

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

FORM 10-K

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended **November 30, 2020**
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: **001-39494**



CONCENTRIX CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

27-1605762

(I.R.S. employer
identification number)

44111 Nobel Drive, Fremont, California

(Address of principal executive offices)

94538

(Zip Code)

(Registrant's telephone number, including area code): **(800) 747-0583**

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

| <u>Title of each class</u> | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|--|--------------------------|--|
| Common Stock, par value \$0.0001 per share | CNXC | The Nasdaq Stock Market LLC |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

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

As of May 31, 2020, the last business day of the Registrant's most recently completed second fiscal quarter, the Registrant's common stock was not publicly traded.

51,977,026 shares of common stock were issued and outstanding as of January 31, 2021.

DOCUMENTS INCORPORATED BY REFERENCE

Items 10, 11, 12, 13 and 14 of Part III of this Annual Report on Form 10-K incorporate by reference portions of the Registrant's definitive proxy statement relating to its 2021 annual meeting of stockholders (the "2021 Proxy Statement") where indicated. The 2021 Proxy Statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

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Note Regarding Forward-Looking Statements

Unless otherwise indicated or except where the context otherwise requires, the terms “we,” “us” and “our” and other similar terms in this Annual Report on Form 10-K refer to Concentrix Corporation and its subsidiaries.

This Annual Report on Form 10-K includes 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”). Forward-looking statements include, but are not limited to, statements regarding our expected future financial condition, results of operations, effective tax rate, cash flows, leverage, liquidity, business strategy, competitive position, demand for our services and seasonality of our business, international operations, acquisition opportunities, capital allocation and dividends, growth opportunities, spending and investments, competition and market forecasts, industry trends and statements that include words such as believe, expect, may, will, provide, could and should and other similar expressions. These forward-looking statements are inherently uncertain and involve substantial risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Risks and uncertainties include, among other things: risks related to general economic conditions, including uncertainty related to the COVID-19 pandemic and its impact on the global economy, on our business and on the business of our clients; the level of outsourced business services; the level of business activity of our clients and the market acceptance and performance of their products and services; consolidation of our competitors; competitive conditions in our industry; currency exchange rate fluctuations; variability in demand by our clients or the early termination of our client contracts; competition in the customer experience solutions industry; political and economic stability in the countries in which we operate; the outbreak of communicable disease or other public health crises; cyberattacks on our or our clients’ networks and information technology systems; the inability to protect personal and proprietary information; increases in the cost of labor; the operability of our communication services and information technology systems and networks; changes in law, regulations or regulatory guidance; investigative or legal actions; the loss of key personnel; natural disasters, adverse weather conditions, terrorist attacks, work stoppages or other business disruptions; and other risks that are described under “Risk Factors” in Part I, Item 1A of this Annual Report on Form 10-K. We do not intend to update forward-looking statements, which speak only as of the date hereof, unless otherwise required by law.

Concentrix, the Concentrix Logo, and all other Concentrix company, product and services names and slogans are trademarks or registered trademarks of Concentrix Corporation and its subsidiaries. Concentrix and the Concentrix Logo Reg. U.S. Pat. & Tm. Off. and applicable non-U.S. jurisdictions. Other names and marks are the property of their respective owners.

Part I

ITEM 1. BUSINESS

We are a leading global provider of technology-infused Customer Experience (“CX”) solutions that help iconic and disruptive brands drive deep understanding, full lifecycle engagement, and differentiated experiences for their end-customers around the world. We provide end-to-end capabilities, including CX process optimization, technology innovation, front- and back-office automation, analytics and business transformation services to clients in five primary industry verticals. Our differentiated portfolio of solutions support Fortune Global 500 as well as high-growth companies across the globe in their efforts to deliver an optimized, consistent brand experience across all channels of communication, such as voice, chat, email, social media, asynchronous messaging, and custom applications. We strive to deliver exceptional services globally supported by our deep industry knowledge, technology and security practices, talented people, and digital and analytics expertise.

We offer our clients integrated solutions supporting the entirety of the customer lifecycle; CX and user experience (“UX”) strategy and design; analytics and actionable insights; and innovative new approaches to

enhancing the customer experience through the latest technological advancements in our industry. We are a leader in the shift from traditional Customer Relationship Management (“CRM”), which is focused on a portion of the customer lifecycle, to CX, which supports the entirety of it. Through our end-to-end capabilities, we deliver better economic outcomes for our clients with solutions designed to meet their unique needs as they navigate a landscape characterized by discerning consumers and new market entrants.

We have strong relationships with companies across the globe and are a provider of choice for industry leaders. We believe in supporting our clients over the long term to build enduring relationships. Our average client tenure is 15 years. As of November 30, 2020, we served over 95 Fortune Global 500 clients as well as more than 90 high-growth companies across various verticals and geographies that are attempting to disrupt their respective industries. We primarily support clients in verticals with certain characteristics, such as high growth, high transaction volume, high levels of compliance and security, and steep barriers to entry. Our strategic verticals include technology and consumer electronics, communications and media, retail, travel and ecommerce, banking, financial services and insurance, healthcare, and other. Our clients include:

- 7 of the top 10 global digital companies
- 8 of the top 10 global internet companies
- 6 of the top 10 U.S. health insurance companies
- 4 of the top 5 U.S. banks
- 7 of the top 10 global automotive companies

Through our technology-infused offerings, our clients benefit from having a single resource that enables them to address the entirety of the customer journey from acquisition to support to renewal. Our end-to-end capabilities and broad service offerings help our clients acquire, retain, and improve the lifetime value of their customer relationships while optimizing their back-office processes.

We combine global consistency with local expertise, enhancing the end user experience for our clients’ customers through services rendered by approximately 270,000 employees across more than 280 locations in more than 40 countries and 6 continents, where we conduct business in over 70 languages.

On December 1, 2020, the previously announced separation (the “separation”) of Concentrix and our technology-infused customer experience solutions business from SYNnex Corporation (“SYNNEX”) was completed through a tax-free distribution of all of the issued and outstanding shares of our common stock to SYNnex stockholders (the “distribution” and, together with the separation, the “spin-off”). SYNnex stockholders received one share of our common stock for each share of SYNnex common stock held as of the close of business on November 17, 2020. As a result of the spin-off, we became an independent public company and our common stock commenced trading on the Nasdaq Stock Market (“Nasdaq”) under the symbol “CNXC” on December 1, 2020. In connection with the spin-off, on November 30, 2020, we entered into a separation and distribution agreement, an employee matters agreement, a tax matters agreement and a commercial agreement with SYNnex to set forth the principal actions to be taken in connection with the spin-off and define our ongoing relationship with SYNnex after the spin-off.

We trace our roots back to 2004 when SYNnex acquired BSA Sales, Inc., a company with 20 employees focused on helping clients through outsourced sales and marketing services. In 2006, SYNnex combined New York-based Concentrix with BSA Sales under the Concentrix name, with the goal of bringing technology and innovation into businesses to help clients reimagine and design the next generation of experiences. Concentrix Corporation was incorporated in Delaware in December 2009.

Our Market Opportunity

In order to maintain relevancy, our clients must transform their systems in response to increased competition and consumer demands. To meet the evolving needs of their customers, our clients are looking to large CX solutions providers, such as Concentrix, to automate their systems and provide professional support to address complexities beyond the scope of automation. We are a leader in next-generation CX technology driven by a focus on innovation,

which we believe will increase our total addressable market as we enter and grow across new and existing markets. Our suite of integrated solutions include: digital services that enable efficient customer self-service; Voice of the Customer (“VOC”) solutions to gather and analyze customer feedback to foster loyalty to, and growth with, clients; analytics and consulting solutions that synthesize data and provide professional insight to improve clients’ customer experience strategies; Artificial Intelligence (“AI”) technology that can intelligently act on customer intent to improve customer experience with non-human engagement; Vertical business process outsourcing (“BPO”) services that provide specialized support to specific industry verticals; and Back Office BPO services that support clients in non-customer facing areas.

Industry Trends

- **Growing Importance of Customer Experience.** We believe customer experience has become a strategic imperative for all enterprises today. Data, analytics, and digital solutions have reshaped the ways firms interact with their customers. As a result, enterprises are modernizing how they manage the customer experience across all channels of communication. The market is evolving from customer relationship management solutions that act as a cost cutting measure toward end-to-end CX management solutions that create value throughout the entire customer lifecycle at an appropriate cost.
- **Empowered Consumers and Users.** The modern consumer is discerning and has come to expect a high level of care and responsiveness from their service providers. Old paradigms have shifted as increasingly competitive markets and easily accessible crowd-sourced information have empowered consumers to unprecedented levels. As consumers demand more and have an increasing number of alternatives, companies must differentiate on how they manage their customer relationships. This shift is driving the market toward consumer-centric solutions that reduce customer churn and promote brand loyalty.
- **Technological Innovation.** Emerging technology is driving change within our industry and shaping the demands of our clients. Advancements in areas such as Digital Services, AI and Machine Learning (“ML”) are further disrupting our markets and our clients’ markets while opening new avenues for growth and opportunities for us to better serve our clients. These technologies provide clients the opportunity to interact more effectively with their customers and improve the customer experience by automating processes, optimizing customer journeys to reach faster solutions, enabling personalized engagement across multiple platforms, and focusing human engagement on the most complex interactions.
- **Evolving Role of People.** The skill set required of employees in the CRM and BPO industry is shifting as enterprises place increased importance on CX. Increasing complexity in the voice channel is driving a trend of longer customer engagements requiring CRM and BPO support professionals to have a more robust skill set. The increasing importance of skilled labor in our industry is offset by the transition of low complexity support to online support (self-service), driven by heavy automation and digitization. Despite growth in digital channels, phone conversations currently remain the preferred option for customer services interactions. We believe the human element will continue to be important in our industry, as focus shifts from routine service to “last-mile” support requiring human-touch to deliver a stronger customer experience. In our view, attracting and retaining skilled talent that can adapt to the evolving focus of customer engagements will require a diverse and inclusive workplace that supports employee wellness.
- **Mission Critical Nature of Cybersecurity.** Technological innovation coupled with the proliferation of smart devices and mobile connectivity is generating sensitive data at scale. At the same time, the avenues for access have become numerous, and an increasing number of malicious actors are becoming more sophisticated and active. Data security is paramount in an environment where external intrusion, improper access, or carelessness can compromise customers and businesses. The COVID-19 pandemic significantly expanded the prevalence of CX solutions that rely on work-at-home employees further underscoring the importance of robust data security. Businesses require scalable, industry-leading data protection and security to avoid reputational and operational risks in an environment characterized by the threats and benefits of free-flowing information.
- **Enterprise Preferences Driving Vendor Consolidation.** Enterprises have become increasingly multinational. As their scope of business increases, enterprises require a partner that can serve their needs

by rapidly deploying solutions and new technology consistently across multiple geographies and channels. Enterprises therefore prefer vendors with scale and end-to-end capabilities that can be a one-stop shop and are consolidating existing relationships to vendors with scale to achieve their business objectives and pursue cost savings.

- **Market Fragmentation Driving Industry Consolidation.** We operate in a fragmented marketplace characterized by numerous vendors offering services across various levels of the value chain. Currently the top 10 players in CX only hold an approximate 30% market share with the remaining market share held by thousands of other vendors. As client preferences continue to evolve in line with enterprise preferences, we anticipate that our market will undergo further consolidation.
- **Existing Solutions Have Many Limitations.** As executives look to successfully navigate digital transformation and manage their customers' experience across a wider variety of channels, unsophisticated providers and solutions often fail to meet customers' needs. Currently there is a limited set of providers with end-to-end, global offerings of scale in the marketplace. The fragmentation of the market and, for many industries, high regulatory hurdles create additional complexity as most providers are small, niche, or local players. These issues are compounded by a lack of sufficient investment in cybersecurity, creating exposure to regulatory, reputational, and operational risks. These pain points, coupled with the prevalence of providers offering legacy solutions that fail to address the demands of the modern consumer, create an opportunity for large-scale, global CX solutions providers.

Our CX Solutions

We offer technology, people and process solutions that help clients enhance the experience for their customers and improve business performance. Our CX solutions encompass four complementary areas: Customer Lifecycle Management; CX/UX Strategy and Design; Digital Transformation; and VOC and Analytics. Through our integrated CX solutions offering, our clients engage us to acquire, support and renew customers, leverage customer feedback and insights to constantly improve business performance, and identify and implement customer-facing and back-office process improvements. We help our clients by creating tools that their customers and employees love to use, enable better customer interactions through real-time sentiment analysis, and integrate multiple customer interactions and touchpoints into one-stop smart mobile applications. We provide these solutions and other complementary services in 70 languages, across 6 continents, from over 280 locations in the Americas, Asia-Pacific and EMEA.

Customer Lifecycle Management. We seek to deliver next-generation customer engagement solutions and services that address the entirety of the customer lifecycle. We offer our clients the means to acquire, support and renew customers across all channels while minimizing attrition and increasing customer lifetime value. Our Customer Lifecycle Management solutions include services such as customer care, sales support, digital marketing, technical support, digital self-service, content moderation, creative design and content production, and back office services. Customer Lifecycle Management represents our core service offering and a significant majority of the services we provide.

In addition to our Customer Lifecycle Management services, we also provide the complementary services described below, which are provided to clients as integrated solutions with our core service offering:

- **CX/UX Strategy and Design.** We strive to help our clients reimagine what great is, designing next generation CX solutions to exceed customer expectations. Our CX/UX Strategy and Design solutions, including CX strategy, data-driven user design, journey mapping, and multi-platform engineering, enable our clients to create effortless, personalized customer engagements and align business priorities around measurable goals. Through these services, we promote a more rapid integration of digital and enabling technologies, providing transformational business services to our clients.
- **Digital Transformation.** We seek to offer cutting edge solutions to reshape how brands better engage with their customers. Our innovative solutions and services are focused on creating disruption to help our clients stay relevant and achieve better business outcomes. Our Digital Transformation solutions include services

such as Robotic Process Automation (“RPA”) and cognitive automation that automate processes to improve efficiency and accuracy, mobile app development to solve business challenges through new channels of customer engagement, work-at-home and gig platforms that capitalize on a changing and flexible workforce, Interactive Voice Response (“IVR”) and natural language understanding solutions that improve outcomes and customer experience with automated responses to verbal interactions, messaging and social platforms that allow clients to engage with customers across myriad platforms, and system integration services.

- ***Voice of the Customer and Analytics.*** Our VOC solutions turn customer feedback into actionable insights. Our Analytics solutions provide businesses with insight into rapidly changing markets through data, which provides our clients with a competitive edge. Our VOC and Analytics solutions include offerings such as VOC SaaS platform, speech and text insights, sentiment analysis, advanced analytics and real-time reporting.

Our Competitive Strengths

We believe the following strengths differentiate us from our competitors and provide us with a competitive advantage:

- ***Market Leader with a Differentiated Brand and Value Proposition:*** We strive to have a compelling brand and reputation as a leading provider of technology-infused solutions that shape the customer experience. We have a differentiated combination of global scale, local reach, technological expertise, end-to-end solution capabilities and full lifecycle services. We are widely recognized as a leading provider of CX solutions; garnering industry attention via 82 industry awards in fiscal year 2020. Third-party researchers have also taken note of our leading global practice with Everest Group Research distinguishing us as a leader for the 5th time, recognizing us as a company with strong vision and strategy and high buyer satisfaction.
- ***Strong Relationships with a Growing and Diversified Client Base:*** We provide customer experience solutions for over 95 Fortune Global 500 brands worldwide. Leading companies worldwide, including more than 90 clients that believe they are disruptors in their industries and over 90 of the Fortune 500, rely upon our solutions and services. We serve a wide variety of clients, extending across numerous verticals. Our end-to-end capabilities and global scale has enabled us to build long-lasting relationships with our clients spanning over 15 years on average. Our commitment to our clients is our primary focus and has generated numerous accolades to date, including 47 client awards in fiscal year 2020.
- ***Extensive Global Presence:*** We operate globally in over 40 countries across 6 continents with the ability to conduct business in 70 different languages. We believe we are well-positioned to serve the largest multinational brands in nearly every market in which they operate. Our global footprint includes a strong presence in emerging markets such as India, China, Brazil, Vietnam, Thailand and Indonesia, which provides an opportunity to grow with our clients in these regions. Our ability to create value for our clients across a global delivery platform has enabled us to be a partner of choice.
- ***Continued Investment in Research and Development:*** We believe that our investment in technology differentiates us from our competitors. We have provided technology-infused solutions for longer than a decade. We have been at the forefront of developing technology-infused CX solutions that improve the customer experience and will continue to strive for this in the future. We have been a leader in our industry in advancements such as conversational virtual assistants, multichannel and augmented CRM, predictive analytics, emotion analytics, cognitive learning and AI and enjoy a first mover advantage. We are also an industry leader in cybersecurity best practices. We believe our strong focus on innovation has enabled us to maximize value for our clients and made it harder for our competitors to compete with us. Due to our size and scale, and the regular implementation of technology as part of our CX solutions, our costs of developing, maintaining and integrating new technologies are not material on a stand-alone basis.

- **Track Record of Sustainable Organic Growth:** We have an established track record of long-term organic revenue growth, and we believe we will continue to enjoy sustainable growth while rebalancing our portfolio from acquisitions as a result of:
 - Nature of our offerings
 - Substantial switching costs for our clients
 - High net revenue retention rates
 - Strong barriers to entry in the CX solutions market
 - Large and expanding addressable market
- **Demonstrated History of Strategic Acquisitions:** We have acquired and integrated more than 15 companies since our inception. We have a demonstrated ability to turn around underutilized assets and maximize their value, which we believe allows us to explore a broader scope of opportunities than our peers. In 2018, we acquired Convergys, which enhanced our ability to deliver additional transformative services to our clients with a broader global footprint.
- **Corporate Culture Committed to Our Clients' Success:** Our unified team allows us to deliver consistent and exceptional results. As of November 30, 2020, our team consisted of approximately 270,000 employees globally. We enjoy high staff engagement because of a strong company culture that is fanatical about serving our clients through integrity and bold and disruptive thought. We strive for diversity and inclusion in the workplace and emphasize employee wellness and mental health. We believe this supportive environment reinforces the commitment of our team, empowers our employees to make an impact on our global community, and drives better customer experiences and improved outcomes for our clients.
- **Experienced Management Team:** Our passionate and committed management team is led by industry experts with a deep understanding of our clients' needs. We have a highly talented management team with significant experience in the CX industry, with our senior leadership team having an average of nearly 30 years of experience. Through our acquisitions we have benefited from the addition of management talent, who have contributed valuable new perspectives and insights. Under our tenured management team, we have grown our revenue from \$1.1 billion in fiscal year 2014 to \$4.7 billion in fiscal year 2020, while delivering strong profitability.

Our Growth Strategy

The key elements to our growth strategy are:

- **Expand and Deepen Relationships with Existing Clients:** We have a well-established track record of cross-selling and offering additional solutions and premium services to sustain and grow our relationships with our existing clients. We have historically focused on clients with high transaction volume on a recurring basis, fast growing verticals, and large enterprises, and will continue to do so. We believe our scale, efficiency, and technology generates incremental value for our clients with each process we manage, naturally driving our customers to spend more with us. We believe our focus on technology innovation and responding to our clients' needs positions us for continued growth.
- **Relentlessly Innovate and Develop New Digital Services and Solutions:** We believe we have developed innovative solutions for our clients, and we are focused on investing in technology. Investment in CX solutions technologies can enable more effective engagement with customers and improve the customer experience through increased automation, optimize customer journeys to reach faster solutions, enable personalized engagement across multiple platforms, and focus human engagement on the most complex interactions. For these reasons, we believe investments in disruptive technologies, applications, and services will continue to be instrumental in driving better value for our clients and result in increased profitability.
- **Further Expand into Adjacent Markets:** Our marketplace continues to expand beyond CRM BPO. We see significant opportunity for growth across adjacent markets. We intend to continue to provide our clients with an integrated offering of solutions that include digital services, VOC solutions, analytics and

consulting, AI technology, Vertical BPO services and Back Office BPO services. To further capitalize on new market adjacencies, we have made significant investments across emerging technologies such as RPA, AI, ML, VOC, IVR, and Internet of Things (“IoT”), which we believe will enhance our clients’ ability to offer personalized, effective engagement in all customer interactions to increase customer satisfaction and promote brand loyalty. As our industry evolves, we will continue to invest in these new and fast growing markets to further sustain long-term growth.

- **Selectively Pursue Strategic Acquisitions:** We have made targeted acquisitions to increase our technology expertise, enter new verticals and geographies, and increase our scale, including the IBM Customer Care Business and Convergys. Our market remains highly fragmented and we believe that our acquisition strategy enhances and augments our growth avenues. We intend to continue to evaluate and pursue complementary, value enhancing acquisitions.
- **Invest in Emerging Markets:** We have invested in delivery operations in emerging, high-growth markets such as India, China, Brazil, Vietnam, Thailand and Indonesia. We expect to continue to invest in similar markets to be well-positioned to serve multinational brands and enable us to grow with our clients in the regions and countries where they are growing.

Our Customers

In fiscal year 2020, we served approximately 750 clients across various verticals and geographies. Our strategic verticals include: technology and consumer electronics, communications and media, retail, travel and ecommerce, banking, financial services and insurance, healthcare and other. We focus on developing long-term, strategic relationships with clients in verticals with certain characteristics, such as high growth, high transaction volume, high levels of compliance and security, and steep barriers to entry.

Sales and Marketing

We market our services through a sales force organized by industry vertical and geography. The length of our selling cycle varies depending on the type of engagement. Our efforts may begin in response to our lead generation program, a perceived opportunity, a reference by an existing client, a request for proposal or otherwise. The sales cycle varies depending on the type of services work as well as whether there is an existing relationship with the client.

We have designated client partners or global relationship managers for each of our strategic relationships. The relationship manager is supported by process improvement, quality, transition, finance, human resources, information technology and industry or subject matter expert teams to ensure the best possible solution is provided to our clients.

We also strive to foster relationships between our senior leadership team and our clients’ senior management. These “C-level” relationships ensure that both parties are focused on establishing priorities, aligning objectives and driving client value from the top down. High-level executive relationships have been particularly constructive as a means of increasing business from our existing clients. It also provides us with a forum for addressing client concerns. We constantly measure our client satisfaction levels to ensure that we maintain high service levels for each client.

Our Operations

We have global delivery capabilities that allow us to scale our operations with people and other resources from around the world, including language fluency, proximity to clients and time-zone advantages. A critical component of this capability is our more than 280 locations in more than 40 countries throughout the Americas, Asia-Pacific and EMEA. Our delivery centers improve the efficiency of our engagement teams through the reuse of processes, solution designs and infrastructure by leveraging the experience of delivery center professionals. Services are provided from these global locations to customers worldwide in multiple languages. These services are supported by proprietary and third-party technologies to enable efficient and secure customer contact through various channels

including voice, chat, web, email, social media and other digital platforms. All of our delivery centers and data centers are subject to annual certifications and attestations that include Payment Card Industry Data Security Standard (PCI DSS) version 3.2.1, ISO 27001:2013 and SOC2 Type II. Twenty-eight of our delivery centers around the world are certified to the COPC (Customer Operation Performance Center) Outsource Service Provider standard. For our healthcare clients, we have achieved HITRUST Common Security Framework (CSF) 9.3 certification. We also maintain a Level 3 CMMI version 1.3 certification for services and development for our major technology development centers globally.

We also have the capability to provide services for our clients with work-at-home employees. During 2020, the COVID-19 pandemic significantly expanded the prevalence of CX solutions that rely on remote employees, and we increased our productive work-at-home employees to more than 60% of our total workforce. Our SecureCX™ platform supports secure remote work environments through digital tools and technology that authenticate and monitor the remote employee, restrict unauthorized personnel and devices, and deliver real-time alerting of attempts to circumvent control.

We operate a globally distributed data processing environment that can integrate service delivery center data servers and databases with our data centers and points of presence. Our technologically-advanced and secured data centers provide availability 24 hours a day, 365 days a year, with redundant power and communication feeds and emergency power back-up, and are designed to withstand most natural disasters.

The capacity of our data center and contact center operations, our nimble approach to work-at-home employees, and the scalability of our customer management solutions enable us to meet the changing needs of large-scale and rapidly growing companies and government entities. By leveraging our scale and efficiencies across our common system platforms, we can provide rapid client-specific enhancements and modifications without incurring many of the costs of a full custom application, which positions us as a value-added provider of customer support products and services.

International Operations

Approximately 78% of our revenue is generated by our non-U.S. operations. A key element in our business strategy has been to locate our service delivery contact centers in markets that are strategic to our customer requirements and cost beneficial. We have significant operations in the Philippines and India.

Sales and cost concentrations in international jurisdictions subject us to various risks, including the impact of changes in the value of foreign currencies relative to the U.S. Dollar, which in turn can impact reported revenues and cost of revenues.

See Note 10 to the combined financial statements included elsewhere in this Annual Report on Form 10-K for additional financial information related to our international and domestic operations.

Seasonality

Our revenue and margins fluctuate with the underlying trends in our clients' businesses. As a result, our revenues and margins are typically the highest in our fourth fiscal quarter.

Information Technology

We invest in IT systems, infrastructure, automation and security to enhance workforce management and improve productivity. Our contact centers can employ a broad range of technology, including digital switching, intelligent call routing and tracking, proprietary workforce management systems, case management tools, proprietary software systems, computer telephony integration, interactive voice response, advanced speech recognition, web-based tools and relational database management systems with embedded security. Our innovative use of technology enables us to improve our voice, chat, web and e-mail handling and personnel scheduling, thereby increasing our efficiency and enhancing the quality of the services we deliver to our clients and their customers. We

are able to respond to changes in client call volumes and manage call volume traffic based on agent availability. Additionally, we can use this technology to collect information concerning the contacts, including number, response time, duration and results of the contact and report the information to the client on a periodic basis for purposes of monitoring quality of service and accuracy of billing.

Competition

We operate in a highly competitive and rapidly evolving global marketplace. Our major competitors include Accenture plc, Atento S.A., Cognizant Technology Solutions Corporation, Conduent Inc., ExlService Holdings, Inc., Genpact Limited, Globant S.A., Medallia, Inc., Qualtrics, LLC, Sitel Group, Sykes Enterprises Inc., TaskUs Inc., Teleperformance S.A., TELUS International, TTEC Holdings, Inc., Transcosmos Inc., Webhelp SAS, and WNS (Holdings) Limited.

In the future, we may face greater competition due to the consolidation of CX solutions providers. Consolidation activity may result in competitors with greater scale, a broader footprint or more attractive pricing than ours. In addition, a client or potential client may choose not to outsource its business, by setting up captive outsourcing operations or performing formerly outsourced services for themselves, or may switch CX solutions providers.

Human Capital Resources

We are committed to fostering a diverse and inclusive workplace that attracts and retains exceptional talent. Through ongoing employee development, comprehensive compensation and benefits, and a focus on health, safety and employee wellbeing, we strive to help our employees in all aspects of their lives so they can do their best work.

As of November 30, 2020, we had approximately 270,000 full-time employees, of which approximately 57,000 were based in the Americas, approximately 185,000 were based in Asia-Pacific, and approximately 26,000 were based in EMEA. Except for a small number of our employees in certain countries, generally required by local regulations or brought in through acquisitions, our employees are not represented by a labor union, nor are they covered by a collective bargaining agreement.

Diversity, Equity and Inclusion

We believe that a diverse employee population, including across background, gender, ethnicity, sexual orientation and lived experiences, is critical to our success and contributes to a work environment that promotes bold and contrarian thinking and an entrepreneurial mindset. We strive to create an inclusive workplace where people can bring their authentic selves to work. Our employees are encouraged to leverage their personal strengths and experiences to continually innovate and contribute to the development of new ideas and process improvements that drive better customer experiences and improved outcomes for our clients. Our commitment to diversity and inclusion starts with our highly skilled and diverse board of directors, a majority of which is women. In 2020, Concentrix strengthened its commitment to diversity by creating the role of Senior Director of Community and Culture to lead efforts for staff experience, diversity, equity and inclusion, wellbeing, and global citizenship. In 2020, our Chief Executive Officer, Chris Caldwell, was named one of the ten best CEOs for Women and one of the ten best CEOs for Diversity by Comparably, a workplace culture and compensation website.

Pay Equity or Total Rewards

We believe people should be paid for what they do and how they do it, regardless of their gender, race, or other personal characteristics. To deliver on that commitment, we benchmark and set pay ranges based on market data and consider factors such as an employee's role and experience, the location of their job, and their performance. We also review our compensation practices, both in terms of our overall workforce and individual employees, to ensure our pay is fair and equitable. We have reviewed the compensation of employees to ensure consistent pay practices by conducting a gender pay equity analysis comparing employees in the same role within a country or location.

We require a uniquely talented workforce and are committed to providing total rewards that are market-competitive and performance based, driving innovation and operational excellence. Our compensation programs, practices, and policies reflect our commitment to reward short- and long-term performance that aligns with and drives long-term stockholder value. Total direct compensation is generally positioned within a competitive range of the market median, with differentiation based on tenure, skills, proficiency, and performance to attract and retain key talent.

Employee Engagement

We pride ourselves on being fanatical about our staff. Our company culture emphasizes the satisfaction and well-being of our employees and a diverse, engaged workforce. We regularly solicit the opinion and views of our employees through an employee satisfaction survey, the results of which inform key staff initiatives to support engagement and foster retention. The global participation rate for our most recent employee satisfaction survey in 2020 was more than 85%, and our average employee satisfaction score exceeded 4.3 out of 5, an increase of approximately 1.4% from 2019.

Training and Development

Human capital development underpins our efforts to execute our strategy and continue to deliver exceptional services globally. We invest in our employees' career growth and provide employees with a wide range of development opportunities, including face-to-face, virtual, social and self-directed learning, mentoring, coaching, and external development. Front-line staff receive continual feedback and reinforcement from supervisors who provide coaching, often in real time, so that staff can more readily apply their training to assist our clients and their customers. In addition, our employees have access to more than 10,800 online courses and 350 learning paths through Concentrix University to develop skills specific to their current roles and promote ongoing career growth.

Health, Safety and Wellness

The physical health, financial stability, life balance and mental health of our employees is vital to our success. We sponsor a wellness program designed to enhance physical, financial, and mental well-being for all of our employees. Throughout the year, we encourage healthy behaviors through regular communications, educational sessions, voluntary progress tracking, wellness challenges, and other incentives. Since the onset of the COVID-19 pandemic, we have taken an integrated approach to helping our employees manage their work and personal responsibilities, with a strong focus on mental health. We also successfully transitioned a significant portion of our workforce to a remote working environment and implemented a number of safety and social distancing measures in our sites to protect the health and safety of our employees. We are focused on supporting access to COVID-19 vaccines for our employees around the world. In January 2021, we announced initiatives in the Philippines and India to ensure our employees in those countries are able to receive a vaccination at no charge, and we expect to implement similar initiatives in countries where our employees do not have access to free vaccines.

Available Information

Our website is www.concentrix.com. We make available free of charge, on or through our website, our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, if any, or other filings filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after electronically filing or furnishing these reports with the Securities and Exchange Commission (the "SEC"). Information contained on our website is not a part of this Annual Report on Form 10-K.

The SEC maintains a website at www.sec.gov that contains our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, if any, or other filings filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, and our proxy and information statements.

ITEM 1A. RISK FACTORS

This section discusses the most significant factors that could affect our business, results of operations and financial condition. You should carefully consider the following risks and the other information contained in this Annual Report on Form 10-K in evaluating our company and our common stock. If any of the risks discussed below occur, our business, financial condition, results of operations, or liquidity could be materially adversely affected and, as a result, the trading price of our common stock could decline. The risks described below are not the only ones we face. Additional risks not presently known to us or that we currently deem immaterial may also harm our business, results of operations or financial condition.

We have grouped these risk factors into three categories:

- *Risks related to our business and the industry in which we operate;*
- *Risks related to the spin-off; and*
- *General risk factors related to ownership of our common stock.*

Risks Related to Our Business and Industry

We anticipate that our revenue and operating results will fluctuate, which could adversely affect the enterprise value of our Company and our securities.

Our operating results have fluctuated and will fluctuate in the future as a result of many factors, including:

- the impact of the business acquisitions and dispositions we make;
- general economic conditions, including uncertainty related to the COVID-19 pandemic and its impact on the global economy, international trade negotiations, such as between the United States and China and between China and India, the United Kingdom's exit from the European Union, U.S. federal government budget disruptions, and market volatility as a result of political leadership in certain countries;
- the level of outsourced business services, including insourcing by our clients;
- the level of business activity of our clients, which in turn is affected by the level of economic activity in the industries and markets that they serve;
- our clients' success and the market acceptance and performance of their products and services;
- consolidation of our competitors;
- competitive conditions in our industry; and
- fluctuations in rates in the currencies in which we transact.

Although we attempt to control our expense levels, these levels are based, in part, on anticipated revenue. Therefore, we may not be able to control spending in a timely manner to compensate for any unexpected revenue decrease.

Revenue is typically higher in our fourth quarter due to seasonal patterns in our clients' businesses. These patterns may not be repeated in subsequent periods. You should not rely on period-to-period comparisons of our operating results as an indication of future performance. In future years, our operating results may be below our expectations or those of our public market analysts or investors, which would likely cause our share price to decline.

We are subject to uncertainties and rapid variability in demand by our clients, which could decrease revenue and adversely affect our operating results.

Our revenues depend, in large part, on the volume, geographic location, and type of CX services demanded. CX solutions can be provided in different geographies and through different service channels. While we have the capacity to provide multi-channel services in countries across the globe, changes in the type of services utilized and the geographic location where the services are provided can impact our revenues and profitability. There can be no assurance that the current demand for CX services will continue or grow, that organizations will not elect to perform such services in-house, or that clients will not elect to move CX services to lower-cost or lower-margin geographies or customer contact channels.

Our client contracts include provisions, including termination for convenience, that could cause fluctuations in our revenue and have an adverse effect on our operations and financial results.

Our client contracts typically include provisions that, if triggered, could impact our profitability. For example, many of our contracts may be terminated with a short amount of notice for any reason and, to the extent our clients terminate these contracts, we could experience unexpected fluctuations in our revenue and operating results from period to period. Additionally, some contracts have performance-related bonus or penalty provisions, whereby we could receive a bonus if we satisfy certain performance levels or have to pay a penalty for failing to do so. Such performance-related conditions are based on metrics that measure customer satisfaction and the quality, quantity and efficiency of our handling of the client's customer interactions across multiple channels. Generally, performance-related bonus or penalty provisions account for less than 1% of our annual revenue in the aggregate. However, whether we receive a bonus or are required to pay a penalty changes with performance and may cause fluctuations in our financial results. In addition, our clients may not guarantee a minimum volume; however, we hire employees based on anticipated volumes. If we fail to anticipate volumes correctly, our operations and financial results may suffer. The reduction of volume, loss of clients, payment of penalties or inability to terminate any unprofitable contracts could have an adverse impact on our operations and financial results.

Our industry is subject to intense competition and dynamic changes in business model, which in turn could cause our operations to suffer.

The CX solutions industry is highly competitive, highly fragmented and subject to rapid change. We believe that the principal competitive factors in this market are breadth and depth of process and domain expertise, service quality, ability to tailor specific solutions to customer needs, the ability to attract, train and retain qualified people, cybersecurity, compliance rigor, global delivery capabilities, price, and marketing and sales capabilities. We compete for business with a variety of companies, including in-house operations of existing and potential clients. If our clients place more focus in this area and internalize these operations, this could cause a significant reduction in the size of the available market for third-party service providers like us. Similarly, if competitors offer their services at lower prices to gain market share or provide services that gain greater market acceptance than the services we offer or develop, the demand for our services may decrease. Niche providers or new entrants can enter markets by developing new systems or services that could impact our business. The opportunity for new entrants in our industry may expand as some CX solutions shift from voice engagement to digital engagement. New competitors, new strategies by existing competitors or clients, and consolidation among clients or competitors could result in significant market share gain by our competitors, which could have an adverse effect on our revenues.

In addition, our success may depend on our ability to continue to develop and implement services and solutions that anticipate and respond to rapid and continuing changes in technology and offerings to serve the evolving needs of our clients. Some of these emerging technologies, such as RPA, AI, ML, VOC, IVR, and IoT, may cause an adverse shift in the way our existing business operations are conducted, including by replacing human contacts with automated or self-service options, or decrease the size of the available market. We may be unsuccessful at anticipating or responding to new developments on a timely and cost-effective basis, and our use of technology may differ from accepted practices in the marketplace. Certain of our solutions may require lengthy and complex implementations that can be subject to changing client preferences and continuing changes in technology, which can increase costs or adversely affect our business. We may incur significant expenses in an effort to keep pace with

customer preferences for technology or to gain a competitive advantage through technological expertise or new technologies. If we cannot offer new technologies as quickly or efficiently as our competitors, or if our competitors develop more cost-effective or client-preferred technologies, it could have a material adverse effect on our ability to obtain and complete client engagements, which could adversely affect our business.

Our delivery center activities are located around the world, with a significant concentration in the Philippines, India, China, and Brazil, which may expose us to business risks and disrupt our operations.

Our operations are based on a global delivery model with client services provided from delivery centers located throughout the Americas, Asia-Pacific, and EMEA, with a significant percentage of our workforce located in the Philippines, India, China, and Brazil. Operating globally subjects us to risks in the countries in which we do business, which may include political and economic instability, the time and expense required to comply with different laws and regulations, challenges with hiring and retaining adequate staff, inflation, longer payment cycles or difficulties in collecting accounts, and seasonal reductions in business activity. Socio-economic situations that are specific to the Philippines, India, China and Brazil can severely disrupt our operations and impact our ability to fulfill our contractual obligations to our clients. If these regions experience severe natural calamities or political unrest, our personnel resources may be affected, our IT and communication infrastructure may be at risk and the client processes that we manage may be adversely affected. We may also continue to expand internationally to respond to competitive pressure and client and market requirements, which could increase these risks. If we are unable to manage the risks associated with our international operations and expanding such operations, our business could be adversely affected and our revenues and earnings could decrease.

The ongoing COVID-19 pandemic or the widespread outbreak of another illness or communicable disease, or any other public health crisis, could adversely affect our business, results of operations and financial condition.

We could be negatively impacted by the COVID-19 pandemic or the widespread outbreak of another illness or other communicable disease, or any other public health crisis, that results in a disruption to the global economy. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and labor force participation and created significant volatility and disruption of financial markets. “Shelter-in-place” restrictions by various governments around the world negatively impacted our results of operations for the year ended November 31, 2020, and was most acute during the second quarter of fiscal year 2020, as many of our employees were unable to work productively during the period despite client demand. The extent of the continued impact of the COVID-19 pandemic on our operational and financial performance, including our ability to execute our business strategies and initiatives in the expected time frame, will depend on future developments, including the duration, spread and severity of the pandemic, country and state restrictions regarding virus containment, the availability and effectiveness of vaccines and treatment options, accessibility to our delivery and operations locations, our continued utilization of remote work environments in response to future health and safety restrictions, and the effect on our clients’ businesses and the demand for their products and services, all of which are uncertain and cannot be predicted. We could also face legal, reputational and financial risks if we fail to protect customer and internal data from security breaches or cyberattacks.

An extended period of disruption to the global economy and business operations caused by the COVID-19 pandemic or any other public health crisis could materially affect our business, our results of operations, our access to sources of liquidity, the carrying value of our goodwill and intangible assets, and our financial condition.

Cyberattacks or the improper disclosure or control of personal information could result in liability and harm our reputation, which could adversely affect our business.

Our business is heavily dependent upon information technology networks and systems. Internal or external attacks on those networks and systems, including phishing, password attacks, and ransomware and other malware, could disrupt our normal operations centers and impede our ability to provide critical products and services to our clients and their customers, subjecting us to liability under our contracts and damaging our reputation.

Our business also involves the use, storage, and transmission of information about our employees, our clients, and customers of our clients. If any person, including any of our employees, negligently disregards or intentionally breaches our established controls with respect to such data or otherwise mismanages or misappropriates that data, we could be subject to monetary damages, fines, or criminal prosecution. Unauthorized disclosure of sensitive or confidential client or customer data, whether through system failure, employee negligence, fraud, or misappropriation, along with unauthorized access to or through our information systems or those we develop for clients, whether by our employees or third parties, could result in negative publicity, loss of clients, legal liability, and damage to our reputation, business, results of operations, and financial condition.

While we take measures to protect the security of, and prevent unauthorized access to, our systems and personal and proprietary information, the security controls for our systems, as well as other security practices we follow, may not prevent improper access to, or disclosure of, personally identifiable or proprietary information. Furthermore, data privacy is subject to frequently changing rules and regulations, which sometimes conflict among the various jurisdictions and countries in which we provide services. The General Data Protection Regulation (“GDPR”) in Europe, the Data Privacy Act in Philippines, the California Consumer Privacy Act and other similar laws have resulted, and will continue to result, in increased compliance costs. Moreover, the failure to comply with these laws can result in significant monetary penalties. For example, fines of up to 4% of an entity’s annual global revenues can be imposed for violations of the GDPR. Our failure to adhere to or successfully implement processes in response to these and other changing regulatory requirements in this area could result in legal liability, monetary penalties, or impairment to our reputation in the marketplace, which could have a material adverse effect on our business, financial condition, and results of operations.

Increases in the cost of labor across the jurisdictions in which we operate could adversely affect our results of operations.

We generally sign multi-year client contracts with pricing models that are based on prevailing labor costs in the jurisdictions where we will deliver services. However, quickly rising wages or changes in laws or governmental regulations related to wages, employee benefits or other working conditions with little notice or transition period can increase our costs and limit our ability to adjust in a timely manner. Potential labor organizing and works council negotiations in certain of the countries in which we do business could also contribute to rising costs or otherwise disrupt our business. Such rising costs or our inability to manage rising costs could have a material adverse effect on our business and results of operations.

We depend on a variety of communications services and information technology systems and networks, and any failure or increase in the cost of these systems could adversely impact our business and operating results.

The services we provide to our clients depend on the persistent availability and uncompromised security of our communications, technology and information technology systems. Our business uses a wide variety of technologies to allow us to manage large volumes of work. We deploy leading edge digital transformation capabilities such as AI-based automation bots, omnichannel services and internally-developed and third-party software solutions to enhance customer and employee experience across various technology environments and platforms. We operate an extensive internal voice and data network that links our global sites together in a multi-hub model that enables the rerouting of voice and data across the network, and we rely on multiple public communication channels and telephone, internet, and data services provided by various third parties for connectivity to our clients. Maintenance of, and investment in, this technology is critical to keeping our employees productive and the success of our service delivery model.

Any failure in technology, or in our ability to manage our resources, may impair service quality and have a negative impact on our operations. Failures or significant downtime of our IT or telecommunications systems could prevent us from handling call volume, and frequent or prolonged interruption in our ability to provide service could result in contractual performance penalties, damage to our reputation, and the loss of business from existing and potential clients. Any increase in average waiting time or handling time or lack of promptness or technical expertise of our employees will negatively impact customer satisfaction and our business. Telephone, internet, and data service providers may elect not to renew their contracts with us or increase the cost of such services. If our

communications or information technology systems are disrupted or the cost of maintaining those systems increases significantly, our results of operations could be adversely affected.

