months have adjusted our policies and protocols to reflect changes to public health regulations and guidance. A majority of our offices are now open to employees on a voluntary return basis, and we anticipate opening the remaining offices on a voluntary return basis within the first quarter of fiscal 2023. To date, we have not seen any meaningful negative impact on our customer success efforts, sales and marketing efforts, or employee productivity. Nevertheless, as more employees, partners or third- party services providers return~~

~~to work during the COVID- 19 pandemic, the risk of inadvertent transmission of COVID- 19 through human contact could still occur and result in litigation. While the COVID- 19 pandemic has negatively impacted many sectors of the U. S. and global economies, the consumer Cyber Safety market experienced increased demand as the pandemic greatly accelerated the digital lives of people around the world. However, with the extended duration of the pandemic and the easing of prevention protocols and restrictions, we are seeing decreasing demand and increased competition. In addition, should the negative macroeconomic impacts of the COVID- 19 pandemic persist or worsen, we may experience continued slowdowns in our business activity and an increase in cancellations by customers or a material reduction in our retention rate in the future, especially in the event of a prolonged recession. A prolonged recession could adversely affect demand for our offerings, retention rates and harm our business and results of operations, particularly in light of the fact that our solutions are discretionary purchases and thus may be more susceptible to macroeconomic pressures, as well impact the value of our common stock, ability to refinance our debt and our access to capital. The duration and extent of the impact from the COVID- 19 pandemic depends on future developments that cannot be accurately forecasted at this time, such as the severity and transmission rate of new variants of the disease, the extent, effectiveness and acceptance of containment actions, such as vaccination programs, and the impact of these and other factors on our employees, customers and the overall demand for our products, partners and third- party service providers. If we are not able to respond to and manage the impact of such events effectively and if the macroeconomic conditions of the general economy or the industries in which we operate do not improve, or deteriorate further, our business, operating results, financial condition and cash flows could be adversely affected.~~ RISKS RELATED TO OUR BUSINESS STRATEGY AND INDUSTRY If we are unable to develop new and enhanced solutions, or if we are unable to continually improve the performance, features, and reliability of our existing solutions, our business and operating results could be adversely affected. Our future success depends on our ability to effectively respond to evolving threats to consumers, as well as competitive technological developments and industry changes, by developing or introducing new and enhanced solutions on a timely basis. ~~We~~ **In the past, we** have ~~in the past~~ incurred, and will continue to incur, significant research and development expenses as we focus on organic growth through internal innovation. We believe that we ~~also~~ must ~~continue to~~ dedicate ~~a~~ significant ~~amount of~~ resources to our research and development efforts to ~~decrease our~~ **deliver innovative market competitive products and avoid being** ~~reliance~~ **reliant** on third ~~parties~~ **party technology and products** . If we do not achieve the benefits anticipated from these investments, or if the achievement of these benefits is delayed, our operating results may be adversely affected. **We** ~~Additionally, we~~ must continually address the challenges of dynamic and accelerating market trends and competitive developments. Customers may require features and capabilities that our current solutions do not have. Our failure to develop new solutions and improve our existing solutions to satisfy customer preferences and effectively compete with other market offerings in a timely and cost- effective manner may harm our ability to retain our customers and attract new customers. ~~A loss of customers would adversely impact our business and operating results.~~ The development and introduction of new solutions involve ~~a~~ significant ~~commitment~~ **commitments** of time and resources and are subject to ~~a number of~~ risks and challenges including but not limited to: • Lengthy development cycles; • Evolving industry and regulatory standards and technological developments by our competitors and customers; • Rapidly changing customer preferences; • Evolving platforms, operating systems, and hardware products, such as mobile devices; • Product and service interoperability challenges with customer' s technology and third- party vendors; • The integration of products and solutions from acquired companies; • **Availability of engineering and technical talent; •** Entering ~~into~~ new or unproven market segments; and • Executing new product and service strategies. In addition, third parties, including operating systems and internet browser companies, may ~~take steps to further~~ limit the interoperability of our solutions with their own products and services, in some cases to promote their own offerings. This could delay the development of our solutions or our solutions may be unable to operate effectively. This could also result in decreased demand for our solutions, decreased revenue, ~~and~~ harm to our reputation, and adversely affect our business, financial condition, results of operations, and cash flows. If we are not successful in managing these risks and challenges, or if our new or improved solutions are not technologically competitive or do not achieve market acceptance, our business and operating results could be adversely affected. We operate in a highly competitive and dynamic environment, and if we are unable to compete effectively, we could experience a loss in market share and a reduction in revenue. We operate in intensely competitive and dynamic markets that experience frequent and rapid technological developments, changes in industry and regulatory standards, **evolving market trends,** changes in customer requirements and preferences, and frequent new product introductions and improvements. If we are unable to anticipate or react to these continually evolving conditions, we could experience a loss of market share and a reduction in our revenues, which could materially and adversely affect our business and financial results. To compete successfully, we must maintain an innovative research and development effort to develop new solutions and enhance our existing solutions, effectively adapt to changes in the technology ~~or product rights held by~~ **, privacy and data protection standards** ~~our -~~ **or trends** ~~competitors as well as the ways our information is accessed, used and stored by our customers, and appropriately respond to competitive strategies~~ . We face competition from a broad range of companies, including software vendors focusing on Cyber Safety solutions **such as Bitdefender, Kapersky, McAfee and Trend Micro** , operating system providers such as Apple, Google and Microsoft, and ~~' pure play'~~ companies **such as Nord, Life360, Last Pass and others** that currently specialize in one or a few particular segments of the market and many of which are expanding their product portfolios into different segments. Many of these competitors offer solutions or are currently developing solutions that directly compete with **some or all of** our offerings. We also face growing competition from other technology companies, as well as from companies in the identity threat protection space such as credit bureaus. Further, many of our competitors are increasingly developing and incorporating into their products data protection software and other competing Cyber Safety products such as antivirus protection or VPN, often free of charge, that compete with our offerings. Our competitive position could be adversely affected by the functionality incorporated into these products rendering our existing solutions obsolete **and therefore causing us to fail to meet customer expectations** . In addition, the introduction of new products or services by competitors, and / or market acceptance of products or services based on emerging or alternative technologies, could make it easier for other products or services to compete with our solutions. We anticipate ~~facing~~ additional competition as new participants ~~continue to~~ enter the Cyber Safety market and as our current competitors seek to increase their market share and expand their existing offerings. Some of our competitors have greater financial, technical, marketing, or other resources than we do, including in new Cyber Safety and digital life segments **.