# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**WASHINGTON, D.C. 20549**

# FORM 10-Q

**(Mark One)**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended July 31, 2025**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from _____ to _____**

**Commission File Number: 001-40528**

# Sprinklr, Inc.

**(Exact Name of Registrant as Specified in its Charter)**

| | |
|---|---|
| **Delaware** | **45-4771485** |
| **(State or other Jurisdiction of Incorporation or organization)** | **(IRS Employer Identification No.)** |
| **441 9th Avenue, 12th Floor New York, NY** | **10001** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**Registrant's telephone number, including area code: (917) 933-7800**

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Class A common stock, par value $0.00003 per share | CXM | New York Stock Exchange |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| Emerging growth company | ☐ | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 31, 2025, the registrant had 142,422,232 shares of Class A common stock and 101,694,940 shares of Class B common stock, each with a par value of $0.00003 per share, outstanding.

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## WHERE YOU CAN FIND MORE INFORMATION

Investors and others should note that we announce material financial information to our investors using our investor relations website, press releases, SEC filings and public conference calls and webcasts. We also use Sprinklr's blog and the following social media channels as a means of disclosing information about the company, our products, our planned financials and other announcements and attendance at upcoming investor and industry conferences, and other matters. This is in compliance with our disclosure obligations under Regulation FD:

- Sprinklr Company Blog (http://sprinklr.com/blog)
- Sprinklr LinkedIn Page (http://www.linkedin.com/company/sprinklr)
- Sprinklr X (formerly known as Twitter) Account (https://x.com/sprinklr)
- Sprinklr Facebook Page (https://www.facebook.com/sprinklr/)
- Sprinklr Instagram Page (https://www.instagram.com/sprinklr)

In addition, investors and others can view Sprinklr videos on YouTube (https://www.YouTube.com/c/sprinklr).

Information posted through these social media channels may be deemed material. Accordingly, in addition to reviewing our press releases, SEC filings, public conference calls and webcasts, investors should monitor Sprinklr's blog and its other social media channels. The information we post through these channels is not a part of this Quarterly Report on Form 10-Q. The channel list on how to connect with us may be updated from time to time and is available on https://www.sprinklr.com and our investor relations website.

## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Form 10-Q") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements contained in this Form 10-Q other than statements of historical fact, including statements regarding our future operating results and financial position, our business strategy and plans and our objectives for future operations, are forward-looking statements. The words "believe," "may," "will," "potentially," "estimate," "continue," "anticipate," "intend," "could," "would," "project," "plan," "expect" and similar expressions that convey uncertainty of future events or outcomes are intended to identify forward-looking statements.

These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our revenue, expenses and other operating results;
- our ability to acquire new customers and successfully engage new and existing customers;
- our ability to achieve and maintain our profitability;
- future investments in our business, our anticipated capital expenditures and our estimates regarding our capital requirements;
- our ability to collect accounts receivable or satisfy revenue recognition criteria, especially in emerging markets;
- the costs and success of our marketing efforts and our ability to promote our brand;
- our growth strategies for our Unified Customer Experience Management ("Unified-CXM") platform and our Contact Center as a Service ("CCaaS");
- our reliance on key talent and our ability to identify, recruit and retain skilled personnel;
- our ability to effectively manage our growth, including any international expansion;
- our ability to obtain, maintain, protect, defend or enforce our intellectual property or other proprietary rights and any costs associated therewith;
- the effects of global economic uncertainty, including as a result of fluctuations in inflation and interest rates and the imposition of tariffs in the United States and abroad, and the Russia-Ukraine and Israel-Hamas wars (including an escalation or geopolitical expansion of these conflicts), on our business, financial condition and share price;
- our ability to compete effectively with existing competitors and new market entrants; and
- the growth rates of the markets in which we compete.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Form 10-Q primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and operating results. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described in the section titled "Risk Factors" and elsewhere in this Form 10-Q. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Form 10-Q. The results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Form 10-Q. And, while we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this Form 10-Q relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Form 10-Q to reflect events or circumstances after the date of this Form 10-Q or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments.

Unless the context otherwise requires, the terms "Sprinklr," "the Company," "we," "our," "us" or similar references in this Form 10-Q refer to Sprinklr, Inc. and its subsidiaries.

## PART I-FINANCIAL INFORMATION

**Item 1. Financial Statements.**

### SPRINKLR, INC.

### Condensed Consolidated Balance Sheets

*(in thousands, except share data)*

*(unaudited)*

| | July 31, 2025 | January 31, 2025 |
|---|---|---|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | $ 125,365 | $ 145,270 |
| Marketable securities | 348,626 | 338,189 |
| Accounts receivable, net of allowance of $9.1 million and $8.1 million, respectively | 202,473 | 285,656 |
| Prepaid expenses and other current assets | 90,712 | 84,982 |
| Total current assets | 767,176 | 854,097 |
| Property and equipment, net | 31,599 | 31,591 |
| Goodwill and other intangible assets | 50,155 | 49,957 |
| Operating lease right-of-use assets | 44,318 | 44,626 |
| Deferred tax asset, non-current | 80,695 | 90,369 |
| Other non-current assets | 112,170 | 113,559 |
| Total assets | $ 1,086,113 | $ 1,184,199 |
| | | |
| Liabilities and stockholders' equity | | |
| Liabilities | | |
| Current liabilities: | | |
| Accounts payable | $ 28,260 | $ 27,353 |
| Accrued expenses and other current liabilities | 62,210 | 79,285 |
| Operating lease liabilities, current | 8,395 | 7,462 |
| Deferred revenue | 395,059 | 403,483 |
| Total current liabilities | 493,924 | 517,583 |
| Deferred revenue, non-current | 2,020 | 6,276 |
| Operating lease liabilities, non-current | 39,817 | 41,243 |
| Other liabilities, non-current | 6,915 | 7,034 |
| Total liabilities | 542,676 | 572,136 |
| Commitments and contingencies (Note 8) | | |
| Stockholders' equity: | | |
| Class A common stock, $0.00003 par value, 2,000,000,000 shares authorized; 143,373,022 and 139,163,819 shares issued and outstanding as of July 31, 2025 and January 31, 2025, respectively | 4 | 4 |
| Class B common stock, $0.00003 par value, 310,000,000 shares authorized; 101,728,583 and 116,278,936 shares issued and outstanding as of July 31, 2025 and January 31, 2025, respectively | 3 | 4 |
| Treasury stock, at cost, 14,130,784 shares as of July 31, 2025 and January 31, 2025 | (23,831) | (23,831) |
| Additional paid-in capital | 1,328,449 | 1,268,920 |
| Accumulated other comprehensive loss | (4,742) | (6,969) |
| Accumulated deficit | (756,446) | (626,065) |
| Total stockholders' equity | 543,437 | 612,063 |
| Total liabilities and stockholders' equity | $ 1,086,113 | $ 1,184,199 |

See accompanying notes to the unaudited condensed consolidated financial statements

**SPRINKLR, INC.**

**Condensed Consolidated Statements of Operations**

***(in thousands, except per share data)***

***(unaudited)***

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** |
| Revenue: | | | | |
| Subscription | $ 188,473 | $ 177,859 | $ 372,600 | $ 355,222 |
| Professional services | 23,567 | 19,349 | 44,940 | 37,944 |
| Total revenue | 212,040 | 197,208 | 417,540 | 393,166 |
| Costs of revenue: | | | | |
| Costs of subscription | 43,177 | 34,306 | 85,363 | 66,876 |
| Costs of professional services | 24,261 | 19,661 | 44,706 | 38,216 |
| Total costs of revenue | 67,438 | 53,967 | 130,069 | 105,092 |
| Gross profit | 144,602 | 143,241 | 287,471 | 288,074 |
| Operating expense: | | | | |
| Research and development | 23,162 | 23,226 | 45,973 | 45,765 |
| Sales and marketing | 70,583 | 77,490 | 141,654 | 164,974 |
| General and administrative | 35,569 | 38,782 | 69,998 | 67,883 |
| Restructuring | (984) | 3,830 | 15,329 | 3,830 |
| Total operating expense | 128,330 | 143,328 | 272,954 | 282,452 |
| Operating income (loss) | 16,272 | (87) | 14,517 | 5,622 |
| Other income, net | 7,469 | 6,414 | 14,399 | 13,914 |
| Income before provision for income taxes | 23,741 | 6,327 | 28,916 | 19,536 |
| Provision for income taxes | 11,126 | 4,486 | 17,869 | 7,061 |
| Net income | $ 12,615 | $ 1,841 | $ 11,047 | $ 12,475 |
| Net income per share, basic | $ 0.05 | $ 0.01 | $ 0.04 | $ 0.05 |
| Weighted average shares used in computing net income per share, basic | 254,391 | 260,830 | 255,501 | 266,187 |
| Net income per share, diluted | $ 0.05 | $ 0.01 | $ 0.04 | $ 0.04 |
| Weighted average shares used in computing net income per share, diluted | 263,201 | 271,934 | 264,442 | 279,695 |

See accompanying notes to the unaudited condensed consolidated financial statements

**SPRINKLR, INC.**

**Condensed Consolidated Statements of Comprehensive Income**

***(in thousands)***

***(unaudited)***

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** |
| Net income | $ 12,615 | $ 1,841 | $ 11,047 | $ 12,475 |
| Foreign currency translation adjustments | (1,970) | 652 | 2,425 | 58 |
| Unrealized (losses) gains on investments, net of tax | (120) | 321 | (198) | (473) |
| Total comprehensive income, net of tax | $ 10,525 | $ 2,814 | $ 13,274 | $ 12,060 |

See accompanying notes to the unaudited condensed consolidated financial statements

**SPRINKLR, INC.**

**Condensed Consolidated Statements of Stockholders' Equity**

***(in thousands)***

***(unaudited)***

| | Class A and Class B Common Stock | | Additional Paid-in Capital | Treasury Stock | | Accumulated Other Comprehensive Loss | Accumulated Deficit | Total Stockholders' Equity |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | | Shares | Amount | | | |
| **Balance at April 30, 2025** | 257,899 | $ 8 | $ 1,293,880 | 14,131 | $ (23,831) | $ (2,652) | $ (627,633) | $ 639,772 |
| Stock-based compensation - equity classified awards | — | — | 21,692 | — | — | — | — | 21,692 |
| Exercise of stock options and vesting of restricted stock units | 3,286 | — | 10,092 | — | — | — | — | 10,092 |
| Issuance of common shares upon ESPP purchases | 412 | — | 2,785 | — | — | — | — | 2,785 |
| Common stock repurchased, including accrued excise tax | (16,495) | (1) | — | — | — | — | (141,428) | (141,429) |
| Other comprehensive loss | — | — | — | — | — | (2,090) | — | (2,090) |
| Net income | — | — | — | — | — | — | 12,615 | 12,615 |
| **Balance at July 31, 2025** | 245,102 | $ 7 | $ 1,328,449 | 14,131 | $ (23,831) | $ (4,742) | $ (756,446) | $ 543,437 |
| | | | | | | | | |
| **Balance at April 30, 2024** | 268,114 | $ 8 | $ 1,205,948 | 14,131 | $ (23,831) | $ (5,224) | $ (565,970) | $ 610,931 |
| Stock-based compensation - equity classified awards | — | — | 15,473 | — | — | — | — | 15,473 |
| Exercise of stock options and vesting of restricted stock units | 1,917 | — | 7,593 | — | — | — | — | 7,593 |
| Issuance of common shares upon ESPP purchases | 454 | — | 3,403 | — | — | — | — | 3,403 |
| Common stock repurchased, including accrued excise tax | (17,119) | — | — | — | — | — | (171,247) | (171,247) |
| Other comprehensive income | — | — | — | — | — | 973 | — | 973 |
| Net income | — | — | — | — | — | — | 1,841 | 1,841 |
| **Balance at July 31, 2024** | 253,366 | $ 8 | $ 1,232,417 | 14,131 | $ (23,831) | $ (4,251) | $ (735,376) | $ 468,967 |

See accompanying notes to the unaudited condensed consolidated financial statements

**SPRINKLR, INC.**

**Condensed Consolidated Statements of Stockholders' Equity**

***(in thousands)***

***(unaudited)***

| | Class A and Class B Common Stock | | Additional Paid-in Capital | Treasury Stock | | Accumulated Other Comprehensive Loss | Accumulated Deficit | Total Stockholders' Equity |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | | Shares | Amount | | | |
| **Balance at January 31, 2025** | 255,443 | $ 8 | $ 1,268,920 | 14,131 | $ (23,831) | $ (6,969) | $ (626,065) | $ 612,063 |
| Stock-based compensation - equity classified awards | — | — | 43,805 | — | — | — | — | 43,805 |
| Exercise of stock options and vesting of restricted stock units | 5,742 | — | 12,939 | — | — | — | — | 12,939 |
| Issuance of common shares upon ESPP purchases | 412 | — | 2,785 | — | — | — | — | 2,785 |
| Common stock repurchased, including accrued excise tax | (16,495) | (1) | — | — | — | — | (141,428) | (141,429) |
| Other comprehensive income | — | — | — | — | — | 2,227 | — | 2,227 |
| Net income | — | — | — | — | — | — | 11,047 | 11,047 |
| **Balance at July 31, 2025** | 245,102 | $ 7 | $ 1,328,449 | 14,131 | $ (23,831) | $ (4,742) | $ (756,446) | $ 543,437 |
| | | | | | | | | |
| **Balance at January 31, 2024** | 273,265 | $ 8 | $ 1,182,150 | 14,131 | $ (23,831) | $ (3,836) | $ (474,787) | $ 679,704 |
| Stock-based compensation - equity classified awards | — | — | 29,629 | — | — | — | — | 29,629 |
| Exercise of stock options and vesting of restricted stock units | 5,106 | — | 17,235 | — | — | — | — | 17,235 |
| Issuance of common shares upon ESPP purchases | 455 | — | 3,403 | — | — | — | — | 3,403 |
| Common stock repurchased, including accrued excise tax | (25,460) | — | — | — | — | — | (273,064) | (273,064) |
| Other comprehensive loss | — | — | — | — | — | (415) | — | (415) |
| Net income | — | — | — | — | — | — | 12,475 | 12,475 |
| **Balance at July 31, 2024** | 253,366 | $ 8 | $ 1,232,417 | 14,131 | $ (23,831) | $ (4,251) | $ (735,376) | $ 468,967 |

See accompanying notes to the unaudited condensed consolidated financial statements

**SPRINKLR, INC.**

**Condensed Consolidated Statements of Cash Flows**

***(in thousands)***

***(unaudited)***

| | Six Months Ended July 31, | |
|---|---|---|
| | **2025** | **2024** |
| Cash flow from operating activities: | | |
| Net income | $ 11,047 | $ 12,475 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization expense | 9,348 | 9,118 |
| Provision for credit losses | 2,468 | 11,103 |
| Stock-based compensation, net of amounts capitalized | 42,584 | 28,947 |
| Non-cash lease expense | 3,914 | 4,164 |
| Deferred income taxes | 9,822 | (40) |
| Net amortization/accretion on marketable securities | (3,587) | (7,436) |
| Other non-cash items, net | 31 | 216 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | 80,987 | 67,292 |
| Prepaid expenses and other current assets | (6,330) | (15,289) |
| Other non-current assets | 2,499 | (1,473) |
| Accounts payable | 609 | (9,268) |
| Operating lease liabilities | (4,024) | (2,665) |
| Accrued expenses and other current liabilities | (17,477) | (26,683) |
| Deferred revenue | (13,186) | (7,858) |
| Other liabilities | (138) | 431 |
| Net cash provided by operating activities | 118,567 | 63,034 |
| Cash flow from investing activities: | | |
| Purchases of marketable securities | (269,697) | (136,136) |
| Proceeds from sales and maturities of marketable securities | 262,629 | 292,298 |
| Purchases of property and equipment | (654) | (4,028) |
| Capitalized internal-use software | (7,459) | (6,291) |
| Purchases of intangibles | (262) | — |
| Net cash (used in) provided by investing activities | (15,443) | 145,843 |
| Cash flow from financing activities: | | |
| Proceeds from issuance of common stock upon exercise of stock options | 12,939 | 17,235 |
| Proceeds from issuance of common stock upon ESPP purchases | 2,785 | 3,403 |
| Payments for repurchase of Class A common shares and related excise tax | (140,845) | (273,873) |
| Net cash used in financing activities | (125,121) | (253,235) |
| Effect of exchange rate fluctuations on cash, cash equivalents and restricted cash | 2,295 | (1,247) |
| Net change in cash, cash equivalents and restricted cash | (19,702) | (45,605) |
| Cash, cash equivalents and restricted cash at beginning of period | 153,533 | 172,429 |
| Cash, cash equivalents and restricted cash at end of period | $ 133,831 | $ 126,824 |
| | | |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for income taxes, net of refunds | $ 10,222 | $ 3,646 |
| | | |
| Supplemental disclosure for non-cash investing and financing: | | |
| Right-of-use assets obtained in exchange for operating lease liabilities | $ 3,023 | $ 21,439 |
| Accrued purchases of property and equipment | $ 83 | $ 1,146 |
| Stock-based compensation expense capitalized in internal-use software | $ 1,305 | $ 1,182 |
| Accrued for share repurchases and related excise tax | $ 2,493 | $ 2,086 |

See accompanying notes to the unaudited condensed consolidated financial statements

## 1. Organization and Description of Business

***Description of Business***

Founded in 2009, Sprinklr, Inc. ("Sprinklr" or the "Company") provides enterprise software products to enable the world's most valuable enterprises to respond, market, service and sell to customers on the channels they prefer using Sprinklr's AI-native platform for unified customer experience management ("Unified-CXM").

The Company was incorporated in Delaware in 2011 and is headquartered in New York, New York, USA with 21 operating subsidiaries globally.

## 2. Basis of Presentation and Summary of Significant Accounting Policies

***Basis of Presentation and Principles of Consolidation***

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America, ("U.S. GAAP"), and applicable rules and regulations of the Securities and Exchange Commission (the "SEC") regarding interim financial reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by U.S. GAAP have been condensed or omitted, and accordingly the balance sheet as of January 31, 2025, and related disclosures, have been derived from the audited consolidated financial statements at that date but do not include all of the information required by U.S. GAAP for complete consolidated financial statements. These unaudited condensed consolidated financial statements have been prepared on the same basis as the Company's annual consolidated financial statements and, in the opinion of management, reflect all adjustments (consisting only of normal recurring adjustments) that are necessary for the fair presentation of the Company's condensed consolidated financial information. The results of operations for the three and six months ended July 31, 2025 are not necessarily indicative of the results to be expected for the year ending January 31, 2026 or for any other interim period or for any other future year. Certain prior quarterly and annual amounts have been reclassified to conform to the current period presentation.

The accompanying interim unaudited condensed consolidated financial statements and related financial information should be read in conjunction with the audited consolidated financial statements and the related notes thereto for the year ended January 31, 2025 in the Company's Annual Report on Form 10-K (the "2025 10-K") filed with the SEC on March 21, 2025.

There have been no material changes in the significant accounting policies as described in the Company's consolidated financial statements for the fiscal year ended January 31, 2025 included in the 2025 10-K.

***Use of Estimates***

The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting periods. Significant estimates and assumptions made in the accompanying condensed consolidated financial statements include, but are not limited to, revenue recognition, fair value assumptions for stock-based compensation, software costs eligible for capitalization and the allowance on the Company's accounts receivable. The Company evaluates its estimates and assumptions on an ongoing basis using historical experience and on assumptions that it believes are reasonable and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results could differ materially from those estimates and assumptions.

***Segments***

The Company operates in one operating segment because the Company's offerings operate on its single Customer Experience Management Platform, the Company's products are deployed in a similar way, and the Company's chief operating decision maker ("CODM"), the Chief Executive Officer, evaluates the Company's financial information and assesses the performance of the Company on a consolidated basis. For additional segment information, refer to Note 14, Segment and Geographic Information.

***Cash, Cash Equivalents and Restricted Cash***

The following table reconciles cash, cash equivalents and restricted cash from the condensed consolidated balance sheets to amounts reported in the condensed consolidated statements of cash flows:

| *(in thousands)* | July 31, 2025 | January 31, 2025 |
|---|---|---|
| Cash and cash equivalents | $ 125,365 | $ 145,270 |
| Restricted cash included in prepaid expenses and other current assets [(1)] | 923 | 1,705 |
| Restricted cash included in other non-current assets [(1)] | 7,543 | 6,558 |
| Total cash, cash equivalents and restricted cash | $ 133,831 | $ 153,533 |

[(1)] Consists primarily of collateral for letters of credit issued in lieu of deposits on certain leases and customer contracts.

***Accounts Receivable and Allowance***

Changes in the allowance account for the periods presented were as follows:

| | Six Months Ended July 31, | |
|---|---|---|
| *(in thousands)* | 2025 | 2024 |
| Allowance, beginning of period | $ 8,059 | $ 5,267 |
| Write-offs of uncollectible accounts, net | (1,446) | (3,518) |
| Provision for expected credit losses | 2,468 | 10,743 |
| Allowance, end of period | $ 9,081 | $ 12,492 |

***Concentration of Risk and Significant Customers***

The Company's financial instruments that are potentially subject to credit risk consist primarily of cash and cash equivalents and accounts receivable. Although the Company deposits its cash with multiple financial institutions, its deposits generally exceed federally insured limits.

To manage credit risk related to accounts receivable, the Company maintains an allowance for credit losses, which consists of general and specific reserves. The Company determines its allowance for the general reserve by applying a loss-rate method based on an aging schedule using the Company's historical loss rate. The specific reserves are determined by considering customers' specific credit risk, macroeconomic trends and any other factors that could impact the collectability of receivables. The Company also considers reasonable and supportable current and forecasted information in determining its estimated loss rates, such as external forecasts, macroeconomic trends, or other factors, including customers' credit risk and historical loss experience. The Company's accounts receivable at July 31, 2025 are derived from invoiced customers located primarily in North America, Asia (which includes the Middle East) and Europe.

No single customer accounted for more than 10% of total revenue during the three and six months ended July 31, 2025 and 2024.

In addition, the Company relies upon third-party hosted infrastructure partners globally to serve customers and operate certain aspects of its services, such as environments for development testing, training, sales demonstrations, and production usage. Given this, any disruption of or interference at the Company's hosted infrastructure partners would impact the Company's operations and could adversely impact its business.

***Recently Issued Accounting Pronouncements Pending Adoption***

In December 2023, the FASB issued ASU 2023-09, *Income Taxes - Improvements to Income Tax Disclosures* ("ASU 2023-09"), requiring enhancements and further transparency to certain income tax disclosures, most notably the tax rate reconciliation and income taxes paid. ASU 2023-09 is effective for the Company's annual period beginning fiscal year 2026, on a prospective basis and retrospective application is permitted. The Company is currently evaluating the impact ASU 2023-09 will have on its disclosures within its consolidated financial statements.

In November 2024 and January 2025, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures: Disaggregation of Income Statement Expenses* ("ASU 2024-03") and ASU 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures: Disaggregation of Income Statement Expenses* ("ASU 2025-01"), respectively. These ASUs require new financial statement disclosures disaggregating prescribed expense categories within relevant income statement expense captions. ASU 2024-03 and ASU 2025-01 will be effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of these standards on its disclosures in the consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments - Credit Losses: Measurement of Credit Losses for Accounts Receivable and Contract Assets* ("ASU 2025-05"), introducing a practical expedient whereby when developing reasonable and supportable forecasts as part of estimating expected credit losses, entities may elect to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. ASU 2025-05 is effective for the Company's annual period beginning fiscal year 2027, on a prospective basis and early adoption is permitted. The Company is currently evaluating the impact ASU 2025-05 will have on its consolidated financial statements and disclosures within its consolidated financial statements.

**3. Revenue Recognition**

The Company derives its revenues primarily from (i) subscription revenue, which consists of subscription fees from customers accessing the Company's cloud-based software platform and applications, as well as related customer support services; and (ii) professional services revenue, which consists of fees associated with providing services that educate and assist the Company's customers with the configuration and optimization of the Company's software platform and applications. Professional services revenue also includes managed services fees where the Company's consultants work as part of its customers' teams to help leverage the subscription service to execute on their customer experience management goals.

***Costs to Obtain Customer Contracts***

Costs to obtain customer contracts, including commissions earned, that are considered incremental and recoverable are capitalized and amortized on a straight-line basis over the anticipated period of benefit. The Company determines the period of benefit by taking into consideration the length of its customer contracts, customer relationship period, technology lifecycle, and other factors. The Company currently estimates the period of benefit for which costs are amortized over five years. Sales commissions paid for renewals are not commensurate with commissions paid on the initial contract given the substantive difference in commission rates in proportion to their respective contract values. Amortization expense is recorded in sales and marketing expense within the Company's condensed consolidated statement of operations.

Capitalized costs to obtain customer contracts as of July 31, 2025 were $149.7 million, of which $49.0 million is included in prepaid expenses and other current assets and $100.7 million within other non-current assets. Capitalized costs to obtain customer contracts as of January 31, 2025 were $141.6 million, of which $39.4 million is included in prepaid expenses and other current assets and $102.2 million within other non-current assets.

During the three months ended July 31, 2025 and 2024, the Company amortized $13.0 million and $11.8 million, respectively, of costs to obtain customer contracts, included in sales and marketing expense. During the six months ended July 31, 2025 and 2024, the Company amortized $25.0 million and $23.8 million, respectively, of costs to obtain customer contracts, included in sales and marketing expense.

***Deferred Revenue***

Deferred revenue consists primarily of customer billings made in advance of performance obligations being satisfied and revenue being recognized. The Company recognized revenue of $245.3 million for the six months ended July 31, 2025 that was included in the deferred revenue balances at the beginning of the period.

The Company receives payments from customers based on billing schedules as established in its contracts. Contract assets represent amounts for which the Company has recognized revenue in excess of billings pursuant to the revenue recognition guidance. At July 31, 2025 and January 31, 2025, contract assets were $4.3 million and $1.9 million, respectively, and were included in prepaid expenses and other current assets.

***Remaining Performance Obligation***

Remaining Performance Obligation ("RPO") represents contracted revenues that had not yet been recognized and includes deferred revenues and amounts that will be invoiced and recognized in future periods. As of July 31, 2025, the Company's RPO was $923.8 million, approximately $597.1 million of which the Company expects to recognize as revenue over the next 12 months and the remaining balance will be recognized thereafter.

***Disaggregation of Revenues***

The Company disaggregates its revenue from contracts with customers by geographic region, as it believes that it best depicts how the nature, amount, timing, and uncertainty of its revenues and cash flows are affected by economic factors.

The following table summarizes the revenue by region based on the shipping address of customers who have contracted to use the cloud-based software platform:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **2025** | **2024** |
| Americas | $ 110,207 | $ 115,377 | $ 227,794 | $ 230,645 |
| EMEA | 81,651 | 67,194 | 153,687 | 133,105 |
| Other | 20,182 | 14,637 | 36,059 | 29,416 |
| Total revenue | $ 212,040 | $ 197,208 | $ 417,540 | $ 393,166 |

The United States was the only country that represented more than 10% of the Company's revenues, comprising $103.3 million and $107.8 million during the three months ended July 31, 2025 and 2024, respectively, and $213.0 million and $214.8 million during the six months ended July 31, 2025 and 2024, respectively.

**4. Marketable Securities**

The following is a summary of available-for-sale marketable securities, excluding those securities classified within cash and cash equivalents on the condensed consolidated balance sheets:

| | July 31, 2025 | | | |
|---|---|---|---|---|
| *(in thousands)* | **Amortized Cost** | **Unrealized Gains** | **Unrealized Losses** | **Fair value** |
| Corporate bonds | $ 100,690 | $ 17 | $ (59) | $ 100,648 |
| Municipal bonds | 3,351 | — | (3) | 3,348 |
| U.S. government and agency securities | 163,248 | — | (104) | 163,144 |
| Certificates of deposit | 27,508 | 4 | (10) | 27,502 |
| Commercial paper | 54,018 | — | (34) | 53,984 |
| Marketable securities | $ 348,815 | $ 21 | $ (210) | $ 348,626 |

| | January 31, 2025 | | | |
|---|---|---|---|---|
| *(in thousands)* | **Amortized Cost** | **Unrealized Gains** | **Unrealized Losses** | **Fair value** |
| Corporate bonds | $ 106,632 | $ 48 | $ (26) | $ 106,654 |
| Municipal bonds | 12,752 | — | (7) | 12,745 |
| U.S. government and agency securities | 120,032 | 28 | (52) | 120,008 |
| Certificates of deposit | 34,584 | 27 | — | 34,611 |
| Commercial paper | 64,180 | 16 | (25) | 64,171 |
| Marketable securities | $ 338,180 | $ 119 | $ (110) | $ 338,189 |

As of July 31, 2025 and January 31, 2025, the maturities of available-for-sale marketable securities did not exceed 12 months. Interest income from cash and cash equivalents and marketable securities was $5.8 million and $10.9 million for the three and six months ended July 31, 2025, respectively, and $7.0 million and $15.3 million for the three and six months ended 2024, respectively.

There were 93 and 40 debt securities in an unrealized loss position as of July 31, 2025 and January 31, 2025, respectively. The estimated fair value of these debt securities, for which an allowance for credit losses has not been recorded, was $311.6 million and $140.0 million as of July 31, 2025 and January 31, 2025, respectively. There were no expected credit losses recorded against the Company's investment securities as of July 31, 2025 and January 31, 2025.

Unrealized losses on the Company's debt securities are not considered to be credit-related based upon an analysis that considered the extent to which the fair value is less than the amortized basis of a security, adverse conditions specifically related to the security, changes to credit rating of the instrument subsequent to Company purchase, and the strength of the underlying collateral, if any.

Refer to Note 5, *Fair Value Measurements,* for information about the Company's fair value hierarchy for short-term marketable securities.

**5. Fair Value Measurements**

The following table presents information about the Company's financial assets that have been measured at fair value on a recurring basis as of July 31, 2025 and January 31, 2025, and indicates the fair value hierarchy of the valuation inputs utilized to determine such fair value:

| | July 31, 2025 | | | January 31, 2025 | | |
|---|---|---|---|---|---|---|
| *(in thousands)* | **Level 1** | **Level 2** | **Total** | **Level 1** | **Level 2** | **Total** |
| **Financial Assets:** | | | | | | |
| Cash Equivalents: | | | | | | |
| Money market funds | $ 23,419 | $ — | $ 23,419 | $ 57,158 | $ — | $ 57,158 |
| Marketable Securities: | | | | | | |
| Corporate bonds | — | 100,648 | 100,648 | — | 106,654 | 106,654 |
| Municipal bonds | — | 3,348 | 3,348 | — | 12,745 | 12,745 |
| U.S. government and agency securities | — | 163,144 | 163,144 | — | 120,008 | 120,008 |
| Certificates of deposit | — | 27,502 | 27,502 | — | 34,611 | 34,611 |
| Commercial paper | — | 53,984 | 53,984 | — | 64,171 | 64,171 |
| Total financial assets | $ 23,419 | $ 348,626 | $ 372,045 | $ 57,158 | $ 338,189 | $ 395,347 |

The Company classifies its highly liquid money market funds within Level 1 of the fair value hierarchy because they are valued based on quoted market prices in active markets. The Company classifies its commercial paper, corporate and municipal debt securities, U.S. government and agency securities and certificates of deposit within Level 2 because they are valued using inputs other than quoted prices that are directly or indirectly observable in the market, including readily available pricing sources for the identical underlying security, which may not be actively traded.

The Company's primary objective when investing excess cash is preservation of capital, hence the Company's marketable securities consist primarily of U.S. government and agency securities, high credit quality corporate debt securities and commercial paper. The Company has classified and accounted for its marketable securities as available-for-sale securities, as it may sell these securities at any time for use in the Company's current operations or for other purposes, even prior to maturity. As of July 31, 2025 and January 31, 2025, for fixed income securities that were in unrealized loss positions, the Company has determined that (i) it does not have the intent to sell any of these investments and (ii) it is not more likely than not that it will be required to sell any of these investments before recovery of the entire amortized cost basis. In addition, as of July 31, 2025, the Company anticipates that it will recover the entire amortized cost basis of such fixed income securities before maturity.

The Company regularly reviews the changes to the rating of its debt securities by rating agencies as well as reasonably monitors the surrounding economic conditions to assess the risk of expected credit losses. As discussed in Note 4, *Marketable Securities*, as of July 31, 2025 and January 31, 2025, there were no securities that were in an unrealized loss position for more than 12 months. The Company has not recorded any impairments in the periods presented.

## 6. Balance Sheet Components

***Prepaid Expenses and Other Current Assets***

Prepaid expenses and other current assets consisted of the following:

| *(in thousands)* | July 31, 2025 | January 31, 2025 |
|---|---|---|
| Prepaid hosting and data costs | $ 7,099 | $ 20,761 |
| Prepaid software costs | 10,373 | 10,251 |
| Prepaid marketing | 3,064 | 2,869 |
| Capitalized commissions costs, current portion | 48,959 | 39,353 |
| Contract assets | 4,286 | 1,860 |
| Security deposits, short-term | 1,371 | 1,519 |
| Taxes recoverable | 3,489 | 2,467 |
| Restricted cash | 923 | 1,705 |
| Employee advances | 4,921 | 3,345 |
| Other | 6,227 | 852 |
| Prepaid expenses and other current assets | $ 90,712 | $ 84,982 |

***Depreciation and Amortization***

Accumulated depreciation and amortization associated with fixed assets was $26.8 million and $24.8 million as of July 31, 2025 and January 31, 2025, respectively. Accumulated amortization associated with capitalized internal-use software was $49.7 million and $42.7 million as of July 31, 2025 and January 31, 2025, respectively.

Depreciation and amortization expense consisted of the following:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| *(in thousands)* | 2025 | 2024 | 2025 | 2024 |
| Depreciation and amortization expense | $ 1,156 | $ 1,501 | $ 2,414 | $ 3,106 |
| Amortization expense for capitalized internal-use software | $ 3,512 | $ 3,109 | $ 6,934 | $ 6,012 |

The Company capitalized internal-use software costs, including stock-based compensation, of $5.1 million and $4.0 million for the three months ended July 31, 2025 and 2024, respectively, and $8.8 million and $7.5 million for the six months ended July 31, 2025 and 2024, respectively.

***Accrued Expenses and Other Current Liabilities***

Accrued expenses and other current liabilities consisted of the following:

| *(in thousands)* | July 31, 2025 | January 31, 2025 |
|---|---|---|
| Bonuses | $ 14,993 | $ 20,463 |
| Commissions | 6,885 | 15,549 |
| Employee liabilities [1] | 13,097 | 15,994 |
| Purchased media costs [2] | 1,109 | 1,456 |
| Accrued restructuring costs [3] | 1,426 | — |
| Accrued sales and use tax liability | 7,097 | 6,505 |
| Accrued income taxes | 7,763 | 10,309 |
| Accrued deferred contract credits | 628 | 896 |
| Vendor and travel costs payable | 1,336 | 1,334 |
| Professional services | 1,016 | 1,030 |
| Withholding taxes payable | 1,459 | 910 |
| Other | 5,401 | 4,839 |
| Accrued expenses and other current liabilities | $ 62,210 | $ 79,285 |

[1] Includes $0.9 million and $1.0 million of accrued employee contributions under the Company's 2021 Employee Stock Purchase Plan ("ESPP") at July 31, 2025 and January 31, 2025, respectively.

[2] Purchased media costs consist of amounts owed to the Company's vendors for the purchase of advertising space on behalf of its customers.

[3] In February 2025, the Company implemented an approved plan for restructuring its global workforce by approximately 12% to help position the Company for long-term success by realigning employee costs with the current business and freeing up capital for incremental investments. Refer to Note 13, *Restructuring Charges*, for additional information.

**7. Leases**

The Company has leases for corporate offices under non-cancelable operating leases with various expiration dates. The Company did not have any finance leases during the three and six months ended July 31, 2025 and 2024.