We depend on a limited number of clients for a significant portion of our revenue, and the loss of business from one or more of these clients could adversely affect our results of operations.

Our five largest clients collectively represented approximately 26% of our revenue in 2020. This client concentration increases the risk of quarterly fluctuations in our operating results, depending on the seasonal pattern of our top clients' business. In addition, our top clients could make greater demands on us with regard to pricing and contractual terms in general.

At any given time, we typically have multiple work orders or contracts with our largest clients. Clients may have the right to terminate work orders or contracts for convenience or may have risk tolerances that limit how much business they retain with a single service provider. While we would not expect all work orders or contracts to terminate at the same time, the loss of one or more of the larger work orders or contracts with one of our largest clients could adversely affect our business, results of operations and financial condition if the lost revenues are not replaced with profitable revenues from that client or other clients.

If we fail to maintain effective internal controls over operations we perform for our clients or if our information systems are breached or client data are compromised, client relations may suffer, which in turn may adversely affect our revenue and results of operations.

We represent our clients in certain critical operations of their business processes such as sales, marketing and customer support and manage large volumes of customer information and confidential data. If we fail to maintain effective controls, our clients experience disruptions in their operations or the confidentiality of customer data is compromised, our client relationships may suffer, and we may face possible legal action. We may be liable if we do not maintain adequate internal controls over the processes we manage for our clients or if we fail to comply with the laws and regulations applicable to the operations in which we represent our clients.

Our clients may request us to obtain audit reports over our internal controls. If we are unable to complete these audit reports in a timely manner, or if internal control deficiencies are identified in the audit process, our client relationships may suffer.

If we are unable to hire and retain employees with domain expertise, our operations will be disrupted, and such disruption may impact our ability to manage our costs, which in turn could impact our profitability.

The success of our operations and the quality of our services are highly dependent on our ability to attract and retain skilled personnel in all of our global delivery centers. The industry is characterized by high employee attrition rates and we face competition in hiring, retaining and motivating talented and skilled leaders and employees with domain experience. Any increase in our employee turnover rate could increase recruiting and training costs and could decrease operating effectiveness and productivity.

In addition, our profitability is directly affected by the utilization rate of our personnel resources. If we are unable to achieve optimum utilization of our personnel resources, we may experience erosion in our profit margin. However, if our utilization is too high, the quality of services provided to our clients may deteriorate and we may also experience higher attrition rates. If we are unable to manage our employee attrition rates, adequately motivate our employees or utilize our personnel resources efficiently, our operations will be disrupted, and such disruption may impact our ability to manage our costs, which in turn could impact our profitability.

Because of the experience of our key personnel and their technological and industry expertise, if we were to lose any of our key personnel, it could inhibit our ability to operate and grow our business successfully.

We are dependent in large part on our ability to retain the services of our key senior executives and other technological and industry experts and personnel. With the exception of our Chief Executive Officer and in

countries where employment agreements are customary, we generally do not have employment agreements with our executives or employees. We also do not carry “key person” insurance coverage for any of our key executives. We compete for qualified senior management and technical personnel. The loss of, or inability to hire, key executives or qualified employees could inhibit our ability to operate and grow our business successfully.

We have substantial operations located in regions of the world that have experienced severe natural events, and any disruption in the operations of our facilities could harm our business and operating results.

Natural disasters, adverse weather conditions, terrorist attacks, work stoppages in the transportation industry, and other business disruptions could seriously harm our revenue and financial condition and increase our costs and expenses by disrupting our operations or leading to economic weakness in the countries in which they occur. We have substantial operations in countries, most notably the Philippines and India, that have experienced severe natural events, such as typhoons, mudslides and floods, in the recent past. Weather patterns may become more volatile, and severe weather events may become more frequent or more widespread, as a result of the potential effects of climate change. Labor disputes that disrupt transportation services could limit the ability of our employees to reach our facilities or increase the cost of transportation services that we procure for our employees in certain countries. Any prolonged disruption in the operations of our facilities, whether due to technical difficulties, power failures, break-ins, destruction or damage to the facilities as a result of a natural disaster, fire, or any other reason, could cause service interruptions or reduce the quality level of services that we provide and harm our operating results. Our disaster recovery plan and business interruption insurance may not be sufficient to compensate for losses that may occur.

Changes in foreign currency exchange rates could adversely affect our business and operating results.

While most of our contracts are priced in U.S. dollars, we recognize a substantial amount of revenue under contracts that are denominated in euros, British pounds, Australian dollars and Japanese yen, among other foreign currencies. A significant increase in the value of the U.S. dollar relative to these currencies may have a material adverse impact on the value of those revenues when translated to U.S. dollars.

Our services are delivered from several delivery centers located around the world, with significant operations in the Philippines and India. Although our contracts with U.S.-based clients are typically priced in U.S. dollars, a substantial portion of our costs to deliver services under these contracts are denominated in the local currency of the country where services are provided. We also have certain client contracts that are priced in non-U.S. dollar currencies for which a substantial portion of the costs to deliver the services are in other currencies. As a result, our revenue may be earned in currencies that are different from the currencies in which we incur corresponding expenses. Fluctuations in the value of currencies, such as the Philippine Peso, the Indian Rupee, and the Canadian Dollar, against the U.S. Dollar or other currencies in which we bill our clients, and inflation in the local economies in which these delivery centers are located, could increase the operating and labor costs in these delivery centers which can result in reduced profitability. A significant decrease in the value of the contractual currency, relative to the currencies where services are provided, could have a material adverse impact on our operating results that are not fully offset by gains realized under the hedging contracts we have in place in certain currencies to limit our potential foreign currency exposure.

We may have higher than anticipated tax liabilities, which could result in a material adverse effect on our business.

Due to the global nature of our operations, we are subject to the complex and varying tax laws and rules of several jurisdictions and have material tax-related contingent liabilities that are difficult to predict or quantify. In preparing our financial statements, we calculate our effective income tax rate based on current tax laws and regulations and our estimated taxable income within each of these jurisdictions. Our effective tax rate could be adversely affected by several factors, many of which are outside of our control, including:

- changes in income before taxes in various jurisdictions in which we operate that have differing statutory tax rates;

- changes in tax laws, regulations or rates, or the implementation or interpretation of such tax laws and regulations;
- effect of tax rate on accounting for acquisitions and dispositions;
- issues arising from tax audits or examinations and any related interest or penalties; and
- uncertainty in obtaining tax holiday extensions or the expiration or loss of tax holidays in various jurisdictions.

We report our results of operations based on our determination of the amount of taxes owed in various tax jurisdictions in which we operate. The determination of our worldwide provision for income taxes and other tax liabilities requires estimation, judgment and calculations where the ultimate tax determination may not be certain.

We are also subject to tax audits, including with respect to transfer pricing, in the United States and other jurisdictions and our tax positions may be challenged by tax authorities. There can be no assurance that our current tax provisions will be settled for the amounts accrued, that additional tax exposures will not be identified in the future or that additional tax reserves will not be necessary for any such exposures. Any increase in the amount of taxation incurred as a result of challenges to our tax filing positions could result in a material adverse effect on our business, results of operations and financial condition.

We have pursued and intend to continue to pursue strategic acquisitions or investments in new markets and may encounter risks associated with these activities, which could harm our business and operating results.

We have in the past pursued, and in the future expect to pursue, acquisitions of, or investments in, businesses, technologies and assets in new or existing markets, either within or outside the CX solutions industry, that complement or expand our existing business. Our acquisition strategy involves a number of risks, including:

- difficulty in successfully integrating acquired operations, IT and other systems, clients, services, businesses, and employees with our operations on a timely and cost-effective basis;
- risk that the acquired businesses will fail to maintain the quality of services that we have historically provided or that we expect from the acquired businesses;
- the announcement or consummation of a transaction may have an adverse impact on relationships with third parties, including existing and potential clients;
- loss of key employees of acquired operations or inability to attract, retain and motivate employees necessary for our expanded operations;
- acquired businesses located in regions where we have not historically conducted business may subject us to new operational risks, laws, regulations, employee expectations, customs, and practices;
- difficulty in scaling critical resources and facilities for the business needs of the expanded enterprise;
- diversion of our capital and management attention away from operational matters and other business issues;
- increase in our expenses and working capital requirements;
- in the case of acquisitions that we may make outside of the United States, difficulty operating internationally and over significant geographical distances;
- other financial risks, such as potential liabilities of the businesses we acquire; and
- our due diligence process may fail to identify significant issues with the acquired company's service quality, financial disclosures, accounting practices or internal control deficiencies.

We may incur additional costs and certain redundant expenses in connection with our acquisitions and investments, which may have an adverse impact on our operating margins. Future acquisitions may result in dilutive issuances of equity securities, the incurrence of additional debt, large asset write-offs, a decrease in future

profitability, or future losses. The incurrence of debt in connection with any future acquisitions could restrict our ability to obtain working capital or other financing necessary to operate our business. Our recent and future acquisitions or investments may not be successful, and if we fail to realize the anticipated benefits of these acquisitions or investments, our business and operating results could be harmed.

Our goodwill and identifiable intangible assets could become impaired, which could have a material non-cash adverse effect on our results of operations.

We have recorded substantial goodwill and amortizable intangible assets as a result of our previous acquisitions. We review our goodwill and intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. We assess whether there has been an impairment in the value of goodwill at least annually. Factors that may be considered a change in circumstances indicating that the carrying value of our goodwill or intangible assets may not be recoverable include declines in stock price, market capitalization or cash flows, and slower growth rates in our industry. We could be required to record a significant charge to earnings in our financial statements during the period in which any impairment of our goodwill or intangible assets was determined, negatively impacting our results of operations.

The inability or unwillingness of clients that represent a large portion of our accounts receivable balance to timely pay such balances could adversely affect our business.

We often carry significant accounts receivable balances from a limited number of clients that generate a large portion of our revenues. For example, approximately 27% of our accounts receivable balance as of November 30, 2020 was attributable to five clients. A client may become unable or unwilling to timely pay its balance due to a general economic slowdown, economic weakness in its industry or the financial insolvency of its business. While we closely monitor our accounts receivable balances, a client's financial inability or unwillingness, for any reason, to pay a large accounts receivable balance or many clients' inability or unwillingness to pay accounts receivable balances that are large in the aggregate would adversely impact our income and cash flow.

The terms of our debt arrangements impose significant restrictions on our ability to operate and could have an adverse effect on our business and results of operations.

The terms of the agreements under which our indebtedness was incurred may limit or restrict, among other things, our ability to:

- incur additional indebtedness;
- make investments;
- pay dividends or make certain other restricted payments;
- repurchase common stock;
- consummate certain asset sales or acquisitions;
- enter into certain transactions with affiliates; and
- merge, consolidate or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of our assets.

We are also required to maintain specified financial ratios and satisfy certain financial condition tests under certain of our debt arrangements. Our inability to meet these ratios and tests could result in the acceleration of the repayment of the related debt, termination of the applicable debt arrangement, an increase in our effective cost of funds or the cross-default of other indebtedness. As a result, our ability to operate may be restricted and our ability to respond to business and market conditions may be limited, which could have an adverse effect on our business and operating results.

Our level of indebtedness could have adverse consequences for our business or our financial condition.

As of November 30, 2020, we had \$1.15 billion of indebtedness prior to debt issuance costs, and we may increase our indebtedness in the future. Our level of indebtedness could have adverse consequences to us and our stockholders, including:

- requiring us to dedicate a substantial portion of our cash flow from operations to make principal and interest payments on our indebtedness, thereby reducing the availability of such cash flow to fund working capital, capital expenditures and other general corporate requirements, and to grow our business;
- limiting our ability to borrow additional funds as needed, make strategic acquisitions or take advantage of other business opportunities as they arise, or pay cash dividends;
- increasing future debt costs and limiting the future availability of debt financing;
- increasing our vulnerability to general adverse economic and industry conditions; and
- limiting our flexibility in planning for, or reacting to, changes in our business and industry.

To the extent that we incur additional indebtedness, the risks described above could increase. In addition, our actual cash requirements in the future may be greater than expected. Our cash flow from operations may not be sufficient to service our outstanding debt or to repay our outstanding debt as it becomes due, and we may not be able to borrow money, sell assets or otherwise raise funds on acceptable terms, or at all, to service or refinance our debt.

If the interest rates on our outstanding borrowings increase, our net income could be adversely affected.

Our outstanding borrowings under our senior secured credit facility and our accounts receivable securitization facility are variable-rate obligations that expose us to interest rate risk. If interest rates increase, our debt service obligations and our interest expense will increase even if our outstanding borrowings remain the same. Our net income and cash flows, including cash available for servicing indebtedness, will correspondingly decrease.

Our business is subject to many regulatory requirements, and changes in current regulations or their interpretation and enforcement, or the adoption of new regulations, could significantly increase our cost of doing business.

Our business is subject to many laws and regulatory requirements in the United States and the other countries in which we operate, covering such matters as labor relations, healthcare, outsourcing, trade restrictions, tariffs, taxation, sanctions, data privacy, consumer protection (including the method and timing of placing outbound telephone calls and the recording or monitoring of telephone calls), internal and disclosure control obligations, collections activities, insurance policy administration, governmental affairs, and immigration. Many of these regulations, including those related to labor relations and data privacy, change frequently and sometimes conflict among the various jurisdictions and countries in which we provide services. Laws and regulatory requirements may also be subject to interpretation. If our interpretation conflicts with positions taken by regulatory agencies or other government bodies in the future, we may be subject to legal liability or be unable to conduct business in the same manner. Violations of any laws and regulations to which we are subject, including failing to adhere to or successfully implement processes in response to changing regulatory requirements, could result in liability for damages, fines, criminal prosecution, unfavorable publicity and damage to our reputation, and restrictions on our ability to operate, which could have a material adverse effect on our business, results of operations, and financial condition.

In particular, because a substantial portion of our operating costs consist of labor costs, changes in governmental regulations relating to wages, mandatory time off, severance, healthcare, and other benefits or employment taxes, or violations of such regulations, could have a material adverse effect on our business, results of operations, or financial condition. In addition, changes in policies or laws of the United States or non-U.S. governments resulting in, among other things, higher taxation, limitations on the ability of companies to utilize

offshore outsourcing, currency conversion limitations, restrictions on fund transfers, or the expropriation of private enterprises, could reduce the anticipated benefits of our global operations. Any actions by countries in which we conduct business to reverse policies that encourage international trade or investment could also adversely affect our business.

Our reputation may be damaged by events outside of our control, which could adversely affect our results of operations.

As a provider of CX solutions, our reputation is important to growing our business with new and existing customers and attracting and retaining our employees. Our reputation can be affected by events outside of our control, including negative publicity associated with our clients' businesses or social media campaigns directed against us or our clients. Responding to such events can distract from our business and increase costs. If our reputation is damaged, we could experience increased difficulty in attracting and retaining clients and employees, which could adversely affect our business and results of operations.

Our results of operations could be adversely affected by litigation and other commitments and contingencies.

We face risks arising from various unasserted and asserted claims, including, but not limited to, commercial, employee, consumer protection, tax, and patent infringement claims. Certain claims may be structured as class action lawsuits or otherwise allege substantial damages. Unfavorable outcomes in pending or future litigation or the settlement of asserted claims could negatively affect us. Regardless of the outcome, litigation could result in substantial expense and could divert the efforts of our management.

We have developed proprietary IT systems, mobile applications, and cloud-based technology and acquired technologies that play an important role in our business, which we will continue to own following the separation. If any claim alleging infringement of intellectual property rights is successful against us and if indemnification is not available or sufficient, we may be required to pay substantial damages to the third party and indemnify our clients for losses arising out of the infringement. In order to continue delivery services to our clients, we may also need to seek and obtain a license of the other party's intellectual property rights. We may be unable to obtain such a license on commercially reasonable terms, if at all, which could disrupt our business and adversely affect our results of operations.

In addition, in the ordinary course of business, we may make certain commitments, including representations, warranties and indemnities relating to current and past operations and divested businesses, and issue guarantees of third-party obligations. The amounts of such commitments can only be estimated, and the actual amounts for which we are responsible may differ materially from our estimates.

If we incur liability as a result of any current or future litigation, commitments or contingencies and such liability exceeds any amounts accrued, our business, results of operations and financial condition could be adversely affected.

Risks Relating to the Spin-Off

The spin-off may not achieve some or all of the anticipated benefits.

We may not realize some or all of the anticipated strategic, financial, operational, marketing or other benefits from the spin-off, or such benefits may be delayed by a variety of circumstances, which may not be under our control. As an independent publicly traded company, we are smaller and less diversified with a narrower business focus than when we were a business segment of SYNEX and may be more vulnerable to changing market conditions, which could materially and adversely affect our business, financial condition and results of operations.

Our historical financial information may not be fully representative of our results as a stand-alone public company.

SYNNEX did not account for us, and we were not operated, as a stand-alone public company for the periods presented in our combined financial statements included in this Annual Report on Form 10-K. Our combined financial statements have been carved out from SYNNEX' consolidated financial statements and reflect assumptions and allocations made by SYNNEX and prescribed by generally accepted accounting principles. Our combined financial statements do not fully represent what our financial position, results of operations and cash flow would have been had we operated as a stand-alone public company during the periods presented. We have not made adjustments to reflect the significant changes that have occurred in our capital structure, cost structure, funding, operations and effective tax rate as a result of our separation from SYNNEX, including debt and interest expense we have under our new debt arrangements, increased costs associated with reduced economies of scale and other costs associated with being a stand-alone public company. As a result, the financial information included in this Annual Report on Form 10-K is not necessarily indicative of what our financial position, results of operations and cash flow may be in the future.

We have operated as an independent public company for a limited period of time.

Prior to the spin-off, we did not operate as an independent public company, and our management had no experience, as a group, in operating our business as a stand-alone entity. Subsequent to the spin-off, we are fully responsible for arranging our own financing, managing all of our own administrative and employee arrangements and supervising all of our legal and financial affairs. We have adopted separate stock-based and performance-based incentive plans for our employees and developed our own compliance and administrative procedures necessary for a publicly held company.

We anticipate that our continued success in these endeavors will depend substantially upon the ability of our senior management and other key employees to work together. Accordingly, we cannot assure you that our results of operations will continue at the same level. Additionally, we depend on our senior management. The loss of services of members of our senior management team could adversely affect our business until suitable replacements can be found. There may be a limited number of persons with the requisite skills to serve in these positions and we may be unable to locate or employ qualified personnel on acceptable terms.

The requirements of being a stand-alone public company have increased certain of our costs and require significant management focus.

As a stand-alone public company, we have incurred and will continue to incur significant legal, accounting and other expenses associated with compliance-related and other activities. The Sarbanes-Oxley Act of 2002, related SEC rules and Nasdaq regulate our corporate governance practices. Compliance with these requirements will result in additional costs and obligations and make some activities more time-consuming. For example, we have a newly appointed board of directors and have adopted additional internal controls and disclosure controls and procedures. In addition, we will incur additional expenses associated with our SEC reporting requirements and other securities law compliance measures. Under Section 404 of the Sarbanes-Oxley Act, for our Annual Report on Form 10-K for the year ended November 31, 2022, we will need to document and test our internal control procedures and our management will need to assess and report on our internal control over financial reporting. If we identify any issues in complying with these requirements, we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect us, our reputation or investor perceptions. Our prospects must be considered in light of the risks, difficulties and expenses encountered by newly public companies. The cost of director and officer liability insurance has also contributed to our increased costs.

If the spin-off is determined to be taxable for U.S. federal income tax purposes, we and our stockholders could incur significant U.S. federal income tax liabilities.

If the spin-off fails to qualify for tax-free treatment, SYNNEX would be subject to tax as if it had sold our common stock in a taxable sale for its fair market value, and our initial public stockholders at the time of the spin-off

would be subject to tax as if they had received a taxable distribution equal to the fair market value of our common stock that was distributed to them. Under the tax matters agreement between SYNnex and us, we are generally required to indemnify SYNnex for any taxes resulting from the separation (and related costs and other damages) to the extent such amounts result from (1) an acquisition of all or a portion of our equity securities or assets by any means, (2) any action or failure to act by us after the distribution affecting the voting rights of our stock, (3) other actions or failures to act by us, or (4) certain breaches of our agreements and representations in the tax matters agreement. Our indemnification obligations to SYNnex and its subsidiaries, officers, and directors are not limited by any maximum amount. If we are required to indemnify SYNnex or such other persons under the circumstances set forth in the tax matters agreement, we may be subject to substantial liabilities.

We must abide by certain restrictions to preserve the tax-free treatment of the spin-off and may not be able to engage in desirable acquisitions and other strategic or capital-raising transactions following the spin-off.

To preserve the tax-free treatment of the spin-off to SYNnex and its stockholders, under the tax matters agreement between SYNnex and us, for the two-year period following the spin-off, we may be prohibited, except in specified circumstances, from:

- issuing equity securities to satisfy financing needs;
- acquiring businesses or assets with equity securities; or
- engaging in mergers or asset transfers that could jeopardize the tax-free status of the distribution.

These restrictions may limit our ability to pursue strategic transactions or engage in new business or other transactions that may maximize the value of our business.

We are subject to potential indemnification liabilities to SYNnex pursuant to the separation and distribution agreement.

The separation and distribution agreement between SYNnex and us provides for indemnification obligations designed to make us financially responsible for substantially all liabilities that may exist relating to our business activities, whether incurred prior to or after the spin-off. If we are required to indemnify SYNnex under the circumstances set forth in this agreement, we may be subject to substantial liabilities.

In connection with the spin-off, SYNnex has agreed to indemnify us for certain liabilities and liabilities related to SYNnex assets; however, these indemnities may be insufficient to protect us against the full amount of such liabilities.

Pursuant to the separation and distribution agreement, SYNnex has agreed to indemnify us for certain liabilities. However, third parties could seek to hold us responsible for any of the liabilities that SYNnex agreed to retain, and there can be no assurance that SYNnex will be able to fully satisfy its indemnification obligations. Moreover, even if we ultimately succeed in recovering from SYNnex any amounts for which we are held liable, such indemnification may be insufficient to fully offset the financial impact of such liabilities or we may be required to bear these losses while seeking recovery from SYNnex.

We are a smaller company than the combined organization prior to the spin-off, and we may experience increased costs resulting from the decrease in purchasing power or from increased efforts to build and maintain relationships.

Prior to the spin-off, we benefited from the size and purchasing power of SYNnex in sourcing certain products and services from third-parties, as well as from SYNnex' reputation as a Fortune 500 company with close to 40 years of operating experience. Subsequent to the spin-off, we are a smaller company without the same purchasing power that we had as part of SYNnex. We may be unable to obtain products and services at prices and on terms as favorable as those available to us prior to the separation or may need to expend greater time and effort to build and maintain relationships with third parties, which could increase our costs and reduce our profitability.

General Risks Related to Ownership of Our Common Stock

The share price and trading volume of our common stock may fluctuate significantly.

We have been a public company for less than three months, and our common stock has been traded on Nasdaq under the symbol “CNXC” since December 1, 2020. The market price of our common stock may fluctuate significantly due to a number of factors, some of which may be beyond our control, including:

- our financial results;
- developments generally affecting the CX solutions industry;
- the performance of our business and the performance of similar companies;
- our capital structure, including the amount of our indebtedness;
- the announcement of acquisitions or dispositions;
- additions or departures of key personnel;
- changes in market valuations of similar companies;
- general economic, industry and market conditions;
- the depth and liquidity of the market for our common stock;
- fluctuations in currency exchange rates;
- our dividend policy;
- investor perception of our business and us;
- the passage of legislation or other regulatory developments that adversely affect us or our industry; and
- the impact of the factors referred to elsewhere in “Risk Factors.”

In addition, the stock market regularly experiences significant price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in our industry. The changes may occur without regard to the operating performance of the affected companies. Hence, the price of our common stock could fluctuate based upon factors that have little or nothing to do with our company, and these fluctuations could materially reduce our share price.

We cannot guarantee the payment of dividends on our common stock, or the timing or amount of any such dividends.

The payment of any dividends in the future, and the timing and amount thereof, to our stockholders is within the discretion of our board of directors. Our board of directors’ decisions regarding the payment of dividends will depend on many factors, such as our financial condition, earnings, capital requirements, debt service obligations, restrictive covenants in our debt, industry practice, legal requirements, regulatory constraints, and other factors that our board of directors deems relevant. Our ability to pay dividends will depend on our ongoing ability to generate cash from operations and on our access to the capital markets. We cannot guarantee that we will pay a dividend in the future or continue to pay any dividends if and when we commence paying dividends.

Your percentage ownership in Concentrix may be diluted in the future.

In the future, your percentage ownership in Concentrix may be diluted because of equity issuances for acquisitions, capital market transactions or otherwise, including equity awards that we grant to our directors, officers

and employees and purchases of shares from Concentrix through our employee stock purchase plan. The compensation committee of our board of directors will grant stock-based awards to our employees and directors, from time to time, under our stock incentive plan. Such awards will have a dilutive effect on our earnings per share, which could adversely affect the market price of our common stock.

Certain provisions of our certificate of incorporation and bylaws and of Delaware law make it difficult for stockholders to change the composition of our board of directors and may discourage hostile takeover attempts that some of our stockholders may consider to be beneficial.

Certain provisions of our certificate of incorporation and bylaws and of Delaware law may have the effect of delaying or preventing changes in control if our board of directors determines that such changes in control are not in the best interests of us and our stockholders. These provisions may include, among other things, the following:

- the ability of our board of directors to issue shares of preferred stock and to determine the price and other terms, including preferences and voting rights, of those shares without stockholder approval;
- stockholder action can only be taken at a special or regular meeting and not by written consent;
- the inability of our stockholders to call a special meeting;
- advance notice procedures for nominating candidates to our board of directors or presenting matters at stockholder meetings;
- allowing only our board of directors to fill vacancies on our board of directors;
- supermajority voting requirements to amend our bylaws and certain provisions of our certificate of incorporation; and
- restrictions on an “interested stockholder” to engage in certain business combinations with us for a three-year period following the date the interested stockholder became such.

While these provisions have the effect of encouraging persons seeking to acquire control of our company to negotiate with our board of directors, they could enable the board of directors to hinder or frustrate a transaction that some, or a majority, of the stockholders might believe to be in their best interests and, in that case, may prevent or discourage attempts to remove and replace incumbent directors. We are also subject to Delaware laws that could have similar effects. One of these laws prohibits us from engaging in a business combination with a significant stockholder unless specific conditions are met.

Our bylaws designate the Court of Chancery of the State of Delaware and U.S. federal district courts as the exclusive forums for certain types of actions and proceedings that may be initiated by our stockholders, which would limit our stockholders’ ability to choose the judicial forum for disputes with us or our directors, officers or other employees.

Our bylaws provide that, with certain limited exceptions, any action or proceeding:

- brought in a derivative manner in the name or right of the company or on our behalf;
- asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or agents to us or our stockholders;
- asserting a claim against us arising pursuant to any provision of the General Corporation Law of the State of Delaware or any provision of our certificate of incorporation or bylaws; or
- asserting a claim governed by the internal affairs doctrine,

will be exclusively brought in the Court of Chancery of the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the U.S. federal district court for the District of Delaware). Furthermore, any complaint asserting a cause of action under the Securities Act against us or any of our directors, officers, employees or agents will be exclusively brought in U.S. federal district court. Any person or entity purchasing or otherwise

acquiring any interest in shares of Concentrix common stock is deemed to have notice of and consented to the exclusive forum provisions.

To the fullest extent permitted by law, the Delaware exclusive forum provision will apply to state and federal law claims other than those claims under the Securities Act for which our bylaws designate U.S. federal district court as the exclusive forum. However, stockholders will not be deemed to have waived our compliance with the U.S. federal securities laws and the rules and regulations thereunder. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation or similar governing documents has been challenged in legal proceedings, and it is possible that a court could find the choice of forum provisions contained in our bylaws to be inapplicable or unenforceable, including with respect to claims arising under the U.S. federal securities laws.

This exclusive forum provision may limit the ability of a stockholder to commence litigation in a forum that the stockholder prefers, or may require a stockholder to incur additional costs in order to commence litigation in Delaware or U.S. federal district court, each of which may discourage such lawsuits against us or our directors or officers. Alternatively, if a court were to find this exclusive forum provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings described above, we may incur additional costs associated with resolving such matters in other jurisdictions, which could negatively affect our business, results of operations and financial condition.

The concentration of ownership of our common stock could allow our principal stockholders to influence matters requiring stockholder approval and could delay or prevent a change in control.

As of January 31, 2021, MiTAC Holdings Corporation ("MiTAC Holdings"), a publicly-traded company on the Taiwan Stock Exchange, and its affiliates owned approximately 18% of our common stock. As a result of their ownership of our common stock, these stockholders have the potential ability to influence or control matters requiring stockholder approval, including the election of directors and the approval of mergers and acquisitions, or exert influence on actions of our board of directors. This concentration of ownership may have the effect of delaying, preventing or deterring a change of control of our company, could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of our company and might ultimately affect the market price of our common stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal executive offices are located in Fremont, California, and are leased by us. As of November 30, 2020, we occupied more than 280 facilities comprising service and delivery centers and administrative facilities covering approximately 16.7 million square feet, of which approximately 1.3 million square feet was owned and the remainder was leased.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we are involved in legal proceedings in the ordinary course of business. We do not believe that these proceedings will have a material adverse effect on the results of our operations, our financial position or the cash flows of our business.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

Part II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock has been listed on Nasdaq under the symbol "CNXC" since December 1, 2020. Prior to that date, there was no public trading market for our common stock. A "when-issued" trading market for our common stock existed between November 16, 2020 and November 30, 2020 under the symbol "CNXCV". As of January 31, 2021, our common stock was held by approximately 4,400 stockholders of record.

As of November 30, 2020, we had 51,602,280 shares of common stock outstanding, all of which were owned by SYNEX. These 51,602,280 shares of common stock were distributed to SYNEX stockholders in the spin-off on December 1, 2020.

Dividends

We have not paid any dividends since the spin-off. The payment of any dividends in the future, and the timing and amount thereof, to our stockholders is within the discretion of our board of directors. Our board of directors' decisions regarding the payment of dividends will depend on many factors, such as our financial condition, earnings, capital requirements, debt service obligations, restrictive covenants in our debt, industry practice, legal requirements, regulatory constraints, and other factors that our board of directors deems relevant. Our ability to pay dividends will depend on our ongoing ability to generate cash from operations and on our access to the capital markets. We cannot guarantee that we will pay a dividend in the future or continue to pay any dividends if and when we commence paying dividends.

ITEM 6. SELECTED FINANCIAL DATA

The following selected combined financial data are qualified by reference to, and should be read together with, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this Annual Report on Form 10-K and the combined financial statements and accompanying notes included elsewhere in this Annual Report on Form 10-K. The selected combined statements of operations and other data presented below for fiscal years 2020, 2019 and 2018 and the combined balance sheet data as of November 30, 2020 and 2019 have been derived from our audited combined financial statements included elsewhere in this Annual Report on Form 10-K. The combined statements of operations and other data for fiscal year 2017 and the combined balance sheet data as of November 30, 2018 have been derived from our audited financial statements for the year-ended November 30, 2019. The combined statements of operations and other data for fiscal year 2016 and the combined balance sheet data as of November 30, 2017 and 2016 have been derived from our unaudited combined financial statements that are not included in this Annual Report on Form 10-K. The combined statements of operations data include the operating results from our acquisitions from the closing date of each acquisition. Historical operating results are not necessarily indicative of the results that may be expected for any future period. The historical operating results reflect allocations of certain costs incurred by SYNEX on behalf of Concentrix. While we believe the allocations to be reasonable, it is possible that actual costs incurred in the future could differ from those presented herein. Please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and Notes 1, 2 and 3 to our combined financial statements included elsewhere in this Annual Report on Form 10-K for a discussion of factors, such as business combinations and the adoption of new accounting guidance, that affect the comparability of the following selected combined financial data.

| | Fiscal Years Ended November 30, | | | | |
|---|---------------------------------|--------------|--------------|--------------|--------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| Statements of Operations Data: (in thousands) | | | | | (unaudited) |
| Revenue | \$ 4,719,534 | \$ 4,707,912 | \$ 2,463,151 | \$ 1,990,180 | \$ 1,587,736 |
| Gross profit | 1,661,525 | 1,748,448 | 937,552 | 749,154 | 615,447 |
| Operating income | 308,761 | 294,332 | 144,761 | 114,623 | 63,877 |
| Net income | 164,811 | 117,164 | 48,271 | 72,250 | 37,101 |

| | As of November 30, | | | | |
|--|--------------------|-------------|-------------|-------------|-------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| Balance Sheet Data: (in thousands) | | | | (unaudited) | (unaudited) |
| Cash and cash equivalents | \$ 152,656 | \$ 79,656 | \$ 123,389 | \$ 123,499 | \$ 125,603 |
| Working capital (a) | 414,714 | (1,398,703) | (1,714,155) | (577,639) | (653,279) |
| Total assets | 5,177,556 | 4,653,755 | 4,766,993 | 1,668,407 | 1,536,747 |
| Borrowings, current | 33,750 | — | 69,762 | 12,000 | 12,000 |
| Long-term debt, net | 1,111,362 | — | — | — | — |
| Total Parent equity | 2,302,085 | 1,469,841 | 1,319,802 | 261,543 | 163,109 |

- (a) Working capital is negative prior to November 30, 2020 due to the inclusion of loans payable to Parent for acquisitions related to the Concentrix business and for ongoing operations. These loans were refinanced through new third-party debt, primarily long-term in nature, in connection with the separation and spin-off.

| | Fiscal Years Ended November 30, | | | | |
|-----------------------------------|---------------------------------|------------|-----------|-----------|-------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| Other Data: (in thousands) | | | | | (unaudited) |
| Depreciation | \$ 129,283 | \$ 139,174 | \$ 80,274 | \$ 65,616 | \$ 52,102 |
| Amortization | 147,283 | 166,606 | 74,324 | 64,252 | 52,833 |

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion and analysis of our financial condition and results of operations should be read in conjunction with our historical combined financial statements and the notes to those combined financial statements. This Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements. The matters discussed in these forward-looking statements are subject to risk, uncertainties, and other factors that could cause actual results to differ materially from those projected or implied in the forward-looking statements. Please see "Risk Factors" and "Note Regarding Forward-Looking Statements" in this Annual Report on Form 10-K for a discussion of the uncertainties, risks and assumptions associated with these statements.

The following discussion compares our results for the year ended November 30, 2020 to the year ended November 30, 2019. The discussion comparing our results for the year ended November 30, 2019 to the year ended November 30, 2018 is included within Management's Discussion and Analysis of Financial Condition and Results of Operations in our Information Statement filed as Exhibit 99.1 to Amendment No. 3 to our Registration Statement on Form 10 filed with the SEC on November 4, 2020, and is incorporated by reference herein.

Unless otherwise indicated or except where the context otherwise requires, references to "we," "our," "us," "the Company" or "Concentrix" in this Management's Discussion and Analysis of Financial Condition and Results of Operations refer to the combined entities of the customer experience business of SYNnex Corporation ("SYNNEX" or the "Parent") prior to the spin-off.

Overview and Basis of Presentation

Concentrix is a leading global provider of technology-infused Customer Experience ("CX") solutions that help iconic and disruptive brands drive deep understanding, full lifecycle engagement, and differentiated experiences for their end-customers. We provide end-to-end capabilities, including CX process optimization, technology innovation, front- and back-office automation, analytics and business transformation services to clients in five primary industry verticals. Our differentiated portfolio of solutions supports Fortune Global 500 as well as high-growth companies across the globe in their efforts to deliver an optimized, consistent brand experience across all channels of communication, such as voice, chat, email, social media, asynchronous messaging, and custom applications. We strive to deliver exceptional services globally supported by our deep industry knowledge, technology and security practices, talented people, and digital and analytics expertise.

We generate revenue from performing services that are generally tied to our clients' products and services. Any shift in business or the size of the market for our clients' products or services, or any failure of technology or failure of acceptance of our clients' products or services in the market may impact our business. The employee turnover rate in our business is high, as is the risk of losing experienced employees. High employee turnover rates may increase costs and decrease operating efficiencies and productivity.

On December 1, 2020, the previously announced separation (the "separation") of Concentrix and our technology-infused customer experience solutions business from SYNnex was completed through a tax-free distribution of all of the issued and outstanding shares of our common stock to SYNnex stockholders (the distribution and, together with the separation, the "spin-off"). SYNnex stockholders received one share of our common stock for each share of SYNnex common stock held as of the close of business on November 17, 2020. As a result of the spin-off, we became an independent public company and our common stock commenced trading on the Nasdaq Stock Market ("Nasdaq") under the symbol "CNXC" on December 1, 2020. In connection with the spin-off, on November 30, 2020, we entered into a separation and distribution agreement, an employee matters agreement, a tax matters agreement and a commercial agreement with SYNnex to set forth the principal actions to be taken in connection with the spin-off and define our ongoing relationship with SYNnex after the spin-off.

The combined financial statements, which are discussed below, reflect the results of operations, financial position, and cash flows of our business and are derived from the historical results of operations and the historical basis of the assets and liabilities of the CX business of SYNnex from its consolidated financial statements as if we

had been operating on a stand-alone basis prior to the spin-off and related transactions. We believe that the assumptions made in preparing our combined financial statements are reasonable. However, our historical results may not be indicative of our future performance and do not necessarily reflect what our financial condition and results of operations would have been had we operated as an independent, stand-alone entity during the periods presented, particularly because changes will occur in our operations and capitalization as a result of the spin-off and related transactions.

In December 2019, there was an outbreak of a new strain of coronavirus (“COVID-19”). In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and labor force participation, and created significant volatility and disruption of financial markets. “Shelter-in-place” restrictions by various governments around the world negatively impacted our results of operations for the year ended November 30, 2020, and was most acute during the second quarter of fiscal year 2020, as many of our employees were unable to work productively during the period despite client demand. During the year ended November 30, 2020, we incurred incremental costs of approximately \$86 million associated with non-productive workforce and other costs. We successfully transitioned a significant portion of our workforce to a remote working environment throughout the second quarter of 2020 and implemented a number of safety and social distancing measures in our sites to protect the health and safety of employees. As of the end of the third quarter of fiscal year 2020 and through the remainder of the year, almost all of our workforce was productive.

The extent of the continued impact of the COVID-19 pandemic on our operational and financial performance, including our ability to execute our business strategies and initiatives in the expected time frame, will depend on future developments, including the duration, spread and severity of the pandemic, country and state restrictions regarding virus containment, the availability and effectiveness of vaccines and treatment options, accessibility to the Company’s delivery and operations locations, our continued utilization of remote work environments in response to future health and safety restrictions, and the impact to the Company’s clients’ businesses and the demand for their products and services, all of which are uncertain and cannot be predicted. We are unable to predict how long the pandemic conditions will persist, what additional measures may be introduced by governments or our clients and the effect of any such additional measures on our business. As a result, many of the estimates and assumptions involved in preparation of the combined financial statements included required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve with respect to the pandemic, our estimates may materially change in future periods. Accordingly, current results and financial condition discussed herein may not be indicative of future operating results and trends.

Revenue and Cost of Revenue

We generate revenue through the provision of customer experience solutions to our clients pursuant to client contracts. Our client contracts typically consist of a master services agreement, supported in most cases by multiple statements of work, which contains the terms and conditions of each contracted solution. Our agreements can range from less than one year to over five years in term and are subject to early termination by our clients for any reason, typically with 30 to 90 days’ notice.

Our technology-infused customer experience solutions are generally characterized by flat unit prices. Approximately 96% of our revenue is recognized as services are performed, based on staffing hours or the number of client customer interactions handled using contractual rates. Remaining revenues from the sale of these solutions are typically recognized as the services are provided over the duration of the contract using contractual rates.

Our cost of revenue consists primarily of personnel costs related to the delivery of our solutions. The costs of our revenue can be impacted by the mix of client contracts, where we deliver the customer experience solution, additional lead time for programs to be fully scalable and transition and initial set-up costs. Our cost of revenue as a percentage of revenue has also fluctuated in the past, based primarily on our ability to achieve economies of scale, the management of our operating expenses, and the timing and costs incurred related to our acquisitions and investments.

In fiscal years 2020 and 2019, approximately 78% and 76%, respectively, of our combined revenue was generated from our non-U.S. operations, and approximately 63% and 66%, respectively, of our combined revenue was priced in U.S. dollars and we expect this to continue. As a result, we have certain client contracts that are priced in non-U.S. dollar currencies for which a substantial portion of the costs to deliver the services are in other currencies. Accordingly, our revenue may be earned in currencies that are different from the currencies in which we incur corresponding expenses. Fluctuations in the value of currencies, such as the Philippine Peso, the Indian Rupee, and the Canadian Dollar, against the U.S. Dollar or other currencies in which we bill our clients, and inflation in the local economies in which these delivery centers are located, can impact the operating and labor costs in these delivery centers, which can result in reduced profitability. As a result, our revenue growth, costs and profitability has been impacted, and we expect will continue to be impacted, by fluctuations in foreign currency exchange rates.

Margins

Our gross margins fluctuate and can be impacted by the mix of client contracts, services provided, shifts in the geography from which our customer experience services are delivered, client volume trends, and the amount of lead time that is required for programs to become fully scaled and transition and set-up costs. Our operating margin fluctuates based on changes in gross margins as well as overall volume levels, as we are able to gain scale efficiencies in our selling, general and administrative costs in periods of higher volume.

Economic and Industry Trends

The customer experience solutions industry in which we operate is competitive. Clients' performance measures are based on competitive pricing terms and quality of services. Accordingly, we could be subject to pricing pressure and may experience a decrease in revenue and operating income. Our business operates in over 40 countries across 6 continents. We have significant concentrations in the Philippines, India, the United States, the United Kingdom, throughout Europe, China and Japan. Accordingly, we would be impacted by economic strength or weakness in these geographies and by the strengthening or weakening of local currencies relative to the U.S. Dollar.

Seasonality

Our revenue and margins fluctuate with the underlying trends in our clients' businesses and trends in the level of consumer activity. As a result, our revenues and margins are typically higher in the fourth quarter of the year than in any other quarter.

Critical Accounting Policies and Estimates

The discussion and analysis of our combined financial condition and results of operations are based on our combined financial statements, which have been prepared in conformity with generally accepted accounting principles in the United States ("GAAP"). The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. On an ongoing basis, we review and evaluate our estimates and assumptions. Our estimates are based on our historical experience and a variety of other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making our judgment about the carrying values of assets and liabilities that are not readily available from other sources. Actual results could differ from these estimates under different assumptions or conditions.

We believe the following critical accounting policies involve the more significant judgments, estimates and/or assumptions used in the preparation of our combined financial statements.

