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# Financial Analyst Day 25



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# Financial Analyst Day 25

## Agenda

#### **Opening**

Darren Yip - SVP of Investor Relations & Market Insights

#### **Vision and Opportunity**

Bill McDermott – Chairman and Chief Executive Officer Nick Tzitzon – Vice Chair

#### ServiceNow: The Al Platform for the agentic age

Amit Zavery - President, CPO and COO

#### **ServiceNow Al Platform**

Jon Sigler - EVP and GM, Platform and Al

#### **Data & Analytics**

Gaurav Rewari - SVP and GM, Data & Analytics

#### **Technology Workflows**

Pablo Stern – EVP and GM, Technology Workflows

#### **CRM and Industry Workflows**

John Ball – EVP and GM, CRM and Industry Workflows

#### **Core Business Workflows**

Josh Kahn – SVP and GM, Core Business Workflows

#### **Every corner of your business**

Amy Lokey – EVP, Chief Experience Officer

Break (10 min)

#### Al value in action

Chris Bedi - CCO and Special Advisor to the Chairman for Al

#### **Accelerating GTM with the ServiceNow Al Platform**

Paul Fipps – President, Global Customer Operations

#### **Financial Overview**

Gina Mastantuono - President and Chief Financial Officer

#### Q&A

# Vision and opportunity

**Bill McDermott** 

**Chairman and Chief Executive Officer** 

**Nick Tzitzon** 

Vice Chair



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#### We are entering this period from a position of strength

### Innovation velocity

33

Leadership recognition across segments (ITSM, CRM,...)

1,000+

**27X** 

Faster platform with RaptorDB

Customer and ecosystem trust

**98**%+

**Renewal rate** 

**3X**+

\$20M+ customers (vs 2021)

3M+ learners

in ServiceNow University (by 2027) Talent and brand

+230%

US unaided awareness<sup>1</sup> (Y/Y)

1,000+ Al agents

In ServiceNow by 2025

40+

Company awards Q1 2025











Financial performance

23%

Sub Rev. growth at scale (2024)

54%

Rule of 50<sup>2</sup> (2024)

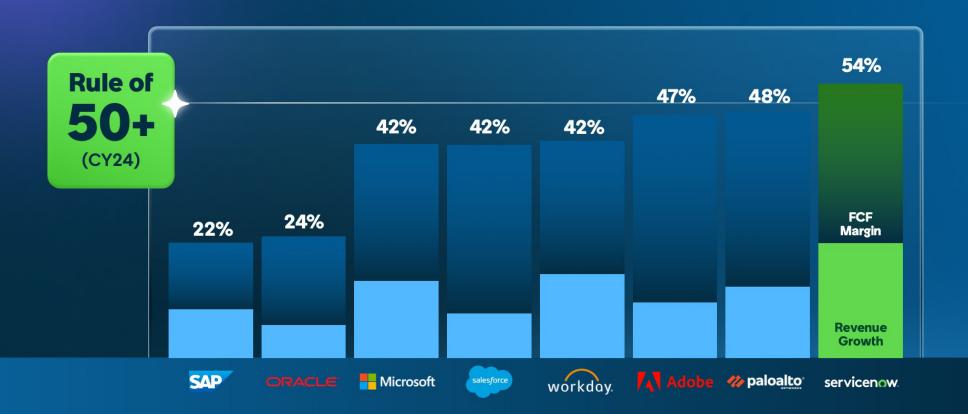
188%

Total shareholder return in 5 years<sup>3</sup>

1. Unaided awareness=People who name ServiceNow unprompted when asked about business transformation platform companies 2. FY24 Rule of 50 = Total Rev Growth + FCF Margin

3. TSR as of May 2, 2025, includes interest, capital gains, dividends, and distributions realized over 5 years

#### ServiceNow continues to be in a league of its own





# Our Platform is purpose built for this moment

Create adaptive, resilient business models

Risk and Security

Maximize productivity and efficiency



Human Application Resources Development

Harness new opportunities for growth

Finance and Supply Chain

Deliver exceptional human experiences

servicenow. Al Platform

# The Service Now advantage

20+ years as workflow leader

2 Al that's built in, not bolted on

3 All the data you need

Transparency and openness:
Any cloud. Any model. Any data. Any system.

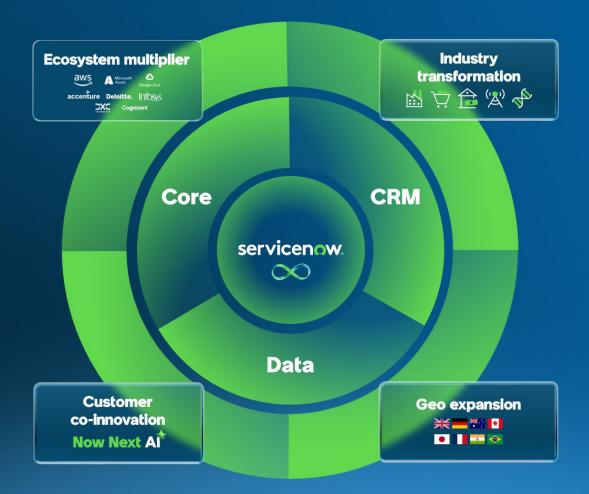
5 Unparalleled customer and partner trust



servicenow. Al Platform

Your Al Control Tower - A single pane of glass

# The Al\* Platform for business transformation



### servicenow

# #DESCO21C

Innovation engine + Elite.Level.Execution = Exceptional value creation

# ServiceNow: The Al Platform for the Agentic age

**Amit Zavery** 

President, CPO and COO



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# What we will cover today



**Customer challenges** 

2

ServiceNow advantage

3

Platform innovations

# Customer challenges

## The ROI gap: Technology lags business demands



# **Enterprise fragmentation**

Siloed systems, complex landscape, inefficient processes



# Al readiness

Data quality, governance and visibility, expertise

# Service Now advantage

# **Innovating with purpose**

20+ years of industry expertise

60+ billion workflows a year

6,000+
new features
in the past 12 months

## **Leading the way** to modern CRM

#### Sell, fulfill, and service with end-to-end orchestration

Middle / Back **Office Service** 

Customer Service, **Field Service** 

**Front Office** Service

Customer-facing, **Contact Center** 

Sales and **Order Mgmt.** 

CPQ, Order Capture, Lead & Oppty Mgmt.

**Exceptional** customer experience

\$1.4B+ ACV

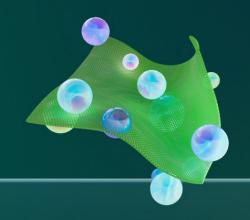
**Gartner Magic Quadrant leader** 

## Transforming the enterprise

**Autonomous IT** 

**Autonomous security** 





**Workflow Data Fabric** 

**RaptorDB** 

**Core Business Suite** 

Creator



# Expanding the addressable market

\$350B+

**2027 TAM** 

CRM

**Data and Analytics** 

Industry specific solutions

Workflow expansions



**Agentic Al** 

\$165B

**2023 TAM** 

# Leading the market

# 33 Categories

Gartner® Forrester®

IDC® Omdia® ISG®

KuppingerCole®

Fosway Group®

2025

Al for ITSM

Al Ops

Cloud HR / HR Service Delivery

**Cloud Management Tools** 

**Conversational Automation** 

**Customer Service Management** 

**Enterprise Agile Planning Tools** 

**Enterprise Asset Management** 

**Enterprise Low-Code Application Platforms** 

**Enterprise Service Management** 

6 Categories

2019

## Supercharging customer success



































































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### Seconds

to complete tasks that previously took 30 minutes

## 20K+

new employees onboarded each year via ServiceNow

## **60K**

laboratory requests flowing through one system

**SIEMENS** 

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1M hours

saved in GBS

210K tickets

automated monthly

15K cases

resolved by Al agents monthly

# Platform innovations



#### servicenow. Al Platform



#### servicenow. Al Platform



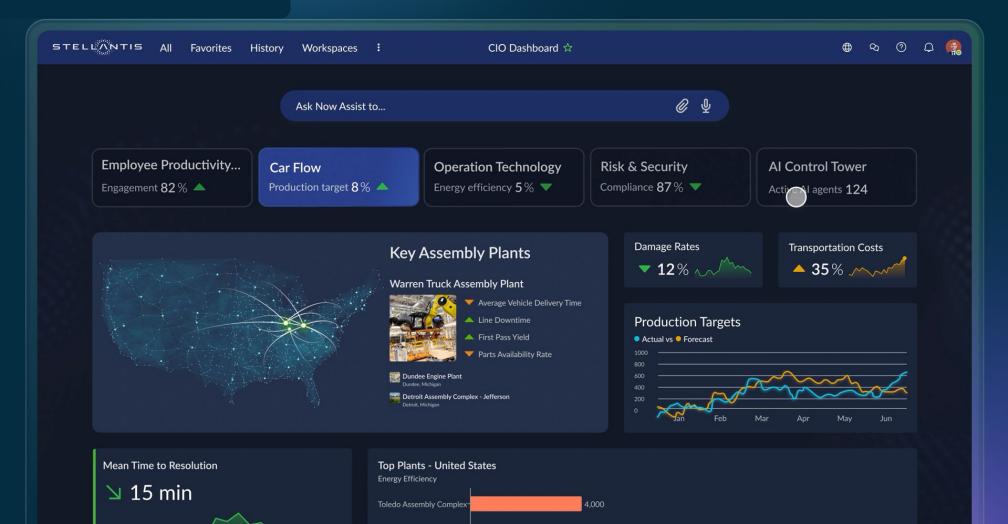
Al Control Tower

Al Agent Studio **Autonomous Orchestration** 

Al Agents

Al Agent Fabric

#### **Al Control Tower**



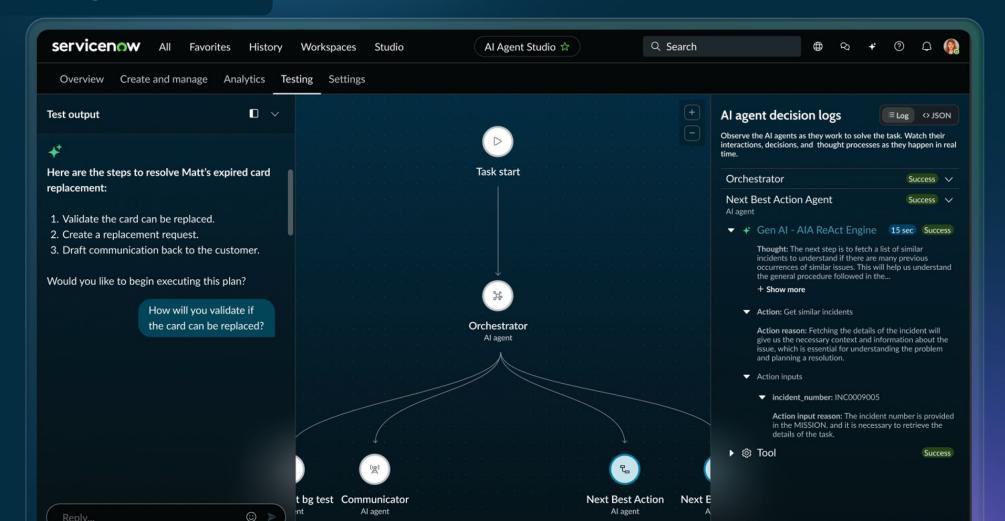
#### **Al** Agent Fabric

# End-to-end collaboration between Al agents across any application

- Maximize ROI with AI agent interoperability
- Integrate at every level
- Future-proof your Al strategy
- Support an open ecosystem with security at the core
- Driving an open partner community