The components of lease expense were as follows:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| *(in thousands)* | 2025 | 2024 | 2025 | 2024 |
| Operating lease cost | $ 3,048 | $ 3,332 | $ 6,031 | $ 6,194 |
| Variable lease cost | 356 | 319 | 705 | 648 |
| Short-term lease cost | 118 | 121 | 234 | 263 |
| Total lease cost | $ 3,522 | $ 3,772 | $ 6,970 | $ 7,105 |

The weighted average remaining lease term and discount rate were as follows:

| | July 31, 2025 | January 31, 2025 |
|---|---|---|
| Weighted average remaining lease term (years) | 6.69 | 7.16 |
| Weighted average discount rate | 8.51 % | 8.70 % |

The maturities of lease liabilities under non-cancelable operating leases, net of lease incentives, were as follows:

| *(in thousands)* | | |
|---|---|---|
| Fiscal year ended January 31, 2026 (remaining six months) | $ | 6,078 |
| 2027 | | 11,321 |
| 2028 | | 9,304 |
| 2029 | | 7,888 |
| 2030 | | 6,725 |
| 2031 | | 6,204 |
| Thereafter | | 16,490 |
| Total minimum lease payments | | 64,010 |
| Less: imputed interest | | (15,798) |
| Total | $ | 48,212 |

**8. Commitments and Contingencies**

***Cash Collateral Agreements***

In April 2023, the Company entered into cash collateral agreements with Silicon Valley Bank, a division of First Citizens Bank, in lieu of a letter of credit facility, which are associated with certain leases. Approximately $1.1 million and $1.3 million is outstanding on these cash collateral agreements as of July 31, 2025 and January 31, 2025, respectively, which the Company has classified within restricted cash. As of July 31, 2025 and January 31, 2025, nil and $0.7 million, respectively, of this restricted cash is recorded within prepaid expenses and other current assets on the condensed consolidated balance sheets. As of July 31, 2025 and January 31, 2025, $1.1 million and $0.6 million, respectively, is recorded within other non-current assets on the condensed consolidated balance sheets.

Starting in 2023, the Company has entered into cash collateral agreements with J.P. Morgan Bank in lieu of a letter of credit facility, through which approximately $7.3 million and $6.9 million is outstanding as of July 31, 2025 and January 31, 2025, respectively. As of July 31, 2025 and January 31, 2025, $0.9 million and $1.0 million, respectively, of this restricted cash is recorded within prepaid expenses and other current assets on the condensed consolidated balance sheets. As of July 31, 2025 and January 31, 2025, $6.4 million and $5.9 million, respectively, is recorded within other non-current assets on the condensed consolidated balance sheets.

***Legal Matters***

From time to time, the Company, various subsidiaries, and certain current and former officers and directors may be named as defendants in various lawsuits, claims, investigations and proceedings arising from the normal course of business. The Company also may become involved with contract issues and disputes with customers. With respect to litigation in general, based on the Company's experience, management believes that the amount of damages claimed in a case are not a meaningful indicator of the potential liability. Claims, suits, investigations and proceedings are inherently uncertain and it is not possible to predict the ultimate outcome of cases.

The Company makes a provision for a liability relating to legal matters when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. These provisions are reviewed at least quarterly and adjusted to reflect the impacts of negotiations, estimated settlements, legal rulings, advice of legal counsel and other information and events pertaining to a particular matter. In management's opinion, resolution of all current matters is not expected to have a material adverse impact on the Company's condensed consolidated results of operations, cash flows or financial position. However, if an unfavorable ruling were to occur in any specific period, there exists the possibility of a material adverse impact on the results of operations for that period.

On August 13, 2024, a putative securities class action (the "Securities Action") was filed in the U.S. District Court for the Southern District of New York, captioned *Boshart v. Sprinklr, Inc., et al.,* Case No. 1:24-cv-06132, naming the Company and certain of its officers as defendants. On November 22, 2024, the Court appointed a lead plaintiff for the putative class and changed the case title to *In re Sprinklr, Inc. Securities Litigation*. On January 24, 2025, the lead plaintiff filed an amended complaint asserting claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and Rule 10b-5 promulgated thereunder, on behalf of a putative class comprised of those who purchased or otherwise acquired the Company's securities between March 29, 2023 and June 5, 2024 (the "Class Period"). The amended complaint alleges that the defendants misled investors during the putative Class Period, including by failing to disclose risks associated with Sprinklr Service, one of its product suites, and that the Company was focusing resources on Sprinklr Service rather than other product suites, and primarily seeks compensatory damages for all affected members of the putative class. On March 17, 2025, the defendants moved to dismiss the amended complaint. Briefing on the motion to dismiss was completed on June 2, 2025 and the motion is currently pending before the Court. The Company intends to vigorously defend

against this lawsuit. Given the nature of the case, including that the proceedings are in their early stages, the Company is unable to predict the ultimate outcome of the case or estimate the range of potential loss, if any.

On March 18, 2025, a stockholder derivative action was filed in the U.S. District Court for the Southern District of New York, captioned *Coffey v. Thomas, et al.*, Case No. 1:25-cv-02242 (the *"Coffey* Action"). On March 26, 2025, a second stockholder derivative action was filed in the U.S. District Court for the Southern District of New York, captioned *Figurella v. Thomas, et al.*, Case No. 1:25-cv-02513 (the "*Figurella* Action"), asserting claims substantially similar to those alleged in the *Coffey* Action. On April 29, 2025, the *Coffey* Action was voluntarily dismissed. On April 30, 2025, a third stockholder derivative action with filed in the U.S. District Court for the Southern District of New York, captioned *Newman v. Thomas, et al.*, Case No. 1:25-cv-03591 (the "*Newman* Action"), asserting claims substantially similar to those alleged in the *Coffey* Action and *Figurella* Action. On May 2, 2025, the Court consolidated the *Figurella* Action and *Newman* Action under the caption *In re Sprinklr, Inc. Derivative Litigation*, Case No. 1:25-cv-02513, appointed co-lead counsel for plaintiffs, and ordered the parties to submit a proposal regarding further proceedings by July 1, 2025. On June 20, 2025, the Court entered an order granting the parties' stipulation to stay the derivative action pending either (i) the dismissal of the Securities Action, (ii) the filing of defendants' answer in the Securities Action, or (iii) in the event the parties no longer consent to the stay. The derivative complaints name the Company as a nominal defendant and purport to bring claims on behalf of the Company against certain of the Company's current and former directors and officers for alleged violations of the federal securities laws and breaches of their fiduciary duties, among other claims, in relation to substantially the same factual allegations as those made in the Securities Action. The derivative complaints primarily seek to recover for the Company compensatory damages, restitution, and equitable relief in the form of certain corporate governance reforms.

***Other Contractual Commitments***

Other contractual commitments consist primarily of non-cancelable minimum guaranteed purchase commitments for various data, hosting and software services, which the Company may renew as part of the normal course of business. Refer to Note 7, *Leases,* for the detail of future lease payments that impact the Company's cash requirements. There were no significant changes in the Company's material cash requirements as compared to the material cash requirements from known contractual and other obligations described in the 2025 10-K.

**9. Stockholders' Equity**

On January 4, 2024, the Company announced that its board of directors had authorized and approved a share repurchase plan (the "2024 Share Repurchase Program"), which authorized the Company to periodically repurchase up to $100 million of its Class A common stock through December 31, 2024. On March 26, 2024 and June 3, 2024, the Company's board of directors approved an additional $100 million of repurchases under the 2024 Share Repurchase Program, bringing the total amount authorized for purchase under the 2024 Share Repurchase Program to $300 million. During the second quarter of fiscal year 2025, the Company completed the full purchase authorization of $300 million under the 2024 Share Repurchase Program.

On June 4, 2025, the Company announced that its board of directors had authorized and approved a share repurchase plan (the "2025 Share Repurchase Program"), which authorized the Company to periodically repurchase up to $150 million of its Class A common stock through June 30, 2026.

All of the Company's repurchases are subject to a one percent excise tax enacted by the Inflation Reduction Act of 2022 (the "IRA"). All of the shares repurchased under the repurchase plans have been returned to the Company's authorized but unissued share reserve.

During the three and six months ended July 31, 2024, the Company repurchased 17,119,411 and 25,460,052 shares, respectively, of its Class A common stock for an aggregate cost of $169.8 million and $271.0 million, respectively, including commissions. The Company recorded excise taxes of $1.5 million and $2.1 million during the three and six months ended July 31, 2024, respectively, as part of the cost basis of shares acquired in its consolidated statement of stockholders' equity.

During the three and six months ended July 31, 2025, the Company repurchased 16,494,694 shares of its Class A common stock for an aggregate cost of $140.4 million, including commissions. The Company recorded excise taxes of $1.0 million during each of the three and six months ended July 31, 2025 as part of the cost basis of shares acquired in its consolidated statement of stockholders' equity. As of July 31, 2025, the remaining amount authorized for share repurchase under the 2025 Share Repurchase Program was $9.9 million. Between August 1, 2025 and August 7, 2025, the Company purchased an additional 1,121,854 shares of its Class A common stock for an aggregate cost of $9.9 million including commissions and completed the full purchase authorization of $150 million under the 2025 Share Repurchase Program.

**10. Stock-Based Compensation**

***Equity Award Plans***

The Company has two equity incentive plans, the Sprinklr, Inc. 2021 Equity Incentive Plan (the "2021 Plan") and the Sprinklr, Inc. 2011 Equity Incentive Plan (the "2011 Plan"). The 2011 Plan was terminated as to future awards in June 2021 upon the adoption of the 2021 Plan, although it continues to govern the terms of any equity grants that remain outstanding under the 2011 Plan.

The 2021 Plan provides for the grant of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock awards, restricted stock units ("RSUs"), performance-based stock units ("PSUs") and other forms of awards to employees, directors and consultants, including employees and consultants of the Company's affiliates, as permitted by law.

In June 2021, the Company also adopted its ESPP, under which employees can purchase common stock through payroll deductions at a price equal to 85% of the lower of the fair market value of the Class A common stock on (i) the first trading day of each offering period and (ii) the last trading day of each related offering period.

***Summary of Stock Option Activity***

A summary of the Company's stock option activity for the six months ended July 31, 2025 is as follows:

| | Number of Stock Options | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life |
|---|---|---|---|
| | *(in thousands)* | | *(in years)* |
| Outstanding as of January 31, 2025 | 18,572 | $ 6.60 | 4.7 |
| Exercised | (2,753) | 4.70 | |
| Forfeited | (1,060) | 10.97 | |
| Expired | (2) | 1.71 | |
| Outstanding as of July 31, 2025 | 14,757 | $ 6.64 | 4.6 |
| | | | |
| Exercisable as of July 31, 2025 | 14,067 | $ 6.35 | 4.4 |
| Vested and expected to vest as of July 31, 2025 | 14,751 | $ 6.64 | 4.6 |

***Summary of Restricted Stock Unit Activity***

A summary of the Company's RSU activity for the six months ended July 31, 2025 is as follows:

| | Number of Restricted Stock Units | Weighted Average Grant Date Fair Value |
|---|---|---|
| | *(in thousands)* | |
| Outstanding as of January 31, 2025 | 14,750 | $ 10.46 |
| Granted | 11,408 | 8.92 |
| Released | (2,989) | 11.72 |
| Cancelled/forfeited | (2,509) | 11.19 |
| Outstanding as of July 31, 2025 | 20,660 | $ 9.34 |

***Summary of Performance-Based Stock Units Activity***

A summary of the Company's PSU activity for the six months ended July 31, 2025 is as follows:

| | Number of Performance Stock Units | Weighted Average Grant Date Fair Value |
|---|---|---|
| | *(in thousands)* | |
| Outstanding as of January 31, 2025 | 2,918 | $ 8.31 |
| Granted | 810 | 12.91 |
| Cancelled/forfeited | (280) | 8.06 |
| Outstanding as of July 31, 2025 | 3,448 | $ 9.41 |

As of July 31, 2025, the Company had 660,000 PSUs outstanding associated with a January 2021 grant ("2021 PSUs"). These awards vest over a five-year period if certain performance and market conditions are met. The performance condition was met in June 2021 and the market conditions have not yet been met as of July 31, 2025. If the market conditions are not met on or prior to January 28, 2026, the 2021 PSUs will not vest and will be subsequently cancelled.

From November 2024 through July 2025, the Company granted 2,947,019 PSUs to its executives (the "2024 and 2025 PSUs"). Seventy-five percent of the 2024 and 2025 PSUs are associated with a market condition relating to total shareholder return ("Market Condition PSUs") and twenty-five percent of the 2024 and 2025 PSUs are associated with a performance condition relating to the achievement of an internal metric calculated based on revenue and non-GAAP operating income growth over an approximately three-year period ("Performance Condition PSUs"). Each of the Market Condition PSUs and Performance Condition PSUs will vest between zero and 200% depending on the achievement level of the market and performance conditions, respectively. If the market or performance conditions are not met by their respective achievement dates in fiscal year 2028, the associated awards will not vest and will be subsequently cancelled.

As of July 31, 2025, it was deemed probable that 100% of the performance conditions associated with the 2024 and 2025 PSUs will vest. As of July 31, 2025, the Company had 2,787,019 2024 and 2025 PSUs outstanding.

To determine the fair value of the 2024 and 2025 PSUs, the Company utilized a Monte Carlo simulation. The inputs included in the valuations were as follows:

| | |
|---|---|
| Vest-term | Three years |
| Volatility | 48.8% - 53.7% |
| Risk-free rate | 3.91% - 4.22% |
| Fair value of common stock at grant date | $8.21 - $9.14 |
| Dividend yield | 0% |
| Expected term | Three years |
| Fair value valuation | $11.82 - $14.84 |

***Stock-Based Compensation Expense***

Stock-based compensation expense included in operating results was allocated as follows:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **2025** | **2024** |
| Costs of subscription | $ 223 | $ 327 | $ 488 | $ 610 |
| Costs of professional services | 726 | 364 | 1,118 | 681 |
| Research and development | 4,204 | 2,834 | 8,090 | 5,408 |
| Sales and marketing | 6,124 | 5,802 | 12,419 | 11,406 |
| General and administrative | 10,027 | 5,765 | 19,603 | 10,842 |
| Restructuring | — | — | 866 | — |
| Stock-based compensation, net of amounts capitalized | 21,304 | 15,092 | 42,584 | 28,947 |
| Capitalized stock-based compensation | 388 | 631 | 1,305 | 1,182 |
| Total stock-based compensation | $ 21,692 | $ 15,723 | $ 43,889 | $ 30,129 |

**11. Net Income Per Share**

The Company has two classes of common stock: Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except with respect to voting, conversion and transfer rights. As the liquidation and dividend rights are identical, the undistributed earnings are allocated on a proportionate basis to each class of common stock and the resulting basic and diluted net income per share attributable to common stockholders are, therefore, the same for both Class A and Class B common stock on both an individual and combined basis.

Basic net income per share is computed by dividing net income attributable to common stockholders (the numerator) by the weighted-average number of common shares outstanding (the denominator) for the period. Diluted net income per share is calculated by giving effect to all potential dilutive common stock equivalents, which includes stock options, restricted stock units and other awards.

The following table sets forth the computation of basic and diluted net income per share:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| *(in thousands, except per share data)* | **2025** | **2024** | **2025** | **2024** |
| Net income per share – basic: | | | | |
| Numerator: | | | | |
| Net income | $ 12,615 | $ 1,841 | $ 11,047 | $ 12,475 |
| Denominator: | | | | |
| Weighted-average shares outstanding used in computing net income per share, basic | 254,391 | 260,830 | 255,501 | 266,187 |
| Net income per common share, basic | $ 0.05 | $ 0.01 | $ 0.04 | $ 0.05 |
| Net income per share – diluted: | | | | |
| Numerator: | | | | |
| Net income | $ 12,615 | $ 1,841 | $ 11,047 | $ 12,475 |
| Denominator: | | | | |
| Weighted-average shares outstanding used in computing net income per share, basic | 254,391 | 260,830 | 255,501 | 266,187 |
| Weighted-average effect of diluted securities: | | | | |
| Stock options | 5,124 | 7,953 | 5,427 | 9,021 |
| PSUs | 1,822 | — | 1,927 | — |
| RSUs | 1,864 | 3,057 | 1,587 | 4,167 |
| Common stock warrants | — | 94 | — | 320 |
| Weighted-average shares outstanding used in computing net income per share, diluted | 263,201 | 271,934 | 264,442 | 279,695 |
| Net income per common share, diluted | $ 0.05 | $ 0.01 | $ 0.04 | $ 0.04 |

Potentially dilutive securities that were not included in the diluted per share calculations because they would be anti-dilutive were as follows:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **2025** | **2024** |
| Stock options | 3,870 | 5,364 | 3,870 | 5,171 |
| PSUs | 697 | 780 | 697 | 780 |
| RSUs | 10,481 | 3,212 | 12,408 | 1,426 |
| ESPP | 121 | 84 | 121 | 92 |
| Warrants to purchase common stock | 2,500 | — | 2,500 | — |
| Total shares excluded from net income per share | 17,669 | 9,440 | 19,596 | 7,469 |

**12. Income Taxes**

The Company computes its year-to-date provision for income taxes by applying the estimated annual effective tax rate to year-to-date pretax income or loss and adjusts the provision for discrete tax items recorded in the period. During the three months ended July 31, 2025 and 2024, the Company recorded an income tax provision of $11.1 million and $4.5 million, respectively. During the six months ended July 31, 2025 and 2024, the Company recorded an income tax provision of $17.9 million and $7.1 million, respectively.

During the three and six months ended July 31, 2025, the Company's effective tax rate differed from the U.S. federal statutory tax rate primarily due to the impact of non-deductible items, stock-based compensation and foreign tax rate differential on non-U.S. income. During the three and six months ended July 31, 2025, the Company also recorded discrete income tax expense related to impacts of non-deductible stock-based compensation of $1.5 million and $4.5 million, respectively, and withholding tax of $1.9 million and $3.5 million, respectively. During the three and six months ended July 31, 2024, the Company's effective tax rate differed from the U.S. federal statutory tax rate primarily due to a full valuation allowance related to the Company's U.S. deferred tax assets, partially offset by state taxes and the foreign tax rate differential on non-U.S. income.

The Company had a valuation allowance of $0.7 million as of July 31, 2025 and January 31, 2025. The Company monitors the realizability of its deferred tax assets taking into account all relevant factors at each reporting period. As of January 31, 2025, based on the relevant weight of positive and negative evidence, including cumulative taxable income over the past three years, which is objective and verifiable, and consideration of the Company's expected future taxable earnings, the Company concluded that it is more likely than not that its U.S. federal and state deferred tax assets are realizable. As such, the Company released $87.1 million of its valuation allowance associated with the U.S. federal and state deferred tax assets during the year ended January 31, 2025.

The IRA was signed into law on August 16, 2022. The bill was meant to address the high inflation rate in the U.S. through various climate, energy, healthcare, and other incentives. These incentives are meant to be paid for by the tax provisions included in the IRA, such as a new 15 percent corporate minimum tax, a new one percent excise tax on stock buybacks, additional IRS funding to improve taxpayer compliance, and other items. During both the three and six months ended July 31, 2025, the Company paid $1.9 million in excise taxes associated with the 2024 Share Repurchase Program. As of July 31, 2025, the Company has accrued $1.0 million of excise taxes associated with the 2025 Share Repurchase Program. At this time, none of the IRA tax provisions are expected to have a material impact to the Company's fiscal year 2026 tax provision. The Company will continue to monitor for updates to the Company's business along with guidance issued with respect to the IRA.

On July 4, 2025, the One Big Beautiful Bill Act (the "OBBBA") was enacted into law in the United States. The OBBBA includes significant changes, such as the permanent extension of certain provisions that were originally enacted in the 2017 Tax Cuts and Jobs Act and were set to expire on December 31, 2025, modifications to certain international tax provisions and the restoration of tax treatment for certain business provisions, including 100% bonus depreciation for certain qualified property, domestic research and experimental cost expensing, and the business interest expense limitation. The new legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We currently are assessing the impact on our condensed consolidated financial statements, as well as our annual estimated effective tax rate. However, we do not expect the OBBBA to have a material impact.

**13. Restructuring Charges**

In May 2024, the Company implemented an approved plan for restructuring its global workforce by approximately 3% to reduce operating costs and better align its workforce with the needs of its business. The majority of the associated costs, including severance and benefits, were incurred in the second quarter of fiscal year 2025. For the three and six months ended July 31, 2024, the Company incurred a total of $3.8 million in restructuring costs.

In February 2025, the Company implemented an approved plan for restructuring its global workforce by approximately 12% to help position the Company for long-term success by realigning employee costs with the current business and freeing up capital for incremental investments. The majority of the associated costs, including severance, benefits and the acceleration of equity awards, were incurred in the first half of fiscal 2026. For the three months ended July 31, 2025, the Company incurred a reversal of restructuring costs of $1.0 million. For the six months ended July 31, 2025, the Company incurred restructuring costs of $15.3 million, which includes stock-based compensation expense of $0.9 million.

Changes in the Company's restructuring liability are set forth in the table below:

| *(in thousands)* | 2025 | 2024 |
|---|---|---|
| Accrual at January 1 | $ — | $ — |
| Restructuring charges | 14,463 | 3,830 |
| Cash Payments | (13,037) | (1,754) |
| Accrual at July 31 | $ 1,426 | $ 2,076 |

Restructuring liabilities are included in accrued expenses and other current liabilities in the condensed consolidated balance sheet, the majority of which is expected to be paid in the second half of fiscal 2026.

**14. Segment and Geographic Information**

The Company's operations consist of one operating and reportable segment reflecting the manner in which operations are managed and the criteria used by the CODM to evaluate performance, develop strategy, and allocate resources. The Company's one segment provides enterprise cloud software products that enable organizations to do marketing, advertising, research, care, sales and engagement across modern channels including social, messaging, chat and text through its Unified Customer Experience Management software platform. The CODM makes operating performance assessments and resource allocation decisions on a global basis using net income, which is also reported on the consolidated statements of operations as "net income." Our CODM uses net income to make operating decisions based on historical results and forecasts for future periods. The measure of segment assets is reported on its consolidated balance sheets as "total assets." There is no expense or asset information that is supplemental to those disclosed in these consolidated financial statements that is regularly provided to the CODM. Other segment items included in consolidated net income are depreciation and amortization, interest income and provision for income taxes, which are included in the consolidated statements of operation or within other notes to these consolidated financial statements. The accounting policies of the Company's reportable segment are the same as its consolidated accounting policies.

**15. Related Party Transactions**

The Company engaged Lyearn Inc. ("Lyearn"), a learning management system company that is wholly owned by Ragy Thomas, the Company's Founder and Chairman, in connection with the provision of digital training services to the Company's employees and certain Sprinklr customers. The Company paid nil and approximately $0.1 million to Lyearn in connection with the digital training services provided to employees during the six months ended July 31, 2025 and 2024, respectively. There were no payments in connection with the digital training services provided to employees during each of the three months ended July 31, 2025 and 2024.

The Company paid approximately $0.1 million to Lyearn in connection with the digital training services provided to a customer during each of the three and six months ended July 31, 2025 and 2024.

The Company recognized expenses of $0.1 million during each of the three and six months ended July 31, 2025 and 2024 related to the arrangements. As of both July 31, 2025 and January 31, 2025, the Company had outstanding payables of $0.1 million related to the arrangements.

This related party transaction has been reviewed and approved by the audit committee of the Company's board of directors.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q (this "Form 10-Q"), and our audited consolidated financial statements and the related notes included in our Annual Report on Form 10-K for the fiscal year ended January 31, 2025 (the "2025 10-K"), filed with the Securities and Exchange Commission (the "SEC") on* March 21, 2025. *This discussion, particularly information with respect to our future results of operations or financial condition, business strategy and plans and objectives of management for future operations, includes forward-looking statements that involve risks and uncertainties as described under the heading "Special Note Regarding Forward-Looking Statements" in this Form 10-Q. You should review the disclosure under the heading "Risk Factors" in this Form 10-Q for a discussion of important factors that could cause our actual results to differ materially from those anticipated in these forward-looking statements.*

Certain prior quarterly and annual amounts have been reclassified to conform to the current period presentation.

**Overview**

Sprinklr is redefining the world's ability to make every customer experience extraordinary.

We do this with our evolving enterprise software – Unified Customer Experience Management ("Unified-CXM") – that enables customer-facing teams, from Customer Service to Marketing, to collaborate across internal silos, communicate across digital channels, and leverage AI to deliver better customer experiences at scale – all on one unified, AI-based platform. Sprinklr has four main product suites: Sprinklr Social, Sprinklr Insights, Sprinklr Marketing and our newest offering, Sprinklr Service. We believe that these four suites enable the world's largest and leading brands to better reach, engage and listen to their customers on the channel of their choice. We continue to invest in the unified platform and develop new features and enhancements to each suite as our customers' needs evolve.

Our Unified-CXM platform utilizes an architecture purpose-built for managing Customer Experience Management ("CXM") data and is powered by proprietary AI, collaborative workflow, seamless automation, broad-based listening and customer-led governance to help enterprises analyze massive amounts of unstructured and structured data.

We generate revenue from the sale of subscriptions to our Unified-CXM platform and related professional services. Our platform includes products that are licensed on a per-user basis as well as products that are licensed based on different tiers of volume.

We believe that our Unified-CXM platform is highly effective for organizations of all sizes, and we have a highly diverse group of customers across a broad array of industries and geographies. We focus primarily on selling our platform to large global enterprises, as we believe that we have significant competitive advantages attracting and serving such organizations given their complex needs and the broad capabilities our platform offers.

Our customers include global enterprises across a broad array of industries and geographies, as well as marketing agencies and government departments along with non-profit and educational institutions. Our customers are located in over 80 countries, and our AI-based CXM platform recognizes over 150 languages. We define our large customers as customers with greater than or equal to $1.0 million in subscription revenue on a trailing 12-month basis, as of the period presented. As of July 31, 2025, we had 149 large customers, compared to 145 as of July 31, 2024.

**Key Business Metrics**

We review a number of operating and financial metrics, including the following key metrics, to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions.

***RPO and cRPO***

Remaining Performance Obligation ("RPO") represents contracted revenue that has not yet been recognized and includes deferred revenue and amounts that will be invoiced and recognized in future periods. Current RPO ("cRPO") represents contracted revenue that has not yet been recognized and includes deferred revenue and amounts that will be invoiced and recognized in the next 12 months. As of July 31, 2025, our RPO expected to be recognized as revenue was $923.8 million and our cRPO was $597.1 million.

***Net Dollar Expansion Rate***

We believe that net dollar expansion rate ("NDE") is an indicator of the value that our platform delivers to customers. We calculate NDE to measure our ability to retain and expand subscription revenue from our existing customers. NDE compares our subscription revenue from the same set of customers across comparable periods and reflects customer renewals, expansion, contraction and churn. We calculate NDE by dividing (i) subscription revenue in the trailing 12-month period from those customers who were on our platform during the most recent prior 12-month period by (ii) subscription revenue from the same customers in the preceding prior 12-month period. This calculation is net of upsells, contraction, cancellation or expansion during the period but excludes subscription revenue from new customers. Our NDE, on a trailing 12-month basis, was 102.2% and 110.8% for the 12-month periods ending July 31, 2025 and 2024, respectively. The decrease year-over-year was driven by elevated churn and down-selling of certain existing customers, partially driven by the current macroeconomic environment.

**Macroeconomic Considerations**

Unfavorable conditions in the economy both in the United States and abroad may negatively affect the growth of our business and our results of operations. For example, macroeconomic events, including fluctuations in inflation and interest rates, the imposition of tariffs in the United States and abroad, and the Russia-Ukraine and Israel-Hamas wars, have led to economic uncertainty globally. Historically, during periods of economic uncertainty and downturns, businesses may slow spending on information technology, which may impact our business and our customers' businesses. While we have experienced growing inflationary pressures on the cost of wages, rent and data, the net result of inflationary impacts and our efforts to mitigate these impacts have not been material to us during the periods included in this report. In addition, general economic weakness may lead to longer collection cycles for payments due from our customers and an increase in customer provision for credit losses, as well as restructuring initiatives and associated expenses, and customers and potential customers may require extended financial concessions, which could result in adjustments to revenue recognition.

The effect of macroeconomic conditions may not be fully reflected in our results of operations until future periods. If, however, economic uncertainty increases or the global economy worsens, our business, financial condition and results of operations may be harmed. For further discussion of the potential impacts of macroeconomic events on our business, financial condition, and operating results, see the section titled "Risk Factors" included in Part II, Item 1A of this Form 10-Q and Part I, Item 1A of the 2025 10-K.

**Components of Results of Operations**

***Revenue***

We generate revenue from the sale of subscriptions to our Unified-CXM cloud-based software platform and related professional services.

Subscription revenue consists primarily of fees from customers accessing our proprietary Unified-CXM platform, as well as related support services. Subscription revenue is generally recognized ratably over the related contract term beginning on the commencement date of each contract, which is generally the date our service is made available to customers. Our subscriptions typically have a term of one to three years. Historically, we have experienced seasonality in our sales cycle, as a large percentage of our customers make their purchases in the fourth quarter of a given fiscal year and pay us in the first quarter of the subsequent year. This seasonality may be reflected to a much lesser extent, and sometimes may not be immediately apparent, in our revenue, due to the fact that we recognize subscription revenue over the term of the applicable subscription agreement.

Professional services revenue consists of fees associated with providing services that assist our customers with the configuration and optimization of our Unified-CXM software. These fees also include managed services fees where our consultants work as part of our customers' teams to help leverage the subscription services to execute on their customer experience management goals and enablement services, which consist of initial design, configuration and education services.

***Costs of Revenue***

*Costs of Subscription Revenue*

Costs of subscription revenue consists primarily of costs to host our software platform, data costs, including cost of third-party data utilized in our platform, personnel-related expenses for our subscription and support operations personnel, including salaries, benefits, bonuses and stock-based compensation, professional fees, software costs, travel expenses, the amortization of our capitalized internal-use software and allocated overhead expenses, including facilities costs for our subscription and support operations. We expect that costs of subscription revenue will increase in absolute dollars as we expand our customer base and make continued investments in our cloud infrastructure and support organization.

*Costs of Professional Services Revenue*

Costs of professional services revenue consists primarily of personnel-related expenses for our professional services personnel, including salaries, benefits, bonuses and stock-based compensation, professional fees, software costs, subcontractor costs, travel expenses and allocated overhead expenses, including facilities costs, for our professional services organization. We expect that our costs of professional services revenue will increase in absolute dollars as we continue to increase our use of partners and increase headcount in the delivery of implementation services and expand our customer base.

***Gross Profit and Gross Margin***

Gross profit is total revenue less total costs of revenue. Gross margin is gross profit expressed as a percentage of total revenue. We expect that gross profit and gross margin will continue to be affected by various factors, including our pricing, our mix of revenues and the costs required to deliver those revenues.

Our gross margin on subscription revenue is significantly higher than our gross margin on professional services revenue, and as a result our gross margin may vary from period to period if our mix of revenue or costs of revenue fluctuates. In addition, because personnel-related expenses represent the largest component in costs of professional services revenue, we may experience changes in our professional services gross margin due to the timing of delivery of those services. We expect that our gross margin will decline in the near term due to higher data and hosting costs coupled with higher service delivery costs and, in the long term, will vary from period to period.

***Operating Expenses***

Our operating expenses consist of research and development, sales and marketing, general and administrative and restructuring expenses.

***Research and Development Expense***

Research and development expense consists primarily of costs relating to the maintenance, continued development and enhancement of our cloud-based software platform and includes personnel-related expense for our research and development organization, including salaries, benefits, bonuses and stock-based compensation, professional fees, travel expenses and allocated overhead expenses, including facilities costs. Research and development expenses are expensed as incurred, except for internal-use software development costs that qualify for capitalization. We expect research and development expense to generally increase in absolute dollars as we continue to invest in enhancing and expanding the capabilities of our Unified-CXM platform.

*Sales and Marketing Expense*

Sales and marketing expense consists primarily of personnel-related expenses for our sales and marketing organization, including salaries, benefits, bonuses and stock-based compensation, professional fees, software costs, advertising, marketing, promotional and brand awareness activities, travel expenses and allocated overhead expense, including facilities costs. Sales commissions earned by our sales force are considered incremental and recoverable costs of obtaining a contract with a customer and are deferred and amortized on a straight-line basis over the expected period of benefit. In the near term, we expect sales and marketing expense to decrease given recent restructuring activities. In the long term, we expect sales and marketing expense to generally increase in absolute dollars as we continue to drive the growth of our business. We continue to optimize our sales and marketing expense and seek efficiencies in our investments.

*General and Administrative Expense*

General and administrative expense includes personnel-related expenses associated with administrative services, such as legal, human resources, information technology, accounting, and finance functions, as well as professional fees, software costs, travel expenses, provision for credit losses and allocated overhead expense, including facilities costs and any corporate overhead expenses not allocated to other expense categories.

We expect that our general and administrative expense will decrease in the near term as a result of cost saving initiatives and generally increase in absolute dollars in the long term as we continue to grow our business.

*Restructuring Expense*

Restructuring expense includes costs associated with the global workforce reduction implemented in the first quarter of fiscal year 2026. The majority of these costs consist of severance, benefits and the acceleration of equity awards.

***Other Income, Net***

Other income, net, consists of interest income on invested cash and cash equivalents and marketable securities, foreign currency transaction gains and losses and other expenses and gains.

***Provision for Income Taxes***

Provision for income taxes consists primarily of income taxes related to foreign and U.S. jurisdictions in which we conduct business. Our annual estimated effective tax rate differed from the U.S. federal statutory rate in fiscal 2026 primarily due to the impact of non-deductible items, stock-based compensation and foreign tax rate differential on non-U.S. income and withholding taxes. Our annual estimated effective tax rate differed from the U.S. federal statutory rate in fiscal 2025 primarily due primarily due to a full valuation allowance related to our U.S. deferred tax assets, partially offset by U.S. current state taxes and foreign tax rate differential on non-U.S. income and discrete items relating to releases of valuation allowances in certain foreign jurisdictions.

***Results of Operations***

The following table sets forth our condensed consolidated statements of operations data for the periods indicated:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **2025** | **2024** |
| Revenue: | | | | |
| Subscription | $ 188,473 | $ 177,859 | $ 372,600 | $ 355,222 |
| Professional services | 23,567 | 19,349 | 44,940 | 37,944 |
| Total revenue | 212,040 | 197,208 | 417,540 | 393,166 |
| Costs of revenue: | | | | |
| Costs of subscription [(1)] | 43,177 | 34,306 | 85,363 | 66,876 |
| Costs of professional services [(1)] | 24,261 | 19,661 | 44,706 | 38,216 |
| Total costs of revenue | 67,438 | 53,967 | 130,069 | 105,092 |
| Gross profit | 144,602 | 143,241 | 287,471 | 288,074 |
| Operating expense: | | | | |
| Research and development [(1)] | 23,162 | 23,226 | 45,973 | 45,765 |
| Sales and marketing [(1)] | 70,583 | 77,490 | 141,654 | 164,974 |
| General and administrative [(1)] | 35,569 | 38,782 | 69,998 | 67,883 |
| Restructuring [(1)] | (984) | 3,830 | 15,329 | 3,830 |
| Total operating expense | 128,330 | 143,328 | 272,954 | 282,452 |
| Operating income (loss) | 16,272 | (87) | 14,517 | 5,622 |
| Other income, net | 7,469 | 6,414 | 14,399 | 13,914 |
| Income before provision for income taxes | 23,741 | 6,327 | 28,916 | 19,536 |
| Provision for income taxes | 11,126 | 4,486 | 17,869 | 7,061 |
| Net income | $ 12,615 | $ 1,841 | $ 11,047 | $ 12,475 |

[(1)] Includes stock-based compensation expense, net of amounts capitalized, as follows:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **2025** | **2024** |
| Costs of subscription | $ 223 | $ 327 | $ 488 | $ 610 |
| Costs of professional services | 726 | 364 | 1,118 | 681 |
| Research and development | 4,204 | 2,834 | 8,090 | 5,408 |
| Sales and marketing | 6,124 | 5,802 | 12,419 | 11,406 |
| General and administrative | 10,027 | 5,765 | 19,603 | 10,842 |
| Restructuring | — | — | 866 | — |
| Stock-based compensation expense, net of amounts capitalized | $ 21,304 | $ 15,092 | $ 42,584 | $ 28,947 |

The following table sets forth our condensed consolidated statements of operations data expressed as a percentage of total revenue [(1)]:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Revenue: | | | | |
| Subscription | 89 % | 90 % | 89 % | 90 % |
| Professional services | 11 % | 10 % | 11 % | 10 % |
| Total revenue | 100 % | 100 % | 100 % | 100 % |
| Costs of revenue: | | | | |
| Costs of subscription | 20 % | 17 % | 20 % | 17 % |
| Costs of professional services | 11 % | 10 % | 11 % | 10 % |
| Total costs of revenue | 31 % | 27 % | 31 % | 27 % |
| Operating expense: | | | | |
| Research and development | 11 % | 12 % | 11 % | 12 % |
| Sales and marketing | 33 % | 39 % | 34 % | 42 % |
| General and administrative | 17 % | 20 % | 17 % | 17 % |
| Restructuring | 0 % | 2 % | 4 % | 1 % |
| Total operating expense | 61 % | 73 % | 65 % | 72 % |
| Operating income (loss) | 8 % | 0 % | 3 % | 1 % |
| Other income, net | 4 % | 3 % | 3 % | 4 % |
| Income before provision for income taxes | 11 % | 3 % | 7 % | 5 % |
| Provision for income taxes | 5 % | 2 % | 4 % | 2 % |
| Net income | 6 % | 1 % | 3 % | 3 % |

[(1)] Totals may not foot due to rounding

**Comparison of the Three Months Ended July 31, 2025 and 2024**

***Revenue***

| | Three Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | 2025 | 2024 | $ Change | % Change |
| Subscription | $ 188,473 | $ 177,859 | $ 10,614 | 6 % |
| Professional services | 23,567 | 19,349 | 4,218 | 22 % |
| Total revenue | $ 212,040 | $ 197,208 | $ 14,832 | 8 % |

The increase in subscription revenue was primarily due to increased revenue from existing customers driven by the purchase of additional quantities of current subscription solutions and additional add-on solutions within our platform, as well as demand for our solutions from new customers. Such growth was partially offset by certain existing customers purchasing fewer quantities of current subscription solutions within our platform, as well as certain customers no longer subscribing to our platform, partially driven by macroeconomic challenges.