Revenue Recognition

On December 1, 2018, we adopted Accounting Standards Codification Topic 606 applying the full retrospective method. See Note 2 to the combined financial statements included elsewhere in this Annual Report on Form 10-K for information regarding the impact of adopting this new revenue standard.

We recognize revenue from our customer experience solutions contracts over time as the promised services are delivered to clients for an amount that reflects the consideration to which we are entitled in exchange for those services. We account for a contract with a client when it has written approval, the contract is committed, the rights of the parties, including payments terms, are identified, the contract has commercial substance and the consideration is probable of collection. Revenue is presented net of taxes collected from clients and remitted to government authorities. We generally invoice a client after the performance of services, or in accordance with the specific contractual provisions. Payments are due as per contract terms and do not contain a significant financing component. Service contracts may be based on a fixed price or on a fixed unit-price per transaction or other objective measure of output. We determine whether services performed during the initial phases of an arrangement, such as setup services, are distinct. In most cases, the arrangement is a single performance obligation comprised of a series of distinct services that are substantially the same and have the same pattern of transfer (i.e., distinct days of service). We record deferred revenue attributable to certain process transition and setup activities where such activities do not represent separate performance obligations. Billings related to such transition activities are classified under contract liabilities and subsequently recognized ratably over the period in which the related services are performed. We apply a measure of progress (typically time-based) to any fixed consideration and allocate variable consideration to the distinct periods of service based on usage. As a result, revenue is generally recognized over the period the services are provided on a usage basis. This results in revenue recognition that corresponds to the benefit to the client of the services transferred relative to the remaining services promised. Revenue on fixed price contracts is recognized on the straight-line basis over the term of contract service as the services are provided. Revenue on unit-price transactions is recognized using an objective measure of output including staffing hours or the number of transactions processed by service staff. Client contract terms can range from less than one year to more than five years.

Certain client contracts include additional payments from the client based upon the achievement of certain agreed-upon service levels and performance metrics. Certain contracts also provide for a reduction in consideration paid to the Company in the event that certain agreed-upon service levels or performance metrics are not achieved. Revenue related to such arrangements is accounted for as variable consideration when the likely amount of revenue to be recognized can be estimated to the extent that it is unlikely that a significant reversal will occur.

Business Combinations

We continually seek to augment organic growth with strategic acquisitions of businesses and assets that complement and expand our existing capabilities. Recent acquisitions have sought to enhance our capabilities and domain expertise in our key verticals, expand our geographic footprint, and further expand into higher value service offerings. We are also strategically focused on further increasing our scale to support our clients.

We allocate the fair value of purchase consideration to the assets acquired and liabilities assumed generally based on their fair values at the acquisition date. The excess of the fair value of purchase consideration over the fair value of the assets acquired and liabilities assumed is recorded as goodwill. The determination of the fair value of assets and liabilities may involve engaging independent third parties to perform an appraisal. When determining the fair values of assets acquired and liabilities assumed, we make significant estimates and assumptions, especially with respect to intangible assets. Critical estimates in valuing intangible assets include, but are not limited to, expected future cash flows, which includes consideration of future growth rates and margins, attrition rates, and discount rates. Fair value estimates are based on the assumptions we believe a market participant would use in pricing the asset or liability. Amounts recorded in a business combination may change during the measurement period, which is a period not to exceed one year from the date of acquisition, as additional information about conditions existing at the acquisition date becomes available. At November 30, 2019, the measurement period has ended for all acquisitions.

Goodwill

As of November 30, 2020, we had goodwill of \$1,836.1 million recorded on our combined balance sheet. The Company tests goodwill for impairment annually at the reporting unit level in the fiscal fourth quarter or more frequently if events or changes in circumstances indicate that it may be impaired. For purposes of the goodwill impairment test, the Company can elect to perform a quantitative or qualitative analysis. If the qualitative analysis is elected, goodwill is tested for impairment at the reporting unit level by performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. The factors that are considered in the qualitative analysis include macroeconomic conditions, industry and market considerations, cost factors such as increases in labor, or other costs that would have a negative effect on earnings and cash flows; and other relevant entity-specific events and information.

If we elect to perform or are required to perform a quantitative analysis, then the reporting unit's carrying value is compared to its fair value. The fair value of the reporting unit is estimated using a market approach and an income approach (discounted cash flows). Under the market approach, the Company utilizes the guideline company method, which involves calculating valuation multiples based on operating data from comparable publicly traded companies. Multiples derived from these companies provide an indication of how much a knowledgeable investor in the marketplace would be willing to pay for a company. These multiples are then applied to the operating data to arrive at an indication of value. Under the income approach, the fair value of the reporting unit is based on the present value of estimated future cash flows utilizing a market-based weighted-average cost of capital determined separately for each reporting unit. The assumptions used in the market approach are based on the value of a business through an analysis of revenue and other multiples of guideline companies and recent sales of or offerings by a comparable entity. The assumptions used in the discounted cash flow approach are based on historical and forecasted revenue, operating costs, future economic conditions, a market-based weighted average cost of capital and other relevant factors. Goodwill is considered impaired if the carrying value of the reporting unit exceeds its fair value and the excess is recognized as an impairment loss.

Based on our 2020 impairment assessment, we concluded that no impairment charges were necessary. We have not recorded any impairment charges related to goodwill during the years ended November 30, 2020 and 2019.

Other Intangible Assets

As of November 30, 2020, we had other intangible assets, net of amortization, of \$799.0 million. This amount consists primarily of \$794.3 million in client relationship intangible assets. As amortizable intangible assets, we evaluate the intangible assets for recoverability on an annual basis or if events or circumstances indicate a possible inability to recover their carrying value, by comparing estimates of undiscounted future cash flows to the carrying values of the related assets. We have not recorded any impairment charges related to other intangible assets during the years ended November 30, 2020 and 2019.

Recently Issued Accounting Pronouncements

For a summary of recent accounting pronouncements and the anticipated effects on our combined financial statements, see Note 2—Summary of Significant Accounting Policies to the combined financial statements included elsewhere in this Annual Report on Form 10-K.

Results of Operations – Years ended November 30, 2020 and 2019

| | Fiscal Years Ended November 30, | |
|--|---------------------------------|--------------------|
| | 2020 | 2019 |
| (in thousands) | | |
| Revenue | | |
| Customer experience services | \$ 4,698,679 | \$ 4,687,327 |
| Customer experience services to Parent | 20,855 | 20,585 |
| Total revenue | 4,719,534 | 4,707,912 |
| Cost of revenue | | |
| Cost of revenue for customer experience services | 3,044,916 | 2,946,664 |
| Cost of revenue related to services to Parent | 13,093 | 12,800 |
| Gross profit | 1,661,525 | 1,748,448 |
| Selling, general and administrative expenses | (1,352,764) | (1,454,116) |
| Operating income | 308,761 | 294,332 |
| Interest expense (primarily related to borrowings from Parent) and finance charges, net | (48,313) | (92,196) |
| Other income, net | 7,447 | 2,280 |
| Income before income taxes | 267,895 | 204,416 |
| Provision for income taxes | (103,084) | (87,252) |
| Net income | \$ 164,811 | \$ 117,164 |

Revenue

| | Fiscal Years Ended November 30, | | Percent Change |
|---|---------------------------------|---------------------|----------------|
| | 2020 | 2019 | 2020 to 2019 |
| (in thousands) | | | |
| Industry vertical: | | | |
| Technology and consumer electronics | \$ 1,422,817 | \$ 1,283,084 | 10.9 % |
| Communications and media | 954,234 | 1,142,242 | (16.5)% |
| Retail, travel and ecommerce | 796,324 | 763,265 | 4.3 % |
| Banking, financial services and insurance | 712,469 | 676,246 | 5.4 % |
| Healthcare | 392,686 | 369,187 | 6.4 % |
| Other | 441,004 | 473,888 | (6.9)% |
| Total | \$ 4,719,534 | \$ 4,707,912 | 0.2 % |

We generate revenue by delivering our customer experience solutions to our clients categorized in the above primary industry verticals. These solutions focus on customer engagement, process optimization, and back-office automation. Included in our revenue is \$20.9 million and \$20.6 million for customer experience solutions that we delivered to SYNEX during fiscal years 2020 and 2019, respectively.

Our revenue increased 0.2% in fiscal year 2020, compared to fiscal year 2019, primarily due to a net increase in volumes across our key verticals. Revenue from clients in our technology and consumer electronics vertical increased as a result of increased volumes from several hardware and software manufacturing clients, including our largest client in this vertical. Revenue from clients in our communications and media vertical decreased primarily

due to a decrease in revenues from several clients in this vertical, including our largest communications client, caused by a combination of lower volumes, more services provided from our offshore locations and COVID-19 impacts on our employees' ability to work productively despite client demand. This decrease in communications and media revenues also represents a continuation of our repositioning of our vertical mix to be less reliant on this vertical. Revenue from clients in our retail, travel and ecommerce vertical increased due to increased volume from several retail and ecommerce clients partially offset by reduced volumes from several travel and tourism clients. Revenues from clients in the banking, financial services and insurance vertical increased due to increased volumes from several clients in this vertical. Revenues from clients in our healthcare vertical increased primarily due to an increase in volumes with a few health insurance clients. Revenues from clients in our other vertical decreased, reflecting a decrease in revenues from our largest automotive client and a few other automotive clients, partially offset by growth with a few government clients. The increase in revenues is partially offset by a negative translation effect of foreign currencies of \$20.7 million. The negative foreign currency translation effect on revenue was primarily due to the weakening of the Brazilian real, Australian dollar and Indian Rupee against the U.S. dollar.

Cost of Revenue, Gross Profit and Gross Margin Percentage

| | Fiscal Years Ended November 30, | | Percent Change |
|-----------------|---------------------------------|--------------|----------------|
| | 2020 | 2019 | 2020 to 2019 |
| | (\$ in thousands) | | |
| Cost of revenue | \$ 3,058,009 | \$ 2,959,464 | 3.3 % |
| Gross profit | \$ 1,661,525 | \$ 1,748,448 | (5.0)% |
| Gross margin % | 35.2 % | 37.1 % | |

Cost of revenue consists primarily of personnel costs. Gross margins can be impacted by resource location, client mix and pricing, additional lead time for programs to be fully scalable, and transition and initial set-up costs. Additionally, for the year ended November 30, 2020, gross margin was impacted due to COVID-19 by the cost of employees who were unable to work productively during portions of the period and additional costs incurred related to our response to COVID-19.

Our cost of revenue increased by 3.3% in fiscal year 2020 compared to fiscal year 2019, primarily due to the incremental impact of approximately \$75.8 million in COVID-19 related non-productive workforce and other costs and the increase in revenue, partially offset by reductions in employee training, recruiting and transportation costs and a net favorable foreign currency impact of \$3.2 million on the cost of revenue. The net favorable foreign currency impact on the cost of revenue was caused primarily by the weakening of the Indian Rupee, the Brazilian real, the Australian dollar and the Colombian Peso against the U.S. dollar, partially offset by the strengthening of the Philippine Peso against the U.S. dollar.

Our gross profit decreased 5.0% in fiscal year 2020 compared to fiscal year 2019 primarily due to the incremental impact of COVID-19 related non-productive workforce and other costs, and a net unfavorable foreign currency impact of \$17.5 million on gross profit. In addition, our gross margin was temporarily impacted by decreased productivity as we transitioned some of our employees to work-from-home during the fiscal year. The factors caused our gross margin percentage in fiscal year 2020 to decrease to 35.2% compared to 37.1% in 2019.

Selling, General and Administrative Expenses

| | Fiscal Years Ended November 30, | | Percent Change |
|--|---------------------------------|--------------|----------------|
| | 2020 | 2019 | 2020 to 2019 |
| | (\$ in thousands) | | |
| Selling, general and administrative expenses | \$ 1,352,764 | \$ 1,454,116 | (7.0)% |
| Percentage of revenue | 28.7 % | 30.9 % | |

Our selling, general and administrative expenses consist primarily of support personnel costs such as salaries, commissions, bonuses, employee benefits and share-based compensation costs. Selling, general and administrative expenses also include the cost of our global delivery facilities, utility expenses, hardware and software costs related to our technology infrastructure, legal and professional fees, depreciation on our technology and facility equipment, amortization of intangible assets resulting from acquisitions, marketing expenses, acquisition-related transaction and integration expenses and spin-off related expenses.

Our selling, general and administrative expenses decreased in fiscal year 2020 compared to 2019 due to a decrease in acquisition-related and integration expenses of \$42.5 million, a decrease in amortization of intangible assets included in selling, general and administrative expenses of \$19.3 million, a decrease in depreciation expense included in selling, general and administrative expenses of \$12.1 million, reductions in various cost areas as a result of our response to COVID-19 and increased cost efficiencies related to Convergys acquisition synergies. The decreases were partially offset by incremental COVID-19 costs of approximately \$10.3 million and spin-off related expenses of \$9.5 million. These factors resulted in a net decrease in selling, general and administrative expenses as a percentage of revenue in comparison to the prior fiscal year.

Operating Income

| | Fiscal Years Ended November 30, | | Percent Change |
|------------------|---------------------------------|------------|----------------|
| | 2020 | 2019 | 2020 to 2019 |
| | (\$ in thousands) | | |
| Operating income | \$ 308,761 | \$ 294,332 | 4.9 % |
| Operating margin | 6.5 % | 6.3 % | |

Our operating income and operating margin increased during fiscal year 2020 compared to fiscal year 2019, primarily due to decreased selling, general and administrative expenses slightly offset by a decrease in gross margin, due to certain impacts from COVID-19 related non-productive workforce and other costs.

Interest Expense and Finance Charges, Net

| | Fiscal Years Ended November 30, | | Percent Change |
|---|---------------------------------|-----------|----------------|
| | 2020 | 2019 | 2020 to 2019 |
| | (\$ in thousands) | | |
| Interest expense and finance charges, net | \$ 48,313 | \$ 92,196 | (47.6)% |
| Percentage of revenue | 1.0 % | 2.0 % | |

Amounts recorded in interest expense and finance charges, net, consist primarily of interest on borrowings from SYNEX. Net interest expense on borrowings from and to SYNEX was \$48.6 million in fiscal year 2020 compared to \$93.3 million in fiscal year 2019.

The decrease in our interest expense and finance charges, net in fiscal year 2020 compared to fiscal year 2019, reflects the decrease in interest expense on borrowings from and to SYNEX due to the reduction in outstanding borrowings and a reduction in LIBOR-based interest rates. Interest expense associated with our new third-party borrowings was not material during fiscal year 2020 due to the funding occurring on November 30, 2020.

Other Income, Net

| | Fiscal Years Ended November 30, | | Percent Change |
|-----------------------|---------------------------------|----------|----------------|
| | 2020 | 2019 | 2020 to 2019 |
| | (\$ in thousands) | | |
| Other income, net | \$ 7,447 | \$ 2,280 | 226.6 % |
| Percentage of revenue | 0.2 % | 0.1 % | |

Amounts recorded as other income, net include foreign currency transaction gains and losses, other than cash flow hedges, investment gains and losses, non-service component of pension costs, and other non-operating gains and losses.

Other income, net in fiscal year 2020 was \$7.4 million compared to \$2.3 million in fiscal year 2019. The increase in other income, net was due to the favorable resolution of a previously recognized tax indemnity obligation in 2020 and an increase in net foreign currency gains.

Provision for Income Taxes

| | Fiscal Years Ended November 30, | | Percent Change |
|--|---------------------------------|-----------|----------------|
| | 2020 | 2019 | 2020 to 2019 |
| | (\$ in thousands) | | |
| Provision for income taxes | \$ 103,084 | \$ 87,252 | 18.1 % |
| Percentage of income before income taxes | 38.5 % | 42.7 % | |

Income taxes consist of our current and deferred tax expense resulting from our income earned in domestic and international jurisdictions. Although we have been included in the consolidated tax returns of SYNEX in certain jurisdictions, our tax provisions included herein has been recorded as if we had filed our taxes on a stand-alone basis. Income taxes were negatively impacted due to limits to deductions which we do not expect post-separation.

Our provision for income taxes increased for the fiscal year ended November 30, 2020 compared to November 30, 2019 due to the increase in our income before taxes.

Provision for income taxes for the fiscal years 2020 and 2019 was increased by an adjustment of \$26.8 million and \$23.8 million, respectively, to reflect the hypothetical tax impact if Concentrix was not part of SYNEX' U.S. consolidated group and thereby suffered a much higher U.S. foreign tax credit limitation.

The effective tax rate for fiscal year ended November 30, 2020 decreased compared to the effective tax rate for the fiscal year ended November 30, 2019 due to increased tax expense recorded in the fiscal year ended November 30, 2019 resulting from an increase in reserves for uncertain tax positions and an increased provision for the transition tax related to mandatory repatriation under the Tax Cuts and Jobs Act (the "TCJA").

See Note 14—Income Taxes to the combined financial statements included elsewhere in this Annual Report on Form 10-K for further details.

Certain non-GAAP financial information

In addition to disclosing financial results that are determined in accordance with GAAP, we also disclose certain non-GAAP financial information, including:

- Revenue in constant currency, which is revenue adjusted for the translation effect of foreign currencies so that certain financial results can be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons of our business performance. Revenue in constant currency is calculated by translating the revenue of each fiscal year in the billing currency using their comparable prior year's currency conversion rate. Generally, when the dollar either strengthens or weakens against other currencies, the growth at constant currency rates or adjusting for currency will be higher or lower than growth reported at actual exchange rates.
- Non-GAAP operating income, which is operating income, adjusted to exclude acquisition-related and integration expenses, including related restructuring costs, spin-off related expenses, amortization of intangible assets and share-based compensation.
- Non-GAAP operating margin, which is non-GAAP operating income, as defined above, divided by revenue.
- Adjusted earnings before interest, taxes, depreciation, and amortization, or adjusted EBITDA, which is non-GAAP operating income, as defined above, plus depreciation.
- Adjusted EBITDA margin, which is adjusted EBITDA, as defined above, divided by revenue.
- Non-GAAP net income, which is net income excluding the tax effected impact of acquisition-related and integration expenses, including related restructuring costs, spin-off related expenses, amortization of intangible assets and share-based compensation.
- Free cash flow, which is cash flows from operating activities less capital expenditures. We believe that free cash flow is a meaningful measure of cash flows since capital expenditures are a necessary component of ongoing operations. However, free cash flow has limitations because it does not represent the residual cash flow available for discretionary expenditures. For example, free cash flow does not incorporate payments for business acquisitions.

We believe that providing this additional information is useful to the reader to better assess and understand our base operating performance, especially when comparing results with previous periods and for planning and forecasting in future periods, primarily because management typically monitors the business adjusted for these items in addition to GAAP results. Management also uses these non-GAAP measures to establish operational goals and, in some cases, for measuring performance for compensation purposes. These non-GAAP financial measures exclude amortization of intangible assets. Our acquisition activities have resulted in the recognition of intangible assets, which consist primarily of client relationships, technology and trade names. Finite-lived intangible assets are amortized over their estimated useful lives and are tested for impairment when events indicate that the carrying value may not be recoverable. The amortization of intangible assets is reflected in our statements of operations. Although intangible assets contribute to our revenue generation, the amortization of intangible assets does not directly relate to the services performed for our clients. Additionally, intangible asset amortization expense typically fluctuates based on the size and timing of our acquisition activity. Accordingly, we believe excluding the amortization of intangible assets, along with the other non-GAAP adjustments which neither relate to the ordinary course of our business nor reflect our underlying business performance, enhances our and our investors' ability to compare our past financial performance with its current performance and to analyze underlying business performance and trends. Intangible asset amortization excluded from the related non-GAAP financial measure represents the entire amount recorded within our GAAP financial statements, and the revenue generated by the associated intangible assets has not been excluded from the related non-GAAP financial measure. Intangible asset amortization is excluded from the related non-GAAP financial measure because the amortization, unlike the related revenue, is not affected by operations of any particular period unless an intangible asset becomes impaired or the estimated useful life of an intangible asset is revised. These non-GAAP financial measures also exclude share-based compensation expense. Given the subjective assumptions and the variety of award types that companies can use

when calculating share-based compensation expense, management believes this additional information allows investors to make additional comparisons between our operating results and those of our peers. As these non-GAAP financial measures are not calculated in accordance with GAAP, they may not necessarily be comparable to similarly titled measures employed by other companies. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures and should be used as a complement to, and in conjunction with, data presented in accordance with GAAP.

| | Fiscal Years Ended November 30, | |
|--|---------------------------------|--------------|
| | 2020 | 2019 |
| Revenue | \$ 4,719,534 | \$ 4,707,912 |
| Foreign currency translation | 20,741 | — |
| Revenue in constant currency | \$ 4,740,275 | \$ 4,707,912 |
| Operating income | \$ 308,761 | \$ 294,332 |
| Acquisition-related and integration expenses | 27,982 | 70,473 |
| Spin-off related expenses | 9,483 | — |
| Amortization of intangibles | 147,283 | 166,606 |
| Share-based compensation | 15,914 | 10,554 |
| Non-GAAP operating income | \$ 509,423 | \$ 541,965 |
| Net income | \$ 164,811 | \$ 117,164 |
| Interest expense and finance charges, net | 48,313 | 92,196 |
| Provision for income taxes | 103,084 | 87,252 |
| Other income, net | (7,447) | (2,280) |
| Acquisition-related and integration expenses | 27,982 | 70,473 |
| Spin-off related expenses | 9,483 | — |
| Amortization of intangibles | 147,283 | 166,606 |
| Share-based compensation | 15,914 | 10,554 |
| Depreciation (excluding accelerated depreciation included in acquisition-related and integration expenses above) | 129,126 | 134,823 |
| Adjusted EBITDA | \$ 638,549 | \$ 676,788 |
| Operating margin | 6.5 % | 6.3 % |
| Non-GAAP operating margin | 10.8 % | 11.5 % |
| Adjusted EBITDA margin | 13.5 % | 14.4 % |
| Net income | \$ 164,811 | \$ 117,164 |
| Acquisition-related and integration expenses | 27,982 | 70,473 |
| Spin-off related expenses | 9,483 | — |
| Amortization of intangibles | 147,283 | 166,606 |
| Share-based compensation | 15,914 | 10,554 |
| Income taxes related to the above ⁽¹⁾ | (49,010) | (60,118) |
| Non-GAAP net income | \$ 316,463 | \$ 304,679 |

| | Fiscal Years Ended November 30, | |
|--|---------------------------------|---------|
| | 2020 | 2019 |
| Basic and Diluted EPS ⁽¹⁾ | \$ 3.19 | \$ 2.27 |
| Acquisition-related and integration expenses | 0.54 | 1.37 |
| Spin-off related expenses | 0.18 | — |
| Amortization of intangibles | 2.85 | 3.23 |
| Share-based compensation | 0.31 | 0.20 |
| Income taxes related to the above ⁽²⁾ | (0.94) | (1.17) |
| Non-GAAP Basic and Diluted EPS ⁽¹⁾ | \$ 6.13 | \$ 5.90 |

⁽¹⁾ Weighted average number of shares used for both basic and diluted EPS is based on the number of common shares issued and outstanding in connection with the spin-off of 51.6 million for both periods presented.

⁽²⁾ The tax effect of taxable and deductible non-GAAP adjustments was calculated using the tax-deductible portion of the expenses and applying the entity-specific, statutory tax rates applicable to each item during the respective fiscal years.

Client Concentration

Our largest client accounted for 11.5% and 10.4% of our revenues in fiscal years 2020 and 2019, respectively. The revenues that we recognize from this client are earned under multiple contracts and statements of work. No other client accounted for more than 10% of our revenues in 2020 or 2019.

Liquidity and Capital Resources

Our primary uses of cash are working capital, capital expenditures to expand our delivery footprint and enhance our technology solutions, and acquisitions. Our financing needs for these uses of cash have been a combination of operating cash flows and related party borrowings from SYNEX and third-party debt arrangements entered into in connection with the spin-off. Our working capital needs are primarily to finance accounts receivable. When our revenues are increasing, our net investment in working capital typically increases. Conversely, when revenue is decreasing, our net investment in working capital typically decreases. To increase our market share and better serve our clients, we may further expand our operations through investments or acquisitions. We expect that such expansion would require an initial investment in working capital, personnel, facilities, and operations. These investments or acquisitions would likely be funded primarily with our existing cash and cash equivalents, available liquidity, including capacity on our debt arrangements, or the issuance of securities.

Debt Arrangements

In connection with the spin-off, we entered into two third-party debt arrangements. On October 16, 2020, we entered into a new senior secured credit facility, which provides for the extension of revolving loans of up to \$600 million (the “Revolver”) and term loan borrowings of up to \$900 million (the “Term Loan” and, together with the Revolver, the “Credit Facility”). On October 30, 2020, we entered into a new \$350 million accounts receivable securitization facility (the “Securitization Facility”) pursuant to certain agreements, including a receivables financing agreement and a receivables purchase agreement.

On November 30, 2020, in connection with the spin-off, we incurred \$900 million of initial Term Loan borrowings under the Credit Facility and \$250 million of borrowings under the Securitization Facility. Substantially all of the proceeds from such indebtedness, net of debt issuance costs, were transferred to SYNEX on November 30, 2020 to eliminate debt owed by the Company to SYNEX and in exchange for the contribution of certain Company trademarks from SYNEX to the Company. We had no outstanding borrowings on the Revolver as of November 30, 2020.

The Credit Facility matures on November 30, 2025. The outstanding principal amount of the Term Loan is payable in quarterly installments of \$11.25 million commencing on May 31, 2021, with the unpaid balance due in full on the maturity date. We may prepay the loans under the Credit Facility at any time without penalty, other than

breakage fees. We may request, subject to obtaining commitments from any participating lenders and certain other conditions, incremental commitments to increase the amount of the Revolver or Term Loan available under the Credit Facility in an aggregate principal amount equal to \$450.0 million, plus an additional amount, so long as after giving effect to the incurrence of such additional amount, our pro forma first lien leverage ratio (as defined in the Credit Facility) would not exceed 3.00 to 1.00.

Obligations under the Credit Facility are secured by substantially all of the assets of Concentrix and certain of its U.S. subsidiaries and are guaranteed by certain of its U.S. subsidiaries.

Borrowings under the Revolver and the Term Loan bear interest, in the case of LIBOR rate loans, at a per annum rate equal to the applicable LIBOR rate (but not less than 0.25%), plus an applicable margin, which ranges from 1.25% to 2.25%, based on our consolidated leverage ratio. Borrowings under the Credit Facility that are not LIBOR rate loans bear interest at a per annum rate equal to (i) the greatest of (a) the Federal Funds Rate in effect on such day plus 1/2 of 1.0%, (b) the rate of interest last publicly announced by Bank of America as its “prime rate” and (c) the LIBOR rate plus 1.0%, plus (ii) an applicable margin, which ranges from 0.25% to 1.25%, based on our consolidated leverage ratio. Commitments under the Revolver are subject to a commitment fee on the unused portion of the Revolver, which fee ranges from 25 to 45 basis points, based on our consolidated leverage ratio.

The Credit Facility contains various loan covenants that restrict the ability of Concentrix and its subsidiaries to take certain actions, including incurrence of indebtedness, creation of liens, mergers or consolidations, dispositions of assets, repurchase or redemption of capital stock, making certain investments, entering into certain transactions with affiliates or changing the nature of our business. In addition, the Credit Facility contains financial covenants that require us to maintain at the end of each fiscal quarter commencing with the quarter ending February 28, 2021, (i) a consolidated leverage ratio (as defined in the Credit Facility) not to exceed 3.75 to 1.0 and (ii) a consolidated interest coverage ratio (as defined in the Credit Facility) equal to or greater than 3.00 to 1.0. The Credit Facility also contains various customary events of default, including payment defaults, defaults under certain other indebtedness, and a change of control of Concentrix.

The Securitization Facility has an initial termination date of October 28, 2022. Under the Securitization Facility, Concentrix and certain of its U.S. based subsidiaries sell or otherwise transfer all of their accounts receivable to a special purpose bankruptcy-remote subsidiary of Concentrix that grants a security interest in the receivables to the lenders in exchange for available borrowings of up to \$350 million. Borrowing availability under the Securitization Facility may be limited by our accounts receivables balances, changes in the credit ratings of our clients comprising the receivables, client concentration levels in the receivables, and certain characteristics of the accounts receivable being transferred (including factors tracking performance of the accounts receivable over time).

Borrowings under the Securitization Facility bear interest with respect to loans that are funded through the issuance of commercial paper at the applicable commercial paper rate plus a spread of 1.05% and, otherwise, at a per annum rate equal to the applicable LIBOR rate plus a spread of 1.15%. We are also obligated to pay a monthly undrawn fee that ranges from 30 to 37.5 basis points based on the portion of the Securitization Facility that is undrawn.

The Securitization Facility contains various affirmative and negative covenants, including a consolidated leverage ratio covenant that is consistent with the Credit Facility and customary events of default, including payment defaults, defaults under certain other indebtedness, a change in control of Concentrix, and certain events negatively affecting the overall credit quality of the transferred accounts receivable.

As of November 30, 2020, we were in compliance with the debt covenants related to our debt arrangements.

Prior to the spin-off, our primary source of financing was intercompany borrowings from SYNEX. At November 30, 2019, the outstanding borrowings from SYNEX totaled \$1,721.2 million. All outstanding borrowings with SYNEX were settled on November 30, 2020 through payment of proceeds from our third-party debt arrangements and a capital contribution from SYNEX.

Cash Flows – Years ended November 30, 2020 and 2019

The following summarizes our cash flows for the years ended November 30, 2020 and 2019, as reported in our combined statement of cash flows in the accompanying combined financial statements.

| | Fiscal Year Ended November 30, | |
|---|--------------------------------|-------------|
| | 2020 | 2019 |
| | (\$ in thousands) | |
| Net cash provided by operating activities | \$ 507,614 | \$ 449,736 |
| Net cash used in investing activities | (109,216) | (151,014) |
| Net cash used in financing activities | (335,224) | (339,639) |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | 9,663 | (3,453) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | \$ 72,837 | \$ (44,370) |
| Cash, cash equivalents and restricted cash at beginning of year | 83,514 | 127,884 |
| Cash, cash equivalents and restricted cash at end of year | \$ 156,351 | \$ 83,514 |

Operating Activities

Net cash provided by operating activities was \$507.6 million in fiscal year 2020, primarily generated from our net income of \$164.8 million and adjustments for non-cash items. Adjustments for non-cash items primarily consist of \$276.6 million of depreciation and amortization expense, \$17.2 million of hypothetical current tax expense recorded for separate tax return basis presentation and share-based compensation of \$15.6 million.

Net cash provided by operating activities was \$449.7 million in fiscal year 2019, primarily generated from our net income of \$117.2 million and adjustments for non-cash items. Adjustments for non-cash items primarily consist of \$305.8 million of depreciation and amortization expense, \$33.4 million of hypothetical current tax expense recorded for separate tax return basis presentation and share-based compensation of \$10.4 million.

Investing Activities

Net cash used in investing activities in fiscal year 2020 was \$109.2 million, primarily for capital expenditures of \$171.3 million to support our growth offset by proceeds of \$67.7 million from loan of non-Concentrix subsidiary of Parent as part of its centralized treasury operations and \$5.6 million of acquisition-related payments.

Net cash used in investing activities in fiscal year 2019 was \$151.0 million, primarily for capital expenditures of \$111.1 million to support our growth, \$30.4 million loan to non-Concentrix subsidiary of Parent as part of its centralized treasury operations and \$9.4 million of acquisition-related payments.

Financing Activities

Net cash used in financing activities in fiscal year 2020 was \$335.2 million, consisting of third-party borrowings of \$900 million under the Credit Facility and \$250 million under the Securitization Facility, more than offset by \$1,476.7 million in repayments on borrowings from SYNEX and debt issuance costs related to these facilities.

Net cash used in financing activities in fiscal year 2019 was \$339.6 million, consisting of \$191.6 million in repayments on borrowings from SYNEX and \$148.0 million to redeem the convertible debentures assumed in the Convergys acquisition.

We believe our current cash balances and credit availability are enough to support our operating activities for at least the next twelve months.

Free Cash Flow (a non-GAAP measure)

| | Fiscal Year Ended November 30, | |
|---|--------------------------------|------------|
| | 2020 | 2019 |
| | (\$ in thousands) | |
| Net cash provided by operating activities | \$ 507,614 | \$ 449,736 |
| Purchases of property and equipment | (171,332) | (111,122) |
| Free cash flow (a non-GAAP measure) | \$ 336,282 | \$ 338,614 |

Our free cash flow was \$336.3 million in fiscal year 2020, compared to \$338.6 million in fiscal year 2019. The decrease in free cash flow in fiscal year 2020 primarily reflects increased net cash provided by operating activities as a result of the increase in net income, more than offset by an increase in capital expenditures to support our growth.

Capital Resources

As of November 30, 2020, we had total liquidity of \$853 million, which includes undrawn capacity of \$600 million on the Credit Facility, undrawn capacity of \$100 million on the Securitization Facility and cash and cash equivalents.

Our cash and cash equivalents totaled \$152.7 million and \$79.7 million as of November 30, 2020 and 2019, respectively. Of our total cash and cash equivalents, 89% and 94% was held by our non-U.S. legal entities as of November 30, 2020 and 2019, respectively. Our cash and cash equivalents held by our non-U.S. legal entities are no longer subject to U.S. federal tax on repatriation into the United States. Repatriation of some non-U.S. balances is restricted by local laws. Historically, we have fully utilized and reinvested all non-U.S. cash to fund our international operations and expansion; however, the Company has recorded deferred tax liabilities related to non-U.S. withholding taxes on the earnings of certain previously acquired non-U.S. entities that are likely to be repatriated in the future. If in the future our intentions change, and we repatriate the cash back to the United States, we will report in our combined financial statements the impact of the state and withholding taxes depending upon the planned timing and manner of such repatriation. Presently, we believe we have sufficient resources, cash flow and liquidity within the United States to fund current and expected future working capital, investment and other general corporate funding requirements.

We believe that our available cash and cash equivalents balances, the cash flows expected to be generated from operations, and our sources of liquidity will be sufficient to satisfy our current and planned working capital and investment needs for the next twelve months. We also believe that our longer-term working capital, planned capital expenditures and other general corporate funding requirements will be satisfied through cash flows from operations and, to the extent necessary, from our borrowing facilities and future financial market activities.

Contractual Obligations to Third Parties

The following table summarizes our contractual obligations at November 30, 2020:

| | Payments Due by Period | | | | |
|---------------------------------------|------------------------|-------------------|-------------------|-------------------|------------------|
| | Total | Less than 1 Year | 1 - 3 Years | 3 - 5 Years | >5 Years |
| | (in thousands) | | | | |
| Contractual Obligations: | | | | | |
| Credit Facility - Term Loan component | \$ 900,000 | \$ 33,750 | \$ 90,000 | \$ 776,250 | \$ — |
| Securitization Facility | 250,000 | — | 250,000 | — | — |
| Interest on financing agreements (a) | 90,428 | 20,060 | 37,209 | 33,159 | — |
| Operating lease payments | 633,827 | 198,678 | 275,482 | 130,723 | 28,944 |
| Defined benefit plan funding (b) | 98,016 | 12,747 | 30,764 | 27,868 | 26,637 |
| Total Contractual Obligations | \$ 1,972,271 | \$ 265,235 | \$ 683,455 | \$ 968,000 | \$ 55,581 |

(a) Cash obligations for interest requirement related to our variable-rate debt obligations at the current rates as of November 30, 2020.

(b) Includes projected contributions to achieve minimum funding objectives for our cash balance pension plan.

As of November 30, 2020, we have established a reserve of \$62.3 million for unrecognized tax benefits. As we are unable to reasonably predict the timing of settlement of these guarantees and the reserve for unrecognized tax benefits, the table above excludes such liabilities.

Through November 30, 2020, certain of the Concentrix legal entities in the United States jointly and severally guaranteed SYNnex' obligations under its senior secured credit agreement (the "SYNNEX Credit Agreement") and SYNnex' secured term loan credit agreement (the "SYNNEX Term Loan Credit Agreement") and substantially all of the assets of these legal entities secured SYNnex' obligations under the SYNnex Credit Agreement and the SYNnex Term Loan Credit Agreement. The amounts guaranteed by us under these agreements are recorded in our combined financial statements to the extent drawn from the Parent, net of repayments to the Parent.

In connection with the spin-off, the Concentrix legal entities were released as guarantors and the Concentrix legal entities' assets were released as collateral from the SYNnex Credit Agreement and the SYNnex Term Loan Credit Agreement, and thereafter serve as security for Credit Facility or, in the case of our receivables and related assets generated by us and certain of our subsidiaries in the United States, as security for our Securitization Facility.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk

We are and will be exposed to a variety of market risks, including the effects of changes in foreign currency exchange rates and interest rates. Market risk is the potential loss arising from changes in market rates and prices. Our risk management strategy includes managing these risks through our regular operating and financing activities and, when appropriate, through the use of derivative financial instruments. We utilize derivative financial instruments to hedge economic exposures, as well as reduce earnings and cash flow volatility resulting from shifts in market rates. In using derivative financial instruments to hedge our exposures to changes in exchange rates, we expose ourselves to counterparty credit risk. We manage our exposure to counterparty credit risk by entering into derivative financial instruments with investment grade-rated institutions that can be expected to perform fully under the terms of the agreements and by diversifying the number of financial institutions with which we enter into such agreements. There can be no guarantee that the risk management activities that we have entered into will be sufficient to fully offset market risk or reduce earnings and cash flow volatility resulting from shifts in market rates. See Note 7 of the combined financial statements included elsewhere in this Annual Report on Form 10-K for additional discussion of our financial risk management.

Foreign Currency Risk

While approximately 63% of our revenue is priced in U.S. dollars, we recognize a substantial amount of revenue under contracts that are denominated in euros, British pounds, Australian dollars and Japanese yen, among other currencies. A significant increase in the value of the U.S. dollar relative to these currencies may have a material adverse effect on the value of those services when translated into U.S. dollars.

We serve many of our U.S.-based, European and British clients from our customer experience delivery centers located around the world. As a result, a substantial portion of the costs to deliver these services are denominated in the local currency of the country where the services are performed. This creates a foreign exchange exposure for us. As of November 30, 2020, we have hedged a portion of our exposure related to the anticipated cash flow requirements denominated in certain foreign currencies by entering into hedging contracts with institutions to acquire a total of PHP 29,755.0 million at a fixed price of \$578.2 million at various dates through November 2022; and INR 15,365.0 million at a fixed price of \$198.6 million at various dates through November 2022. The fair value of these derivative instruments as of November 30, 2020 is presented in Note 9 of the combined financial statements included elsewhere in this Annual Report on Form 10-K. The potential loss in fair value at November 30, 2020 for such contracts resulting from a hypothetical 10% adverse change in the underlying foreign currency exchange rates is approximately \$81.5 million. This loss would be substantially mitigated by corresponding gains on the underlying foreign currency exposures.

Other foreign currency exposures arise from transactions denominated in a currency other than the functional currency. We periodically enter into hedging contracts that are not denominated as hedges. The purpose of these derivative instruments is to protect us against foreign currency exposure related receivable, payables and intercompany transactions that are denominated in currencies that are different from the functional currencies of the company or our respective legal entities. As of November 30, 2020, the fair value of these derivatives not designated as hedges was a net receivable of \$9.4 million.

Interest Rate Risk

At November 30, 2020, all of our outstanding debt under the Credit Facility and Securitization Facility is variable debt, which exposes the Company to changes in interest rates. Holding other variables constant, including the total amount of outstanding indebtedness, a one hundred basis point increase in interest rates on our variable-rate debt would cause an estimated increase in interest expense of approximately \$11.5 million per year.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Concentrix Corporation:

Opinion on the Combined Financial Statements

We have audited the accompanying combined balance sheets of Concentrix, the Customer Experience Services business (the Company) of SYNnex Corporation as of November 30, 2020 and 2019, the related combined statements of operations, comprehensive income, parent equity, and cash flows for each of the years in the three-year period ended November 30, 2020, and the related notes and financial statement schedule II: Valuation and Qualifying Accounts (collectively, the combined financial statements). In our opinion, the combined financial statements present fairly, in all material respects, the financial position of the Company as of November 30, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the three-year period ended November 30, 2020, in conformity with U.S. generally accepted accounting principles.

Change in Accounting Principle

As discussed in Note 2 to the combined financial statements, the Company changed its method of accounting for leases as of December 1, 2019 due to the adoption of Accounting Standards Codification Topic 842, *Leases*.

Basis for Opinion

These combined financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these combined financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the combined financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the combined financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company's auditor since 2019.

Cincinnati, Ohio
February 16, 2021

CONCENTRIX
(CUSTOMER EXPERIENCE SERVICES BUSINESS OF SYNEX CORPORATION)

COMBINED BALANCE SHEETS
(currency in thousands)

| | November 30, 2020 | November 30, 2019 |
|--|-------------------|-------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 152,656 | \$ 79,656 |
| Accounts receivable, net | 1,079,065 | 931,082 |
| Receivable from SYNEX Corporation ("Parent") | 2,416 | 17,495 |
| Loan receivable from Parent | — | 67,676 |
| Other current assets | 189,239 | 203,696 |
| Total current assets | 1,423,376 | 1,299,605 |
| Property and equipment, net | 451,649 | 411,465 |
| Goodwill | 1,836,050 | 1,829,328 |
| Intangible assets, net | 798,959 | 934,123 |
| Deferred tax assets | 47,423 | 64,879 |
| Other assets | 620,099 | 114,355 |
| Total assets | \$ 5,177,556 | \$ 4,653,755 |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 140,575 | \$ 106,147 |
| Current portion of long-term debt | 33,750 | — |
| Payable to Parent | 22,825 | 85,898 |
| Loans payable to Parent | — | 1,981,385 |
| Accrued compensation and benefits | 419,715 | 319,065 |
| Other accrued liabilities | 371,072 | 189,605 |
| Income taxes payable | 20,725 | 16,209 |
| Total current liabilities | 1,008,662 | 2,698,308 |
| Long-term debt, net | 1,111,362 | — |
| Other long-term liabilities | 601,887 | 297,034 |
| Deferred tax liabilities | 153,560 | 188,572 |
| Total liabilities | 2,875,471 | 3,183,914 |
| Commitments and contingencies (Note 15) | | |
| Equity: | | |
| Parent company investment | 2,305,899 | 1,519,923 |
| Accumulated other comprehensive loss | (3,814) | (50,082) |
| Total Parent equity | 2,302,085 | 1,469,841 |
| Total liabilities and equity | \$ 5,177,556 | \$ 4,653,755 |

(Amounts may not add due to rounding)

The accompanying notes are an integral part of these combined financial statements.