** ~~, and consequently~~ **Consequently** , ~~may have the~~ **those** ~~ability to~~ **competitors may** influence customers to purchase their products instead of ours ~~, including~~ through investing more in internal innovation than we can and through **their** ~~benefiting from~~ unique access to customer engagement points. Further consolidation among our competitors and within our industry or, in addition to other changes in the competitive environment, such as greater vertical integration from key computing and operating system suppliers could result in larger competitors that compete more frequently with us. In addition to competing with these vendors directly for sales to end- users of our solutions, we compete with them for the opportunity to have our solutions bundled with the offerings of our strategic partners, such as computer hardware original equipment manufacturers (OEMs) ~~and~~ **,** internet service providers (ISPs) ~~and~~ **,** operating systems **and telecom service providers** . Our competitors could gain market share from us if any of these strategic partners replace our solutions with those of our competitors or with their own solutions ~~;~~ **.** ~~similarly~~ **Similarly** , they could gain market share from us if these partners ~~more actively~~ promote our competitors' solutions or their own solutions **more** than our solutions. In addition, software vendors who have bundled our solutions with theirs may choose to bundle their solutions with their own or other vendors' solutions or may limit our access to standard interfaces and inhibit our ability to develop solutions for their platform. ~~In the future, further~~ **Further** product development by these vendors could cause our solutions to become redundant, which could significantly impact our sales and operating results. We **cannot be sure that** ~~may need to change our pricing models to compete successfully. The intense competition~~ we face, in addition to general and...... sales and increase our expenses as well **will** as weaken our competitive position. Our......, we may not be able to accurately predict **how the markets in which we compete or intend to compete will evolve. Failure on** ~~or~~ **our part to** anticipate **changes** ~~future trends~~ in ~~customer retention or~~ **our markets and to develop solutions and enhancements that meet the demands of those markets or to** effectively **compete against** ~~respond to such trends. Our customer retention rates may decline or fluctuate due to a variety of factors, including the following: • Our customers' levels of satisfaction or dissatisfaction with our solutions and the value they place on our solutions; • The quality, breadth, and prices of our solutions; • Our general reputation and events impacting that reputation; • The services and related pricing offered by~~ our competitors **will significantly impair** ~~; including increasing availability and efficacy of free solutions; • Disruption by new services or~~ **our business, financial** ~~changes in law or regulations that impact the need for efficacy of our products and services; • Changes in auto- renewal regulations; • Our customers' dissatisfaction with our efforts to market additional products and services; • Our customer service and responsiveness to the needs of our customers; and • Changes in our target customers' spending levels as a result of general economic conditions~~ - **condition** , ~~inflationary pressures or other factors. Declining customer retention rates could cause our revenue to grow more slowly than expected or decline; and our operating~~ results **of operations** , ~~gross margins~~ and **cash flows** ~~business will be harmed~~ . Our acquisitions and divestitures create special risks and challenges that could adversely affect our financial results. As part of our business strategy, we may acquire or divest businesses or assets. For example, in 2019 **,** we completed the sale of certain of our enterprise security assets to Broadcom Inc. (the Broadcom sale) ~~and~~ **,** in January 2021, we completed the acquisition of Avira **, and in September 2022, we completed the Merger with Avast** . These activities ~~can~~ **have and may continue to** involve a number of risks and challenges, including: • Complexity, time ~~,~~ and costs associated with managing these transactions, including the integration of acquired and the winding down of divested business operations, workforce, products, IT systems ~~,~~ and technologies; • Challenges in retaining customers of acquired businesses, or providing the same level of service to existing customers with reduced resources; • Diversion of management time and attention; • Loss or termination of employees, including costs associated with the termination or replacement of those employees; • Assumption of liabilities of the acquired and divested business or assets, including pending or future litigation, investigations or claims related to the acquired business or assets; • ~~The addition~~ **Addition** of acquisition- related debt; • Difficulty in entering into or expanding in new markets or geographies; • Increased or unexpected costs and working capital requirements; • Dilution of stock ownership of existing stockholders; • **Ongoing contractual obligations and** ~~Unanticipated~~ **unanticipated** delays or failure to meet contractual obligations; • Substantial accounting charges for acquisition- related costs, asset impairments, amortization of intangible assets ~~,~~ and higher levels of stock- based compensation expense; and • Difficulty in realizing potential benefits, including cost savings and operational efficiencies, synergies and growth prospects from integrating acquired businesses **. Macroeconomic factors, such as rising inflation and interest rates, and capital market volatility could negatively influence our future acquisition opportunities** . Moreover, to be successful, large complex acquisitions depend on large- scale product, technology, and sales force integrations that are difficult to complete on a timely basis or at all and may be more susceptible to the special risks and challenges described above. Any of the foregoing, and other factors, could harm our ability to achieve anticipated levels of profitability or other financial benefits from our acquired or divested businesses, product lines or assets or to realize other anticipated benefits of divestitures or acquisitions. **as weaken our competitive position.Our revenue and operating results depend significantly on our ability to retain our existing customers** ,convert existing non- paying customers to paying customers **,** and add new customers.We generally sell our solutions to our customers on a monthly or annual subscription basis ~~.It is important to our business that we retain existing customers and that our customers expand their use of our solutions over time~~ .Customers may choose not to renew their membership with us at any time.Renewing customers may require additional incentives to renew,may not renew for the same contract period,or may change their subscriptions.We therefore may be unable to retain our existing customers on the same or **on** more profitable terms,if at all.In addition,we may not be able **to** Changes in industry structure and market conditions could lead to charges related to discontinuance of certain of our products or businesses and asset impairments. In response to changes in industry structure and market conditions, we may be required to strategically reallocate our resources and consider restructuring, disposing of, or otherwise exiting certain businesses. Any decision to limit investment in or dispose of or otherwise exit businesses may result in the recording of special charges, such as technology- related write- offs, workforce reduction costs, charges relating to consolidation of excess facilities, or claims from third parties who were resellers or users of discontinued products. Our estimates with respect to the useful life or ultimate recoverability of our carrying basis of assets, including purchased intangible assets, could change as a result of such assessments and decisions. **Our** ~~Although in certain instances our vendor