The increase in professional services revenue was primarily due to growth in both implementations and managed services related to Contact Center as a Service (“CCaaS”) delivery capabilities.

***Costs of Revenue and Gross Margin***

| *(in thousands)* | Three Months Ended July 31, 2025 | 2024 | $ Change | % Change |
|---|---|---|---|---|
| Costs of subscription revenue | $ 43,177 | $ 34,306 | $ 8,871 | 26 % |
| Costs of professional services revenue | 24,261 | 19,661 | 4,600 | 23 % |
| Total costs of revenue | $ 67,438 | $ 53,967 | $ 13,471 | 25 % |
| *Gross margin - subscription* | *77 %* | *81 %* | | |
| *Gross margin - professional services* | *(3)%* | *(2)%* | | |

The increase in costs of subscription revenue was primarily due to a $8.4 million increase in third-party data, cloud and network infrastructure costs, partially attributable to increased customer demand as well as higher rates from our third-party providers.

The increase in costs of professional services revenue was primarily due to (i) a $2.2 million increase in subcontractor costs as a result of higher partner delivery costs associated with increased professional services revenue and (ii) higher personnel-related costs of $2.1 million, partially driven by increased bonus accrual versus prior year.

Gross margin for subscription decreased by four percentage points, primarily driven by increased costs associated with third-party cloud infrastructure and data. Gross margin for professional services decreased by one percentage point largely driven by timing differences between our investment in CCaaS projects and the completion of implementations associated with these projects.

***Research and Development Expense***

| *(in thousands)* | Three Months Ended July 31, 2025 | 2024 | $ Change | % Change |
|---|---|---|---|---|
| Research and development | $ 23,162 | $ 23,226 | $ (64) | — % |
| *% of revenue* | *11 %* | *12 %* | | |

Research and development expense remained relatively flat compared to the prior year period.

***Sales and Marketing Expense***

| *(in thousands)* | Three Months Ended July 31, 2025 | 2024 | $ Change | % Change |
|---|---|---|---|---|
| Sales and marketing | $ 70,583 | $ 77,490 | $ (6,907) | (9)% |
| *% of revenue* | *33 %* | *39 %* | | |

The decrease in sales and marketing expense was primarily due to a decrease in personnel costs of $5.5 million related to lower sales headcount as a result of the restructuring activities we implemented in the first quarter of fiscal year 2026 and second quarter of fiscal year 2025. For additional information regarding restructuring charges, see Note 13, *Restructuring Charges* included in Part I, Item 1 of this Form 10-Q.

***General and Administrative Expense***

| *(in thousands)* | Three Months Ended July 31, 2025 | 2024 | $ Change | % Change |
|---|---|---|---|---|
| General and administrative | $ 35,569 | $ 38,782 | $ (3,213) | (8)% |
| *% of revenue* | *17 %* | *20 %* | | |

The decrease in general and administrative expense was primarily due to lower provision for credit losses of $9.6 million associated with higher reserves during the prior year period for certain customers that we deemed to be uncollectible accounts, partially offset by an increase in personnel costs of $7.0 million, driven by increased stock compensation expense, primarily related to equity grants during fiscal year 2026 and the fourth quarter of fiscal year 2025.

***Restructuring Expense***

| | Three Months Ended April 30, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Restructuring | $ (984) | $ 3,830 | $ (4,814) | (126)% |
| *% of revenue* | *— %* | *2 %* | | |

The decrease in restructuring expense was due to the fiscal year 2025 reduction in global workforce occurring in the second quarter while the fiscal year 2026 reduction on global workforce occurred in the first quarter. The fiscal year 2026 amount relates to reversals in restructuring charges recorded in the first quarter of fiscal year 2026 related to the reduction in global workforce implemented in February 2025. Refer to Note 13, *Restructuring Charges*, included in Part I, Item 1 of this Form 10-Q for additional information.

***Other Income, Net***

| | Three Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Other income, net | $ 7,469 | $ 6,414 | $ 1,055 | 16 % |
| *% of revenue* | *4 %* | *3 %* | | |

The increase in other income, net was primarily due to an increase of $2.4 million associated with net foreign currency gains, partially offset by a $1.2 million decrease in interest income from our money market and short-term investment accounts as a result of lower average balances in these accounts and lower average interest rates.

***Provision for Income Taxes***

| | Three Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Provision for income taxes | $ 11,126 | $ 4,486 | $ 6,640 | 148 % |
| *% of revenue* | *5 %* | *2 %* | | |

The increase in provision for income tax relates primarily to the impact of including U.S. profit before tax in the annual effective tax rate computation for the three months ended July 31, 2025. For the three months ended July 31, 2024, we were in a valuation allowance position and therefore did not include U.S. profit before tax in the annual effective tax rate computation. The provision for income tax for the three months ended July 31, 2025 also includes a $1.5 million discrete income tax charge for non-deductible stock-based compensation.

**Comparison of the Six Months Ended July 31, 2025 and 2024**

***Revenue***

| | Six Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Subscription | $ 372,600 | $ 355,222 | $ 17,378 | 5 % |
| Professional services | 44,940 | 37,944 | 6,996 | 18 % |
| Total revenue | $ 417,540 | $ 393,166 | $ 24,374 | 6 % |

The increase in subscription revenue was primarily due to increased revenue from existing customers driven by the purchase of additional quantities of current subscription solutions and additional add-on solutions within our platform, as well as demand for our solutions from new customers. Such growth was partially offset by certain existing customers purchasing fewer quantities of current subscription solutions within our platform, as well as certain customers no longer subscribing to our platform, partially driven by challenging macroeconomic conditions.

The increase in professional services revenue was primarily due to growth in both implementations and managed services related to CCaaS delivery capabilities.

***Costs of Revenue and Gross Margin***

| | Six Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Costs of subscription revenue | $ 85,363 | $ 66,876 | $ 18,487 | 28 % |
| Costs of professional services revenue | 44,706 | 38,216 | 6,490 | 17 % |
| Total costs of revenue | $ 130,069 | $ 105,092 | $ 24,977 | 24 % |
| *Gross margin - subscription* | *77 %* | *81 %* | | |
| *Gross margin - professional services* | *1 %* | *(1)%* | | |

The increase in costs of subscription revenue was primarily due to an increase of $17.6 million in third-party data, cloud and network infrastructure costs, partially attributable to increased customer demand as well as higher rates from our third-party providers.

The increase in costs of professional services revenue was primarily due to (i) a $3.8 million increase in subcontractor costs as a result of higher partner delivery costs associated with increased professional services revenue and (ii) higher personnel-related costs of $2.3 million, partially driven by increased bonus accrual versus prior year.

Gross margin for subscription decreased by four percentage points, primarily driven by increased costs associated with third-party data, cloud and network infrastructure. Gross margin for professional services increased by two percentage points, largely driven by timing differences between our investment in CCaaS projects and the completion of implementations associated with these projects.

***Research and Development***

| | Six Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Research and development | $ 45,973 | $ 45,765 | $ 208 | — % |
| *% of revenue* | *11 %* | *12 %* | | |

The increase in research and development expense was primarily due to a $0.1 million increase in personnel-related costs driven by increased stock compensation expense, primarily related to new grants during fiscal year 2026 and the fourth quarter of fiscal year 2025, which was partially offset by cost savings associated with the restructuring activities we implemented in the second quarter of fiscal year 2025 and the first quarter of fiscal year 2026. For additional information regarding restructuring charges, see Note 13, *Restructuring Charges* included in Part I, Item 1 of this Form 10-Q.

***Sales and Marketing Expense***

| | Six Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Sales and marketing | $ 141,654 | $ 164,974 | $ (23,320) | (14)% |
| *% of revenue* | *34 %* | *42 %* | | |

The decrease in sales and marketing expense was primarily due to a decrease in personnel-related costs of $18.5 million, primarily due to lower sales headcount as a result of the restructuring activities we implemented in the first quarter of fiscal year 2026. For additional information regarding restructuring charges, see Note 13, *Restructuring Charges* included in Part I, Item 1 of this Form 10-Q.

***General and Administrative Expense***

| | Six Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| General and administrative | $ 69,998 | $ 67,883 | $ 2,115 | 3 % |
| *% of revenue* | *17 %* | *17 %* | | |

The increase in general and administrative expense was primarily due to the net effect of (i) a $12.3 million increase in personnel-related costs driven by increased stock compensation expense, primarily related to new grants during fiscal year 2026, as well as the fourth quarter of fiscal year 2025, (ii) lower provision for credit losses of $8.6 million as a result of increased reserves for certain customers that we deemed to be uncollectible accounts during the second quarter of fiscal year 2025 and (iii) a decrease in professional and related fees of $1.6 million.

***Restructuring Expense***

| | Six Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Restructuring | $ 15,329 | $ 3,830 | $ 11,499 | 300 % |
| *% of revenue* | *4 %* | *1 %* | | |

The increase in restructuring expense was due to the reduction in global workforce implemented in the first quarter of fiscal year 2026 impacting 12% of our workforce versus a 3% impact to the workforce as a result of the reduction in global workforce implemented in the second quarter of fiscal year 2025. Refer to Note 13, *Restructuring Charges*, included in Part I, Item 1 of this Form 10-Q for additional information.

***Other Income, Net***

| | Six Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Other income, net | $ 14,399 | $ 13,914 | $ 485 | 3 % |
| *% of revenue* | *3 %* | *4 %* | | |

The increase in other income, net was primarily attributable to a $5.1 million increase in net foreign currency gains, partially offset by a $4.4 million decrease in interest income from our money market and short-term investment accounts as a result of lower average balances in these accounts and lower average interest rates.

***Provision for Income Taxes***

| | Six Months Ended July 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **$ Change** | **% Change** |
| Provision for income taxes | $ 17,869 | $ 7,061 | $ 10,808 | 153 % |
| *% of revenue* | *4 %* | *2 %* | | |

The increase in provision for income tax relates primarily to the impact of including U.S. profit before tax in the annual effective tax rate computation for the six months ended July 31, 2025. For the six months ended July 31, 2024, we were in a valuation allowance position and therefore did not include U.S. profit before tax in the annual effective tax rate computation. The provision for income tax for the six months ended July 31, 2025 also includes a $4.5 million discrete income tax charge for non-deductible stock-based compensation.

**Non-GAAP Financial Measures**

In addition to our results determined in accordance with U.S. GAAP, we believe that the following non-GAAP financial measures associated with our condensed consolidated statements of operations are useful in evaluating our operating performance:

- Non-GAAP gross profit and non-GAAP gross margin;
- Non-GAAP operating income and non-GAAP operating margin; and
- Non-GAAP net income and non-GAAP net income per share.

We define these non-GAAP financial measures as the respective U.S. GAAP measures, excluding, as applicable, stock-based compensation expense and related charges, amortization of stock-based compensation expense associated with capitalized internal use software, amortization of acquired intangible assets, release of U.S. federal and state valuation allowances, and the estimated tax effect related to the non-GAAP items, as well as other one-time charges, such as restructuring charges, costs associated with acquisitions, non-recurring litigation costs and facility exit costs. We believe that it is useful to exclude these items in order to better understand the long-term performance of our core business and to facilitate comparison of our results to those of peer companies over multiple periods.

In addition, we believe that free cash flow is also a useful non-GAAP financial measure. Free cash flow is defined as net cash provided by operating activities less cash used for purchases of property and equipment and capitalized internal-use software. We believe that free cash flow is a useful indicator of liquidity as it measures our ability to generate cash, or our need to access additional sources of cash, to fund operations and investments. We expect our free cash flow to fluctuate in future periods with changes in our operating expenses and as we continue to invest in our growth. We typically experience higher billings in the fourth quarter compared to other quarters and experience higher collections of accounts receivable in the first half of the year, which results in a decrease in accounts receivable in the first half of the year.

However, non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by U.S. GAAP and are not prepared under any comprehensive set of accounting rules or principles. In addition, other companies, including companies in our industry, may calculate similarly titled non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. As a result, our non-GAAP financial measures are presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for our condensed consolidated financial statements presented in accordance with U.S. GAAP.

A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with U.S. GAAP:

| | Three Months Ended July 31, | | Six Months Ended July 31, | |
|---|---|---|---|---|
| *(in thousands)* | **2025** | **2024** | **2025** | **2024** |
| **Non-GAAP gross profit and non-GAAP gross margin:** | | | | |
| U.S. GAAP gross profit | $ 144,602 | $ 143,241 | $ 287,471 | $ 288,074 |
| Stock-based compensation expense and related charges[1] | 955 | 717 | 1,625 | 1,324 |
| Amortization of stock-based compensation expense - capitalized internal-use software | 692 | 539 | 1,341 | 1,031 |
| Non-GAAP gross profit | $ 146,249 | $ 144,497 | $ 290,437 | $ 290,429 |
| Gross margin | 68 % | 73 % | 69 % | 73 % |
| Non-GAAP gross margin | 69 % | 73 % | 70 % | 74 % |
| | | | | |
| **Non-GAAP operating income:** | | | | |
| U.S. GAAP operating income (loss) | $ 16,272 | $ (87) | $ 14,517 | $ 5,622 |
| Stock-based compensation expense and related charges[2] | 21,450 | 15,243 | 42,214 | 29,867 |
| Amortization of acquired intangible assets | — | 50 | — | 100 |
| Amortization of stock-based compensation expense - capitalized internal-use software | 692 | 539 | 1,341 | 1,031 |
| Non-recurring litigation costs[3] | 816 | — | 1,585 | — |
| Restructuring costs[4] | (984) | 3,830 | 15,329 | 3,830 |
| Non-GAAP operating income | $ 38,246 | $ 19,575 | $ 74,986 | $ 40,450 |
| Operating margin | 8 % | — % | 3 % | 1 % |
| Non-GAAP operating margin | 18 % | 10 % | 18 % | 10 % |

[1] Employer payroll tax related to stock-based compensation for the periods ended July 31, 2025 and 2024 was immaterial as it relates to the impact to gross profit.

[2] Includes $0.1 million and $0.1 million of employer payroll tax related to stock-based compensation expense for the three months ended July 31, 2025 and 2024, respectively, and $0.5 million and $0.9 million of employer payroll tax related to stock-based compensation expense for the six months ended July 31, 2025 and 2024, respectively.

[3] Relates to costs associated with litigation that arise outside of the ordinary course of business.

[4] Includes nil and $0.7 million of employer payroll tax related to the February 2025 restructuring for the three and six months ended July 31, 2025, respectively.

| | Three Months Ended July 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | | | 2024 | | |
| | (in thousands) | Per Share-Basic | Per Share-Diluted | (in thousands) | Per Share-Basic | Per Share-Diluted |
| **Non-GAAP net income reconciliation to net income** | | | | | | |
| Net income | $ 12,615 | $ 0.05 | $ 0.05 | $ 1,841 | $ 0.01 | $ 0.01 |
| **Add:** | | | | | | |
| Stock-based compensation expense and related charges[1] | 21,450 | 0.08 | 0.08 | 15,243 | 0.06 | 0.06 |
| Amortization of acquired intangible assets | — | — | — | 50 | — | — |
| Amortization of stock-based compensation expense - capitalized internal-use software | 692 | — | — | 539 | — | — |
| Income tax expense[2] | (760) | — | — | — | — | — |
| Non-recurring litigation costs[3] | 816 | — | — | — | — | — |
| Restructuring costs[4] | (984) | — | — | 3,830 | 0.01 | 0.01 |
| Total additions, net | 21,214 | 0.08 | 0.08 | 19,662 | 0.07 | 0.07 |
| Non-GAAP net income | $ 33,829 | $ 0.13 | $ 0.13 | $ 21,503 | $ 0.08 | $ 0.08 |
| Weighted-average shares outstanding | | 254,391 | 263,201 | | 260,830 | 271,934 |

| | Six Months Ended July 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | | | 2024 | | |
| | (in thousands) | Per Share-Basic | Per Share-Diluted | (in thousands) | Per Share-Basic | Per Share-Diluted |
| **Non-GAAP net income reconciliation to net income** | | | | | | |
| Net income | $ 11,047 | $ 0.04 | $ 0.04 | $ 12,475 | $ 0.05 | $ 0.04 |
| **Add:** | | | | | | |
| Stock-based compensation expense and related charges[1] | 42,214 | 0.17 | 0.16 | 29,867 | 0.11 | 0.11 |
| Amortization of acquired intangible assets | — | — | — | 100 | — | — |
| Amortization of stock-based compensation expense - capitalized internal-use software | 1,341 | — | — | 1,031 | — | — |
| Income tax expense[2] | (5,371) | (0.02) | (0.02) | — | — | — |
| Non-recurring litigation costs[3] | 1,585 | 0.01 | 0.01 | — | — | — |
| Restructuring costs[4] | 15,329 | 0.06 | 0.06 | 3,830 | 0.02 | 0.02 |
| Total additions, net | 55,098 | 0.22 | 0.21 | 34,828 | 0.13 | 0.13 |
| Non-GAAP net income | $ 66,145 | $ 0.26 | $ 0.25 | $ 47,303 | $ 0.18 | $ 0.17 |
| Weighted-average shares outstanding | | 255,501 | 264,442 | | 266,187 | 279,695 |

[1] Includes $0.1 million and $0.1 million of employer payroll tax related to stock-based compensation expense for the three months ended July 31, 2025 and 2024, respectively, and $0.5 million and $0.9 million of employer payroll tax related to stock-based compensation expense for the six months ended July 31, 2025 and 2024, respectively.

[2] Represents the Company's current and deferred income tax expense commensurate with the non-GAAP measure of profitability using a non-GAAP tax rate of 26% for the three and six months ended July 31, 2025. The Company uses an annual projected tax rate in its computation of the non-GAAP income tax provision, and excludes the direct impact of stock-based compensation, employer tax costs related to stock-based compensation, intangible amortization expense, amortization of stock-based compensation expense - capitalized internal-use software, non-recurring litigation costs and restructuring costs.

[3] Relates to costs associated with litigation that arise outside of the ordinary course of business.

[4] Includes nil and $0.7 million of employer payroll tax related to the February 2025 restructuring for the three and six months ended July 31, 2025, respectively.

| *(in thousands)* | Six Months Ended July 31, | |
|---|---|---|
| **Free cash flow:** | **2025** | **2024** |
| Net cash provided by operating activities | $ 118,567 | $ 63,034 |
| Purchase of property and equipment | (654) | (4,028) |
| Capitalized internal-use software | (7,459) | (6,291) |
| Free cash flow | $ 110,454 | $ 52,715 |

**Liquidity and Capital Resources**

***Overview***

As of July 31, 2025, our principal sources of liquidity were $125.4 million of cash and cash equivalents and $348.6 million of highly liquid marketable securities. We believe that our existing cash and cash equivalents, marketable securities and cash from operations will be sufficient to meet our working capital needs, capital expenditures and financing obligations for at least the next 12 months and over the long-term. The majority of our cash is held in the United States and we do not anticipate a need to repatriate cash held outside of the United States. Further, it is our intent to indefinitely reinvest these funds outside the United States, and, therefore, we have not provided for any United States income taxes.

***Cash Collateral Agreements and Restricted Cash***

In April 2023, we entered into cash collateral agreements with Silicon Valley Bank ("SVB") in lieu of a letter of credit facility, which are associated with certain leases. Approximately $1.1 million is outstanding on these cash collateral agreements as of July 31, 2025, which we have classified within restricted cash. As of July 31, 2025, nil and $1.1 million of this restricted cash is recorded within prepaid expenses and other current assets and within other non-current assets, respectively, on the condensed consolidated balance sheets.

Starting in 2023, we entered into cash collateral agreements with J.P. Morgan Bank in lieu of a credit facility, through which approximately $7.3 million is outstanding as of July 31, 2025. As of July 31, 2025, $0.9 million of this restricted cash is recorded within prepaid expenses and other current assets and $6.4 million is recorded within other non-current assets on the condensed consolidated balance sheets.

***Material Cash Requirements***

Our expected material cash requirements consist of contractually obligated expenditures. We have agreements in place with data and service providers that require us to make certain minimum guaranteed purchase commitments through fiscal year 2030, which totaled $324.8 million as of January 31, 2025, of which $107.1 million is due within twelve months from January 31, 2025. In the normal course of business we may renew existing contracts throughout the year. In addition, we lease certain office facilities under operating lease arrangements that expire on various dates through fiscal year 2035. Refer to Note 7, *Leases*, included in Part I, Item 1 of this Form 10-Q for a discussion of our leases.

On June 4, 2025, we announced that our board of directors had authorized and approved a share repurchase plan (the "2025 Share Repurchase Program"), whereby we intend to repurchase up to $150 million of Class A common stock. During the three and six months ended July 31, 2025, we repurchased 16,494,694 shares if our Class A common stock for a cost of $140.4 million including commissions. All of the shares repurchased have been returned to our authorized but unissued share reserve. As of July 31, 2025, the remaining amount available for repurchase under the 2025 Share Repurchase Program was $9.9 million. Between August 1, 2025 and August 7, 2025, we purchased an additional 1,121,854 shares of our Class A common stock for a cost of $9.9 million including commissions and completed the full purchase authorization of $150 million under the 2025 Share Repurchase Program. For additional information regarding the 2025 Share Repurchase Program, see "Issuer Purchases of Equity Securities" included in Part II, Item 2 of this Form 10-Q and Note 9, *Stockholders' Equity,* included in Part I, Item 1 of this Form 10-Q.

There were no other significant changes in our material cash requirements as compared to the material cash requirements from known contractual and other obligations described in the 2025 10-K.

***Future Funding Requirements***

Our future capital requirements will depend on many factors, including our growth rate, the expansion of our direct sales force, strategic relationships and international operations, the timing and extent of spending to support research and development efforts and the continuing market acceptance of our solutions. We historically have expanded our business in part by investing in strategic growth initiatives, including acquisitions of products, technologies and businesses. We may finance such acquisitions using cash, debt, stock or a combination of the foregoing; however, we have used cash and stock as consideration for substantially all of our historical business acquisitions. We continually examine our options with respect to terms and sources of existing and future short-term and long-term capital resources to enhance our operating results and to ensure that we retain financial flexibility, and may from time to

time elect to raise capital through the issuance of additional equity or the incurrence of debt. Sales of additional equity could result in dilution to our stockholders. If we raise funds by borrowing from third parties, the terms of those financing arrangements would require us to incur interest expense and may include negative covenants or other restrictions on our business that could impair our operating flexibility. We can provide no assurance that financing will be available at all or, if available, that we would be able to obtain financing on terms favorable to us. If we are unable to raise additional capital when needed, we would be required to curtail our operating activities and capital expenditures, and our business operating results and financial condition would be adversely affected.

***Cash Flows***

The following table shows a summary of our cash flows for the periods indicated:

| | Six Months Ended July 31, | |
|---|---|---|
| *(in thousands)* | **2025** | **2024** |
| Net cash provided by operating activities | $ 118,567 | $ 63,034 |
| Net cash (used in) provided by investing activities | $ (15,443) | $ 145,843 |
| Net cash used in financing activities | $ (125,121) | $ (253,235) |

Our net income and cash flows provided by operating activities are influenced significantly by our investments in headcount to support growth and in costs of revenue to deliver our services. Non-cash charges primarily include depreciation and amortization, provision for credit losses, stock-based compensation, non-cash lease expense, deferred income taxes and amortization/accretion on marketable securities. Our largest source of operating cash is cash collections from customers using our Unified-CXM platform and related services. Our primary uses of cash from operating activities are for employee-related costs, costs to deliver our revenue and marketing expenses.

We expect our free cash flow to fluctuate in future periods with changes in our operating expenses and as we continue to invest in our growth. We typically experience higher billings in the fourth quarter compared to other quarters, primarily due to higher renewal activity, and experience higher collections of accounts receivable in the first half of the year, which results in a decrease in accounts receivable in the first half of the year.

*Operating Activities*

For the six months ended July 31, 2025, cash provided by operating activities was $118.6 million, which consisted of net income of $11.0 million, adjusted for non-cash expenses of $64.6 million and $42.9 million of net cash flows provided as a result of changes in operating assets and liabilities. The $42.9 million of net cash flows provided as a result of changes in our operating assets and liabilities reflected an $81.0 million decrease in accounts receivable due to collections outpacing billings. This increase to cash flow from operations was partially offset by (i) a $17.5 million decrease in accrued expenses and other current liabilities primarily due to the timing of commission and bonus payments and (ii) a $13.2 million decrease in deferred revenue as a result of recognized revenue exceeding billings.

For the six months ended July 31, 2024, cash provided by operating activities was $63.0 million, which consisted of net income of $12.5 million, adjusted for non-cash expenses of $46.1 million, and $4.4 million of net cash flows provided as a result of changes in operating assets and liabilities. The $4.4 million of net cash flows provided as a result of changes in our operating assets and liabilities reflected a $67.3 million decrease in accounts receivable due to collections outpacing billings. This increase to cash flows from operations was partially offset by (i) a $26.7 million decrease in accrued expenses and other current liabilities primarily due to the timing of bonus and commission payments, (ii) a $15.3 million increase in prepaid expenses and other current assets due to higher prepaid hosting and data costs, (iii) a $9.3 million decrease in accounts payable due to timing of vendor payments, (iv) a $7.9 million decrease in deferred revenue as a result of recognized revenue exceeding billings and (v) a $2.7 million decrease in operating lease liabilities due to ongoing payments for leased properties.

*Investing Activities*

For the six months ended July 31, 2025, cash used in investing activities was $15.4 million and primarily consisted of $269.7 million of purchases of marketable securities and $7.5 million in capitalized internal-use software costs. These decreases in cash flows from investing activities were partially offset by $262.6 million of sales and maturities of marketable securities.

For the six months ended July 31, 2024, cash provided by investing activities was $145.8 million and primarily consisted of $292.3 million of sales and maturities of marketable securities, partially offset by $136.1 million of purchases of marketable securities.

*Financing Activities*

For the six months ended July 31, 2025, cash used in financing activities was $125.1 million, which consisted of payments for the 2025 Share Repurchase Program of $140.8 million, offset by $12.9 million of proceeds from the exercise of stock options and proceeds from the purchase of stock under our 2021 Employee Stock Purchase Plan (“ESPP”) of $2.8 million.

For the six months ended July 31, 2024, cash used in financing activities was $253.2 million, which consisted of payments for the 2024 Share Repurchase Program of $273.9 million, offset by $17.2 million of proceeds from the exercise of stock options and proceeds from the purchase of stock under our 2021 Employee Stock Purchase Plan ("ESPP") of $3.4 million.

**Critical Accounting Estimates**

Our interim unaudited condensed consolidated financial statements have been prepared in accordance with U.S. GAAP. The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting periods.

Critical accounting estimates are those estimates that, in accordance with U.S. GAAP, involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our condensed consolidated financial statements. Management has determined that our most critical accounting estimates are those relating to revenue recognition and stock-based compensation expense, including historical common stock valuations and performance-based award valuations. We evaluate our estimates and assumptions on an ongoing basis using historical experience and other factors and adjust those estimates and assumptions when facts and circumstances dictate. Actual results could differ materially from those estimates and assumptions.

Refer to Note 2, *Basis of Presentation and Summary of Significant Accounting Policies*, included in Part I, Item 1 of this Form 10-Q and Note 2, *Basis of Presentation and Summary of Significant Accounting Policies*, to our Consolidated Financial Statements included in "Part II, Item 8. Financial Statements" of the 2025 10-K for a discussion of our significant accounting policies. There have been no material changes to our critical accounting policies and accounting estimates as compared to those disclosed in the 2025 10-K.

**Recent Accounting Pronouncements**

Refer to Note 2, *Basis of Presentation and Summary of Significant Accounting Policies*, included in Part I, Item 1 of this Form 10-Q for more information regarding recently issued accounting pronouncements.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

Market risk is the risk to earnings or asset and liability values resulting from movements in market prices. Our market risk exposures include (i) foreign exchange risk related to transactions and earnings in currencies other than the U.S. dollar; and (ii) interest rate risk due to changes in the relationship between the interest rates on our assets. There were no material changes in these market risks since January 31, 2025, as disclosed in the 2025 10-K.

**Item 4. Controls and Procedures.**

**Evaluation of Disclosure Controls and Procedures**

We maintain "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our management, including our Chief Executive Officer (the "CEO") and Chief Financial Officer (the "CFO"), as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Pursuant to Rules 13a-15(e) and 15d-15(e) under the Exchange Act, our management, with the participation of our CEO and CFO, performed an evaluation of the effectiveness of our disclosure controls and procedures as of July 31, 2025. Based on such evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective.

**Changes in Internal Control over Financial Reporting**

There was no change in our internal control over financial reporting (as defined in Rules 13a-15(d) and 15d-15(d) under the Exchange Act) that occurred during the three months ended July 31, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II-OTHER INFORMATION

**Item 1. Legal Proceedings**.

Refer to Note 8, *Commitments and Contingencies - Legal Matters*, included in Part I, Item 1 of this Form 10-Q for a description of current legal proceedings.

**Item 1A. Risk Factors.**

*Our operations and financial results are subject to various risks and uncertainties, including those described below. You should consider and read carefully all of the risks and uncertainties described below, together with all of the other information contained in this Form 10-Q, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our condensed consolidated financial statements and the related notes. The occurrence of any of the following risks or additional risks and uncertainties not presently known to us or that we currently believe to be immaterial could materially and adversely affect our business, financial condition or results of operations. In such case, the trading price of our Class A common stock could decline and stockholders may lose all or part of their investment.*

**Summary of Selected Risk Factors Associated with Our Business**

The following is only a summary of the principal risks associated with an investment in our Class A common stock. Material risks that may adversely affect our business, financial condition or results of operations include, but are not limited to, the following:

- Our recent growth may not be indicative of our future growth. Our growth also makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful.
- We have incurred significant net losses in the past, and we may not be able to generate sufficient revenue to achieve and maintain profitability.
- If we fail to effectively manage our growth and organizational change, our business and results of operations could be harmed.
- If we are not able to effectively develop platform enhancements, introduce new products or keep pace with technological developments, our business, results of operations and financial condition could be adversely affected.
- Our actual operating results may differ significantly from any guidance provided.
- Our results of operations and financial metrics may be difficult to predict. As a result, we may fail to meet or exceed the expectations of investors or securities analysts, which could cause our stock price to decline.
- Any failure of our Unified Customer Experience Management ("Unified-CXM") platform to satisfy customer demands, achieve increased market acceptance or adapt to changing market dynamics would adversely affect our business, results of operations, financial condition and growth prospects.
- The market for Unified-CXM solutions is rapidly evolving, and if this market develops more slowly than we expect or declines, develops in a way that we do not expect, or if we do not compete effectively, our business could be adversely affected.
- Our business depends on our customers renewing their subscriptions and on us expanding our sales to existing customers. Any decline in our customer renewals or expansion would harm our business, results of operations and financial condition.
- We use artificial intelligence in our products, which may result in operational challenges, legal liability, reputational concerns and competitive risks.
- Our business and growth depend in part on the success of our strategic relationships with third parties, as well as on the continued availability and quality of feedback data from third parties over whom we do not have control.
- Any failure to obtain, maintain, protect, defend or enforce our intellectual property rights could impair our ability to protect our proprietary technology and our brand and adversely affect our business, financial condition and results of operations.
- We and the third parties with whom we work are subject to stringent and changing obligations related to data privacy and security. Our (or the third parties with whom we work) actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions, litigation or mass arbitration demands, fines and penalties, disruptions of our business operations, reputational harm, loss of revenue or profits, loss of customers or sales, and other adverse business consequences.
- If we or the third parties with whom we work experience a cybersecurity breach or other security incident, any vulnerabilities are identified, or unauthorized parties otherwise obtain access to our customers' data, our data or our Unified-CXM platform, our Unified-CXM platform may be perceived as not being secure, our reputation may be harmed, demand for our Unified-CXM platform may be reduced and we may incur significant liabilities.
- Our stock price may be volatile, and the value of our Class A common stock may decline.
- Our directors, executive officers and their respective affiliates are able to exert significant control over us, which limits your ability to influence the outcome of important transactions, including a change of control.

- Unstable market and economic conditions and catastrophic events may have serious adverse consequences on our business, financial condition and share price.

**Risks Related to Our Growth**

***Our recent growth may not be indicative of our future growth. Our growth also makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful.***

Our revenue was $212.0 million and $197.2 million for the three months ended July 31, 2025 and 2024, respectively, and $417.5 million and $393.2 million for the six months ended July 31, 2025 and 2024. You should not rely on the revenue growth of any prior quarterly or annual period as an indication of our future performance. Even if our revenue continues to increase, our revenue growth rate may decline in the future as a result of a variety of factors, including the maturation of our business. Overall growth of our revenue depends on a number of factors, including our ability to:

- price our products effectively so that we are able to attract new customers and expand sales to our existing customers;
- expand the functionality and use cases for the products we offer on our Unified-CXM platform;
- provide our customers with effective and efficient implementations, as well as on-going support that meets their needs;
- continue to introduce our products to new markets outside of the United States;
- successfully identify and acquire or invest in businesses, products or technologies that we believe could complement or expand our Unified-CXM platform; and
- increase awareness of our brand on a global basis and successfully compete with other companies.

We may not successfully accomplish any of these objectives, and, as a result, it is difficult for us to forecast our future results of operations. If the assumptions that we use to plan our business are incorrect or change in reaction to changes in the markets in which we operate, or if we are unable to maintain consistent revenue or revenue growth, our stock price could be volatile, and it may be difficult to achieve and maintain profitability. You should not rely on our revenue for any prior quarterly or annual periods as an indication of our future revenue or revenue growth.

***We have incurred significant net losses in the past, and we may not be able to generate sufficient revenue to achieve and maintain profitability.***

We have incurred significant losses in the past, and we had an accumulated deficit of $756.4 million and $626.1 million as of July 31, 2025 and January 31, 2025, respectively. While we have experienced revenue growth in recent periods and periods of profitability, we are not certain whether or when we will obtain a high enough volume of sales to sustain or increase our growth or maintain profitability in the future. We expect that our costs will increase over time and we could incur future losses, as we expect to invest significant additional funds in our business. To date, we have financed our operations principally through subscription payments by customers for use of our Unified-CXM platform and equity and debt financings. We have expended and expect to continue to expend substantial financial and other resources on:

- our Unified-CXM platform, including investing in our research and development team, developing or acquiring new products, features and functionality and improving the scalability, availability and security of our Unified-CXM platform;
- our technology infrastructure, including expansion of our activities with public cloud service providers, enhancements to our network operations and infrastructure design, and hiring of additional employees for our operations team;
- sales and marketing, including expansion of our direct sales organization and marketing efforts; and
- additional international expansion in an effort to increase our customer base and sales.

These investments may be more costly than we expect and may not result in increased revenue or growth in our business. Any failure to increase our revenue sufficiently to keep pace with our investments and other expenses could prevent us from maintaining profitability or positive cash flow on a consistent basis. If we are unable to successfully address these risks and challenges as we encounter them, our business, results of operations and financial condition would be adversely affected. In the event that we fail to maintain profitability, the value of our Class A common stock could decline.

***If we fail to effectively manage our growth and organizational change, our business and results of operations could be harmed.***

We have experienced, and may continue to experience, growth and organizational change, which has placed, and may continue to place, significant demands on our management, operational and financial resources. In addition, we operate globally and sell subscriptions in more than 80 countries. We also have experienced significant growth in the number of enterprises, end users, transactions and amount of data that our Unified-CXM platform and our associated hosting infrastructure support. As we continue to enter new markets and expand our international operations, we have launched new product innovations in recent years, which has led, and could continue to lead, to increased product and operational complexity, including increased implementation periods, or more complex implementations and ongoing support needs, which could adversely affect our business, results of operations and financial condition. We plan to continue to expand our international operations into other countries in the future, which will place additional demands on our resources and operations.

In order to grow our business, we must continue to attract new customers in a cost-effective manner and enable such customers to realize the benefits associated with our Unified-CXM platform. We may not be able to attract new customers to our Unified-CXM platform for a variety of reasons, including as a result of their use of traditional approaches to customer experience management, their internal timing or budget or the pricing of our Unified-CXM platform compared to products and services offered by our competitors. After a customer makes a purchasing decision, we often must also help them successfully implement our Unified-CXM platform in their organization.