CONCENTRIX
(CUSTOMER EXPERIENCE SERVICES BUSINESS OF SYNnex CORPORATION)

COMBINED STATEMENTS OF OPERATIONS
(currency in thousands)

| | Fiscal Years Ended November 30, | | |
|---|---------------------------------|-------------------|------------------|
| | 2020 | 2019 | 2018 |
| Revenue | | | |
| Customer experience services | \$ 4,698,679 | \$ 4,687,327 | \$ 2,444,867 |
| Customer experience services to Parent | 20,855 | 20,585 | 18,284 |
| Total revenue | 4,719,534 | 4,707,912 | 2,463,151 |
| Cost of revenue | | | |
| Cost of revenue for customer experience services | 3,044,916 | 2,946,664 | 1,514,470 |
| Cost of revenue related to services to Parent | 13,093 | 12,800 | 11,129 |
| Gross profit | 1,661,525 | 1,748,448 | 937,552 |
| Selling, general and administrative expenses | (1,352,764) | (1,454,116) | (792,791) |
| Operating income | 308,761 | 294,332 | 144,761 |
| Interest expense (primarily related to borrowings from Parent) and finance charges, net | (48,313) | (92,196) | (38,239) |
| Other income, net | 7,447 | 2,280 | 4,386 |
| Income before income taxes | 267,895 | 204,416 | 110,908 |
| Provision for income taxes | (103,084) | (87,252) | (62,637) |
| Net income | <u>\$ 164,811</u> | <u>\$ 117,164</u> | <u>\$ 48,271</u> |

(Amounts may not add due to rounding)

The accompanying notes are an integral part of these combined financial statements.

CONCENTRIX
(CUSTOMER EXPERIENCE SERVICES BUSINESS OF SYNnex CORPORATION)

COMBINED STATEMENTS OF COMPREHENSIVE INCOME
(currency in thousands)

| | Fiscal Years Ended November 30, | | |
|--|---------------------------------|------------|-----------|
| | 2020 | 2019 | 2018 |
| Net income | \$ 164,811 | \$ 117,164 | \$ 48,271 |
| Other comprehensive income (loss): | | | |
| Change in unrealized losses of defined benefit plans, net of taxes of \$3,749, \$5,909 and \$0 for fiscal years ended November 30, 2020, 2019 and 2018, respectively | (8,644) | (28,289) | (892) |
| Reclassification of net (gains) losses to net income, net of tax of \$0 for fiscal years ended November 30, 2020, 2019 and 2018, respectively | — | 1,791 | — |
| Total change in unrealized losses of defined benefit plans, net of taxes | (8,644) | (26,498) | (892) |
| Unrealized gains (losses) on cash flow hedges during the period, net of taxes of \$(11,478), \$(5,197), \$(6,835) for fiscal years ended November 30, 2020, 2019, and 2018, respectively | 34,508 | 15,574 | 20,376 |
| Reclassification of net (gains) losses on cash flow hedges to net income, net of taxes of \$7,581, \$5,891, and \$313 for fiscal years ended November 30, 2020, 2019, and 2018, respectively | (22,792) | (17,493) | (935) |
| Total change in unrealized gains (losses) on cash flow hedges, net of taxes | 11,716 | (1,919) | 19,441 |
| Foreign currency translation adjustments, net of taxes of \$0 for fiscal years ended November 30, 2020, 2019 and 2018, respectively | 43,196 | 17,534 | (33,543) |
| Other comprehensive income (loss) | 46,268 | (10,883) | (14,994) |
| Comprehensive income | \$ 211,079 | \$ 106,281 | \$ 33,277 |

(Amounts may not add due to rounding)

The accompanying notes are an integral part of these combined financial statements.

CONCENTRIX
(CUSTOMER EXPERIENCE SERVICES BUSINESS OF SYNEX CORPORATION)

COMBINED STATEMENTS OF PARENT EQUITY
(currency in thousands)

| | Parent company investment | Accumulated other comprehensive income (loss) | Total Parent equity |
|--|------------------------------|--|---------------------|
| Balances, November 30, 2017 | \$ 285,749 | \$ (24,205) | \$ 261,544 |
| Share-based compensation | 7,652 | — | 7,652 |
| Parent stock issued for acquisition of Convergys | 1,017,329 | — | 1,017,329 |
| Other comprehensive income (loss) | — | (14,994) | (14,994) |
| Net income | 48,271 | — | 48,271 |
| Balances, November 30, 2018 | 1,359,001 | (39,199) | 1,319,802 |
| Share-based compensation | 10,351 | — | 10,351 |
| Other comprehensive income (loss) | — | (10,883) | (10,883) |
| Hypothetical current tax expense recorded for separate return basis presentation | 33,407 | — | 33,407 |
| Net income | 117,164 | — | 117,164 |
| Balances, November 30, 2019 | 1,519,923 | (50,082) | 1,469,841 |
| Share-based compensation | 15,572 | — | 15,572 |
| Capital contribution | 594,320 | — | 594,320 |
| Net transfer to/from parent | (5,950) | — | (5,950) |
| Other comprehensive income (loss) | — | 46,268 | 46,268 |
| Hypothetical current tax expense recorded for separate return basis presentation | 17,223 | — | 17,223 |
| Net income | 164,811 | — | 164,811 |
| Balances, November 30, 2020 | <u>\$ 2,305,899</u> | <u>\$ (3,814)</u> | <u>\$ 2,302,085</u> |

(Amounts may not add due to rounding)

The accompanying notes are an integral part of these combined financial statements.

CONCENTRIX
(CUSTOMER EXPERIENCE SERVICES BUSINESS OF SYNEX CORPORATION)

COMBINED STATEMENTS OF CASH FLOWS
(currency in thousands)

| | Fiscal Years Ended November 30, | | |
|---|---------------------------------|------------------|--------------------|
| | 2020 | 2019 | 2018 |
| Cash flows from operating activities: | | | |
| Net income | \$ 164,811 | \$ 117,164 | \$ 48,271 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation | 129,283 | 139,174 | 80,274 |
| Amortization | 147,283 | 166,606 | 74,324 |
| Share-based compensation | 15,572 | 10,351 | 7,652 |
| Provision for doubtful accounts | 8,140 | 5,134 | 201 |
| Deferred income taxes | (19,850) | (16,281) | (11,377) |
| Hypothetical current tax expense recorded for separate return basis presentation | 17,223 | 33,407 | — |
| Unrealized foreign exchange losses | 5,647 | 1,973 | 8,194 |
| Convertible debt conversion option fair value and extinguishment (gains) losses | — | 1,559 | (9,996) |
| Other | 1,932 | 1,410 | 57 |
| Changes in operating assets and liabilities, net of acquisition of businesses: | | | |
| Accounts receivable, net | (139,172) | 6,286 | (8,488) |
| Receivable from Parent | 15,079 | (2,641) | 12,232 |
| Payable to Parent | 4,230 | (4,446) | 55,120 |
| Accounts payable | 36,557 | (4,998) | (28,138) |
| Other operating assets and liabilities | 120,879 | (4,962) | (16,003) |
| Net cash provided by operating activities | <u>507,614</u> | <u>449,736</u> | <u>212,323</u> |
| Cash flows from investing activities: | | | |
| Purchases of held-to-maturity investments | — | — | (34) |
| Proceeds from maturity of held-to-maturity investments | — | — | 1,021 |
| Proceeds from sale of trading investments | — | — | 12,893 |
| Repayment of (proceeds from) loan to non-Concentrix subsidiary of Parent as part of its centralized treasury operations | 67,676 | (30,466) | — |
| Purchases of property and equipment | (171,332) | (111,122) | (92,518) |
| Acquisition of businesses, net of cash acquired and refunds | (5,560) | (9,426) | (1,072,335) |
| Net cash used in investing activities | <u>(109,216)</u> | <u>(151,014)</u> | <u>(1,150,973)</u> |
| Cash flows from financing activities: | | | |
| Proceeds from Credit Facility - Term Loan | 900,000 | — | — |
| Proceeds from Securitization Facility | 250,000 | — | — |
| Debt issuance costs | (8,521) | — | — |
| Repayments of borrowings | — | (148,047) | (325,939) |
| Proceeds from borrowings from Parent | — | — | 1,277,160 |
| Repayments of borrowings from Parent | (1,476,703) | (191,592) | — |
| Net cash (used in) provided by financing activities | <u>(335,224)</u> | <u>(339,639)</u> | <u>951,221</u> |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | 9,663 | (3,453) | (12,446) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 72,837 | (44,370) | 125 |
| Cash, cash equivalents and restricted cash at beginning of year | 83,514 | 127,884 | 127,759 |
| Cash, cash equivalents and restricted cash at end of year | <u>\$ 156,351</u> | <u>\$ 83,514</u> | <u>\$ 127,884</u> |
| Supplemental disclosures of cash flow information: | | | |
| Interest paid on borrowings | \$ — | \$ — | \$ 36 |
| Income taxes paid | \$ 76,609 | \$ 103,644 | \$ 45,217 |
| Non-cash capital contribution from Parent | \$ 594,320 | \$ — | \$ — |
| Supplemental disclosure of non-cash investing activities: | | | |
| Fair value of common stock issued by Parent for acquisition of business | \$ — | \$ — | \$ 1,017,329 |
| Accrued costs for property and equipment purchases | \$ 9,398 | \$ 8,344 | \$ 3,732 |

(Amounts may not add due to rounding)

The accompanying notes are an integral part of these combined financial statements.

CONCENTRIX
(CUSTOMER EXPERIENCE SERVICES BUSINESS OF SYNnex CORPORATION)

NOTES TO COMBINED FINANCIAL STATEMENTS
(currency and share amounts in thousands, except per share amounts)

NOTE 1—BACKGROUND AND BASIS OF PRESENTATION:

Background

Concentrix (“Concentrix,” the “CX business” or the “Company”) is a leading global provider of technology-infused Customer Experience (“CX”) solutions that help iconic and disruptive brands drive deep understanding, full lifecycle engagement, and differentiated experiences for their end-customers around the world. We provide end-to-end capabilities, including CX process optimization, technology innovation, front- and back-office automation, analytics and business transformation services to clients in five primary industry verticals.

Through November 30, 2020, the CX business was held entirely within certain wholly-owned subsidiaries of SYNnex Corporation (“SYNnex” or the “Parent”). Except for transactions described in Note 11, these wholly-owned subsidiaries did not perform activities related to any non-CX business of SYNnex. As the separate legal entities that make up the CX business were not historically held by a single legal entity and in preparation for the separation of the CX business into an independent publicly-traded company, SYNnex undertook a series of transactions during 2020, following which Concentrix Corporation held, directly or indirectly through its subsidiaries, the CX business.

On December 1, 2020, the separation of the CX business (the “separation”) from SYNnex was completed through a tax-free distribution of all of the issued and outstanding shares of the Company’s common stock to SYNnex stockholders in a tax-free distribution (the “distribution” and, together with the separation, the “spin-off”). SYNnex stockholders received one share of the Company’s common stock for each share of SYNnex common stock held as of the close of business on November 17, 2020. As a result of the spin-off, the Company became an independent public company and the Company’s common stock commenced trading on the Nasdaq Stock Market (“Nasdaq”) under the symbol “CNXC” on December 1, 2020.

In connection with the spin-off, on November 30, 2020, the Company entered into a separation and distribution agreement, an employee matters agreement, a tax matters agreement and a commercial agreement with SYNnex to set forth the principal actions to be taken in connection with the spin-off and define the Company’s ongoing relationship with SYNnex after the spin-off.

During the year ended November 30, 2020, Concentrix recognized spin-off related expenses of \$9.5 million, consisting primarily of third-party advisory costs, legal fees and regulatory fees.

Risks and uncertainties related to the COVID-19 pandemic

In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and labor force participation, and created significant volatility and disruption of financial markets. “Shelter-in-place” restrictions by various governments around the world negatively impacted the Company’s results of operations for year ended November 30, 2020 and was most acute during the second quarter of fiscal year 2020, as many of the Company’s employees were unable to work productively during the period despite client demand. During the year ended November 30, 2020, we incurred incremental costs associated with non-productive workforce and other costs. The Company successfully transitioned a significant portion of its workforce to a remote working environment throughout the second quarter of 2020 and implemented a number of safety and social distancing measures in its sites to protect the health and safety of employees. As of the end of the third quarter of fiscal year 2020 and through year end, almost all of the Company’s workforce was productive.

The Company is unable to predict how long the pandemic conditions will persist, what additional measures may be introduced by governments or the Company's clients and the effect of any such additional measures on the Company's business. As a result, many of the estimates and assumptions used in preparation of these combined financial statements required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve with respect to the pandemic, the Company's estimates may materially change in future periods.

Basis of presentation

For the purposes of the presentation of these combined financial statements and prior to December 1, 2020, the CX business was held entirely within certain wholly-owned subsidiaries of SYNEX dedicated to the CX business. As the separate legal entities that make up the CX business were not historically held by a single legal entity, these combined financial statements of the Company were prepared in connection with the planned separation and have been derived from the SYNEX Consolidated Financial Statements and accounting records of the Parent as if the Company had been operated on a stand-alone basis during the periods presented. These combined financial statements were prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). All direct revenue and expenses attributable to the Concentrix business including certain allocations of Parent costs and expenses have been separately maintained in a separate ledger in the legal entities that make up the Concentrix business. As the separate legal entities that make up the Concentrix business were not historically held by a single legal entity, Parent company investment is shown in lieu of stockholders' equity in the combined financial statements. All significant intercompany balances and transactions between the legal entities that comprise Concentrix have been eliminated.

Management of the Company and Parent consider allocations of Parent costs to be a reasonable reflection of the utilization of services by, or the benefits provided to, the Company. The allocations may not, however, reflect the expense the Company would have incurred as a stand-alone company for the periods presented. Actual costs that may have been incurred if the Company had been a stand-alone company would depend on a number of factors, including the chosen organizational structure, what functions were outsourced or performed by employees and other strategic decisions.

Historically, Concentrix received or provided funding for acquisitions or ongoing operations as part of SYNEX' centralized treasury program. Accordingly, only cash amounts specifically recorded in the separate Concentrix ledger are reflected in the combined balance sheets. The Company reflects transfers of cash from the Parent's cash management system as loans or other accounts payable to the Parent or a reduction of accounts or loans receivable in the combined balance sheets based on the purpose for which the cash was provided by the Parent. Similarly, cash transfers to the Parent are reflected as reduction of loans or other accounts payable to the Parent or as loans receivable from the Parent. The cash payments and receipts are recorded in the combined statements of cash flows as operating or financing activities based on the nature of the transactions for which the funds were transferred between the Company and the Parent.

Through November 30, 2020, certain Concentrix legal entities in the United States jointly and severally guaranteed certain of SYNEX' borrowing arrangements in the United States and substantially all of the assets of these Concentrix legal entities secured SYNEX' obligations under the borrowing arrangements. In connection with the spin-off, the Concentrix legal entities were released as guarantors and the Concentrix legal entities' assets were released as collateral under the SYNEX borrowing arrangements, and the Company entered into a new Credit Facility and Securitization Facility as more fully described in Note 9. The third-party debt obligations included in these combined financial statements include only those obligations for which the legal obligor is a legal entity within the CX business and obtained funds directly from the third-party lender. Such third-party debt arrangements have continued as obligations of the Company following the separation from SYNEX.

Through November 30, 2020, operations of Concentrix are included in the consolidated U.S. federal, and certain state and local income tax returns filed by SYNEX, where applicable. Concentrix also files certain separate state, local and foreign tax returns. Income tax expense and other income tax related information contained in the combined financial statements are presented on a separate return basis, which requires us to estimate tax expense as

if the Company filed a separate return apart from SYNEX. The income taxes of Concentrix as presented in the combined financial statements may not be indicative of the income taxes that Concentrix will incur in the future.

Within the financial statements and tables presented, certain columns and rows may not add due to the use of rounded numbers for disclosure purposes. Additionally, \$56.8 million in other accrued liabilities and \$4.8 million in accrued compensation and benefits was reclassified to accounts payable at November 30, 2019 to conform to the current year presentation. This reclassification adjustment resulted in no other impacts to the Company's combined financial statements and is not deemed material.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the reporting period. The Company evaluates these estimates on a regular basis and bases them on historical experience and on various assumptions that the Company believes are reasonable. Actual results could differ from the estimates.

Principles of combination

The Company's combined financial statements include the combined accounts of SYNEX' wholly-owned subsidiaries engaged in the CX business, in which no substantive participating rights are held by minority stakeholders, and variable interest entities in the core business if the Company is the primary beneficiary. All intercompany accounts and transactions within the entities included in the combined financial statements have been eliminated.

Segment reporting

Concentrix operations are based on an integrated global delivery model whereby services under a client contract in one location may be provided from delivery centers located in one or more different countries with more than half of the Company's workforce located in Philippines and India. Given the homogeneity of technology-infused CX services and the integrated delivery model, the Company operates in a single segment, based on how the chief operating decision maker ("CODM") views and evaluates the Company's operations in making operational and strategic decisions and assessments of financial performance. The Company's President and Chief Executive Officer has been identified as the CODM.

Cash equivalents

The Company considers all highly liquid debt instruments purchased with an original maturity or remaining maturity at the date of purchase of three months or less to be cash equivalents. Cash equivalents consist principally of money market deposit accounts that are stated at cost, which approximates fair value. The Company is exposed to credit risk in the event of default by financial institutions to the extent that cash balances with financial institutions are in excess of amounts that are insured.

Accounts receivable and allowance for doubtful accounts

Accounts receivable are comprised primarily of amounts owed to the Company by clients and are presented net of an allowance for doubtful accounts. The allowance for doubtful accounts is an estimate to cover the losses resulting from uncertainty regarding collections from customers to make payments for outstanding balances. In estimating the required allowance, the Company takes into consideration the overall quality and aging of the accounts receivable and credit evaluations of its customers' financial condition. The Company also evaluates the collectability of accounts receivable based on specific customer circumstances, current economic trends, historical experience with collections and the value and adequacy of any collateral received from customers.

Unbilled receivables

In the majority of service contracts, the Company performs the services prior to billing the customer, and this amount is captured as an unbilled receivable included in accounts receivable, net on the combined balance sheet. Billing usually occurs in the month after the Company performs the services or in accordance with the specific contractual provisions.

Derivative financial instruments

The Company accounts for its derivative instruments as either assets or liabilities and carries them at fair value.

For derivative instruments that hedge the exposure to variability in expected future cash flows that are designated as cash flow hedges, the gain or loss on the derivative instrument is reported as a component of “Accumulated other comprehensive income (loss),” in Parent equity and reclassified into earnings in the same line associated with the forecasted transactions, in the same period or periods during which the hedged transaction affects earnings. To receive hedge accounting treatment, cash flow hedges must be highly effective in offsetting changes to expected future cash flows on hedged transactions.

For derivative instruments that are not designated as cash flow hedges, gains and losses on derivative instruments are reported in the combined statements of operations in the current period.

Software costs

The Company develops software platforms for internal use. The Company capitalizes costs incurred to develop software subsequent to the software product reaching the application development stage. The Company also capitalizes the costs incurred to extend life of the existing software, or the cost of significant enhancements that are added to the features of existing software. The capitalized development costs primarily comprise payroll costs and related software costs. Capitalized costs are amortized over the economic life of the software on the straight line amortization method.

Property and equipment

Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method based upon the shorter of the estimated useful lives of the assets, or the lease term of the respective assets, if applicable. Maintenance and repairs are charged to expense as incurred, and improvements are capitalized. When assets are retired or otherwise disposed of, the cost and accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is reflected in operations in the period realized. The ranges of estimated useful lives for property and equipment categories are as follows:

| | |
|-------------------------------------|---------------|
| Equipment and furniture | 3 - 10 years |
| Software | 3 - 7 years |
| Leasehold improvements | 2 - 15 years |
| Buildings and building improvements | 10 - 39 years |

Leases

The Company enters into leases as a lessee for property and equipment in the ordinary course of business. When procuring services, or upon entering into a contract with its customers and clients, the Company determines whether an arrangement contains a lease at its inception. As part of that evaluation the Company considers whether there is an implicitly or explicitly identified asset in the arrangement and whether the Company, as the lessee, or the client, if the Company is the lessor, has the right to control the use of that asset. Effective December 1, 2019, when the

Company is the lessee, all leases with a term of more than 12 months are recognized as right-of-use (ROU) assets and associated lease liabilities in the combined balance sheet. Lease liabilities are measured at the lease commencement date and determined using the present value of the lease payments not yet paid, at the Company's incremental borrowing rate, which approximates the rate at which the Company would borrow on a secured basis in the country where the lease was executed. The interest rate implicit in the lease is generally not determinable in the transactions where the Company is the lessee. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid rent and lease incentives. The Company's variable lease payments generally relate to payments tied to various indexes, non-lease components and payments above a contractual minimum fixed amount.

Operating leases are included in other assets, net, other accrued liabilities and other long-term liabilities in the combined balance sheet. Substantially all of the Company's leases are classified as operating leases. The lease includes options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. The Company made a policy election to not recognize leases with a lease term of 12 months or less in the combined balance sheet. Lease expenses are recorded within selling, general, and administrative expenses in the combined statements of operations. Operating lease payments are presented within "Cash flows from operating activities" in the combined statements of cash flows.

For all asset classes, the Company has elected the lessee practical expedient to combine lease and non-lease components (e.g. maintenance services) and account for the combined unit as a single lease component. Variable lease payments are recognized in the period in which the obligation for those payments are incurred.

Business combinations

The purchase price is allocated to the assets acquired, liabilities assumed, and non-controlling interests in the acquired entity generally based on their fair values at the acquisition date. The excess of the fair value of purchase consideration over the fair value of these assets acquired, liabilities assumed and non-controlling interests in the acquired entity is recorded as goodwill. The primary items that generate goodwill include the value of the synergies between the acquired entity and the Company and the value of the acquired assembled workforce, neither of which qualify for recognition as an intangible asset. Amounts recorded in a business combination may change during the measurement period, which is a period not to exceed one year from the date of acquisition, as additional information about conditions existing at the acquisition date becomes available. The Company includes the results of operations of the acquired business in the combined financial statements prospectively from the date of acquisition. Acquisition-related charges are recognized separately from the business combination and are expensed as incurred. These charges primarily include direct third-party professional and legal fees, and integration-related costs.

Goodwill and intangible assets

The Company tests goodwill for impairment annually at the reporting unit level in the fiscal fourth quarter or more frequently if events or changes in circumstances indicate that it may be impaired. For purposes of the goodwill impairment test, the Company can elect to perform a quantitative or qualitative analysis. If the qualitative analysis is elected, goodwill is tested for impairment at the reporting unit level by first performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. The factors that are considered in the qualitative analysis include macroeconomic conditions, industry and market considerations, cost factors such as increases in labor, or other costs that would have a negative effect on earnings and cash flows; and other relevant entity-specific events and information.

If we elect to perform or are required to perform a quantitative analysis, then the reporting unit's carrying value is compared to its fair value. The fair value of the reporting unit is estimated using a market approach and an income approach (discounted cash flow approach). Under the market approach, the Company utilizes the guideline company method, which involves calculating valuation multiples based on operating data from comparable publicly traded companies. Multiples derived from these companies provide an indication of how much a knowledgeable investor in the marketplace would be willing to pay for a company. These multiples are then applied to the operating data to arrive at an indication of value. Under the income approach, the fair value of the reporting unit is based on the present value of estimated future cash flows utilizing a market-based weighted-average cost of capital determined

separately for each reporting unit. The assumptions used in the market approach are based on the value of a business through an analysis of revenue and other multiples of guideline companies and recent sales of or offerings by a comparable entity. The assumptions used in the discounted cash flow approach are based on historical and forecasted revenue, operating costs, future economic conditions, a market-based weighted average cost of capital and other relevant factors. Goodwill is considered impaired if the carrying value of the reporting unit exceeds its fair value and the excess is recognized as an impairment loss.

No goodwill impairment has been identified for any of the years presented.

The values assigned to intangible assets are based on estimates and judgement regarding expectations for length of customer relationships and success of life cycle of technologies acquired in a business combination. Purchased intangible assets are amortized over the useful lives based on estimates of the use of the economic benefit of the asset or on the straight-line amortization method.

Intangible assets consist of customer relationships, technology and trade names. Amortization is based on the pattern in which the economic benefits of the intangible assets will be consumed or on a straight line basis when the consumption pattern is not apparent over the following useful lives:

| | |
|------------------------|---------------|
| Customer relationships | 10 - 15 years |
| Technology | 5 years |
| Trade names | 5 years |

Impairment of long-lived assets

The Company reviews the recoverability of its long-lived assets, such as intangible assets subject to amortization, property and equipment and certain other assets, including lease right-of-use assets, when events or changes in circumstances occur that indicate the carrying value of the asset or asset group may not be recoverable. The assessment of possible impairment is based on the Company's ability to recover the carrying value of the asset or asset group from the expected future pre-tax cash flows, undiscounted and without interest charges, of the related operations. If these cash flows are less than the carrying value of such assets, an impairment loss is recognized for the difference between estimated fair value and carrying value.

Concentration of credit risk

Financial instruments that potentially subject the Company to significant concentration of credit risk consist principally of cash and cash equivalents, accounts receivable and derivative instruments.

The Company's cash and cash equivalents and derivative instruments are transacted and maintained with financial institutions with high credit standing, and their compositions and maturities are regularly monitored by management. Through November 30, 2020, the Company has not experienced any credit losses on such deposits and derivative instruments.

Accounts receivable comprise amounts due from customers. The Company performs ongoing credit evaluations of its customers' financial condition and limits the amount of credit extended when deemed necessary, but generally requires no collateral. The Company also maintains allowances for potential credit losses. In estimating the required allowances, the Company takes into consideration the overall quality and aging of its receivable portfolio and specifically identified customer risks. Through November 30, 2020, such losses have been within management's expectations.

In fiscal years 2020, 2019 and 2018, one customer accounted for 11.5%, 10.4% and 20.8%, respectively of the Company's combined revenue.

As of November 30, 2020 and 2019, one customer comprised 16.2% and 11.5%, respectively, of the total accounts receivable balance.

Revenue recognition

The Company adopted Accounting Standards Codification (“ASC”) Topic 606, *Revenue from Contracts with Customers*, on December 1, 2018 on a full retrospective basis to ensure a consistent basis of presentation within the Company’s combined financial statements for all periods reported.

The Company generates revenue primarily from the provision of business outsourcing services focused on customer experience solutions. The Company recognizes revenue from services contracts over time as the promised services are delivered to clients for an amount that reflects the consideration to which the Company is entitled in exchange for those services. The Company accounts for a contract with a customer when it has written approval, the contract is committed, the rights of the parties, including payment terms, are identified, the contract has commercial substance and consideration is probable of collection. Revenue is presented net of taxes collected from customers and remitted to government authorities. Service contracts may be based on a fixed price or on a fixed unit-price per transaction or other objective measure of output. The Company determines whether the services performed during the initial phases of an arrangement, such as setup activities, are distinct. In most cases, the arrangement is a single performance obligation comprised of a series of distinct services that are substantially the same and that have the same pattern of transfer (i.e., distinct days of service). The Company records deferred revenue attributable to certain process transition, setup activities where such activities do not represent separate performance obligations. Billings related to such transition activities are classified under contract liabilities and subsequently recognized ratably over the period in which the related services are performed. The Company applies a measure of progress (typically time-based) to any fixed consideration and allocates variable consideration to the distinct periods of service based on usage. As a result, revenue is generally recognized over the period the services are provided on a usage basis. This results in revenue recognition that corresponds with the benefit to the client of the services transferred to date relative to the remaining services promised. Revenue on fixed price contracts is recognized on a straight-line basis over the term of the contract as services are provided. Revenue on unit-price transactions is recognized using an objective measure of output including staffing hours or the number of transactions processed by service agents. Client contract terms can range from less than one year to more than five years. The Company generally invoices a customer after performance of services, or in accordance with specific contractual provisions. Payments are due as per contract terms and do not contain a significant financing component.

Certain customer contracts include incentive payments from the customer upon achieving certain agreed-upon service levels and performance metrics or service level agreements that could result in credits or refunds to the customer. Revenue relating to such arrangements is accounted for as variable consideration when the likely amount of revenue to be recognized can be estimated to the extent that it is probable that a significant reversal of any incremental revenue will not occur.

Cost of revenue

Recurring direct operating costs for services are recognized as incurred. Cost of services revenue consists primarily of personnel costs. Where a contract requires an up-front investment, which typically includes transition and set-up costs related to systems and processes, these amounts are deferred and amortized on a straight-line basis over the expected period of benefit, not to exceed the fixed term of the contract. The Company performs periodic reviews to assess the recoverability of deferred contract transition and setup costs. This review is done by comparing the estimated minimum remaining undiscounted cash flows of a contract to the unamortized contract costs. If such minimum undiscounted cash flows are not sufficient to recover the unamortized costs, an impairment loss is recognized for the difference between the estimated fair value and the carrying value. If a cash flow deficiency remains after reducing the carrying amount of the deferred costs, the Company evaluates any remaining long-lived assets related to that contract for impairment.

Selling, general and administrative expenses

Selling, general and administrative expenses are charged to income as incurred. Expenses of promoting and selling products and services are classified as selling expense and include such items as compensation, sales commissions and travel. General and administrative expenses include such items as compensation, cost of delivery centers, legal and professional costs, office supplies, non-income taxes, insurance and utility expenses. In addition, selling, general and administrative expenses include other operating items such as allowances for credit losses, depreciation and amortization of non-technology related intangible assets.

Advertising

Costs related to advertising and product promotion expenditures are charged to “Selling, general and administrative expenses” as incurred. To date, net costs related to advertising and promotion expenditures have not been material.

Income taxes

The Company’s operations have historically been included in the tax returns filed by the respective Parent entities of which the Company’s businesses are a part. Income tax expense and other income tax related information contained in these combined financial statements are presented on a separate return basis as if the Company filed its own tax returns.

The asset and liability method is used in accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts in the financial statements using enacted tax rates and laws that will be in effect when the difference is expected to reverse. Tax on global low-taxed intangible income is accounted for as a current expense in the period in which the income is includable in a tax return using the “period cost” method. Valuation allowances are provided against deferred tax assets that are not likely to be realized.

The Company recognizes tax benefits from uncertain tax positions only if that tax position is more likely than not to be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement. The Company recognizes interest and penalties related to unrecognized tax benefits in the provisions for income taxes.

Foreign currency translations

The financial statements of the legal entities included in these combined financial statements, whose functional currencies are the local currencies, are translated into U.S. dollars for combination as follows: assets and liabilities at the exchange rate as of the balance sheet date, equity at the historical rates of exchange, and income and expense amounts at the average exchange rate for the month. Translation adjustments resulting from the translation of the legal entities’ accounts are included in “Accumulated other comprehensive income (loss).” Transactions denominated in currencies other than the applicable functional currency are converted to the functional currency at the exchange rate on the transaction date. At period end, monetary assets and liabilities are remeasured to the functional currency using exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are remeasured at historical exchange rates. Gains and losses resulting from foreign currency transactions are included within “Other income, net.”

Other comprehensive income

The primary components of other comprehensive income for the Company include foreign currency translation adjustments arising from the combination of foreign legal entities engaged in the CX business, unrealized gains and losses on cash flow hedges and the changes in unrecognized pension and post-retirement benefits.

Share-based compensation

The Company's employees have historically participated in Parent's share-based compensation plans. Share-based compensation expense has been allocated to the Company based on the specific awards and terms previously granted to the Company's employees. Share-based compensation cost for stock options, restricted stock awards and units, performance restricted stock units and employee stock purchase plans is determined based on the fair value at the measurement date. The Company recognizes share-based compensation cost as expense for awards other than its performance-based restricted stock units ratably on a straight-line basis over the requisite service period. The Company recognizes share-based compensation cost associated with its performance-based restricted stock units over the requisite service period if it is probable that the performance conditions will be satisfied. Effective fiscal year 2018, the Company accounts for expense reductions that result from the forfeiture of unvested awards in the period that the forfeitures occur. Prior to fiscal year 2018, the Company estimated forfeitures and only recorded compensation costs for those awards that were expected to vest.

Pension and post-retirement benefits

The funded status of the Company's pension and other postretirement benefit plans is recognized in the combined balance sheets. The funded status is measured as the difference between the fair value of plan assets and the benefit obligation at November 30, the measurement date. For defined benefit pension plans, the benefit obligation is the projected benefit obligation ("PBO") and, for the other postretirement benefit plans, the benefit obligation is the accumulated postretirement benefit obligation ("APBO"). The PBO represents the actuarial present value of benefits expected to be paid upon retirement. For active plans, the present value reflects estimated future compensation levels. The APBO represents the actuarial present value of postretirement benefits attributed to employee services already rendered. The fair value of plan assets represents the current market value of assets held by an irrevocable trust fund for the sole benefit of participants. The measurement of the benefit obligation is based on the Company's estimates and actuarial valuations. These valuations reflect the terms of the plans and use participant-specific information such as compensation, age and years of service, as well as certain key assumptions that require significant judgment, including, but not limited to, estimates of discount rates, expected return on plan assets, inflation, rate of compensation increases, interest crediting rates and mortality rates. The assumptions used are reviewed on an annual basis.

Accounting pronouncements adopted during the three-year period ended November 30, 2020

In February 2018, the Financial Accounting Standard Board (the "FASB") issued guidance that permits the Company to reclassify disproportionate tax effects in accumulated other comprehensive income caused by the Tax Cuts and Jobs Act of 2017 to retained earnings. The guidance was effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018, with early adoption permitted. The adoption of this new guidance did not have a material impact on the Company's combined financial statements.

In February 2016, the FASB issued a new standard which revises various aspects of accounting for leases, with amendments in 2018 and 2019 codified as Accounting Standards Codification Topic 842, *Leases* ("ASC Topic 842"). The Company adopted the guidance effective December 1, 2019, applying the optional transition method, which allows an entity to apply the new standard at the adoption date with a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. In addition, the Company elected the package of practical expedients not to reassess prior conclusions related to contracts containing leases, lease classification and initial direct costs and the lessee practical expedient to combine lease and non-lease components for all asset classes. The Company made a policy election to not recognize ROU assets and lease liabilities for short-term leases for all asset classes. The most significant impact of adoption to the Company's combined financial statements relates to the recognition of a right-of-use asset and a lease liability for virtually all of its leases other than short-term leases. The liability was equal to the present value of lease payments. The asset is based on the liability, and subject to adjustment, such as for initial direct costs. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification. For income statement purposes, operating leases will result in a straight-line expense while finance leases will result in a front-loaded expense pattern. Upon adoption, the Company recorded \$525,344 of ROU assets and of \$571,940 of liabilities relating to its operating leases on its combined balance sheet. The adoption did not have an impact on the Company's combined statements of operations or its combined statements of cash flows.

In May 2014, the FASB issued a comprehensive new revenue recognition standard for contracts with customers with amendments in 2015 and 2016, codified as Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*. The Company adopted the guidance effective December 1, 2018 on a full retrospective basis to ensure a consistent basis of presentation within the Company's combined financial statements for all periods reported. In addition, the Company elected the one year practical expedient for contract costs. The impact of adoption was not material and relates primarily to the capitalization of certain sales commissions that are assessed to be incremental for obtaining new contracts. Such costs are amortized over the period of expected benefit rather than being expensed as incurred as was the Company's prior practice.

In January 2016, the FASB issued new guidance which amends various aspects of the recognition, measurement, presentation, and disclosure of financial instruments. With respect to the Company's combined financial statements, the most significant impact relates to the accounting for equity investments (other than those that are consolidated or accounted under the equity method) which are measured at fair value through earnings. The Company has elected to use the measurement alternative for non-marketable equity securities, defined as cost adjusted for changes from observable transactions for identical or similar investments of the same issuer, less impairment. The Company adopted the guidance as of December 1, 2018, with amendments related specifically to equity securities without readily determinable fair values applied prospectively. The adoption did not have a material impact on the Company's combined financial statements.

In August 2018, the FASB issued guidance clarifying the accounting for capitalizing implementation costs incurred by a customer in a cloud computing arrangement that is a service contract. Under the new guidance, implementation costs related to a cloud computing arrangement will be deferred or expensed as incurred, in accordance with the existing guidance for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal-use software license). The amendments also require the customer to expense the capitalized implementation costs of a hosting arrangement that is a service contract over the term of the hosting arrangement, which includes reasonably certain renewals. The guidance is effective for interim and annual reporting periods beginning after December 15, 2019 and early adoption is permitted. The Company adopted this guidance prospectively in the third quarter of fiscal year 2018. The adoption did not have a material impact on the Company's combined financial statements.

In March 2016, the FASB issued guidance that changes the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification in the combined statement of cash flows. The guidance was effective for interim and annual periods beginning after December 15, 2016 and early adoption was permitted. The Company adopted this guidance prospectively, during the first quarter of fiscal year 2018. The adoption did not have a material impact on the Company's combined financial statements.

Recently issued accounting pronouncements not yet adopted

In March 2020, the FASB issued optional guidance for a limited time to ease the potential burden in accounting for or recognizing the effects of reference rate reform, particularly, the risk of cessation of the London Interbank Offered Rate ("LIBOR") on financial reporting. The guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments are elective and are effective upon issuance for all entities through December 31, 2022. The Company is currently evaluating the impact of the new guidance.

In December 2019, the FASB issued new guidance that simplifies the accounting for income taxes. The guidance is effective for annual reporting periods beginning after December 15, 2020, and interim periods within those reporting periods. Certain amendments should be applied prospectively, while other amendments should be applied retrospectively to all periods presented. The Company is currently evaluating the impact of the new guidance.

In August 2018, the FASB issued new guidance to add, remove, and clarify disclosure requirements related to defined benefit pension and other postretirement plans. The amendment requires the Company to disclose the weighted-average interest crediting rates used in cash balance pension plans. It also requires the Company to disclose the reasons for significant changes in the benefit obligation or plan assets including significant gains and losses affecting the benefit obligation for the period. This standard is effective for fiscal years ending after

December 15, 2020 and early adoption is permitted. The adoption is not expected to have a material impact on the Company's combined financial statements.

In August 2018, the FASB issued guidance to improve the effectiveness of fair value measurement disclosures by removing or modifying certain disclosure requirements and adding other requirements. The guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019, with early adoption permitted. Certain amendments should be applied prospectively, while all other amendments should be applied retrospectively to all periods presented. The Company is currently evaluating the impact of the new guidance.

In June 2016, the FASB issued a new credit loss standard that replaces the incurred loss impairment methodology in current GAAP. The new impairment model requires immediate recognition of estimated credit losses expected to occur for most financial assets and certain other instruments. It is effective for annual reporting periods beginning after December 15, 2019 and interim periods within those annual periods. Early adoption for fiscal years beginning after December 15, 2018 is permitted. Entities will apply the standard's provisions as a cumulative-effect adjustment to retained earnings as of the beginning of the first effective reporting period. As a result of the Company's assessment of its accounts receivable, the Company does not expect this guidance to have a material impact on the combined financial statements.

NOTE 3—ACQUISITIONS:

Convergys Acquisition

On October 5, 2018, SYNEX acquired 100% of Convergys Corporation ("Convergys"), an Ohio Corporation, a customer experience outsourcing company, for a purchase price of \$2,269,527, pursuant to a merger agreement dated June 28, 2018. The acquisition was related to the Concentrix business and added scale, diversified the revenue base, expanded the Company's service delivery footprint and strengthened the Company's leadership position as a top global provider of CX services.

The acquisition has been accounted for as a business combination. The purchase price was comprised of cash, Parent stock and Convergys stock awards assumed with an estimated fair value of \$70,221 on the closing date. Of the equity awards assumed, \$43,779 relating to the pre-combination service period was allocated to the purchase consideration, and the remainder of the estimated fair value and payments in excess of fair value are being expensed over the remaining service periods on a straight-line basis.

The purchase price for the acquisition was allocated to the net tangible and intangible assets based on their fair values at the acquisition date. The excess of the purchase price over the net tangible assets and intangible assets was recorded as goodwill and is attributed to the assembled workforce and the expected revenue and cost synergies due to the diversified revenue base and comprehensive service portfolio delivery capabilities resulting from the acquisition. Goodwill was not deductible for tax purposes. During fiscal year 2019, the Company recorded measurement period adjustments of \$32,698 to goodwill. These adjustments comprised of an increase of \$49,771 in tax liabilities and an increase of \$17,073 to the fair value of other acquired net tangible assets, resulting in a final purchase price allocation as follows:

| Purchase price allocation: | Fair value |
|---|---------------------|
| Cash, cash equivalents and restricted cash | \$ 169,988 |
| Short-term investments | 13,038 |
| Accounts receivable, net (Gross accounts receivable: \$558,888) | 554,777 |
| Other current assets | 87,115 |
| Property and equipment | 232,528 |
| Goodwill | 1,394,127 |
| Intangible assets | 927,000 |
| Deferred tax assets | 31,547 |
| Other assets | 33,645 |
| Borrowings, current | (321,865) |
| Accounts payable | (59,720) |
| Accrued compensation and benefits | (216,626) |
| Other accrued liabilities | (252,101) |
| Income taxes payable | (32,570) |
| Other long-term liabilities | (137,789) |
| Deferred tax liabilities | (153,567) |
| Purchase consideration | <u>\$ 2,269,527</u> |

The Company's combined statement of operations for the year ended November 30, 2018 included approximately \$439,400 of revenue from Convergys from the acquisition date. Earnings contributed by the acquired business are not separately identifiable due to the integration activities of the Company.

The following unaudited pro forma financial information combines the unaudited combined results of operations as if the acquisition of Convergys had occurred at the beginning of fiscal year 2017 and Convergys had been included in the Company's combined results of operations for the year ended November 30, 2018. Pro forma adjustments include only the effects of events directly attributable to transactions that are factually supportable. The pro forma results contained in the table below include pro forma adjustments for amortization of acquired intangibles, interest expense incurred on borrowings to fund the acquisition, useful lives of property and equipment, removal of certain non-recurring transaction costs primarily comprising legal and banking fees of \$74,298 in fiscal year 2018 and the related tax effects of the pro forma adjustments.

The unaudited pro forma financial information, as presented below, is for informational purposes only and is not indicative of the results of operations that would have been achieved if the acquisition and any borrowings undertaken to finance the acquisition had taken place at the beginning of fiscal year 2017.

| | Year Ended November 30, 2018 |
|------------|---|
| Revenue | \$ 4,695,634 |
| Net income | 65,177 |

Acquisition-related and integration expenses related to the Convergys acquisition were \$27,982, \$70,473 and \$37,490 during the years ended November 30, 2020, 2019 and 2018, respectively. These costs included \$17,670 of acquisition costs in fiscal year 2018. Substantially all of the acquisition-related and integration expenses are recorded in "Selling, general and administrative expenses" and are comprised of legal and professional services, restructuring charges, right-of-use asset impairment charges, severance and lease termination payments, accelerated depreciation, bridge financing commitment fees and other costs incurred to complete the acquisition and retention payments to integrate this business.