agreements allow us the option to cancel, reschedule, and adjust our requirements based on our business needs, our~~ loss contingencies may include liabilities for contracts that we cannot cancel, reschedule or adjust with suppliers. Further, our estimates relating to the liabilities for excess facilities are affected by changes in real estate market conditions. Additionally, we are required to evaluate goodwill impairment on an annual basis and between annual evaluations in certain circumstances, and future goodwill impairment evaluations may result in a charge to earnings. RISKS RELATED TO OUR OPERATIONS on a device that is lost or stolen,creating the perception that our systems are not secure against third- party access.This could have an adverse effect on our reputation and business.In addition,such third parties could expose us to compromised data or technology,or be the target of cyberattack and other data breaches which could impact our systems or our customers' records ~~and personal information~~ .Further,we could be the target of a cyberattack or other action that impacts our systems and results in a data breach of our customers' records ~~and personal information~~ .This could have an adverse **effect on our reputation and business** We are dependent upon Broadcom for certain engineering and threat response services, which are critical to **many of** our products and business. Our **Norton branded** endpoint security solution has historically relied upon certain threat analytics software engines and other software (the Engine- Related Services) that have been developed and provided by engineering teams that have transferred to Broadcom as part of the Broadcom sale. The technology, including source code, at issue is shared, and pursuant to the terms of the Broadcom sale, we retain rights to use, modify, enhance and create derivative works from such technology. Broadcom has committed to provide these Engine- Related Services substantially to the same extent and in substantially the same manner, as has been historically provided under a license agreement with a limited term. As a result, we are dependent on Broadcom for services and technology that are critical to our ~~Norton~~ business, and if Broadcom fails to deliver these Engine- Related Services it would result in significant business disruption, and our business and operating results and financial condition could be materially and adversely affected. Furthermore, if our current sources become unavailable, and if we are unable to develop or obtain alternatives to integrate or deploy them in time, our ability to compete effectively could be impacted and have a material adverse effect on our business. Additionally, in connection with the Broadcom sale, we lost other capabilities, including certain threat intelligence data which were historically provided by our former Enterprise Security business, the lack of which could have a negative impact on our business and products. Our future success depends on our ability...... alternative sources for performing these functions. If we fail to offer high- quality customer support, our customer satisfaction may suffer and have a negative impact on our business and reputation. Many of our customers rely on our customer support services to resolve issues, including technical support, billing and subscription issues, that may arise. If demand increases, or our resources decrease, we may be unable to offer the level of support our customers expect. Any failure by us to maintain the expected level of support could reduce customer satisfaction and negatively impact our customer retention and our business. Our ~~international operations involve risks that could increase our expenses, adversely affect our operating results and require increased time and attention of our management. We derive a portion of our revenues from customers located outside of the U. S., and we have significant operations outside of the U. S., including engineering, finance, sales and customer support. Our international operations are subject to risks in addition to those faced by our domestic operations, including: • Potential loss of proprietary information due to misappropriation or laws that may be less protective of our intellectual property rights than U. S. laws or that may not be adequately enforced; • Requirements of foreign laws and other governmental controls, including tariffs, trade barriers and labor restrictions, and related laws that reduce the flexibility of our business operations; • Potential changes in trade relations arising from policy initiatives or other political factors; • Regulations or restrictions on the use, import, or export of encryption technologies that could delay or prevent the acceptance and use of encryption products and public networks for secure communications; • Local business and cultural factors that differ from our normal standards and practices, including business practices that we are prohibited from engaging in by the Foreign Corrupt Practices Act and other anti- corruption laws and regulations; • Central bank and other restrictions on our ability to repatriate cash from our international subsidiaries or to exchange cash in international subsidiaries into cash available for use in the U. S.; • Fluctuations in currency exchange rates, economic instability, and inflationary conditions could make our solutions more expensive or could increase our costs of doing business in certain countries; • Limitations on future growth or inability to maintain current levels of revenues from international sales if we do not invest sufficiently in our international operations; • Difficulties in staffing, managing, and operating our international operations; • Difficulties in coordinating the activities of our geographically dispersed and culturally diverse operations; • Costs and delays associated with developing software and providing support in multiple languages; and • Political unrest, war, or terrorism, or regional natural disasters, particularly in areas in which we have facilities. RISKS RELATED TO OUR SOLUTIONS Our solutions, systems, websites and the data on these sources may be subject to intentional disruption that could materially harm to our reputation and future sales. Despite our precautions and significant ongoing investments to protect against security risks, data protection breaches, cyber- attacks, and other intentional disruptions of our solutions, we expect to be an ongoing target of attacks specifically designed to impede the performance and availability of our offerings and harm our reputation as a leading cyber security company. Similarly, experienced computer programmers or other sophisticated individuals or entities, including malicious hackers, state- sponsored organizations, and insider threats including actions by employees and third- party service providers, may attempt to penetrate our network security or the security of our systems and websites and misappropriate proprietary information or cause interruptions of our products and services. Such attempts are increasing in number and in technical sophistication, and if successful could expose us and the affected parties, to risk of loss or misuse of proprietary or confidential information or disruptions of our business operations. While we engage in a number of measures~~