In addition, we have expanded and may attempt to further grow our business by selling our Unified-CXM platform to U.S. federal, state, and local, as well as foreign, governmental agency customers. Growing our business by increasing the number of governmental agency customers we service would subject us to a number of challenges and risks. Selling to such agencies can be highly competitive and time-consuming, often requiring significant upfront time and expenses without any assurance that these efforts will generate a sale. We may not satisfy certain government contracting requirements necessary to attain certification to sell our Unified-CXM platform to certain governmental agency customers. Such government contracting requirements may change and in doing so restrict our ability to sell into the government sector until we have attained the revised certification. Government demand and payment for our products are affected by public sector budgetary cycles and funding authorizations, with funding reductions or delays adversely affecting public sector demand for our products and services. Finally, sales of our Unified-CXM platform to governmental agency customers that are engaged in certain sensitive industries, including organizations whose products or activities are perceived to be harmful, could result in public criticism and reputational risks, which could engender dissatisfaction among potential customers, investors and employees with how we address political and social concerns in our business activities. If we are unable to grow our business by increasing the number of governmental agency customers we service, or if we fail to overcome the challenges and risks associated with selling to such entities, our business, results of operations and financial condition may be adversely affected.

**Risks Related to Our Business and Industry**

***Our actual operating results may differ significantly from any guidance provided.***

Our guidance, including forward-looking statements, is prepared by management and is qualified by, and subject to, a number of assumptions and estimates that, while presented with numerical specificity, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Many of these uncertainties and contingencies are beyond our control and are based upon specific assumptions with respect to future business decisions, some of which will change. We generally state possible outcomes as high and low ranges, which are intended to provide a sensitivity analysis as variables are changed but are not intended to represent that actual results could not fall outside of the suggested ranges.

Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions of the guidance furnished by us will not materialize or will vary significantly from actual results. In particular, guidance offered in periods of extreme uncertainty, such as the uncertainty caused by macroeconomic conditions, is inherently more speculative in nature than guidance offered in periods of relative stability. For example, we recorded a higher than expected provision for credit losses in the second quarter of fiscal year 2025, which caused certain of our operating results to fall below the guidance ranges provided for such metrics in the previous period. Accordingly, any guidance with respect to our projected financial performance is necessarily only an estimate of what management believes is realizable as of the date the guidance is given. Actual results will vary from the guidance, and the variations may be material. Investors should also recognize that the reliability of any forecasted financial data will diminish the farther in the future that the data is forecasted.

Actual operating results may be different from our guidance, and such differences may be adverse and material. In light of the foregoing, investors are urged to put the guidance in context and not to place undue reliance on it. In addition, the market price of our Class A common stock may reflect various market assumptions as to the accuracy of our guidance. If our actual results of operations fall below the expectations of investors or securities analysts, the price of our Class A common stock could decline substantially.

***Our results of operations and financial metrics may be difficult to predict. As a result, we may fail to meet or exceed the expectations of investors or securities analysts, which could cause our stock price to decline.***

Our results of operations and financial metrics, including the levels of our revenue, gross margin, profitability, cash flow and deferred revenue, have fluctuated in the past and may vary significantly in the future. As a result, period-to-period comparisons of our results of operations may not be meaningful, and the results of any one period should not be relied upon as an indication of future performance. Our results of operations may fluctuate as a result of a variety of factors, many of which are outside of our control, and, as a result, may not fully reflect the underlying performance of our business. Fluctuation in results of operations may negatively impact the value of our Class A common stock. Factors that may cause fluctuations in our results of operations include, without limitation, those listed below:

- the payment terms and subscription term length associated with sales of our Unified-CXM platform and their effect on our bookings and free cash flow;
- our ability to successfully implement the software systems we sell;
- the timing and success of introductions of new platform features and services by us or our competitors or any other change in the competitive dynamics of our industry, including consolidation among competitors, customers or strategic partners;
- increases or decreases in the number of elements of our services or pricing changes upon any renewals of customer agreements;
- variability in our sales cycle, including as a result of the budgeting cycles and internal purchasing priorities of our customers;
- pricing adjustments made to existing customer agreements;
- the addition or loss of large customers, including through acquisitions or consolidations;
- customer renewal rates;
- changes in our pricing policies or those of our competitors;
- the mix of services sold during a period;
- the amount and timing of operating expenses related to the maintenance and expansion of our business, operations and infrastructure;
- our ability to collect on accounts receivable;
- the timing of our recognition of stock-based compensation expense for our equity awards, particularly in cases where awards covering a large number of our shares are tied to a specific event or date;
- the timing of sales and recognition of revenue, which may vary as a result of changes in accounting rules and interpretations;
- network outages or actual or perceived security breaches or other incidents; and
- general economic, market and political conditions.

The cumulative effects of the factors discussed above could result in large fluctuations and unpredictability in our quarterly and annual results of operations. This variability and unpredictability also could result in our failing to meet the expectations of industry or financial analysts or investors for any period. If our revenue or results of operations fall below the expectations of analysts or investors or below any guidance we may provide, or if the guidance we provide is below the expectations of analysts or investors, the price of our Class A common stock could decline substantially. Such a stock price decline could occur even if we have met any previously publicly stated guidance we may provide.

***Any failure of our Unified-CXM platform to satisfy customer demands, achieve increased market acceptance or adapt to changing market dynamics would adversely affect our business, results of operations, financial condition and growth prospects.***

We derive, have derived and expect to continue to derive the substantial majority of our revenue from subscriptions to our Unified-CXM platform. As such, the market acceptance of our Unified-CXM platform is critical to our success. Demand for our Unified-CXM platform is affected by a number of factors, many of which are beyond our control, including the extension of our Unified-CXM platform for new use cases, the timing of development and release of new products, features and functionality introduced by us or our competitors, technological change and the growth or contraction of the market in which we compete.

In addition, we expect that an increasing focus on customer satisfaction and the growth of various communications channels and new technologies will profoundly impact the market for Unified-CXM solutions. We believe that enterprises increasingly are looking for flexible solutions that bridge across traditionally separate systems for experience management, marketing automation and customer relationship management. We may be unable to effectively adapt our platform and approach to respond to changes in technology and customer needs. For example, in recent periods, we have experienced difficulties with managing the implementation of certain larger CCaaS projects, which has resulted in increased customer dissatisfaction, loss of certain customers and a delay in recognizing revenue associated with certain of these projects. In addition, customers have in the past and may continue in the future to slow their rate of expansion or reduce their number of licenses. If we are unable to meet this demand to manage customer experiences through flexible solutions designed to address a broad range of needs, or if we otherwise fail to achieve more widespread market acceptance of our Unified-CXM platform, our business, results of operations, financial condition and growth prospects may be adversely affected.

***The market for Unified-CXM solutions is rapidly evolving, and if this market develops more slowly than we expect or declines, develops in a way that we do not expect, or if we do not compete effectively, our business could be adversely affected.***

We believe that our success and growth will depend to a substantial extent on the widespread acceptance and adoption of Unified-CXM solutions in general, and of our Unified-CXM platform in particular. The market for Unified-CXM solutions is rapidly evolving, and if this market fails to grow or grows more slowly than we currently anticipate, demand for our Unified-CXM platform could be adversely affected. The Customer Experience Management ("CXM") market also is subject to rapidly changing user demand and trends. As a result, it is difficult to predict enterprise adoption rates and demand for our Unified-CXM platform, the future growth rate and size of our market or the impact of competitive solutions.

The expansion of the CXM market depends on a number of factors, including awareness of the Unified-CXM category generally, ease of adoption and use, cost, features, performance and overall platform experience, data security and privacy, interoperability and accessibility across devices, systems and platforms and perceived value. If Unified-CXM solutions do not continue to achieve market acceptance, or if there is a reduction in demand for Unified-CXM solutions for any reason, including a lack of category or use case awareness, technological challenges, weakening economic conditions, data security or privacy concerns, competing technologies and products or decreases in information technology spending, our business, results of operations and financial condition may be adversely affected.

The market for Unified-CXM solutions is also highly competitive. Our competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards or enterprise requirements. With the introduction of new technologies, the evolution of our Unified-CXM platform and new market entrants, we expect competition to intensify in the future. Pricing pressures and increased competition generally could result in reduced sales, reduced margins, losses or the failure of our Unified-CXM platform to achieve or maintain more widespread market acceptance, any one of which could harm our business.

While we do not believe that any of our competitors currently offer a full suite of Unified-CXM solutions that competes across the breadth of our Unified-CXM platform, certain features of our Unified-CXM platform compete in particular segments of the overall Unified-CXM category. Our main competitors include, among others, experience management solutions, including social media management and social listening solutions, home-grown tools, adjacent Unified-CXM solutions, such as social messaging, conversational and Agenic AI, CCaaS solutions, customer service and support solutions, customer feedback management and Voice of the Customer solutions, content marketing, and social advertising solutions, and consulting firms and customer relationship management and enterprise resource planning solutions. Further, other established SaaS providers and other technology companies not currently focused on Unified-CXM may expand their services to compete with us. Some of our competitors may be able to offer products or functionality similar to ours at a more attractive price than we can or do, including by integrating or bundling such products with their other product offerings. Additionally, some potential customers, particularly large organizations, have elected, and may in the future elect, to develop their own internal Unified-CXM solutions.

Acquisitions, partnerships and consolidation in our industry may provide our competitors even more resources or may increase the likelihood of our competitors offering bundled or integrated products that we may not be able to effectively compete against. In particular, as we rely on the availability and accuracy of various forms of customer feedback and input data, the acquisition of any such data providers or sources by our competitors could affect our ability to continue accessing such data. Furthermore, we also are subject to the risk of future disruptive technologies. If new technologies emerge that are able to collect and process experience data, or otherwise develop Unified-CXM solutions at lower prices, more efficiently, more conveniently or with functionality and features enterprises prefer to ours, such technologies could adversely impact our ability to compete. If we are not able to compete successfully against our current and future competitors, our business, results of operations and financial condition may be adversely affected.

***Our business depends on our customers renewing their subscriptions and on us expanding our sales to existing customers. Any decline in our customer renewals or expansion would harm our business, results of operations and financial condition.***

In order for us to maintain or improve our results of operations, it is important that we maintain and expand our relationships with our customers and that our customers renew their subscriptions when the initial subscription term expires or otherwise expand their subscription program with us. Our customers are not obligated to, and may elect not to, renew their subscriptions on the same or similar terms after their existing subscriptions expire. Some of our customers have in the past elected, and may in the future elect, not to renew their agreements with us or otherwise reduce the scope of their subscriptions, and we do not have sufficient operating history with our business model and pricing strategy to accurately predict long-term customer renewal rates. In addition, the growth of our business depends in part on our customers expanding their use of our Unified-CXM platform, which can be difficult to predict.

Our customer renewal rates, as well as the rate at which our customers expand their use of our Unified-CXM platform, may decline or fluctuate as a result of a number of factors, including the customers' satisfaction with our Unified-CXM platform, defects or performance issues, our customer and product implementation and support, our prices, mergers and acquisitions affecting our customer base, the effects of global economic conditions, the entrance of new or competing technologies and the pricing of such competitive offerings or reductions in the enterprises' spending levels for any reason. If our customers do not renew their subscriptions, renew on less favorable terms or reduce the scope of their subscriptions, our revenue may decline and we may not realize improved results of operations from our customer base, and, as a result, our business and financial condition could be adversely affected.

***We recognize revenue over the term of our customers' contracts. Consequently, increases or decreases in new sales may not be immediately reflected in our results of operations and may be difficult to discern.***

We generally recognize subscription revenue from customers ratably over the terms of their contracts and a majority of our revenue is derived from subscriptions that have terms of one to three years. As a result, because we recognize revenue ratably over the terms of our subscription contracts, a portion of the revenue we report in each quarter is derived from the recognition of deferred revenue relating to subscriptions entered into during previous quarters. Consequently, a decline in new or renewed subscriptions in any one period may not be immediately reflected as revenue for that period. Accordingly, the effect of significant downturns in sales and market acceptance of our Unified-CXM platform and potential changes in our pricing policies or rate of expansion or retention may not be fully reflected in our results of operations until future periods. For example, the impact of current economic uncertainties may cause customers to request better pricing, which may not be reflected immediately in our results of operations. Our subscription model also makes it difficult for us to rapidly increase our revenue through additional sales in any period, as revenue from new customers must be recognized over the applicable subscription tern. In addition, customers have in the past and may continue in the future to slow their rate of expansion or reduce their number of licenses. We also may be unable to reduce our cost structure in line with a significant deterioration in sales. In addition, a majority of our costs are expensed as incurred, while revenue is recognized over the term of the agreements with our customers. As a result, increased growth in the number of our customers could continue to result in our recognition of more costs than revenue in the earlier periods of the terms of our agreements.

***The failure to attract and retain qualified talent could prevent us from successfully executing our business strategy.***

To successfully execute our business strategy, we must attract and retain highly qualified talent. There is high competition for executive officers, software engineers, product managers, account executives, sales leaders and other key talent in our industry. In particular, we compete with many other companies for engineers with high levels of experience in designing, developing and managing cloud-based software, as well as for technical sales, operations and general leadership. In addition, we believe that the success of our business and corporate culture depends on employing people with a variety of backgrounds and experiences, and the competition for such diverse talent is significant. Many of the companies with which we compete for diverse and experienced talent have greater resources than we do and can frequently offer substantially greater compensation and benefits than we can offer, including, in some cases, large equity packages and cash-based awards. In addition, prospective and existing employees often consider the value of the equity awards they receive in connection with their employment. If the perceived value of our equity awards declines, including as a result of volatility or decline in the market price of our Class A common stock or changes in the perception about our future prospects, it may adversely affect our ability to recruit and retain highly qualified talent. In order to manage attrition, including as a result of recent decreases in our stock price and market volatility, we have issued, and may continue to issue, additional equity awards and increased cash compensation to attract and retain talent, which may impact results of operations or be dilutive to stockholders. We also face significant competition in hiring and attracting qualified talent in all aspects of our business, and the opportunity to work remotely or on a hybrid basis has also increased the competition for such talent. If we fail to attract new talent or fail to retain and motivate our current talent, our ability to maintain and grow our products and support our existing customers, attract new customers, respond to competitive pressures, and execute our business plan, would be at risk.

***We rely on third-party data centers and cloud computing providers, and any interruption or delay in service from these facilities could impair the delivery of our Unified-CXM platform and harm our business.***

We currently serve our customers from third-party data centers and cloud computing providers located around the world. Some of these facilities are located in areas prone to natural disasters and may experience events such as earthquakes, floods, fires, severe weather events, power loss, computer or telecommunication failures, service outages or losses, and similar events. They also may be subject to break-ins, sabotage, intentional acts of vandalism and similar misconduct or cybersecurity issues, including attacks enhanced or facilitated by artificial intelligence ("AI"), human error, terrorism, improper operation, unauthorized entry and data loss. Our data center operations also rely heavily on the availability of electricity, which also comes from third-party providers. If we or the third-party data center and cloud computing provider facilities that we use to deliver our services were to experience a major power outage or if the cost of electricity were to increase significantly, our operations and financial results could be harmed. If we or our third-party data centers and cloud service provider facilities were to experience a major power outage, we or they would have to rely on back-up generators, which might not work properly or might not provide an adequate supply during a major power outage. Such a power outage could result in a significant disruption of our business. In the event of significant physical damage to one of these data centers, it may take a significant period of time to achieve full resumption of our services, and our disaster recovery planning may not account for all eventualities. We also may incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the data centers and equipment that we or the third parties with whom we work use. Although we carry business interruption insurance, it may not be sufficient to compensate us for the potentially significant losses, including the potential harm to the future growth of our business that may result from interruptions in our services or products.

As we grow and continue to add new third-party data centers and cloud computing providers and expand the capacity of our existing third-party data centers and cloud computing providers, we may move or transfer our data and our customers' data. Despite precautions taken during this process, any unsuccessful data transfers may impair the delivery of our Unified-CXM platform. Any damage to, or failure of, our systems, or those of our third-party data centers or cloud computing providers or the systems of a customer that hosts our software in their private cloud, could result in interruptions on our Unified-CXM platform or damage to, or loss or compromise of, our data and our customers' data, including personal data. Any impairment of our or our customers' data or interruptions in the functioning of our Unified-CXM platform, whether due to damage to, or failure of, third-party data centers, cloud computing providers or the cloud computing providers of our customers or unsuccessful data transfers, may reduce our revenue, increase our operations costs, result in significant fines, cause us to issue credits or pay penalties, subject us to claims for indemnification and other claims, litigation or disputes, result in regulatory investigations or other inquiries, cause our customers to terminate their subscriptions and adversely affect our reputation, renewal rates and our ability to attract new customers. Our business will also be harmed if our existing and potential customers believe that our Unified-CXM platform is unreliable or not secure.

Further, our leases and other agreements with data centers and cloud computing providers expire at various times, and the owners of our data center facilities and cloud computing providers have no obligation to renew their agreements with us on commercially reasonable terms, or at all, which exposes us to the potential for significant cost increases. Additionally, certain of our data center and cloud computing provider agreements may be terminable for convenience by the counterparty. If services are interrupted at any of these facilities or providers, such agreements are terminated, or we are unable to renew these agreements on commercially reasonable terms or at all, or if one of our data center or cloud computing providers is acquired or encounters financial difficulties, including bankruptcy, we may be required to transfer our data, servers and other infrastructure to new data centers and cloud computing providers, and we may incur significant costs and possible service interruptions in connection with doing so. In addition, if we do not accurately plan for our data center and cloud computing capacity requirements and we experience significant strains on our data center and cloud computing capacity, we may experience delays and additional expenses in arranging new data center and cloud computing arrangements, and our customers could experience service outages that may subject us to financial liabilities due to, for example, breach of Service Level Agreements (SLAs) or other commitments, result in customer losses and dissatisfaction, and materially adversely affect our business, operating results and financial condition.

***If we are not able to effectively develop platform enhancements, introduce new products or keep pace with technological developments, our business, results of operations and financial condition could be adversely affected.***

Our future success will depend on our ability to adapt and innovate. To attract new customers and increase revenue from our existing customers, we will need to enhance and improve our existing platform and introduce new products, features and functionality. Enhancements and new products that we develop may not be introduced in a timely or cost-effective manner, may contain errors or defects, and may have interoperability difficulties with our Unified-CXM platform or other products. Furthermore, while we generally expect that enhancements and improvements to our products will attract new customers, certain of our customer agreements restrict our ability to materially change the features and functionality of our products or may obligate us to specific configurations or requirements, including in some cases, prohibiting the use of AI or generative AI in our products, which could result in violations of those customer agreements, or increased operational difficulties and costs due to our need to deploy different version of our products to different customers, i.e., enable or disable certain features, or cause such customers not to renew their agreements (and therefore, loss in revenue from such customers) as a result of our new products, features, and functionality. We have in the past experienced, and may in the future experience, delays in our planned release dates of new products, features and functionality, and there can be no assurance that these developments will be released according to schedule. We also have invested, and may continue to invest, in the acquisition of complementary businesses and technologies that we believe will enhance our Unified-CXM platform. If we are unable to successfully develop, release, acquire or integrate new products, features and functionality, or enhance our existing platform to meet the needs of our existing or potential customers in a timely and effective manner, or if a customer is not satisfied with the quality of work performed by us or with the technical support services rendered, our customers may delay or withhold payment to us, cancel their agreements with us, elect not to renew, or make service credit claims, warranty claims or other claims against us, and we could lose future sales. The occurrence of any of these events could result in diminishing demand for our solutions, a reduction in our revenues, an increase in our provision for credit losses or in collection cycles for accounts receivable or could cause us to incur the risk or expense of litigation.

Similarly, our customers and users of our Unified-CXM platform are increasingly accessing our Unified-CXM platform or interacting via mobile devices. We are devoting valuable resources to solutions related to mobile usage, but we cannot assure you that these solutions will be successful. If the mobile solutions we have developed for our Unified-CXM platform do not meet the needs of current or prospective customers, or if our solutions are difficult to access or use, customers or users may reduce their usage of our Unified-CXM platform or cease using our Unified-CXM platform altogether and our business could suffer.

In addition, because our Unified-CXM platform is designed to operate on a variety of networks, applications, systems and devices, we will need to continually modify and enhance our Unified-CXM platform to keep pace with technological advancements in such networks, applications, systems and devices. If we are unable to respond in a timely, user-friendly and cost-effective manner to these rapid technological developments, our Unified-CXM platform may become less marketable and less competitive or obsolete, and our business, results of operations and financial condition may be adversely affected.

***We use artificial intelligence in our products and operations, which may result in operational challenges, legal liability, reputational concerns and competitive risks.***

We use AI tools in our business operations for internal and external uses. Specifically, our employees and personnel use AI technologies to support their work and our internal business operations, including for example, to generate source code used in our products and systems. Output from generative AI may infringe on third-party intellectual property rights without us being aware. Moreover, advanced AI tools, which may produce content indistinguishable from that generated by humans, have a number of benefits, risks, and liabilities, some still unknown. Recent decisions of governmental entities and courts (such as the U.S. Copyright Office, U.S. Patent and Trademark Office, and U.S. Court of Appeals for the Federal Circuit) interpret U.S. copyright and patent law as limited to protecting works and inventions created by human authors and inventors, respectively. We are therefore unlikely to be able to obtain U.S. copyright or patent protection for works or inventions wholly created by a generative AI tool, and our ability to obtain U.S. copyright and patent protection for source code, text, images, inventions, or other materials, which are developed with some use of AI tools, such as generative AI, may be limited, if available at all. Likewise, the availability of intellectual property protections in other countries is similarly unclear. Additionally, our use of third-party generative AI tools to develop source code, text, images, inventions, or other materials may expose us to greater risks than utilizing contracted human developers, as third-party generative AI vendors may not provide warranties or indemnities with respect to the output generated by such generative AI tools, and generative AI tools may also provide output that appears correct but is erroneous. Furthermore, while we have policies in place to facilitate the use of approved tools, some unapproved generative AI tools may be used under terms that do not protect the confidentiality of the prompts or inputs that users submit to such tools and may use prompts or inputs to train shared AI models, potentially resulting in third-party users receiving outputs containing information from prompts or inputs (including confidential, competitive, proprietary, or personal data) that we submitted to the tool.

Our use of generative AI tools to generate code also may present additional security risks because the generated source code may contain security vulnerabilities. Additionally, the vendors of these generative AI tools may fail to comply with their contractual obligations to us regarding the confidentiality or security of any data or other inputs provided to such vendor or outputs generated by their generative AI tools. Our sensitive information could be leaked, disclosed, or revealed as a result of or in connection with our employees', personnel's, or vendors' use of third-party generative AI tools or AI technologies generally.

We also use our own proprietary AI-based features within our products and have incorporated generative AI into our product offerings through third-party vendors, which has the potential to result in adverse effects to our financial condition, results or reputation. Generative AI features and services leverage existing and widely available technologies, such as those owned by Microsoft Azure, OpenAI or alternative large language model providers. The use of generative AI technology and processes at scale is relatively new and may lead to challenges, concerns and risks that are significant or that we are not able to predict, especially if our use of these technologies in our products and services becomes more important to our operations over time.

Use of AI or generative AI in our products and services may be difficult to deploy successfully due to operational issues inherent to the nature of such technologies, including the development, maintenance and operation of deep learning datasets. Further, some of our customers, especially those in highly regulated industries, may be reluctant or unwilling to adopt AI or generative AI products. Accordingly, adoption of generative AI features in our products and marketing our products as AI or generative AI products could reduce or delay customer adoption. For example, AI and generative AI use machine learning techniques, including, but not limited to, algorithms, natural language processing and/or content creation which, depending on the model and the intended use case, may lead to flawed, biased, unexplained, and inaccurate results or outputs, which could lead to customer rejection or skepticism of such products or even potentially claims against us arising from customer reliance on erroneous output to its detriment. Emerging ethical issues surround the use of AI and generative AI, or if our deployment or development of AI or generative AI becomes controversial or is successfully and adversely challenged by our current or prospective customers, we may be subject to reputational risk. Any sensitive information (including confidential, competitive, proprietary, or personal data) that our customers input into the third-party generative AI features in our products (or that we input into generative AI tools that we use) could be leaked, disclosed to others or used for improper purposes, including if sensitive information is used to train our own AI or the third parties' generative AI models, in breach of our contractual agreements. While we have processes and practices designed to ensure that we have the necessary rights to use source training data for training our AI, we may not in every instance be able to confirm that all of the information contained in such datasets has been obtained with the necessary permissions for us to use for purposes of our AI. For example, we may use publicly available data to train our AI that contains information that was unlawfully acquired from third parties without our knowledge. While we have some tools that can be leveraged to help us avoid using personal data to train or fine-tune our AI, it may be difficult for us to avoid or identify all instances where personal data may be in the scope of the training data, even though it is not necessarily required. If we were to receive claims from third parties asserting rights against our use of certain datasets used to train our AI, it may be difficult or impossible to disentangle our trained models from the subject matter of the claims.

The disclosure and use of personal data in AI technologies is subject to various privacy laws and other privacy obligations. Additionally, where our products ingest personal data or where they make connections using such data, these AI or generative AI processes may reveal or generate other personal or sensitive data over which we could lose control or impair our ability to fulfill certain data subject requests in compliance with certain privacy laws or contractual obligations to our customers, such as requests to delete certain personal data ingested by the product. Further, unauthorized use or misuse of generative AI by our employees, customers or others, including violation of internal policies or procedures or guidelines or contractual agreements and terms (including internal and external Acceptable Use policies or other policies and third-party terms), may result in disclosure or misuse of confidential company and customer data, reputational harm, privacy law violations, legal and contractual liability, or regulatory actions, including algorithmic disgorgement. Improper development, deployment, or onward use of AI and generative AI has the potential to result in biased outcomes and could lead to decisions that could harm certain individuals (or classes of individuals), and adversely impact their rights, employment, and ability to obtain certain pricing, products, services, or benefits. In addition, use of generative AI may also lead to novel and urgent cybersecurity risks (such as if a bad actor "poisons" the generative AI with bad inputs or logic), including the misuse of personal or business confidential data, which may adversely affect our operations and reputation.

As a result, the integration of generative AI into our products and operations may not be successful despite expending significant time and monetary resources to attempt to make it successful. Our investments in deploying such technologies may be substantial, and they may be more expensive than anticipated. If we fail to deploy generative AI as intended, our competitors may incorporate generative AI technology into their products or services more successfully than we do, which may impair our ability to effectively compete in the market. Furthermore, we make numerous statements online and in our marketing materials describing the availability of AI, as well as our use and integration of generative AI in our products. Although we endeavor to be accurate with our public statements and documentation, we may at times fail to do so or be alleged to have failed to do so. Our statements regarding our AI-supported features and use of generative AI can subject us to potential government or legal action if they are found to be deceptive, unfair or misrepresentative of our actual practices. Should any of these statements prove to be untrue or be perceived as untrue, even in circumstances beyond our reasonable control, such as when relying on statements provided by the AI and generative AI providers with whom we work, we may face litigation, disputes, claims, investigations, inquiries or other proceedings that could adversely affect our business, reputation, results of operations and financial condition.

Uncertainty in the legal regulatory regime relating to AI, as well as variation on AI regulations from jurisdiction to jurisdiction, may require significant resources to modify and maintain business practices to comply with U.S. and foreign laws, the nature of which cannot be determined at this time as they continue to rapidly evolve and solidify. Several jurisdictions around the globe, including Europe and certain U.S. states, have proposed, enacted or are considering laws or guidelines governing the development and use of AI, such as the EU's Artificial Intelligence Act ("EU AI Act") and Colorado's Artificial Intelligence Act. For example, the EU AI Act imposes a number of obligations on various parties related to the development and use of certain AI-based systems, and additional jurisdictions are beginning to adopt or prepare for adoption of similar laws. These laws may be more restrictive than the EU AI Act and may render the use of such technologies challenging. While we aim to develop and use AI responsibly by attempting to identify and mitigate any issues associated with fairness, bias, transparency, or ethical or legal use of AI, we may be unsuccessful in identifying or resolving such issues. Further, use of our AI systems for unintended or improper use cases by customer users may alter the associated legal obligations upon Sprinklr, without our knowledge. We may not be able to detect, mitigate and remediate such misuse, and limitations of liability in contracts may be inadequate to address legal liability, fines, penalties and other regulatory actions resulting from such misuse. Additionally, certain privacy laws extend rights to consumers (such as the right to delete certain personal data) and regulate automated decision making, which may be incompatible with our use of AI, particularly training AI using personal data. These obligations may make it harder for us to conduct our business using AI, develop innovative AI models and create potential for regulatory fines or penalties, require us to change our business practices, retrain our AI, prevent or limit our creation and use of AI or generative AI, or delete or require us to disgorge certain algorithms. For example, the U.S. Federal Trade Commission has required other companies to turn over or delete or disgorge valuable insights or trainings generated through the use of AI, or the AI models or algorithms themselves, where they allege the company has violated privacy and consumer protection laws.

Our use of AI and generative AI technology could result in additional compliance costs, regulatory investigations and actions, and lawsuits if we do not use (or are perceived to not use) it in accordance with our internal and external policies and governance, or applicable laws and other obligations, including contractual obligations to our customers. However, if we cannot use AI or generative AI, or that use is restricted, our business may be less efficient, or we may be at a competitive disadvantage. Further, intellectual property ownership and liability for violation of terms of use, open-source license obligations, infringement or misappropriation of intellectual property and violation of privacy or publicity rights are issues arising from the use of AI technologies that legislators are still attempting to establish and with which courts are still grappling. In addition, access to data from third-party sources, including public sources and data suppliers, may become more restricted in the future, which could negatively impact our development and deployment of products, including AI technologies, that rely on such data for training or operation. Therefore, the use of AI technologies in connection with our products or operations may impact our business model or result in the inability to establish ownership of intellectual property or exposure to claims relating to the foregoing.

***Our business and growth depend in part on the success of our strategic relationships with third parties, as well as on the continued availability and quality of feedback data from third parties over whom we do not have control.***

We depend on, and anticipate that we will continue to depend on, various third-party relationships in order to sustain and grow our business, including technology companies whose products integrate with ours. Failure of any of these technology companies to maintain, support or secure their technology platforms in general, and our integrations in particular, or errors or defects in their technologies or products, or errors in our implementation or maintenance of those technologies in our Unified-CXM platform could adversely affect our relationships with our customers, damage our brand and reputation and result in delays or difficulties in our ability to provide our Unified-CXM platform. For example, we rely on third parties to support certain components of our communication and voice services. Failure of any of these third-party providers to provide their services or to meet contractual service level commitments, or if they materially increase the cost of their services, for any reason, could adversely affect our relationships with our customers, lead to increases in the prices we are charged and therefore potentially the prices our customers pay for our products and services, damage our brand and reputation and result in delays or difficulties in our ability to provide certain services. We also rely on the availability and accuracy of various forms of client feedback and input data, including data solicited via survey or based on data sources across modern channels, and any changes in the availability or accuracy of such data could adversely impact our business and results of operations and harm our reputation and brand.

In some cases, we rely on negotiated agreements with social media networks and other data providers. These negotiated agreements may provide increased access to application programming interfaces ("APIs") and data that allow us to provide a more comprehensive solution for our customers. These agreements are subject to termination in certain circumstances, and there can be no assurance that we will be able to renew those agreements or that the terms of any such renewal, including pricing and levels of service, will be favorable. We cannot accurately predict the potential impact of the termination of any of our agreements with social media networks and other data providers, including the impact on our access to the related APIs. There can be no assurance that following any such termination we would be able to maintain the current level of functionality of our platform in such circumstances, as a result of more limited access to APIs or otherwise, which could adversely affect our results of operations. In addition, there can be no assurance that we will not be required to enter into new negotiated agreements with data providers in the future to maintain or enhance the level of functionality of our platform, or that the terms and conditions of such agreements, including pricing and levels of service, will not be less favorable, which could adversely affect our results of operations. In particular, X (formerly known as Twitter) provides us with certain data that supports our Unified-CXM platform pursuant to an agreement that expires on December 31, 2026. If our agreement with X expires, is not renewed on the same or similar terms or at all, or if it is terminated due to the failure or unwillingness of either party to perform its obligations thereunder, we may not be able to provide the same level of Unified-CXM insights to our customers and our business, results of operations and financial condition may be materially and adversely affected. In addition, we obtain data from data aggregators who, despite their commercial commitments to us, may not have the right to provide that data to us, and so could expose us to claims in the future, from the data sources or data owners.

***We invest significantly in research and development, and, to the extent that our research and development investments do not translate into new solutions or material enhancements to our current solutions or we do not use those investments efficiently, our business and results of operations would be harmed.***

A key element of our strategy is to invest significantly in our research and development efforts to improve and develop new technologies, features and functionality for our Unified-CXM platform. For each of the years ended January 31, 2025 and 2024, our research and development expenses were at least 10% of our revenue. If we do not spend our research and development budget efficiently or effectively, our business may be harmed and we may not realize the expected benefits of our strategy. Moreover, research and development projects can be technically challenging, time-consuming and expensive. The nature of these research and development cycles may cause us to experience delays between the time we incur expenses associated with research and development and the time we are able to offer compelling platform updates and generate revenue, if any, from such investment. Additionally, anticipated enterprise demand for a solution or solutions we are developing could decrease after the development cycle has commenced, and we would nonetheless be unable to avoid substantial costs associated with the development of any such solutions or solution. If we expend a significant amount of resources on research and development and our efforts do not lead to the successful introduction or improvement of solutions that are competitive in our current or future markets, our business and results of operations would be adversely affected.

***If we are unable to develop and maintain successful relationships with channel partners, our business, results of operations, and financial condition could be adversely affected.***

To date, we primarily have relied on our direct sales force, online marketing and word-of-mouth to sell subscriptions to our Unified-CXM platform. Although we have developed relationships with certain channel partners, such as referral partners, resellers and integration partners, these channels have resulted in limited revenue to date. We believe that continued growth in our business is dependent upon identifying, developing and maintaining strategic relationships with additional channel partners that can drive additional revenue. Our agreements with our existing channel partners are non-exclusive, meaning our channel partners may offer enterprises the products of several different companies, including products that compete with ours. They also may cease marketing our Unified-CXM platform with limited notice and with little or no penalty. We expect that any additional channel partners we identify and develop will be similarly non-exclusive and not bound by any requirement to continue to market our Unified-CXM platform. If we fail to identify additional channel partners in a timely and cost-effective manner, or at all, if we are unable to assist our current and future channel partners in independently selling and implementing our Unified-CXM platform, or if our channel partners choose to use greater efforts to market their own products or those of our competitors, our business, results of operations and financial condition could be adversely affected. Furthermore, if our channel partners do not effectively market and sell our Unified-CXM platform, or fail to meet the needs of our customers, our reputation and ability to grow our business also may be adversely affected.

Sales by channel partners are more likely than direct sales to involve collection issues, in particular sales by our channel partners into developing markets, and, accordingly, variations in the mix between revenue attributable to sales by channel partners and revenue attributable to direct sales may result in fluctuations in our results of operations.

***If we are not able to maintain and enhance our brand, our business, results of operations and financial condition may be adversely affected.***

We believe that maintaining and enhancing our reputation as a differentiated and category-defining company in Unified-CXM is critical to our relationships with our existing customers and key employees and to our ability to attract new customers and talented personnel. The successful promotion of our brand depends on a number of factors, including the effectiveness of our marketing efforts, our ability to continue to develop a high-quality platform, our ability to provide reliable services that continue to meet the needs of our customers, our ability to maintain our customers' trust and our ability to successfully differentiate our Unified-CXM platform from competitive solutions, which we may not be able to do effectively. We do not have sufficient operating history to know whether our brand promotion activities will ultimately be successful or yield increased revenue, and, if they are not successful, our business may be adversely affected. Any unfavorable publicity of our business or platform generally, for example, relating to our privacy practices, terms of service, service quality, litigation, regulatory activity, the actions of our employees, partners or customers or the actions of other companies that provide similar solutions to us, all of which can be difficult to predict, could adversely affect our reputation and brand. In addition, independent industry analysts often provide reviews of our Unified-CXM platform, as well as solutions offered by our competitors, and our brand and perception of our Unified-CXM platform in the marketplace may be significantly influenced by these reviews. If these reviews are negative, or less positive compared to those of our competitors' solutions, our brand and market position may be adversely affected. It also may be difficult to maintain and enhance our brand as we expand our marketing and sales efforts through channel or strategic partners.

