

Insider Trading Policy

Introduction

This policy provides guidelines to employees, consultants, contractors, officers and directors of Check Point (the “Company”) with respect to transactions in the Company’s securities. Because the Company’s stock is publicly traded, all employees are subject to certain important restrictions and limitations imposed under federal securities laws. Any violation of these restrictions may subject the Company and its insiders to serious criminal and civil liabilities (including exposure to substantial damages) and sanctions. In addition to governmental fines and other sanctions, private actions brought by ‘professional plaintiffs’ against public companies and their insiders have become quite common and can involve substantial costs, both mandatory and in terms of time, even if the claim is ultimately dismissed. Equally important, any appearance in the market of impropriety on the part of the Company or its insiders could impair investor confidence in the Company and severely damage the Company’s reputation and business relationships. Therefore, considerable care should be taken to avoid inadvertent violations. Accordingly, this Insider Trading Policy (the “Policy”) has been adopted by the Company.

Compliance Officer

The Company has appointed John Slavitt, the Company’s General Counsel, (hereinafter referred to as the “General Counsel”), as the Company’s insider trading compliance officer. The General Counsel is responsible for the oversight of this Policy. As such, any questions or concerns with respect to this Policy should be directed to the General Counsel.

Applicability of Policy

This Policy applies to:

- (a) All transactions in the Company’s securities, including ordinary shares, options for ordinary shares, restricted stock units (RSU) and any other securities the Company may issue from time to time, as well as to derivative securities relating to the Company’s securities, whether or not issued by the Company, such as exchange-traded options.
- (b) All officers of the Company, all members of the Company’s Board of Directors, all employees of, and consultants and contractors to, the Company and its subsidiaries who receive or have access to Material Nonpublic Information (as defined below) regarding the Company, or any other person who possesses Material Nonpublic Information regarding the Company for so long as the information is not publicly known (collectively referred to in this Policy as “Insiders”).
- (c) The Insider’s members of their immediate families, and members of their households and family members who live elsewhere but whose transactions in the Company’s securities are directed by Insiders, or that are subject to their influence and control (collectively referred to as “Family Members”).
- (d) Any person who receives Material Nonpublic Information from any Insider and/or Family Member.

Certain Exceptions

For purposes of this Policy, the Company considers that the exercise and holding of stock options for cash under the Company's stock option plans and the purchase of shares under the Company's employee stock purchase plan to be exceptions to this Policy because they are transactions with the Company itself and the price does not vary with the market but is fixed by the terms of the option agreement or the plan. There shall be no trading in employee options outside the trading window (defined below). Further this Policy does not apply to transactions made under Rule 10b5-1 trading plan.

Statement of Policy

General Policy

It is the policy of the Company to oppose the unauthorized disclosure of any nonpublic information acquired in the work-place and the misuse of Material Nonpublic Information in securities trading. Employees and other insiders should treat all Check Point information with discretion and discuss confidential data only with those Check Point employees who have a right and a need to know. Do not discuss confidential information with friends or relatives.

Specific Company Policies

Trading on Material Nonpublic Information. No Insider and no Family Member of any such person, shall engage in any transaction (large or small) involving a purchase or sale or offer to purchase or sell any of the Company's securities, or derivatives thereof, including puts, calls or LEAPS, during any period commencing with the date that he or she possesses Material Nonpublic Information concerning the Company, and ending at the close of business on the second Trading Day following the date of public disclosure of that information, or at such time as such nonpublic information is no longer material. As used herein, the term "Trading Day" shall mean a day on which national stock exchanges and the National Association of Securities Dealers, Inc. Automated Quotation System ("NASDAQ") are open for trading.

Tippling. No Insider shall disclose or pass on ("tip") Material Nonpublic Information to any other person (including Family Members or friends) where such information is used by such person to his or her profit by trading in the securities of companies to which such information relates, nor shall such Insider or related person make recommendations or express opinions on the basis of Material Nonpublic Information as to trading in the Company's securities.

Leaks of Material Nonpublic Information often occur on investment chat boards and other similar forums. It is the policy of the Company to strictly forbid Insiders to comment or respond to comments on issues that involve the Company (including comments involving market rumors) on investment chat boards or other similar forums, unless authorized, in writing, by the General Counsel of the Company. If an employee of the Company has tipped anyone on Material Nonpublic Information, including Family Members or others living in such employee's household, such persons may also face the risk of being charged with legal proceedings.

Confidentiality of Nonpublic Information. Nonpublic Information relating to the Company is the property of the Company and the unauthorized disclosure of such information is forbidden.

Potential Criminal and Civil Liability and/or Disciplinary Action

Liability for Insider Trading. Insiders may be subject to penalties of up to \$ 5,000,000 and up to twenty (20) years in jail for engaging in transactions in the Company's securities at a time when they have knowledge of material nonpublic information regarding the Company.

Liability for Tipping. Insiders may also be liable for improper transactions by any person (commonly referred to as a 'tippee') to whom they have disclosed material nonpublic information regarding the Company or to whom they have made recommendations or expressed opinions on the basis of such information as to trading in the Company's securities. The Securities and Exchange Commission ("SEC") has imposed large penalties even when the disclosing person did not profit from the trading. The SEC, the stock exchanges and NASDAQ use sophisticated electronic surveillance techniques to uncover insider trading.