~~aimed to protect against security breaches and to minimize the impact if a data breach were to occur, our information technology systems and infrastructure may be vulnerable to damage, compromise, disruption, and shutdown due to attacks or breaches by hackers or other circumstances, such as error or malfeasance by employees or third party service providers or technology malfunction. The occurrence of any of these events, as well as a failure to promptly remedy these events should they occur, could compromise our systems, and the information stored in our systems could be accessed, publicly disclosed, lost, stolen, or damaged. Any such circumstance could adversely affect our ability to attract and maintain customers as well as strategic partners, cause us to suffer negative publicity or damage to our brand, and subject us to legal claims and liabilities or regulatory penalties. In addition, unauthorized parties might alter information in our databases, which would adversely affect both the reliability of that information and our ability to market and perform our services as well as undermine our ability to remain compliant with relevant laws and regulations. Techniques used to obtain unauthorized access or to sabotage systems change frequently, are constantly evolving and generally are difficult to recognize and react to effectively. We may be unable to anticipate these techniques or to implement adequate preventive or reactive measures. Several recent, highly publicized data security breaches, including a large- scale attack on SolarWinds customers by a foreign nation state actor and a significant uptick in ransomware / extortion attacks at other companies have heightened consumer awareness of this issue and may embolden individuals or groups to target our systems or those of our strategic partners or enterprise customers. In December 2021, a critical remote code execution (RCE) vulnerability was identified in the Apache Software Foundation' s Log4j software library (Log4j), which if exploited could result in unauthorized access to Company systems and data, and acquisition of the same. We are taking, and have taken, steps to remediate all known Log4j vulnerabilities within our environment, deployed compensating controls, and implemented additional changes to protect against an exploit of those vulnerabilities. A threat actor could exploit a Log4j vulnerability or newly discovered vulnerabilities before we complete our remediation work or identify a vulnerability that we did not effectively remediate. If that happens, there could be unauthorized access to, or acquisition of, data we maintain, and damage to Company systems. We could also face legal action from individuals, business partners, and regulators in connection with exploitation of those vulnerabilities, which would result in increased costs and fees incurred in our defense against those proceedings. Our~~ solutions are complex and operate in a wide variety of environments, systems and configurations, which could result in failures of our solutions to function as designed. Because we offer very complex solutions, errors, defects, disruptions, or other performance problems with our solutions may and have occurred. For example, we may experience disruptions, outages, and other performance problems due to a variety of factors, including infrastructure changes, human or software errors, **fraud, security attacks, or** capacity constraints due to an overwhelming number of users accessing our websites simultaneously ~~, fraud, or security attacks~~. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Interruptions in our solutions, could impact our revenues or cause customers to cease doing business with us. Our operations are dependent upon our ability to protect our technology infrastructure against damage from business continuity events that could have a significant disruptive effect on our operations. We could potentially lose customer data or **personal information, or** experience material adverse interruptions to our operations or delivery of solutions to our clients in a disaster recovery scenario. Negative publicity regarding our brand, solutions and business could harm our competitive position. Our brand recognition and reputation as a trusted service provider are critical aspects of our business and key to retaining existing customers and attracting new customers. Our business could be harmed due to errors, defects, disruptions or other performance problems with our solutions causing our customers and potential customers to believe our solutions are unreliable. Furthermore, negative publicity, whether or not justified, including intentional brand misappropriation, relating to events or activities attributed to us, our employees, our strategic partners, our affiliates, or others associated with any of these parties, may tarnish our reputation and reduce the value of our brands. In addition, the rapid rise and use of social media has the potential to harm our brand and reputation. We may be unable to timely respond to and resolve negative and inaccurate social media posts regarding our company, solutions and business in an appropriate manner. Damage to our reputation and loss of brand equity may reduce demand for our solutions and have an adverse effect on our business, operating results, and financial condition. Moreover, any attempts to rebuild our reputation and restore the value of our brands may be costly and time consuming, and such efforts may not ultimately be successful. ~~We collect~~ **Our reputation and / or business could be negatively impacted by ESG matters and / or our reporting of such matters. The focus from regulators** , ~~use~~ **customers** , **certain investors, employees, and other stakeholders concerning environmental, social and governance (ESG) matters and related** ~~disclose~~ **disclosures** , ~~store~~ **both in the United States and internationally, have resulted in, and are likely to continue to result in, increased general and administrative expenses and increased management time and attention spent complying with or meeting ESG- related requirements and expectations.** ~~or~~ **For** ~~otherwise process personal~~ **example, developing and acting on ESG- related initiatives and collecting, measuring and reporting ESG- related** information ~~, which subjects us to privacy and data security laws and contractual commitments. We collect, use, process, store, transmit or disclose (collectively, process) an~~ **and metrics can be costly** ~~increasingly large amount of confidential information~~ , **difficult** ~~including personally identifiable information, credit card information~~ and **time consuming** ~~other critical data from employees~~ and ~~customers, in connection with the operation of our business, particularly in relation to our identity and information protection offerings. The personal information we process~~ is subject to **evolving reporting standards, including the SEC' s proposed climate- related reporting requirements. We communicate certain ESG- related initiatives, goals,** ~~an~~ **and / or commitments** ~~increasing number of federal, state, local, and foreign laws~~ regarding ~~privacy~~ **environmental matters, diversity, responsible sourcing** and **social investments, and other matters, on our website, in our filings with the SEC, and elsewhere. These initiatives, goals, or commitments could be difficult to achieve and costly to implement, the technologies needed to implement them may not be cost effective and may not advance at a sufficient pace, and we could be criticized for the accuracy, adequacy or completeness of the disclosure. Further, statements about our ESG- related initiatives, goals or commitments and progress with respect to such initiatives, goals**

or commitments may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. In addition, we could be criticized for the timing, scope or nature of these initiatives, goals or commitments, or for any revisions to them. If we fail to achieve progress with respect to our ESG- related initiatives, goals or commitments on a timely basis, or at all, or if our ESG- related data ~~security~~ **, processes and reporting are incomplete or inaccurate, our reputation, business, financial performance and growth could be adversely affected. We are affected by seasonality, which may impact our revenue and results of operations. Portions of our business are impacted by seasonality. Seasonal behavior in orders has historically occurred in the third and fourth quarters of our fiscal year, which include the important selling periods during the holidays in our third quarter** , as well as **follow- on holiday purchases** ~~contractual commitments. Any failure or perceived failure by us to comply with such obligations may result in governmental enforcement actions, fines, litigation, or public statements against us by consumer advocacy groups or others~~ and **the U. S. tax filing season** ~~could cause our customers to lose trust in us~~ , which **is typically in our fourth quarter. Revenue generally reflects similar seasonal patterns, but to a lesser extent than orders. This is due to our subscription business model, as a large portion of our in- period revenue is recognized ratably from our deferred revenue balance. An unexpected decrease in sales over those traditionally high- volume selling periods may impact our revenue and** could have ~~an adverse~~ **a disproportionate** effect on our **results** ~~reputation and business. Additionally, changes to applicable privacy or data security laws could impact how we process personal information and therefore limit the effectiveness~~ of **operations** ~~our solutions or our ability to develop new solutions. For example, the European Union General Data Protection Regulation imposes more stringent data protection requirements