The promotion of our brand also requires us to make substantial expenditures. We anticipate that these expenditures will increase as our market becomes more competitive, as we expand into new markets and as more sales are generated through our channel partners. To the extent that these activities yield increased revenue, this revenue may not offset the increased expenses we incur. If we do not successfully maintain and enhance our brand or incur substantial expenses in unsuccessful attempts to promote and maintain our brand, our business may not grow, we may have reduced pricing power relative to competitors and we could lose customers and key employees or fail to attract potential customers or talented personnel, all of which would adversely affect our business, results of operations and financial condition.

***We may acquire or invest in companies, which may divert our management's attention and result in additional dilution to our stockholders. We may be unable to integrate acquired businesses and technologies successfully or achieve the expected benefits of such acquisitions.***

Our success depends, in part, on our ability to expand our Unified-CXM platform and grow our business in response to changing technologies, customer demands and competitive pressures. We have in the past, and we may in the future, attempt to do so through strategic transactions, including acquisitions of, or investments in, businesses, technologies, services, products and other assets that we believe could complement, expand or enhance our Unified-CXM platform or otherwise offer growth opportunities. We also may enter into relationships with other businesses to expand our Unified-CXM platform, which could involve preferred or exclusive licenses, additional channels of distribution, discount pricing or investments in other companies. Identifying and negotiating these transactions can be time-consuming, difficult and expensive, and our ability to complete these transactions may often be subject to approvals that are beyond our control. We cannot predict the number, timing or size of these transactions. These transactions, even if announced, may not be completed.

Any acquisition, investment or business relationship may result in unforeseen operating difficulties and expenditures. In particular, we may encounter difficulties assimilating or integrating the businesses, technologies, products, personnel or operations of the acquired companies, particularly if the key personnel of the acquired company choose not to work for us, their software is not easily adapted to work with our Unified-CXM platform or we have difficulty retaining the customers of any acquired business due to changes in ownership, management or otherwise. Acquisitions, investments or other business relationships also may disrupt our business, divert our resources and require significant management attention that would otherwise be available for development of our existing business. Moreover, the anticipated benefits of any acquisition, investment or business relationship may not be realized or we may be exposed to unknown risks or liabilities.

***Our international sales and operations, including our planned business development activities outside of the United States, subject us to additional risks and challenges that can adversely affect our business, results of operations and financial condition.***

During the six months ended July 31, 2025, approximately 45% of our sales were to customers outside of the Americas. As part of our growth strategy, we expect to continue to expand our international operations, which may include opening additional offices in new jurisdictions and providing our Unified-CXM platform in additional languages and on-boarding new customers outside the United States. Any new markets or countries into which we attempt to sell subscriptions to our Unified-CXM platform may not be receptive to our business development activities. We currently have sales personnel and sales and customer and product support operations in the United States and certain countries across Europe, the Asia Pacific region and the Americas. We believe that our ability to attract new customers to our Unified-CXM platform and to convince existing customers to renew or expand their use of our Unified-CXM platform is directly correlated to the level of engagement we achieve with our customers in their home countries. To the extent that we are unable to effectively engage with non-U.S. customers, we may be unable to effectively grow in international markets.

Our international operations also subject us to a variety of additional risks and challenges, including:

- increased management, travel, infrastructure and legal compliance costs associated with having operations and developing our business in multiple jurisdictions;
- providing our Unified-CXM platform and operating our business across a significant distance, in different languages, among different cultures and time zones, including the potential need to modify our Unified-CXM platform and products to ensure that they are culturally appropriate and relevant in different countries;
- compliance with non-U.S. data privacy, protection and security laws, rules and regulations, including data localization requirements, and the risks and costs of non-compliance;
- longer payment cycles and difficulties enforcing agreements, collecting accounts receivable or satisfying revenue recognition criteria, especially in emerging markets;
- hiring, training, motivating and retaining highly-qualified personnel, while maintaining our unique corporate culture;
- increased financial accounting and reporting burdens and complexities;
- longer sales cycle and more time required to educate enterprises on the benefits of our Unified-CXM platform outside of the United States;
- requirements or preferences for domestic products;
- limitations on our ability to sell our Unified-CXM platform and for our solution to be effective in non-U.S. markets that have different cultural norms and related business practices that de-emphasize the importance of positive customer and employee experiences;
- differing technical standards, existing or future regulatory and certification requirements and required features and functionality;
- political and economic conditions and uncertainty in each country or region in which we operate and general economic and political conditions and uncertainty around the world;
- compliance with laws and regulations for non-U.S. operations, including anti-bribery laws, import and export control laws, tariffs, trade barriers, economic sanctions and other regulatory or contractual limitations on our ability to sell our Unified-CXM platform and develop our business in certain non-U.S. markets, and the risks and costs of non-compliance;
- heightened risks of unfair or corrupt business practices in certain geographies and of improper or fraudulent sales arrangements that may impact our financial condition and result in restatements of our consolidated financial statements;
- fluctuations in currency exchange rates and related effects on our results of operations;
- difficulties in repatriating or transferring funds from or converting currencies in certain countries;

- communication and integration problems related to entering new markets with different languages, cultures and political systems;
- new and different sources of competition;
- differing labor standards, including restrictions related to, and the increased cost of, terminating employees in some countries;
- the need for localized subscription agreements;
- the need for localized language support and difficulties associated with delivering support, training and documentation in languages other than English;
- increased reliance on channel partners;
- reduced protection for intellectual property rights in certain non-U.S. countries and practical difficulties of obtaining, maintaining, protecting and enforcing such rights abroad; and
- compliance with the laws of numerous foreign taxing jurisdictions, including withholding tax obligations, and overlapping of different tax regimes.

Any of these risks and challenges could adversely affect our operations, reduce our revenue or increase our operating costs, each of which could adversely affect our ability to expand our business outside of the United States and thereby our business more generally, as well as our results of operations, financial condition and growth prospects.

Compliance with laws and regulations applicable to our international operations substantially increases our cost of doing business. We may be unable to keep current with changes in government requirements as they change from time to time. Failure to comply with these regulations could have adverse effects on our business. In many foreign countries it is common for others to engage in business practices that are prohibited by our internal policies and procedures or U.S. or other regulations applicable to us. Although we have implemented policies and procedures designed to ensure compliance with these laws and policies, there can be no assurance that our employees, contractors, partners and agents will comply with these laws and policies. Violations of laws or our policies by our employees, contractors, partners or agents could result in delays in revenue recognition, financial reporting misstatements, enforcement actions, disgorgement of profits, fines, civil and criminal penalties, damages, injunctions, other collateral consequences and increased costs, including the costs associated with defending against such actions, or the prohibition of the importation or exportation of our Unified-CXM platform and related services, each of which could adversely affect our business, results of operations and financial condition.

***We face exposure to foreign currency exchange rate fluctuations, and if foreign currency exchange rates fluctuate substantially in the future, our results of operations and financial condition, which are reported in U.S. dollars, could be adversely affected.***

We conduct our business in countries around the world and a portion of our transactions outside the United States are denominated in currencies other than the U.S. dollar. While we have primarily transacted with customers and vendors in U.S. dollars to date, from time to time we have transacted in foreign currencies for subscriptions to our Unified-CXM platform and may significantly expand the number of transactions with customers that are denominated in foreign currencies in the future. The majority of our international costs are also denominated in local currencies. In addition, our international subsidiaries maintain net assets or liabilities that are denominated in currencies other than the functional operating currencies of these entities. Accordingly, changes in the value of foreign currencies relative to the U.S. dollar can affect our revenue and results of operations due to transactional and translational remeasurements that are reflected in our results of operations. As a result of such foreign currency exchange rate fluctuations, it could be more difficult to detect underlying trends in our business and results of operations.

We currently do not maintain a program to hedge transactional exposures in foreign currencies, but we may do so in the future. The future use of hedging instruments may introduce additional risks if we are unable to structure effective hedges with such instruments. There can be no assurance that we will be successful in managing our exposure to currency exchange rate risks, which may adversely affect our business, results of operations and financial condition.

**Risks Related to Our Intellectual Property**

***Our Unified-CXM platform utilizes open source software, which may subject us to litigation, require us to re-engineer our Unified-CXM platform or otherwise divert resources away from our development efforts.***

We use open source software in connection with our Unified-CXM platform and products and operations, including those products that are currently (or may be) distributed. Some open source software licenses require users who distribute open source software as part of their software to publicly disclose all or part of the source code to such software or make available any derivative works of the open source code (which may include our modifications or product code into which such open source software has been integrated) on unfavorable terms allowing further modification and redistribution and at no or nominal cost, and we may be subject to such terms. The terms of many open source licenses have not been interpreted by U.S. or foreign courts, and there is a risk that these open source licenses could be construed in a way that imposes unanticipated conditions or restrictions on our ability to commercialize our products.

It is possible that our use of open source software could inadvertently result in, or could be claimed to have resulted in use that would require us to disclose source code that we have decided to maintain as proprietary or that would otherwise breach the terms or fail to meet the conditions of an open source license or third-party contract, in part because open source license terms are often ambiguous and are not always drafted with certain programming languages in mind. We could be subject to suits by parties claiming ownership of or demanding release of the open source software or derivative works that we developed using such software, which could include our proprietary source code, or otherwise seeking to enforce the applicable open source licensing terms or alleging that our use of such software infringes, misappropriates or otherwise violates a third party's intellectual property rights. We may as a result be subject to claims for breach of contract, infringement of intellectual property rights, or indemnity, required to release our proprietary source code, pay damages, incur additional internal compliance costs, royalties, or license fees or other amounts, seek licenses, re-engineer our applications, discontinue sales in the event re-engineering cannot be accomplished on a timely basis or take other remedial action that may divert resources away from our development efforts, any of which could adversely affect our business. Any actual or claimed requirement to disclose our proprietary source code or pay damages for breach of the applicable license could harm our business and could help third parties, including our competitors, develop products and services that are similar to or better than ours.

Additionally, the use of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of software. There is typically no support available for open source software, and we cannot ensure that the authors of such open source software will implement or push updates to address security risks or will not abandon further development and maintenance. Many of the risks associated with the use of open source software, such as the lack of warranties or assurances of title or performance, cannot be eliminated, and could, if not properly addressed, negatively affect our business. While we do keep track of our use of open-source software, we cannot be sure that all open source software is identified prior to use in our products and services. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have an adverse effect on our business, financial condition, and results of operations.

***Any failure to obtain, maintain, protect, defend or enforce our intellectual property rights could impair our ability to protect our proprietary technology and our brand and adversely affect our business, financial condition and results of operations.***

Our success and ability to compete depend in part upon our ability to obtain, maintain, protect, defend and enforce our intellectual property. As of July 31, 2025, we owned 38 U.S. issued patents and 10 pending non-provisional or provisional U.S. patent applications. We rely on a combination of patent, copyright, trademark and trade secret laws in the United States and internationally, as well as technological measures and contractual provisions, such as confidentiality or license agreements with our employees, customers, partners, and other third parties, to establish and protect our brand, maintain our competitive position and protect our intellectual property rights from infringement, misappropriation or other violation. However, the steps we take to protect our intellectual property rights may be inadequate or ineffective, and our intellectual property may be challenged, invalidated, narrowed in scope or rendered unenforceable through administrative processes, including re-examination, inter partes review, interference and derivation proceedings and equivalent proceedings in foreign jurisdictions (e.g., opposition proceedings) or litigation. The steps we take to protect our intellectual property rights may not be sufficient to effectively prevent third parties from infringing, misappropriating or otherwise violating our intellectual property or to prevent unauthorized disclosure or unauthorized use of our trade secrets or other confidential information. We cannot guarantee that any of our pending applications will issue or be approved or that our existing and future intellectual property rights will be sufficiently broad to protect our proprietary technology.

Additionally, effective trademark, copyright, patent and trade secret protection may not be available in every country in which we conduct business, and we may fail to maintain or be unable to obtain adequate protections for certain of our intellectual property rights in such foreign countries. Further, intellectual property law, including statutory and case law, particularly in the United States, is constantly developing, and any changes in the law could make it harder for us to enforce our rights. Failure to comply with applicable procedural, documentary, fee payment and other similar requirements with the United States Patent and Trademark Office and various similar foreign governmental agencies could result in abandonment or lapse of the affected patent, trademark or application. If this occurs, our competitors might be more successful in their efforts to compete with us. Effective protection of intellectual property rights is expensive and difficult to maintain, both in terms of application and registration costs, as well as the costs of defending and enforcing those rights.

We attempt to protect our intellectual property, technology, and confidential information in part through confidentiality, non-disclosure and invention assignment agreements with our employees, consultants, contractors, corporate collaborators, advisors and other third parties who develop intellectual property on our behalf or with whom we share information. However, we cannot guarantee that we have entered into such agreements with each party who has developed intellectual property on our behalf and each party that has or may have had access to our confidential information, know-how and trade secrets. These agreements may be insufficient or breached, or may not effectively prevent unauthorized access to or unauthorized use, disclosure, misappropriation or reverse engineering of, our confidential information, intellectual property, or technology. There can be no assurance that these agreements will be self-executing or otherwise provide meaningful protection for our trade secrets or other intellectual property or proprietary information. Moreover, these agreements may not provide an adequate remedy for breaches or the unauthorized use or disclosure of our confidential information or technology or infringement of our intellectual property. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret or know-how is difficult, expensive, and time-consuming, and the outcome is unpredictable. In addition, trade secrets and know-how can be difficult to protect, and some courts inside and outside the United States are less willing or unwilling to protect trade secrets and know-how. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us, and our competitive position would be materially and adversely harmed. The loss of trade secret protection could make it easier for third parties to compete with our products and services by copying functionality. Additionally, individuals not subject to invention assignment agreements may make adverse ownership claims to our current and future intellectual property, and, to the extent that our employees, independent contractors or other third parties with whom we do business use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. There is also a risk that we do not establish an unbroken chain of title from inventors to us. An inventorship or ownership dispute could arise that may permit one or more third parties to practice or enforce our intellectual property rights, including possible efforts to enforce rights against us. Additionally, errors in inventorship or ownership can sometimes also impact priority claims, and if we were to lose our ability to claim priority for certain patent filings, intervening art or other events may preclude us from issuing patents.

Moreover, policing unauthorized use of our technologies, trade secrets, and intellectual property may be difficult, expensive and time-consuming, particularly in foreign countries where the laws may not be as protective of intellectual property rights as those in the United States and where mechanisms for enforcement of intellectual property rights may be weak or inadequate. Furthermore, we may not always detect infringement, misappropriation or other violation of our intellectual property rights, and any infringement, misappropriation or other violation of our intellectual property rights, even if successfully detected, prosecuted and enjoined, could be costly to deal with and could harm our business. In addition, there can be no assurance that our intellectual property rights will be sufficient to protect against others offering products or services that are substantially similar to ours and competing with our business, and third parties, including our competitors, may independently develop similar technology, duplicate our services or design around our intellectual property and, in such cases, we may not be able to successfully assert our intellectual property rights against such parties. Further, our contractual arrangements may not effectively prevent disclosure of our trade secrets or confidential information or provide an adequate remedy in the event of unauthorized disclosure of our trade secrets or confidential information, and we may be unable to detect the unauthorized use of, or take appropriate steps to enforce, such trade secrets, confidential information and other intellectual property rights. Any of the foregoing could adversely affect our business, results of operations and financial condition.

In order to protect our intellectual property rights, we may be required to spend significant resources to monitor and protect these rights. Litigation brought to protect and enforce our intellectual property rights could be costly, time-consuming and distracting to management, and could result in the impairment or loss of portions of our intellectual property. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights, which could result in the impairment or loss of portions of our intellectual property portfolio. An adverse determination of any litigation proceedings could put our intellectual property at risk of being invalidated or interpreted narrowly and could put our related patents, pending patent applications and trademark filings at risk of being invalidated, not issuing or being cancelled. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential or sensitive information could be compromised by disclosure in the event of litigation. In addition, during the course of litigation there could be public announcements of the results of hearings, motions or other interim proceedings or developments. Despite our efforts, we may not be able to prevent third parties from infringing, misappropriating or otherwise violating, or from successfully challenging, our intellectual property rights. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our Class A common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. Our failure to obtain, maintain, protect, defend and enforce our intellectual property rights could adversely affect our brand and business, financial condition and results of operations.

***We may face claims by third parties alleging infringement, misappropriation or other violation of their intellectual property, trade secrets or proprietary rights.***

There is considerable patent and other intellectual property development activity in our industry and companies in the technology industry frequently enter into litigation based on allegations of infringement, misappropriation or other violations of intellectual property rights. Our future success depends in part on our ability to develop and commercialize our products and services without infringing, misappropriating or otherwise violating the intellectual property and proprietary rights of others. From time to time, we have received and may in the future receive claims from third parties, including our competitors, alleging that our Unified-CXM platform and underlying technology infringe, misappropriate or otherwise violate such third party's intellectual property rights, including their trade secrets, and we may be found to be infringing upon such rights.

As we face increasing competition and become increasingly high profile, the possibility of receiving a larger number of intellectual property claims against us grows. It is possible that we may be unsuccessful in such proceedings, resulting in a loss of some portion or all of our patent rights. Any claims or litigation, regardless of their merit, could cause us to incur significant expenses, pay substantial amounts in costs or damages, ongoing royalty or license fees or other payments, or could prevent us from offering all or aspects of our Unified-CXM platform or using certain technologies, require us to re-engineer all or a portion of our Unified-CXM platform, force us to implement expensive workarounds or re-designs, distract management from our business or require that we comply with other unfavorable terms. If any of our technologies, products or services are found to infringe, misappropriate or violate a third party's intellectual property rights, we may seek to obtain a license under such third party's intellectual property rights in order to bring an end to certain claims or actions asserted against us to continue commercializing or using such technologies, products and services. However, we may not be able to obtain such a license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us, and it could require us to make substantial licensing and royalty payments.

Any litigation also may involve patent holding companies or other adverse patent owners that have no relevant solution revenue, and, therefore, our patent portfolio may provide little or no deterrence, as we would not be able to assert our patents against such entities or individuals. Such "non-practicing entities" and other intellectual property rights holders may attempt to assert intellectual property claims against us or seek to monetize the intellectual property rights they own to extract value through licensing or other settlements. We have in the past and may in the future be requested to and/or obligated to indemnify our customers or business partners in connection with any such litigation and to obtain licenses or refund subscription fees, which could further exhaust our resources. Even if we were to prevail in the event of claims or litigation against us, any claim or litigation regarding our technology or intellectual property, with or without merit, could be unpredictable, costly and time-consuming, and divert significant resources and the attention of our management and other employees from our business operations. Such disputes also could disrupt our Unified-CXM platform and products, which would adversely impact our client satisfaction and ability to attract customers. In the case of infringement, misappropriation or other violation caused by technology that we obtain from third parties, any indemnification or other contractual protections we obtain from such third parties, if any, may be insufficient to cover the liabilities we incur as a result of such infringement or misappropriation.

In a patent infringement claim against us, we may assert, as a defense, that we do not infringe the relevant patent claims, that the patent is invalid or both. The strength of our defenses will depend on the patents asserted, the interpretation of these patents, and our ability to invalidate the asserted patents. However, we could be unsuccessful in advancing non-infringement or invalidity arguments in our defense. In the United States, issued patents enjoy a presumption of validity, and the party challenging the validity of a patent claim must present clear and convincing evidence of invalidity, which is a high burden of proof. Conversely, the patent owner need only prove infringement by a preponderance of the evidence, which is a lower burden of proof. We also may be unaware of the intellectual property rights of others that may cover some or all of our technology. Because patent applications can take years to issue and are often afforded confidentiality for some period of time, there may currently be pending applications, unknown to us, that later result in issued patents that could cover one or more of our products. If we are required to make substantial payments or undertake any of the other actions noted above as a result of any intellectual property infringement, misappropriation or violation claims against us, such payments, costs or actions could have a material adverse effect on our competitive position, business, financial condition and results of operations.

***Indemnity and other provisions in various agreements potentially expose us to substantial liability for intellectual property infringement and other losses.***

Our agreements with customers and other third parties may include indemnification or other provisions under which we agree to indemnify or otherwise be liable to such third parties for losses suffered or incurred as a result of claims of intellectual property infringement, misappropriation or other violation, damages caused by us to property or persons or other liabilities relating to or arising from our Unified-CXM platform or our acts or omissions. We have in the past and may in the future receive indemnification requests from our customers related to such claims. In addition, customers typically require us to indemnify or otherwise be liable to them for breach of confidentiality or failure to implement adequate security measures with respect to their data stored, transmitted or processed by our Unified-CXM platform. The terms of these contractual provisions often survive termination or expiration of the applicable agreement. Large indemnity payments or damage claims from contractual breach could harm our business, results of operations and financial condition. Although we generally attempt to contractually limit the scope of our liability with respect to such obligations, we are not always successful, and we may incur substantial liability related to them. Any dispute with a customer with respect to such obligations could have adverse effects on our relationship with that customer and other current and prospective customers, reduce demand for our Unified-CXM platform and harm our business, financial condition and results of operations.

Further, certain of our customer agreements contain provisions permitting the customer to become a party to, or a beneficiary of, a source code escrow agreement under which we place the proprietary source code for certain of our solutions in escrow with a third party. Under these source code escrow agreements, our source code may be released to the customer upon the occurrence of specified events, such as in situations of our bankruptcy or insolvency or our failure to support or maintain our solutions. Disclosing the content of our source code may limit the intellectual property protection we can obtain or maintain for our source code or our solutions containing that source code and may facilitate intellectual property infringement, misappropriation or other violation claims against us.

Following any such release, we cannot be certain that customers will comply with the restrictions on their use of the source code and we may be unable to monitor and prevent unauthorized disclosure of such source code by customers. Additionally, following any such release, customers may be able to create derivative works based on our source code and may own such derivative works. Any increase in the number of people familiar with our source code as a result of any such release also may increase the risk of a successful hacking attempt. Each of these could have a material adverse effect on our business, financial condition and results of operations.

**Risks Related to Litigation, Regulatory Compliance and Governmental Matters**

***Our business and operations could be negatively affected by any pending or future securities litigation or stockholder activism.***

We are, and may become in the future, subject to securities class actions, derivative suits or other securities-related legal actions. For example, in August 2024, a putative securities class action was filed against us and certain of our officers alleging violations of the federal securities laws for allegedly making false and misleading statements. On March 18, 2025, March 26, 2025, and April 30, 2025, three stockholder derivative actions were filed, purporting to bring claims on behalf of the Company against certain of our current and former directors and officers for alleged violations of the federal securities laws and breaches of their fiduciary duties, among other claims, in relation to substantially the same factual allegations as those made in the securities class action.

In the past, securities class action litigation have often been brought against a company following a decline in the market price of its securities. In addition, stockholder activism, which could take many forms and arise in a variety of situations, has been increasing recently, and new universal proxy rules could significantly lower the cost and further increase the ease and likelihood of stockholder activism. This risk is especially relevant for us because technology companies have experienced significant stock price volatility in recent years. Volatility in our stock price or other reasons may in the future cause us to become the target of securities litigation or stockholder activism. Securities litigation and stockholder activism, including potential proxy contests, could result in substantial costs, including significant legal fees and other expenses, and divert our management and board of directors' attention and resources from our business. Additionally, securities litigation and stockholder activism could give rise to perceived uncertainties as to our future, adversely affect our relationships with customers and business partners, adversely affect our reputation, and make it more difficult to attract and retain qualified personnel. Our stock price could also be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any securities litigation and stockholder activism.

Any claims or litigation, even if fully indemnified or insured, could adversely affect our relationships with customers and business partners, damage our reputation, decrease customer demand for our services and make it more difficult to attract and retain qualified personnel, making it more difficult for us to compete effectively. In addition, lawsuits or legal claims involving us may increase our insurance premiums, deductibles or co-insurance requirements or otherwise make it more difficult for us to maintain or obtain adequate insurance coverage on acceptable terms, if at all. Furthermore, while we maintain insurance for certain potential liabilities, such insurance does not cover all types and amounts of potential liabilities and is subject to various exclusions, as well as caps on amounts recoverable. Even if we believe that a claim is covered by insurance, insurers may dispute our entitlement to recovery for a variety of potential reasons, which may affect the timing and, if the insurers prevail, the amount of our recovery. Our exposure under these matters may also include our indemnification obligations, to the extent that we have any, to current and former officers and directors against losses incurred in connection with these matters, including reimbursement of legal fees and other expenses.

As a result, pending or future lawsuits involving us, or our officers or directors, could have a material adverse effect on our business, reputation, financial condition, results of operations, liquidity and the trading price of our Class A common stock.

***We are subject to governmental export and import controls and economic sanctions laws and regulations that could impair our ability to compete in international markets and subject us to liability if we are not in full compliance with applicable laws.***

Our business activities are subject to various restrictions under U.S. export and similar laws and regulations, including the United States Department of Commerce's Export Administration Regulations and various economic and trade sanctions regulations administered by the United States Treasury Department's Office of Foreign Assets Controls. The U.S. export control laws and economic sanctions laws include restrictions or prohibitions on the sale or supply of certain products and services to certain embargoed or sanctioned countries, governments, persons and entities. In addition, we may incorporate encryption technology into certain of our offerings, and encryption offerings and the underlying technology may be exported outside of the United States only with the required export authorizations, including by license, and we cannot guarantee that any required authorization will be obtained. If we are found to be in violation of U.S. economic sanctions or export control laws, it could result in substantial fines and penalties for us and for the individuals working for us. We also may experience other adverse effects, including reputational harm and loss of access to certain markets.

In addition, various countries regulate the import of certain technology and have enacted or could enact laws that could limit our ability to provide our customers access to our Unified-CXM platform or could limit our customers' ability to access or use our Unified-CXM platform in those countries. Changes in our Unified-CXM platform or future changes in export and import regulations may prevent our customers with international operations from utilizing our Unified-CXM platform globally or, in some cases, prevent the export or import of our Unified-CXM platform to certain countries, governments or persons altogether. Any decreased use of our Unified-CXM platform or limitation on our ability to export or sell our Unified-CXM platform could adversely affect our business, results of operations and financial condition.

***Failure to comply with anti-bribery, anti-corruption and anti-money laundering laws could subject us to penalties and other adverse consequences.***

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), the U.K. Bribery Act and other anti-corruption, anti-bribery and anti-money laundering laws in the jurisdictions in which we do business, both domestic and abroad. These laws generally prohibit us and our employees from improperly influencing government officials or commercial parties in order to obtain or retain business, direct business to any person or gain any advantage. The FCPA, U.K. Bribery Act and other applicable anti-bribery and anti-corruption laws also may hold us liable for acts of corruption and bribery committed by our third-party business partners, representatives and agents. In addition to our own sales force, we leverage third parties to sell our products and conduct our business abroad. We and our third-party business partners, representatives and agents may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities and we may be held liable for the corrupt or other illegal activities of these third-party business partners and intermediaries, our employees, representatives, contractors, channel partners and agents, even if we do not explicitly authorize such activities. These laws also require that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions. While we have policies and procedures to address compliance with such laws, we cannot assure you that our employees and agents will not take actions in violation of our policies or applicable law, for which we may be ultimately held responsible and our exposure for violating these laws increases as our international presence expands and as we increase sales and operations in foreign jurisdictions. Any violation of the FCPA, U.K. Bribery Act or other applicable anti-bribery, anti-corruption laws and anti-money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, imposition of significant legal fees, loss of export privileges, severe criminal or civil sanctions or suspension or debarment from U.S. government contracts, substantial diversion of management's attention, a decline in the market price of our Class A common stock or overall adverse consequences to our reputation and business, all of which may have an adverse effect on our results of operations and financial condition.

***Our business could be adversely affected by changes in laws and regulations related to the Internet or changes in access to the Internet generally.***

The future success of our business depends upon the continued use of the Internet as a primary medium for communication, business applications and commerce. Federal or state government bodies or agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the Internet as a commercial medium. Legislators, regulators or government bodies or agencies also may make legal or regulatory changes or interpret or apply existing laws or regulations that relate to the use of the Internet in new and materially different ways. Changes in these laws, regulations or interpretations could require us to modify our Unified-CXM platform in order to comply with these changes, to incur substantial additional costs or divert resources that could otherwise be deployed to grow our business, or expose us to unanticipated civil or criminal liability, among other things.

In addition, federal and state government agencies and private organizations have imposed, and may in the future impose, additional taxes, fees or other charges for accessing the Internet or commerce conducted via the Internet. Internet access is frequently provided by companies that have significant market power and could take actions that degrade, disrupt or increase the cost of our customers' use of our Unified-CXM platform, which could negatively impact our business. In December 2017, the Federal Communications Commission ("FCC") repealed its 2015 "network neutrality" rules, effective June 2018. The 2015 network neutrality rules were designed to ensure that all online content and services were treated the same by internet service providers and granted providers of broadband internet access services greater freedom to make changes to their services, including, potentially, changes that may discriminate against or harm our business. In April 2024, the FCC adopted an order that substantially reinstated the 2015 rules, but the U.S. Court of Appeals for the Sixth Circuit overturned the FCC's decision on January 2, 2025, which means that there is no federal regulation requiring network neutrality. A number of states have adopted or are adopting or considering legislation or executive actions that would regulate the conduct of broadband providers. For example, California and Vermont have state-level requirements in effect, and New York is considering similar legislation. We cannot predict the actions that the FCC may take, whether any new FCC order or state initiatives regulating providers will be modified, overturned, or vacated by legal action, federal legislation, or the FCC itself, or the degree to which additional federal or state regulatory action – or inaction – may adversely affect our business. We could incur greater operating expenses or our customers' use of our Unified-CXM platform could be adversely affected, either of which could harm our business and results of operations.

These developments could limit the growth of Internet-related commerce or communications generally or result in reductions in the demand for Internet-based platforms and services such as ours, increased costs to us or the disruption of our business. In addition, as the Internet continues to experience growth in the number of users, frequency of use and amount of data transmitted, the use of the Internet as a business tool could be adversely affected due to delays in the development or adoption of new standards and protocols to handle increased demands of Internet activity, security, reliability, cost, ease-of-use, accessibility and quality of service. The performance of the Internet and its acceptance as a business tool has been adversely affected by data security and privacy issues, and the Internet has experienced a variety of outages and other degradations as a result of damage to portions of its infrastructure. If the use of the Internet generally, or our Unified-CXM platform specifically, is adversely affected by these or other issues, we could be forced to incur substantial costs, demand for our Unified-CXM platform could decline and our results of operations and financial condition could be harmed.

***Our business could be adversely impacted by laws and regulations related to the telecommunications industry.***

We provide certain communications and voice services that are or could become subject to existing or potential domestic or international regulations around telecommunications. For example, we are registered as an interconnected Voice Over Internet Protocol ("VoIP") provider in the United States, which subjects us to the FCC's rules and regulations applicable to VoIP providers such as filings and regulatory assessments (including contributions to FCC-mandated funds), call authentication requirements, access to emergency services, requirements around the provision or portability of phone numbers, data privacy, and law enforcement access laws. We may seek to expand business activities to new jurisdictions, which could subject us to new or increased regulations, increase compliance costs or limit the level of services we offer, each of which could affect our business strategies and potential customer base. In addition, existing and future laws and regulations could limit our ability to make telephone numbers available to customers who request them. Legislators or the agencies may expand the scope of our regulatory obligations or limit our rights at any time. If we do not comply with any current or future regulations that apply to our business, we could be subject to substantial fines and penalties, we may have to restructure our product offerings, exit certain markets, or raise the price of our products, any of which could ultimately harm our business and results of operations. Any enforcement action by the regulators, which may be a public process, would hurt our reputation in the industry, possibly impair our ability to sell our services to our customers and harm our business.

**Risks Related to Privacy, Information Technology and Cybersecurity**

***Interruptions in availability or suboptimal performance associated with our technology and infrastructure may adversely affect our business, results of operations and financial condition.***

We seek to maintain the integrity and availability of our products and confidentiality of our confidential information through certain controls, such as business continuity and disaster recovery plans, redundant designs of operational systems and processes, internal corporate governance, training and availability of key employees, contractual and technical assurances by our third-party service providers to maintain their services to us, regular tests and audits of critical systems and plans, capacity planning for current and future system and process needs, enterprise risk management, and periodic review of our plans. Notwithstanding these efforts, we cannot ensure that our systems or those of the third parties with whom we work are not or will not be vulnerable to disruptions from natural or man-made disasters or other security incidents. We are exposed to threats and resulting risks that may result in a significant disruption of our ability to deliver our products to our customers.

Our continued growth, brand, reputation and ability to attract and retain customers depend in part on the ability of our customers to access our Unified-CXM platform at any time and within an acceptable amount of time. Our Unified-CXM platform is proprietary, and we are dependent on the expertise and efforts of members of our engineering, operations and software development teams for its continued performance. We have experienced, and may in the future experience, service disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints due to an overwhelming number of users accessing our Unified-CXM platform concurrently and denial of service attacks or other security-related incidents. Frequent or persistent interruptions in our products and services could cause customers to believe that our products and services are unreliable, leading them to limit or reduce their use of our products, switch to our competitors or avoid our products and services. Additionally, our insurance policies may be insufficient to cover a claim made against us by any such customers affected by any errors, defects or other infrastructure problems. In some instances, we may not be able to rectify, remediate or even identify the cause or causes of these performance issues within an acceptable period of time. It may become increasingly difficult to maintain and improve our performance, especially during peak usage times, as our Unified-CXM platform becomes more complex and our user traffic increases. If our Unified-CXM platform is unavailable or if users are unable to access our Unified-CXM platform within a reasonable amount of time, or at all, our business, results of operations and financial condition would be adversely affected. Moreover, some of our customer agreements include performance guarantees and service-level standards that obligate us to provide credits or termination rights in the event of a significant disruption in the functioning of our Unified-CXM platform.

To the extent that we do not effectively address capacity constraints, upgrade our systems and data centers as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology or an increased user base, we may experience service interruptions and performance issues, which may result in a disruption of our products, delay the development of new products and features, result in a loss of current and future revenue, result in negative publicity and harm to our reputation, require us to pay significant penalties or fines or subject us to litigation, claims or other disputes, any of which could have an adverse effect on our business, results of operations and financial condition.

***We and the third parties with whom we work are subject to stringent and changing obligations related to data privacy and security. Our (or the third parties with whom we work) actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions, litigation or mass arbitration demands, fines and penalties, disruptions of our business operations, reputational harm, loss of revenue or profits, loss of customers or sales, and other adverse business consequences.***

In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, share and conduct other activities with (which we collectively refer to as "process") proprietary and confidential data, including personal data, intellectual property, and trade secrets, of ours or our customers (collectively, "confidential information"). Additionally, our customers can utilize our Unified-CXM platform to process confidential information or personal data relating to their employees, customers, partners, and other individuals. Our data processing activities subject us to numerous global data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contracts, and other obligations that govern the processing of confidential information by us and on our behalf.

In the United States, federal, state, and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws, and consumer protection laws (such as Section 5 of the Federal Trade Commission Act), and other laws, including wiretapping laws. For example, some privacy laws and other obligations require us or our customers to obtain consent to process personal data in certain circumstances. Some of our data processing practices may be subject to challenges or lawsuits under data privacy and communication laws, including, for example, under wiretapping laws, if we share customer information with third parties through various methods, including chatbot and session replay providers, or via third-party marketing pixels. In addition, we must comply with the FCC's regulations that require us to protect private customer information about their use of telecommunications services, known as customer proprietary network information. Our, or the third parties with whom we work, inability or failure to adhere to applicable requirements could result in adverse consequences, including class action litigation, mass arbitration demands and statutory fines for noncompliance. In the past few years, numerous U.S. states have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt-out of certain data processing activities, such as targeted advertising, profiling, and automated decision-making, which, even if not directly applicable to Sprinklr as a data processor, may be applicable to our customers. The exercise of these rights may impact our business and ability to provide our products and services. These state laws also allow for statutory fines for noncompliance. For example, under the California Consumer Privacy Act of 2018 ("CCPA"), noncompliance carries fines and also allows for a private right of action for certain data breaches. These laws, as well as other laws or regulations relating to data privacy and security, particularly any new or modified laws or regulations that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer or disclosure, may result in further uncertainty with respect to data privacy and security issues and will require us to incur additional resource, costs and expenses in an effort to comply. The enactment of various laws has prompted similar legislative developments in other states, which has created a patchwork of overlapping nuanced state laws, as certain state laws may be more stringent, broader in scope or offer greater individual rights with

respect to personal data than federal, foreign or other state laws, which complicate compliance efforts. The federal government is also still considering comprehensive privacy legislation.