#### **Al** Agent Studio



# Now Next Al\*

Capturing a generational technology transformation

C-level engagement

Co-innovation with Al Black Belts

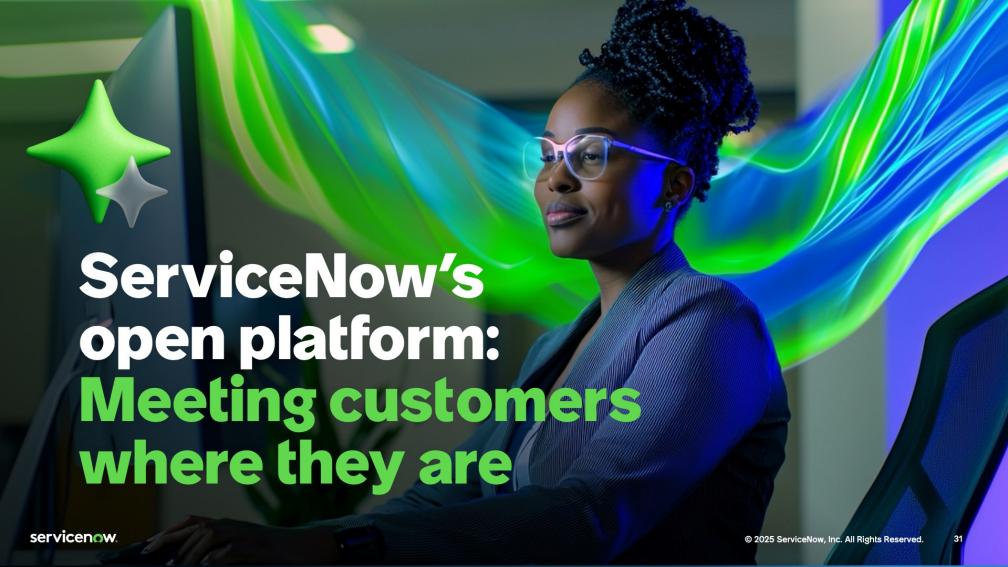
**Al Delivery Factory** 

Platform commitment

**Customer business outcomes** 

**Adoption and customer satisfaction** 

**Long-term trusted relationships** 



## ANY Al model















watsonx



# Domain-specific, bring your own, or select from a diverse ecosystem

## ANY cloud

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**Google** Cloud



Microsoft Azure

**Private Cloud** 

**Government & Sovereign Cloud** 

**On-premise** 

## Wherever our customers need us



## **ANY** data













teradata.

**CLOUDERA** 

# Your agents are only as good as your data



# ANY system









































# Prebuilt integrations and connectivity



# Our Al pricing strategy: Predictable, yet flexible

Assist pack **Assist Assist** Hybrid pack pack pricing **Assist Assist Assist** pack pack pack **Pro Plus** 

Starter pack

**POCs** 

Scale deployments



# We support customer adoption with robust partnerships









































### servicenow. University

3M learners
by 2027



- Application Developer
- Implementer
- Technical Project Manager
- Business Process Analyst
- Support Specialist













# The leaders making this possible



**Pablo Stern**EVP & GM, Technology Workflows



**John Ball**EVP & GM, CRM & Industry Workflows



Jon Sigler
EVP & GM, Platform and Al



**Josh Kahn**SVP & GM, Core Business Workflows



**Gaurav Rewari** SVP & GM, Data & Analytics



Amy Lokey
EVP, Chief Experience Officer

## Service Now Al Platform

Jon Sigler

EVP and GM, Platform and Al



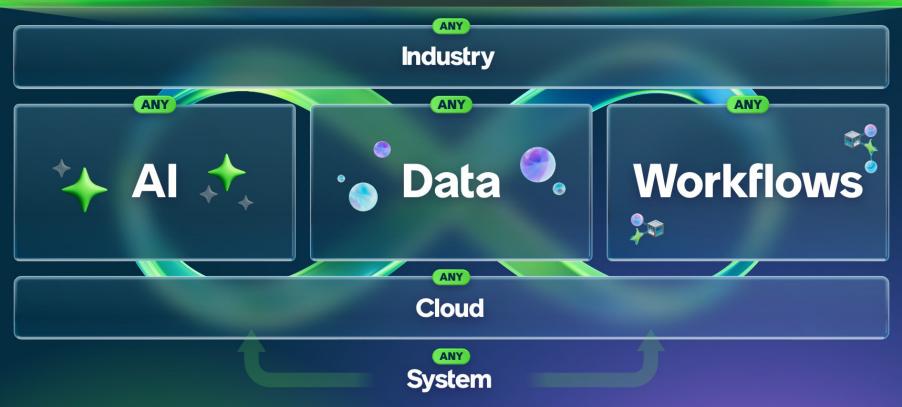
# ServiceNow is leading our customers on their Aljourney



**Al Platform** 

Leading the market in Al innovation

Customers win and we win



Performance, Scalability, Security Workflow Data Fabric, RaptorDB

Process Mining, Task Mining

Developer Experience, Store, Ecosystem

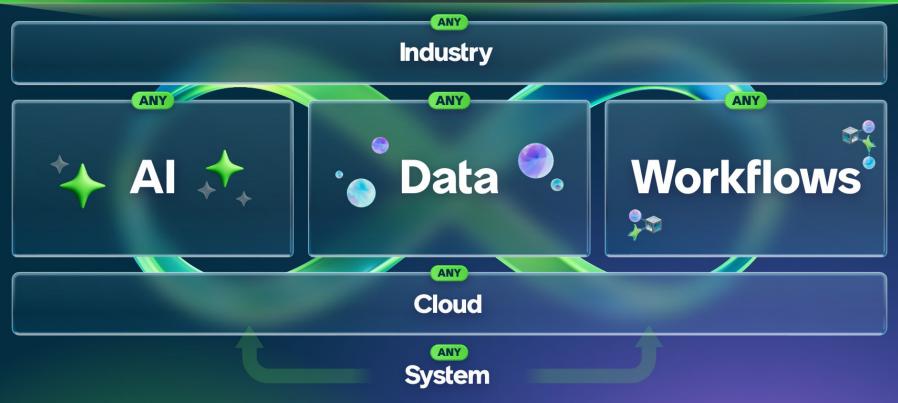
ServiceNow Impact

**Platform Innovation** 

Note: The 5B+ agentifiable workflows are monthly workflow executions run by customers on the ServiceNow Al platform, as of April 2025.



Workflow executions powered each month







## **Customers are winning with Now Assist**

**Improved** deflection

up to

self-service deflection across workflows

productivity

improvement in case resolution time

kaines°

Increased

HONDA

Time saved

100K+

annualized fulfiller hours saved









Teleperformance





















coursera

# We're winning with Now Assist



Hybrid pricing model

# Fastest growing product family

in ServiceNow history

1,000+

customers winning with Agentic Al

\$250M+

In ACV

# We are seeing a strong upward trend in assist consumption

**Autonomous Orchestration** + Al Marketplace



• Q&A
• Summarization

• Object generation

Al maturity

• Al Agents

Al Agent Studio AgenticWorkflows

Al Agent

Fabric





# Al Agent Orchestrator







**Planning** 



Coordination





### Al Agent Orchestrator







Planning

Coordination



**Remediate Exposure Agent** 



**Threat Analysis Agent** 



**Risk Posture Agent** 



**Threat Response Agent** 



**Attack Assessment Agent** 

Request: Remediate cybersecurity threat



Al Agent Orchestrator





**Threat Analysis Agent** 



**Attack Assessment Agent** 



**Risk Posture Agent** 



**Threat Response Agent** 



**Remediate Exposure Agent** 





- **Tasks compress from weeks to minutes**
- Opportunity unlocked to automate anything
- ★ Al agents powered by Assists, 24/7



## Al Control Tower







Manage  $\diamondsuit$  Govern  $\diamondsuit$  Secure  $\diamondsuit$  Measure value



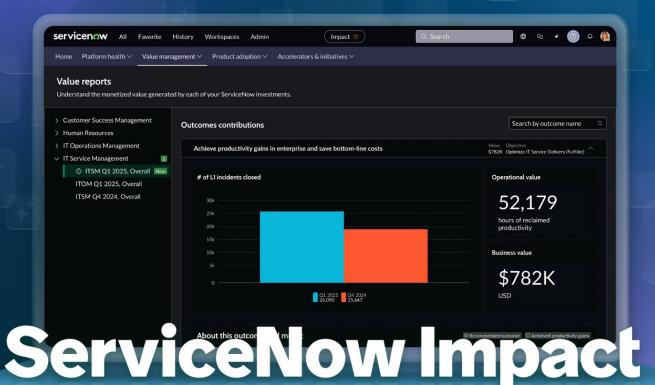
Proven platform for transformation

Built on our CMDB

- Integrated Risk & Compliance
  - Al management on a system of action



# End-to-end visibility: from Al actions



End-to-end visibility: from Al actions to business outcomes

## Key takeaways

Al platform is a differentiator and we continue to invest

We continue to lead as innovators in Al Positioned to win as customers accelerate Al use