Damages. Insiders also face the risk of being ordered to pay treble damages (reimbursement of 3 times any profits made).

Possible Disciplinary Actions. Insiders of the Company who violate this Policy shall also be subject to disciplinary action by the Company, which may include ineligibility for future participation in the Company's equity incentive plans, termination of employment, or termination of the contract.

Explicit Prohibitions on Trading

Trading Window. To ensure compliance with this Policy and applicable federal and state securities laws, the Company expressly prohibits the execution of any transactions involving the purchase or sale of the Company's securities by Insiders other than during the trading window period (the 'Trading Window').

A Trading Window is the period commencing on the first trading day after the publication of the financial results for a particular quarter (or year), and continuing until the last day of the second month of that particular quarter (i.e., February, May, August, November).

Even within a trading window, the Company may from time to time, also recommend that directors, officers, selected employees and others, and their Family Members will suspend trading because of developments known to the Company and not yet disclosed to the public. In such event, and subject to a written notice by the General Counsel regarding the suspension of trading, such persons are advised not to engage in any transaction involving the purchase or sale of the Company's securities during such period and should not disclose to others the fact of such suspension of trading. Whether or not the Company has recommended a suspension of trading, any person possessing Material Nonpublic Information concerning the Company should not engage in any transactions in the Company's securities until such information has been known publicly for at least two Trading Days. It should be noted that, even during the trading window, any person possessing Material Nonpublic Information concerning the Company should not engage in any transactions in the Days. Trading in the Company's securities during the trading window should not be considered a 'safe harbor' and all Insiders should use good judgment at all times.

Individual Responsibility. Every Insider is individually responsible to comply with this Policy against insider trading, regardless of whether the Company has recommended a Trading Window to that Insider or any other Insiders of the Company. The guidelines set forth in this Policy are a framework only, and appropriate judgment should be exercised in connection with any trade in the Company's securities. In order to avoid the risk for improper transactions, an Insider may, from time to time, have to forgo a proposed transaction in the Company's securities even if he or she planned to make the transaction before learning of the Material Nonpublic Information and even though the Insider believes he or she may suffer an economic loss or forgo anticipated profit by waiting.

Applicability of Policy to Inside Information Regarding other Companies

This Policy also applies to Material Nonpublic Information relating to other companies, including the Company's clients and others ('business partners'), when that information is obtained in the course of employment with, or other services performed on behalf of the Company. Civil and criminal penalties, and termination of employment, may result from trading on Material Nonpublic Information regarding the Company's business partners. All Insiders of the Company should treat Material Nonpublic Information about the Company's business partners with the same care required with respect to information related directly to the Company.

Definition of Material Nonpublic Information

It is not possible to define all categories of material nonpublic information. However, material nonpublic information includes any information that has not been made public and that would influence a reasonable investor in making a decision to buy, hold or sell the Company's securities or a voting decision. Certainly, if the information motivates you or in any way affects your desire to purchase or sell, it would probably have the same effect on other investors and therefore, any information that could be expected to affect the market price of the Company's securities, should be considered as material. Having said that, in some cases it may be difficult to determine whether particular information is material, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material.

Examples of such information include:

- ▶ Financial results – including revenues and increases/decreases in quarterly revenues;
- ▶ Earnings including increases/decreases in quarterly earnings;
- ▶ Projections of future earnings or losses;
- ▶ News of a pending or proposed merger or tender offer;
- ▶ News of the disposition of a subsidiary;
- ▶ Impending bankruptcy or financial liquidity problems;
- ▶ Changes in dividend policy;
- ▶ Stock splits;
- ▶ New equity or debt offerings;
- ▶ News of pending acquisitions;
- ▶ Significant litigation exposure due to actual or threatened litigation;
- ▶ Status of legal proceedings, court rulings or related settlement discussions;
- ▶ Major personnel changes, including in senior management;
- ▶ Regulatory actions;
- ▶ Patent milestones;

- ▶ Research efforts;
- ▶ Major new products;
- ▶ Unannounced price changes on major products;
- ▶ Significant developments involving corporate relationships;
- ▶ Major contract awards or cancellations or changes (including changes in major OEM's or distributors, unusual gains or losses on major operations);
- ▶ Significant changes in sources or availability of supplies;
- ▶ Capital investment plans or changes in such plans;
- ▶ Significant marketing plans;
- ▶ Significant write-offs; or
- ▶ Any other information which might have a significant impact on the Company.

It should be noted that either positive or negative information may be material. Nonpublic information is information that has not been previously disclosed to the general public and is otherwise not available to the general public.

Additional Information – Directors and Officers

- ▶ Check Point recommends that all directors and officers conduct their trades through a 10b5-1 plan.
- ▶ Check Point requires all directors and officers to trade through a 10b5-1 plan for any stock, option or RSU that is scheduled for expiration within 1 year.

Please contact your broker to establish a 10b5-1 plan. Check Point cannot provide a plan for you. All 10b-5 plans must have a 30 day waiting period from the date of the plan to the date of the first trade.

Inquiries

Please direct your questions as to any of the matters discussed in this Policy to the Company's General Counsel.

Updated on March 31, 2021