and provides~~ for greater penalties for noncompliance of up to...... accidentally disclose their passwords or store them - **the entire fiscal year** on a device that is lost or...... adverse effect on our reputation and business . LEGAL AND COMPLIANCE RISKS ~~Matters relating to or arising from our completed Audit Committee Investigation, including litigation matters, and potential additional expenses, may adversely affect our business and results of operations. As previously disclosed in our public filings, the Audit Committee completed its internal investigation in September 2018. In connection with the Audit Committee Investigation, we voluntarily self- reported to the SEC. The SEC commenced a formal investigation with which we cooperated. In April 2022, the SEC Staff informed the Company that it concluded its investigation and does not intend to recommend an enforcement action by the Commission against us. We have incurred, and may continue to incur, significant expenses related to legal and other professional services in connection with or relating to the SEC investigation, which may continue to adversely affect our business and financial condition. In addition, securities class actions and other lawsuits have been filed against us, certain current and former directors, and former officers. The outcome of the securities class actions and other litigation is difficult to predict, and the cost to defend, settle, or otherwise resolve these matters may be significant. Plaintiffs in these matters may seek recovery of very large or indeterminate amounts. The monetary and other impact of these litigations, proceedings, or actions may remain unknown for substantial periods of time. Further, an unfavorable resolution of litigations, proceedings or actions could have a material adverse effect on our business, financial condition, and results of operations and cash flows. Any future investigations or additional lawsuits may also adversely affect our business, financial condition, results of operations, and cash flows.~~ Our solutions are highly regulated, which could impede our ability to market and provide our solutions or adversely affect our business, financial position, and results of operations. Our solutions are subject to a high degree of regulation, including a wide variety of **international and U. S.** federal, state, and local laws and regulations, such as the Fair Credit Reporting Act, the Gramm- Leach- Bliley Act, the Federal Trade Commission Act (**the** FTC Act), and comparable state laws that are patterned after the FTC Act. ~~LifeLock has~~ **We have** previously entered into consent decrees and similar arrangements with the FTC and the attorney generals of 35 states as well as a settlement with the FTC relating to allegations that certain of LifeLock' s advertising, marketing and security practices constituted deceptive acts or practices in violation of the FTC Act, which impose additional restrictions on our business, including prohibitions against making any misrepresentation of " the means, methods, procedures, effects, effectiveness, coverage, or scope of " our solutions. ~~NortonLifeLock~~ **We** signed an Undertaking, effective June 14, 2021, with the United Kingdom' s Competition and Markets Authority (CMA) requiring **our** NortonLifeLock **Ireland Limited and NortonLifeLock UK entities** to make certain changes to ~~its~~ **their** policies and practices related to automatically renewing subscriptions in the United Kingdom as part of the CMA' s investigation into auto- renewal practices in the antivirus sector ~~it~~ launched in December 2018. Any of the laws and regulations that apply to our business are subject to revision or new or changed interpretations, and we cannot predict the impact of such changes on our business. Additionally, the nature of our identity and information protection products subjects us to the broad regulatory, supervisory, and enforcement powers of the Consumer Financial Protection Bureau which may exercise authority with respect to our services, or the marketing and servicing of those services, through the oversight of our financial institution or credit reporting agency customers and suppliers, or by otherwise exercising its supervisory, regulatory, or enforcement authority over consumer financial products and services. If we do not protect our proprietary information and prevent third parties from making unauthorized use of our products and technology, our financial results could be harmed. Much of our software and underlying technology is proprietary. We seek to protect our proprietary rights through a combination of confidentiality agreements and procedures and through copyright, patent, trademark, and trade secret laws. However, these measures afford only limited protection and may be challenged, invalidated, or circumvented by third parties. Third parties may copy all or portions of our products or otherwise obtain, use, distribute, and sell our proprietary information without authorization **. Patents may also not be issued from our pending patent applications and claims allowed on any future issued patents may not be sufficiently broad to protect our technology. Also, these protections may not preclude competitors from independently developing products with functionality or features similar to our products** . Third parties may also develop similar or superior technology independently by designing around our patents. Our consumer agreements do not require a signature and therefore may be unenforceable under the laws of some jurisdictions. Furthermore, the laws of some foreign countries do not offer the same level of protection of our proprietary rights as the laws of the U. S., and we may be subject to the unauthorized use of our products in those countries. The unauthorized copying or use of our products or proprietary information could result in reduced sales of our products. Any legal action to protect proprietary information that we may bring or be engaged in with a strategic partner or vendor could adversely affect our ability to access software, operating system, and hardware platforms of such partner or vendor, or cause such partner or vendor to choose not to offer our products to their customers. In addition, any legal action to protect proprietary information that we may bring or be engaged in, could be costly, may distract management from day- to- day operations, and may lead to additional claims against us, which could adversely affect our operating results. From time to time we are a party to lawsuits and investigations, which typically require significant management time and attention and result in significant legal expenses. We are frequently involved in litigation and other proceedings, including, but not limited to, patent litigation, class actions, and governmental claims or investigations, some of which may be material initially or become material over time. The expense of initiating and defending, and in some cases settling, such matters may be costly and divert management' s attention from the day- to- day operations of our business, which could have a materially adverse effect on our business, results of operations, and cash flows. In addition, such matters may ~~thru~~ **through** the course of litigation or other proceedings ~~incur an unfavorable~~ change **unfavorably** which could alter the profile of the matter and create potential material risk to the company. Any unfavorable outcome in a matter could result in significant fines, settlements, monetary damages, or injunctive relief that could negatively and materially impact our ability to conduct our business, results of operations, and cash flows. Additionally, in the event we did not previously accrue for such litigation or proceeding in our financial statements, we may be required to record retrospective accruals that adversely affect our results of operations and financial condition. Third parties **have claimed and, from time to time, additional third parties may** ~~claiming~~ --- **claim** that we infringe their proprietary rights **, which has previously and** could **in the future** cause us to incur significant legal expenses and prevent us from selling our products. **Third parties have claimed and,** ~~From~~ **from** time to time, **additional** third parties may claim that we have infringed their intellectual property rights, including claims regarding patents, copyrights, and trademarks. Because of constant technological change in the segments in which we compete, the extensive patent coverage of existing technologies, and the rapid rate of