## Data & analytics



#### **Gaurav Rewari**

SVP and GM, Data & Analytics





Al is only as powerful as your

Data

Only

4% of CIOs

Think their data is Al ready

# An Agentic workforce requires more than conventional systems can handle

Increased variety and sources of data

Larger volume and velocity of data

**Increased need for rapid decision-making** 

# That's why ServiceNow created RaptorDB

**Standard** 

+

Pro

Greater scalability, performance and support for more advanced analytical capabilities

Customer demo instance

106M
CMDB records

7M
Incidents

15M
Tasks

~10th
Largest customer in our ecosystem

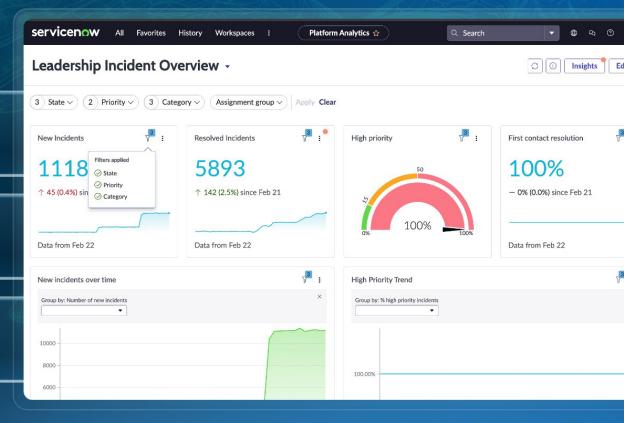
### Unlimited drilldowns enabled by RaptorDB Pro

Go beyond limits: Unlock unlimited drilldown for more granular, data-driven decision-making

Enhanced architecture for performance analytics

**Based on the principal of Change Data Capture (CDC)** 

Easy & seamless activation



# Large US mobile carrier gains real-time insights with RaptorDB Pro

>4X

Improvement in SQL response time accelerating background jobs and workflow processing

73%

Faster report loading and 55% faster list views for a better user experience

80%

Reduction in UI response time, reducing latency for high-traffic interfaces

It's performing better than anything we've ever experienced."

Senior Engineer



# Al Agents are only as good as the data they have access to



Zero Copy, Full Copy

**Unified data model and semantic understanding** 



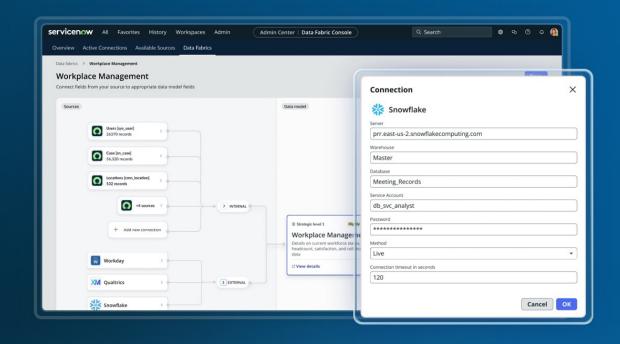
## Workflow Data Fabric

**Connect**disparate data sources

Understand data to ensure it's actionable

### **Take action**

to deliver real-time outcomes





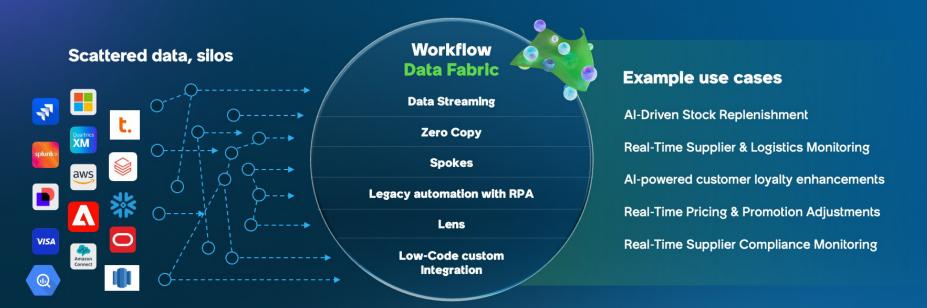






### **Using Workflow Data Fabric for Al-powered "next best action"**

Customer example: A large European retail customer



#### Workflow Data Fabric provides the integration & automation layer to leverage the full potential of enterprise data

- Bridge disconnected systems
- 2 Low time to value & Al driven automation
- Scalable end-end enterprise integration
- Accelerates decision making
- Enhances customer & employee experience



### Introducing

# Overkflow Data Network

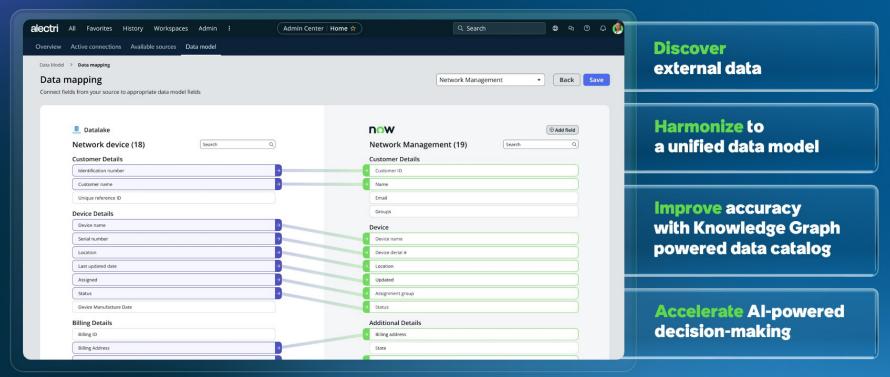
#### Put AI to work with

#### **Workflow Data Network**



Now over 100+ build partners to connect **ANY data**, for the smartest Al agents and analytics

## An Al-ready estate requires robust data visibility and control



### Al + Data + Workflows

1

**RaptorDB** 

2

Workflow Data Fabric

3

Data visibility and control

The keys to our customers' success

### Technology Workflows

#### Pablo Stern

EVP and GM, Technology Workflows



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**Service Management** 

**Operations Management** 

**Asset Management** 

**Portfolio Management** 

**Service Graph** 









0

**Touch IT support** 

0

Service outages

0

**Stress** service delivery

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# We introduce you to the world of Autonomous IT

# An exponential foundation for Autonomous IT

**Autonomous** 

Knowledge based

Human initiated Workflow based

**Service Management** 

Portfolio Management

**Asset Management** 

**Operations Management** 

**Service Graph** 

🕇 🔷 Al agents

BUSINESS VALUE

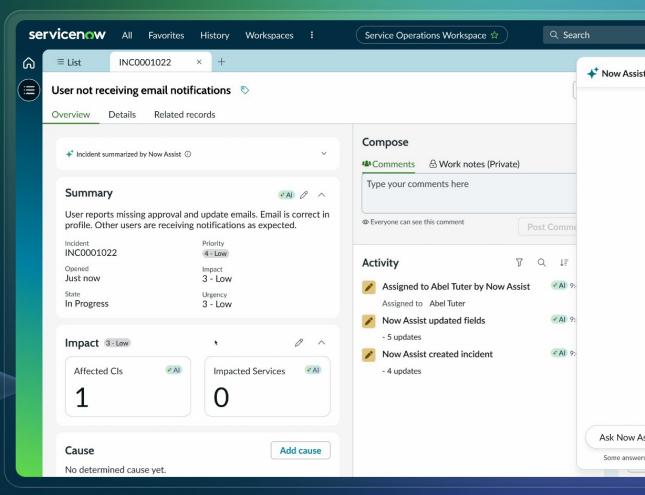
## Al Agents available now

- 🔷 Portfolio Management
- Asset Management
- Operations Management
- Service Management
- Service Graph





Autonomous IT Service Management agents at work





#### Finally, a system that understands you



Naido ServiceNow employee

knowledge25



**Security Operations** 

**Integrated Risk Management** 

## Security +



## The workflow leader in Security

#1

### Segment share

Security, Orchestration, Automation and Response 1 in 3

Global 2,000 customers

## Forrester<sup>®</sup> Leader

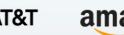
### Product leadership

Governance Risk and Compliance Platforms
Third Party Risk Management Platforms

## The workflow leader in Security

























## Al + Data + Workflows

#### Insight across cyber risks

Assess risk & compliance gaps

**Identify high-priority exposures** 

**Quickly address security incidents** 

### Knowledge of all security data

Incidents

Alerts

Vulnerabilities

Exposures

Mitigations

iliilii cisco

WIZ'

\*\* paloalto

**Microsoft** 

CROWDSTRIKE

Threat Intel

Third Parties

Devices

Cloud

Applications

CMDB-

### Workflows across the enterprise



### An exponential foundation for Autonomous Security

Workflow based

**Security Operations** 

**Integrated Risk Management** 

**Service Graph** 

**Autonomous** Knowledge Al agents

**Business value** 

based

Human initiated

## Al agents available now

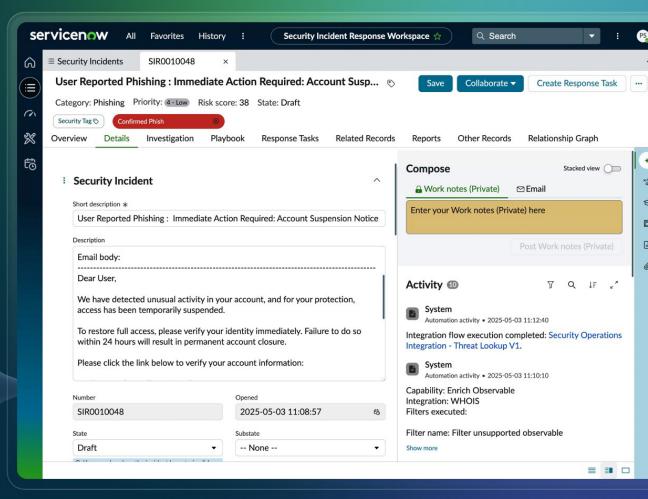
Security Operations

Integrated Risk Management





Autonomous Security agents at work



## IT & SecurityAl agentroadmap

#### Q1 2025

- Categorize Incidents
- Notify Users With Twilio
- Generate Post Incident Reviews
- Generate Change Request Plans
- Project Task Monitoring
- EA Diagramming
- → CMDB Summary
- ★ Security Incident Closer
- → OT KB Generation