The following table presents the activity related to liability for restructuring charges related to the Convergys acquisition through November 30, 2020:

| Restructuring costs | Severance and benefits | Facility and exit costs | Total |
|---|------------------------|-------------------------|-----------|
| Accrued balance as of November 30, 2018 | \$ 11,138 | \$ 6,606 | \$ 17,744 |
| Additional accrual during fiscal year 2019 | 6,678 | 12,334 | 19,012 |
| Cash payments | (14,988) | (4,776) | (19,764) |
| Accrued balance as of November 30, 2019 | \$ 2,828 | \$ 14,164 | \$ 16,992 |
| (Release of)/additional accrual during fiscal year 2020 | (584) | 12,155 | 11,571 |
| Cash payments | (2,244) | (8,509) | (10,753) |
| Accrued balance as of November 30, 2020 | \$ — | \$ 17,810 | \$ 17,810 |

NOTE 4—SHARE-BASED COMPENSATION:

Prior to the spin-off, certain of the Company's employees received share-based awards under a long-term incentive plan sponsored by SYNEX. The Company recognized share-based compensation expense for all share-based awards made to Concentrix employees, including employee stock options, restricted stock awards, restricted stock units, performance-based restricted stock units and employee stock purchases, based on estimated fair values.

Under the SYNEX stock incentive plan, qualified employees were eligible for the grant of incentive stock options to purchase shares of common stock. Qualified employees and consultants were eligible for the grant of non-qualified stock options, stock appreciation rights, restricted stock grants and restricted stock units. The outstanding stock options and restricted stock awards generally vest over a five-year period and the stock options have a contractual term of ten years. Certain restricted stock awards and units granted to employees of the CX business vest over a four-year period with 67% of the award scheduled to vest on the third anniversary of the grant date and the remaining 33% scheduled to vest on the fourth anniversary. The holders of restricted stock awards are entitled to the same voting, dividend and other rights as the SYNEX common stockholders. Certain restricted stock units could vest subject to the achievement of individual, Concentrix or SYNEX performance goals. The majority of the performance-based restricted stock units vest at the end of three-year requisite service periods, subject to the achievement of certain SYNEX financial performance goals approved by the SYNEX Compensation Committee.

Prior to spin-off, certain of the Company's employees were eligible to participate in the SYNEX employee stock purchase plan, which provided four offering periods of three months each in a calendar year. Eligible employees in the United States could choose to have a fixed percentage deducted from their bi-weekly compensation to purchase SYNEX' common stock at a discount of 5%. The maximum number of shares a participant could purchase was 0.625 during a single accumulation period, subject to a maximum purchase limit of \$10 in a calendar year. Employees at associate vice president level and above were not eligible to participate in the plan.

The Company recorded share-based compensation expense in the combined statements of operations for fiscal years 2020, 2019 and 2018 as follows:

| | Fiscal Years Ended November 30, | | |
|--|---------------------------------|-----------|----------|
| | 2020 | 2019 | 2018 |
| Total share-based compensation | \$ 15,914 | \$ 10,554 | \$ 7,740 |
| Tax benefit recorded in the provision for income taxes | (3,979) | (2,417) | (2,005) |
| Effect on net income | \$ 11,935 | \$ 8,137 | \$ 5,735 |

Substantially all of the share-based compensation expense was recorded in "Selling, general and administrative expenses" in the combined statements of operations.

Valuation Assumptions

The Company estimates the fair value of share-based payment awards on the measurement date and recognizes as expense over the requisite service period in the Company's combined financial statements.

The Company uses the Black-Scholes valuation model to estimate the fair value of stock options. The Black-Scholes option-pricing model was developed for use in estimating the fair value of short-lived exchange traded options that have no vesting restrictions and are fully transferable. In addition, option-pricing models require the input of subjective assumptions, including the option's expected life and the price volatility of the underlying stock. The expected stock price volatility assumption was determined using historical volatility of the Parent's common stock.

The fair value of stock awards was determined based on the SYNEX stock price at the date of grant. For grants that do not accrue dividends or dividend equivalents, the fair value was the SYNEX stock price reduced by the present value of estimated dividends to be paid by SYNEX over the vesting period. For performance-based restricted stock units, the grant-date fair value assumed that the targeted performance goals will be achieved. Over the performance period, the number of awards will be adjusted higher or lower based on the probability of achievement of performance goals.

The Company accounts for expense reductions that result from the forfeiture of unvested awards in the period that the forfeitures occur.

The following assumptions were used in the Black-Scholes valuation model in fiscal years 2019 and 2018:

| | Fiscal Years Ended November 30, | |
|------------------------------------|---------------------------------|---------|
| | 2019 | 2018 |
| Stock option plan: | | |
| Expected life (years) | 6.1 | 6.0 |
| Risk free interest rate | 1.59 % | 3.09 % |
| Expected volatility of SYNEX stock | 33.69 % | 30.85 % |
| SYNEX dividend yield | 1.36 % | 1.84 % |

The Company's employees did not receive a grant of options in fiscal year 2020.

A summary of the activities under the Parent's stock incentive plan is set forth below:

Employee Stock Options

The weighted-average grant-date fair values of the stock options granted during fiscal years 2019 and 2018 were \$33.27 and \$21.83, respectively. As of November 30, 2020, 122 options were outstanding with a weighted-average life of 7.15 years, a weighted-average exercise price of \$92.68 per option and an aggregate pre-tax intrinsic value of \$8,249. As of November 30, 2020, 65 options were vested and exercisable with a weighted-average life of 6.31 years, a weighted-average exercise price of \$90.04 per share and an aggregate pre-tax intrinsic value of \$4,575.

A summary of the changes in the employee stock options during fiscal years 2018, 2019 and 2020 is presented below:

| | Options Outstanding | |
|---------------------------------|---------------------------------------|---|
| | Number of SYNEX shares (in thousands) | Weighted-average exercise price per SYNEX share |
| Balance as of November 30, 2017 | 46 | \$ 97.66 |
| Options granted | 46 | 76.01 |
| Balance as of November 30, 2018 | 92 | 86.87 |
| Options granted | 30 | 110.44 |
| Balance as of November 30, 2019 | 122 | 92.68 |
| Options granted | — | — |
| Balance as of November 30, 2020 | 122 | \$ 92.68 |

SYNEX settles employee stock option exercises with newly issued SYNEX shares. The Company's employees did not exercise any options during fiscal years 2018, 2019 or 2020.

As of November 30, 2020, the unamortized share-based compensation expense related to unvested stock options under the SYNEX stock incentive plan was \$1,560 which will be recognized over an estimated weighted-average amortization period of 3.15 years.

Restricted Stock Awards and Restricted Stock Units

A summary of the changes in the non-vested restricted stock awards and stock units during fiscal years 2018, 2019 and 2020 is presented below:

| | Number of SYNEX shares (in thousands) | Weighted-average, grant-date fair value per SYNEX share |
|--|---------------------------------------|---|
| Non-vested as of November 30, 2017 | 239 | \$ 109.51 |
| Awards granted | 109 | 80.42 |
| Units granted ⁽¹⁾ | 48 | 78.50 |
| Awards and units vested | (55) | 98.53 |
| Awards and units cancelled/forfeited ⁽²⁾ | (18) | 108.25 |
| Non-vested as of November 30, 2018 | 324 | 97.53 |
| Awards granted | 205 | 110.39 |
| Units granted ⁽¹⁾ | 181 | 97.33 |
| Awards and units vested | (61) | 94.36 |
| Awards and units cancelled/forfeited ⁽²⁾ | (57) | 96.78 |
| Non-vested as of November 30, 2019 | 591 | 102.12 |
| Awards granted | 7 | 78.47 |
| Units granted ⁽¹⁾ | 1 | 83.88 |
| Awards and units vested | (110) | 102.77 |
| Awards and units cancelled/forfeited ⁽²⁾ /employees transferred to Parent | (31) | 102.04 |
| Non-vested as of November 30, 2020 | 458 | \$ 101.57 |

(1) For performance-based restricted stock units, the maximum number of shares that can be awarded upon full vesting of the grants is included.

(2) For performance-based restricted stock units, the difference between maximum awards and the actual number of shares issued upon full vesting is included.

As of November 30, 2020, there was \$35,174 of total unamortized share-based compensation expense related to non-vested restricted stock awards and stock units granted under the SYNEX stock incentive plan. That cost is expected to be recognized over an estimated weighted-average amortization period of 3.04 years.

Share-based compensation expense related to the SYNEX employee stock purchase plan was immaterial during fiscal years 2020, 2019 and 2018.

In November 2020, in connection with the spin-off, SYNEX, as sole stockholder of Concentrix, approved the Concentrix Corporation 2020 Stock Incentive Plan (the "Concentrix Stock Incentive Plan") and the Concentrix Corporation 2020 Employee Stock Purchase Plan (the "Concentrix ESPP"), each to be effective upon completion of the spin-off. 4,000 shares of Concentrix common stock have been reserved for issuance under the Concentrix Stock Incentive Plan, and 1,000 shares of Concentrix common stock have been authorized for issuance under the Concentrix ESPP.

In connection with the completion of the spin-off and pursuant to the employee matters agreement with SYNEX, each outstanding SYNEX share-based award as of the distribution date was converted into either (a) SYNEX and Concentrix share-based awards, each with the same number of shares as the original SYNEX award, or (b) a share-based award of only SYNEX common stock or only Concentrix common stock, with an adjustment to the number of shares to preserve the value of the award. As a result of the conversion of awards, on December 1, 2020, 827 restricted stock awards and restricted stock units and 684 stock options were issued under the Concentrix Incentive Plan. Following the conversion, it was determined that the share-based awards were modified in accordance with the applicable accounting guidance. As a result, the fair value of the share-based awards immediately before and after the modification was assessed in order to determine if the modification resulted in any incremental compensation cost related to the awards. Based on the analysis performed, including consideration of the anti-dilution feature contained in the SYNEX stock incentive plan, it was determined that the conversion resulted in an immaterial amount of incremental compensation cost for the outstanding awards that will be expensed over the remaining service period after December 1, 2020.

On January 20, 2021, the Company granted 431 restricted stock awards and restricted stock units and 26 stock options under the Concentrix Incentive Plan, representing annual employee stock awards for fiscal year 2020 and pro-rated non-employee director stock awards for the 2020-2021 service year. The employee grants were delayed from October 2020 to January 2021 due to the pending spin-off.

NOTE 5—BALANCE SHEET COMPONENTS:

Cash, cash equivalents and restricted cash:

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the combined balance sheets that sum to the total of the same amounts shown in the combined statements of cash flows:

| | As of November 30, | |
|--|--------------------|------------------|
| | 2020 | 2019 |
| Cash and cash equivalents | \$ 152,656 | \$ 79,656 |
| Restricted cash included in other current assets | 3,695 | 3,858 |
| Cash, cash equivalents and restricted cash | <u>\$ 156,351</u> | <u>\$ 83,514</u> |

Restricted cash balances relate primarily to restrictions placed by banks as collateral for the issuance of bank guarantees and the terms of a government grant.

Accounts receivable, net:

| | As of November 30, | |
|---------------------------------------|--------------------|------------|
| | 2020 | 2019 |
| Billed accounts receivable | \$ 642,373 | \$ 536,450 |
| Unbilled accounts receivable | 445,655 | 400,687 |
| Less: Allowance for doubtful accounts | (8,963) | (6,055) |
| Accounts receivable, net | \$ 1,079,065 | \$ 931,082 |

Allowance for doubtful trade receivables:

| | |
|----------------------------------|----------|
| Balance at November 30, 2017 | \$ 2,600 |
| Additions | 201 |
| Write-offs and reclassifications | (1,802) |
| Balance at November 30, 2018 | 1,000 |
| Additions | 5,134 |
| Write-offs and reclassifications | (79) |
| Balance at November 30, 2019 | 6,055 |
| Additions | 8,140 |
| Write-offs and reclassifications | (5,232) |
| Balance at November 30, 2020 | \$ 8,963 |

Property and equipment, net:

| | As of November 30, | |
|---|--------------------|------------|
| | 2020 | 2019 |
| Land | \$ 29,000 | \$ 28,873 |
| Equipment, computers and software | 476,243 | 379,091 |
| Furniture and fixtures | 90,944 | 83,247 |
| Buildings, building improvements and leasehold improvements | 336,194 | 280,379 |
| Construction-in-progress | 10,115 | 9,943 |
| Total property and equipment, gross | \$ 942,496 | \$ 781,533 |
| Less: Accumulated depreciation | (490,847) | (370,068) |
| Property and equipment, net | \$ 451,649 | \$ 411,465 |

Shown below are countries where 10% or more of the Company's property and equipment, net are located:

| | As of November 30, | |
|-------------------------------------|--------------------|------------|
| | 2020 | 2019 |
| Property and equipment, net: | | |
| United States | \$ 149,903 | \$ 162,955 |
| Philippines | 87,686 | 63,421 |
| India | 46,642 | 39,000 |
| Others | 167,418 | 146,089 |
| Total | \$ 451,649 | \$ 411,465 |

Accumulated other comprehensive income (loss):

The components of accumulated other comprehensive income (loss) (“AOCI”), net of taxes, were as follows:

| | Unrecognized gains (losses) on defined benefit plan, net of taxes | Unrealized gains (losses) on cash flow hedges, net of taxes | Foreign currency translation adjustment and other, net of taxes | Total |
|---|---|---|--|-------------|
| Balance, November 30, 2018 | \$ (3,442) | \$ 19,442 | \$ (55,199) | \$ (39,199) |
| Other comprehensive income (loss) before reclassification | (28,289) | 15,574 | 17,534 | 4,819 |
| Reclassification of (gains) losses from other comprehensive income (loss) | 1,791 | (17,493) | — | (15,702) |
| Balance, November 30, 2019 | \$ (29,940) | \$ 17,523 | \$ (37,665) | \$ (50,082) |
| Other comprehensive income (loss) before reclassification | (8,644) | 34,508 | 43,196 | 69,060 |
| Reclassification of (gains) losses from other comprehensive income (loss) | — | (22,792) | — | (22,792) |
| Balance, November 30, 2020 | \$ (38,584) | \$ 29,239 | \$ 5,531 | \$ (3,814) |

Refer to Note 7 for the location of gains and losses from cash flow hedges reclassified from other comprehensive income (loss) to the combined statements of operations. Reclassifications of amortization of actuarial (gains) losses of defined benefit plans is recorded in “Other income, net” in the combined statement of operations.

Foreign currency translation adjustment and other, net of taxes, is comprised of foreign currency translation adjustment and unrealized gains and losses on available-for-sale debt securities. Substantially, all of the balance at November 30, 2018, 2019 and 2020 represents foreign currency translation adjustment.

NOTE 6—GOODWILL AND INTANGIBLE ASSETS:
Goodwill

The Company tests goodwill for impairment annually as of the fourth quarter of its fiscal year and at other times if events have occurred or circumstances exist that indicate the carrying value of goodwill may no longer be recoverable. Goodwill impairment testing is performed at the reporting unit level. Based on our current year assessment, we concluded that no impairment charges were necessary for our reporting unit. We have not recorded any impairment charges related to goodwill during the three-year period ended November 30, 2020.

Below is a progression of goodwill for fiscal years 2020 and 2019:

| | Fiscal Year Ended November 30, | |
|--|--------------------------------|--------------|
| | 2020 | 2019 |
| Balance, beginning of year | \$ 1,829,328 | \$ 1,775,541 |
| Additions/adjustments from Convergys acquisition | — | 32,698 |
| Foreign exchange translation | 6,722 | 21,089 |
| Balance, end of year | \$ 1,836,050 | \$ 1,829,328 |

Other Intangible Assets

The Company’s other intangible assets, primarily acquired through business combinations, are subject to amortization and are evaluated periodically if events or circumstances indicate a possible inability to recover their

carrying amounts. No impairment charges were recognized in any period presented. As of November 30, 2020 and 2019, the Company's other intangible assets consisted of the following:

| | As of November 30, 2020 | | | As of November 30, 2019 | | |
|------------------------|-------------------------|--------------------------|-------------------|-------------------------|--------------------------|-------------------|
| | Gross amounts | Accumulated amortization | Net amounts | Gross amounts | Accumulated amortization | Net amounts |
| Customer relationships | \$ 1,389,341 | \$ (595,024) | \$ 794,317 | \$ 1,368,966 | \$ (441,866) | \$ 927,100 |
| Technology | 14,830 | (11,045) | 3,785 | 14,720 | (8,998) | 5,722 |
| Trade names | 6,846 | (5,989) | 857 | 6,662 | (5,361) | 1,301 |
| | <u>\$ 1,411,017</u> | <u>\$ (612,058)</u> | <u>\$ 798,959</u> | <u>\$ 1,390,348</u> | <u>\$ (456,225)</u> | <u>\$ 934,123</u> |

Amortization expense for intangible assets was \$147,283, \$166,606, and \$74,324 for the years ended November 30, 2020, 2019 and 2018, respectively, and the related estimated expense for the five subsequent fiscal years is as follows:

Fiscal years ending November 30,

| | | |
|--------------|-----------|----------------|
| 2021 | \$ | 136,936 |
| 2022 | | 116,551 |
| 2023 | | 102,222 |
| 2024 | | 84,553 |
| 2025 | | 74,520 |
| Thereafter | | 284,177 |
| Total | \$ | 798,959 |

The remaining weighted average amortization period for customer relationships and other intangible assets is approximately 12 years.

NOTE 7—DERIVATIVE INSTRUMENTS:

In the ordinary course of business, the Company is exposed to foreign currency risk and credit risk. The Company enters into transactions, and owns monetary assets and liabilities, that are denominated in currencies other than the legal entity's functional currency. The Company may enter into forward contracts, option contracts, or other derivative instruments to offset a portion of the risk on expected future cash flows, earnings, net investments in certain non-U.S. legal entities and certain existing assets and liabilities. However, the Company may choose not to hedge certain exposures for a variety of reasons including, but not limited to, accounting considerations and the prohibitive economic cost of hedging particular exposures. There can be no assurance the hedges will offset more than a portion of the financial impact resulting from movements in foreign currency exchange or interest rates. Generally, the Company does not use derivative instruments to cover equity risk and credit risk. The Company's hedging program is not used for trading or speculative purposes.

All derivatives are recognized on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded in the combined statements of operations, or as a component of AOCI in the combined balance sheets, as discussed below.

Cash Flow Hedges

To protect gross margins from fluctuations in foreign currency exchange rates, certain of the Company's legal entities with functional currencies that are not in U.S. dollars may hedge a portion of forecasted revenue or costs not

denominated in the entities' functional currencies. These instruments mature at various dates through November 2022. Gains and losses on cash flow hedges are recorded in AOCI until the hedged item is recognized in earnings. Deferred gains and losses associated with cash flow hedges of foreign currency revenue are recognized as a component of "Revenue" in the same period as the related revenue is recognized, and deferred gains and losses related to cash flow hedges of costs are recognized as a component of "Cost of revenue" and/or "Selling, general and administrative expenses" in the same period as the related costs are recognized. Derivative instruments designated as cash flow hedges must be de-designated as hedges when it is probable the forecasted hedged transaction will not occur in the initially identified time period or within a subsequent two-month time period. Deferred gains and losses in AOCI associated with such derivative instruments are reclassified into earnings in the period of de-designation. Any subsequent changes in fair value of such derivative instruments are recorded in earnings unless they are re-designated as hedges of other transactions.

Non-Designated Derivatives

The Company uses short-term forward contracts to offset the foreign exchange risk of assets and liabilities denominated in currencies other than the functional currency of the respective entities. These contracts, which are not designated as hedging instruments, mature or settle within twelve months. Derivatives that are not designated as hedging instruments are adjusted to fair value through earnings in the financial statement line item to which the derivative relates.

See Note 9—Borrowings, for the accounting for the embedded derivative in the 5.75% Junior Subordinated Convertible Debentures assumed by the CX business, as part of the Convergys acquisition.

Fair Values of Derivative Instruments in the Combined Balance Sheets

The fair values of the Company's derivative instruments are disclosed in Note 8—Fair Value Measurements and summarized in the table below:

| Balance Sheet Line Item | Value as of | |
|--|-------------------|-------------------|
| | November 30, 2020 | November 30, 2019 |
| Derivative instruments not designated as hedging instruments: | | |
| Foreign exchange forward contracts (notional value) | \$ 1,153,352 | \$ 907,621 |
| Other current assets | 15,666 | 8,667 |
| Other accrued liabilities | 6,215 | 2,105 |
| Derivative instruments designated as cash flow hedges: | | |
| Foreign exchange forward contracts (notional value) | \$ 814,731 | \$ 563,654 |
| Other current assets and other assets | 38,212 | 14,523 |
| Other accrued liabilities and other long-term liabilities | 309 | 1,633 |

Volume of activity

The notional amounts of foreign exchange forward contracts represent the gross amounts of foreign currency, including, principally, the Philippine Peso, the Indian Rupee, the Euro, the British Pound, the Canadian Dollar, and the Japanese Yen that will be bought or sold at maturity. The notional amounts for outstanding derivative instruments provide one measure of the transaction volume outstanding and do not represent the amount of the Company's exposure to credit or market loss. The Company's exposure to credit loss and market risk will vary over time as currency rates change.

The Effect of Derivative Instruments on AOCI and the Combined Statements of Operations

The following table shows the gains and losses, before taxes, of the Company's derivative instruments designated as cash flow hedges and not designated as hedging instruments in other comprehensive income ("OCI"), and the combined statements of operations for the periods presented:

| | Location of gain (loss) in income | For the fiscal years ended November 30, | | |
|--|---|---|--------------|--------------|
| | | 2020 | 2019 | 2018 |
| Revenue | | \$ 4,719,534 | \$ 4,707,912 | \$ 2,463,151 |
| Cost of revenue | | 3,058,009 | 2,959,464 | 1,525,599 |
| Selling, general and administrative expenses | | (1,352,764) | (1,454,116) | (792,791) |
| Other income, net | | 7,447 | 2,280 | 4,386 |
| Derivative instruments designated as cash flow hedges: | | | | |
| <u>Gains (losses) recognized in OCI:</u> | | | | |
| Foreign exchange forward contracts | | \$ 45,986 | \$ 20,772 | \$ 27,212 |
| <u>Gains (losses) reclassified from AOCI into income:</u> | | | | |
| Foreign exchange forward contracts | | | | |
| (Gain) loss reclassified from AOCI into income | Revenue for services | \$ — | \$ 127 | \$ (237) |
| Gain (loss) reclassified from AOCI into income | Cost of revenue for services | 21,532 | 16,454 | 1,036 |
| Gain (loss) reclassified from AOCI into income | Selling, general and administrative expenses | 8,841 | 6,767 | 449 |
| Gain (loss) reclassified from AOCI into income | Other income, net | — | 36 | — |
| Total | | \$ 30,373 | \$ 23,384 | \$ 1,248 |
| Derivative instruments not designated as hedging instruments: | | | | |
| Gain (loss) recognized from foreign exchange forward contracts, net ⁽¹⁾ | Cost of revenue for services and Selling, general and administrative expenses | \$ — | \$ — | \$ 3,378 |
| Gain (loss) recognized from foreign exchange forward contracts, net ⁽¹⁾ | Other income, net | 32,150 | 20,833 | 6,415 |
| Total | | \$ 32,150 | \$ 20,833 | \$ 9,793 |

(1) The gains and losses largely offset the currency gains and losses that resulted from changes in the assets and liabilities denominated in nonfunctional currencies.

There were no material gain or loss amounts excluded from the assessment of effectiveness. Existing net gains in AOCI that are expected to be reclassified into earnings in the normal course of business within the next twelve months are \$32,142.

Offsetting of Derivatives

In the combined balance sheets, the Company does not offset derivative assets against liabilities in master netting arrangements.

Credit exposure for derivative financial instruments is limited to the amounts, if any, by which the counterparties' obligations under the contracts exceed the Company's obligations to the counterparties. The Company manages the potential risk of credit losses through careful evaluation of counterparty credit standing and selection of counterparties from a limited group of financial institutions.

NOTE 8—FAIR VALUE MEASUREMENTS:

The Company's fair value measurements are classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The following table summarizes the valuation of the Company's investments and financial instruments that are measured at fair value on a recurring basis:

| | As of November 30, 2020 | | | | As of November 30, 2019 | | | |
|---|-------------------------|---------------------------------|---------|---------|-------------------------|---------------------------------|---------|---------|
| | Total | Fair value measurement category | | | Total | Fair value measurement category | | |
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| Assets: | | | | | | | | |
| Cash equivalents | \$ 60,242 | 60,242 | — | — | \$ 26,041 | 26,041 | — | — |
| Foreign government bond | \$ 1,355 | 1,355 | — | — | \$ 1,228 | 1,228 | — | — |
| Forward foreign currency exchange contracts | \$ 53,878 | — | 53,878 | — | \$ 23,190 | — | 23,190 | — |
| Liabilities: | | | | | | | | |
| Forward foreign currency exchange contracts | \$ 6,524 | — | 6,524 | — | \$ 3,738 | — | 3,738 | — |

The Company's cash equivalents consist primarily of highly liquid investments in money market funds and term deposits with maturity periods of three months or less. The carrying values of cash equivalents approximate fair value since they are near their maturity. Investment in foreign government bond classified as available-for-sale debt security is recorded at fair value based on quoted market prices. The fair values of forward exchange contracts are measured based on the foreign currency spot and forward rates. Fair values of long-term foreign currency exchange contracts are measured using valuations based upon quoted prices for similar assets and liabilities in active markets and are valued by reference to similar financial instruments, adjusted for terms specific to the contracts. The effect of nonperformance risk on the fair value of derivative instruments was not material as of November 30, 2020 and 2019.

The carrying values of term deposits with maturities less than one year, accounts receivable and accounts payable approximate fair value due to their short maturities and interest rates which are variable in nature. Long-term non-marketable equity securities consist primarily of investments in equity securities of private entities. The fair value of non-marketable equity investments is based on an internal valuation of the investees based on the best available information at the measurement date. It is not practicable to determine the fair value of the Company's

loans payable to and receivable from the Parent as these cash transfers are part of the centralized treasury program of SYNNEX as described in Note 1. The carrying values of the outstanding balance on the Term Loan under the Company's Credit Facility and the outstanding balance on the Securitization Facility approximate their fair value since they bear interest rates that are similar to existing market rates.

During fiscal years 2020, 2019 and 2018, there were no transfers between the fair value measurement category levels.

NOTE 9—BORROWINGS:

Borrowings consist of the following:

| | As of November 30, | |
|---|--------------------|--------------|
| | 2020 | 2019 |
| Loans payable to Parent | \$ — | \$ 1,981,385 |
| Credit Facility - current portion of Term Loan component | 33,750 | — |
| Borrowings, current | \$ 33,750 | \$ 1,981,385 |
| Credit Facility - Term Loan component | \$ 866,250 | \$ — |
| Securitization Facility | 250,000 | — |
| Long-term debt, before unamortized debt discount and issuance costs | 1,116,250 | — |
| Less: unamortized debt discount and issuance costs | (4,888) | — |
| Long-term debt, net | \$ 1,111,362 | \$ — |

Credit Facility

On October 16, 2020, Concentrix entered into a new senior secured credit facility, which provides for the extension of revolving loans of up to \$600,000 (the "Revolver") and term loan borrowings of up to \$900,000 (the "Term Loan" and, together with the Revolver, the "Credit Facility"). On November 30, 2020, in connection with the spin-off, the Company incurred \$900,000 of initial Term Loan borrowings under the Credit Facility. Substantially all of the proceeds from such indebtedness, net of debt issuance costs, were transferred to SYNNEX on November 30, 2020 to eliminate debt owed by Concentrix to SYNNEX and in exchange for the contribution of certain Concentrix trademarks from SYNNEX to Concentrix.

The Credit Facility matures on November 30, 2025. The outstanding principal amount of the Term Loan is payable in quarterly installments of \$11,250 commencing on May 31, 2021, with the unpaid balance due in full on the maturity date. Concentrix may prepay the loans under the Credit Facility at any time without penalty, other than breakage fees. Concentrix may request, subject to obtaining commitments from any participating lenders and certain other conditions, incremental commitments to increase the amount of the Revolver or Term Loan available under the Credit Facility in an aggregate principal amount equal to \$450,000, plus an additional amount, so long as after giving effect to the incurrence of such additional amount, our pro forma first lien leverage ratio (as defined in the Credit Facility) would not exceed 3.00 to 1.00.

Obligations under the Credit Facility are secured by substantially all of the assets of Concentrix and certain of its U.S. subsidiaries and are guaranteed by certain of its U.S. subsidiaries.

Borrowings under the Revolver and the Term Loan bear interest, in the case of LIBOR rate loans, at a per annum rate equal to the applicable LIBOR rate (but not less than 0.25%), plus an applicable margin, which ranges from 1.25% to 2.25%, based on Concentrix' consolidated leverage ratio. Borrowings under the Credit Facility that are not LIBOR rate loans bear interest at a per annum rate equal to (i) the greatest of (a) the Federal Funds Rate in effect on such day plus 1/2 of 1.0%, (b) the rate of interest last publicly announced by Bank of America as its "prime

rate” and (c) the LIBOR rate plus 1.0%, plus (ii) an applicable margin, which ranges from 0.25% to 1.25%, based on Concentrix’ consolidated leverage ratio. Commitments under the Revolver are subject to a commitment fee on the unused portion of the Revolver, which fee ranges from 25 to 45 basis points, based on Concentrix’ consolidated leverage ratio.

The Credit Facility contains various loan covenants that restrict the ability of Concentrix and its subsidiaries to take certain actions, including, incurrence of indebtedness, creation of liens, mergers or consolidations, dispositions of assets, repurchase or redemption of capital stock, making certain investments, entering into certain transactions with affiliates or changing the nature of their business. In addition, the Credit Facility contains financial covenants that require Concentrix to maintain at the end of each fiscal quarter commencing with the quarter ending February 28, 2021, (i) a consolidated leverage ratio (as defined in the Credit Facility) not to exceed 3.75 to 1.0 and (ii) a consolidated interest coverage ratio (as defined in the Credit Facility) equal to or greater than 3.00 to 1.0. The Credit Facility also contains various customary events of default, including payment defaults, defaults under certain other indebtedness, and a change of control of Concentrix.

At November 30, 2020, no amount was outstanding under the Revolver.

Securitization Facility

On October 30, 2020, Concentrix entered into a new \$350,000 accounts receivable securitization facility (the “Securitization Facility”) pursuant to certain agreements, including a Receivables Financing Agreement and a Receivables Purchase Agreement. On November 30, 2020, in connection with the spin-off, the Company incurred \$250,000 of borrowings under the Securitization Facility. Substantially all of the proceeds from such indebtedness were transferred to SYNEX on November 30, 2020 to eliminate debt owed by Concentrix to SYNEX and in exchange for the contribution of certain Concentrix trademarks from SYNEX to Concentrix.

Under the Securitization Facility, Concentrix and certain of its subsidiaries sell or otherwise transfer all of their accounts receivable to a special purpose bankruptcy-remote subsidiary of Concentrix (the “Borrower”) that grants a security interest in the receivables to the lenders in exchange for available borrowings of up to \$350,000. The amount received under the Securitization Facility is recorded as debt on the Company’s combined balance sheet. Borrowing availability under the Securitization Facility may be limited by our accounts receivables balances, changes in the credit ratings of the clients comprising the receivables, client concentration levels in the receivables, and certain characteristics of the accounts receivable being transferred (including factors tracking performance of the accounts receivable over time). The Securitization Facility has an initial termination date of October 28, 2022.

Borrowings under the Securitization Facility bear interest with respect to loans that are funded through the issuance of commercial paper at the applicable commercial paper rate plus a spread of 1.05% and, otherwise, at a per annum rate equal to the applicable LIBOR rate plus a spread of 1.15%. Concentrix is also obligated to pay a monthly undrawn fee that ranges from 30 to 37.5 basis points based on the portion of the Securitization Facility that is undrawn.

The Securitization Facility contains various affirmative and negative covenants, including a consolidated leverage ratio covenant that is consistent with the Credit Facility and customary events of default, including payment defaults, defaults under certain other indebtedness, a change in control of Concentrix, and certain events negatively affecting the overall credit quality of the transferred accounts receivable.

The Borrower’s sole business consists of the purchase or acceptance through capital contributions of the receivables and related security from Concentrix and its subsidiaries and the subsequent retransfer of or granting of a security interest in such receivables and related security to the administrative agent under the Securitization Facility for the benefit of the lenders. The Borrower is a separate legal entity with its own separate creditors who will be entitled, upon its liquidation, to be satisfied out of the Borrower’s assets prior to any assets or value in the Borrower becoming available to the Borrower’s equity holders, and the assets of the Borrower are not available to pay creditors of Concentrix and its subsidiaries.

Covenant compliance

As of November 30, 2020, Concentrix was in compliance with all covenants for the above arrangements.

Future principal payments

As of November 30, 2020, future principal payments under the above loans for fiscal years are as follows:

| | Amount |
|--|---------------------|
| Fiscal Years Ended November 30, | |
| 2021 | \$ 33,750 |
| 2022 | 295,000 |
| 2023 | 45,000 |
| 2024 | 45,000 |
| 2025 | 731,250 |
| Total | \$ 1,150,000 |

SYNNEX Debt Agreements

Through November 30, 2020, certain Concentrix legal entities in the United States jointly and severally guaranteed SYNNEX' obligations under SYNNEX' senior secured credit agreement (the "SYNNEX Credit Agreement") and SYNNEX' secured term loan credit agreement (the "SYNNEX Term Loan Credit Agreement") and substantially all of the assets of these legal entities secured SYNNEX' obligations under the SYNNEX Credit Agreement and the SYNNEX Term Loan Credit Agreement. In connection with the spin-off, the Concentrix legal entities were released as guarantors and the Concentrix legal entities' assets were released as collateral from the SYNNEX Credit Agreement and the SYNNEX Term Loan Credit Agreement, and thereafter serve as security for the Credit Facility or, in the case of receivables and related assets generated by the Company and certain of its subsidiaries in the United States, as security for the Securitization Facility.

Convertible Debentures and other borrowings related to the Convergys acquisition

In connection with the Convergys acquisition, the CX business became the obligor under Convergys' \$124,963 aggregate principal amount of 5.75% Junior Subordinated Convertible Debentures due September 2029. The CX business determined that the embedded conversion feature included in the Convertible Debentures required liability treatment because a portion was convertible into a fixed dollar amount based on a variable conversion rate, and was recorded at fair value in other accrued liabilities in the combined balance sheets. The CX business was entitled to redeem the Convertible Debentures on or after September 15, 2019. At the date of acquisition, the Convertible Debentures were convertible at the option of the holders on or after September 15, 2028 and prior to that date only under certain circumstances, including a stock sales price condition at an implied conversion ratio of approximately 90.7697 per one thousand dollars in principal amount of debentures, and the occurrence of a fundamental change, such as the acquisition. As a result, holders of the convertible debentures were permitted, for a specified period after the Convergys acquisition, to convert their convertible debentures at a temporarily increased conversion rate determined in accordance with the indenture. Upon conversion, the aggregate principal amount of the Convertible Debentures had to be settled in cash and the remainder, if any, of the conversion obligation in excess of the aggregate principal amount, could be settled in cash, or in the same combination of cash and common stock of the Parent that was received by the Convergys shareholders as consideration for their shares in the acquisition. As the Convertible Debentures were convertible into common shares of SYNNEX due to the sales price condition being met prior to the acquisition, the Convertible Debentures and the conversion spread liability were classified as current borrowings and other accrued liabilities, respectively, in the combined balance sheets. Through November 30, 2018,

\$55,681 of the principal amount of Convertible Debentures had been settled for \$118,425 in cash under the fundamental change provision. During fiscal year ended November 30, 2019, the remaining \$69,282 of the principal amount was settled in cash for \$148,047.

In connection with the Convergys acquisition, the Parent caused certain revolving debt facilities of Convergys to be repaid. These facilities were terminated on the acquisition date and the outstanding amount of \$195,421 was repaid with funds from the initial draw of the SYNEX Term Loan Credit Agreement.

Interest expense and finance charges

The total interest expense and finance charges for external borrowings of Concentrix was not material for fiscal years 2020, 2019 and 2018.

NOTE 10—REVENUE:

Disaggregated revenue

In the following tables, the Company's revenue is disaggregated by primary industry verticals and geographic location:

| | Fiscal Years Ended November 30, | | |
|---|---------------------------------|--------------|--------------|
| | 2020 | 2019 | 2018 |
| Industry vertical: | | | |
| Technology and consumer electronics | \$ 1,422,817 | \$ 1,283,084 | \$ 880,958 |
| Communications and media | 954,234 | 1,142,242 | 345,455 |
| Retail, travel and ecommerce | 796,324 | 763,265 | 376,622 |
| Banking, financial services and insurance | 712,469 | 676,246 | 350,322 |
| Healthcare | 392,686 | 369,187 | 184,376 |
| Other | 441,004 | 473,888 | 325,418 |
| Total | \$ 4,719,534 | \$ 4,707,912 | \$ 2,463,151 |

The Company attributes revenues from external customers to the country of domicile of the Concentrix legal entity that is party to the customer contract. Shown below are the countries that accounted for 10% or more of the Company's revenue for the periods presented:

| | Fiscal Years Ended November 30, | | |
|------------------------------|---------------------------------|--------------|--------------|
| | 2020 | 2019 | 2018 |
| Revenue by geography: | | | |
| United States | \$ 1,017,384 | \$ 1,135,710 | \$ 764,733 |
| Philippines | 868,009 | 809,252 | 262,986 |
| Great Britain | 402,543 | 448,061 | 254,650 |
| India | 351,001 | 330,980 | 229,824 |
| Others | 2,080,597 | 1,983,909 | 950,958 |
| Total | \$ 4,719,534 | \$ 4,707,912 | \$ 2,463,151 |

Deferred revenue contract liabilities and deferred costs to obtain or fulfill a contract are not material.

NOTE 11—RELATED PARTY TRANSACTIONS:

The Company provides certain services related to its core business to SYNnex which are reported as Revenue from customer experience services to Parent in the combined statements of operations. The cost associated with such services is reported as cost of revenue related to services to Parent in the combined statements of operations. The Company purchases certain products from SYNnex and records compensation expense for share-based awards granted by SYNnex to Concentrix employees. Prior to November 30, 2020, the Company received allocations of corporate expenses by way of a monthly management fee and received financing for acquisition and operations under the terms of intra-SYNnex group borrowing arrangements.

The following table presents the Company's transactions with SYNnex for the periods indicated:

| | Fiscal Years Ended November 30, | | |
|---|---------------------------------|-----------|-----------|
| | 2020 | 2019 | 2018 |
| Revenue from customer experience services to Parent | \$ 20,855 | \$ 20,585 | \$ 18,284 |
| Purchases from Parent and its non-Concentrix subsidiaries | — | 4 | 85 |
| Interest expense on borrowings from Parent | 50,615 | 95,395 | 39,652 |
| Interest income on borrowings made to Parent | 2,065 | 2,066 | 846 |
| Corporate allocations | 1,574 | 1,574 | 1,574 |
| Share-based compensation | 15,914 | 10,554 | 7,740 |

The majority of the loans payable to and receivable from Parent as reported on the combined balance sheets were lines of credits that were subject to auto-renewal after expiration of the original terms. The interest rates on these loans ranged from approximately 1% to 9% for fiscal years 2020, 2019 and 2018. In fiscal year 2018, the Company and SYNnex amended the interest rate on one of the loans from LIBOR + 2.75% to the lowest of the applicable federal rates ("AFR") in effect for the current month and the preceding two months as published by the Internal Revenue Service ("IRS"). The AFR is the safe harbor interest rate that the IRS deems would not result in additional taxable event for loans between related parties.

As of November 30, 2020 and 2019, the receivable from and payable to Parent and its non-Concentrix subsidiaries included on the combined balance sheets are primarily trade in nature.

Prior to the spin-off, SYNnex had issued guarantees to certain of the Company's clients to guarantee the performance obligations of the Company's legal entities. These SYNnex guarantees were released or replaced by Concentrix guarantees on or prior to the spin-off.

As disclosed in Note 9, certain Concentrix legal entities in the United States jointly and severally guaranteed certain of SYNnex' borrowing arrangements and substantially all of the assets of these Concentrix legal entities secured SYNnex' obligations under the borrowing arrangements. In connection with the spin-off, the Concentrix legal entities were released as guarantors and the Concentrix legal entities' assets were released as collateral under the SYNnex borrowing arrangements.

Prior to the spin-off, Concentrix' U.S. subsidiaries were part of SYNnex' U.S. consolidated group for U.S. tax purposes and were in a tax-sharing arrangement with SYNnex.

In connection with the spin-off, Concentrix entered into new third-party debt as described in Note 9. Substantially all of the proceeds from such indebtedness were transferred to SYNnex on November 30, 2020. Outside of certain trade receivables from Parent and payables to Parent that remained on our balance sheet as of November 30, 2020, after the application of the proceeds from the indebtedness paid to SYNnex, the remaining outstanding balance on the loans payable to Parent and a portion of the net trade payable to Parent was settled for \$594,320 and treated as a capital contribution from SYNnex to Concentrix in our statement of parent equity.

In connection with the spin-off, on November 30, 2020, the Company entered into a separation and distribution agreement, an employee matters agreement, a tax matters agreement and a commercial agreement with SYNnex to set forth the principal actions to be taken in connection with the spin-off and define the Company's ongoing relationship with SYNnex after the spin-off.

NOTE 12—PENSION AND EMPLOYEE BENEFITS PLANS:

The Company has 401(k) plans in the United States under which eligible employees may contribute up to the maximum amount as provided by law. Employees become eligible to participate in these plans on the first day of the month after their employment date. The Company may make discretionary contributions under the plans. Employees in most of the Company's non-U.S. legal entities are covered by government mandated defined contribution plans. During fiscal years 2020, 2019 and 2018, the Company contributed \$64,286, \$43,963 and \$35,594, respectively, to defined contribution plans.

Defined Benefit Plans

The Company has defined benefit pension or retirement plans for eligible employees in certain non-U.S. legal entities. Benefits under these plans are primarily based on years of service and compensation during the years immediately preceding retirement or termination of participation in the plans. In addition, as part of the Convergys acquisition, the Company acquired a frozen defined benefit pension plan, which includes both a qualified and non-qualified portion, for all eligible employees in the U.S. ("the cash balance plan") and unfunded defined benefit plans for certain eligible employees in the Philippines, Malaysia and France. The pension benefit formula for the cash balance plan is determined by a combination of compensation, age-based credits and annual guaranteed interest credits. The qualified portion of the cash balance plan has been funded through contributions made to a trust fund. The plan assumptions are evaluated annually and are updated as deemed necessary. Net benefit costs related to defined benefit plans were \$13,602, \$9,731 and \$3,415, during fiscal years 2020, 2019 and 2018, respectively.

The Company's measurement date for all defined benefit plans and other postretirement benefits is November 30 and the plan assumptions are evaluated annually and are updated as deemed necessary.