In addition, as we continue to expand our business activities, we are accessing additional types and greater volumes of potentially confidential or sensitive information that may subject us to additional privacy and security laws and obligations. For example, in certain limited instances, we have agreed with specific customers to permit the exchange of protected health information through certain approved platform components. Our access to protected health information for specific agreed upon use cases on behalf of those customers that are covered entities and therefore subject to the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (collectively, "HIPAA"), may subject us to HIPAA's specific requirements relating to the privacy, security, and transmission of protected health information. To the extent that we are or may become subject to HIPAA, our failure to comply could result in significant penalties. Additionally, to the extent that additional customers with whom we did not agree to permit the exchange of protected health information through our platforms in their capacity as covered entities nonetheless input or allow such information within the platform in violation of their contractual obligations with us, we could also be subject to additional compliance risks. Similar privacy, security, and transmission obligations may apply to us outside the United States if we process health information and other categories of sensitive or confidential information knowingly or unknowingly, and our failure to comply could result in significant penalties. As we expand into more regulated industries, there may be additional obligations regarding the types of data in scope, and higher risk due to the sensitivity and potential impact of exposure.

As another example, we enable the processing of credit card data through our Secure Forms module, and we have entered contractual relationships requiring us to comply with the Payment Card Industry Data Security Standard ("PCI DSS"). The PCI DSS requires companies to adopt certain measures to ensure the security of cardholder information, including using and maintaining firewalls, adopting proper password protections for certain devices and software, and restricting data access. Noncompliance with PCI-DSS can result in penalties ranging from $5,000 to $100,000 per month by credit card companies, litigation, damage to our reputation, and revenue losses.

Outside of the United States, an increasing number of laws, regulations, and industry standards apply to data privacy and security. Some examples of laws that apply to our processing of personal data include the European Union's General Data Protection Regulation ("EU GDPR"), the United Kingdom's GDPR ("UK GDPR" and, together with EU GDPR, "GDPR"), Brazil's General Data Protection Law (Lei Geral de Proteção de Dados Pessoais) (Law No. 13,709/2018), China's Personal Information Protection Law, India's Digital Personal Data Protection Act, and Japan's Act on the Protection of Personal Information. These laws all impose strict requirements for processing personal data. For example, noncompliance with the EU GDPR carries fines of up to the greater of €20 million or 4% of global annual turnover (and under the UK GDPR, up to the greater of £17.5 million or 4% of global annual turnover) and can result in data processing bans, other administrative penalties and litigation brought by classes of data subjects or consumer protection organizations authorized at law to represent their interests, together with associated damage to our reputation.

Europe and other jurisdictions have proposed or enacted laws requiring data to be localized in some limited circumstances or limiting the transfer of personal data to other countries. In addition, some customers have internal policy requirements which may differ from, or be more burdensome than, applicable regulations. For example, European and other data protection laws, including the GDPR, place some restrictions on the ability of companies to freely transfer personal data to countries deemed to be inadequate for privacy purposes, and there are fairly rigorous restrictions regarding transfers of personal data from China. Other jurisdictions may also adopt stringent data localization and cross-border data transfer requirements and, in many circumstances, these may be requirements outside of the scope of privacy law, including industry-specific or national security requirements. With respect to data transfers under the GDPR, although there are currently various mechanisms that may be used to enable the transfer of personal data from the European Economic Area ("EEA") and UK to the United States in compliance with the law, such as the EU-US Data Privacy Framework and the UK extension thereto (to which we are an active participant) and the EU's standard contractual clauses, these mechanisms continue to be subject to legal challenges, and there is no continued assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States or other countries with "inadequate" data protection regimes without the potential for future challenge. If there is no lawful manner for us to transfer personal data from the EEA, the UK, or other jurisdictions outside of the origin territory, or if the requirements for a legally-compliant transfer are too onerous, we could face significant adverse consequences, including the prohibition on further transfers (including remote access by employees in support teams in certain regions), the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, the U.S. Department of Justice issued a rule entitled the Preventing Access to U.S. Sensitive Personal Data and Government-Related Data by Countries of Concern or Covered Persons, which places additional restriction on certain data transactions involving countries of concern (e.g., China, Russia, Iran) and covered individuals (i.e., individuals and entities located in or controlled by individuals or entities located in those jurisdictions) that may impact certain business activities such as vendor engagements, sale or sharing of data, employment of certain individuals, and investor agreements. Violations of the rule could lead to significant civil and criminal fines and penalties.

We are or may become directly or indirectly subject to new laws in the EEA that regulate cybersecurity and non-personal data, such as the EU Data Act, the EU Digital Operational Resilience Act (DORA) or the so-called "EU NIS2 Directive." Depending on how new laws are implemented and interpreted, we may have to adapt our business practices, contractual arrangements and products to comply with such obligations.

UK and EEA data privacy regulations in relation to electronic communications also require opt-in consent to send certain unsolicited marketing emails or other electronic communications to individuals or for the use of cookies and the data obtained using cookies and similar technologies for advertising, analytics and certain other purposes – activities on which our products and marketing strategies rely. Enforcement of these requirements has increased, and a new regulation proposed in the EU, known as the ePrivacy Regulation, makes these requirements, as well as requirements around tracking technologies, such as cookies, more stringent and increases the penalties for violating them. Such restrictions could increase our exposure to regulatory enforcement action, increase our compliance costs, and adversely affect our business.

We sometimes rely on certain data obtained from third-party data suppliers, and the sale of data to third parties has become subject to increased regulatory scrutiny. Therefore, obtaining information from third parties carries risk to us as a data purchaser and onward provider to our customers. Regulators are increasingly scrutinizing the activities of third-party data suppliers, as well as those using the data from those third parties, and laws in the United States (including the CCPA and California Delete Act) and other jurisdictions, such as Europe (including GDPR and the ePrivacy Directive), are likewise regulating such activity. These laws pose additional, material compliance risks to such suppliers, and these suppliers may not be able to supply us with personal data in compliance with these laws. Such laws may make it difficult for our suppliers to provide the data as the costs associated with the data materially increase. For example, some data suppliers are required to register as data brokers under California, Vermont, Texas and Oregon law and file reports with regulators, which exposes them to increased scrutiny. Additionally, the California Delete Act requires the California Privacy Protection Agency to establish by January 1, 2026 a mechanism to allow California consumers to submit a single, verifiable request to delete all of their personal data held by all registered data brokers and their service providers. Moreover, third-party data suppliers have recently been subject to increased litigation under various claims of violating certain state privacy laws. These laws and challenges may make it so difficult for our suppliers to provide data to us that the costs associated with the data materially increase or may materially decrease the availability of data that our data suppliers can provide us. In addition, we may face compliance risks and limitations on our ability to use certain data provided by our third-party suppliers if those suppliers have not complied with applicable privacy laws, for example, where necessary by providing appropriate transparency notices to data subjects, obtaining necessary consents or where the data is not lawfully made available to us. In addition, there may be restrictions in their terms of use of which we are not aware.

In addition to data privacy and security laws, our contractual obligations relating to data privacy and security have become increasingly stringent due to changes in data privacy and security and the expansion of our service offerings. For example, certain data privacy and security laws, such as the GDPR and the CCPA, require us to impose specific contractual restrictions on our service providers, and our customers are requiring broader and more extensive commitments.

Moreover, we have been certified or assessed to be compliant with certain privacy and security standards or requirements. If we are unable to maintain these certifications or meet these standards, it could adversely affect our ability to provide our solutions to certain customers and could harm our business.

Furthermore, we make numerous statements in our privacy policies, terms of service, contracts, requests for information, whitepapers, in online collateral, through our certifications to certain industry standards, and in our marketing materials that describe the security and privacy practices including as it relates to our Unified-CXM platform. Although we endeavor to comply with our public statements and documentation, we may at times fail to do so or be alleged to have failed to do so. Our privacy policies and other statements regarding data privacy and security can subject us to potential government or legal action if they are found to be deceptive, unfair, misleading, or misrepresentative of our actual practices. Should any of these statements prove to be untrue or be perceived as untrue, even though circumstances beyond our reasonable control, we may face litigation, disputes, claims, investigations, inquiries or other proceedings including, without limitation, by the U.S. Federal Trade Commission, federal, state and foreign regulators, our customers and private litigants, which could adversely affect our business, reputation, results of operations and financial condition.

Business partners and other third parties with a strong influence on how consumers interact with our products, such as Apple, Google, Meta, Microsoft and Mozilla, have and may continue to create new privacy controls or restrictions on their products and platforms, limiting the effectiveness of our services. With obligations relating to data privacy and security changing and imposing new and stringent obligations, and with some uncertainty over the interpretation and application of these and other obligations, we may face challenges in addressing their requirements and making necessary changes to our policies and practices and may incur significant costs and expenses in an effort to do so.

Even with processes designed to assess the third parties with whom we work, we may not have sufficient knowledge about the locations where such third parties process personal data, the types of data transfers in scope for their processing, how that data is processed, or what data is processed or secured, which may impact the commitments we can make to our customers. Additionally, if the third parties with whom we work, including our vendors or third-party service providers, violate applicable laws, rules or

regulations, or the terms of our commercial agreements with those third parties or our policies, such violations may put our or our customers' data at risk and could in turn have an adverse effect on our business. Any failure or perceived failure by us or the third parties with whom we work to comply with our data privacy or security obligations to customers or other third parties, or any of our other legal obligations relating to data privacy or security, may result in governmental investigations or inquiries (which have occurred in the past and may occur in the future), enforcement actions, litigation and mass arbitration demands, disputes or other claims, indemnification requests, restrictions on providing our services, claims or public statements against us by privacy advocacy groups or others, adverse press and widespread negative publicity, reputational damage, significant liability or fines and the loss of the trust of our customers, any of which could have a material adverse effect on our business, results of operations and financial condition.

The cost of compliance with, and other burdens imposed by, laws, rules, regulations and other obligations relating to data privacy and security applicable to the businesses of our customers may adversely affect our customers' ability and willingness to process personal data from their employees, customers and partners, which could limit the use, effectiveness and adoption of our Unified-CXM platform and reduce overall demand. Furthermore, the uncertain and shifting regulatory environment, as well as changes in consumer expectations concerning data privacy, may cause concerns regarding data privacy and may cause our data vendors, customers or our customers' customers to resist providing the data necessary to allow our customers to use our services effectively. Even the perception of privacy concerns, whether or not valid, may inhibit market adoption, effectiveness or use of our applications.

***If we or the third parties with whom we work experience a cybersecurity breach or other security incident, any vulnerabilities are identified, or unauthorized parties otherwise obtain access to our customers' data, our data or our Unified-CXM platform, our Unified-CXM platform may be perceived as not being secure, our reputation may be harmed, demand for our Unified-CXM platform may be reduced and we may incur significant liabilities.***

In the ordinary course of our business, we process confidential information. Use of our Unified-CXM platform also involves processing our customers' information, including personal data regarding their customers, employees or other individuals.

Cyberattacks, malicious internet-based activity online and offline, fraud, security issues and other similar activities threaten the confidentiality, integrity and availability of our confidential information, are prevalent and continue to increase in frequency, intensity and sophistication. Further, these threats are becoming increasingly difficult to detect and come from a variety of sources, including traditional computer "hackers," threat actors, "hacktivists," organized crime threat actors, personnel (such as through theft or misuse), sophisticated nation-states, and nation-state-supported actors.

In addition, our Unified-CXM platform or other internal systems used for operating our business may be misconfigured or contain significant unmitigated weaknesses or vulnerabilities, resulting in a heightened exposure to internal and external threats. The processes used to implement technical and administrative controls to protect our systems and the data they contain may be ineffective, either in parts or entirely. Our employees, contractors, partners, vendors and customers could create situations whereby critical controls are bypassed, deactivated or otherwise reduced in effectiveness, which could lead to the inadvertent exposure of confidential information, intellectual property or other sensitive information and heighten our exposure to security threats. Moreover, we may not have access to any effective control mechanisms that could mitigate these concerns or address new or advanced concerns. In the event that such weaknesses or vulnerabilities were exploited by internal or external threats, we could face adverse consequences, such as significant interruptions in our operations, loss of customers, loss of data and income, reputational harm, and diversion of funds.

Some actors now engage and are expected to continue to engage in cyber-attacks, including, without limitation, nation-state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, we, the third parties with whom we work, and our customers may be vulnerable to a heightened risk of these attacks, including retaliatory cyber-attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our goods and services.

We and the third parties with whom we work are subject to a variety of evolving threats, including, but not limited to, social-engineering attacks (including through deep fakes, which may be increasingly more difficult to identify as fake, and phishing attacks), malicious code (such as viruses, worms, backdoors and time bombs), malware (including as a result of advanced persistent threat intrusions), volumetric or application-level denial-of-service attacks, credential stuffing attacks, credential harvesting, personnel misconduct or error, ransomware attacks, supply-chain attacks, software bugs, server malfunctions, misconfiguration, software or hardware failures, access deprovisioning failures, loss of data or other information technology assets, attacks enhanced or facilitated by AI and other similar threats. In particular, ransomware attacks, including by organized criminal threat actors, nation-states, and nation-state-supported actors, are prevalent and severe and can lead to significant interruptions in our operations, loss of data and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments. Adware, telecommunications failures, earthquakes, fires, floods, adverse weather events, and man-made disasters may also impact the availability of our systems and operations. Additionally, our customers have in the past conducted, and may continue to conduct in the future, their own penetration testing on our systems, potentially uncovering issues or vulnerabilities. The discovery of vulnerabilities in our systems by customers could result in adverse consequences, including contractual penalties, customer churn and reputational damage.

Furthermore, our services are important to the internal processes of many of our customers worldwide and, as a result, if our products are compromised, a significant number or, in some instances, all of our customers and their data could be simultaneously affected, which could cause serious disruption and harm. The potential liability and associated consequences we could suffer as a result could be significant.

Our remote workforce poses increased risks to our information technology systems and data as more of our employees utilize network connections, computers, and devices outside our premises or network, including while working from home, while in transit, and in public locations. Future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. We may also discover security issues that were not identified during due diligence of such acquired or integrated entities, and it may be difficult to integrate other companies into our information technology environment and security program.

We rely upon third parties and third-party technologies to operate critical business systems to process confidential information in a variety of contexts, including, without limitation, third-party providers of cloud-based infrastructure, encryption and authentication technology, employee email, content delivery to customers, and other functions. While we require the third parties with whom we work to process confidential information on our behalf to meet certain security requirements and give contractual commitments to us regarding their data processing activities, our ability to monitor these third parties' information security practices is limited, and despite such assurance and commitments, these third parties may not have, or may not continue to have, adequate information security measures in place. If the third parties with whom we work experience a security incident or other interruption, we could experience adverse consequences. While we may be entitled to damages if these third parties fail to satisfy their privacy or security-related obligations to us, any award may be insufficient to cover our damages or protect our reputation, or we may be unable to recover any such awarded damages. Moreover, supply-chain attacks have increased in frequency and severity, and we cannot guarantee that third parties and infrastructure in our supply chain or in the third parties' with whom we work supply chains have not been compromised or that they do not contain exploitable vulnerabilities, defects or bugs that could result in a breach of or disruption to our information technology systems (including our products and services) or the third-party information technology systems that support us and our services.

Additionally, the reliability and continuous availability of our platform and services is critical to our success. We take steps designed to detect, mitigate, and remediate vulnerabilities in our information systems (such as our hardware, software, and products, and those of the third parties with whom we work). However, our information systems may contain errors, defects, security vulnerabilities, or software bugs, some of which may be difficult to detect and correct, and some of these may pose a significant risk to our business and ability to provide our products and services, at any point in the product lifecycle, including when such vulnerabilities are first introduced or when new versions or enhancements of our platform are released. We have not always been able in the past and may be unable in the future to detect and remediate all such vulnerabilities in our information systems including on a timely basis, and sometimes customer permission to remediate certain vulnerabilities may be required, which could result in further delays in timely remediation. Despite our efforts to identify and remediate vulnerabilities and related unauthorized access in our information technology systems (including our products), our efforts may not be successful. Further, in some cases, these vulnerabilities may require immediate attention, but we may still experience delays in developing and deploying remedial measures designed to address any such vulnerabilities. Even if we have issued or otherwise made patches or information for vulnerabilities in our information systems, our customers may be unwilling or unable to deploy such patches and use such information effectively and in a timely manner. Vulnerabilities could be exploited and result in a security incident.

Certain of the previously identified or similar threats have in the past and may in the future cause a security incident or other interruption that could result in unauthorized, unlawful, or accidental acquisition, modification, destruction, loss, alteration, encryption, disclosure of, or access to our confidential information. A security incident or other interruption could disrupt our ability (and that of third parties with whom we work) to provide our Unified-CXM platform and our services, lead to the termination of our contracts by our customers and/or vendors and monetary penalties based on our agreements with said customers and/or vendors. We may expend significant resources or modify our business activities to try to remediate and protect against security incidents. While we have implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective. We have in the past and may in the future be subject to attempted or successful cybersecurity attacks by third parties seeking unauthorized access to our or our customers' confidential information or to disrupt our ability to provide our Unified-CXM platform.

Our data privacy and security obligations under certain applicable laws and our customer agreements require us to implement and maintain specific security measures, industry-standard or reasonable security measures to protect our information technology systems and confidential information. We have in the past and may in the future fail, or be perceived to have failed, in implementing these privacy and security obligations. Such actual or perceived non-compliance by us or the third parties with whom we work could result in adverse consequences. In addition, we operate our products for the benefit of our customers who have certain documented responsibilities to maintain certain security controls, such as provisioning and deprovisioning users, in their respective environments without oversight or control by us. Our customers are responsible for using, configuring and otherwise implementing security measures related to our platform, services and products in a manner that meets applicable cybersecurity standards, complies with laws, and addresses their information security risk. In certain cases, our customers may reject, weaken or incorrectly configure security controls provided by us to maintain the security of their environments, resulting in a loss of confidentiality or integrity of such customer's data or processes. Such an event also may result in a compromise to our information technology systems or a security incident, or public disclosures and negative publicity for us and such customer, which may have a negative impact on our ability to achieve our corporate goals and could adversely affect our business, reputation, results of operations and financial condition. Such an event may also result in a compromise to our information technology systems or a security incident.

Applicable data privacy and security obligations, both legally and contractually, may require us, or we may choose, to notify relevant stakeholders, including affected individuals, customers, regulators, and investors, of security incidents, or to take other actions, such as providing credit monitoring and identity theft protection services. Such notifications are costly, and the notifications or the failure to comply with such requirements could lead to adverse consequences, including breach of contract or applicable legislation. If we (or a third party with whom we work) experience a security incident or are perceived to have experienced a security incident, we may experience material adverse consequences. These consequences may include: government enforcement actions (for example, investigations, fines, penalties, audits, and inspections); regulatory investigations or requests for information; additional reporting requirements and/or oversight; restrictions on processing confidential information (including personal data); litigation (including class claims); indemnification obligations; negative publicity; reputational harm; monetary fund diversions; interruptions in our operations (including availability of data); financial loss; and other similar harms. Security incidents and attendant consequences may prevent or cause customers to stop using our Unified-CXM platform, deter new customers from using our Unified-CXM platform, and negatively impact our ability to grow and operate our business. Additionally, we may make statements that describe our efforts to respond to, mitigate and/or remediate security incidents. Although we endeavor to be as accurate as possible in our statements, we may at times fail to do so or be alleged to have failed to do so. Our statements related to our response to security incidents can subject us to potential government or legal action if they are found to be deceptive, misleading, or misrepresentative of our actual practices. Should any of these statements prove to be untrue or be perceived as untrue, we may face litigation, disputes, claims, investigations, inquiries or other proceedings including, without limitation, by the U.S. Federal Trade Commission and federal, state and foreign regulators, which could adversely affect our business, reputation, results of operations and financial condition.

Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations.

We cannot be sure that our insurance coverage will be adequate or sufficient to protect us from or to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims.

In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position.

**Risks Related to Tax and Accounting Matters**

***Our results of operations may be harmed if we are required to collect sales, value-added, goods and services or other similar taxes for subscriptions to our products and services in jurisdictions in which we have not historically done so.***

Sales tax, value-added tax ("VAT"), goods and services tax ("GST"), and other similar transaction tax laws and rates differ greatly by jurisdiction and are subject to varying interpretations that may change over time. The application of these tax laws to services provided electronically is evolving. In particular, the applicability of sales taxes to our products and services in various jurisdictions is unclear.

Furthermore, an increasing number of states have considered or adopted laws that attempt to impose tax collection obligations on out-of-state companies. The Supreme Court of the United States ruled in South Dakota v. Wayfair, Inc. et al ("Wayfair"), that online sellers can be required to collect sales and use tax despite not having a physical presence in the buyer's state based on "economic nexus." In response to Wayfair, or for other reasons, states or local governments have adopted and begun to enforce, and other states or local governments may adopt, or begin to enforce, laws requiring us to calculate, collect, and remit taxes on sales in their jurisdictions. Similarly, many non-U.S. jurisdictions have considered or adopted laws that impose VAT, digital service, or similar taxes, on companies despite not having a physical presence in the non-U.S. jurisdiction.

We collect sales tax, VAT or similar transaction taxes in a number of jurisdictions. It is possible, however, that we could face sales tax, VAT, GST or similar tax audits and that our liability for these taxes could exceed our estimates if state, local, and non-U.S. tax authorities assert that we are obligated to collect additional tax amounts from our customers and remit those taxes to those authorities. We also could be subject to audits in state, local and non-U.S. jurisdictions for which we have not accrued tax liabilities. A successful assertion by one or more states, localities or non-U.S. jurisdictions requiring us to collect taxes where we presently do not do so, or to collect more taxes in a jurisdiction in which we currently do collect some taxes, could result in substantial tax liabilities, including taxes on past sales, as well as penalties and interest. Such tax assessments, penalties, and interest, or future requirements may adversely affect our results of operations.

***Our international operations subject us to potentially adverse tax consequences.***

We generally conduct our international operations through subsidiaries and are subject to income taxes as well as non-income-based taxes, such as payroll, value-added, goods and services and other local taxes in various jurisdictions. Our domestic and international tax liabilities are subject to rules regarding the calculation of taxable income in various jurisdictions worldwide based upon our business operations in those jurisdictions. Our intercompany relationships are subject to complex transfer pricing regulations administered by taxing authorities in various jurisdictions. The relevant taxing authorities may disagree with our determinations as to the value of assets sold or acquired or the income and expenses attributable to specific jurisdictions. If such a disagreement were to occur and our position were not sustained, we could be required to pay additional taxes, interest and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows and lower overall profitability of our operations.

***Uncertainties in the interpretation and application of existing, new and proposed tax laws and regulations could materially affect our tax obligations and effective tax rate.***

The tax regimes to which we are subject or under which we operate are unsettled and may be subject to significant change. The issuance of additional guidance related to existing or future tax laws, or changes to tax laws, tax treaties or regulations proposed or implemented by the current or a future U.S. presidential administration, Congress, or taxing authorities in other jurisdictions, including jurisdictions outside of the United States, could materially affect our tax obligations and effective tax rate. To the extent that such changes have a negative impact on us, including as a result of related uncertainty, these changes may adversely impact our business, financial condition, results of operations and cash flows. For example, the IRA, enacts a minimum tax equal to 15 percent of the adjusted financial statement income of certain large U.S. corporations, as well as a one percent excise tax on stock repurchases imposed on public corporations making such repurchases. It is possible that the IRA could increase our tax liability.

Additionally, our tax obligations and effective tax rate in the jurisdictions in which we conduct business could increase as a result of international tax developments, including the implementation of the Two-Pillar framework led by the Organization for Economic Co-operation and Development ("OECD"). This framework involves the reallocation of taxing rights in respect of certain multinational enterprises above a fixed profit margin to the jurisdictions in which they carry on business (referred to as "Pillar One") and the imposition of a minimum effective corporate tax rate (referred to as "Pillar Two"). A number of countries in which we conduct business have enacted, or are in the process of enacting, core elements of the Pillar Two rules. Based on our understanding of the applicable minimum revenue thresholds and applicable safe harbor and transitional rules, we expect that we do not currently fall within the scope of either Pillar One or Pillar Two rules. However, we anticipate that we may become subject to the Pillar Two rules in the foreseeable future, which could increase our overall tax obligations and result in additional material compliance costs. We are monitoring developments and evaluating the potential impact of the Pillar Two rules on our tax obligations, including our effective tax rate.

***We are subject to tax examinations of our tax returns by the Internal Revenue Service (the "IRS"), and other domestic and foreign tax authorities. An adverse outcome of any such audit or examination by the IRS or other tax authority could have a material adverse effect on our results of operations and financial condition.***

We are, and expect to continue to be, subject to audit by the IRS and other tax authorities in various domestic and foreign jurisdictions. As a result, we have received, and may in the future receive, assessments in multiple jurisdictions on various tax-related matters. Taxing authorities also have challenged, and may in the future challenge, our tax positions and methodologies on various matters. We regularly assess the likelihood of adverse outcomes resulting from ongoing tax examinations to determine the adequacy of our provision for income taxes. These assessments can require considerable estimates and judgments. The calculation of our tax liabilities involves uncertainties in the application of complex tax laws and regulations in a variety of jurisdictions. There can be no assurance that our tax positions and methodologies are accurate or that the outcomes of ongoing and future tax examinations will not have an adverse effect on our results of operations and financial condition.

***Our ability to use our net operating losses and other tax assets to offset future taxable income or tax liability could be subject to certain limitations.***

We have U.S. federal and state net operating loss ("NOL") carryforwards as a result of prior period losses, some of which, if not utilized, may expire. Certain of our federal NOLs will begin to expire in fiscal year 2032 and our state NOLs began to expire in fiscal year 2023. If these net operating loss carryforwards expire unused, they will be unavailable to offset future income tax liabilities, which could adversely affect our potential profitability. U.S. federal NOLs incurred in taxable years beginning after December 31, 2017 may be carried forward indefinitely, but such federal NOL carryforwards are permitted to be used in any taxable year to offset only up to 80% of taxable income in such year. U.S. federal NOLs incurred in taxable years beginning after December 31, 2017 generally are not permitted to be carried back to prior taxable years.

In addition, under Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"), our ability to utilize net operating loss carryforwards in any taxable year may be limited if we experience an "ownership change." An "ownership change" generally occurs if one or more stockholders or groups of stockholders who own at least 5% of our stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Similar rules may apply under state tax laws.

Future issuances of our stock could cause an "ownership change." It is possible that any future ownership change could have a material effect on the use of our net operating loss carryforwards, which could adversely affect our profitability. In addition, at the state level, there may be periods during which the use of NOLs is suspended or otherwise limited which could accelerate or permanently increase state taxes owed.

**Risks Related to Being a Public Company, Ownership of Our Class A Common Stock and Other General Risks**

***Our stock price may be volatile, and the value of our Class A common stock may decline.***

The market price of our Class A common stock may fluctuate or decline substantially depending on a number of factors, including those described in this "Risk Factors" section, many of which are beyond our control and may not be related to our operating performance, including:

- price and volume fluctuations in the overall stock market from time to time, including as a result of any future share repurchase program implemented by the company;
- announcements of new products, solutions or technologies, commercial relationships, acquisitions or other events by us or our competitors;
- changes in how enterprises perceive the benefits of our Unified-CXM platform and products;
- departures of key personnel;
- the public's reaction to our press releases, other public announcements and filings with the SEC;
- fluctuations in the trading volume of our shares or the size of our public float;
- sales of large blocks of our common stock;
- market manipulation, including coordinated buying or selling activities;
- actual or anticipated changes or fluctuations in our results of operations;
- whether our results of operations meet the expectations of securities analysts or investors;
- changes in actual or future expectations of investors or securities analysts;
- actual or perceived significant data breach involving our Unified-CXM platform;
- our involvement in any litigation, including class action lawsuits;
- governmental or regulatory actions or audits;
- regulatory or political developments in the United States, foreign countries or both;
- general economic, political and market conditions and overall fluctuations in the financial markets in the United States and abroad, including as a result of public health crises, fluctuations in inflation or interest rates, the imposition of tariffs in the U.S. and abroad or geographical tensions and wars, such as the Russia-Ukraine war and the Israel-Hamas war (including any escalation or geopolitical expansion of these conflicts); and
- "flash crashes," "freeze flashes" or other glitches that disrupt trading on the securities exchange on which we are listed.

The market for technology stocks and the stock market in general have recently experienced significant price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies, including our own. These fluctuations have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry fluctuations, as well as general economic, political, regulatory and market conditions, may continue to negatively impact investor confidence and the market price of equity securities, including our Class A common stock.

***The dual class structure of our common stock as contained in our amended and restated certificate of incorporation has the effect of concentrating voting control with our executive officers and directors and their affiliates, limiting your ability to influence corporate matters.***

Our Class B common stock has ten votes per share, and our Class A common stock has one vote per share. The holders of our Class B common stock as of July 31, 2025 beneficially held approximately 41.5% of our outstanding capital stock, but controlled approximately 87.6% of the voting power of our outstanding capital stock. Therefore, the holders of Class B common stock have control over our management and affairs and over all matters requiring stockholder approval, including election of directors and significant corporate transactions, such as a merger or other sale of us or our assets, for the foreseeable future.

In addition, the holders of Class B common stock collectively will continue to be able to control all matters submitted to our stockholders for approval even if their stock holdings represent less than a majority of the outstanding shares of our common stock. This concentrated control will limit your ability to influence corporate matters for the foreseeable future, and, as a result, the market price of our Class A common stock could be adversely affected.

***Our directors, executive officers and their respective affiliates are able to exert significant control over us, which limits your ability to influence the outcome of important transactions, including a change of control.***

As of July 31, 2025, our directors, executive officers and their respective affiliates beneficially owned, in the aggregate, approximately 98.5% of our Class B common stock, and controlled approximately 88.3% of the voting power of our outstanding capital stock. As a result, our directors, executive officers and their respective affiliates, if acting together, are able to determine or significantly influence all matters requiring stockholder approval, including the elections of directors, amendments of our organizational documents and approval of any merger, sale of assets or other major corporate transaction.

These stockholders may have interests that differ from yours and may vote in a way with which you disagree, and which may be adverse to your interests. This concentration of ownership will limit the ability of other stockholders to influence corporate matters and may cause us to make strategic decisions that could involve risk to holders of our Class A common stock or that may not be aligned to the interest of holders of our Class A common stock, including decisions to delay, prevent or discourage acquisition proposals or other offers for our capital stock that you may feel are in your best interest as a stockholder and ultimately could deprive you of an opportunity to receive a premium for your Class A common stock as part of a sale of our company, which in turn might adversely affect the market price of our common stock.

***If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.***

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, and the listing standards of the New York Stock Exchange. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We have expended, and anticipate that we will continue to expend, significant resources in order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting. In addition, pursuant to Section 404 of the Sarbanes Oxley-Act, we are required to perform system and process evaluation and testing of our internal control over financial reporting to allow our management to furnish a report on, among other things, the effectiveness of our internal control over financial reporting, and we are also required to have our independent registered public accounting firm issue an opinion on the effectiveness of our internal control over financial reporting on an annual basis.

Our current controls and any new controls that we develop may become inadequate because of changes in the conditions in our business, including increased complexity resulting from our international expansion. Further, weaknesses in our disclosure controls or our internal control over financial reporting have been and may be discovered in the future. Any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting also could cause investors to lose confidence in our reported financial and other information, which would likely adversely affect the market price of our Class A common stock. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the New York Stock Exchange.

If we are unable to assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control over financial reporting, investors could lose confidence in the reliability of our financial statements, the market price of our common shares could decline and we could be subject to sanctions or investigations by the New York Stock Exchange, the SEC or other regulatory authorities. Any failure to maintain effective disclosure controls and internal control over financial reporting could have an adverse effect on our business, results of operations and financial condition and could cause a decline in the market price of our Class A common stock.

***Unstable market and economic conditions and catastrophic events may have serious adverse consequences on our business, financial condition and share price.***

Our business depends to a significant extent on the overall demand for enterprise cloud software products and on the economic health of our current and prospective customers. The global economy, including credit and financial markets, has experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, fluctuations in inflation and interest rates and uncertainty about economic stability.

The Russia-Ukraine war and the Israel-Hamas wars and related regional tensions have added to the extreme volatility in the global capital markets and is expected to have further global economic consequences, including disruptions of the global supply chain and energy markets. In addition, fluctuations in inflation, the imposition of tariffs in the U.S. and abroad, and other macroeconomic pressures in the U.S. and globally could exacerbate extreme volatility in the global capital markets and heighten unstable market conditions. If the equity and credit markets continue to deteriorate, including as a result of bank closures, public health crises, political unrest, war or a global or domestic recession or the fear thereof, it may make any necessary debt or equity financing more difficult to obtain in a timely manner or on favorable terms, more costly or more dilutive.

Trade disputes, trade restrictions, tariffs and other political tensions between the U.S. and other countries may also exacerbate unfavorable macroeconomic conditions, including inflationary pressures, foreign exchange volatility, financial market instability, and economic recessions or downturns, which may also negatively impact customer demand for our services, delay renewals or limit expansion opportunities with existing customers, limit our access to capital, or otherwise negatively impact our business and operations. In addition, retaliatory trade policies or anti-U.S. sentiment in certain regions, whether driven by trade tensions, political disagreements, or regulatory concerns, may make customers and governments more hesitant to adopt solutions offered by U.S.-based providers. This may lead to increased preference for local competitors, changes to government procurement policies, heightened regulatory scrutiny, decreased intellectual property protections, delays in regulatory approvals or other retaliatory regulatory non-tariff policies, or the introduction of trade barriers applicable to digital services, which may result in heightened international legal and operational risks and difficulties in attracting and retaining non-U.S. customers, suppliers, employees, partners and investors. Ongoing tariff and macroeconomic uncertainty may also contribute to volatility in the price of our Class A common stock.
In addition, to the extent that these weak economic conditions cause our existing customers or potential customers to reduce their budget for Unified-CXM solutions or to perceive spending on such systems as discretionary, demand for our Unified-CXM platform may be adversely affected. Moreover, general economic weakness may lead to longer collection cycles for payments due from our customers, an increase in customer bad debt and restructuring initiatives and associated expenses, and customers and potential customers may require financial concessions, all of which would limit our ability to grow our business and adversely affect our business, results of operations and financial condition.

In the event of a catastrophic event, including a natural disaster such as an earthquake, hurricane, fire, flood, tsunami or tornado, or other catastrophic event such as power loss, market manipulation, civil unrest, supply chain disruptions, armed conflict, computer or telecommunications failure, cybersecurity issues, human error, improper operation, unauthorized entry, break-ins, sabotage, intentional acts of vandalism and similar misconduct, war, terrorist attack or incident of mass violence in any geography where our operations or data centers are located or where certain other systems and applications that we rely on are hosted, we may be unable to continue our operations and may endure significant system degradations, disruptions, destruction of critical assets, reputational harm, delays in our application development, breaches of data security and loss of critical data, all of which could have an adverse effect on our future results of operations. In the event of a catastrophic event, the functionality of our employees could be negatively impacted, which could have an adverse effect on our business, financial condition and results of operations. In addition, natural disasters, cybersecurity attacks, market manipulations, supply chain disruptions, acts of terrorism or other catastrophic events could cause disruptions in our or our customers' businesses, national economies or the world economy as a whole.

***Delaware law and provisions in our amended and restated certificate of incorporation and amended and restated bylaws could make a merger, tender offer or proxy contest difficult, thereby depressing the market price of our Class A common stock.***

Our status as a Delaware corporation and the anti-takeover provisions of the Delaware General Corporation Law may discourage, delay or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the date of the transaction in which the person became an interested stockholder, even if a change of control

would be beneficial to our existing stockholders. In addition, our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that may make the acquisition of our company more difficult, including the following:

- vacancies on our board of directors may be filled only by our board of directors and not by stockholders;
- our board of directors is classified into three classes of directors with staggered three-year terms;
- our stockholders may only take action at a meeting of stockholders and may not take action by written consent for any matter;
- a special meeting of our stockholders may only be called by a majority of our board of directors, the chairperson of our board of directors or our Chief Executive Officer;
- advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders;
- our amended and restated certificate of incorporation does not provide for cumulative voting;
- our amended and restated certificate of incorporation will allow stockholders to remove directors only for cause;
- certain amendments to our amended and restated certificate of incorporation will require the approval of the holders of at least 66 2⁄3% of our then-outstanding common stock;
- authorize undesignated preferred stock, the terms of which may be established and shares of which may be issued by our board of directors, without further action by our stockholders; and
- certain litigation against us can only be brought in Delaware.

These provisions, alone or together, could discourage, delay or prevent a transaction involving a change in control of our company. These provisions also could discourage proxy contests and make it more difficult for stockholders to elect directors of their choosing and to cause us to take other corporate actions they desire, any of which, under certain circumstances, could limit the opportunity for our stockholders to receive a premium for their shares of our capital stock, and also could affect the price that some investors are willing to pay for our Class A common stock.