issuance of new patents, it is possible that the number of these claims may grow. In addition, former employers of our former, current, or future employees may assert claims that such employees have improperly disclosed to us confidential or proprietary information of these former employers. Any such claim, with or without merit, could result in costly litigation and distract management from day- to- day operations. If we are not successful in defending such claims, we could be required to stop selling, delay shipments of, or redesign our solutions, pay monetary amounts as damages, enter into royalty or licensing arrangements, or satisfy indemnification obligations that we have with some of our partners. We cannot assure you that any royalty or licensing arrangements that we may seek in such circumstances will be available to us on commercially reasonable terms or at all. We have made and expect to continue making significant expenditures to investigate, defend, and settle claims related to the use of technology and intellectual property rights as part of our strategy to manage this risk. In addition, we license and use software from third parties in our business **and generally must rely on those third parties to protect the licensed rights** . These third- party software licenses may not continue to be available to us on acceptable terms or at all and may expose us to additional liability. This liability, or our inability to use any of this third- party software, could result in delivery delays or other disruptions in our business that could materially and adversely affect our operating results. Some of our products contain " open source " software, and any failure to comply with the terms of one or more of these open source licenses could negatively affect our business. Certain of our products are distributed with software licensed by its authors or other third parties under so- called " open source " licenses. Some of these licenses contain requirements that we make available source code for modifications or derivative works we create based upon the open source software and that we license such modifications or derivative works under the terms of a particular open source license or other license granting third parties certain rights of further use. By the terms of certain open source licenses, we could be required to release the source code of our proprietary software if we combine our proprietary software with open source software in a certain manner. **Some** ~~In addition to risks related to license requirements, usage of~~ open source software **may include generative artificial intelligence (AI) software or other software that incorporates or relies on generative AI. The use of such software may expose us to risks as the intellectual property ownership and license rights, including copyright, of generative AI software and tools, has not been fully interpreted by U. S. courts or been fully addressed by federal, state, or international regulations. In addition to risks related to license requirements, using open source software, including open source software that incorporates or relies on generative AI,** can lead to greater risks than use of third- party commercial software, as open source licensors generally do not provide warranties or controls on origin of the software. We have established processes to help alleviate these risks, including a review process for screening requests from our development organizations for the use of open source **. However** , ~~but~~ we cannot be sure that all open source **, including open source that incorporates or relies on generative AI,** is submitted for approval prior to use in our products. In addition, many of the risks associated with usage of open source **, including open source that incorporates or relies on generative AI,** may not or cannot be eliminated and could, if not properly addressed, negatively affect our business. RISKS RELATED TO OUR LIQUIDITY AND INDEBTEDNESS There are risks associated with our outstanding and future indebtedness that could adversely affect our financial condition. As of ~~April 1~~ **March 31** , ~~2022~~ **2023** , we had an aggregate of $ ~~3~~ **9** , ~~747~~ **899** million of outstanding indebtedness that will mature in calendar years ~~2022~~ **2025** through 2030, and $ 1, ~~000~~ **500** million available for borrowing under our revolving credit facility. See Note 10 of the Notes to the Consolidated Financial Statements included in this Annual Report on Form 10- K for further information on our outstanding debt. Our ability to meet expenses, **comply** ~~remain in compliance~~ with the covenants under our debt instruments, pay interest and repay principal for our substantial level of indebtedness depends on, among other things, our operating performance, competitive developments, and financial market conditions, all of which are significantly affected by financial, business, economic ~~,~~ and other factors. We are not able to control many of these factors. Accordingly, our cash flow may not be sufficient to allow us to pay principal and interest on our debt, including ~~the~~ **our 5. 0 % Senior** ~~notes~~ **Notes due 2025, 6. 75 % Senior Notes due 2027 and 7. 125 % Senior Notes due 2030 (collectively, the Senior Notes)** , and meet our other obligations. Our level of indebtedness could have other important consequences, including the following: • We must use a substantial portion of our cash flow from operations to pay interest and principal on the **Amended** ~~term loans~~ and ~~revolving~~ **Restated** ~~credit~~ **Credit** ~~facility~~ **Agreement** , our existing ~~senior~~ **Senior** ~~notes~~ **Notes** , and other indebtedness, which reduces funds available to us for other purposes such as working capital, capital expenditures, other general corporate purposes, and potential acquisitions; • We may be unable to refinance our indebtedness or to obtain additional financing for working capital, capital expenditures, acquisitions, or general corporate purposes; • We ~~are~~ **have significant** ~~exposed~~ **exposure** to fluctuations in interest rates because borrowings under our senior secured credit facilities bear interest at variable rates; • Our leverage may be greater than that of some of our competitors, which may put us at a competitive disadvantage and reduce our flexibility in responding to current and changing industry and financial market conditions; • We may be more vulnerable to an economic downturn or recession and adverse developments in our business; • We may be unable to comply with financial and other covenants in our debt agreements, which could result in an event of default that, if not cured or waived, may result in acceleration of certain of our debt and would have an adverse effect on our business and prospects and could force us into bankruptcy or liquidation; **and** • Changes by any rating agency to our outlook or credit rating could negatively affect the value of our debt and / or our common stock, adversely affect our access to debt markets, and increase the interest we pay on outstanding or future debt ~~; and • Conversion of our convertible note could result in significant dilution of our common stock, which could result in significant dilution to our existing stockholders and cause the market price of our common stock to decline~~ . There can be no assurance that we will be able to manage any of these risks successfully. In addition, we conduct a significant portion of our operations through our subsidiaries. Accordingly, repayment of our indebtedness will be dependent in part on the generation of cash flow by our subsidiaries and their **respective** ~~ability~~ **abilities** to make such cash available to us by dividend, debt repayment, or otherwise, which may not always be possible. **If** ~~In the event that~~ we do not receive distributions from our subsidiaries, we may be unable to make the required principal and interest payments on our indebtedness. ~~The elimination of LIBOR after June 2023 may affect our financial results. All LIBOR tenors relevant to us will cease to be published or will no longer be representative after June 30, 2023. This means that any of our LIBOR- based borrowings that extend beyond June 30, 2023 will need to be converted to a replacement rate. In the U. S., the Alternative Reference Rates Committee, a committee of private sector entities convened by the Federal Reserve Board and the Federal Reserve Bank of New York, has recommended the Secured Overnight Financing Rate (SOFR) plus a recommended spread adjustment as LIBOR' s replacement. There are significant differences between LIBOR and SOFR, such as LIBOR being an unsecured lending rate while SOFR is a secured lending rate, and SOFR is an overnight rate while LIBOR reflects term rates at different maturities. If our LIBOR- based borrowings are converted to SOFR, the differences between LIBOR and SOFR, plus the recommended spread adjustment, could result in interest costs that are higher than if LIBOR remained available, which could have a material adverse effect on our operating results. Although SOFR is the ARRC' s recommended replacement rate, it is also possible that lenders may instead choose alternative replacement rates that may differ from LIBOR in ways similar to SOFR or in other ways that would result in higher interest costs for us. It is not yet possible to predict the magnitude of LIBOR' s end on our borrowing costs given the remaining uncertainty about which rates will replace LIBOR.