

# CORPORATE GOVERNANCE

## Guidelines

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## Table of Contents

<b>1 Introduction .....</b>	<b>3</b>
1.1 Role of Directors .....	3
1.2 Independence of the Board .....	3
1.3 Size of the Board.....	3
1.4 Frequency of Meetings.....	3
1.5 Selection of the Board’s Chair; Lead Independent Director .....	4
1.6 Selection of Directors .....	4
1.7 Board Membership Criteria .....	4
1.8 Other Public Company Directorships.....	5
1.9 Directors Who Change Their Present Job Responsibility.....	5
1.10 Retirement Age.....	5
1.11 Director Tenure .....	5
1.12 Voting for Directors .....	5
1.13 Number and Composition of Board Committees .....	6
1.14 Executive Sessions of Independent Directors.....	6
1.15 Director Compensation.....	6
1.16 Director Minimum Stock Holding Requirements.....	6
1.17 Board Access to Officers and Employees.....	6
1.18 Attendance at Annual Meeting of Shareholders .....	6
1.19 Director Orientation and Continuing Education .....	7
1.20 Evaluation of Board Performance.....	7
1.21 Succession Planning.....	7
1.22 Authority to Retain Advisors.....	7
1.23 Compensation Recovery Policy.....	7
1.24 Amendments .....	7

## 1 Introduction

The following Corporate Governance Guidelines have been adopted by the Board of Directors (the “**Board**”) of ServiceNow, Inc. (the “**Company**”), pursuant to the recommendations of the Nominating and Governance Committee (the “**Committee**”) to promote the effective functioning of the Board and its committees, to promote the interests of the Company and its stakeholders, including its shareholders, employees, and customers, and to ensure a common set of expectations as to how the Board, its various committees, individual directors and management should perform their functions. The Board intends that these guidelines serve as a flexible framework within which the Board may conduct its business, not as a set of binding legal obligations.

These Corporate Governance Guidelines are not intended to change or interpret any federal or state law or regulation, including the General Corporation Law of the State of Delaware, or the Certificate of Incorporation (as amended from time to time, the “**Certificate of Incorporation**”) or Bylaws (as amended from time to time, the “**Bylaws**”) of the Company. These Corporate Governance Guidelines are subject to modification from time to time by the Board pursuant to recommendations of the Committee.

### 1.1 Role of Directors

The business and affairs of the Company shall be managed by or under the direction of the Board. In discharging their responsibilities, each member of the Board (each, a “**director**” and collectively, the “**directors**”) must exercise such director’s business judgment to act in a manner that such director believes in good faith is in the best interests of the Company and its stakeholders. Each director is expected to spend the time and effort necessary to properly discharge such director’s responsibilities. Accordingly, a director is expected to regularly attend meetings of the Board and committees on which such director sits, and to review prior to meetings material distributed in advance for such meetings. A director who is unable to attend a meeting (which it is understood will occur on occasion) is expected to notify the Secretary of the Company, who will then notify the Chair of the Board (the “**Chair**”) or the chair of the appropriate committee in advance of such meeting.

The Board is expected to monitor the performance of the Company in relation to its financial objectives, major goals, strategies and competitors. The Board also elects corporate officers, acts as the management team’s advisor and monitors its performance. The Board regularly reviews the Company’s long-term strategic business plans with management and other pertinent issues affecting the business of the Company. The Board assesses risks facing the Company and management’s approach to addressing such risks. The Board is also responsible for oversight of the Company’s program to prevent and detect violations of law, regulations and Company policies and procedures. The Board reviews and, if appropriate, approves significant corporate transactions.

### 1.2 Independence of the Board

The Board shall be comprised of a majority of directors who qualify as independent directors (“**Independent Directors**”) under the applicable rules, regulations and listing standards of the New York Stock Exchange (the “**NYSE**”), including Section 303A.02 of the NYSE Listed Company Manual, as such rules, regulations and listing standards may be amended from time to time. No director shall qualify as an Independent Director unless the Board affirmatively determines that the director has no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). The Board may adopt and disclose categorical standards to assist it in determining director independence.

### 1.3 Size of the Board

The Company’s Bylaws provide that the Board shall have such number of directors as are set by resolution of the Board or the Company’s shareholders. The Board shall periodically review the size of the Board, which may be increased or decreased if determined to be appropriate by the Board in accordance with the Company’s Certificate of Incorporation and Bylaws.

### 1.4 Frequency of Meetings

Regularly scheduled meetings of the Board shall generally be held quarterly, with additional meetings as required by the needs of the Company or the Board.