#### Q2 2025

- O365 DL Management
- Software Allocation
- → Software & Hardware Request Fulfillment
- Triage Alert
- Incident Resolution Recommender
- → Incident Wrap-Up
- Govern and Manage CMDB
- Search The CMDB
- → Security Incident Resolver
- → Incident Response Analysis
- Issue Remediation
- Vulnerability Exposure Assessment
- → OT Incident Handler

#### 2H 2025

- Self Service Incident Deflection
- Incident Meeting Scheduling
- Asset Reclamation
- → DEX Diagnosis
- → Major Incident Detection
- Major Incident Status
- Analyze Impact and Investigate Alert
- Problem RCA
- Enrich and Correlate Alert
- Business App Rationalization
- Project Status Generation
- → Create Planning Items & Agile Stories
- Generate Goals and Targets
- Shift Handover
- → Vulnerability Remediation Advisor
- → ITAM Manage Compliance
- SOC Night Guard
- OT Change Planner
- OT Device Onboarding
- OT Risk Remediator
- ♦ And more...

#### **Business value**



## We are accelerating OT digital transformation

Personas + customers **3X Y/Y growth:** OT assets under management CIO CISO **Factory Owner** entergy

Use cases

Risk of ransomware

impacts production lines and asset lifecycles

IT and OT stakeholders

seek to manage assets with a common system of record

**Products** 

**Initial GAs** 

**OT Visibility** 

**OT Service Management** 

**OT Vul Management** 

**New GAs** 

**OT Vis - Mission Secure Connector** 

OT Operations Management - Health

**OT Asset Management** 

OT Pro+

# CRM and Industry Workflows



EVP and GM, CRM and Industry Workflows



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## Recapping CRM Workflows

CRM is technology that helps companies deliver awesome experiences to their customers



## **CRM** and Industry Workflows

\$1.4B+ ACV FY24

126M

Customer portal sessions per month

68M

Cases per month 34M

Order Management tasks per month

**₩**•EQUINIX









**Desjardins** 















**1M** 

Monthly Active CSM Agents

**7M** 

\*Calculations performed by ServiceNow on aggregated usage data

Calls & chats per month

**9M** 

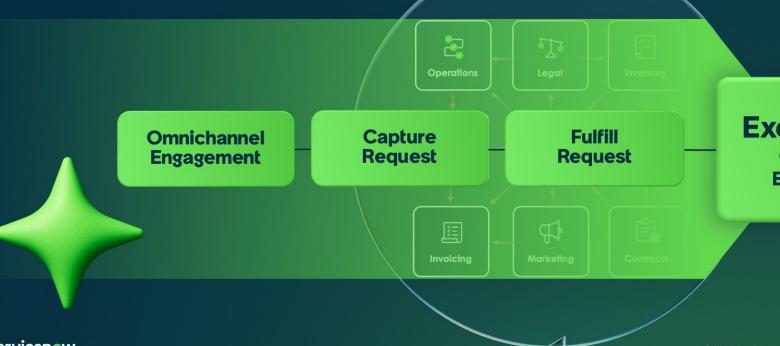
Field Service tasks per month

**\$20M**ACV FY16

What actually happens: Disparate systems, human middleware **Digitization efforts** started here 1 **\***= **Omnichannel** solutions **Operations** Legal Inventory Chat Poor Reps (Till **Email** Customer customer **SDRs Fulfillment** Sales Collections experience **Agents** Mobile Voice A Web Invoicing Marketing **Contracts** 

Sell, fulfill, and service on one unified platform





**Exceptional** 

**Customer Experience** 



## Front office momentum

**62% increase in front** office transactions<sup>1</sup> Y/Y

1. Calculations performed by ServiceNow on aggregated usage data from March 2024 to March 2025

#### **Customers**











zoom





**Industry recognized leader** 

🔆 brightspeed

Gartner.





FORRESTER



**Key CCaaS partnerships** 











### **Fast start for** sales and order management

**Order to Cash Exceptions** 

**Service to Sales** 



















# Traditional CPQ is broken, we need a new approach



Hard to set up and maintain



Slow & clunky

Only direct sales reps will tolerate it



**Fails for complex products** 

#### servicenow. CPQ



**Data-driven point & click setup** 



Lightning fast

Consumer-grade experience



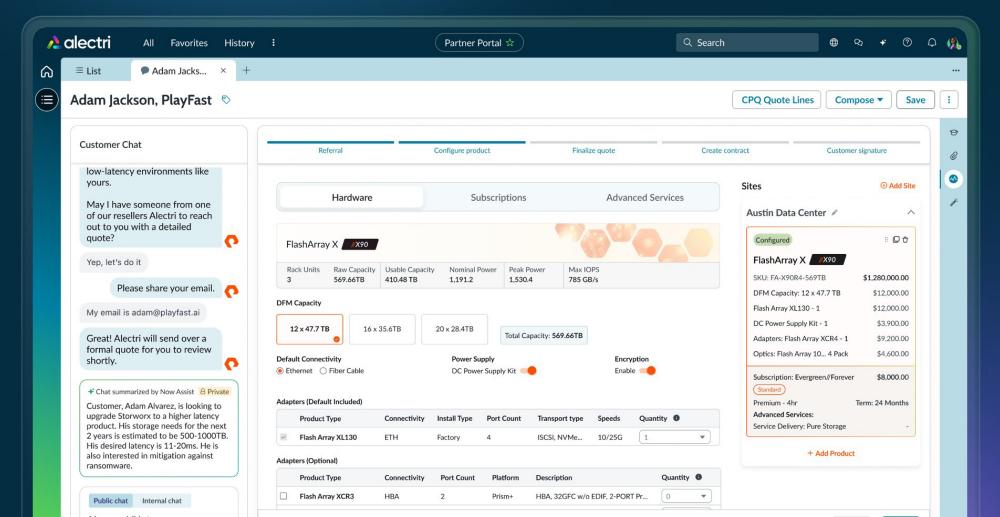
Simple or complex products



## servicenow + logik



#### servicenow CRM + CPQ



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## Sell, fulfill, and service on one unified platform



# Core Business Workflows

### **Josh Kahn**

SVP and GM, Core Business Workflows



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# We are leveraging agentic AI to transform work across every core business department

### Without ServiceNow



### With ServiceNow



### The reality of work in the enterprise today

# It's confusing, slow, unproductive and unmeasurable



# ServiceNow is already delivering core business transformation results

HR Tech stack



Procurement Tech stack



Finance Tech stack



Facilities
Tech stack



**Legal** Tech stack

### One system



Hire-to-retire

85%

Case deflection with selfservice functionality



Al agent for HR

Streamlining HR workflows and reduce time spent searching for answers



Source-to-pay

\$5M

Procurement operational cost savings

### **SIEMENS**

**Global Business Services** 



Hours Saved

### servicenow

## Core Business Suite

Connecting employees, suppliers, and systems

### One place for:

**Employees to find answers and get help fast** 

**Business experts to create outcomes** 

**Team leads to track performance** 



### **Enterprise Service and Case Management**



### **Driving employee productivity and reducing operation tasks**

**Enterprise Service** 

Management











Procurement

**Facilities** 

Legal

**Finance** 

**Enterprise Service and Case Management** 

**Now Assist** 

**Core Business Suite** 

### Opportunities to drive outcomes with agentic Al



**Managers** 

Make every manager a great manager



Growth & performance



**Employee** onboarding



**HR** partners

Liberate and scale HR partners



Succession planning



Talent insights



**Sourcing managers** 

Drive savings faster through procurement



Savings opportunities



Supplier performance

# This is a C-level value proposition



**Core Business Suite** 

### **Higher employee productivity**

- Increase revenue per employee
- Raise employee engagement scores

### **Better outcomes at lower cost**

- % revenue for HR, finance, legal
- Annual procurement cost reduction
- Supplier risk compliance and reduction