~~ Our **Amended** ~~term loan~~ and ~~revolving~~ **Restated** ~~credit~~ **Credit** ~~facility agreement~~ **Agreement** ~~impose~~ **imposes** operating and financial restrictions on us. Our **Amended** ~~term loan~~ and ~~revolving~~ **Restated** ~~credit~~ **Credit** ~~facility agreement~~ **Agreement** ~~contain~~ **contains** covenants that limit our ability and the ability of our restricted subsidiaries to: • Incur additional debt; • Create liens on certain assets to secure debt; • Enter into certain sale and leaseback transactions; • Pay dividends on or make other distributions in respect of our capital stock or make other restricted payments; and • Consolidate, merge, sell or otherwise dispose of all or substantially all of our assets. ~~All of these~~ **These** covenants may adversely affect our ability to finance our operations, meet or otherwise address our capital needs, pursue business opportunities, react to market conditions, or **may** otherwise restrict activities or business plans. A breach of any of these covenants could result in a default ~~in respect of the related indebtedness~~ . If a default occurs, the relevant lenders could ~~elect to~~ declare the indebtedness, together with accrued interest and other fees, to be immediately due and payable and, to the extent such indebtedness is secured ~~in the future~~ , proceed against any collateral securing that indebtedness. **The failure of financial institutions or transactional counterparties could adversely affect our current and projected business operations and our financial condition and result of operations. We regularly maintain cash balances with other financial institutions in excess of the FDIC insurance limit. A failure of a depository institution to return deposits could result in a loss or impact access to our invested cash or cash equivalents and could adversely impact our operating liquidity and financial performance. Additionally, future adverse developments with respect to specific financial institutions or the broader financial services industry may lead to market-wide liquidity shortages, impair the ability of companies to access near- term working capital needs, and create additional market and economic uncertainty. Our general business strategy, including our ability to access existing debt under the terms of our Amended and Restated Credit Agreement may be adversely affected by any such economic downturn, liquidity shortages, volatile business environment or continued unpredictable and unstable market conditions. If the current equity and credit markets deteriorate, or if adverse developments are experienced by financial institutions, it may cause short- term liquidity risk and also make any necessary debt or equity financing more difficult, more costly, more onerous with respect to financial and operating covenants and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable terms could have a material adverse effect on our operations, growth strategy, financial performance and stock price and could require us to alter our operating plans. Hedging or other mitigation actions to mitigate against interest rate exposure may adversely affect our earnings, limit our gains or result in losses, which could adversely affect cash available for distributions. We have previously and may in the future enter into interest rate swap agreements or pursue other interest rate hedging strategies. In March 2023, we entered into**

interest rate swap agreements to mitigate risks associated with the variable interest rate of our Term A Facility. These pay- fixed, receive- floating rate interest rate swaps have the economic effect of hedging the variability of forecasted interest payments until their maturity on March 31, 2026. Pursuant to the agreements, we will effectively convert $ 1 billion of our variable rate borrowings under Term A Facility to fixed rates, with $ 500 million at a fixed rate of 3. 762 % and $ 500 million at a fixed rate of 3. 550 %. The objective of our interest rate swaps, all of which are designated as cash flow hedges, is to manage the variability of future cash interest expense. Our future hedging activity will vary in scope based on the level of interest rates, the type and expected duration of portfolio investments held, and other changing market conditions. Our current and future interest rate hedging may fail to protect or could adversely affect us because, among other things: • Interest rate hedging can be expensive, particularly during periods of rising and volatile interest rates; • Available interest rate hedging may not correspond directly with the interest rate risk for which protection is sought; • The duration of the hedge may not match the duration of the related liability or asset; • The credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs our ability to sell or assign our side of the hedging transaction; • The party owing money in the hedging transaction may default on its obligation to pay; and • We may purchase a hedge that turns out not to be necessary (i. e., a hedge that is out of the money). Any hedging activity we engage in may adversely affect our earnings, which could adversely affect cash available for distributions. Unanticipated changes in interest rates may result in poorer overall investment performance than if we had not engaged in any such hedging transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged or liabilities being hedged may vary materially. Moreover, for a variety of reasons, we may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Any such imperfect correlation may prevent us from achieving the intended hedge and expose us to risk of loss. GENERAL RISKS **Government efforts to combat inflation, along with other interest rate pressures arising from an inflationary economic environment, have led to and may continue to lead to higher financing costs. We operate globally and as a result our business and revenues are impacted by global macroeconomic conditions. Inflation has risen on a global basis, including in the United States, and government entities have taken various actions to combat inflation, such as raising interest rate benchmarks. Government entities may continue their efforts, or implement additional efforts, to combat inflation, which may include continuing to raise interest rate benchmarks or maintaining interest rate benchmarks at elevated levels. Such government efforts, along with other interest rate pressures arising from an inflationary economic environment, have led to higher financing costs and have had and may continue to have a material adverse effect on our business, financial condition and results of operations.