## 1.5 Selection of the Board's Chair; Lead Independent Director

The Board does not require the separation of the offices of the Chair and the Chief Executive Officer. The Board shall be free to choose its Chair in any way that it considers in the best interests of the Company. The Committee will periodically consider the Board's leadership structure and make such recommendations to the Board with respect thereto as the Committee deems appropriate.

When the positions of Chair and Chief Executive Officer are held by the same person or a person whom the Board does not consider to be "independent," the Independent Directors shall designate one of the Independent Directors as Lead Independent Director. In designating the Lead Independent Director, the Independent Directors shall take into account any and all factors they deem appropriate, including the director's understanding of the Company's business, willingness and ability to devote a substantial amount of time to the position, experience, judgment, and leadership skills.

The Lead Independent Director shall have the following authority and responsibilities:

- *Meetings, Executive Sessions:*
  - Preside at all meetings of the Board at which the Chair is not present, including executive sessions of the Independent Directors.
  - Encourage direct dialogue between all directors (particularly those with dissenting views) and management.
- *Communication with Directors, Chair and Management:*
  - Serve as principal liaison between the Chair and the Independent Directors, including providing feedback and counsel to the Chair, without inhibiting direct communication between them.
  - Disseminate information, decisions, suggestions, views or concerns expressed by Independent Directors to the Chair, the rest of the Board and management.
  - Provide leadership to the Board if circumstances arise in which the role of Chief Executive Officer and Chair may be, or may be perceived to be, in conflict.
  - Facilitate discussion and open dialogue among the Independent Directors during Board meetings, executive sessions and outside of Board meetings.
- *Shareholder Communication:*
  - If appropriate, and in coordination with management, ensure that he or she is available for consultation and direct communication with major shareholders.
- Other functions and responsibilities as requested by the Board from time to time.

If no Chair or Lead Independent Director is designated, the Chief Executive Officer will preside over the meetings of the Board.

## 1.6 Selection of Directors

The Board shall be responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of shareholders in accordance with the Certificate of Incorporation and Bylaws. The Committee is responsible for identifying, evaluating and recommending candidates to the Board for Board membership. The Committee may use outside, independent consultants to assist in identifying candidates. When formulating its Board membership recommendations, the Committee may also consider advice and recommendations from shareholders, management, and others as it deems appropriate.

## 1.7 Board Membership Criteria

Nominees for director shall be selected on the basis of, among other things, integrity, skills, financial and other expertise, breadth of experience, diversity of background and experience, knowledge about the Company's business or industry and willingness and ability to devote adequate time and effort to Board responsibilities in the context of the existing composition, other areas that are expected to contribute to the Board's overall effectiveness and needs of the Board and its committees.

The Committee shall be responsible for developing and recommending to the Board for determination: (i) any specific minimum qualifications that the Committee believes must be met by a Committee-recommended nominee for a position on the Board, (ii) any specific qualities or skills that the Committee believes are necessary for one or more of the Board members to possess, and (iii) the desired qualifications, expertise and characteristics of Board members, with the goal of developing an experienced and highly qualified Board. In evaluating potential candidates for the Board, the Committee shall consider these factors in light of the specific needs of the Board at that time.

### **1.8 Other Public Company Directorships**

Given the demands of the duties undertaken by directors, the Board believes directors should limit their participation on the boards of directors of other companies to ensure sufficient attention and availability to the Company's business. However, the Committee recognizes that the demands of such participation may vary substantially and does not believe that any specific numerical limit on such participation is appropriate, so long as directors maintain sufficient attention and availability to fulfill their duties to the Company and comply with the Company's Code of Conduct. Directors shall notify the Committee and the Company's General Counsel of any public, private or non-profit boards on which they become a member. The Committee, in making its recommendations, shall consider the number of other public company boards and other boards (or comparable governing bodies) on which a prospective nominee is a member. Directors are also expected to consider carefully the number of other boards, including non-profit boards, on which they serve in order to devote adequate time and effort to their Board responsibilities.

### **1.9 Directors Who Change Their Present Job Responsibility**

The Board does not believe directors who retire or change their principal occupation or business association should necessarily leave the Board. However, promptly following any such event, the director shall notify the Committee. The Committee will consider the circumstances, and may in certain cases recommend to the Board that the director submit his or her resignation to the Board, at which time, the Board (excluding the director in question) will consider the Committee's recommendation and make a determination as to whether such director will be asked to submit his or her resignation. The affected director is expected to act in accordance with the Board's determination.

### **1.10 Retirement Age**

The Board does not believe that a fixed retirement age for directors is appropriate.