### **Easier legacy retirement**

- % revenue on legacy tech
- Time to uptake transformative technology

## The only solution

with everything to succeed

servicenow. Al platform

**Everything you need for core business transformation** 

+

**Enterprise Case Management** 

**Deterministic workflow** 

**Data from every source** 

**Agentic orchestration & governance** 

**Agent Studio** 

**Out-of-the box agents** 

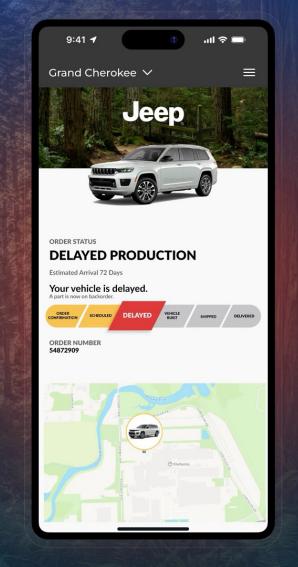
# Every corner of your business

**Amy Lokey** 

**EVP, Chief Experience Officer** 

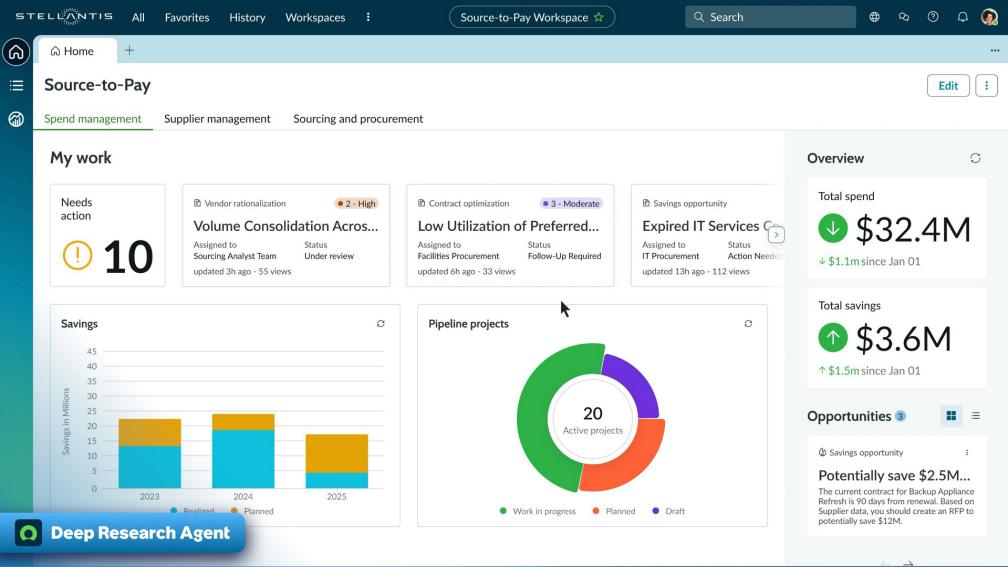


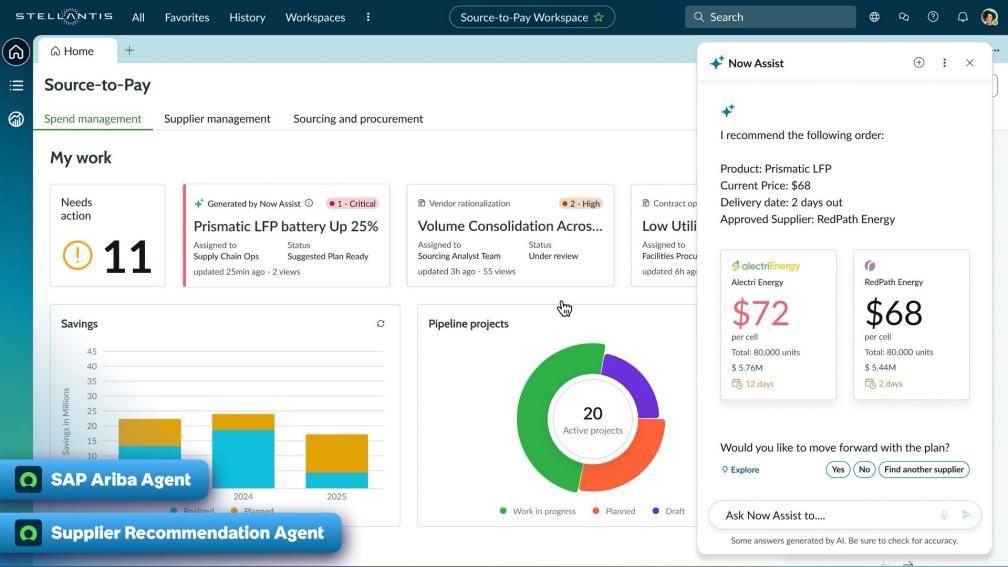
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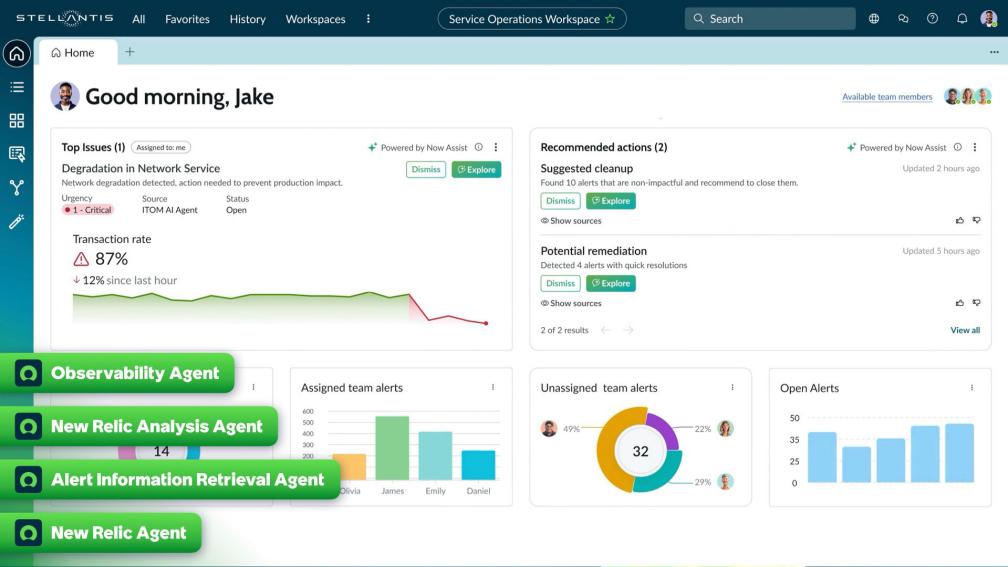


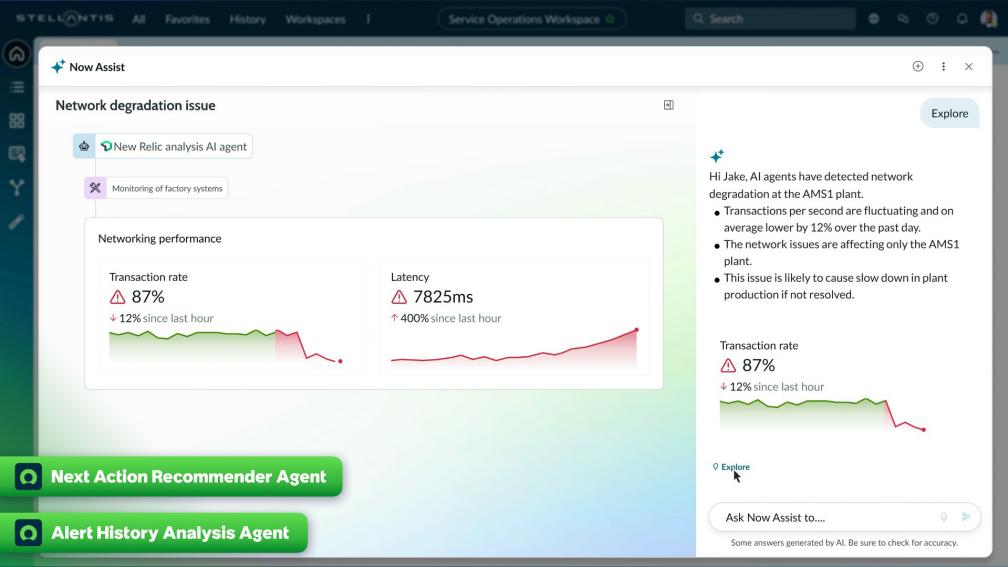
### The Al platform for business transformation

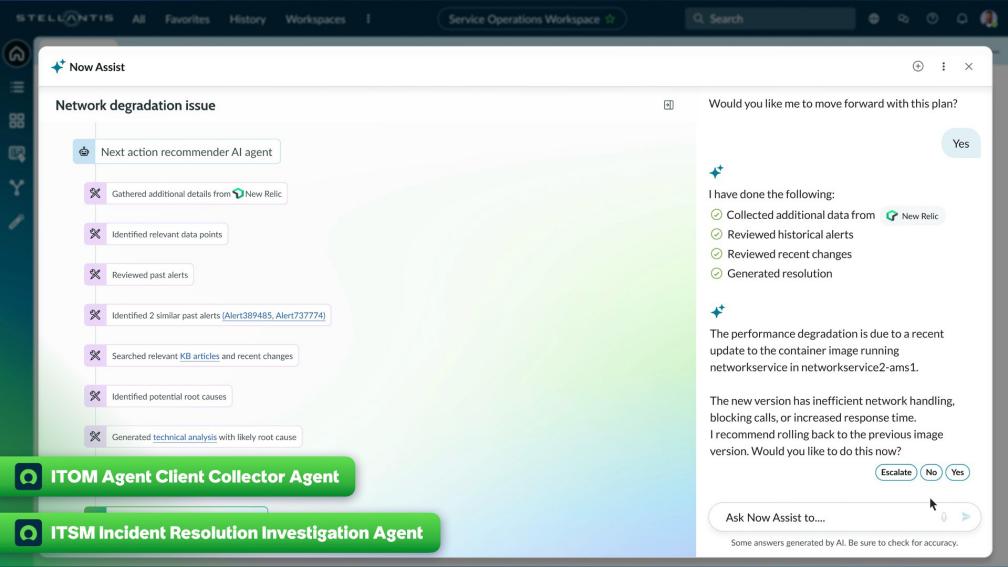


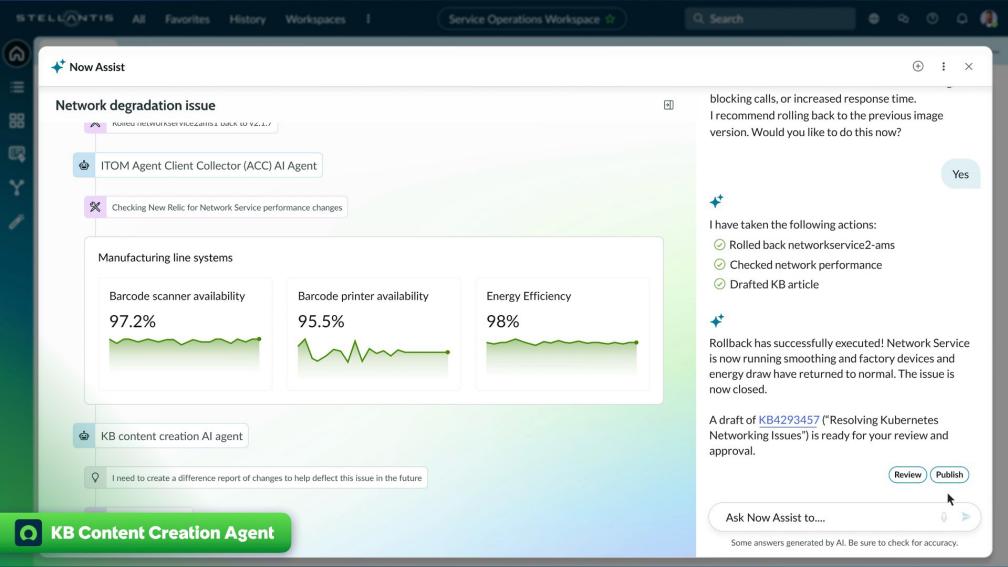












Highlights

Team performance

Scheduling

Operations





品















Ask Now Assist to...