Components of pension cost for the Company's defined benefit plans are as follows:

| | Fiscal Years Ended November 30, | | |
|---|---------------------------------|----------|----------|
| | 2020 | 2019 | 2018 |
| Service cost | \$ 7,498 | \$ 5,797 | \$ 2,122 |
| Interest cost on projected benefit obligation | 8,385 | 10,266 | 723 |
| Expected return on plan assets | (6,403) | (9,091) | (164) |
| Amortization and deferrals, net | 2,851 | 822 | 687 |
| Settlement charge | 1,271 | 1,937 | 47 |
| Total pension cost | \$ 13,602 | \$ 9,731 | \$ 3,415 |

The status of employee benefit plans is summarized below:

| | Year Ended November 30, | |
|--|-------------------------|-------------------|
| | 2020 | 2019 |
| Change in Benefit Obligation: | | |
| Benefit obligation at beginning of year | \$ 261,028 | \$ 239,744 |
| Service cost | 7,498 | 5,797 |
| Interest cost | 8,385 | 10,266 |
| Actuarial loss | 23,776 | 33,696 |
| Benefits paid | (12,906) | (15,982) |
| Settlements | (7,579) | (13,140) |
| Foreign currency adjustments | 1,755 | 647 |
| Projected obligation at end of year | <u>\$ 281,957</u> | <u>\$ 261,028</u> |
| Change in Plan Assets: | | |
| Fair value of plan assets at beginning of year | \$ 145,645 | \$ 159,184 |
| Actual return on assets | 13,718 | 5,358 |
| Settlements | (7,579) | (13,140) |
| Employer contributions | 3,152 | 1,872 |
| Benefits paid | (7,149) | (7,436) |
| Foreign currency adjustments | (229) | (193) |
| Fair value of plan assets at end of year | <u>\$ 147,558</u> | <u>\$ 145,645</u> |
| Funded Status of Plans: | | |
| Unfunded status | <u>\$ 134,399</u> | <u>\$ 115,383</u> |

Amounts recognized in the combined balance sheet and recorded within other accrued liabilities and other long-term liabilities as of November 30, 2020 and 2019 consist of the following:

| | As of November 30, | |
|-----------------------|--------------------|-------------------|
| | 2020 | 2019 |
| Current liability | \$ 10,451 | \$ 9,189 |
| Non-current liability | 123,948 | 106,194 |
| Total | <u>\$ 134,399</u> | <u>\$ 115,383</u> |

The following weighted-average rates were used in determining the benefit obligations at November 30, 2020 and 2019:

| | 2020 | 2019 |
|---|-------------|--------------|
| Discount rate | 0.3% - 4.7% | 0.6% - 7.6% |
| Expected return on plan assets | 1.8% - 7.5% | 6.2% - 7.5% |
| Expected rate of future compensation growth | 1.8% - 8.5% | 1.8% - 10.0% |

The following weighted-average rates were used in determining the pension costs at November 30, 2020 and 2019:

| | 2020 | 2019 |
|---|-------------|--------------|
| Discount rate | 0.6% - 6.0% | 0.6% - 7.4% |
| Expected return on plan assets | 4.5% - 7.5% | 4.5% - 7.5% |
| Expected rate of future compensation growth | 1.8% - 8.5% | 1.8% - 10.0% |

For the cash balance plan, the discount rate reflects the rate at which benefits could effectively be settled and is based on current investment yields of high-quality corporate bonds. The Company uses an actuarially-developed yield curve approach to match the timing of cash flows of expected future benefit payments by applying specific spot rates along the yield curve to determine the assumed discount rate.

The range of discount rates utilized in determining the pension cost and projected benefit obligation of the Company's defined benefit plans reflects a lower prevalent rate applicable to the frozen cash balance plan for eligible employees in U.S. and a higher applicable rate for the unfunded defined benefit plan for certain eligible employees in the Philippines, France and Malaysia. The plans outside the U.S. represented approximately 24% and 22%, respectively, of the Company's total projected benefit obligation for all plans as of November 30, 2020 and 2019.

Plan Assets

As of November 30, 2020 and 2019, plan assets for the cash balance plan consisted of common/collective trusts (of which approximately 61% are invested in equity backed funds and approximately 37% are invested in funds in fixed income instruments) and a private equity fund. The Company's targeted allocation was 60% equity and 40% fixed income. The investment objectives for the plan assets are to generate returns that will enable the plan to meet its future obligations. The Company's expected long-term rate of return was determined based on the asset mix of the plan, projected returns, past performance and other factors. The following table sets forth by level within the fair value hierarchy, total plan assets at fair value as of November 30, 2020 and 2019, including the cash balance plan and other funded benefit plans:

| Investments | As of November 30, 2020 | As of Quoted Prices in Active Markets for Identical Assets (Level 1) | As of Significant Other Observable Inputs (Level 2) | As of Significant Unobservable Inputs (Level 3) |
|---------------------------|----------------------------|---|---|---|
| Cash and cash equivalents | \$ 3,404 | \$ 3,404 | \$ — | \$ — |
| Common/collective trusts: | | | | |
| Fixed Income | 50,986 | — | 50,986 | — |
| U.S. large cap | 43,020 | — | 43,020 | — |
| U.S. small cap | 9,662 | — | 9,662 | — |
| International equity | 31,892 | — | 31,892 | — |
| Governmental bonds | 3,094 | — | 3,094 | — |
| Corporate bonds | 5,232 | — | 5,232 | — |
| Investment funds | — | — | — | — |
| Limited partnership | 268 | — | — | 268 |
| Total investments | \$ 147,558 | \$ 3,404 | \$ 143,886 | \$ 268 |

| Investments | As of November 30, 2019 | As of Quoted Prices in Active Markets for Identical Assets (Level 1) | As of Significant Other Observable Inputs (Level 2) | As of Significant Unobservable Inputs (Level 3) |
|---------------------------|----------------------------|---|---|---|
| Cash and cash equivalents | \$ 3,460 | \$ 3,460 | \$ — | \$ — |
| Common/collective trusts: | | | | |
| Fixed Income | 58,670 | — | 58,670 | — |
| U.S. large cap | 48,293 | — | 48,293 | — |
| U.S. small cap | 9,025 | — | 9,025 | — |
| International equity | 23,441 | — | 23,441 | — |
| Governmental bonds | — | — | — | — |
| Corporate bonds | — | — | — | — |
| Investment funds | 2,335 | — | 2,335 | — |
| Limited partnership | 421 | — | — | 421 |
| Total investments | <u>\$ 145,645</u> | <u>\$ 3,460</u> | <u>\$ 141,764</u> | <u>\$ 421</u> |

The Company's cash balance plan holds level 2 investments in common/collective trust funds that are public investment vehicles valued using a net asset value (NAV) provided by the manager of each fund. The NAV is based on the underlying net assets owned by the fund, divided by the number of shares outstanding. The NAV's unit price is quoted on a private market that may not be active. However, the NAV is based on the fair value of the underlying securities within the fund, which are traded on an active market, and valued at the closing price reported on the active market on which those individual securities are traded. The significant investment strategies of the funds are as described in the financial statements provided by each fund. There are no restrictions on redemptions from these funds. Level 3 investments are equity based funds that primarily invest in domestic early stage capital funds.

Benefit Payments

The following table details expected benefit payments for the assumed cash balance plan and other benefit plans:

Fiscal Years Ending November 30,

| | |
|------------------------|-------------------|
| 2021 | \$ 28,081 |
| 2022 | 26,031 |
| 2023 | 24,897 |
| 2024 | 23,705 |
| 2025 | 23,354 |
| Thereafter (2025-2029) | 97,028 |
| Total | <u>\$ 223,096</u> |

No plan assets are expected to be returned to the Company during 2021. The Company expects to make approximately \$13,293 in contributions during fiscal year 2021. The Company also expects approximately \$4,620 of actuarial loss included in AOCI will be recognized during fiscal year 2021.

NOTE 13—LEASES:

The Company leases certain of its facilities and equipment under operating lease agreements, which expire in various periods through 2034. The Company's finance leases are not material.

The following table presents the various components of lease costs.

For the year ended November 30, 2020

| | | |
|-----------------------------------|-----------|----------------|
| Operating lease cost | \$ | 202,852 |
| Short-term lease cost | | 9,917 |
| Variable lease cost | | 41,060 |
| Sublease income | | (1,668) |
| Total operating lease cost | \$ | 252,161 |

The following table presents a maturity analysis of expected undiscounted cash flows for operating leases on an annual basis for the next five years and thereafter as of November 30, 2020:

Fiscal Years Ended November 30,

| | | |
|--|-----------|----------------|
| 2021 | \$ | 198,678 |
| 2022 | | 159,769 |
| 2023 | | 115,713 |
| 2024 | | 81,615 |
| 2025 | | 49,108 |
| Thereafter | | 28,944 |
| Total payments | | 633,827 |
| Less: imputed interest* | | (97,131) |
| Total present value of lease payments | \$ | 536,696 |

*Imputed interest represents the difference between undiscounted cash flows and discounted cash flows.

Rent expense for the years ended November 30, 2019 and 2018 amounted to \$216,730 and \$100,769, respectively. Sublease income was immaterial for the years ended November 30, 2019 and 2018.

The following amounts were recorded in the combined balance sheet as of November 30, 2020:

| Operating leases | Balance sheet location | November 30, 2020 |
|---|-------------------------------|--------------------------|
| Operating lease ROU assets | Other assets, net | \$ 506,368 |
| Current operating lease liabilities | Other accrued liabilities | 163,052 |
| Non-current operating lease liabilities | Other long-term liabilities | 373,644 |

The Company decided to cease-use, sublease or abandon leases prior to the end of their lease terms at certain of its sites and recorded impairment losses during the year ended November 30, 2020 related to the exit of leased facilities. These losses are recorded as a component of selling, general and administrative expenses. As the fair value of the ROU assets was less than the carrying value, the Company recognized an impairment of ROU assets of approximately \$9.3 million, reducing the carrying value of the ROU assets to its estimated fair value. The fair value of the ROU assets where the Company intends to sublease was estimated using level 3 inputs such as market comparables to estimate future cash flows expected from sublease income over the remaining lease terms.

The following table presents supplemental cash flow information related to the Company's operating leases. Cash payments related to variable lease costs and short-term leases are not included in the measurement of operating lease liabilities, and, as such, are excluded from the amounts below:

| Cash flow information | November 30, 2020 |
|---|-------------------|
| Cash paid for amounts included in the measurement of lease liabilities | \$ 206,585 |
| Non-cash ROU assets obtained in exchange for lease liabilities (subsequent to initial adoption) | 147,292 |

The weighted-average remaining lease term and discount rate as of November 30, 2020 were as follows:

| Operating lease term and discount rate | November 30, 2020 |
|---|-------------------|
| Weighted-average remaining lease term (years) | 3.97 |
| Weighted-average discount rate | 6.97 % |

NOTE 14—INCOME TAXES:

The sources of income before the provision for income taxes are as follows:

| | Fiscal Years Ended November 30, | | |
|---------------|---------------------------------|-------------------|-------------------|
| | 2020 | 2019 | 2018 |
| United States | \$ (64,491) | \$ (121,886) | \$ (80,649) |
| Foreign | 332,386 | 326,302 | 191,557 |
| | <u>\$ 267,895</u> | <u>\$ 204,416</u> | <u>\$ 110,908</u> |

Provision for income taxes consists of the following:

| | Fiscal Years Ended November 30, | | |
|--|---------------------------------|--------------------|--------------------|
| | 2020 | 2019 | 2018 |
| Current tax provision (benefit): | | | |
| Federal | \$ 22,336 | \$ 34,076 | \$ 19,305 |
| State | 10 | (6,260) | (294) |
| Foreign | 100,588 | 75,717 | 55,003 |
| | <u>\$ 122,934</u> | <u>\$ 103,533</u> | <u>\$ 74,014</u> |
| Deferred tax provision (benefit): | | | |
| Federal | 49 | (19,139) | (1,593) |
| State | (336) | 362 | (2,344) |
| Foreign | (19,563) | 2,496 | (7,440) |
| | <u>\$ (19,850)</u> | <u>\$ (16,281)</u> | <u>\$ (11,377)</u> |
| Total tax provision | <u>\$ 103,084</u> | <u>\$ 87,252</u> | <u>\$ 62,637</u> |

On December 22, 2017, Public Law 115-97, informally referred to as the Tax Cuts and Jobs Act (the "TCJA") was enacted into law. The TCJA provided for significant changes to the U.S. Internal Revenue Code of 1986, as amended, that impacted corporate taxation requirements. The TCJA significantly revised the ongoing U.S. corporate income tax law by lowering the U.S. federal corporate income tax rate from 35% to 21%, implementing a territorial tax system, imposing a one-time tax on foreign unremitted earnings and setting limitations on deductibility of certain costs (e.g., interest expense), among other things. During fiscal year 2018, the Company accounted for the impact of the TCJA resulting in additional income tax expense of \$22,626. The significant components of this expense were (i) the one-time deemed repatriation tax on unremitted non-U.S. earnings and profits that were previously tax deferred and other tax impacts of the TCJA, which resulted in an increase in income tax expense, net of deductions

and credits, of \$30,484 and (ii) the remeasurement of net deferred tax liabilities at the lower enacted U.S. federal corporate tax rate, which resulted in a decrease of \$7,858 in income tax expense.

Provision for income taxes for fiscal years 2020 and 2019 was increased by an adjustment of \$26,823 (\$17,203 current tax expense plus \$9,600 deferred tax expense) and \$23,807 (\$33,407 current tax expense offset by \$9,600 deferred tax benefit), respectively, to reflect the hypothetical tax impact if Concentrix was not part of SYNnex' U.S. consolidated group and thereby suffered a much higher U.S. foreign tax credit limitation. The offset to the hypothetical tax expense is reflected in the parent company investment, a component of equity on the combined balance sheet. The hypothetical tax expense was applied only to the Company's provision for income taxes in fiscal years 2020 and 2019 because it relates to changes to tax law under the TCJA that were not applicable to the Company's provision for income taxes in fiscal year 2018.

The following presents the breakdown of net deferred tax liabilities after netting by taxing jurisdiction:

| | As of November 30, | |
|---|---------------------|---------------------|
| | 2020 | 2019 |
| Deferred tax assets | \$ 47,423 | \$ 64,879 |
| Deferred tax liabilities | (153,560) | (188,572) |
| Total net deferred tax liabilities | \$ (106,137) | \$ (123,693) |

Net deferred tax liabilities consist of the following:

| | As of November 30, | |
|--|---------------------|---------------------|
| | 2020 | 2019 |
| Assets: | | |
| Net operating losses | \$ 75,799 | \$ 67,059 |
| Accruals and other reserves | 43,973 | 42,799 |
| Depreciation and amortization | 7,762 | 16,712 |
| U.S. interest limitation carry forward | — | 9,620 |
| Share-based compensation expense | 3,964 | 7,793 |
| Deferred revenue | 2,421 | 3,922 |
| Tax credits | 1,817 | 3,058 |
| Foreign tax credit | 5,829 | 296 |
| Operating lease liability | 104,429 | — |
| Other | 8,271 | 10,256 |
| Gross deferred tax assets | \$ 254,265 | \$ 161,515 |
| Valuation allowance | (45,026) | (44,892) |
| Total deferred tax assets | \$ 209,239 | \$ 116,623 |
| Liabilities: | | |
| Intangible assets | \$ (183,970) | \$ (211,490) |
| Unremitted non-US earnings | (28,882) | (27,771) |
| Lease right-of-use assets | (99,604) | — |
| Other | (2,920) | (1,055) |
| Total deferred tax liabilities | \$ (315,376) | \$ (240,316) |
| Net deferred tax liabilities | \$ (106,137) | \$ (123,693) |

The valuation allowance relates primarily to certain state and foreign net operating loss carry forward, foreign deferred items and state credits. The Company's assessment is that it is not more likely than not that these deferred tax assets will be realized.

A reconciliation of the statutory United States federal income tax rate to the Company's effective income tax rate is as follows:

| | Fiscal Years Ended November 30, | | |
|--|---------------------------------|--------|--------|
| | 2020 | 2019 | 2018 |
| Federal statutory income tax rate | 21.0 % | 21.0 % | 22.2 % |
| State taxes, net of federal income tax benefit | (0.2)% | (2.2)% | (2.6)% |
| International rate difference | 1.3 % | (1.9)% | (0.3)% |
| Withholding taxes | 0.8 % | 1.2 % | 2.8 % |
| Uncertain tax benefits | 0.9 % | 5.0 % | 5.6 % |
| Changes in valuation allowance | 0.5 % | 2.7 % | (1.7)% |
| Contingent debentures | — % | (0.2)% | 1.9 % |
| Adjustments related to the TCJA | 3.3 % | 8.4 % | 24.1 % |
| Hypothetical current tax expense recorded for separate return basis presentation | 10.0 % | 11.6 % | — |
| Other | 0.9 % | (2.9)% | 4.5 % |
| Effective income tax rate | 38.5 % | 42.7 % | 56.5 % |

The Company's United States business has sufficient cash flow and liquidity to fund its operating requirements and the Company expects and intends that profits earned outside the United States will be fully utilized and reinvested outside of the United States with the exception of earnings of certain previously acquired non-U.S. entities. The Company recorded deferred tax liabilities related to non-U.S. withholding taxes related to the earnings likely to be repatriated in the future.

As of November 30, 2020, the Company had approximately \$1,021,872 of undistributed earnings of its non-U.S. subsidiaries for which it has not provided for non-U.S. withholding taxes and state taxes because such earnings are intended to be reinvested indefinitely in international operations. It is not practicable to determine the amount of applicable taxes that would be due if such earnings were distributed. Accordingly, the Company has not provisioned U.S. state taxes and non-U.S. withholding taxes on non-U.S. legal entities for which the earnings are permanently reinvested.

As of November 30, 2020, the Company had net operating loss carry forwards of approximately \$41,744 and \$36,590 for federal and state purposes, respectively. The federal net operating loss carry forward and the state net operating loss carry forward will both start expiring in fiscal year ending November 30, 2021, if not used. The Company also had approximately \$159,148 of foreign net operating loss carry forward that will also start expiring in fiscal year ending November 30, 2021 if not used. In addition, the Company has approximately \$7,646 of various federal and state income tax credit carry forwards that if not used, will begin expiring in fiscal year ending November 30, 2021. Utilization of the acquired loss carry forwards may be limited pursuant to Section 382 of the Internal Revenue Code of 1986.

The Company enjoys tax holidays in certain jurisdictions, primarily China, Costa Rica, Nicaragua and the Philippines. The tax holidays provide for lower or zero rates of taxation and require various thresholds of investment and business activities in those jurisdictions. Certain tax holidays begin to expire in fiscal year 2021. The estimated tax benefits from the above tax holidays for fiscal years 2020, 2019, and 2018 were approximately \$12,850, \$8,247, and \$3,999, respectively.

The aggregate changes in the balances of gross unrecognized tax benefits, excluding accrued interest and penalties, during fiscal years 2020, 2019, and 2018 were as follows:

| | | |
|--|----|----------|
| Balance as of November 30, 2017 | \$ | 19,176 |
| Additions based on tax positions related to the current year | | 6,046 |
| Reductions for tax positions of prior years | | 14,704 |
| Lapse of statute of limitations | | (1,251) |
| Changes due to translation of foreign currencies | | — |
| Balance as of November 30, 2018 | | 38,675 |
| Additions based on tax positions related to the current year | | 10,753 |
| Additions for tax positions of prior years and acquisition | | 5,166 |
| Reductions for tax positions of prior years | | (968) |
| Lapse of statute of limitations | | (4,698) |
| Changes due to translation of foreign currencies | | — |
| Balance as of November 30, 2019 | | 48,928 |
| Additions based on tax positions related to the current year | | 5,081 |
| Additions for tax positions of prior years and acquisition | | 4,108 |
| Reductions for tax positions of prior years | | — |
| Settlements | | (144) |
| Lapse of statute of limitations | | (10,061) |
| Changes due to translation of foreign currencies | | 1 |
| Balance as of November 30, 2020 | \$ | 47,913 |

The Company conducts business globally and files income tax returns in various U.S. and non-U.S. jurisdictions. The Company is subject to continuous examination and audits by various tax authorities. Significant audits are underway in the United States and India. The Company is not aware of any material exposures arising from these tax audits or in other jurisdictions not already provided for.

Although timing of the resolution of audits and/or appeals is highly uncertain, the Company believes it is reasonably possible that the total amount of unrecognized tax benefits as of November 30, 2020 could decrease between \$13,000 and \$27,000 in the next twelve months. The Company is no longer subject to U.S. federal income tax audit for returns covering years through fiscal year 2016. The Company is no longer subject to non-U.S. or U.S. state income tax audits for returns covering years through fiscal year 2011 and fiscal year 2013, respectively.

The liability for unrecognized tax benefits was \$62,315 and \$61,739 at November 30, 2020 and November 30, 2019, respectively, and is included in other long-term liabilities in the accompanying combined balance sheets. As of November 30, 2020 and 2019, \$54,910 and \$54,463 of the total unrecognized tax benefits, net of federal benefit, would affect the effective tax rate, if realized. The Company's policy is to include interest and penalties related to income taxes, including unrecognized tax benefits, within the provision for income taxes. As of November 30, 2020 and 2019, the Company had accrued \$14,402 and \$12,852, respectively, in income taxes payable related to accrued interest and penalties.

Under the tax matters agreement with SYNEX, the Company generally has liability and is required to indemnify SYNEX for (1) any taxes incurred in the ordinary course of the Company's business by the Company or its subsidiaries and (2) a portion of the taxes for tax periods that ended on or prior to the distribution related to transactions between Concentrix and SYNEX or their respective subsidiaries, or other transactions in which both Concentrix and SYNEX or their respective subsidiaries received a financial benefit.

NOTE 15—COMMITMENTS AND CONTINGENCIES:

From time to time, the Company receives notices from third parties, including clients and suppliers, seeking indemnification, payment of money or other actions in connection with claims made against them. Also, from time to time, the Company has been involved in various bankruptcy preference actions where the Company was a supplier to the companies now in bankruptcy. In addition, the Company is subject to various other claims, both asserted and unasserted, that arise in the ordinary course of business. The Company evaluates these claims and records the related liabilities when probable and estimable. It is possible that the ultimate liabilities could differ from the amounts recorded.

Under the separation and distribution agreement with SYNnex, the Company agreed to indemnify SYNnex, each of its subsidiaries and each of their respective directors, officers and employees from and against all liabilities allocated to Concentrix under the agreement, which are generally those liabilities that relate to the CX business and the Company's business activities, whether incurred prior to or after the spin-off.

Under the tax matters agreement with SYNnex, if the spin-off fails to qualify for tax-free treatment, the Company is generally required to indemnify SYNnex for any taxes resulting from the spin-off (and related costs and other damages) to the extent such amounts result from (1) an acquisition of all or a portion of the Company's equity securities or assets by any means, (2) any action or failure to act by the Company after the distribution affecting the voting rights of the Company's stock, (3) other actions or failures to act by the Company, or (4) certain breaches of the Company's agreements and representations in the tax matters agreement.

The Company's indemnification obligations to SYNnex and its subsidiaries, officers, directors and employees are not limited by any maximum amount.

The Company does not believe that the above commitments and contingencies will have a material adverse effect on the Company's results of operations, financial position or cash flows.

NOTE 16—EARNINGS PER SHARE:

Basic earnings per share is generally computed by dividing net income by the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share is generally computed by dividing net income by the weighted-average number of shares of common stock outstanding during the period, increased to include the number of shares of common stock that would have been outstanding had potential dilutive shares of common stock been issued. There were no Concentrix Corporation equity awards outstanding prior to the spin-off, thus the computation of basic and diluted earnings per common share (EPS) for all periods disclosed was calculated using the shares issued in connection with the spin-off of 51.6 million shares.

The following table sets forth the computation of basic and diluted earnings per share for the periods indicated.

| | November 30, | | |
|--|--------------|---------|---------|
| | 2020 | 2019 | 2018 |
| Numerator: | | | |
| Net income | \$ 164,811 | 117,164 | 48,271 |
| Denominator: | | | |
| Weighted average common shares (basic and diluted) | 51,602 | 51,602 | 51,602 |
| Net income per common share: | | | |
| Basic and diluted earnings per share | \$ 3.19 | \$ 2.27 | \$ 0.94 |

NOTE 17—UNAUDITED QUARTERLY FINANCIAL INFORMATION:

The following is a summary of the combined results of operations for each of the quarters in the fiscal years ended November 30, 2020 and 2019:

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|--|--------------------------|---------------------------|--------------------------|---------------------------|
| 2020 | | | | |
| Revenue | \$ 1,188,619 | \$ 1,066,363 | \$ 1,163,694 | \$ 1,300,858 |
| Gross profit | 445,190 | 345,170 | 412,533 | 458,632 |
| Net income | 52,317 | 2,470 | 45,397 | 64,627 |
| Earnings per share - basic and diluted | \$ 1.01 | \$ 0.05 | \$ 0.88 | \$ 1.25 |
| | | | | |
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
| 2019 | | | | |
| Revenue | \$ 1,173,271 | \$ 1,160,877 | \$ 1,160,928 | \$ 1,212,836 |
| Gross profit | 433,309 | 430,527 | 426,181 | 458,431 |
| Net income | 33,724 | 21,239 | 30,331 | 31,870 |
| Earnings per share - basic and diluted | \$ 0.65 | \$ 0.41 | \$ 0.59 | \$ 0.62 |

Basic and diluted earnings per common share (EPS) for all periods disclosed was calculated using the shares issued in connection with the spin-off of 51.6 million shares. The sum of EPS for each of the four quarters may not equal EPS for the fiscal year.

ITEM 9. CHANGES AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES

None.

ITEM 9A. CONTROL AND PROCEDURES

Evaluation of disclosure controls and procedures

Based on the evaluation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act required by Exchange Act) Rules 13a-15(b) or 15d-15(b), our principal executive officer and principal financial officer have concluded that as of the end of the period covered by this report, our disclosure controls and procedures were effective to ensure that information required to be disclosed by Concentrix in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and include controls and procedures designed to ensure that information required to be disclosed by us in such reports is accumulated and communicated to our management, including the principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Report of management on internal control over financial reporting

This Annual Report on Form 10-K does not include a report of management's assessment regarding internal control over financial reporting or an attestation report of our independent registered public accounting firm due to a transition period established by the rules of the SEC for newly public companies.

Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting that occurred during our fourth fiscal quarter of fiscal year 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Certain information required by this Item 10 is incorporated by reference to the material under the headings “Board of Directors,” “Board Committees,” and “Proposals Requiring Your Vote—Proposal No. 1: Election of Directors” in the Company’s definitive Proxy Statement for the 2021 Annual Meeting of Stockholders, which we will file with the SEC not later than March 30, 2021.

Item 405 of Regulation S-K calls for disclosure of any known late filing or failure by an insider to file a report required by Section 16(a) of the Exchange Act. To the extent disclosure for delinquent reports is being made, it can be found under the caption “Delinquent Section 16(a) Reports” in the Company’s definitive Proxy Statement for the 2021 Annual Meeting of Stockholders, which we will file with the SEC not later than March 30, 2021, and is incorporated herein by reference.

Our Code of Ethical Business Conduct, with which our directors, officers and employees must comply, establishes legal and ethical standards for conducting our business, including in accordance with applicable Nasdaq listing standards and SEC regulations. Our Code of Ethical Business Conduct is available free of charge on the “Governance Documents” page of the Investor Relations section of our website at www.concentrix.com, and a copy may also be obtained, upon request, from our Corporate Secretary at 44111 Nobel Drive, Fremont, California, 94538. Future waivers from, or amendments to, our Code of Ethical Business Conduct that apply to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions will be timely posted on the webpage referenced in this paragraph.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 is incorporated by reference to the material under the headings “Board Committees—Compensation Committee,” “Director Compensation,” “Compensation Discussion and Analysis,” “2020 Summary Compensation Table,” “Grants of Plan-Based Awards in Fiscal 2020,” “Outstanding Equity Awards at 2020 Fiscal Year-End,” “Option Exercises and Stock Vested in Fiscal 2020,” “Pension Benefits,” “Potential Payments upon Termination or in Connection with a Change of Control,” and “CEO Pay Ratio” in the Company’s definitive Proxy Statement for the 2021 Annual Meeting of Stockholders, which we will file with the SEC not later than March 30, 2021.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item 12 is incorporated by reference to the material under the headings “Beneficial Ownership of Securities” and “Equity Compensation Plan Information” in the Company’s definitive Proxy Statement for the 2021 Annual Meeting of Stockholders, which we will file with the SEC not later than March 30, 2021.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information required by this Item 13 is incorporated by reference to the material under the headings “Corporate Governance—Related Party Transactions” and “Board of Directors—Director Independence” in the Company’s definitive Proxy Statement for the 2021 Annual Meeting of Stockholders, which we will file with the SEC not later than March 30, 2021.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item 14 is incorporated by reference to the material under the heading “Proposals Requiring Your Vote—Proposal No. 2: Ratification of Appointment of Independent Registered Public

Accounting Firm” in the Company’s definitive Proxy Statement for the 2021 Annual Meeting of Stockholders, which we will file with the SEC not later than March 30, 2021.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements

The combined financial statements of the Company filed as part of this Annual Report on Form 10-K are included in Item 8. Financial Statements and Supplementary Data.

(a)(2) Financial Statement Schedules

Schedules Omitted

Schedules other than Schedule II are omitted because they are not required or applicable under instructions contained in Regulation S-X or because the information called for is shown in the combined financial statements.

CONCENTRIX

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

For the Fiscal Years Ended November 30, 2020, 2019 and 2018

(in thousands)

(Amounts may not add due to rounding)

| | Balances at Beginning of Fiscal Year | <u>Additions/Deductions</u> | Additions from Acquisitions | Reclassifications and Write-offs | Balances at End of Fiscal Year |
|--|---|--|--|---|---|
| | | Charged to Revenue and Expense, net | | | |
| Fiscal Year Ended November 30, 2020 | | | | | |
| Allowance for deferred tax assets | \$ 44,892 | \$ 6,037 | \$ — | \$ (5,903) | \$ 45,026 |
| Fiscal Year Ended November 30, 2019 | | | | | |
| Allowance for deferred tax assets | \$ 56,033 | \$ 5,589 | \$ — | \$ (16,730) | \$ 44,892 |
| Fiscal Year Ended November 30, 2018 | | | | | |
| Allowance for deferred tax assets | \$ 12,091 | \$ (1,854) | \$ 45,796 | \$ — | \$ 56,033 |

(a)(3) Exhibits

| <u>Exhibit No.</u> | <u>Exhibit Description</u> |
|--------------------|--|
| 2.1 | Separation and Distribution Agreement, dated as of November 30, 2020, by and between the Company and SYNnex Corporation (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on December 2, 2020). * |
| 3.1 | Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on December 2, 2020). |
| 3.2 | Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on December 2, 2020). |
| 10.1 | Tax Matters Agreement, dated as of November 30, 2020, by and between the Company and SYNnex Corporation (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 2, 2020). |
| 10.2 | Employee Matters Agreement, dated as of November 30, 2020, by and between the Company and SYNnex Corporation (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 2, 2020). |
| 10.3 | SYNNEX-Concentrix Commercial Agreement, dated as of December 1, 2020, by and between Concentrix Solutions Corporation and SYNnex Corporation (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on December 2, 2020). |
| 10.4 | Credit Agreement, dated as of October 16, 2020, by and among the Company, the subsidiaries of the Company named therein, the lenders party thereto, and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.6 to Amendment No. 2 to the Company's Registration Statement on Form 10 filed on October 30, 2020). |
| 10.5 | Receivables Financing Agreement, dated as of October 30, 2020, by and among Concentrix Receivables, Inc., as borrower, the Company, as initial servicer, the lenders party thereto, and PNC Bank, National Association, as administrative agent (incorporated by reference to Exhibit 10.7 to Amendment No. 2 to the Company's Registration Statement on Form 10 filed on October 30, 2020). |
| 10.6 | Receivables Purchase Agreement, dated as of October 30, 2020, by and among Concentrix Receivables, Inc., the Company, as servicer, and the subsidiaries of the Company named therein, as originators (incorporated by reference to Exhibit 10.8 to Amendment No. 2 to the Company's Registration Statement on Form 10 filed on October 30, 2020). |
| 10.7 | Offer Letter, dated as of November 24, 2020, by and between the Company and Christopher Caldwell (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 25, 2020). † |
| 10.8 | Concentrix Corporation 2020 Stock Incentive Plan (incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K filed on December 2, 2020). † |
| 10.9 | Form of Restricted Stock Award Agreement under the Concentrix Corporation 2020 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 22, 2021). † |
| 10.10 | Form of Restricted Stock Award Agreement under the Concentrix Corporation 2020 Stock Incentive Plan (Non-Employee Directors). † |
| 10.11 | Form of Restricted Stock Unit Award Agreement under the Concentrix Corporation 2020 Stock Incentive Plan. † |

| | |
|-------|--|
| 10.12 | Form of Stock Option Award Agreement under the Concentrix Corporation 2020 Stock Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on January 22, 2021). [†] |
| 10.13 | Concentrix Corporation 2020 Employee Stock Purchase Plan. [†] |
| 10.14 | Concentrix Corporation Change of Control Severance Plan (incorporated by reference to Exhibit 10.9 to the Company's Current Report on Form 8-K filed on December 2, 2020). [†] |
| 10.15 | Form of Indemnification Agreement between the Company and individual directors and officers (incorporated by reference to Exhibit 10.4 to Amendment No. 1 to the Registration Statement on Form 10 filed by Concentrix Corporation on October 13, 2020 (File No. 001-39494)). [†] |
| 10.16 | Service Agreement, effective as of January 7, 2019, by and between Concentrix CVG CMG UK Limited and Cormac Twomey. [†] |
| 21.1 | Subsidiaries of the Company. |
| 23.1 | Consent of KPMG LLP. |
| 24.1 | Power of Attorney (included on signature page of this report). |
| 31.1 | Certification of Chief Executive Officer pursuant to Rule 13a- 14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended. |
| 31.2 | Certification of Chief Financial Officer pursuant to Rule 13a- 14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended. |
| 32.1 | Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |

* Schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. Concentrix Corporation hereby undertakes to furnish copies of any of the omitted schedules and exhibits upon request by the U.S. Securities and Exchange Commission.

[†] Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Date: February 16, 2021

CONCENTRIX CORPORATION

By: /s/ Christopher Caldwell
Christopher Caldwell
President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Christopher Caldwell and Andre Valentine, and each of them, his true and lawful attorneys-in-fact, each with full power of substitution, for him or her in any and all capacities, to sign any amendments to this Annual Report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact or their substitute or substitutes may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

| <u>Name</u> | <u>Title</u> | <u>Date</u> |
|---|--|-------------------|
| <u>/s/ Christopher Caldwell</u> Christopher Caldwell | President and Chief Executive Officer (Principal Executive Officer) and Director | February 16, 2021 |
| <u>/s/ Andre Valentine</u> Andre Valentine | Chief Financial Officer (Principal Financial and Principal Accounting Officer) | February 16, 2021 |
| <u>/s/ Teh-Chien Chou</u> Teh-Chien Chou | Director | February 16, 2021 |
| <u>/s/ LaVerne Council</u> LaVerne Council | Director | February 16, 2021 |

| | | |
|---|----------|-------------------|
| <u>/s/ Jennifer Deason</u> Jennifer Deason | Director | February 16, 2021 |
| <u>/s/ Kathryn Hayley</u> Kathryn Hayley | Director | February 16, 2021 |
| <u>/s/ Kathryn Marinello</u> Kathryn Marinello | Director | February 16, 2021 |
| <u>/s/ Dennis Polk</u> Dennis Polk | Director | February 16, 2021 |
| <u>/s/ Ann Vezina</u> Ann Vezina | Director | February 16, 2021 |

**CONCENTRIX CORPORATION
2020 STOCK INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK AWARD**

You have been granted restricted shares (the “Shares”) of Common Stock of Concentrix Corporation (the “Company”) under the Company’s 2020 Stock Incentive Plan (the “Plan”) on the following terms:

Date of Grant: [Date of Grant]

Name of Recipient: [Name of Recipient]

*Total Number of Shares
Granted:* [Total Shares]

Fair Market Value per Share: \$[Value Per Share]

*Total Fair Market Value
Of Award:* \$[Total Value]

Vesting Commencement Date: [Date vesting begins]

Vesting Schedule: [Vesting schedule]

By signing this document, you and the Company agree that these shares are granted under and governed by the terms and conditions of the Plan and the Restricted Stock Agreement (the “Agreement”), which is attached to and made a part of this document.

By signing this document you further agree that the Company may deliver by e-mail all documents relating to the Plan or this Award (including without limitation, prospectuses required by the Securities and Exchange Commission) and all other documents that the Company is required to deliver to its security holders (including without limitation, annual reports and proxy statements). You also agree that the Company may deliver these documents by posting them on a website maintained by the Company or by a third party under contract with the Company. If the Company posts these documents on a website, it will notify you by e-mail.

[NAME OF RECIPIENT]

CONCENTRIX CORPORATION

By: _____

Title: _____

CONCENTRIX CORPORATION
2020 STOCK INCENTIVE PLAN
RESTRICTED STOCK AGREEMENT

SECTION 1. PAYMENT FOR SHARES.

No cash payment is required for the Shares that you are receiving. You are receiving the Shares as consideration for Services rendered by you.

SECTION 2. GOVERNING PLAN.

The Shares that you are receiving are granted pursuant and subject in all respects to the applicable provisions of the Concentrix Corporation 2020 Stock Incentive Plan (the "Plan"), which is incorporated herein by reference. Terms not otherwise defined in this Agreement have meanings ascribed to them in the Plan.

SECTION 3. VESTING.

The Shares that you are receiving will vest as shown in the Notice of Restricted Stock Award.

No additional shares vest after your Service as an Outside Director has terminated for any reason.

SECTION 4. SHARES RESTRICTED.

Unvested Shares will be considered "Restricted Shares." You may not sell, transfer, assign, pledge or otherwise dispose of Restricted Shares without the written consent of the Company, except as provided in the next sentence. You may transfer Restricted Shares to your spouse, children or grandchildren or to a trust established by you for the benefit of yourself or your spouse, children or grandchildren. However, a transferee of Restricted Shares must agree in writing on a form prescribed by the Company to be bound by all provisions of this Agreement.

SECTION 5. FORFEITURE.

If your Service terminates for any reason, then your Shares will be forfeited to the extent that they have not vested before the termination date and do not vest as a result of termination. This means that the Restricted Shares will immediately revert to the Company. You receive no payment for Restricted Shares that are forfeited. The Company determines when your Service terminates for this purpose and all purposes under the Plan, and its determinations are conclusive and binding on all persons.

SECTION 6. STOCK CERTIFICATES.

The certificates for Restricted Shares have stamped on them a special legend referring to the forfeiture restrictions. In addition to or in lieu of imposing the legend, the Company may hold the certificates in escrow. As your vested percentage increases, you may request (at reasonable intervals) that the Company release to you a non-legended certificate for your vested shares.

SECTION 7. SHAREHOLDER RIGHTS.

During the period of time between the date of grant and the date the Shares become vested, you shall have all the rights of a shareholder with respect to the Shares except for the right to transfer the Shares, as set forth in Section 4. Accordingly, you shall have the right to vote the Shares and to receive any cash dividends paid with respect to the Shares.

SECTION 8. WITHHOLDING TAXES.

Regardless of any action taken by the Company with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding (“Tax-Related Items”), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company (1) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Shares received under this Award, including the award or vesting of such Shares, the subsequent sale of Shares under this Award and the receipt of any dividends; and (2) do not commit to structure the terms of the Award to reduce or eliminate your liability for Tax-Related Items.

No Shares will be released to you unless you have paid or made arrangements acceptable to the Company to satisfy all withholding and payment on account obligations of the Company. In this regard, you authorize the Company to withhold all applicable Tax-Related Items legally payable by you from your cash compensation paid to you by the Company. With the Company’s consent, these arrangements may also include, if permissible under local law, (a) withholding Shares that otherwise would be delivered to you when they vest having a Fair Market Value equal to the amount necessary to satisfy the maximum legally required withholding amount, (b) having the Company withhold taxes from the proceeds of the sale of the Shares, or (c) any other arrangement approved by the Company. The fair market value of the Shares you surrender, determined as of the date when taxes otherwise would have been withheld in cash, will be applied as credit against the withholding taxes. Finally, you will pay to the Company any amount of Tax-Related Items that the Company may be required to withhold as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company may refuse to deliver the Shares if you fail to comply with your obligations in connection with the Tax-Related Items as described in this section.

SECTION 9. RESTRICTIONS ON RESALE.

You agree not to sell any Shares at a time when applicable laws, Company policies or an agreement between the Company and its underwriters prohibit a sale. This restriction will apply as long as your Service continues and for such period of time after the termination of your Service as the Company may specify.

SECTION 10. NO RETENTION RIGHTS.

Neither your Award nor this Agreement gives you the right to continue to serve as an Outside Director or otherwise be employed or retained by the Company or a subsidiary of the Company in any capacity.

SECTION 11. ADJUSTMENTS.

In the event of a stock split, a stock dividend or a similar change in Company stock, or an extraordinary dividend, or a merger or a reorganization of the Company, the forfeiture provision of Section 5 will apply to all new, substitute or additional securities or other properties to which you are entitled by reason of your ownership of the shares.

SECTION 12. NOTICE.

Any notice required or permitted under this Agreement will be given in writing and will be deemed effectively given upon the earliest of personal delivery, receipt or the third (3rd) full day following mailing with postage and fees prepaid, addressed to the other party hereto at the address last known in the Company's records or at such other address as such party may designate by ten (10) days' advance written notice to the other party hereto.

SECTION 13. APPLICABLE LAW AND CHOICE OF VENUE.

This Agreement will be interpreted and enforced under the laws of the State of Delaware (without regard to their choice-of-law provisions).

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Award or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation will be conducted only in the courts of Alameda County, California or the federal courts of the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

SECTION 14. THE PLAN AND OTHER AGREEMENTS.

The text of this Plan is incorporated in this Agreement by reference. All capitalized terms used in this Agreement but not defined herein shall have the meanings assigned to them in the Plan. This Agreement and the Plan constitute the entire understanding between you and the

Company regarding this Award. Any prior agreements, commitments or negotiations concerning this Award are superseded. This Agreement may be amended by the Committee without your consent; however, if any such amendment would materially impair your rights or obligations under this Agreement, this Agreement may be amended only by another written agreement signed by you and the Company.

SECTION 15. SUCCESSORS AND ASSIGNS.

Except as otherwise provided in the Plan or this Agreement, every term of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legatees, legal representatives, successors, transferees and assigns.

SECTION 16. MISCELLANEOUS.

You understand and acknowledge that participation in the Plan ceases upon termination of your Service for any reason, except as may explicitly be provided otherwise in the Plan or this Agreement.