***Our charter documents designate a state or federal court located within the State of Delaware as the exclusive forum for substantially all disputes between us and our stockholders, and also provide that the federal district courts are the exclusive forum for claims under the Securities Act, which could limit our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers or employees.***

Our amended and restated bylaws provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the sole and exclusive forum for the following types of actions and proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders; (iii) any action arising pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws or (iv) any other action asserting a claim that is governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware), in all cases subject to the court having jurisdiction over indispensable parties named as defendants. This exclusive forum provision will not apply to any causes of action arising under the Securities Act or the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

In addition, our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. This provision is intended to benefit and may be enforced by us, our officers and directors, the underwriters to any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to this provision. This exclusive-forum provision may limit a stockholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees.

If a court were to find the exclusive-forum provision in our charter documents to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could harm our results of operations.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

**Recent Sales of Unregistered Equity Securities**

None.

**Issuer Purchases of Equity Securities**

The following table sets forth information concerning our repurchase of our Class A common stock during the three months ended July 31, 2025:

| *(in thousands, except per share data)* | Total Number of Shares Purchased[a] | Average Price Paid per Share [b] | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs |
|---|---|---|---|---|
| June 1, 2025 through June 30, 2025 | 8,481 | $ 8.21 | 8,481 | (c) |
| July 1, 2025 through July 31, 2025 | 8,014 | $ 8.80 | 8,014 | (c) |

[a] On June 4, 2025, we announced that our board of directors had authorized and approved a share repurchase plan (the "2025 Share Repurchase Program"), to periodically repurchase up to $150 million of Class A common stock in negotiated off market transactions or in open market purchases, including through Rule 10b5-1 plans. For additional information related to share repurchases, see Note 9, *Stockholders' Equity* included in Part I, Item 1 of this Form 10-Q.

[b] Average price paid per share includes direct acquisition costs but excludes the 1% excise tax accrued on our share repurchases as a result of the Inflation Reduction Act of 2022.

[c] As of July 31, 2025, the remaining amount authorized for repurchases of our Class A common stock pursuant to the 2025 Share Repurchase Program was $9.9 million. Between August 1, 2025 and August 7, 2025, we purchased an additional 1,121,854 shares of our Class A common stock for an aggregate cost of $9.9 million including commissions and completed the full purchase authorization of $150 million under the 2025 Share Repurchase Program.

**Item 5. Other Information**

**Insider Trading Arrangements**

During our last fiscal quarter, our directors and officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated the contracts, instructions or written plans for the purchase or sale of the Company's securities set forth in the table below.

| | | | Type of Trading Arrangement | | | |
|---|---|---|---|---|---|---|
| Name and Position | Action | Adoption/ Termination Date | Rule 10b5-1* | Non-Rule 10b5-1** | Total Shares of Class A Common Stock to be Sold | Expiration Date |
| Manish Sarin, Chief Financial Officer | Termination[(1)] | July 14, 2025 | X | | 380,284[(2)] | December 31, 2025 |
| Manish Sarin, Chief Financial Officer | Adoption[(1)] | July 14, 2025 | X | | 292,085[(3)] | March 31, 2026 |

* Contract, instruction or written plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act.

** "Non-Rule 10b5-1 trading arrangement" as defined in Item 408(c) of Regulation S-K under the Exchange Act.

(1) Represents the modification, as described in Rule 10b5-1(c)(1)(iv) under the Exchange Act, of a written plan adopted on March 20, 2025 that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c), as then in effect, under the Exchange Act.

(2) Included up to 217,083 shares subject to restricted stock units ("RSUs") previously granted to Mr. Sarin that were to vest and be released to Mr. Sarin on or prior to December 15, 2025. The actual number of shares underlying such RSUs that were to be released to Mr. Sarin and sold under the Rule 10b5-1 trading arrangement was net of the number of shares withheld to satisfy tax withholding obligations arising from the vesting of such shares and is not determinable at this time.

(3) Includes up to 292,085 shares subject to RSUs previously granted to Mr. Sarin that will vest and be released to Mr. Sarin on or prior to March 15, 2026. The actual number of shares underlying such RSUs that will be released to Mr. Sarin and sold under the Rule 10b5-1 trading arrangement will be net of the number of shares withheld to satisfy tax withholding obligations arising from the vesting of such shares and is not determinable at this time.

**Item 6. Exhibits.**

| Exhibit Number | Description |
|---|---|
| 3.1 | Amended and Restated Certificate of Incorporation, as currently in effect (incorporated herein by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-40528), filed with the SEC on June 28, 2021). |
| 3.2 | Amended and Restated Bylaws, as currently in effect (incorporated herein by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K (File No. 001-40528), filed with the SEC on June 28, 2021). |
| 10.1# | Amended and Restated Non-Employee Director Compensation Policy. |
| 10.2# | Transition and Release of Claims Agreement, by and between the Registrant and Ragy Thomas, dated May 31, 2025. |
| 10.3# | Separation and Release of Claims Agreement, by and between the Registrant and Scott Harvey, dated July 8, 2025. |
| 31.1 | Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1* | Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS | Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. |
| 101.SCH | Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents. |
| 104 | Cover Page formatted as inline XBRL and contained in Exhibits 101. |

# Indicates management contract or compensatory plan.

* The certifications furnished in Exhibit 32.1 are deemed to accompany this Quarterly Report on Form 10-Q and are not deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act, irrespective of any general incorporation language contained in such filing.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**Sprinklr, Inc.**

Date: September 4, 2025

By: /s/ Manish Sarin

Manish Sarin
Chief Financial Officer
*(Principal Financial Officer and Principal Accounting Officer)*

**SPRINKLR, INC.**

**AMENDED AND RESTATED**
**NON-EMPLOYEE DIRECTOR COMPENSATION POLICY**

Each member of the Board of Directors (the "***Board***") who is not also serving as an employee of or consultant to Sprinklr, Inc. (the "***Company***") or any of its subsidiaries (each such member, an "***Eligible Director***") will receive the compensation described in this Amended and Restated Non-Employee Director Compensation Policy (this "***Policy***") for his or her service on the Board.

An Eligible Director may decline all or a portion of their compensation by giving notice to the Company prior to the date on which quarterly cash payments are to be paid, or equity awards are to be granted, subject to compliance with applicable tax laws. This policy is effective as of May 28, 2025 (the "***Effective Date***") and may be amended at any time by the Board or the Compensation Committee of the Board (the "***Compensation Committee***").

**Annual Cash Compensation**

The annual cash compensation amounts set forth below are payable to Eligible Directors in arrears in four equal quarterly installments following the Company's annual stockholder meeting ("***Annual Meeting***"). If an Eligible Director joins or departs the Board and/or joins or ceases a role on a committee of the Board (a "***Committee***") at a time other than effective as of the date of the Company's annual stockholder meeting, such Eligible Director shall, with respect to the quarter of partial service, as applicable, receive a pro-rata portion of the cash compensation, which will be pro-rated based on the number of actual days served by the Eligible Director on the Board and/or applicable Committee and Committee role during such quarter. All cash retainer fees are vested upon payment.

1. Annual Board Service Retainer to All Eligible Directors: $40,000

2. Additional Annual Committee Chair Service Retainer:
   a. Chair of the Audit Committee: $20,000
   b. Chair of the Compensation Committee: $16,500
   c. Chair of the Nominating and Corporate Governance Committee: $10,000

3. Additional Annual Committee Member Service Retainer (other than Committee Chairs):
   a. Member of the Audit Committee: $10,000
   b. Member of the Compensation Committee: $8,000
   c. Member of the Nominating and Corporate Governance Committee: $5,000

**Equity Compensation**

The restricted stock unit awards (each an "***RSU Award***" and collectively, the "***RSU Awards***") set forth below will be granted under the Company's 2021 Equity Incentive Plan, as may be amended from time to time (the "***Plan***"). All RSU Awards granted under this Policy will be

documented on the applicable form of equity award agreement most recently approved for use by the Board or the Compensation Committee for Eligible Directors.

1. Initial Grant:

   a. All Eligible Directors: For each Eligible Director who is first elected or appointed to the Board following the Effective Date, on the date of such Eligible Director's initial election or appointment to the Board (or, if such date is not a market trading day, the first market trading day thereafter), the Eligible Director will be automatically, and without further action by the Board or the Compensation Committee, granted an RSU Award with a grant date value of $200,000 ("***Initial Grant***"), calculated in accordance with Section 3 below.

   b. Additional Initial Grant to LID: With respect to an Eligible Director who is first elected or appointed to the Board as the Board's Lead Independent Director ("***LID***") on the date of an Annual Meeting held after the Effective Date, on the date of such Annual Meeting (or, if such date is not a market trading day, the first market trading day thereafter), the LID will be automatically, and without further action by the Board or the Compensation Committee, granted an additional RSU Award with a grant date value of $100,000 ("***LID Initial Grant***"), calculated in accordance with Section 3 below.

   With respect to an LID who is first elected or appointed to the Board (or if the LID was already a member of the Board and is appointed to the role of LID) on a date other than the date of an Annual Meeting, such LID Initial Grant shall be pro-rated, by multiplying the LID Initial Grant amount by a fraction, (i) the numerator of which is 12, less the number of full months that have elapsed since the date of the Company's last Annual Meeting through the date of the LID's election or appointment, and (ii) the denominator of which is 12, to reflect the LID's partial year of service.

   c. Additional Initial Grant to Chair: With respect to an Eligible Director who is first elected or appointed to the Board as the Board's Chair ("***Chair***") on the date of an Annual Meeting held after the Effective Date, on the date of such Annual Meeting (or, if such date is not a market trading day, the first market trading day thereafter), the Chair will be automatically, and without further action by the Board or the Compensation Committee, granted an additional RSU Award with a grant date value of $260,000 ("***Chair Initial Grant***"), calculated in accordance with Section 3 below.

   With respect to a Chair who is first elected or appointed to the Board (or if the Chair was already a member of the Board and is appointed to the role of Chair) on a date other than the date of an Annual Meeting, such Chair Initial Grant shall be pro-rated, by multiplying the Chair Initial Grant amount by a fraction, (i) the numerator of which is 12, less the number of full months that have elapsed since

the date of the Company's last Annual Meeting through the date of the Chair's election or appointment, and (ii) the denominator of which is 12, to reflect the Chair's partial year of service.

The Initial Grant, LID Initial Grant and Chair Initial Grant will vest in full on the first anniversary of the date of grant, subject to the Eligible Director's Continuous Service (as defined in the Plan) through such vesting date.

2. Annual Grant:

a. All Eligible Directors: On the date of each Annual Meeting held after the Effective Date, each Eligible Director who continues to serve as a non-employee member of the Board following such Annual Meeting (excluding any Eligible Director who was first appointed or elected to the Board at such Annual Meeting) will be automatically, and without further action by the Board or the Compensation Committee, granted an RSU Award with a grant date value of $200,000 ("***Annual Grant***"), calculated in accordance with Section 3 below.

With respect to an Eligible Director (including the LID) who was first elected or appointed to the Board on a date other than the date of an Annual Meeting, upon the Company's first Annual Meeting following such Eligible Director joining the Board, such Eligible Director's Annual Grant will be pro-rated, calculated using the applicable Annual Grant amount, multiplied by a fraction, (i) the numerator of which is the number of full months from the date such Eligible Director was first elected or appointed to the Board through the date of the first Annual Meeting following such Eligible Director joining the Board, and (ii) the denominator of which is 12, to reflect such Eligible Director's partial year of service on the Board.

b. Additional Annual Grant to LID: On the date of each Annual Meeting held after the Effective Date, the LID (excluding any LID who was first appointed or elected to the role of LID at such Annual Meeting) who continues to serve as the LID following such Annual Meeting will be automatically, and without further action by the Board or the Compensation Committee, granted an additional RSU Award with a grant date value of $100,000 ("***LID Annual Grant***"), calculated in accordance with Section 3 below.

c. Additional Annual Grant to Chair: On the date of each Annual Meeting held after the Effective Date, the Chair (excluding any Chair who was first appointed or elected to the role of Chair at such Annual Meeting) who continues to serve as the Chair following such Annual Meeting will be automatically, and without further action by the Board or the Compensation Committee, granted an additional RSU Award with a grant date value of $260,000 ("***Chair Annual Grant***"), calculated in accordance with Section 3 below.

The Annual Grant, LID Annual Grant and Chair Annual Grant will vest in full on the earlier of (x) the first anniversary of the grant date or (y) the day prior to the date of the Company's next Annual Meeting, in each case, subject to the Eligible Director's Continuous Service through such vesting date.

3. Calculation of RSU Awards: The number of shares of Class A Common Stock subject to each RSU Award shall be determined by dividing the stated value of each RSU Award by the Fair Market Value (as defined in the Plan) per share of our Class A Common Stock on the grant date, rounded down to the nearest whole share.

4. Change in Control: In the event of a Change in Control (as defined in the Plan), any unvested portion of the Initial Grant, LID Initial Grant, Chair Initial Grant, Annual Grant, LID Annual Grant and Chair Annual Grant will vest in full as of immediately prior to the effective time of such Change in Control, subject to the applicable Eligible Director's Continuous Service through the effective date of the Change in Control.

**Non-Employee Director Compensation Limit**

Notwithstanding the foregoing, the aggregate value of all compensation granted or paid, as applicable, to any individual for service as a Non-Employee Director (as defined in the Plan) shall in no event exceed the limits set forth in Section 3(d) of the Plan or any limitations contained in any successor plan.

**Expenses**

The Company will reimburse each Eligible Director for ordinary, necessary and reasonable out-of-pocket travel expenses to cover in-person attendance at and participation in Board and Committee meetings; *provided*, that the Eligible Director timely submit to the Company appropriate documentation substantiating such expenses in accordance with the Company's travel and expense policy, as in effect from time to time.

**Election to Convert Annual Cash Compensation to Equity Compensation**

1. Election to Receive Retainer Grant: Each Eligible Director may elect to receive his or her annual cash compensation for the subsequent year of service in the form of an RSU Award (each, a "***Retainer Grant***") if an election is timely made in accordance with the requirements of this Policy (such election, a "***Retainer Grant Election***"). If an Eligible Director timely makes a Retainer Grant Election, then on the date of each Annual Meeting held after such timely Retainer Grant Election, and without any further action by the Board or the Compensation Committee, such Eligible Director who continues to serve as a non-employee member of the Board following such Annual Meeting will automatically be granted an RSU Award with the number of shares of Class A Common Stock subject to the RSU Award equal to (a) the aggregate amount of annual cash compensation otherwise payable to such Eligible Director as determined based on the Eligible Director's role and Committee membership on the date of such Annual Meeting,

divided by (b) the Fair Market Value per share on such date, rounded down to the nearest whole share. Each Retainer Grant will vest in four substantially equal quarterly installments following the date of such Annual Meeting on each date that the corresponding annual cash compensation would have been paid, in each case, subject to the Eligible Director's Continuous Service through each such vesting date; provided that, in the event of a Change in Control, any unvested portion of the Retainer Grant will vest in full as of immediately prior to such Change in Control, subject to the Eligible Director's Continuous Service through the effective date of the Change in Control (the "***Retainer Grant Vesting Schedule***").

2. Election Mechanics: A Retainer Grant Election must be submitted to the Company's General Counsel (or such other individual as the Company designates) in writing prior to the Annual Meeting at which such Retainer Grant Election is to be effective (or such other time as determined by the Board or Compensation Committee prior to each Annual Meeting) (the "***Retainer Grant Election Deadline***") in order for a Retainer Grant Election to become effective and a Retainer Grant to be granted beginning on the date of such Annual Meeting. An Eligible Director may only make a Retainer Grant Election during a period in which the Company is not in a quarterly or special blackout period and the Eligible Director is not aware of any material non-public information. Once a Retainer Grant Election is properly submitted, it will be in effect and automatically applicable to cash compensation that would otherwise be earned and payable in cash under the "Annual Cash Compensation" section above, commencing on the date of each Annual Meeting following the Retainer Grant Election unless the Eligible Director timely revokes such election in accordance with this Policy. An Eligible Director who fails to make a timely Retainer Grant Election by the Retainer Grant Election Deadline prior to an Annual Meeting will not receive a Retainer Grant at such Annual Meeting and will instead receive the cash compensation described under the "Annual Cash Compensation" section above for the year of service following such Annual Meeting and such Retainer Grant will be effective beginning from the Company's subsequent Annual Meeting if not revoked in accordance with this Policy.

3. Revocation Mechanics: The revocation of any previously submitted Retainer Grant Election must be submitted to the Company's General Counsel (or such other individual as the Company designates) in writing by the Retainer Grant Election Deadline. An Eligible Director may only revoke a Retainer Grant Election during a period in which the Company is not in a quarterly or special blackout period and the Eligible Director is not aware of any material non-public information. Following such revocation, no Retainer Grant Election will be in effect for such Eligible Director unless and until the Eligible Director timely submits a new Retainer Grant Election in accordance with the election procedures specified above. Any revocation of a previously submitted Retainer Grant Election will only apply to such annual cash compensation not previously issued in the form of an RSU Award under the "Election to Receive Retainer Grant" section above.

May 31, 2025

**Via email ([***])**

Ragy Thomas
[***]
[***]

**Re: Transition and Release of Claims**

Dear Ragy:
This letter sets forth the terms of the transition agreement (the "**Agreement**") that Sprinklr, Inc. ("**Sprinklr**" or the "**Company**") is offering to aid in your transition and separation of employment.

For avoidance of doubt, nothing in this Agreement alters in any way your continued service to the Company as a member of its board of directors, or the obligations associated with your duties as a director, which you acknowledge and agree remain binding upon you, both during and after the Transition Period (as defined below).

1. **Continued Employment**. Provided that you timely execute this Agreement and allow it to become effective by its terms, then your employment with Sprinklr will terminate on May 31, 2025, which will become your employment termination date (the "**Separation Date**"), unless either you or Sprinklr terminates your employment sooner as provided in Section 2. If termination occurs earlier than May 31, 2025, the actual date of termination shall become the "Separation Date" for purposes of this Agreement.

2. **Transition Period**.

    a. **Duties**. From the date you execute this Agreement until the Separation Date, if executed before the Separation Date (the "**Transition Period**"), your title will continue to be "Advisor to the CEO" and you will provide services to Sprinklr in any area of your expertise as requested by the President & Chief Executive Officer ("**President & CEO**"). You agree to perform your Transition Period services in good faith and to the best of your abilities. During the Transition Period, you must continue to comply with all of Sprinklr's policies and procedures and with all of your statutory and contractual obligations to Sprinklr, including, without limitation, the confidentiality obligations under that certain Amended and Restated Employment Agreement, by and between the Company and you, dated June 11, 2021, as your role was amended pursuant to that certain Role Change Letter, by and between the

Company and you, dated November 4, 2024 (altogether, the "**Employment Contract**"), which you acknowledge and agree are contractual commitments that remain binding upon you, both during and after the Transition Period.

b. **Compensation & Benefits**. During the Transition Period, you will continue to be paid at your current base salary rate (which will be paid according to Sprinklr regular payroll practices) and will remain eligible to participate in Sprinklr benefit plans pursuant to the terms of those plans. Except as expressly set forth in this paragraph, you will not be able to participate in any additional bonus, commissions, or incentive program.

c. **Termination**. As part of this Agreement, Sprinklr agrees that it will not terminate your employment other than for Cause (as defined herein) before May 31, 2025. During the Transition Period, you are entitled to resign your employment for any reason with immediate effect. If, prior to May 31, 2025, Sprinklr terminates your employment with Cause or you resign your employment, then you will not be entitled to any further compensation or benefits, including without limitation, the Severance Benefits defined below. For purposes of this Agreement, "Cause" for termination during the Transition Period is as defined under the Sprinklr, Inc. Executive Severance and Change in Control Plan (effective May 1, 2019, as amended and restated on June 1, 2024) (as it may be further amended and/or restated from time to time, the "**Severance Plan**"). For the avoidance of doubt, your employment is at-will, and nothing in this Agreement alters the at-will nature of your employment relationship with the Company.

d. **Other Work Activities / Non-Competition.** Throughout the Transition Period, you shall be legally employed by Sprinklr until and including the Separation Date. You may engage in employment, consulting, or other work relationships in addition to your work for Sprinklr, provided such activity does not materially impede your ability to fulfill your obligations as set forth herein. To protect the trade secrets and confidential and proprietary information of the Company, you agree that, during the Transition Period, you will not obtain employment with or perform competitive work for any business entity or engage in any other work activity that is competitive with Sprinklr.

e. **Acknowledgement regarding Notice Period.** You represent, acknowledge, and agree that the Transition Period terms, and other provisions of this Agreement satisfy and exceed any termination and/or notice obligations of Sprinklr to provide you with advance notice of your employment termination, whether under the Employment Contract or otherwise.

3. **Final Pay**. On the Separation Date, Sprinklr will pay you all accrued salary earned through the Separation Date, subject to standard payroll deductions and withholdings. You are entitled to this payment regardless of whether or not you sign this Agreement. You acknowledge and agree that consistent with Sprinklr's non-accrual of paid time off, as of

the Separation Date you will not have any accrued but unused vacation, holiday, or paid time off for which you are entitled to payment.

4. **Severance Benefits**. If you (i) timely return this fully signed Agreement to Sprinklr and allow it to become effective; (ii) comply fully with your obligations hereunder (including without limitation satisfactorily transitioning your duties during the Transition Period); (iii) remain employed with Sprinklr and perform the Transition Period services as set forth above through May 31, 2025; and (iv) after May 31, 2025 and on or before June 5, 2025, execute and return to Sprinklr the release of claims in the form attached hereto as Exhibit A (the "**Separation Date Release**"), then Sprinklr will provide you the following as your sole severance benefits (the "**Severance Benefits**"):

    a. **Base Salary Severance**. Sprinklr will pay you an amount equal to 100% of your annual base salary rate in effect as of the Separation Date (in the gross amount of USD $500,000 payable in a lump sum in accordance with the Company's regular payroll schedule, and in no event earlier than the Release Effective Date (as defined in the Separation Date Release).
    b. **Cash Payment In Lieu of Target Bonus Severance**. Sprinklr will pay you for FY26 a cash payment in lieu of bonus eligibility in an amount equal to USD $125,000. Payments will be paid in a lump sum, less withholdings, and deductions, in accordance with the Company's regular payroll schedule, and in no event earlier than the Release Effective Date (as defined in the Separation Date Release).
    c. **Equity Awards and Vesting / Extended Exercise Period.** You have been granted certain time-based vesting restricted stock units ("**RSUs**"), performance-based vesting restricted stock units ("**PSUs**") and options to purchase shares of the Company's common stock ("**Options**" and together with the RSUs and PSUs, the "**Equity Awards**"), pursuant to the Company's applicable equity incentive plan(s), Option agreements, PSU agreements or RSU agreements and other grant documents (collectively, the "**Award Documents**"). The Company acknowledges and agrees that (i) the termination of your employment with the Company will not terminate your Continuous Service (as defined in the Sprinklr, Inc. 2021 Equity Incentive Plan) with the Company and (ii) your Equity Awards will continue to vest after the Separation Date in accordance with the terms of the Award Documents, provided, in each case, that you continue to serve the Company as a member of its board of directors after the Separation Date. Except as expressly set forth in this paragraph, the Equity Awards remain subject to the terms of the Award Documents and will continue to vest during the Transition Period.
    d. **Health Insurance**. Your active participation in Sprinklr's group health insurance plan(s), if any, will end on May 31, 2025. Coverage under any other group benefit plans or programs in which you participated, if any, will also end on May 31, 2025. Regardless of whether you enter into this Agreement, you may have the right to continue the medical and/or dental insurance coverage that you had in effect as of the

Separation Date (generally for up to 18 months) under COBRA or state law equivalent. To continue health insurance coverage under COBRA or a state law equivalent, you must pay the full premium cost plus the administrative fee. You will receive benefits continuation notices and information about your 401(k) account (if any), in separate letters. If you had group life insurance, you also will receive information about the option to convert this coverage to an individual policy.

Provided that you timely elect COBRA coverage, and accept this Agreement and it becomes effective by its terms, the Company will make a payment equivalent to the employer portion of your healthcare continuation payment for you and your qualified dependents for any benefits elected at the time of your separation under COBRA for eighteen (18) months (the "**COBRA Subsidy Period**"). You will be responsible for paying the employee portion at the same rate as paid for coverage by active employees for the duration of the COBRA Subsidy Period. Following the COBRA Subsidy Period, you will be responsible for paying the entire healthcare continuation payment for the duration of your enrollment in COBRA. You understand and acknowledge that if you elect COBRA coverage, coverage through the Health Insurance Marketplace (also known as healthcare exchanges) (the "**Marketplace**") generally will not be available until the next annual open enrollment period offered by the Marketplace. Accordingly, you understand and acknowledge that the opportunity to obtain possibly less expensive coverage through the Marketplace may not be available until the following January.

e. **Continuing Support Services**. Provided, in each case, that you continue to serve the Company as chair of its board of directors after the Separation Date, the Company will (i) make available to you continuing support from a Company-engaged driver through the date of the Company's 2026 Annual Meeting of Stockholders, and (ii) make available to you incidental support from a Company-engaged executive assistant.

f. **Tax Treatment.** You will be responsible for all taxes with respect to the Severance Benefits and any other aspect of this Agreement, and you agree to indemnify, hold harmless and defend Sprinklr from any and all claims, liabilities, damages, taxes, fines or penalties sought or recovered by any governmental entity, including any governmental taxing authority, arising out of or in connection with this Agreement.

5. **No Other Compensation or Benefits**. You acknowledge that, except as expressly provided in this Agreement, you have not earned, will not earn and will not receive any additional compensation, severance, or benefits from Sprinklr, on or after the Separation Date. You further acknowledge and agree that: the benefits provided by and as set forth in this Agreement satisfy in full and exceed any and all obligations of Sprinklr to provide you with any benefits, compensation, or severance in connection with your employment termination, whether pursuant to the Severance Plan, your Employment Contract, any other offer letter agreement or employment agreement between you and Sprinklr, or otherwise; to the extent

this Agreement differs from any severance or other separation benefits you may be eligible to receive under any agreement, plan or policy, this Agreement nevertheless supersedes Sprinklr's obligation to provide you any such benefits; and upon your execution of this Agreement, any and all of Sprinklr's obligations to provide you any severance or other separation benefits, and your eligibility to participate in any severance plan or other agreement or policy providing for potential severance benefits, shall be waived and extinguished. For the avoidance of doubt, your participation in any equity plans will be governed by the terms of those plans.

6. **No Consideration Absent Execution of this Agreement/Time for Execution.** You understand and agree that you would not receive the Transition Period and Severance Benefits specified in herein without your execution of this Agreement and fulfillment of the promises contained herein. You have 21 days to consider this Agreement. This Agreement shall not become effective until the eighth (8th) day after you sign, and do not revoke, this Agreement, *and* until the eighth (8th) day after you sign, and do not revoke, the Separation Date Release ("**Effective Date**"). No payments due to you as Severance Benefits under this Agreement shall be made or begin before the Effective Date.

7. **General Release, Claims Not Released, and Related Provisions.**

   a. **General Release of All Claims.** You knowingly and voluntarily release and forever discharge Sprinklr, Inc. and its affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and their administrators and fiduciaries (collectively referred to throughout the remainder of this Agreement as "**Releasees**"), of and from any and all claims, known and unknown, asserted or unasserted, which you have or may have against Releasees as of the date of execution of this Agreement, including, but not limited to, any alleged violation of the following: Title VII of the Civil Rights Act of 1964; Sections 1981 through 1988 of Title 42 of the United States Code; the Employee Retirement Income Security Act of 1974 ("ERISA") (as modified below); the Immigration Reform and Control Act; the Americans with Disabilities Act of 1990; the Age Discrimination in Employment Act of 1967 ("ADEA"); the Worker Adjustment and Retraining Notification Act; the Fair Labor Standards Act; the Fair Credit Reporting Act; the Family and Medical Leave Act; the Equal Pay Act; the Genetic Information Nondiscrimination Act of 2008; the New York Human Rights Law, New York Executive Law § 290 et seq.; the New York State Labor Law and any other relevant Wage Orders, New York Labor Law, § 190 et seq.; the New York Wage, Hour, Wage Payment and Wage Benefits Law and Regulations, New York Labor Law, § 191 et seq.; the New York Minimum Wage Law, New York Labor Law, § 650 et seq.; the New York Whistleblower Law, New York Labor Law § 740 et seq.; the New York Legal Activities Law, New York Labor

Law § 201-d; the New York Worker Adjustment and Retraining Notification Act, New York Labor Law § 860 et seq.; the New York Civil Rights Law, Civil Rights Law § 1 et seq.; the New York State Equal Pay Law, New York Labor Law § 194-198; the retaliation provisions of the New York State Workers' Compensation and Disabilities Benefits Laws, New York Labor Law, § 215 et seq.; the New York Occupational Safety and Health Laws, New York Labor Law § 27-a; the New York State Social Security Number Protection Law, New York General Business Law, § 399-dd et seq.; the New York City Human Rights Law, New York City Administrative Code, 8-107 et seq.; the New York City Earned Safe and Sick Leave Act, New York City Administrative Code, § 7-01 et seq.; the New York City Administrative Code and Charter, including but not limited to the New York City Human Rights Law, 8-107 et seq.; the Westchester County Human Rights Law, § 700.01 et seq.; any other federal, state or local law, rule, regulation, or ordinance in any jurisdiction in which you performed work for Sprinklr; any public policy, contract, tort, or common law; or any basis for recovering costs, fees, or other expenses including attorneys' fees incurred in these matters.

On its own behalf and on behalf of any of its affiliates and other person or entity who may claim by or through it, the Company waives, releases, and discharges you from any and all currently known claims or causes of action, that it now has, has ever had, or ever will have relating to or arising out of your employment or your service on the Company's board of directors. Notwithstanding the above, the Company and its affiliates are not releasing you from any claims that cannot be released by law; any claims relating to the enforcement of this Agreement; or any claims for fraud, misrepresention in any representation or warranty, intentional derogation of your duties, or gross negligence ("**Company Excluded Claims**"). However, the Company represents and warrants that as of the date hereof, it is not aware of any Company Excluded Claims it may have against you.

b. **ADEA Waiver**. You acknowledge that you are knowingly and voluntarily waiving and releasing any rights you may have under the Age Discrimination in Employment Act (the "**ADEA**"), and that the consideration given for the waiver and release in this section is in addition to anything of value to which you are already entitled. You further acknowledge that you have been advised, as required by the ADEA, that: (i) your waiver and release do not apply to any rights or claims that may arise after the date that you sign this Agreement; (ii) you should consult with an attorney prior to signing this Agreement (although you may choose voluntarily not to do so); (iii) you have twenty-one (21) days to consider this Agreement (although you may choose voluntarily to sign it earlier); (iv) you have seven (7) days following the date you sign this Agreement to revoke it (by providing written notice of your revocation to the Company); and (v) this Agreement will not be effective until the date upon which the

revocation period has expired, which will be the eighth day after the date that this Agreement is signed by you provided that you do not revoke it.

c. **Claims Not Released**. You are not waiving any rights you may have to: (a) your own vested accrued employee benefits under Sprinklr's health, welfare, or retirement benefit plans as of the Separation Date; (b) benefits and/or the right to seek benefits under applicable workers' compensation and/or unemployment compensation statutes; (c) pursue claims which by law cannot be waived by signing this Agreement; (d) enforce this Agreement; and (e) challenge the validity of this Agreement.

d. **Protected Activity**. Notwithstanding any provision in this Agreement (including any exhibits) to the contrary, nothing herein shall prevent or prohibit either party from: (a) disclosing the fact or terms of this Agreement as part of any government investigation; (b) filing a charge, complaint, or report with, or otherwise communicating with, providing information to, cooperating with, or participating in any investigation or proceeding by or before any federal, state or local government agency or commission; or (c) making truthful statements or disclosures about alleged unlawful discrimination, harassment, retaliation, or other activity. While this Agreement does not limit your right to receive an award for information provided to the United States Securities and Exchange Commission or the Occupational Safety and Health Administration, you otherwise waive, to the fullest extent permitted by law, any and all rights you may have to individual monetary relief or other individual remedies based on any claims that you have released and any rights you have waived by signing this Agreement.

e. **Collective/Class Action Waiver**. If any claim is not subject to release, to the extent permitted by law, you waive any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which Sprinklr or any other Releasee identified in this Agreement is a party.

**8.** **Acknowledgments and Affirmations**. In signing this Agreement, you make the following affirmations:

To the extent applicable, you have resigned from (or by signing this Agreement hereby resign from) any position which you held (or hold) as an officer of the Company or its Affiliates, except in your capacity as a member of the Company's board of directors, and to the extent removal from those positions is not completed prior to the Separation Date, you will continue to cooperate in connection with such removals;

You have not filed, caused to be filed, or presently is a party to any claim against Sprinklr;

You have been paid and/or has received all compensation, wages, bonuses, commissions, and/or benefits which are due and payable as of the date you sign this Agreement;

You have been granted any leave to which you were entitled under the Family and Medical Leave Act or related state or local leave or disability accommodation laws;

You have no known workplace injuries or occupational diseases;

You have not divulged any proprietary or confidential information of Sprinklr and will continue to maintain the confidentiality of such information consistent with Sprinklr's policies and your agreement(s) with Sprinklr and/or common law;

You have not been retaliated against for reporting any allegations of wrongdoing by Sprinklr or its officers, including any allegations of corporate fraud; and
You affirm that all Sprinklr's decisions regarding your pay and benefits through your Separation Date were not discriminatory based on age, disability, race, color, sex, religion, national origin, or any other classification protected by law.

9. **Confidential Information**. You agree that at all times during the term of your employment, and at all times thereafter, to hold in strictest confidence, and not to use, except for the benefit of the Company, or to disclose to any person, firm or corporation without written authorization of the President & CEO or his designee, any Confidential Information (as defined below), except as such disclosure, use or publication may be required in connection with your work for the Company. "Confidential Information" shall mean any and all confidential and/or proprietary knowledge, data or information of the Company, including, without limitation, all trade secrets, proprietary information relating to products, processes, know-how, designs, formulas, developmental or experimental work, computer programs (including source code and object code), data bases, other original works of authorship, customer lists or prospect lists in any form, pricing information, business plans, financial information or other subject matter pertaining to any business of the Company or any of its prospects, clients, customers, consultants or licensees, in whatever form. Notwithstanding the foregoing, "Confidential Information" shall not include (i) information which is at the time of disclosure, or which subsequently becomes through no fault of yours, generally available to the public; (ii) information which you received from third parties who were not under any direct or indirect obligation of confidentiality; and (iii) information which the Company has disclosed to third parties without any obligation of confidentiality.

You also acknowledge that you will continue to be subject to other obligations and duties in connection with your continued board service, including but not limited to confidentiality and fiduciary obligations, which this Agreement does not modify.

10. **Cooperation**. You agree to reasonably cooperate with Sprinklr in all matters relating to the transition of your work and responsibilities on behalf of Sprinklr, including, but not limited to, any present, prior or subsequent relationships or projects and the orderly transfer of any such work and institutional knowledge to such other persons as may be designated by the Company. Such transition assistance described in the previous sentence shall not be subject to additional compensation, and Sprinklr will make reasonable efforts to accommodate your scheduling needs. You agree to provide reasonable cooperation to Sprinklr in connection with its actual or contemplated defense, prosecution, or investigation of any claims or demands by or against third parties, or other matters arising from events, acts, or failures to act that occurred during the period of your employment by Sprinklr. Such cooperation includes, without limitation, making yourself available to Sprinklr upon reasonable notice, without subpoena, to provide complete, truthful and accurate information in witness interviews, depositions, and trial testimony. Sprinklr will reimburse you for reasonable out-of-pocket expenses you incur in connection with any such cooperation (excluding foregone wages, salary, or other compensation) and will make reasonable efforts to accommodate your scheduling needs and you and Sprinklr will agree on a mutually agreeable per diem rate.

11. **Intellectual Property.** You acknowledge that it is and has been the intention of the parties that trade secrets, inventions, ideas, processes, formulas, software in source or object code, data, technology, know-how, designs and techniques, and any other work product of any nature that were made, conceived, developed, prepared, produced, authored, edited, amended, reduced to practice, or learned or set out in any tangible medium of expression or otherwise created, in whole or in part, by you, either alone or with others, during your employment by Sprinklr (the "**Intellectual Property**") are, and have been from the date of creation, absolutely and automatically the sole and exclusive property of Sprinklr, free and clear of any claim or right of retention by you. To the extent any such Intellectual Property did not vest in Sprinklr from the moment of creation, in consideration of the Severance Benefits, and for such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, you hereby irrevocably and unconditionally assign, transfer, and convey to Sprinklr all right, title, and interest in and to such Intellectual Property, including all past, present and future rights of the following types, which may exist or be created under the laws of any jurisdiction in the world: trade secrets, copyrights, trademark and trade name rights, mask work rights, patents and industrial property, and all proprietary rights in technology or works of authorship (including, in each case, any application for any such rights, all rights to priority, and any rights to apply for any such rights, as well as all rights to pursue remedies for infringement or violation of any such rights) ("Intellectual Property Rights").