O Growth conversations

Quarterly growth conversations are coming up—start preparing now.

### Conversations due in 14 days

- ← Get personalized insights and conversation guides for your team's growth discussions.
- → Prepare for conversations



Operations

Successfully deployed the new CI/CD pipeline, reducing deployment time by 30%





Deployment time

Peedback & recognition

Jenna Johnson led a successful cloud migration, boosting scalability and performance.

### Send Jenna a kudo:

Fantastic for leading the successful migration of critical applications to the cloud, significantly improving scalability and performance!

Training video



How to help your team prioritize under pressure



Logitech ergonomic wireless keyboard



Placed In transit

Out for delivery

Delivered



Co. 1---1- 7---- ----ti--







Highlights

Team performance

Scheduling

Operations





믦















Ask Now Assist to...



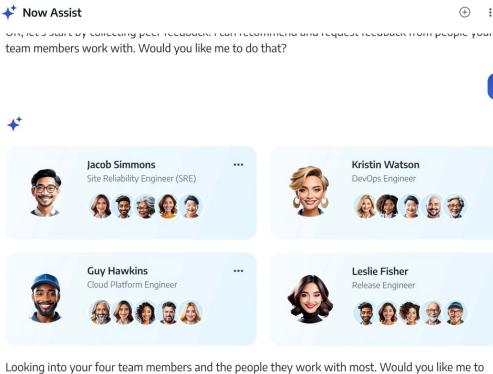
Growth conversations

Quarterly growth conversations are coming up—start preparing now.

### Conversations due in 14 days

- ← Get personalized insights and conversation guides for your team's growth discussions.
- → Prepare for conversations





send feedback requests to these colleagues?

Ask Now Assist to....

Some answers generated by AI. Be sure to check for accuracy.





### ◆ Now Assist















Here are your four team members, Jacob, Kristin, Guy and Leslie, and the people they work with most. Would you like me to send feedback requests to these colleagues?

Can you add Kristin Watson to Jacob's list?



OK, I've added Kristin. Are you ready for me to send feedback request emails to these colleagues?

Review request email

Looks good, you can send the emails



Great, I've sent the request emails. While we wait for feedback, I can start building the guides for your growth conversations. Would you like to get started?

Ask Now Assist to....



Some answers generated by Al. Be sure to check for accuracy.



**Microsoft OneDrive Agent** 

sts have been sent

- **Employee Data Summarization Agent**
- **Conversation Management Agent**
- **Workday Performance Agent**

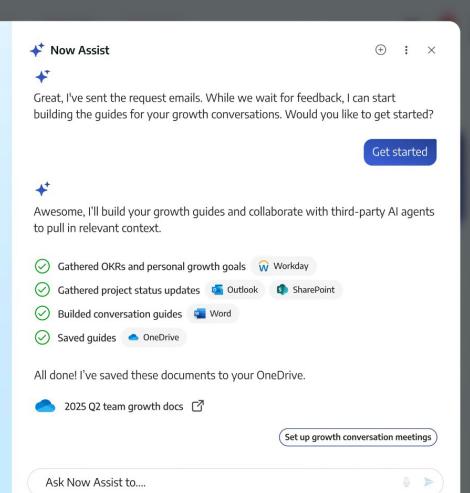


**→** 



Peer feedback requests have been sent

- Agent to Agent Collaboration
- MSFT Calendar Management Agent



Some answers generated by Al. Be sure to check for accuracy.



### May 2025









**→** 

OK, let's get those scheduled. I'll coordinate with the Microsoft AI agent to help.

- Analyzed best times
- **Drafted invitations**

I've found these available times before the growth conversations deadline. I spaced them out for you over the next 10 days. Do you want me to schedule these?



QGC w/Jacob Simmons May 12, 2025 • 10:00 AM



QGC w/Guy Hawkins May 18, 2025 • 11:00 AM



QGC w/Kristin Watson May 14, 2025 • 1:00 PM



QGC w/Leslie Fisher May 20, 2025 • 9:30 AM

Change invitations

Send invites

Ask Now Assist to....



Some answers generated by Al. Be sure to check for accuracy.

### June 2025

М	т	w	тн	F
9	10	11	12	13
DevOps Onsite: Strategy & OKRs			Standup 9:00 AM	Standup 9:00 AM
Standup 9:00 AM	Standup 9:00 AM	Standup 9:00 AM	One-on-on 9:30 AM	
One-on-one 1:30 PM	One-on-on 11:30 AM	One-on-on 11:00 AM	Service reli 3:00 PM	

OK, I've mapped out a travel plan for June 9 to 11 based on your requirements including a location, flights and hotel, a workshop space, and catering with dietary accommodations.





- · Central location with direct flights
- 15 min drive from DTW airport
- · Home of Chrysler World HQ
- · No time zone changes for most attendees



HOTEL Auburn Hills Marriot Pontiac

5 min walk to HQ & within budget



### Horizon

 at Chrysler World HQ Zoom touchscreen & workshop supplies



CATERING

### Taco bar for lunch

June 10 Includes gluten-free & vegetarian options



Ask Now Assist to....



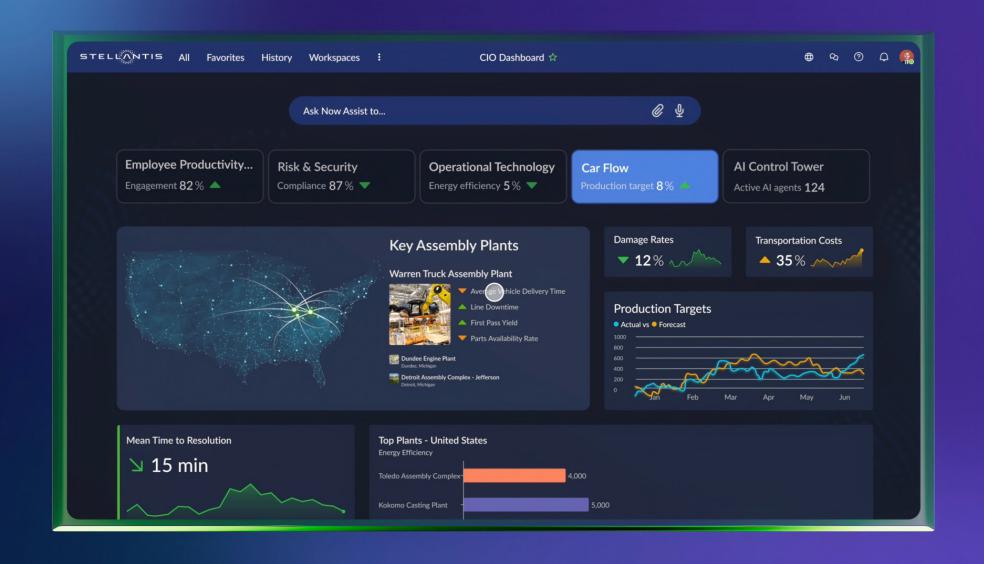


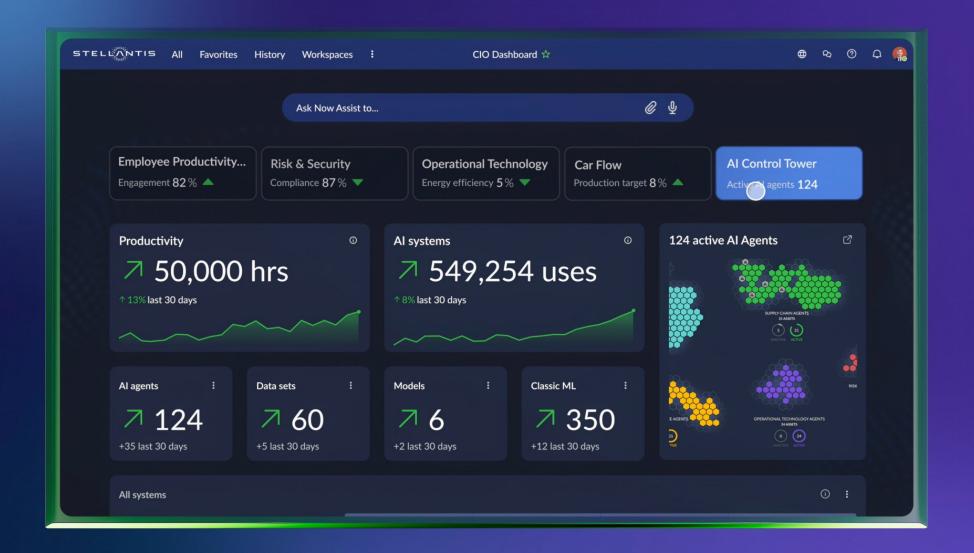
SAP Concur Travel Agent

### The Al platform for business transformation



servicenow. Al Platform







servicenow. Al Platform









# Al value in action

### **Chris Bedi**

Chief Customer Officer and Special Advisor to the Chairman for Al





# The exponential value of Ai

**Business transformation** 

Growth

Margin

Revenue per employee

**Powered by AI** 

**Speed** 

**Productivity** 

**Sentiment** 

**Effectiveness** 

## Al value in action



Al labor capacity
ML and Gen Al



Al operations
Gen Al and Agentic



Al employees

AI + Data + Workflows





Taylor summarizes the case, associated Knowledge Base articles, and recommends a data-informed resolution

I offload ~20% of my work to Taylor:



Taylor understands and resolves many cases and tasks from the queue with supervision

Thanks to Taylor, my role has evolved to be more strategic:



Taylor proactively predicts, prevents, and resolves potential incidents for our customers