** Fluctuations in our quarterly financial results have affected the trading price of our **stock** ~~outstanding securities~~ in the past and could affect the trading price of our **stock** ~~outstanding securities~~ in the future. Our quarterly financial results have fluctuated in the past and are likely to vary in the future due to a number of factors, many of which are outside of our control. If our quarterly financial results or our predictions of future financial results fail to meet our expectations or the expectations of securities analysts and investors, the trading price of our outstanding securities could be negatively affected. Volatility in our quarterly financial results may make it more difficult for us to raise capital in the future or pursue acquisitions. Factors associated with our industry, the operation of our business, and the markets for our solutions may cause our quarterly financial results to fluctuate, including but not limited to: • Fluctuations in demand for our solutions; • Disruptions in our business operations or target markets caused by, among other things, terrorism or other intentional acts, outbreaks of disease, ~~such as the COVID- 19 pandemic,~~ or earthquakes, floods, or other natural disasters; • Entry of new competition into **our markets; • Technological changes in** our markets; • Our ability to achieve targeted operating income and margins and revenues; • Competitive pricing pressure or free offerings that compete with one or more of our solutions; • Our ability to timely complete the release of new or enhanced versions of our solutions; • The amount and timing of commencement and termination of major marketing campaigns; • The number, severity, and timing of threat outbreaks and cyber security incidents; • Loss of customers or strategic partners **or the inability to acquire new customers or cross- sell our solutions** ; • Changes in the mix or type of solutions and subscriptions sold and changes in consumer retention rates; • The rate of adoption of new technologies and new releases of operating systems, and new business processes; • Consumer confidence and spending changes; • The **outcome or** impact of litigation **, claims, disputes** , regulatory inquiries, or investigations; • The impact of acquisitions **(** ~~and divestitures~~ and our ability to achieve expected synergies or attendant cost savings **), divestitures, restructurings, share repurchase, financings, debt repayments and investment activities** ; • **Changes in U. S. and worldwide economic conditions, such as economic recessions, the impact of inflation,** ~~Fluctuations~~ **fluctuations** in foreign currency exchange rates and **changes in** interest rates **, conflicts including Russia' s invasion of Ukraine, and other global macroeconomic factors on our operations and financial performance** ; • The publication of unfavorable or inaccurate research reports about our business by cybersecurity industry analysts; • The success of our **ESG** ~~corporate responsibility~~ initiatives; • Changes in tax laws, rules, and regulations; **• Changes in tax rates, benefits, and expenses;** and • Changes in consumer protection laws and regulations. Any of the foregoing factors could cause the trading price of our outstanding securities to fluctuate significantly. Changes to our effective tax rate **, including through the adoption of new tax legislation or exposure to additional income tax liabilities,** could increase our income tax expense and reduce (increase) our net income (loss), cash flows and working capital **. In addition, audits by tax authorities could result in additional tax payments for prior periods. We are a multinational company dual headquartered in the U. S. and Czech Republic, with our principal executive offices in Tempe, Arizona. As such, we are subject to tax in multiple U. S. and international tax jurisdictions** . Our effective tax rate could be adversely affected by several factors, many of which are outside of our control, including: • Changes to the U. S. federal income tax laws, including the potential for federal tax law changes put forward by Congress and the ~~Biden~~ **current** administration including potentially increased corporate tax rates, new minimum taxes and other changes to the way that our US tax liability has been calculated following the 2017 Tax Cuts and Jobs Act. Certain of these proposals could have significant retroactive adjustments adding cash tax payments / liabilities if adopted; • Changes to other tax laws, regulations, and interpretations in multiple jurisdictions in which we operate, including actions resulting from the Organisation for Economic Co- operation and Development' s (OECD) base erosion and profit shifting project including recent proposals for a global minimum tax rate, proposed actions by international bodies such as digital services taxation, as well as the requirements of certain tax rulings. In October 2021, the OECD / G20 inclusive framework on Base Erosion and Profit Shifting (the Inclusive Framework) published a statement updating and finalizing the key components of a two- pillar plan on global tax reform which has now been agreed upon by the majority of OECD members. Pillar One allows countries to reallocate a portion of residual profits earned by multinational enterprises (MNE), with an annual global turnover exceeding € 20 billion and a profit margin over 10 %, to other market jurisdictions. Pillar Two requires MNEs with an annual global turnover exceeding € 750 million to pay a global minimum tax of 15 %. ~~Additional guidance is expected~~ **On December 12, 2022, the European Union reached an agreement** to **implement the Pillar Two Directive of the OECD' s reform of international taxation at the European Union level. The agreement affirms that all Member States must transpose the Directive by December 31, 2023. The rules will therefore first** be ~~published in~~ **applicable for fiscal years starting on or after December 31,** ~~2022~~ **2023** . We will continue to monitor the implementation of the Inclusive Framework agreement by the countries in which we operate. We ~~are unable~~ **will continue** to **monitor** ~~predict if~~ and **determine** how these **and other** legislative changes will be enacted into law ~~,~~ and ~~it~~ **how they will potentially impact our corporate tax liabilities, our income tax provision, and cash tax liability. It** is possible that they could have a material effect on our corporate tax liability and our global effective tax rate; • Changes in the relative proportions of revenues and income before taxes in the various jurisdictions in which we operate that have differing statutory tax rates; • **Changes in the valuation of deferred tax assets and liabilities and the discovery of new information in the course of our tax return preparation process; •** The tax effects of significant infrequently occurring events that may cause fluctuations between reporting periods; • Tax assessments, or any related tax interest or penalties, that could significantly affect our income tax expense for the period in which the settlements take place; and • Taxes arising in connection to changes in our workforce, corporate entity structure or operations as they relate to tax incentives and tax rates. From time to time, we receive notices that a tax authority in a particular jurisdiction believes that we owe a greater amount of tax than we have reported to such authority **and we are consequently subject to tax audits. These audits can involve complex issues, which may require an extended period of time to resolve and can be highly judgmental. Additionally, our ability to recognize the financial statement benefit of tax refund claims is subject to change based on a number of factors, including but not limited to, changes in facts and circumstances, changes in tax laws, correspondence with both IRS and State tax authorities, and the results of tax audits and related proceedings, which may take several years or more to resolve. If tax authorities disagree with certain tax reporting positions taken by us, as a result, they assess additional taxes against us** . We are regularly engaged in discussions and sometimes disputes with these tax authorities. **We ultimately sometimes have to engage in litigation to achieve the results reflected in our tax estimates, and such litigation can be time consuming and expensive. We regularly assess the likely outcomes of any audits in order to determine the appropriateness of our tax provision.** If the ultimate determination of our taxes owed in any of these jurisdictions is for an amount in excess of the tax provision we have recorded or reserved for, our operating results, cash flows, and financial condition could be **materially and** adversely affected. **Any changes or interpretations to existing accounting pronouncements or taxation rules or practices may cause fluctuations in our reported results of operations or affect how we conduct our business. A change in accounting pronouncements or taxation rules or practices could have a significant effect on our reported results and may affect our reporting of transactions completed before the change is effective. New accounting pronouncements, taxation rules and varying interpretations of accounting pronouncements or taxation rules have occurred in the past and may occur in the future. We could be required to modify a current tax or accounting position as a result of any such change, and this could adversely affect our reported financial results and could change the way we conduct our business.**