You consent to the collection, use and transfer of personal data as described in this subsection. You understand and acknowledge that the Company holds certain personal information regarding you for the purpose of managing and administering the Plan, including (without limitation) your name, home address, telephone number, date of birth, social insurance number, nationality, any Shares or directorships held in the Company and details of all awards or any other entitlements to Shares awarded, canceled, exercised, vested, unvested or outstanding in your favor (the "Data"). You further understand and acknowledge that the Company and/or its Subsidiaries will transfer Data among themselves as necessary for the purpose of implementation, administration and management of your participation in the Plan and that the Company and/or any Subsidiary may each further transfer Data to any third party assisting the Company in the implementation, administration and management of the Plan. You understand and acknowledge that the recipients of Data may be located in the United States or elsewhere. You authorize such recipients to receive, possess, use, retain and transfer Data, in electronic or other form, for the purpose of administering your participation in the Plan, including a transfer to any broker or other third party with whom you elect to deposit Shares acquired under the Plan of such Data as may be required for the administration of the Plan and/or the subsequent holding of Shares on your behalf. You may, at any time, view the Data, require any necessary modifications of Data or withdraw the consents set forth in this subsection by contacting the Legal Department of the Company in writing.

BY SIGNING THE COVER SHEET OF THIS AGREEMENT, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

CONCENTRIX CORPORATION

2020 STOCK INCENTIVE PLAN

NOTICE OF RESTRICTED STOCK UNIT AWARD

You have been granted Restricted Stock Units (the “RSUs”) representing Common Stock of Concentrix Corporation (the “Company”) under the Company’s 2020 Stock Incentive Plan (the “Plan”) on the following terms:

Date of Grant: [Date of Grant]

Name of Recipient: [Name of Recipient]

Total Number of RSUs: [Total Number of RSUs]

Fair Market Value per RSU: \$[Value per RSU]

Total Fair Market Value of Award: \$[Total Value]

Vesting Commencement Date: [Date vesting begins]

Vesting Schedule: [Vesting schedule]

By signing this document, you and the Company agree that these RSUs are granted under and governed by the term and conditions of the Plan and the Restricted Stock Unit Agreement (the “Agreement”), both of which are attached to and made a part of this document.

By signing this document you further agree that the Company may deliver by e-mail all documents relating to the Plan or this Award (including without limitation, prospectuses required by the Securities and Exchange Commission) and all other documents that the Company is required to deliver to its security holders (including without limitation, annual reports and proxy statements). You also agree that the Company may deliver these documents by posting them on a website maintained by the Company or by a third party under contract with the Company. If the Company posts these documents on a website, it will notify you by e-mail.

[NAME OF RECIPIENT]

CONCENTRIX CORPORATION

By: _____

Its: _____

CONCENTRIX CORPORATION
2020 STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT

SECTION 1. PAYMENT FOR SHARES.

No cash payment is required for the RSUs that you are receiving. You are receiving the RSUs as consideration for Services rendered by you.

SECTION 2. GOVERNING PLAN.

The RSUs that you are receiving are granted pursuant and subject in all respects to the applicable provisions of the Concentrix Corporation 2020 Stock Incentive Plan (the "Plan"), which is incorporated herein by reference. Terms not otherwise defined in this Agreement have meanings ascribed to them in the Plan.

SECTION 3. VESTING.

The RSUs that you are receiving will vest as shown in the Notice of Restricted Stock Unit Award.

No additional RSUs vest after your Service as an Employee or a Consultant has terminated for any reason.

SECTION 4. NATURE OF RSUS.

Your RSUs are mere bookkeeping entries. They represent only the Company's unfunded and unsecured promise to issue shares of common stock of the Company ("Shares") on a future date. As a holder of RSUs, you have no rights other than the rights of a general creditor of the Company.

Your RSUs carry neither voting rights nor rights to dividends. You, or your estate or heirs, have no rights as a stockholder of the Company unless and until your RSUs are settled by issuing Shares. No adjustments will be made for dividends or other rights if the applicable record date occurs before your Shares are issued, except as described in the Plan.

You may not sell, transfer, assign, pledge or otherwise dispose of any RSUs. For instance, you may not use your RSUs as security for a loan. If you attempt to do any of these things, your RSUs will immediately become invalid.

SECTION 5. FORFEITURE.

If your Service terminates for any reason, then your Award expires immediately as to the number of RSUs that have not vested before the termination date and do not vest as a result of termination. This means that the unvested RSUs will immediately be cancelled. You receive no payment for RSUs that are forfeited. The Company determines when your Service terminates for

this purpose and all purposes under the Plan and its determinations are conclusive and binding on all persons.

SECTION 6. LEAVES OF ABSENCE AND PART-TIME WORK.

For purposes of this Award, your Service does not terminate and your vesting will continue when you go on a military leave, a sick leave or another *bona fide* leave of absence, if the leave of absence was approved by the Company in writing and if continued crediting of Service is required by the terms of the leave or by applicable law. But your Service terminates when the approved leave ends, unless you immediately return to active work.

If you go on a leave of absence of more than eight (8) weeks, then the vesting schedule specified in the Notice of Restricted Stock Unit Award may be adjusted in accordance with the Company's leave of absence policy or the terms of your leave. If you commence working on a part-time basis, then the vesting schedule specified in the Notice of Restricted Stock Unit Award may be adjusted in accordance with the Company's part-time work policy or the terms of an agreement between you and the Company pertaining to your part-time schedule.

SECTION 7. SETTLEMENT OF RSUS.

Each of your vested RSUs will be settled when it vests, unless a valid Deferral Election (as defined below) applies to some or all of your RSUs; provided, however, that settlement of each RSU will be deferred to the first permissible trading day for the Shares, if later than the applicable vesting date, but in no event later than December 31 of the calendar year in which the applicable vesting date occurs.

For purposes of this Agreement, "permissible trading day" means a day that satisfies all of the following requirements: (a) the exchange on which the Shares are traded is open for trading on that day; (b) you are permitted to sell Shares on that day without incurring liability under section 16(b) of the Exchange Act, (c) either (i) you are not in possession of material non-public information that would make it illegal for you to sell Shares on that day under Rule 10b-5 under the Exchange Act or (ii) Rule 10b5-1 under the Exchange Act would apply to the sale; (d) you are permitted to sell Shares on that day under such written insider trading policy as may have been adopted by the Company; and (e) you are not prohibited from selling Shares on that day by a written agreement between you and the Company or a third party.

At the time of settlement, you will receive one Share for each vested RSU; provided, however, that no fractional Shares will be issued or delivered pursuant to the Plan or this Agreement, and the Committee will determine whether cash will be paid in lieu of any fractional Share or whether such fractional Share and any rights thereto will be canceled, terminated or otherwise eliminated. In addition, the Shares are issued to you subject to the condition that the issuance of the Shares not violate any law or regulation.

SECTION 8. DEFERRAL ELECTIONS.

You may elect to defer the settlement of any RSUs that vest pursuant to this Award in accordance with the rules set forth below and any rules and procedures that may hereafter be

adopted by the Committee. Such election (“Deferral Election”) may not extend the settlement of the RSUs beyond the earlier of (a) 30 days after your separation from service, as defined for purposes of Section 409A of the Code (provided, however, that if you are a “specified employee” as defined under Section 409A of the Code upon your separation from service, your RSUs may not be settled prior to the six month anniversary of your separation from service, to the extent required to avoid taxation under Section 409A), or (b) the tenth anniversary of the Date of Grant. Unless otherwise provided by the Committee in accordance with the requirements of Section 409A, Deferral Elections must be in writing, must be received by the Company at its headquarters no later than 30 days following the Date of Grant, must be irrevocable no later than 30 days following the Date of Grant, and will only be effective with respect to RSUs that vest at least 12 months following the date that the Deferral Election is made and becomes irrevocable.

SECTION 9. WITHHOLDING TAXES.

Regardless of any action the Company and/or the Subsidiary or Affiliate employing you (the “Employer”) takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding (“Tax-Related Items”), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the settlement of the RSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (2) do not commit to structure the terms of the Award or any aspect of the RSUs to reduce or eliminate your liability for Tax-Related Items.

Prior to the settlement of your RSUs, you shall pay or make arrangements acceptable to the Company and/or your Employer to satisfy all withholding and payment on account obligations of the Company and/or the Employer. In this regard, you authorize the Company and/or your Employer to withhold all applicable Tax-Related Items legally payable by you from your wages or other cash compensation paid to you by the Company and/or your Employer. With the Company’s consent, these arrangements may also include, if permissible under local law, (a) withholding Shares that otherwise would be issued to you when your RSUs are settled, provided that the Company only withholds the amount of Shares necessary to satisfy the maximum legally required withholding amount, (b) having the Company withhold taxes from the proceeds of the sale of the Shares, or (c) any other arrangement approved by the Company. The fair market value of the Shares you surrender, determined as of the date when taxes otherwise would have been withheld in cash, will be applied as a credit against the withholding taxes. Finally, you will pay to the Company or your Employer any amount of Tax-Related Items that the Company or your Employer may be required to withhold as a result of your participation in the Plan or your acquisition of Shares that cannot be satisfied by the means previously described. The Company may refuse to deliver the Shares if you fail to comply with your obligations in connection with the Tax-Related Items as described in this section, and your rights to the Shares shall be forfeited if you do not comply with such obligations on or before December 31 of the calendar year in which the applicable vesting date for the RSUs occurs.

SECTION 10. RESTRICTIONS ON RESALE.

You agree not to sell any Shares at a time when applicable laws, Company policies or an agreement between the Company and its underwriters prohibit a sale. This restriction will apply as long as your Service continues and for such period of time after the termination of your Service as the Company may specify.

SECTION 11. NO RETENTION RIGHTS.

Neither your Award nor this Agreement gives you the right to be employed or retained by the Company or a subsidiary of the Company in any capacity. The Company and its subsidiaries reserve the right to terminate your Service at any time, with or without cause.

SECTION 12. ADJUSTMENTS.

The number of RSUs covered by this Award shall be subject to adjustment in the event of a stock split, a stock dividend or a similar change in Company Shares, and in other circumstances, as set forth in the Plan.

SECTION 13. NOTICE.

Any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given upon the earliest of personal delivery, receipt or the third (3rd) full day following mailing with postage and fees prepaid, addressed to the other party hereto at the address last known in the Company's records or at such other address as such party may designate by ten (10) days' advance written notice to the other party hereto.

SECTION 14. APPLICABLE LAW AND CHOICE OF VENUE.

This Agreement will be interpreted and enforced under the laws of the State of Delaware (without regard to their choice-of-law provisions).

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Award or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation will be conducted only in the courts of Alameda County, California, or the federal courts of the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

SECTION 15. THE PLAN AND OTHER AGREEMENTS.

The text of the Plan is incorporated in this Agreement by reference. All capitalized terms used in this Agreement but not defined herein shall have the meanings assigned to them in the Plan. This Agreement and the Plan constitute the entire understanding between you and the Company regarding this Award. Any prior agreements, commitments or negotiations concerning this Award are superseded. This Agreement may be amended by the Committee without your consent; however, if any such amendment would materially impair your rights or obligations

under this Agreement, this Agreement may be amended only by another written agreement, signed by you and the Company.

SECTION 16. SUCCESSORS AND ASSIGNS.

Except as otherwise provided in the Plan or this Agreement, every term of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legatees, legal representatives, successors, transferees and assigns.

SECTION 17. MISCELLANEOUS.

You understand and acknowledge that (i) the Plan is entirely discretionary, (ii) the Company and your Employer have reserved the right to amend, suspend or terminate the Plan at any time, (iii) the grant of your Award does not in any way create any contractual or other right to receive additional grants of awards (or benefits in lieu of awards) at any time or in any amount and (iv) all determinations with respect to any additional grants, including (without limitation) the times when awards will be granted, the number of Shares subject to the awards, and the vesting schedule, will be at the sole discretion of the Company.

The value of this Award shall be an extraordinary item of compensation outside the scope of your employment contract, if any, and shall not be considered a part of your normal or expected compensation for purposes of calculating severance, resignation, redundancy or end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

You understand and acknowledge that participation in the Plan ceases upon termination of your Service for any reason, except as may explicitly be provided otherwise in the Plan or this Agreement.

You hereby authorize and direct your Employer to disclose to the Company or any Subsidiary any information regarding your employment, the nature and amount of your compensation and the fact and conditions of your participation in the Plan, as your Employer deems necessary or appropriate to facilitate the administration of the Plan.

You consent to the collection, use and transfer of personal data as described in this subsection. You understand and acknowledge that the Company, your Employer and the Company's other Subsidiaries hold certain personal information regarding you for the purpose of managing and administering the Plan, including (without limitation) your name, home address, telephone number, date of birth, social insurance number, salary, nationality, job title, any Shares or directorships held in the Company and details of all awards or any other entitlements to Shares awarded, canceled, exercised, vested, unvested or outstanding in your favor (the "Data"). You further understand and acknowledge that the Company and/or its Subsidiaries will transfer Data among themselves as necessary for the purpose of implementation, administration and management of your participation in the Plan and that the Company and/or any Subsidiary may each further transfer Data to any third party assisting the Company in the implementation, administration and management of the Plan. You understand and acknowledge that the recipients of Data may be located in the United States or elsewhere. You authorize such

recipients to receive, possess, use, retain and transfer Data, in electronic or other form, for the purpose of administering your participation in the Plan, including a transfer to any broker or other third party with whom you elect to deposit Shares acquired under the Plan of such Data as may be required for the administration of the Plan and/or the subsequent holding of Shares on your behalf. You may, at any time, view the Data, require any necessary modifications of Data or withdraw the consents set forth in this subsection by contacting the People Solutions Department of the Company in writing.

SECTION 18. SECTION 409A OF THE CODE.

To the extent this Agreement is subject to, and not exempt from, Section 409A of the Code, this Agreement is intended to comply with Section 409A of the Code, and its provisions shall be interpreted in a manner consistent with such intent. You acknowledge and agree that changes may be made to this Agreement to avoid adverse tax consequences to you under Section 409A.

SECTION 19. APPENDIX.

If you reside outside of the United States, the Award shall be subject to the special terms and provisions (if any) set forth in the Appendix to this Agreement for Awards outside of the United States and, if applicable, the special terms and conditions for your country of residence. Moreover, if you relocate outside of the United States, the special terms and conditions for Participants who reside outside of the United States will apply to you, and if you relocate to a country for which special terms and conditions apply, those special terms and conditions will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan and provided the imposition of the term or condition will not result in any adverse accounting expense with respect to the Award. The Appendix constitutes part of this Agreement. In addition, the Company reserves the right to impose other requirements on the Award and any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan and provided the imposition of the term or condition will not result in any adverse accounting expense to the Company, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

BY SIGNING THE COVER SHEET OF THIS AGREEMENT, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

CONCENTRIX CORPORATION
2020 EMPLOYEE STOCK PURCHASE PLAN

(as adopted by the Board of Directors on November 12, 2020)

(Effective on December 1, 2020)

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CONCENTRIX CORPORATION

2020 EMPLOYEE STOCK PURCHASE PLAN

SECTION 1. Purpose of the Plan.

The Plan was adopted by the Board on November 12, 2020 and subsequently approved by the Company's stockholders on November 24, 2020. The purpose of the Plan is to provide Eligible Employees with an opportunity to increase their proprietary interest in the success of the Company by purchasing Common Stock from the Company on favorable terms and to pay for such purchases through payroll deductions. The Plan is intended to qualify under Section 423 of the Code.

SECTION 2. Definitions.

- (a) "Board" means the Board of Directors of the Company, as constituted from time to time.
- (b) "Code" means the Internal Revenue Code of 1986, as amended.
- (c) "Committee" means the Compensation Committee of the Board or such other committee, comprised exclusively of one or more directors of the Company, as may be appointed by the Board from time to time to administer the Plan.
- (d) "Common Stock" means the Company's common stock, par value \$0.0001 per share.
- (e) "Company" means Concentrix Corporation, a Delaware corporation.
- (f) "Compensation" means, unless provided otherwise by the Committee in the terms and conditions of an Offering, base salary and wages paid in cash to a Participant by a Participating Company, without reduction for any pre-tax contributions made by the Participant under Sections 401(k) or 125 of the Code. Compensation shall, unless provided otherwise by the Committee in the terms and conditions of an Offering, exclude variable compensation (including commissions, bonuses, incentive compensation, overtime pay and shift premiums), all non-cash items, moving or relocation allowances, cost-of-living equalization payments, car allowances, tuition reimbursements, imputed income attributable to cars or life insurance, severance pay, fringe benefits, contributions or benefits received under employee benefit plans, income attributable to the exercise of stock options, and similar items. The Committee shall determine whether a particular item is included in Compensation.
- (g) "Corporate Reorganization" means:
 - i. The consummation of a merger or consolidation of the Company with or into another entity, or any other corporate reorganization in which the Company's stockholders immediately prior thereto own less than 50% of the voting securities of the Company (or its successor or parent) immediately thereafter; or

ii. The sale, transfer or other disposition of all or substantially all of the Company's assets or the complete liquidation or dissolution of the Company.

(h) "Eligible Employee" means any employee of a Participating Company who has rendered services as an employee for at least six (6) months after the employee's date of hire with the Company or a Participating Company and whose customary employment is for more than five (5) months per calendar year and for more than twenty (20) hours per week. The foregoing notwithstanding, an individual shall not be considered an Eligible Employee if his or her participation in the Plan is prohibited by the law of any country which has jurisdiction over him or her.

(i) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(j) "Fair Market Value" means the fair market value of a share of Common Stock, determined as follows:

- i. If the Common Stock was traded on any established national securities exchange, including the New York Stock Exchange or The NASDAQ Stock Market, on the date in question, then the Fair Market Value shall be equal to the closing price as quoted on such exchange (or the exchange with the greatest volume of trading in the Common Stock) on such date as reported in *The Wall Street Journal* or such other source as the Committee deems reliable; or
- ii. If the foregoing provision is not applicable, then the Fair Market Value shall be determined by the Committee in good faith on such basis as it deems appropriate.

For any date that is not a Trading Day, the Fair Market Value of a share of Common Stock for such date shall be determined by using the closing sale price for the immediately preceding Trading Day. The determination of the Fair Market Value pursuant to the foregoing provisions shall be conclusive and binding on all persons.

(k) "Offering" means the grant of options to purchase shares of Common Stock to Eligible Employees under the Plan.

(l) "Offering Date" means the first day of an Offering; provided, however, that if any Offering Date falls on a day that is not a Trading Day, then such Offering Date shall instead fall on the next Trading Day.

(m) "Offering Period" means a period with respect to which the right to purchase Common Stock may be granted to Eligible Employees under the Plan.

(n) "Participant" means an Eligible Employee who elects to participate in the Plan in accordance with the terms hereof.

- (o) “Participating Company” means (i) the Company and (ii) each present or future Subsidiary designated by the Committee as a Participating Company.
- (p) “Plan” means this Concentrix Corporation 2020 Employee Stock Purchase Plan, as it may be amended from time to time.
- (q) “Plan Account” means the account established for each Participant.
- (r) “Purchase Date” means one or more dates during an Offering on which shares of Common Stock may be purchased pursuant to the terms of the Offering; provided, however, that if any Purchase Date falls on a day that is not a Trading Day, then such Purchase Date shall instead fall on the immediately preceding Trading Day.
- (s) “Purchase Period” means one or more successive periods during an Offering, beginning on the Offering Date or on the day after a Purchase Date, and ending on the next succeeding Purchase Date.
- (t) “Purchase Price” means the price at which Participants may purchase shares of Common Stock under the Plan, as determined pursuant to Section 8(b).
- (u) “Subsidiary” means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns common stock, limited liability company interests, partnership interests or other equity possessing 50% or more of the total combined equity voting power in one of the other corporations in such chain.
- (v) “Trading Day” means a day on which the national securities exchange on which the Common Stock is traded is open for trading.

SECTION 3. Administration of the Plan.

(a) Administrative Powers and Responsibilities. The Plan shall be administered by the Committee. The Committee shall have full power and authority, subject to the provisions of the Plan, to promulgate such rules and regulations as it deems necessary for the proper administration of the Plan, to interpret the provisions and supervise the administration of the Plan, and to take all action in connection therewith or in relation thereto as it deems necessary or advisable. Any decision reduced to writing and signed by all of the members of the Committee shall be fully effective as if it had been made at a meeting duly held. The Committee’s determinations under the Plan, unless otherwise determined by the Board, shall be final and binding on all persons. The Company shall pay all expenses incurred in the administration of the Plan. No member of the Committee shall be personally liable for any action, determination, or interpretation made in good faith with respect to the Plan, and all members of the Committee shall be fully indemnified by the Company with respect to any such action, determination or interpretation. The Committee may adopt such rules, guidelines and forms as it deems appropriate to implement the Plan. Subject to the requirements of applicable law, the Committee may designate persons other than members of the Committee to carry out its responsibilities and

may prescribe such conditions and limitations as it may deem appropriate. All decisions, interpretations and other actions of the Committee shall be final and binding on all Participants and all persons deriving their rights from a Participant. No member of the Committee shall be liable for any action that he has taken or has failed to take in good faith with respect to the Plan. Notwithstanding anything to the contrary in the Plan, the Board may, in its sole discretion, at any time and from time to time, resolve to administer the Plan. In such event, the Board shall have all of the authority and responsibility granted to the Committee herein.

(b) International Administration. The Committee shall establish sub-plans (which need not qualify under Section 423 of the Code) and initiate separate Offerings through such sub-plans for the purpose of (i) facilitating participation in the Plan by non-U.S. employees in compliance with foreign laws and regulations without affecting the qualification of the remainder of the Plan under Section 423 of the Code or (ii) qualifying the Plan for preferred tax treatment under foreign tax laws (which sub-plans, at the Committee's discretion, may provide for allocations of the authorized shares reserved for issue under the Plan as set forth in Section 14(a)). The rules, guidelines and forms of such sub-plans (or the Offerings thereunder) may take precedence over other provisions of the Plan, with the exception of Section 4(a)(i), Section 5(b), Section 8(b) and Section 14(a), but unless otherwise superseded by the terms of such sub-plan, the provisions of the Plan shall govern the operation of such sub-plan.

SECTION 4. Enrollment and Participation.

(a) Offering Periods. While the Plan is in effect, the Committee may from time to time grant options to purchase shares of Common Stock pursuant to the Plan to Eligible Employees during a specified Offering Period. Each such Offering shall be in such form and shall contain such terms and conditions as the Committee shall determine, subject to compliance with the terms and conditions of the Plan (which may be incorporated by reference) and the requirements of Section 423 of the Code, including the requirement that all Eligible Employees have the same rights and privileges (except with respect to sub-plans established for the purpose of facilitating participation by non-U.S. employees). The Committee shall specify prior to the commencement of each Offering (i) the period during which the Offering shall be effective, which may not exceed 27 months from the Offering Date and may include one or more successive Purchase Periods within the Offering, (ii) the Purchase Dates and Purchase Price for shares of Common Stock which may be purchased pursuant to the Offering, and (iii) if applicable, any limits on the number of shares of Common Stock purchasable by a Participant, or by all Participants in the aggregate, during any Offering Period or, if applicable, Purchase Period, in each case consistent with the limitations of the Plan. The Committee shall have the discretion to provide for the automatic termination of an Offering following any Purchase Date on which the Fair Market Value of a share of Common Stock is equal to or less than the Fair Market Value of a share of Common Stock on the Offering Date, and for the Participants in the terminated Offering to be automatically re-enrolled in a new Offering that commences immediately after such Purchase Date. The terms and conditions of each Offering need not be identical, and shall be deemed incorporated by reference and made a part of the Plan.

(b) Enrollment. Any individual who, on the day preceding the first day of an Offering Period, qualifies as an Eligible Employee may elect to become a Participant in the Plan for such Offering Period by completing the enrollment process prescribed and communicated for this purpose from time to time by the Company to Eligible Employees. By completing the enrollment process, an Eligible Employee: (i) authorizes the applicable Participating Company to make the relevant payroll deductions from the Eligible Employee's Compensation on each applicable payday and to pay or apply such amounts to the purchase of Common Stock under the Plan; (ii) agrees to be bound by the terms of any enrollment form and the Plan; and (iii) accepts and consents to any action taken under the Plan by the Committee, the Company or the applicable Participating Company.

(c) Duration of Participation. Once enrolled in the Plan, a Participant shall continue to participate in the Plan until he or she ceases to be an Eligible Employee or withdraws from the Plan under Section 6(a). A Participant who withdrew from the Plan under Section 6(a) may again become a Participant, if he or she then is an Eligible Employee, by following the procedure described in Section 4(b). A Participant whose employee contributions were discontinued automatically shall automatically resume participation at the beginning of the earliest Offering Period ending in the next calendar year, if he or she is then an Eligible Employee. When a Participant reaches the end of an Offering Period but his or her participation is to continue, then such Participant shall automatically be re-enrolled for the Offering Period that commences immediately after the end of the prior Offering Period.

SECTION 5. Employee Contributions.

(a) Frequency of Payroll Deductions. A Participant may purchase shares of Common Stock under the Plan solely by means of payroll deductions; provided, however, that to the extent provided in the terms and conditions of an Offering, a Participant may also make contributions through payment by cash or check prior to one or more Purchase Dates during the Offering. Payroll deductions, subject to the provisions of Section 5(b) or as otherwise provided under the terms and conditions of an Offering, shall occur on each payday during participation in the Plan.

(b) Amount of Payroll Deductions. An Eligible Employee shall designate during the enrollment process the portion of his or her Compensation that he or she elects to have withheld for the purchase of Common Stock. Such portion shall be a whole percentage of the Eligible Employee's Compensation, but not less than 1% nor more than 15% (or such lower rate of Compensation specified as the limit in the terms and conditions of the applicable Offering). Unless otherwise determined by the Committee, the amount of an Eligible Employee's Compensation that may be withheld for the purchase of Common Stock shall not exceed an amount per calendar year that is equal to the product of (x) \$25,000 multiplied by (y) the percentage of Fair Market Value utilized for the Purchase Price, as set forth in Section 8(b).

(c) Changing Withholding Rate. Unless otherwise provided under the terms and conditions of an Offering, a Participant may not increase the rate of payroll withholding during the Offering Period, but may decrease the rate of payroll withholding during the Offering Period to a whole percentage of his or her Compensation in accordance with such procedures and subject to such limitations as the Company may establish for all Participants. A Participant may

also increase or decrease the rate of payroll withholding effective for a new Offering Period by submitting an authorization to change the payroll deduction rate pursuant to the process prescribed by the Company from time to time. The new withholding rate shall be a whole percentage of the Eligible Employee's Compensation consistent with Section 5(b).

(d) Discontinuing Payroll Deductions. If a Participant wishes to discontinue employee contributions entirely, he or she may do so by withdrawing from the Plan pursuant to Section 6(a). In addition, employee contributions may be discontinued automatically pursuant to Section 9(b).

SECTION 6. Withdrawal from the Plan.

(a) Withdrawal. A Participant may elect to withdraw from the Plan by giving notice pursuant to the process prescribed and communicated by the Company from time to time. Such withdrawal may be elected at any time before the last day of an Offering Period, except as otherwise provided in the Offering. In addition, if payment by cash or check is permitted under the terms and conditions of an Offering, Participants may be deemed to withdraw from the Plan by declining or failing to remit timely payment to the Company for the shares of Common Stock. As soon as reasonably practicable thereafter, payroll deductions shall cease and the entire amount credited to the Participant's Plan Account shall be refunded to him or her in cash, without interest. No partial withdrawals shall be permitted.

(b) Re-enrollment After Withdrawal. A former Participant who has withdrawn from the Plan shall not be a Participant until he or she re-enrolls in the Plan in accordance with the terms hereof. Re-enrollment may be effective only at the commencement of an Offering Period.

SECTION 7. Change in Employment Status.

(a) Termination of Employment. Termination of employment as an Eligible Employee for any reason, including death, shall be treated as an automatic withdrawal from the Plan under Section 6(a). A transfer from one Participating Company to another shall not be treated as a termination of employment.

(b) Leave of Absence. For purposes of the Plan, employment shall not be deemed to terminate when the Participant goes on a military leave, a sick leave or another bona fide leave of absence, if the leave was approved by the Company in writing. For purposes of the Plan, employment, however, shall be deemed to terminate three (3) months after the Participant goes on a leave, unless a contract or statute guarantees his or her right to return to work. Employment shall be deemed to terminate in any event when the approved leave ends, unless the Participant immediately returns to work.

(c) Death. In the event of the Participant's death, the amount credited to his or her Plan Account shall be paid to the Participant's estate.

SECTION 8. Plan Accounts and Purchase of Shares.

(a) Plan Accounts. The Company shall maintain a Plan Account on its books in the name of each Participant. Whenever an amount is deducted from the Participant's Compensation under the Plan, such amount shall be credited to the Participant's Plan Account. Amounts credited to Plan Accounts shall not be trust funds and may be commingled with the Company's general assets and applied to general corporate purposes. No interest will accrue, be credited or be paid to Participants in respect of any amounts credited to the Participant's Plan Account.

(b) Purchase Price. The Purchase Price for each share of Common Stock purchased during an Offering Period shall be the lesser of:

- i. 95% of the Fair Market Value of such share on the Purchase Date; or
- ii. 95% of the Fair Market Value of such share on the Offering Date.

The Committee may specify an alternative Purchase Price amount or formula in the terms and conditions of an Offering, but in no event may such amount or formula result in a Purchase Price less than that calculated pursuant to the immediately preceding formula.

(c) Number of Shares Purchased. As of each Purchase Date, each Participant shall be deemed to have elected to purchase the number of shares of Common Stock calculated in accordance with this Section 8(c), unless the Participant has previously elected to withdraw from the Plan in accordance with Section 6(a). The amount then in the Participant's Plan Account shall be divided by the Purchase Price and rounded down to the nearest whole number, and the number of shares that results shall be purchased from the Company with the funds in the Participant's Plan Account. Unless provided otherwise by the Committee prior to commencement of an Offering, the maximum number of shares of Common Stock which may be purchased by an individual Participant during an Offering is 500 shares. The foregoing notwithstanding, no Participant shall purchase more than such number of shares of Common Stock as may be determined by the Committee with respect to the Offering Period, or Purchase Period, if applicable, nor more than the amounts of Common Stock set forth in Sections 9(b) and 14(a). For each Offering Period and, if applicable, Purchase Period, the Committee shall have the authority to establish additional limits on the number of shares purchasable by all Participants in the aggregate.

(d) Available Shares Insufficient. In the event that the aggregate number of shares of Common Stock that all Participants elect to purchase during an Offering Period exceeds the maximum number of shares remaining available for issuance under Section 14(a), or which may be purchased pursuant to any additional aggregate limits imposed by the Committee, then the number of shares to which each Participant is entitled shall be determined by multiplying the number of shares available for issuance by a fraction, the numerator of which is the number of shares that such Participant has elected to purchase and the denominator of which is the number of shares that all Participants have elected to purchase.

(e) Issuance of Common Stock. Shares may be registered in the name of the Participant or jointly in the name of the Participant and his or her spouse as joint tenants with right of survivorship or as community property.

(f) Unused Cash Balances. An amount remaining in the Participant's Plan Account that represents the Purchase Price for any fractional share shall be carried over in the Participant's Plan Account to the next Offering Period or refunded to the Participant in cash at the end of the Offering Period, without interest, if his or her participation is not continued. Any amount remaining in the Participant's Plan Account that represents the Purchase Price for whole shares that could not be purchased by reason of Section 8(c), Section 8(d), Section 9(b) or Section 14(a) shall be refunded to the Participant in cash, without interest.

(g) Stockholder Approval. The Plan shall be submitted to the stockholders of the Company for their approval within twelve (12) months after the date the Plan is adopted by the Board. Any other provision of the Plan notwithstanding, no shares of Common Stock shall be purchased under the Plan unless and until the Company's stockholders have approved the adoption of the Plan.

SECTION 9. Limitations on Stock Ownership.

(a) Five Percent Limit. Any other provision of the Plan notwithstanding, no Participant shall be granted a right to purchase Common Stock under the Plan if such Participant, immediately after his or her election to purchase such Common Stock, would own shares of Common Stock, together with any other equity interests, representing 5% or more of the total combined voting power or value of all classes of stock of the Company or any parent or Subsidiary of the Company. For purposes of this Section 9(a), the following rules shall apply:

- i. Ownership of stock shall be determined after applying the attribution rules of Section 424(d) of the Code;
- ii. Each Participant shall be deemed to own any stock that he or she has a right or option to purchase under this or any other plan; and
- iii. Each Participant shall be deemed to have the right to purchase up to the maximum number of shares of Common Stock that may be purchased by a Participant under this Plan under the individual limit specified pursuant to Section 8(c) with respect to each Offering Period.

(b) Dollar Limit. Any other provision of the Plan notwithstanding, no Participant shall accrue the right to purchase Common Stock at a rate which exceeds \$25,000 of Fair Market Value of such Common Stock per calendar year (under this Plan and all other employee stock purchase plans of the Company or any parent or Subsidiary of the Company), determined in accordance with the provisions of Section 423(b)(8) of the Code and applicable Treasury Regulations promulgated thereunder.

For purposes of this Section 9(b), the Fair Market Value of Common Stock shall be determined as of the beginning of the Offering Period in which such Common Stock is purchased. Employee stock purchase plans not described in Section 423 of the Code shall be disregarded, and this dollar limit shall not apply to such plans. If a Participant is precluded by this Section 9(b) from purchasing additional Common Stock under the Plan, then his or her employee contributions shall automatically be discontinued and shall resume at the beginning of the earliest Offering Period ending in the next calendar year (if he or she then is an Eligible Employee).

SECTION 10. Rights Not Transferable.

The rights of any Participant under the Plan, or any Participant's interest in any Common Stock or cash to which he or she may be entitled under the Plan, shall not be transferable by voluntary or involuntary assignment or by operation of law, or in any other manner other than by the laws of descent and distribution. If a Participant in any manner attempts to transfer, assign or otherwise encumber his or her rights or interest under the Plan, other than by the laws of descent and distribution, then such act shall be treated as an election by the Participant to withdraw from the Plan under Section 6(a).

SECTION 11. No Rights as an Employee

Nothing in the Plan or in any right granted under the Plan shall confer upon any Eligible Employee or Participant any right to become or remain an employee of a Participating Company (or any affiliate thereof) or interfere with or otherwise restrict in any way the rights of the Participating Company (or any affiliate thereof), which rights are hereby expressly reserved, to terminate the employment of such person at any time and for any reason, with or without cause, except as otherwise restricted by applicable law.

SECTION 12. No Rights as a Stockholder.

A Participant shall have no rights as a stockholder with respect to any shares of Common Stock that he or she may have a right to purchase under the Plan unless and until such shares have been purchased on the applicable Purchase Date.

SECTION 13. Securities Law Requirements.

Shares of Common Stock shall not be issued under the Plan unless the issuance and delivery of such shares comply with (or are exempt from) all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange or other securities market on which the Company's securities may then be traded, to the extent applicable.

SECTION 14. Stock Offered under the Plan.

(a) **Authorized Shares.** The maximum aggregate number of shares of Common Stock available for purchase under the Plan is 1,000,000 shares. The aggregate number of shares of Common Stock available for purchase under the Plan shall at all times be subject to adjustment pursuant to Section 14(b).

(b) **Anti-dilution Adjustments.** The aggregate number of shares of Common Stock offered under the Plan, the individual and aggregate Participant share limitations described in Section 8(c) and the price of shares that any Participant has elected to purchase shall be adjusted proportionately by the Committee in the event of any change in the number of issued shares of Common Stock (or issuance of shares other than Common Stock) by reason of any forward or reverse share split, subdivision or consolidation, or share dividend or bonus issue, recapitalization, reclassification, merger, amalgamation, consolidation, split-up, spin-off, reorganization, combination, exchange of shares of Common Stock, or any other change in corporate structure or in the event of any extraordinary distribution (whether in the form of cash, shares of Common Stock, other securities or other property).

(c) **Reorganizations.** Any other provision of the Plan notwithstanding, in the event of a Corporate Reorganization in which the Plan is not assumed by the surviving corporation or its parent corporation pursuant to the applicable plan of merger or consolidation, the Offering Period then in progress shall terminate immediately prior to the effective time of such Corporate Reorganization and either shares of Common Stock shall be purchased pursuant to Section 8 or, if so determined by the Board or Committee, all amounts in all Participant Accounts shall be refunded pursuant to Section 15 without any purchase of shares of Common Stock. The Plan shall in no event be construed to restrict in any way the Company's right to undertake a dissolution, liquidation, merger, consolidation or other reorganization.

SECTION 15. Amendment or Discontinuance.

The Board or Committee shall have the right to amend, suspend or terminate the Plan at any time and without notice. Upon any such amendment, suspension or termination of the Plan during an Offering Period, the Board or Committee may in its discretion determine that the applicable Offering shall immediately terminate and that all amounts in the Participant Accounts shall be carried forward into a payroll deduction account for each Participant under a successor plan, if any, or promptly refunded to each Participant. Except as provided in Section 14, any increase in the aggregate number of shares of Common Stock to be issued under the Plan shall be subject to approval by a vote of the stockholders of the Company. In addition, any other amendment of the Plan shall be subject to approval by a vote of the stockholders of the Company to the extent required by applicable law or regulation. This Plan shall continue until the earlier to occur of (a) termination of this Plan pursuant to this Section 15 or (b) issuance of all of the shares of Common Stock reserved for issuance under this Plan.

SECTION 16. Execution.

To record the adoption of the Plan by the Board, the Company has caused its authorized officer to execute the same.

CONCENTRIX CORPORATION

By: /s/ Steven L. Richie

Name: Steven L. Richie

Title: Executive Vice President, Legal

Date: December 1, 2020

CONCENTRIX CORPORATION

INTERNATIONAL EMPLOYEE STOCK PURCHASE PLAN

(as adopted by the Board of Directors on November 12, 2020)

(Effective on December 1, 2020)

(A Sub-Plan of the Concentrix Corporation 2020 Employee Stock Purchase Plan)

SECTION 1. Purpose of the Sub-Plan.

Concentrix Corporation (the “Company”) adopts this Concentrix Corporation International Employee Stock Purchase Plan (the “Sub-Plan”), effective as of December 1, 2020 to provide Eligible Employees (as defined below) of Participating Companies organized in jurisdictions outside of the United States (each such Participating Company, an “Employer”) with an opportunity to increase their proprietary interest in the success of the Company by purchasing Common Stock from the Company on favorable terms and to pay for such purchases through payroll deductions. The Sub-Plan is a component of the Concentrix Corporation Employee Stock Purchase Plan (the “Plan”) and subject to the terms and conditions of the Plan to the extent not provided otherwise herein. However, the Sub-Plan is not intended to qualify as an “employee stock purchase plan” under Section 423 of the Code. In the event of any inconsistency between this Sub-Plan and the Plan, the terms of the Sub-Plan prevail. Any terms that are capitalized but not otherwise defined herein shall have the respective meanings assigned to them in the Plan.

SECTION 2. Definitions.

(a) “Eligible Employee” means any employee of a Participating Company who has rendered services as an employee for at least six (6) months after the employee’s date of hire with the Company or a Participating Company and whose customary employment is for more than five (5) months per calendar year and for more than twenty (20) hours per week that the Company, in its sole discretion, determines shall receive an Invitation. The foregoing notwithstanding, an individual shall not be considered an Eligible Employee if his or her participation in the Plan is prohibited by the law of any country which has jurisdiction over him or her.

(b) “Invitation” means the written or electronic offering document inviting an Eligible Employee to participate in the Sub-Plan.

(c) “Participant” means an Eligible Employee who received an Invitation to participate in the Sub-Plan, who elects to participate in the Sub-Plan in accordance with the terms hereof.

(d) “Section” means the applicable section of this Sub-Plan, unless expressly identified as a reference to the applicable section of the Plan.

SECTION 3. Enrollment and Participation.

(a) Offering Periods. While the Sub-Plan is in effect, the Committee may from time to time, in its discretion, issue or cause to be issued an Invitation on behalf of the Company to any Eligible Employee to purchase shares of Common Stock pursuant to the Plan during a specified Offering Period. Each such Invitation shall be in such form and shall contain such terms and conditions as the Committee shall determine, subject to compliance with the terms and conditions of the Sub-Plan (which may be incorporated by reference) and the requirements of applicable law. An Invitation must be issued with an enrollment form and such explanatory or other material in respect of the Plan and Sub-Plan as the Committee or the Company in its discretion considers appropriate, or as required by applicable law. The Committee or the Company may in its absolute discretion amend an Invitation for any reason at any time prior to the enrollment deadline for the applicable Offering Period. The Committee shall specify prior to the commencement of each Offering (i) the period during which the Offering shall be effective, which may not exceed 27 months from the Offering Date and may include one or more successive Purchase Periods within the Offering, (ii) the Purchase Dates and Purchase Price for shares of Common Stock which may be purchased pursuant to the Offering, and (iii) if applicable, any limits on the number of shares purchasable by a Participant, or by all Participants in the aggregate, during any Offering Period or, if applicable, Purchase Period, in each case consistent with the limitations of the Sub-Plan. The Committee shall have the discretion to provide for the automatic termination of an Offering following any Purchase Date on which the Fair Market Value of a share of Common Stock is equal to or less than the Fair Market Value of a share of Common Stock on the Offering Date, and for the Participants in the terminated Offering to be automatically re-enrolled in a new Offering that commences immediately after such Purchase Date. The terms and conditions of each Offering need not be identical, and shall be deemed incorporated by reference and made a part of the Sub-Plan.

(b) Enrollment. Any individual who, on the day preceding the first day of an Offering Period, qualifies as an Eligible Employee may elect to become a Participant in the Sub-Plan for such Offering Period in response to an Invitation by returning a duly completed enrollment form on or before the relevant enrollment deadline. By returning a duly completed enrollment form, an Eligible Employee: (i) authorizes his or her Employer to make the relevant payroll deductions from the Eligible Employee's Compensation on each applicable payday and to pay or apply such amounts to the purchase of Common Stock under the Sub-Plan; (ii) agrees to be bound by the terms of the Invitation, the enrollment form, the Plan and the Sub-Plan; and (iii) accepts and consents to any action taken under the Sub-Plan by the Committee, the Company or the Employer.

(c) Duration of Participation. Once enrolled in the Sub-Plan, a Participant shall continue to participate in the Sub-Plan until he or she ceases to be an Eligible Employee or withdraws from the Plan. A Participant who remains an Eligible Employee through an Offering Period shall be deemed to remain a Participant in the immediately following Offering Period unless the Company, in its sole discretion, determines that the Participant is no longer an Eligible Employee. Notwithstanding the foregoing, if a Participant ceases to be an Eligible Employee due to a transfer of employment to the Company or another Subsidiary, then no further payroll

deductions will be made on behalf of the Participant under the Sub-Plan, the amount credited to the Participant's Plan Account shall be applied to the purchase of whole shares of Common Stock on the applicable Purchase Date, and any balance credited to the Participant's Plan Account shall be returned to the Participant in one lump sum payment as soon as practicable thereafter, without any interest thereon. After such purchase, the Participant shall cease to participate in the Sub-Plan. A Participant who withdrew from the Plan may again become a Participant, if he or she then is an Eligible Employee, by following the procedure described in Section 3(b). Termination of employment as an Eligible Employee for any reason, including death, shall be treated as an automatic withdrawal from the Plan under Section 6 of the Plan.