# Al value in action Now on Now

\$350M+
of value<sup>1</sup>

Up to 30X incremental agentic value<sup>2</sup>

Download the white paper



**IT support** 

400K

Al agent-supported workflows per year

CRM

99%

Faster answers to sellers' questions<sup>3</sup>

**CRM** support

72%

Customer requests that are self-service and don't require any live help

### Al value in action













WELLS FARGO















































# Every company today is:

Investing in Al

Accelerating adoption

Standardizing on ServiceNow

# Accelerating GTM with the ServiceNow Al Platform

Platform led

Industries & Global Public Sector

International expansion



### **Paul Fipps**

President, Global Customer Operations





#### servicenow. Al Platform



### Al + Data + Workflow on one enterprise platform drives results



A

1,000+ Customers today

55+ Partners building 140+ Agentic Al solutions



#### Data

350+ customers on Workflow Data Fabric 27X faster analytics<sup>1</sup> with RaptorDB Pro

Al industry use cases

VISA TECHNOLOGY O vodafone
SIEMENS • A P T I V •



### Workflows

Accelerate our \$1.4B+2 CRM business

Solutions and innovation to amplify our Core

servicenow. Al Platform

Co-Sell

**Implement** 

Our partners are becoming

### Market Creators

Co-Innovate

Build

**System Integrators** 



KPMG

Infosys













Cognizant



900+ Build Partners with 1,200+ Apps on Store Today

**Marketplace** 

**Hyperscalers** 







### **Our GTM engine is driving** growth across Industries











#### Deepening sub industry focus





















Banking

Insurance

Care Provider

Life Sciences

Consumer

**Automotive** 

**Technology** 

Telecom

Retail

Of the Top 20 companies in every priority industry<sup>1</sup>

## We are well positioned in the Global Public Sector

Evolving our GTM mode for US Federal

Capitalizing on a huge untapped market opportunity



US Federal Civilian



US Federal Defense & Intelligence



US State & Local Govt (SLG)



International Public Sector

The trusted Al platform for government efficiency & modernization

# We are continuing to grow \$1B+ international market opportunities and investing to win!





## The ServiceNow Al Platform is Driving Our GTM Success

### Al + Data + Workflows

Our platform differentiation drives GTM results — our partner ecosystem scales it We are strengthening our position in Global Public Sector and key industries

Our investments are unlocking \$1B+ international market opportunities

### servicenow. Al Platform

### Financial Overview

#### **Gina Mastantuono**

President and Chief Financial Officer



servicenow



Platform innovation and customer obsession are powering resilient growth

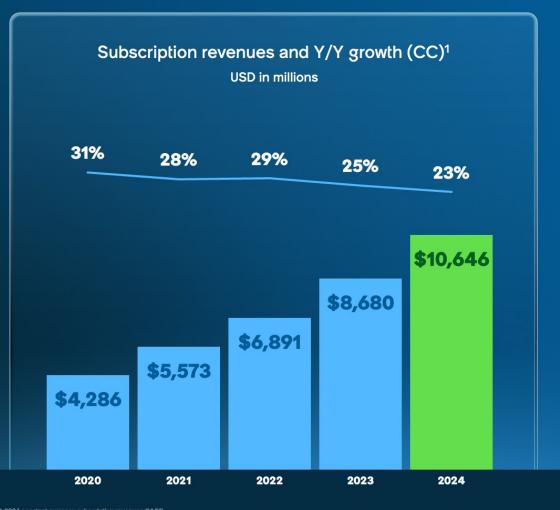
We are shaping the Agentic Al opportunity, delivering real Al with real outcomes

Our discipline drives growth, profitability, and shareholder value

# Strong organic growth powered by innovation

2020 - 2024 CAGR (CC)1

26% Subscription revenue



### Backlog supports visibility into durable growth

2020 - 2024 CAGR (CC)1

27%
Total RPO





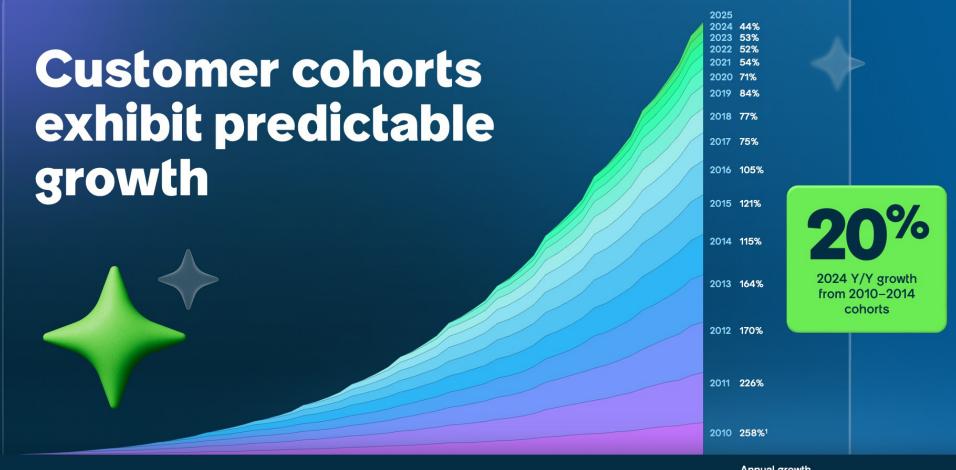
## Delivering customer value drives consistent expansion

~70%

mix of existing customers spending incremental dollars with ServiceNow in 2024



mix of NNACV from existing customers in 2024



servicenow

As an illustrative example, 2010 customer cohort started with a contract of initial ACV (annual contract value) of \$100 and grew to ACV of \$3,970 as of Q1-25 and represents annual growth of initial ACV of 258%. Note: Chart reflects growth in total annual contract value over time, inclusive of losses, for the group of customers that joined ServiceNow in each respective year. Annual Growth represents increases in total annual contract value after the initial contract of each customer.

Annual growth of initial ACV

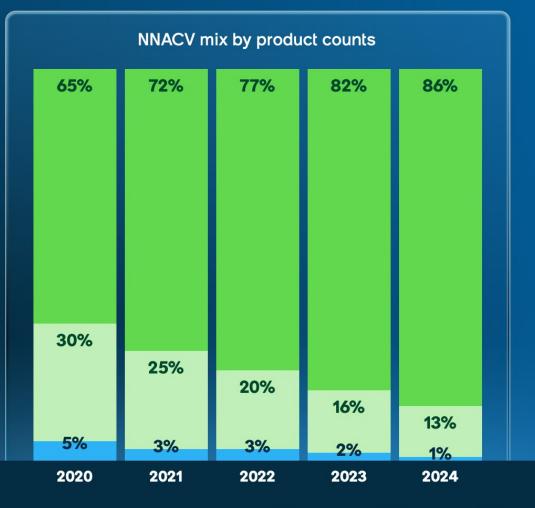
# Better together: We are a platform company

Legend

- 5+ product deals
- 2-4 product deals
- Single product deals

NNACV from multi-product deals in 2024

NNACV from 5+ product deals in 2024



### As customers scale, spend accelerates

**Quarters** 

Average time spent at ACV threshold

Quarters



\$1M \$5M \$10M \$20M ACV

Average ACV growth for \$5M+ customers

2020-2024









### We still have plenty of expansion and penetration opportunity

Strategic APAC Government Customer \$28M ACV



### Marquee customers represent massive growth potential...

~7X

**Total ACV potential** 

(200+ Marquee customers<sup>1</sup> with existing products)

\$17B+

**Potential ACV** 

\$3B+
Current ACV

May 2023

# ...that expands further as we scale

**Total ACV potential** 

(200+ Marquee customers<sup>1</sup> with existing products)

\$28B+

**Potential ACV** 

\$4.5B+

**Current ACV** 

Today

# Data & Analytics serve as platform accelerators

**Data & Analytics** 

**Total ACV potential** 

(200+ Marquee customers<sup>1</sup> with existing products)

\$30B+

**Potential ACV** 

\$4.5B+

**Current ACV** 

Today

# Extending the Technology Workflows footprint

IT Asset Management

Security Operations

Integrated Risk Management



increase in attach rate into ITSM since 2020

### IT Asset Management:





<25%
penetration

## Healthy diversification beyond Technology Workflows



Increase in average non-tech products in new logo lands 2020-2024

>50%

new logo ACV mix came from non-Tech Workflows in 2024

## Emerging workflows are becoming enterprise essentials

CRM & Industry Workflows

\$1.4B+

Creator Workflows

\$1.4B+

Core Business Workflows

\$1.1B+

**ACV** 





Alisa
catalyst for
ITSM/CSM
Pro penetration



## Monetizing the value curve



average realized price uplift



**Standard** 

# Monetizing the value curve to Pro Plus





Pro

**Standard** 



# Standard customers are upgrading straight to Pro Plus

average realized price uplift for double upgrades

>15%

of Pro migrations went straight to Plus in 2024

**Standard** 

**Pro Plus** 

# Now Assist is gaining early traction against a significant long-term opportunity

## \$250M+ ACV

**Pro Plus** 

### An intelligent platform designed for exponential value



Pro

#### **Standard**

# Agentic Al Unlocking consumption at scale

**Total Assist usage** 

#### **Penetration of Pro Plus**

Increase agent usage



New agent additions



Shift to more complex tasks





Higher Al agent utilization leads to more consumption

Tasks completed

50% Growth in usage M/M

#### Alagents for every persona

**Number of current** use cases in May Use case roadmap **Technology** Workflow CRM & Industry Workflow Core 含 **Business** Workflow Creator Workflow Al Agent Studio

# Al agents solving complex workflows generate higher value

Search CMDB Coordinate supplier onboarding

Optimize risk issue resolution

Create job requisition

Triage and analyze alerts

Generate onboarding ramp plan

**Workflow complexity** 

Explore more complex use cases

Strengthen

trust in Al

5B+

Agentifiable workflows

Increase Al agent adoption

**Deliver** value

**Agentic Al Flywheel** 

Now Assist ACV contribution by 2026



Al is delivering impact through Now on Now



Expected annualized cost savings in 2025

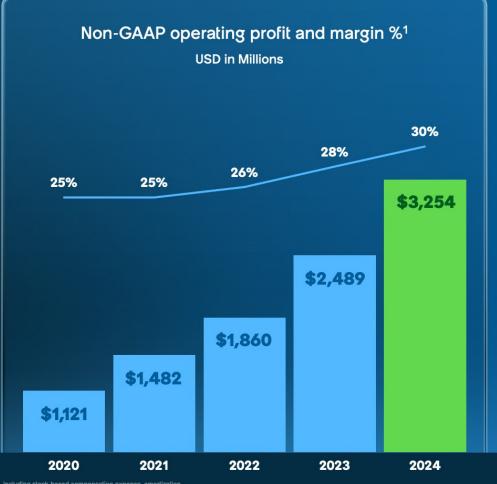
# Driving growth while expanding sales efficiency



# Power of the ServiceNow Al Platform fuels operating leverage...

2024 Y/Y growth

31%
Non-GAAP operating profit



servicenow

1. Non-GAAP presentation of operating profit and operating margin exclude certain non-cash or non-recurring items, including stock-based compensation expense, amortization of purchased intangibles, legal settlements, business combination and other related costs. Non-GAAP operating margin is calculated as non-GAAP income from operations as a percentage of total revenues. See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures.