    For the avoidance of doubt, you recognize this Agreement will not be deemed to require assignment of any Intellectual Property that you developed entirely on your own time

without using Sprinklr's equipment, supplies, facilities, or trade secrets or Confidential Information, except for Intellectual Property that either (i) relate to Sprinklr's actual or anticipated business, research or development, or (ii) result from or are connected with any work performed by you for Sprinklr. In addition, the assignment does not apply to any Intellectual Property that qualifies fully for protection from assignment to Sprinklr under N.Y. Lab. Law § 203-f.

i. You agree that you will not, at any time, during or after the term of this Agreement, dispute Sprinklr's ownership in any such Intellectual Property or Intellectual Property Rights related thereto.
ii. If any moral right, or any other similar right recognized in any jurisdiction, arises in respect of the Intellectual Property, you hereby: a) waive any such right as against Sprinklr; or b) to the extent that any such right cannot be waived, you agree not to assert any such right, or to institute, support or maintain any action or claim against the Company based on or in connection with the infringement or the alleged infringement of any such right; and c) you agree to only exercise the right against any third party as the Company requests and in accordance with the Company's directions.
iii. You will assist Sprinklr, at Sprinklr's request, in signing, verifying and delivering any documents and performing any other acts, to obtain and enforce United States and foreign Intellectual Property Rights and relating to the Intellectual Property in any jurisdictions in the world. If Sprinklr is unable for any reason to secure your signature on any document needed in connection with the actions specified herein, you irrevocably appoint the Company to act as your attorney and in your name and on your behalf at any time to execute or sign any document or to do any other acts, matters or things which the Company may consider necessary or desirable for the purpose of carrying out or in any way giving effect to the assignment of any Intellectual Property Rights, including to delegate to and grant powers of attorney to others to act as the attorney for and on your behalf, and you hereby ratify, confirm and agree to ratify any action carried out pursuant to this clause by the Company or by any person to whom the Company may from time to time delegate powers under this clause.

**12. <u>Restrictive Covenants</u>.** Because of the trade secret subject matter of the Company's business and your role with the Company, you agree that for a period of twelve (12) months from your Separation Date, you will not, as an officer, director, employee, consultant, owner, partner, or in any other capacity, either directly or through others: (i) solicit, induce, encourage, or participate in soliciting, inducing or encouraging any person employed by the Company, or any person or entity engaged by the Company as a consultant or independent contractor, to terminate such person's or entity's relationship with the Company, even if you did not initiate the discussion or seek out the contact; and (ii) solicit, canvas, induce, encourage, or participate in soliciting, canvassing, inducing, or encouraging any clients or

prospective clients of the Company to terminate such entity's relationship with Company, even if you did not initiate the discussion or seek out the contact. In addition, you will not during the Transition Period and for a period of twelve (12) months after the Separation Date, directly or indirectly, in any individual or representative capacity, engage or participate in or provide services to any business that is competitive with the types and kinds of business being conducted by the Company. The Company acknowledges that, subject to the restrictions contained herein and your fiduciary duty to the Company, you have been and intend to continue to provide services to the companies set forth on Exhibit B, and that such services, as you have represented to the Company, do not violate your restrictive covenants set forth herein. You acknowledge and agree that none of the companies on Exhibit B do or will compete with the types and kinds of business being conducted by the Company. You agree that you will confirm upon request whether your activities or the activities of companies on Exhibit B compete with the Company or otherwise violate your restrictive covenants set forth herein or your fiduciary duties to the Company, while those restrictive covenants or fiduciary duties are active. You also agree that you will cooperate with any of the Company's related assessments.

13. **Mutual Nondisparagement**. You agree not to disparage Sprinklr, including any of its respective officers, directors, employees, shareholders, parents, subsidiaries, affiliates, and agents, in any manner likely to be harmful to the Company or its business, business reputation or personal reputation. Sprinklr and the members of its board of directors and executive officers agree to not disparage you in any manner likely to be harmful to you or your businesses, business reputation or personal reputation. Nothing in this provision or this Agreement is intended to prohibit or restrain either party in any manner from responding accurately and fully to any question, inquiry, or request for information when required by legal process, from pursuing litigation in relation to a breach of this Agreement or other obligation between you or any of the restrained parties, or from making disclosures that are protected under the whistleblower provisions of any applicable law or regulation or as set forth in the Section of this Agreement entitled "**Protected Activity**."

14. **Limited Disclosure and Return of Property.** You agree not to disclose any information regarding the underlying facts leading up to or the existence or substance of this Agreement, except to your spouse, tax advisor, an attorney with whom you choose to consult regarding your consideration of this Agreement, and/or to any federal, state, or local government agency. Except as required or permitted by your continued capacity as a member of the Company's board of directors, you affirm that you have returned or will return all Sprinklr's property, documents, and/or any confidential information in your possession or control. You also affirm that you are in possession of all your property that you had at Sprinklr's premises and that Sprinklr is not in possession of any of your property. Notwithstanding the foregoing, you may retain possession of your Company issued laptop, subject to the Company's ability to remove Company content and network access at its discretion. Additionally, so long as you remain on the Company's board of

directors you shall have reasonable temporary use of the Company's office in New York upon request as would be customary for a director of the Company, as well as your Company email address.

15. **Expense Reimbursements**. You agree that, within 15 days after the Separation Date, you will submit your final documented expense reimbursement statement reflecting all business expenses you incurred as an employee through the Separation Date, if any, for which you seek reimbursement. The Company will reimburse you for these expenses pursuant to its regular business practice.

16. **Governing Law and Interpretation.** This Agreement shall be governed and conformed in accordance with the laws of New York without regard to its conflict of laws provision. In the event of a breach of any provision of this Agreement, either party may institute an action specifically to enforce any term or terms of this Agreement and/or to seek any damages for breach. Should any provision of this Agreement be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, excluding the general release language, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.

17. **Nonadmission of Wrongdoing.** The Parties agree that neither this Agreement nor the furnishing of the consideration for this Agreement shall be deemed or construed at any time for any purpose as an admission by Releasees of wrongdoing or evidence of any liability or unlawful conduct of any kind.

18. **Amendment.** This Agreement may not be modified, altered, or changed except in writing and signed by both Parties wherein specific reference is made to this Agreement.

19. **Confirmation of Prior Agreement.** You acknowledge, reaffirm, and agree to comply with your obligations under the Non-Disclosure and Invention Assignment Agreement that you previously executed for the benefit of the Company, which agreement also remains in full force and effect. You acknowledge that you have not relied on any representations, promises, or agreements of any kind made to you in connection with your decision to accept this Agreement, except for those set forth in this Agreement.

**YOU ARE ADVISED THAT YOU HAVE UP TO TWENTY-ONE (21) CALENDAR DAYS TO CONSIDER THIS AGREEMENT. YOU ARE ALSO ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO YOUR SIGNING OF THIS AGREEMENT.**

**YOU MAY REVOKE THIS AGREEMENT FOR A PERIOD OF SEVEN (7) CALENDAR DAYS FOLLOWING THE DATE YOU SIGN THIS AGREEMENT. ANY REVOCATION WITHIN THIS PERIOD MUST BE SUBMITTED IN WRITING TO**

**JACOB SCOTT AND STATE, "I HEREBY REVOKE MY ACCEPTANCE OF OUR AGREEMENT." THE REVOCATION MUST BE SENT VIA EMAIL OR REGISTERED MAIL TO JACOB SCOTT AND POSTMARKED WITHIN SEVEN (7) CALENDAR DAYS AFTER YOU SIGN THIS AGREEMENT.**

**YOU AGREE THAT ANY MODIFICATIONS, MATERIAL OR OTHERWISE, MADE TO THIS AGREEMENT, DO NOT RESTART OR AFFECT IN ANY MANNER THE ORIGINAL UP TO TWENTY-ONE (21) CALENDAR DAY CONSIDERATION PERIOD.**

**YOU FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS AGREEMENT INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS YOU HAVE OR MIGHT HAVE AGAINST RELEASEES.**

The Parties knowingly and voluntarily sign this Agreement as of the date set forth below:

Sprinklr, Inc.

| | |
|---|---|
| By: /s/ Jacob Scott | /s/ Ragy Thomas |
| Name: Jacob Scott | Name: Ragy Thomas |
| Title: General Counsel and Corporate Secretary | Date: June 4, 2025 |
| Date: June 3, 2025 | |

**EXHIBIT A**

**SEPARATION DATE RELEASE**

**(To be signed and returned on or after May 31, 2025, and before June 5, 2025)**

In consideration for the benefits to be provided to you by Sprinklr, Inc. ("**Sprinklr**" or the "**Company**") pursuant to the terms of the separation and release agreement between you and the Company to which this Exhibit A is attached (the "**Agreement**"), you agree to the terms below. You understand this Separation Date Release (the "**Release**") will be effective on the eighth day following the date you sign (the "**Release Effective Date**").

In exchange for the consideration to which you are not otherwise entitled, as defined in and to be provided to you by the Company under the terms of the Agreement, you hereby generally and completely release the Company and any affiliate or subsidiary entities, and its and their current and former directors, officers, employees, shareholders, partners, agents, attorneys, predecessors, successors, insurers, affiliates, and assigns (collectively, the "**Released Parties**") from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring prior to or on the date that you signs this Release. This general release includes, but is not limited to: (i) all claims arising out of or in any way related to your employment with the Company or the termination of that employment; (ii) all claims related to your compensation or benefits from the Company, including salary, bonuses, commissions, vacation pay, paid time off, sick time, expense reimbursements, severance pay, fringe benefits, and contributions to retirement plan; (iii) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (iv) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (v) all claims available to you at law or equity, including claims for discrimination, harassment, retaliation, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the federal Age Discrimination in Employment Act (as amended) (the "**ADEA**"), and any other claims arising under the laws of any jurisdiction in which you have provided services to the Company.

**ADEA Waiver**. You acknowledge that you are knowingly and voluntarily waiving and releasing any rights you may have under the Age Discrimination in Employment Act (the "ADEA"), and that the consideration given for the waiver and release in this section is in addition to anything of value to which you are already entitled. You further acknowledge that you have been advised, as required by the ADEA, that: (i) your waiver and release do not apply to any rights or claims that may arise after the date that you sign this Agreement; (ii) you should consult with an attorney prior to signing this Agreement (although you may choose voluntarily not to do so); (iii) you have had twenty-one (21) days since your receipt of this Exhibit A to consider this Exhibit A; (iv) you have seven (7) days following the date you sign this Agreement to revoke it (by

providing written notice of your revocation to me); and (v) this Agreement will not be effective until the date upon which the revocation period has expired, which will be the eighth day after the date that this Agreement is signed by you provided that you do not revoke it.

You are not releasing the following (the "**Excluded Claims**"): (i) any rights or claims for indemnification you may have pursuant to any written indemnification agreement with the Company to which you are a party or under applicable law; (ii) any rights which are not waivable as a matter of law; and (iii) any claims for breach of this Release. You hereby represent and warrant that, other than the Excluded Claims, you are not aware of any claims you have or may have against any of the Released Parties that are not included in the Release.

YOU UNDERSTAND THAT THIS RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS, EVEN IF THOSE UNKNOWN CLAIMS THAT, IF KNOWN BY YOU, WOULD AFFECT YOUR DECISION TO ACCEPT THIS RELEASE. In giving the release herein, which includes claims which may be unknown to you at present, you hereby expressly waive and relinquish all rights and benefits under any law of any jurisdiction with respect to your release of any unknown or unsuspected claims herein.

You further agree not to disparage Sprinklr's officers, directors, employees, shareholders, parents, subsidiaries, affiliates, and agents, in any manner likely to be harmful to them or their business, business reputation or personal reputation; provided that you may respond accurately and fully to any question, inquiry or request for information when required by legal process. In addition, nothing in this provision or this Release is intended to prohibit or restrain you in any manner from making disclosures that are protected under the whistleblower provisions any governmental law or regulation or otherwise as expressly allowed under this Release.

You confirm that following the Separation Date you no longer have access to Sprinklr systems, except as required or permitted by your continued capacity as a member of the Company's board of directors. You hereby represent that you have been paid all compensation owed and for all time worked, you have received all the leave and leave benefits and protections for which you are eligible, pursuant any statutory leave act, the Company's policies, applicable law, or otherwise, and you have not suffered any on-the-job injury or illness. You represent that you have no lawsuits, claims or actions pending in your name, or on behalf of any other person or entity, against Sprinklr or any of the Released Parties.

By: /s/ Ragy Thomas
Ragy Thomas

Date: June 4, 2025

**EXHIBIT B**

[Intentionally omitted]

July 8, 2025

**Via email ([***])**

Scott Harvey
[***]
[***]

**Re: Separation and Release of Claims**

Dear Scott:
This letter sets forth the terms of the separation agreement (the "**Agreement**") that Sprinklr, Inc. ("**Sprinklr**" or the "**Company**") is offering to aid in your transition and separation of employment.

1. **Continued Employment**. Provided that you timely execute this Agreement and allow it to become effective by its terms, then your employment with Sprinklr will terminate on July 7, 2025, which will become your employment termination date (the "**Separation Date**"), unless either you or Sprinklr terminates your employment sooner as provided in Section 2. If termination occurs earlier than July 7, 2025, the actual date of termination shall become the "Separation Date" for purposes of this Agreement.

2. **Transition Period**.

   a. **Duties**. From June 24, 2025 until the Separation Date (the "**Transition Period**"), you will transition your duties and responsibilities and be available as needed to ensure a smooth transition, including customer facing obligations and services to Sprinklr in any area of your expertise as requested by the President and CEO ("**CEO**"). You agree to perform your Transition Period services in good faith and to the best of your abilities. During the Transition Period, you must continue to comply with all of Sprinklr's policies and procedures and with all of your statutory and contractual obligations to Sprinklr, including, without limitation, the confidentiality obligations under your contract of employment dated February 15, 2024 (the "**Employment Contract**"), which you acknowledge and agree are contractual commitments that remain binding upon you, both during and after the Transition Period.

   b. **Compensation & Benefits**. During the Transition Period, you will continue to be paid at your current base salary rate (which will be paid according to Sprinklr regular payroll practices) and will remain eligible to participate in Sprinklr benefit plans pursuant to the terms of those plans. Except as expressly set forth in this paragraph,

you will not be able to participate in any additional bonus, commissions, or incentive program.

c. **Termination**. As part of this Agreement, Sprinklr agrees that it will not terminate your employment other than for Cause (as defined herein) before July 7, 2025. During the Transition Period you are entitled to resign your employment for any reason with immediate effect. If, prior to July 7, 2025, Sprinklr terminates your employment with Cause or you resign your employment, then you will not be entitled to any further compensation or benefits, including without limitation, the Severance Benefits defined below. For purposes of this Agreement, "Cause" for termination during the Transition Period is as defined under the Sprinklr, Inc. Executive Severance and Change in Control Plan (effective May 1, 2019, as amended and restated on June 1, 2024) (as it may be further amended and/or restated from time to time, the "**Severance Plan**"). For the avoidance of doubt, your employment is at-will, and nothing in this Agreement alters the at-will nature of your employment relationship with the Company.

d. **Other Work Activities / Non-Competition.** Throughout the Transition Period, you shall be legally employed by Sprinklr until and including the Separation Date. You may engage in employment, consulting, or other work relationships in addition to your work for Sprinklr, provided such activity does not materially impede your ability to fulfill your obligations as set forth herein. To protect the trade secrets and confidential and proprietary information of the Company, you agree that, during the Transition Period, you will not obtain employment with or perform competitive work for any business entity or engage in any other work activity that is competitive with Sprinklr.

e. **Acknowledgement regarding Notice Period.** You represent, acknowledge, and agree that the Transition Period terms, and other provisions of this Agreement satisfy and exceed any termination and/or notice obligations of Sprinklr to provide you with advance notice of your employment termination, whether under the Employment Contract or otherwise.

3. **Final Pay**. On the Separation Date, Sprinklr will pay you all accrued salary earned through the Separation Date, subject to standard payroll deductions and withholdings. You are entitled to this payment regardless of whether or not you sign this Agreement. You acknowledge and agree that consistent with Sprinklr's non-accrual of paid time off, as of the Separation Date you will not have any accrued but unused vacation, holiday, or paid time off for which you are entitled to payment.

4. **Severance Benefits**. If you (i) timely return this fully signed Agreement to Sprinklr and allow it to become effective; (ii) comply fully with your obligations hereunder (including without limitation satisfactorily transitioning your duties during the Transition Period);

(iii) remain employed with Sprinklr and perform the Transition Period services as set forth above through July 7, 2025; and (iv) after July 7, 2025 and on or before July 15, 2025, execute and return to Sprinklr this Agreement, then Sprinklr will provide you the following as your sole severance benefits (the "**Severance Benefits**"):

a. **Base Salary Continuation**. Sprinklr will pay you an amount equal to 75% of your annual base salary rate in effect as of the Separation Date (in the gross amount of USD $393,750) payable in each case in accordance with the Company's regular payroll schedule, and in no event earlier than the Effective Date.

b. **Target Bonus Severance**. In keeping with the Company's discretionary annual corporate bonus plan, Sprinklr will pay you for Fiscal Year 2026 an amount equal to USD $225,821.92, which is your prorated target annual bonus based upon the number of days you were employed by Sprinklr during such year. Payments will be paid in a lump sum, less withholdings, and deductions, in accordance with the Company's regular payroll schedule, and in no event earlier than the Effective Date.

c. **Equity Awards and Vesting / Extended Exercise Period.** You have been granted certain time-based vesting restricted stock units ("**RSUs**") and performance-based vesting restricted stock units ("**PSUs**" and, together with the RSUs, the "**Equity Awards**"), pursuant to the Company's applicable equity incentive plan(s), PSU agreements or RSU agreements and other grant documents (collectively, the "**Award Documents**"). The Equity Awards will cease vesting as of the Separation Date. Except as expressly set forth in this paragraph, the Equity Awards remain subject to the terms of the Award Documents.
Reference is made to your Rule 10b5-1 Trading Plan ("**Trading Plan**"), which was adopted on March 27, 2025 and is scheduled to terminate, in accordance with its terms, as of the close of business on March 31, 2026. The Company agrees that it will approve any requested early termination of the Trading Plan on or after Monday, October 6, 2025 (such date, the "**Early Termination Date**"). In addition, notwithstanding the 45-day waiting period set forth in Part III, Section D(4)(c) of the Trading Plan, the Company acknowledges and agrees that, should your Trading Plan be effectively terminated early, the Company acknowledges and agrees that you may freely purchase, sell, convert or transfer any Company securities, subject to applicable legal requirements, as of the Early Termination Date.

d. **Health Insurance**. Your active participation in Sprinklr's group health insurance plan(s), if any, will end on July 31, 2025. Coverage under any other group benefit plans or programs in which you participated, if any, will also end on July 31, 2025. Regardless of whether you enter into this Agreement, you may have the right to continue the medical and/or dental insurance coverage that you had in effect as of the Separation Date (generally for up to 18 months) under COBRA or state law

equivalent. To continue health insurance coverage under COBRA or a state law equivalent, you must pay the full premium cost plus the administrative fee. You will receive benefits continuation notices and information about your 401(k) account (if any), in separate letters. If you had group life insurance, you also will receive information about the option to convert this coverage to an individual policy.

Provided that you timely elect COBRA coverage, and accept this Agreement and it becomes effective by its terms, the Company will make a payment equivalent to the employer portion of your healthcare continuation payment for you and your qualified dependents for any benefits elected at the time of your separation under COBRA for nine (9) months (the "**COBRA Subsidy Period**"). You will be responsible for paying the employee portion at the same rate as paid for coverage by active employees for the duration of the COBRA Subsidy Period. Following the COBRA Subsidy Period, you will be responsible for paying the entire healthcare continuation payment for the duration of your enrollment in COBRA. You understand and acknowledge that if you elect COBRA coverage, coverage through the Health Insurance Marketplace (also known as healthcare exchanges) (the "**Marketplace**") generally will not be available until the next annual open enrollment period offered by the Marketplace. Accordingly, you understand and acknowledge that the opportunity to obtain possibly less expensive coverage through the Marketplace may not be available until the following January.

e. **Tax Treatment.** You will be responsible for all taxes with respect to the Severance Benefits and any other aspect of this Agreement, and you agree to indemnify, hold harmless and defend Sprinklr from any and all claims, liabilities, damages, taxes, fines or penalties sought or recovered by any governmental entity, including any governmental taxing authority, arising out of or in connection with this Agreement.

5. **No Consideration Absent Execution of this Agreement/Time for Execution.** You understand and agree that you would not receive the Transition Period and Severance Benefits specified in herein without your execution of this Agreement and fulfillment of the promises contained herein. You have 21 days to consider this Agreement. This Agreement shall not become effective until the eighth (8th) day after you sign, and do not revoke, this Agreement (the "**Effective Date**"). No payments due to you as Severance Benefits under this Agreement shall be made or begin before the Effective Date.

6. **No Other Compensation or Benefits**. You acknowledge that, except as expressly provided in this Agreement, you have not earned, will not earn and will not receive any additional compensation, severance, or benefits from Sprinklr, on or after the Separation Date. You further acknowledge and agree that: the benefits provided by and as set forth in this Agreement satisfy in full and exceed any and all obligations of Sprinklr to provide you with any benefits, compensation, or severance in connection with your employment termination, whether pursuant to the Severance Plan, your Employment Contract, any other offer letter

agreement or employment agreement between you and Sprinklr, or otherwise; to the extent this Agreement differs from any severance or other separation benefits you may be eligible to receive under any agreement, plan or policy, this Agreement nevertheless supersedes Sprinklr's obligation to provide you any such benefits; and upon your execution of this Agreement, any and all of Sprinklr's obligations to provide you any severance or other separation benefits, and your eligibility to participate in any severance plan or other agreement or policy providing for potential severance benefits, shall be waived and extinguished. For the avoidance of doubt, your participation in any equity plans will be governed by the terms of those plans.

7. **General Release, Claims Not Released, and Related Provisions**.

a. **General Release of All Claims**. You knowingly and voluntarily release and forever discharge Sprinklr, Inc. and its affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and their administrators and fiduciaries (collectively referred to throughout the remainder of this Agreement as "**Releasees**"), of and from any and all claims, known and unknown, asserted or unasserted, which you have or may have against Releasees as of the date of execution of this Agreement, including, but not limited to, any alleged violation of the following: Title VII of the Civil Rights Act of 1964; Sections 1981 through 1988 of Title 42 of the United States Code; the Employee Retirement Income Security Act of 1974 ("ERISA") (as modified below); the Immigration Reform and Control Act; the Americans with Disabilities Act of 1990; the Age Discrimination in Employment Act of 1967 ("ADEA"); the Worker Adjustment and Retraining Notification Act; the Fair Labor Standards Act; the Fair Credit Reporting Act; the Family and Medical Leave Act; the Equal Pay Act; the Genetic Information Nondiscrimination Act of 2008; Washington Law Against Discrimination, RCW 49.60; Washington prohibition on age discrimination, RCW 49.44.090; Washington Minimum Wage Act, RCW 49.46; Washington Wage Payment Act, RCW 49.48; Washington wage deduction/rebate statutes, RCW 49.52; Washington Family Leave Act, RCW 49.78; Washington Family Care Act, RCW 49.12.265, et. seq; Washington Domestic Violence Leave Law, RCW 49.76; Washington Military Family Leave Law, RCW 49.77; Washington's Veteran's and Veteran's Affairs statute, RCW 73; Washington Equal Pay Act, RCW 49.12.175; Washington Industrial Safety and Health Act, RCW 49.17; Washington Fair Credit Reporting Act, RCW 19.182; Washington Consumer Protection Act, RCW 19.86; Washington Healthy Starts Act, RCW 43.70; Washington Paid Sick Leave Law, RCW 49.46.200 210; Washington Paid Family & Medical Leave Act, RCW 50A.04; Washington Statutory Provisions Against Retaliation/Discrimination for Filing a Workers' Compensation Claim, RCW 51.48.025; the Industrial Welfare Act of Washington, RCW 49.12, to the extent permitted by law; any claim alleging the exception to the Industrial Insurance Act of Washington, established by RCW 51.24.020, for injury inflicted with "deliberate intention"; any provision of Title 49 of the Revised Code of Washington; any provision of Title 296 of the Washington Administrative Code; any provision of Chapter 14.04 of the Seattle Municipal Code; and any other federal, state or local law, rule, regulation, or ordinance; any public policy, contract, tort, or common law; or any basis for recovering costs, fees, or other expenses including attorneys' fees incurred in these matters.

b. **ADEA Waiver**. You acknowledge that you are knowingly and voluntarily waiving and releasing any rights you may have under the Age Discrimination in Employment Act (the "**ADEA**"), and that the consideration given for the waiver and release in this

section is in addition to anything of value to which you are already entitled. You further acknowledge that you have been advised, as required by the ADEA, that: (i) your waiver and release do not apply to any rights or claims that may arise after the date that you sign this Agreement; (ii) you should consult with an attorney prior to signing this Agreement (although you may choose voluntarily not to do so); (iii) you have twenty-one (21) days to consider this Agreement (although you may choose voluntarily to sign it earlier); (iv) you have seven (7) days following the date you sign this Agreement to revoke it (by providing written notice of your revocation to the Company); and (v) this Agreement will not be effective until the date upon which the revocation period has expired, which will be the eighth day after the date that this Agreement is signed by you provided that you do not revoke it.

c. **Claims Not Released**. You are not waiving any rights you may have to: (i) your own vested accrued employee benefits under Sprinklr's health, welfare, or retirement benefit plans as of the Separation Date; (ii) benefits and/or the right to seek benefits under applicable workers' compensation and/or unemployment compensation statutes; (iii) pursue claims which by law cannot be waived by signing this Agreement; (iv) enforce this Agreement; and (v) challenge the validity of this Agreement.

d. **Protected Activity**. Notwithstanding any provision in this Agreement (including any exhibits) to the contrary, nothing herein shall prevent or prohibit you from: (i) disclosing the fact or terms of this Agreement as part of any government investigation; (ii) filing a charge, complaint, or report with, or otherwise communicating with, providing information to, cooperating with, or participating in any investigation or proceeding by or before any federal, state or local government agency or commission; or (iii) making truthful statements or disclosures about alleged unlawful discrimination, harassment, retaliation, or other activity. While this Agreement does not limit your right to receive an award for information provided to the United States Securities and Exchange Commission or the Occupational Safety and Health Administration, you otherwise waive, to the fullest extent permitted by law, any and all rights you may have to individual monetary relief or other individual remedies based on any claims that you have released and any rights you have waived by signing this Agreement.

e. **Collective/Class Action Waiver**. If any claim is not subject to release, to the extent permitted by law, you waive any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which Sprinklr or any other Releasee identified in this Agreement is a party.

8. **Acknowledgments and Affirmations**. In signing this Agreement, you make the following affirmations:

To the extent applicable, you have resigned from (or by signing this Agreement hereby resign from) any position which you held (or hold) as an officer of the Company, as a Director on its Board of Directors or any other position in which you served (or serve) in relation to the Company or its affiliates;

You have not filed, caused to be filed, or presently is a party to any claim against Sprinklr;

You have been paid and/or has received all compensation, wages, bonuses, commissions, and/or benefits which are due and payable as of the date you sign this Agreement;

You have been granted any leave to which you were entitled under the Family and Medical Leave Act or related state or local leave or disability accommodation laws;

You have no known workplace injuries or occupational diseases;

You have not divulged any proprietary or confidential information of Sprinklr and will continue to maintain the confidentiality of such information consistent with Sprinklr's policies and your agreement(s) with Sprinklr and/or common law;

You have not been retaliated against for reporting any allegations of wrongdoing by Sprinklr or its officers, including any allegations of corporate fraud; and
You affirm that all Sprinklr's decisions regarding your pay and benefits through your Separation Date were not discriminatory based on age, disability, race, color, sex, religion, national origin, or any other classification protected by law.

9. **Confidential Information**. You agree that at all times during the term of your employment, and at all times thereafter, to hold in strictest confidence, and not to use, except for the benefit of the Company, or to disclose to any person, firm or corporation without written authorization of the CEO or his designee, any Confidential Information (as defined below), except as such disclosure, use or publication may be required in connection with my work for the Company. "Confidential Information" shall mean any and all confidential and/or proprietary knowledge, data or information of the Company, including, without limitation, all trade secrets, proprietary information relating to products, processes, know-how, designs, formulas, developmental or experimental work, computer programs (including source code and object code), data bases, other original works of authorship, customer lists or prospect lists in any form, pricing information, business plans, financial information or other subject matter pertaining to any business of the Company or any of its prospects, clients, customers, consultants or licensees, in whatever form. Notwithstanding

the foregoing, "Confidential Information" shall not include (i) information which is at the time of disclosure, or which subsequently becomes through no fault of yours, generally available to the public; (ii) information which you received from third parties who were not under any direct or indirect obligation of confidentiality; and (iii) information which the Company has disclosed to third parties without any obligation of confidentiality.

10. **Cooperation**. You agree to reasonably cooperate with Sprinklr in all matters relating to the transition of your work and responsibilities on behalf of Sprinklr, including, but not limited to, any present, prior or subsequent relationships or projects and the orderly transfer of any such work and institutional knowledge to such other persons as may be designated by the Company. Such transition assistance described in the previous sentence shall not be subject to additional compensation, and Sprinklr will make reasonable efforts to accommodate your scheduling needs. You agree to provide reasonable cooperation to Sprinklr in connection with its actual or contemplated defense, prosecution, or investigation of any claims or demands by or against third parties, or other matters arising from events, acts, or failures to act that occurred during the period of your employment by Sprinklr. Such cooperation includes, without limitation, making yourself available to Sprinklr upon reasonable notice, without subpoena, to provide complete, truthful and accurate information in witness interviews, depositions, and trial testimony. Sprinklr will reimburse you for reasonable out-of-pocket expenses you incur in connection with any such cooperation (excluding foregone wages, salary, or other compensation) and will make reasonable efforts to accommodate your scheduling needs and you and Sprinklr will agree on a mutually agreeable per diem rate.

11. **Restrictive Covenants.** Because of the trade secret subject matter of the Company's business and your role with the Company, you agree that for a period of twelve (12) months from your Separation Date, you will not, as an officer, director, employee, consultant, owner, partner, or in any other capacity, either directly or through others: (i) solicit, induce, encourage, or participate in soliciting, inducing or encouraging any person employed by the Company, or any person or entity engaged by the Company as a consultant or independent contractor, to terminate such person's or entity's relationship with the Company, even if you did not initiate the discussion or seek out the contact; and (ii) solicit, canvas, induce, encourage, or participate in soliciting, canvassing, inducing, or encouraging any clients or prospective clients of the Company to terminate such entity's relationship with Company, even if you did not initiate the discussion or seek out the contact.

    In addition, you will not for a period of twelve (12) months from your Separation Date, directly or indirectly, in any individual or representative capacity, engage or participate in or provide services to any business that is competitive with the types and kinds of business being conducted by the Company.

12. **Nondisparagement**. You agree not to disparage Sprinklr, including any of its respective officers, directors, employees, shareholders, parents, subsidiaries, affiliates, and agents, in any manner likely to be harmful to the Company or its business, business reputation or personal reputation. Notwithstanding the foregoing in this paragraph, you may respond accurately and fully to any question, inquiry, or request for information when required by legal process. In addition, nothing in this provision or this Agreement is intended to prohibit or restrain you in any manner from making disclosures that are protected under the whistleblower provisions of any applicable law or regulation or as set forth in the Section of this Agreement entitled "Protected Activity."

13. **Limited Disclosure and Return of Property.** You agree not to disclose any information regarding the underlying facts leading up to or the existence or substance of this Agreement, except to your spouse, tax advisor, an attorney with whom you choose to consult regarding your consideration of this Agreement, and/or to any federal, state, or local government agency. You affirm that you have returned all Sprinklr's property, documents, and/or any confidential information in your possession or control. You also affirm that you are in possession of all your property that you had at Sprinklr's premises and that Sprinklr is not in possession of any of your property.

14. **Expense Reimbursements**. You agree that, within 15 days after the Separation Date, you will submit your final documented expense reimbursement statement reflecting all business expenses you incurred through the Separation Date, if any, for which you seek reimbursement. The Company will reimburse you for these expenses pursuant to its regular business practice.

15. **Governing Law and Interpretation.** This Agreement shall be governed and conformed in accordance with the laws of New York without regard to its conflict of laws provision. In the event of a breach of any provision of this Agreement, either party may institute an action specifically to enforce any term or terms of this Agreement and/or to seek any damages for breach. Should any provision of this Agreement be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, excluding the general release language, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.

16. **Remedies for Breach.** If you fail to comply with any of the terms of this Agreement or post-employment obligations contained in it, the Company may, in addition to any other available remedies, reclaim any amounts paid to you under the provisions of this Agreement and terminate any benefits or payments that are later due under this Agreement, without waiving the releases provided in it. Further, in the event of a breach or threatened breach by you of any provision of this Agreement, you hereby agree that money damages would not afford an adequate remedy and consent and agree that the Company shall be entitled to seek a temporary or permanent injunction or other equitable relief against such

breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages. Any equitable relief shall be in addition to, not instead of, legal remedies, monetary damages, or other available relief.

17. **Nonadmission of Wrongdoing.** The Parties agree that neither this Agreement nor the furnishing of the consideration for this Agreement shall be deemed or construed at any time for any purpose as an admission by Releasees of wrongdoing or evidence of any liability or unlawful conduct of any kind.

18. **Amendment.** This Agreement may not be modified, altered, or changed except in writing and signed by both Parties wherein specific reference is made to this Agreement.

19. **Confirmation of Prior Agreement.** You acknowledge, reaffirm, and agree to comply with your obligations under the Non-Disclosure and Invention Assignment Agreement that you previously executed for the benefit of the Company, which agreement also remains in full force and effect. You acknowledge that you have not relied on any representations, promises, or agreements of any kind made to you in connection with your decision to accept this Agreement, except for those set forth in this Agreement. Notwithstanding the foregoing, the Company agrees to affirmatively waive any noncompetition obligations you owe to the Company as a result of the Non-Disclosure and Invention Assignment Agreement or otherwise.

**YOU ARE ADVISED THAT YOU HAVE UP TO TWENTY-ONE (21) CALENDAR DAYS TO CONSIDER THIS AGREEMENT. YOU ARE ALSO ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO YOUR SIGNING OF THIS AGREEMENT.**

**YOU MAY REVOKE THIS AGREEMENT FOR A PERIOD OF SEVEN (7) CALENDAR DAYS FOLLOWING THE DATE YOU SIGN THIS AGREEMENT. ANY REVOCATION WITHIN THIS PERIOD MUST BE SUBMITTED IN WRITING TO JACOB SCOTT AND STATE, "I HEREBY REVOKE MY ACCEPTANCE OF OUR AGREEMENT." THE REVOCATION MUST BE SENT VIA EMAIL OR REGISTERED MAIL TO JACOB SCOTT AND POSTMARKED WITHIN SEVEN (7) CALENDAR DAYS AFTER YOU SIGN THIS AGREEMENT.**
**YOU AGREE THAT ANY MODIFICATIONS, MATERIAL OR OTHERWISE, MADE TO THIS AGREEMENT, DO NOT RESTART OR AFFECT IN ANY MANNER THE ORIGINAL UP TO TWENTY-ONE (21) CALENDAR DAY CONSIDERATION PERIOD.**

**YOU FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS AGREEMENT INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS YOU HAVE OR MIGHT HAVE AGAINST RELEASEES.**

The Parties knowingly and voluntarily sign this Agreement as of the date set forth below:

Sprinklr, Inc.

By: /s/ Jacob Scott
Name: Jacob Scott
Title: General Counsel
Date: July 8, 2025

/s/ Scott Harvey
Name: Scott Harvey
Date: July 8, 2025

**EXHIBIT 31.1**

**CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Rory Read, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sprinklr, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 4, 2025

By: /s/ Rory Read

Name: Rory Read

Title: President and Chief Executive Officer

*(Principal Executive Officer)*

**EXHIBIT 31.2**

**CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Manish Sarin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sprinklr, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 4, 2025

By: /s/ Manish Sarin
Name: Manish Sarin
Title: Chief Financial Officer
*(Principal Financial Officer and Principal Accounting Officer)*

**EXHIBIT 32.1**

**CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Rory Read, President and Chief Executive Officer of Sprinklr Inc. (the "Company"), and Manish Sarin, Chief Financial Officer of the Company, each hereby certifies, to the best of his knowledge and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- the Quarterly Report on Form 10-Q of the Company for the period ended July 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 4, 2025

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|---|---|
| /s/ Rory Read | /s/ Manish Sarin |
| Rory Read | Manish Sarin |
| President and Chief Executive Officer<br>(Principal Executive Officer) | Chief Financial Officer<br>(Principal Financial Officer and Principal Accounting Officer) |