(d) Dollar Limit. Any other provision of the Sub-Plan notwithstanding, no Participant shall accrue the right to purchase Common Stock at a rate which exceeds \$25,000 of Fair Market Value of such Common Stock per calendar year (under this Plan and all other employee stock purchase plans of the Company or any parent or Subsidiary of the Company). For purposes of this Section 3(d), the Fair Market Value of Common Stock shall be determined as of the beginning of the Offering Period in which such Common Stock is purchased. If a Participant is precluded by this Section 3(d) from purchasing additional Common Stock under the Plan, then his or her employee contributions shall automatically be discontinued and shall resume at the beginning of the earliest Offering Period ending in the next calendar year (if he or she then is an Eligible Employee).

SECTION 4. Employee Contributions.

(a) Frequency of Payroll Deductions. A Participant may purchase shares of Common Stock under the Plan solely by means of payroll deductions; provided, however, that to the extent provided in the terms and conditions of an Offering, a Participant may also make contributions through payment by cash or check prior to one or more Purchase Dates during the Offering. Payroll deductions, subject to the provisions of Section 4(b) or as otherwise provided under the terms and conditions of an Offering, shall occur on each payday during participation in the Plan.

(b) Amount of Payroll Deductions. An Eligible Employee shall designate during the enrollment process the portion of his or her Compensation that he or she elects to have withheld for the purchase of Common Stock. Such portion shall be a whole percentage of the Eligible Employee's Compensation, but not less than 1% nor more than 15% (or such lower rate of Compensation specified as the limit in the terms and conditions of the applicable Offering). Unless otherwise determined by the Committee, the amount of an Eligible Employee's Compensation that may be withheld for the purchase of Common Stock shall not exceed an amount per calendar year that is equal to the product of (x) \$25,000 multiplied by (y) the percentage of Fair Market Value utilized for the Purchase Price, as set forth in Section 8(b) of the Plan, as such limit is converted into the applicable local currency in accordance with Section 5(b).

(c) Changing Withholding Rate. Unless otherwise provided under the terms and conditions of an Offering, a Participant may not increase the rate of payroll withholding during the Offering Period, but may decrease the rate of payroll withholding during the Offering Period to a whole percentage of his or her Compensation in accordance with such procedures and

subject to such limitations as the Company may establish for all Participants. A Participant may also increase or decrease the rate of payroll withholding effective for a new Offering Period by submitting an authorization to change the payroll deduction rate pursuant to the process prescribed by the Company from time to time. The new withholding rate shall be a whole percentage of the Eligible Employee's Compensation consistent with Section 4(b).

(d) Discontinuing Payroll Deductions. If a Participant wishes to discontinue employee contributions entirely, he or she may do so by withdrawing from the Plan pursuant to Section 6 of the Plan. In addition, employee contributions may be discontinued automatically as provided in Section 3(d).

(e) Plan Account. Pending purchase of shares of Common Stock in accordance with Section 5, a Participant's accumulated contributions will be credited to a Plan Account on behalf of the Participant in the local currency in which the Participant's salary is paid. The Participant's Employer may, but is not obligated to, establish a bank or other custodial account to hold contributions pending application to the purchase of Common Stock. However, amounts credited to Plan Accounts shall not be trust funds and may be commingled with the Employer's or the Company's general assets and applied to general corporate purposes. No interest will accrue, be credited or be paid to Participants in respect of any amounts credited to the Participant's Plan Account.

SECTION 5. Conversion of Plan Account into U.S. Currency.

(a) Conversion to U.S. Dollars. For the purposes of determining the number of shares of Common Stock subject to purchase by a Participant on a Purchase Date, the amount accumulated as of the relevant Purchase Date and credited to the Participant's Plan Account on such Purchase Date shall be converted from local currency into U.S. currency on the relevant Purchase Date or such other time as the Company, in its discretion, may reasonably establish, and at the exchange rate utilized on the Company's general ledger, or at such other exchange rate, as the Company, in its discretion, may reasonably utilize.

(b) Conversion to Local Currency. If an Employer returns to a Participant any amounts credited to the Participant's Plan Account, it must do so in the Participant's local currency (converted, if necessary, at such time as the Company, in its discretion, may reasonably establish and at the exchange rate utilized on the Company's general ledger or such other exchange rate as the Company, in its discretion, may reasonably utilize).

SECTION 6. Miscellaneous

(a) Effect of Addenda. From time to time, the Committee may adopt one or more country-specific addenda for the purpose of specifying additional or different terms and conditions applicable to Eligible Employees of Employers located in the relevant country. In case of any conflict between the provisions in the body of the Sub-Plan and the provision in the applicable addendum, the terms of the addendum govern.

(b) Effect of Certain Plan Terms.

(i) Sections 4, 5, 7(a), 8(a) and 9(b) of the Plan do not apply to the Sub-Plan.

(ii) Any adjustments to shares of Common Stock provided under Section 14(b) of the Plan, including any changes to the Purchase Price, Purchase Date or number of shares of Common Stock, shall be subject to applicable law.

(iii) All Sections of the Plan not identified in Section 2 or this Section 6(b) apply to the Sub-Plan as if set forth verbatim herein.

(c) No Retention Rights. No provision in the Plan, Sub-Plan or any Invitation available under the Sub-Plan shall be construed to give any Eligible Employee or Participant any right to become or remain an employee of an Employer (or any affiliate thereof) or interfere with or restrict in any way the rights of an Employer (or applicable affiliate thereof), which rights are expressly reserved, to terminate the employment of such person at any time and for any reason, with or without cause, except as otherwise restricted by applicable law.

(d) No Guaranty of Gain. None of the Company, its Subsidiaries or the Employer guaranties that the value of Common Stock will increase during or after the Offering Period. Among other factors, the value of Common Stock to a Participant varies according to its demand on the stock market and changes in the exchange rate between the applicable local currency and the U.S. dollar.

(e) Waiver. No failure, delay or indulgence by a party in exercising any power or right under the Sub-Plan will operate as a waiver of such power or right. No single exercise of any power or right under the Sub-Plan will preclude any other or future exercise of that (or any other) power or right.

(f) Severability. If any provision of the Sub-Plan is rendered void, unenforceable or otherwise ineffective, such avoidance, unenforceability or ineffectiveness will not affect the enforceability of the remaining provisions of this Sub-Plan or any provision of the Plan.

SECTION 7. Execution.

To record the adoption of the Sub-Plan by the Board, the Company has caused its authorized officer to execute the same.

CONCENTRIX CORPORATION

By: /s/ Steven L. Richie

Name: Steven L. Richie

Title: Executive Vice President, Legal

Date: December 1, 2020

CONCENTRIX CVG CMG UK LIMITED

and

CORMAC TWOMEY

SERVICE AGREEMENT

SERVICE AGREEMENT (“the Agreement”)

BETWEEN:

- (1) Concentrix CVG CMG UK Limited (“the Company”).
- (2) Cormac Twomey (“the Executive”).

IT IS AGREED as follows:

1. INTERPRETATION

In this Agreement unless the context otherwise requires the following expressions shall have the following meanings:

“Associated Company” means the Company, its Subsidiaries or Holding Companies from time to time and any Subsidiary of any Holding Company from time to time.

2. APPOINTMENT AND TERM

- 2.1 Subject to the terms of this Agreement, the Executive's employment ("the Employment") shall commence on 7th January 2019 ("the effective date"), subject to either party giving notice of termination under Clause 16 below. The Executive's continuous employment shall commence on the effective date.
- 2.2 The Executive will be employed by the Company as Leader of Global Operations and Delivery, or in such other capacity of a like status as the Company may require. The Executive shall report to Chris Caldwell, Concentrix CEO or the board of directors of the Company.

3. DUTIES

- 3.1 During the continuance of the Employment the Executive will exercise such powers and perform such duties in relation to the business of the Company as may from time to time be vested in or assigned to him by the Company (not being inappropriate to his position with the Company) and in all respects comply with the directions given by or under the authority of the Company. The Executive will use all reasonable endeavours to promote the interests of the Company and any Associated Company.
- 3.2 The Executive will at all times give promptly to the Company (in writing if so requested) all such information and explanations as the Company may reasonably require in connection with the Employment hereunder or the business of the Company insofar as the information is within the knowledge of the Executive.
- 3.3 The Executive shall work such hours as may reasonably be required for the proper performance of his duties and shall, unless prevented by incapacity, devote the whole of his time, attention and ability during those hours to the performance of his duties under this Agreement in a proper, loyal and efficient manner. In particular, the Executive by signing this Agreement, agrees to work more than 48 hours averaged over a 17 week period if so required. The Executive is entitled to withdraw his agreement to the same by giving three months' notice in writing at any time.
- 3.4 The Executive's normal place of work shall be at his home in the United Kingdom or such Concentrix office within the United Kingdom where he may be needed to work from time to time. The Executive fully

understands that notwithstanding the foregoing, he may be required to undertake regular business travel both within the UK and abroad in his role with the Company.

- 3.5 The Company shall be under no obligation to vest in or assign to the Executive any powers or duties or to provide work for the Executive, and the Company may at any time or from time to time during the term of this Agreement (the "Term") or in circumstances in which it reasonably believes that the Executive is guilty of misconduct or in breach of this Agreement, in order that the circumstances giving rise to that belief may be investigated, suspend the Executive from the performance of his duties or exclude him from any premises of the Company and need not give any reason for so doing. Salary and benefits will not cease to be payable by reason only of such suspension or exclusion.

4. GOOD FAITH

- 4.1 The Executive shall not directly or indirectly carry out or engage in or be interested or concerned in any way in any other business or trade which competes with that of the Company or any Associated Company and shall disclose to the Company any like activities relating to his spouse or his children of which he is aware.
- 4.2 Except in his capacity as a representative of the Company, or with the previous written approval of the Executive's line manager, the Executive shall not during the Employment hold any office or appointment of a public or administrative nature and shall disclose to the Company any such appointments relating to his spouse or his children of which he is aware.
- 4.3 The Executive may have a financial interest not exceeding 5% of total share value in any business or trade which does not compete with that of the Company or any Associated Company on condition that interest does not in any way diminish or restrict the performance of his duties under this Agreement.
- 4.4 If the Executive is in breach of any of the terms of this Agreement he shall immediately disclose the breach to the Company, and shall report his own wrongdoing to the Company, and if he becomes aware of any breach of the terms of employment or wrongdoing of any other director or employee of the Company he shall disclose the breach or wrongdoing to the Company as soon as he becomes aware of the same.

5. SALARY

- 5.1 The Company shall pay to the Executive a salary at the gross rate of £346,023.42 per annum or at such rate or rates as the Company may from time to time determine and notify the Executive in writing. The salary shall be paid by bank transfer by equal monthly instalments in arrears, subject to the usual deductions for tax and national insurance contributions.
- 5.2 The salary shall accrue from day to day with the first monthly installment being calculated from the commencement of the Employment, and the last monthly instalment being calculated down to the date of termination of the Employment.

6. PENSION AND OTHER BENEFITS

- 6.1 The Executive shall be entitled, during the continuance of the Employment, to participate in the contributory pension scheme established by the Company for its directors and employees.
- 6.2 A contracting-out certificate is not in force in respect of this employment.
- 6.3 The Company shall be entitled at any time to terminate the pension scheme or the Executive's membership of it subject to providing the Executive with the benefit of a substantially equivalent pension scheme ("the New

Scheme”), the terms of which shall be no less favourable, in the reasonable opinion of the Company, than those of the previous pension scheme when taken as a whole. The Executive will be fully credited in the New Scheme for his pensionable service in the existing scheme as if those years had been under the New Scheme.

- 6.4 **Equity-Based Incentives.** Subject to approval by the Compensation Committee, Board of Directors, the Executive will be granted a restricted stock award in the Company’s common stock under the SYNEX Corporation’s 2013 Stock Incentive Plan in accordance with and subject to the rules of the plan. In 2019, the Executive will be eligible for an award of USD 450,000. For the avoidance of doubt, if either party gives written notice of termination in the first five months of the Employment, the Executive will not be entitled to any stock award under this agreement.
- 6.5 **Benefits.** The Company shall provide the Executive with private medical insurance, permanent health insurance and life insurance cover. However the Company reserves the right to vary, withdraw or replace the schemes in place from time to time. Further details of the relevant plans are provided in the UK Employee Handbook and the rights in this clause 6.5 are subject to the UK Employee Handbook, the rules of any plan in place from time to time and to any insurer’s willingness to continue to insure the Executive.
- 6.6 **Bonus.** Effective January 7th 2019, the Executive shall be eligible to receive an annual bonus for each year during the Term, at an annual bonus target ("bonus target") amount of 100% of the Executive’s Base Salary, determined based on and subject to the Concentrix Corporation’s achievement of targeted performance metrics for such year as established by the Company in its sole discretion from time to time and paid in accordance with the Concentrix Corporation’s customary practices. In the event of termination of this agreement:
- 6.6.1 if the Executive’s employment under this agreement is terminated or notice of termination is given by either party at any point within the first five months of the Executive’s employment for any reason (unless lawful termination for gross misconduct in which case no bonus is payable), the Company shall pay to the Executive within 14 days of the termination date a bonus calculated up to the date of termination and pro-rated for the proportion of the year worked on the assumption of a target met in full;
- 6.6.2 Subject to clause 6.6.1 above, if the Executive’s employment under this agreement is terminated at any point after the first five months of the Executive's employment for any reason (unless for a Cause reason in which case no bonus is payable), the Company shall pay to the Executive within 14 days of the termination date a bonus calculated up to the date of termination and pro-rated for the proportion of the year worked on the assumption of a target met in full. For the purposes of this agreement, “Cause” shall mean any material or serious breach of this agreement or the Executive’s obligations under it, a gross misconduct reason, a lawful termination for poor performance or the Executive’s resignation of his employment.

7. EXPENSES

The Company shall reimburse to the Executive (against production of receipts) all reasonable travelling, accommodation, entertainment and other out-of-pocket expenses which he may from time to time be authorised to incur in the execution of his duties hereunder in accordance with the Company’s reimbursement policy as in effect from time to time.

8. CAR

The Company will provide a car allowance of £540 per month, subject to the usual deductions for tax and national insurance, per month during the Term so long as the executive holds a valid current driving licence.

9. HOLIDAYS

- 9.1 The Executive shall be entitled, in addition to public holidays, to 25 working days' paid holiday in each complete holiday year of the Company running from January to December to be taken at such times as may be approved by the Executive's Manager.
- 9.2 If the Employment either commences or terminates part way through a holiday year, then the number of days' holiday to which the Executive shall be entitled in that holiday year shall be adjusted proportionately on a pro rata basis.
- 9.3 Except with the prior written approval of the Executive's Manager, holidays shall not be taken in periods exceeding two continuous weeks and holidays may not be carried forward from one holiday year to the next.
- 9.4 Upon termination, the Executive will be compensated for any accrued but untaken holiday at the rate of 1/260 of basic salary per day of holiday. If the Executive has exceeded his accrued entitlement to holiday, the Company may deduct sums calculated at the rate of 1/260 basic salary per day, from salary or any payments owing to him. The Company reserves the right to require the Executive to take any accrued holiday during any period of Garden Leave or notice.

10. SICKNESS AND INJURY

- 10.1 If the Executive is absent from work as a result of sickness or injury he shall:
- 10.1.1 notify the Company by telephone or email as soon as practicable on the first day of his absence;
 - 10.1.2 if the period of absence lasts for seven consecutive calendar days or less, submit to the Company on his return a certificate of sickness completed by himself; and
 - 10.1.3 if it is eight consecutive days or more, submit to the Company without delay, a medical certificate signed by a practising medical practitioner in respect of each week of absence after the first; and
 - 10.1.4 at the request of the Company, submit to a medical examination with the Company's nominated doctor, and allow the report and any medical records to be submitted for the Company's attention.
- 10.2 The Executive will, subject to compliance with sub-clause 10.1 above, be paid the salary at the full rate (less any social security or other benefits payable to him) during any period or periods of absence from work as a result of sickness or injury up to a maximum of 120 days in aggregate during any calendar year; thereafter salary will be paid at the discretion of the Company.
- 10.3 The Company will pay statutory sick pay, where appropriate, in accordance with the legislation in force at the time of absence, and any payment of salary in accordance with this clause will go towards discharging its liability to pay statutory sick pay.

11. PAY FOLLOWING ACCIDENT

In the event that the Executive is incapable of performing his duties by reason of injuries sustained wholly or partly as a result of actionable negligence nuisance or breach of any statutory duty on the part of any third party, all payments made to the Executive by the Company whether of salary or sick pay shall, to the extent

that compensation is recoverable from that third party, constitute loans by the Company to the Executive (notwithstanding that as an interim measure income tax has been deducted from payments as if they were emoluments of the Employment) and shall be repaid to the Company by the Executive when and to the extent that the Executive recovers compensation (or could have so recovered compensation had he pursued the same) for loss of earnings from that third party by action or otherwise.

12. INTELLECTUAL PROPERTY

12.1 Definitions:

Employment Inventions: any Invention which is made wholly or partially by the Executive at any time during the course of his employment with the Company (whether or not during working hours or using Company premises or resources, and whether or not recorded in material form).

Employment IPRs: Intellectual Property Rights created by the Executive in the course of his employment with the Company (whether or not during working hours or using Company premises or resources).

Intellectual Property Rights: patents, rights to Inventions, copyright and related rights, trade-marks, trade names and domain names, rights in get-up, goodwill and the right to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, topography rights, rights to use and preserve the confidentiality of information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Invention: any invention, idea, discovery, development, improvement or innovation, whether or not patentable or capable of registration, and whether or not recorded in any medium.

12.2 The Executive acknowledges that all Employment IPRs, Employment Inventions and all materials embodying them shall automatically belong to the Company to the fullest extent permitted by law. To the extent that they do not vest in the Company automatically, the Executive holds them on trust for the Company. The Executive acknowledges that, because of the nature of his duties and the particular responsibilities arising from the nature of his duties, he has, and shall have at all times while he is employed by the Company, a special obligation to further the interests of the Company.

12.3 To the extent that legal title in any Employment IPRs or Employment Inventions does not vest in the Company by virtue of clause 12, the Executive agrees, immediately on creation of such rights and Inventions, to offer to the Company in writing a right of first refusal to acquire them on arm's length terms to be agreed between the parties. If the parties cannot agree on such terms within 30 days of the Company receiving the offer, the Company shall refer the dispute for determination to an expert. The expert's decisions shall be final and binding on the parties in the absence of manifest error, and the costs of arbitration shall be borne equally by the parties. The parties will be entitled to make submissions to the expert and will provide (or procure that others provide) the expert with such assistance and documents as the expert reasonably requires for the purpose of reaching a decision. The Executive agrees that the provisions of this clause 12 shall apply to all Employment IPRs and Employment Inventions offered to the Company under this clause 12 until such time as the Company has agreed in writing that the Executive may offer them for sale to a third party.

12.4 The Executive agrees:

- 12.4.1 to give the Company full written details of all Employment Inventions which relate to or are capable of being used in the business of the Company or any Associated Company promptly on their creation;
 - 12.4.2 at the Company's request and in any event on the termination of his employment to give to the Company all originals and copies of correspondence, documents, papers and records on all media which record or relate to any of the Employment IPRs;
 - 12.4.3 not to attempt to register any Employment IPR nor patent any Employment Invention unless requested to do so by the Company; and
 - 12.4.4 to keep confidential each Employment Invention unless the Company has consented in writing to its disclosure by the Executive.
- 12.5 The Executive waives all his present and future moral rights which arise under the Copyright Designs and Patents Act 1988, and all similar rights in other jurisdictions relating to any copyright which forms part of the Employment IPRs, and agrees not to support, maintain or permit any claim for infringement of moral rights in such copyright works.
- 12.6 The Executive acknowledges that, except as provided by law, no further remuneration or compensation other than that provided for in this agreement is or may become due to the Executive in respect of his compliance with this clause. This clause is without prejudice to the Executive's rights under the Patents Act 1977.
- 12.7 The Executive undertakes to use his best endeavours to execute all documents and do all acts both during and after his employment by the Company as may, in the opinion of the Company, be necessary or desirable to vest the Employment IPRs in the Company, to register them in the name of the Company and to protect and maintain the Employment IPRs and the Employment Inventions. Such documents may, at the Company's request, include waivers of all and any statutory moral rights relating to any copyright works which form part of the Employment IPRs. The Company agrees to reimburse the Executive's reasonable expenses of complying with this clause.
- 12.8 The Executive agrees to give all necessary assistance to the Company to enable it to enforce its Intellectual Property Rights against third parties, to defend claims for infringement of third party Intellectual Property Rights and to apply for registration of Intellectual Property Rights, where appropriate throughout the world, and for the full term of those rights.
- 12.9 The Executive hereby irrevocably appoints the Company to be his attorney in his name and on his behalf to execute documents, use the Executive's name and do all things which are necessary or desirable for the Company to obtain for itself or its nominee the full benefit of this clause. The Executive acknowledges that a certificate in writing, signed by any director or the secretary of the Company, that any instrument or act falls within the authority conferred by this agreement shall be conclusive evidence that such is the case so far as any third party is concerned.

13. DUTY OF CONFIDENCE

13.1 For the purpose of this Agreement, "Confidential Information" shall include without limitation:

- 13.1.1 business methods and information of the Company or any Associated Company (including without limitation prices charged, discounts given to customers or obtained from suppliers, marketing and advertising programmes, costing, budgets, turnover, sales targets or other financial information);
- 13.1.2 lists and particulars of the Company's or any Associated Company's suppliers and customers and the individual contacts with such suppliers and customers;
- 13.1.3 secret processes and know how employed by the Company or any Associated Company or their suppliers; and
- 13.1.4 confidential details as to the design of the Company or any Associated Company or their suppliers' products and inventions or developments relating to future products;
- whether or not in the case of documents they are or were marked as confidential.
- 13.2 The Executive shall at all times during the Term with the Company and after termination (however arising) keep secret and not use or disclose (except in the proper course of his duties) to any person, company or other organization whatsoever, any Confidential Information. This shall not apply to:
- 13.2.1 any use or disclosure authorised by the Company or required by law;
- 13.2.2 any information which is already in, or comes into, the public domain other than through the Executive's unauthorised disclosure; or
- 13.2.3 any protected disclosure within the meaning of section 43A of the Employment Rights Act 1996.

14. REPRESENTING A CONNECTION AFTER TERMINATION OF THE EMPLOYMENT

The Executive shall not at any time after the termination of the Employment, howsoever arising, represent himself as being in any way connected with or interested in the business of the Company or any Associated Company.

15. PROTECTIVE COVENANTS

15.1 Definitions

'Business': any business the Company or any Associated Company in which the Executive was involved to a material extent at any time during the last twelve months of his employment, including the provision and management of customer management services, analytics, integrated voice recognition systems, billing, order management and customer management systems.

'Client': any person, firm or company who is or was a client of the Company or any Associated Company during the last twelve months of the Executive's employment and with whom the Executive had material contact or dealings during such twelve month period.

'Key Worker': any person who, at the Termination Date, is employed or engaged by the Company or any Associated Company:

- at a senior or key level or at a level at least equal to his level and who was a person with whom the Executive had material contact during the last twelve months of his employment; or
- in a position which reported directly to the Executive either at the Termination Date or at any time during the last twelve months of his employment.

‘Prospective Client’: any person, firm or company who, at the Termination Date, we or any Associated Company are in discussions or negotiations with for the purposes of them becoming a client and with whom the Executive had material contact or dealings during such discussions or negotiations.

‘Termination Date’: the date on which the Executive's employment ends with the Company.

15.2 Non solicitation or dealing with Clients

The Executive will not, for a period of 12 months after the Termination Date, solicit or deal with, or approach or accept any business or trade of, a Client or Prospective Client for the provision of goods or services which compete with the Business.

15.3 Non Solicitation of Workers

The Executive will not, for a period of 12 months after the Termination Date, for the Executive's own interests or on behalf of any business or entity which is in competition with the Business, engage, employ or offer employment to a Key Worker, or in any way try to influence a Key Worker to leave the Company or any Associated Company.

15.4 Non-Competition

The Executive will not, for a period of 6 months after the Termination Date, be employed, engaged in or concerned in any capacity in any business or entity which is or seeks to be in competition with the Business in (a) a country in which the Company has business interests or dealings within the Europe, Middle East and Africa region, or (b) a country in which the Executive has worked to a material extent in the last twelve months of the Executive's employment.

15.5 Suppliers

The Executive will not, at any time after the Termination Date, interfere with or in any way conduct himself so as to damage or detrimentally affect our relationship or terms of trade with any Supplier.

15.6 General

The restrictions set out in this clause apply whether the Executive is acting for his own benefit or on behalf of any person and whether the Executive acts directly or indirectly. Nothing in clause 15 shall prevent the Executive from being employed by or engaged with any other business in relation to work he was not materially concerned with during the last twelve months of the Executive's employment. The Company shall consider, in its absolute discretion, a request by the Executive in writing to waive the protective covenant above. The Company may require the Executive to provide all such information and documentation as is necessary in order for it to consider the Executive's request. The Executive must continue to comply with his obligations under this clause 15 at all times whilst the Company considers the Executive's request. The Company shall endeavour to inform the Executive in writing of its decision as soon as practicable after receiving the Executive's request. If the Executive receives an offer of employment either during the term of his employment or when the restrictions set out above are in force, the Executive must immediately provide the person making such an offer of employment with a copy of this Clause 15.

15.7 Any period during which the Executive is not required to attend work in accordance with clause 15.4 shall be deducted from the period of restriction referred to in clauses 15.2-15.5 above.

15.8 Each of the obligations contained in clause 15 constitutes an entirely separate and independent restriction on the Executive notwithstanding that it may be contained in the same sub-clause, clause, sentence or phrase. If these obligations or any part of them are found to be held invalid or unenforceable or void but would not be if some part of the obligation were deleted, modified or varied then the provision shall apply with such deletion, modification or variation as is necessary to make it valid and effective.

15.9 None of the restrictions under this clause 15 shall prevent the Executive from holding 5% or less of shares or other securities of the total issued share capital of any company, whether or not it is listed or dealt in on a recognised stock exchange.

16. TERMINATION

16.1 Either party may terminate this Agreement by giving to the other one week's written notice of termination in the first five (5) months, and thereafter not less than six (6) months' notice in writing.

16.2 The Executive shall have no claim against the Company by reason of such termination and no delay or forbearance by the Company in exercising any right of termination shall not constitute a waiver of it.

16.3 The Company reserves the right in its sole and absolute discretion to terminate the Executive's Employment by paying the Executive in lieu of notice. Such payment to be made within 28 days or the Company's next payroll, whichever is the later. The payment shall be solely the Executive's basic salary (at the rate payable when the option is exercised) and bonus at target pro-rated to the date of termination (subject to the terms of clause 6.6) without taking into account any pension contributions or benefits in kind, and shall be subject to deductions for income tax and national insurance contributions as appropriate. The Executive will not, under any circumstances, have any right to payment in lieu of notice unless the Company has exercised its option to pay in lieu of notice to the Executive.

16.4 Once notice of termination has been given by either side, the Company may at any time and for any period(s) require the Executive to cease performing his job and/or exclude the Executive from entering any of its premises and/or instruct the Executive not to contact clients, customers or colleagues, and/or require the Executive to perform such duties as the Company shall assign. During any such period of garden leave, the Company will continue to pay salary and provide all benefits provided for in this Agreement.

16.5 Upon the termination of the Employment, the Executive shall forthwith return all documents in his possession, custody or control which contain records of such information and all property in his possession, custody or control of the Company or any Associated Company or their customers or suppliers. If requested, the Executive shall send to the Company Secretary a signed statement confirming that he has complied with the provisions of this sub-clause.

16.6 Any termination of the Employment will be without prejudice to the Executive's continuing obligations under this Agreement.

16.7 On termination of this Agreement the Company may deduct from any sums then owing from it to the Executive by way of salary or otherwise any sums owing from him to it.

17. PARTICULARS OF EMPLOYMENT

17.1 The disciplinary rules and procedure applicable to the Executive's employment are available from Noel Lythgoe, HR Director. The disciplinary rules form part of the Executive's contract of employment but the

disciplinary procedure is not contractual. If the Executive is dissatisfied with any disciplinary decision relating to him, the Executive should apply in writing to the Chief Executive Officer of the Company.

17.2 In order to investigate any claim or allegation which would, if found to be true, entitle the Company to terminate his employment whether pursuant to clause 16 or otherwise it shall be entitled (without prejudice to its right subsequently to terminate the Executive's Employment on the same or any other ground) to suspend the Executive on full pay for so long as it sees fit.

17.3 If the Executive has a grievance relating to the Employment, he should write to the Chief Executive Officer of the Company setting out full details of the matter. The decision of the Chief Executive Officer on all such matters shall be final.

18. PRIOR AGREEMENTS AND CONTINUOUS PERIOD OF EMPLOYMENT

18.1 This Agreement is in substitution for and shall, save as mentioned herein, supersede any former and existing agreements and arrangements for the Employment of the Executive by the Company. The Executive acknowledges and warrants that there are no agreements or arrangements whether written, oral or implied between the Company or any Associated Company and the Executive relating to the Employment other than those expressly set out in this Agreement and that he is not entering into this Agreement in reliance on any representation not expressly set out herein.

18.2 The Executive acknowledges and agrees that his previous employment with the Company does not count towards the Executive's period of continuous employment with the Company during the Term.

19. VARIATION

No variation or agreed termination of this agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

20. NOTICES

Any notice may be given personally to the Executive or to the Chief Executive Officer of the Company (as the case may be) or may be posted to the Company (for the attention of its Chief Executive Officer) at its registered office for the time being or to the Executive either at his address given above or at his last known address. Any such notice sent by post shall be deemed served 48 hours after it is posted.

21. LAW AND JURISDICTION

This Agreement shall be governed by and construed in all respects in accordance with the laws of England and Wales and each of the parties hereto agrees to submit to the exclusive jurisdiction of the courts of England in determining matters hereunder.

IN WITNESS WHEREOF this document has been executed as a deed by the parties hereto the day and year first before written.

EXECUTED by the Company
acting by /s/ Andrew Farwig

SIGNED, SEALED
and DELIVERED by
/s/ Cormac Twomey

Subsidiaries of the Company

| <u>Name of Subsidiary</u> | <u>Jurisdiction of Organization</u> |
|--|-------------------------------------|
| Beijing Jumeng Technology Development Ltd. | China |
| BPO Holdco Coöperatief U.A. | Netherlands |
| Chongqing Jumeng Technologies Development Ltd. | China |
| CNX Services Jamaica Limited | Jamaica |
| Concentrix (Canada) Limited | Canada |
| Concentrix (Suzhou) Information Consulting Co., Ltd. | China |
| Concentrix Beteiligungen GmbH | Germany |
| Concentrix Brazil Outsourcing of Processes, Administrative Services and Technologies to Enterprise Ltda. | Brazil |
| Concentrix Business Services UK Limited | United Kingdom |
| Concentrix Costa Rica, S.A. | Costa Rica |
| Concentrix CRM Services Germany GmbH | Germany |
| Concentrix CRM Services Hungary KFT | Hungary |
| Concentrix CRM Services RO S.R.L. | Romania |
| Concentrix CRM Services UK Limited | United Kingdom |
| Concentrix CVG (Mauritius) Ltd | Mauritius |
| Concentrix CVG Brite Voice Systems, LLC | Kansas, United States |
| Concentrix CVG CMG Canada ULC | Canada |
| Concentrix CVG CMG Insurance Services LLC | Utah, United States |
| Concentrix CVG CMG UK Limited | United Kingdom |
| Concentrix CVG Contact Tunisie S.A.R.L. | Tunisia |
| Concentrix CVG Corporation | Delaware, United States |
| Concentrix CVG Customer Management Australia Pty. Ltd. | Australia |
| Concentrix CVG Customer Management Colombia S.A.S. | Colombia |
| Concentrix CVG Customer Management Delaware LLC | Delaware, United States |
| Concentrix CVG Customer Management Group Inc. | Ohio, United States |
| Concentrix CVG Delaware Inc. | Delaware, United States |
| Concentrix CVG Delaware International Inc. | Delaware, United States |
| Concentrix CVG Egypt Limited Liability Company | Egypt |
| Concentrix CVG France S.A.R.L. | France |
| Concentrix CVG Funding Inc. | Kentucky, United States |
| Concentrix CVG Global Services - AZ, Inc. | Arizona, United States |
| Concentrix CVG Global Services El Salvador, S.A. de C.V. | El Salvador |
| Concentrix CVG Global Services Honduras, S.A. | Honduras |
| Concentrix CVG Global Services Hong Kong Limited | Hong Kong |
| Concentrix CVG Government Solutions LLC | Ohio, United States |
| Concentrix CVG Group Limited | United Kingdom |
| Concentrix CVG Holding LLC | Delaware, United States |
| Concentrix CVG Intelligent Contact Limited | United Kingdom |
| Concentrix CVG International Bulgaria EOOD | Bulgaria |
| Concentrix CVG International Holding Ltd. | Bermuda |
| Concentrix CVG International Nordic AB | Sweden |
| Concentrix CVG International sp. z o.o. | Poland |

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| Concentrix CVG Ireland Contact Services Limited | Ireland |
| Concentrix CVG Ireland Limited | Ireland |
| Concentrix CVG Italy S.R.L. | Italy |
| Concentrix CVG Learning Solutions LLC | Delaware, United States |
| Concentrix CVG LLC | Texas, United States |
| Concentrix CVG Malaysia (Philippines) Sdn. Bhd. | Malaysia |
| Concentrix CVG Malaysia Sdn. Bhd. | Malaysia |
| Concentrix CVG Philippines, Inc. | Philippines |
| Concentrix CVG Pte. Ltd. | Singapore |
| Concentrix CVG Services Singapore Pte. Ltd. | Singapore |
| Concentrix CVG Servicios Informáticos, SL | Spain |
| Concentrix CVG Singapore Holdings Pte. Ltd. | Singapore |
| Concentrix CVG Tunisie BPO S.A.R.L. | Tunisia |
| Concentrix CVG Tunisie S.A.R.L. | Tunisia |
| Concentrix Daksh Services India Private Limited | India |
| Concentrix Daksh Services Philippines Corporation | Philippines |
| Concentrix Digital Services Limited | United Kingdom |
| Concentrix Duisburg GmbH | Germany |
| Concentrix Düsseldorf GmbH | Germany |
| Concentrix Europe Limited | United Kingdom |
| Concentrix Frankfurt a. M. GmbH | Germany |
| Concentrix Free Trade Zone, S.A. | Costa Rica |
| Concentrix Gera GmbH | Germany |
| Concentrix Global Services GmbH | Germany |
| Concentrix GmbH | Austria |
| Concentrix Halle GmbH | Germany |
| Concentrix HK Limited | Hong Kong |
| Concentrix Insurance Administration Solutions Corporation | South Carolina, United States |
| Concentrix International Europe B.V. | Netherlands |
| Concentrix International GmbH | Germany |
| Concentrix International Services Europe B.V. | Netherlands |
| Concentrix Investment Holdings Corporation | British Virgin Islands |
| Concentrix Investment Holdings Singapore 1 Pte. Ltd. | Singapore |
| Concentrix Investment Holdings Singapore 2 Pte. Ltd | Singapore |
| Concentrix Investment Holdings Singapore 3 Pte.Ltd. | Singapore |
| Concentrix Investments Europe B.V. | Netherlands |
| Concentrix Legal Services Co., Ltd. | Vietnam |
| Concentrix Leipzig GmbH | Germany |
| Concentrix Management Holding GmbH & Co. KG | Germany |
| Concentrix Mexico, S. de R.L. de C.V. | Mexico |
| Concentrix Münster GmbH | Germany |
| Concentrix New (BVI) Corporation | British Virgin Islands |
| Concentrix NewHK Limited | Hong Kong |
| Concentrix Nicaragua S.A. | Nicaragua |

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| Concentrix Osnabrück GmbH | Germany |
| Concentrix Receivables, Inc. | Delaware, United States |
| Concentrix Rechenzentrum GmbH | Germany |
| Concentrix Romania S.R.L. | Romania |
| Concentrix Schwerin GmbH | Germany |
| Concentrix Services (Dalian) Co., Ltd. | China |
| Concentrix Services (Germany) GmbH | Germany |
| Concentrix Services (Ireland) Limited | Ireland |
| Concentrix Services (Netherlands) B.V. | Netherlands |
| Concentrix Services (New Zealand) Limited | New Zealand |
| Concentrix Services (Poland) spółka z o.o. | Poland |
| Concentrix Services (Saudi Arabia) Corporation LLC | Saudi Arabia |
| Concentrix Services (Singapore) Pte. Ltd. | Singapore |
| Concentrix Services (Spain), S.L. | Spain |
| Concentrix Services (Thailand) Co., Ltd. | Thailand |
| Concentrix Services (Uruguay) S.A. | Uruguay |
| Concentrix Services Bulgaria EOOD | Bulgaria |
| Concentrix Services Corporation | British Virgin Islands |
| Concentrix Services GmbH | Germany |
| Concentrix Services Holdco (Netherlands) B.V. | Netherlands |
| Concentrix Services Hungary Kft. | Hungary |
| Concentrix Services India Private Limited | India |
| Concentrix Services Korea Limited | South Korea |
| Concentrix Services Mexico, S.A. de C.V. | Mexico |
| Concentrix Services Philippines, Inc. | Philippines |
| Concentrix Services Portugal, Sociedade Unipessoal, LDA | Portugal |
| Concentrix Services Pty Ltd | Australia |
| Concentrix Services Slovakia s.r.o. | Slovakia |
| Concentrix Services UK Limited | United Kingdom |
| Concentrix Services US, Inc. | Delaware, United States |
| Concentrix Software Technologies (HK) Limited | Hong Kong |
| Concentrix Solutions Corporation | New York, United States |
| Concentrix Technologies (India) Private Limited | India |
| Concentrix Technologies Limited | United Kingdom |
| Concentrix Technologies Services (Canada) Limited | Canada |
| Concentrix Tigerspike Technology FZ-LLC | United Arab Emirates |
| Concentrix Verwaltungs GmbH | Austria |
| Concentrix VN Technologies Services Company Limited | Vietnam |
| Concentrix Wismar GmbH | Germany |
| Concentrix Wuppertal GmbH | Germany |
| Convergys Customer Management Group Canada Holding Inc. | Delaware, United States |
| Convergys Customer Management International Inc. | Ohio, United States |
| Convergys Customer Management Mexico S. de R.L. de C.V. | Mexico |
| Convergys Holdings (GB) Limited | United Kingdom |
| Convergys Holdings (UK) Limited | United Kingdom |

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| Convergys India Services Private Limited | India |
| Convergys International Inc. | Delaware, United States |
| Convergys Services Denmark ApS | Denmark |
| Convergys South Africa (Pty) Ltd. | South Africa |
| Dalian Jumeng Information Services Ltd. | China |
| Dalian Jumeng Technologies Development Ltd. | China |
| Encore Receivable Management, Inc. | Kansas, United States |
| eTelecare Philippines, Inc. | Philippines |
| Foshan Jumeng Information Technology Service Co., Ltd. | China |
| Global Email Trustee Limited | United Kingdom |
| Guiyang Jumeng Technology Development Ltd. | China |
| Intervoice Acquisition Subsidiary, Inc. | Nevada, United States |
| Intervoice Colombia Ltda. | Colombia |
| Intervoice do Brasil Comércio Serviços e Participações Ltda. | Brazil |
| Intervoice GmbH | Germany |
| Intervoice GP, Inc. | Nevada, United States |
| Intervoice Limited | United Kingdom |
| Intervoice Limited Partnership | Nevada, United States |
| Intervoice LP, Inc. | Nevada, United States |
| Japan Concentrix KK | Japan |
| Minaacs Mexico, S. de R.L. de C.V. | Mexico |
| PT Concentrix Services Indonesia | Indonesia |
| PT Convergys Customer Management Indonesia | Indonesia |
| SCGS (Malaysia) Sdn. Bhd. | Malaysia |
| SGS Holdings, Inc. | Delaware, United States |
| Shenzhen Shunrong Telecommunication Technologies Ltd | China |
| Sichuan 86Bridge Information Technology Ltd. | China |
| Stream Business Process Outsourcing South Africa (Proprietary) Ltd. | South Africa |
| Stream Florida Inc. | Delaware, United States |
| Stream Global Services - US, Inc. | Delaware, United States |
| Stream Global Services, Inc. | Delaware, United States |
| Stream Holdings Corporation | Delaware, United States |
| Suzhou Ke Wei Xun Information Services Co., Ltd. | China |
| SYNNEX-Concentrix UK Limited | United Kingdom |
| Tigerspike Co., Ltd. | Japan |
| Tigerspike FZ-LLC | United Arab Emirates |
| Tigerspike Holdings Pty Ltd | Australia |
| Tigerspike LTD | United Kingdom |
| Tigerspike Products Pte. Ltd. | Singapore |
| Tigerspike Pte. Ltd. | Singapore |
| Tigerspike Pty Ltd | Australia |
| Tigerspike, Inc. | Delaware, United States |
| Vietnam Concentrix Services Company Limited | Vietnam |
| Xi'an Jumeng Technologies Development Ltd | China |

Consent of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Concentrix Corporation:

We consent to the incorporation by reference in the registration statement (No. 333-251003) on Form S-8 of Concentrix Corporation of our report dated February 16, 2021, with respect to the combined balance sheets of Concentrix, the Customer Experience Services business of SYNnex Corporation as of November 30, 2020 and 2019, the related combined statements of operations, comprehensive income, parent equity, and cash flows for each of the years in the three-year period ended November 30, 2020, and the related notes and financial statement Schedule II: Valuation and Qualifying Accounts, which report appears in the November 30, 2020 annual report on Form 10-K of Concentrix Corporation.

/s/ KPMG LLP

Cincinnati, Ohio
February 16, 2021

SECTION 302 CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Christopher Caldwell, certify that:

1. I have reviewed this Annual Report on Form 10-K of Concentrix Corporation;
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(s) 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(s) 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.

February 16, 2021

/s/ Christopher Caldwell
Christopher Caldwell
President and Chief Executive Officer

SECTION 302 CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Andre Valentine, certify that:

1. I have reviewed this Annual Report on Form 10-K of Concentrix Corporation;
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(s) 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(s) 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.

February 16, 2021

/s/ Andre Valentine

Andre Valentine
Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. § 1350**

We, Christopher Caldwell, the President and Chief Executive Officer of Concentrix Corporation (the “Company”), and Andre Valentine, the Chief Financial Officer of the Company, certify for the purposes of section 1350 of chapter 63 of title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of our knowledge:

(1) The Annual Report of the Company on Form 10-K for the period ended November 30, 2020 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 16, 2021

/s/ Christopher Caldwell

Christopher Caldwell
President and Chief Executive Officer

Date: February 16, 2021

/s/ Andre Valentine

Andre Valentine
Chief Financial Officer

The foregoing certification is being furnished to the Securities and Exchange Commission as an exhibit to the Report. A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.