#### ...and robust free cash flow growth

2024 Y/Y growth

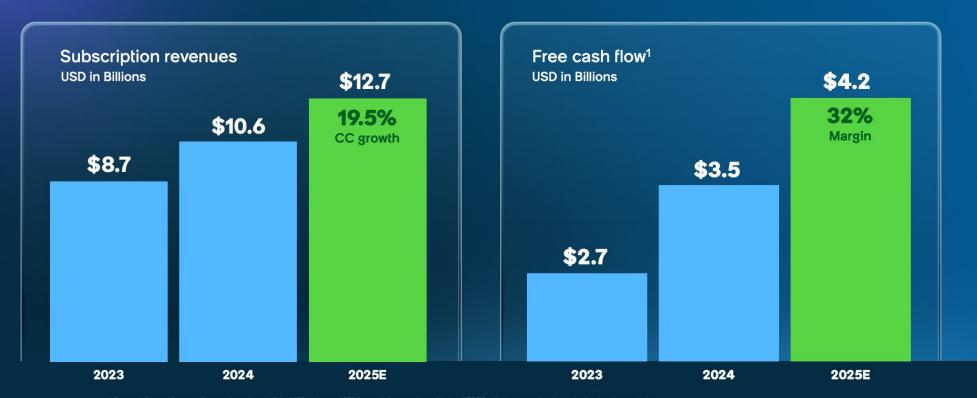
Non-GAAP free cash flow





1. Non-GAAP Free cash flow is defined as net cash provided by (used in) operating activities plus cash paid for legal settlements, repayments of convertible senior notes attributable to debt discount and business combination and other related costs including compensation expense, reduced by purchases of property and equipment. Free cash flow margin is calculated as free cash flow as a percentage of total revenues. See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures.

#### 2025 Guidance



1. Free cash flow and free cash flow margin are based off the 2025 guidance of 32% free cash flow margin provided on 4/23/25, with the assumption that professional services and other revenues grows in-line with the mid-point of our subscription revenue guidance. Non-GAAP free cash flow is defined as net cash provided by operating activities plus cash paid for legal settlements, repayments of convertible senior notes attributable to debt discount and business combination and other related costs including compensation expense, reduced by purchases of property and equipment. Free cash flow margin its calculated as free cash flow as a percentage of total revenues. See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures.

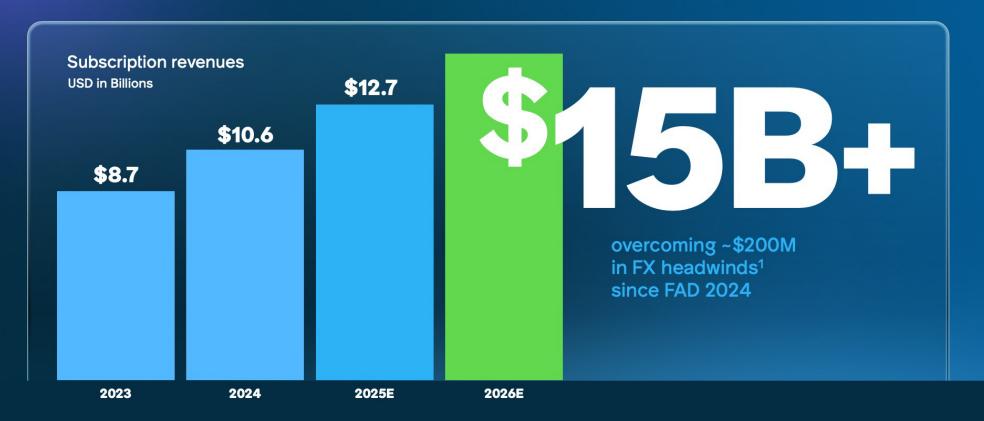


### Durable rule of

at massive scale



#### **2026** Sub Revenue Guidance



#### **Margin Guidance to 2026**

Non-GAAP operating margin expansion<sup>1</sup>

100 BPS/year<sup>2</sup> Non-GAAP free cash flow margin expansion<sup>1</sup>

**50**BPS/year<sup>2</sup>



#### **Margin Guidance in 2027**

Non-GAAP operating margin expansion<sup>1</sup>

100 BPS/year<sup>2</sup> Non-GAAP free cash flow margin expansion<sup>1</sup>

100 BPS/year<sup>2</sup>



# SBC % of revenue and employee dilution targets on track

<15%

SBC % of revenue by 2026

<1%

Annual employee dilution target



Platform innovation and customer obsession are powering resilient growth

We are shaping the Agentic Al opportunity, delivering real Al with real outcomes

Our discipline drives growth, profitability, and shareholder value

# #DESC021C

# GAAP to Non-GAAP Reconciliation

## GAAP to Non-GAAP Reconciliation Subscription Revenues

In millions (except %'s)	2020	2021	2022	2023	2024	2025E
GAAP Subscription Revenues	\$4,286	\$5,573	\$6,891	\$8,680	\$10,646	\$12,680
(+) Effects of Foreign Currency Rate Fluctuations	\$(14)	\$(77)	\$274	\$(33)	\$(7)	N/A
Non-GAAP Subscription Revenues (1)	\$4,272	\$5,496	\$7,165	\$8,647	\$10,639	N/A
Y/Y Non-GAAP Subscription Revenue Growth Rates <sup>(1)</sup>	31%	28%	29%	25%	23%	19.5%



### GAAP to Non-GAAP Reconciliation cRPO and RPO

In billions (except %'s)	2020	2021	2022	2023	2024
GAAP Current Remaining Performance Obligations at Period End	\$4.4	\$5.7	\$6.9	\$8.6	\$10.3
Y/Y Current Remaining Performance Obligations Growth Rates (1)	N/A	N/A	N/A	N/A	N/A
(+) Effects of Foreign Currency Rate Fluctuations	\$(0.1)	\$0.1	\$0.2	\$(0.1)	\$0.2
Non-GAAP Current Remaining Performance Obligations at Period End (1)	\$4.3	\$5.8	\$7.1	\$8.5	\$10.5
Y/Y Non-GAAP Current Remaining Performance Obligations Growth Rates <sup>(1)</sup>	30%	32%	25%	23%	22%
GAAP Remaining Performance Obligations at Period End	\$8.9	\$11.5	\$14.0	\$18.0	\$22.3
(+) Effects of Foreign Currency Rate Fluctuations	\$(0.2)	\$0.3	\$0.4	\$(0.1)	\$0.5
Non-GAAP Remaining Performance Obligations at Period End (1)	\$8.7	\$11.8	\$14.4	\$17.9	\$22.7
Y/Y Non-GAAP Remaining Performance Obligations Growth Rates <sup>(1)</sup>	31%	32%	25%	27%	26%



# GAAP to Non-GAAP Reconciliation Operating Income and Operating Margin

In millions (except %'s )	2020	Margin	2021	Margin	2022	Margin	2023	Margin	2024	Margin	2025E Margin
GAAP Income from Operations	\$199	5%	\$257	4%	\$355	5%	\$762	8%	\$1,364	12%	14%
(-) SBC	\$870	19%	\$1,131	19%	\$1,401	19%	\$1,604	18%	\$1,746	16%	15%
(+) Amount of Purchased Intangibles	\$45	1%	\$76	2%	\$80	1%	\$85	1%	\$94	1%	1%
(+) Business Combination and Other Related Costs	\$6	0%	\$18	0%	\$24	0%	\$38	0%	\$33		
(+) Legal Settlements		0%		0%		0%		0%	\$17		
Non-GAAP Income from Operations	\$1,121	25%	\$1,482	25%	\$1,860	26%	\$2,489	28%	\$3,254	30%	30.5%

## GAAP to Non-GAAP Reconciliation Free Cash Flow and Free Cash Flow Margin

In millions (except %'s and per share data)	2020	Margin	2021	Margin	2022	Margin	2023	Margin	2024	Margin	2025E	Margin
GAAP Net Cash Provided by Operating Activities	\$1,787	39%	\$2,191	37%	\$2,723	38%	\$3,398	38%	\$4,267	39%	N/A	40%
(-) Purchases of Property and Equipment	\$(419)	(9%)	\$(392)	(7%)	\$(550)	(8%)	\$(694)	(8%)	\$(852)	(8%)	N/A	(8%)
(+) Cash Paid for Legal Settlements		0%		0%		0%		0%	\$17	0%	N/A	
(+) Repayments of Convertible Senior Notes attributable to Debt Discount	\$82	2%	15	0%		0%		0%		0%	N/A	
(+) Business combination and other related costs		0%	53	1%	\$7	0%	\$24	0%	\$23	0%	N/A	
Non-GAAP Free Cash Flow	\$1,449	32%	\$1,867	32%	\$2,180	30%	\$2,728	30%	\$3,455	31%	N/A	32%

# GAAP to Non-GAAP Reconciliation Sales & Marketing Expense

In millions	2021	2022	2023	2024
GAAP Sales and marketing expense	\$2,292	\$2,814	\$3,301	\$3,854
(-) Stock based compensation, sales and marketing	\$389	\$459	\$505	\$565
(-) Sales and marketing amortization of purchased intangibles	<b>\$</b> 1			
(-) Business combinations and other related costs				<b>\$1</b>
Non-GAAP Sales and marketing expense	\$1,902	\$2,355	\$2,796	\$3,288