### **1.11 Director Tenure**

There are no limits on the number of years or terms that may be served by a director. However, in connection with evaluating recommendations for nomination for re-election, the Committee shall consider director tenure, together with such other criteria as may be determined by the Committee, in light of the specific needs of the Board at that time.

### **1.12 Voting for Directors**

In accordance with the Company's Bylaws, if none of our shareholders provides the Company notice of an intention to nominate one or more candidates to compete with the Board's nominees in a director election, or if our shareholders have withdrawn all such nominations by the tenth (10<sup>th</sup>) day before the Company mails its notice of meeting to the shareholders, a nominee must receive more votes cast for than against his or her election or re-election in order to be elected or re-elected to the Board. The Board expects a director to tender his or her resignation if he or she fails to receive the required number of votes for re-election. The Board shall nominate for election or re-election as director only candidates who agree to tender, promptly following the annual meeting at which they are elected or re-elected as director, irrevocable resignations that will be effective upon (a) the failure to receive the required vote at the next annual meeting at which they face re-election and (b) Board acceptance of such resignation. In addition, the Board shall fill director vacancies and new directorships only with candidates who agree to tender, promptly following their appointment to the Board, the same form of resignation tendered by other directors in accordance with this Section 1.12.

If an incumbent director fails to receive the required vote for re-election, the Committee will act on an expedited basis, and in any event within 90 days following certification of the stockholder vote, to determine whether to accept the director's resignation and will submit such recommendation for prompt consideration by the Board. The Board requires the director whose resignation is under consideration to abstain from participating in any Board decision, including regarding such director's resignation, before a determination is made. The Committee and the Board may consider any factors they deem relevant in deciding whether to accept a director's resignation.

### **1.13 Number and Composition of Board Committees**

The Board currently has a number of standing committees, including an Audit Committee, Leadership Development and Compensation Committee (the "**Compensation Committee**"), and Nominating and Governance Committee. The purpose and responsibilities for each of these committees shall be outlined in committee charters adopted by the Board. After consultation with the Committee, the Board may, from time to time, form a new committee, re-allocate responsibilities of one committee to another committee or disband a current committee depending on circumstances. In addition, the Board may determine to form ad hoc committees from time to time, and determine the composition and areas of competence of such committees.

The Board shall maintain such committees as are required by the listing requirements of the NYSE so long as its securities are listed thereon. Each of the required committees shall be composed entirely of Independent Directors satisfying applicable legal, regulatory and NYSE requirements necessary for an appointment to any such committee. All other standing committees formed by the Board shall be chaired by an Independent Director.

### **1.14 Executive Sessions of Independent Directors**

The Independent Directors of the Company shall meet in executive session without management on a regularly scheduled basis, but no fewer than two (2) times a year, during regularly scheduled Board meetings. The Chair or, if there is a Lead Independent Director, the Lead Independent Director shall preside at such executive sessions. Any Independent Director may request that an additional executive session be scheduled.

### **1.15 Director Compensation**

Non-employee directors are eligible to receive a combination of cash and equity for service on the Board or its committees, as well as for leadership roles on the Board and its committees. Employee directors are not paid additional compensation for their services as directors. The Compensation Committee reviews the form and amount of cash-based and equity-based compensation to be paid or awarded to non-employee directors for service on the Board or its committees and provides a recommendation to the Board, for determination by the Board, as to such compensation based upon, among other things, the Compensation Committee's consideration of the responsibilities and time commitment of Company directors, as well as competitive information. The Compensation Committee will periodically review the level and form of, and, if it deems appropriate, recommend to the Board changes in, director compensation.

### **1.16 Director Minimum Stock Holding Requirements**

The Board or the Compensation Committee shall determine minimum stock holding requirements for members of the Board, with an appropriate time frame for a member of the Board to accumulate such minimum stock holding.

### **1.17 Board Access to Officers and Employees**

The Board has full and free access to officers and employees of the Company. Any meetings or contacts that the Board or an individual director wishes to initiate may be arranged through the Company's Chief Executive Officer or Secretary or directly by the Board or such director. The Board will use its judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the Chief Executive Officer on any written communications between any directors and an officer or employee of the Company.

### **1.18 Attendance at Annual Meeting of Shareholders**

It is Company policy that directors are invited and encouraged to attend the Annual Meeting of Shareholders in person or by telephone or video conference call.

### **1.19 Director Orientation and Continuing Education**

The Company shall provide for an orientation process for new directors that includes background material, meetings with senior management and visits to Company facilities. The Board encourages all directors to stay abreast of developing trends for directors from the variety of sources available. Directors may be expected, based on the recommendations of the Committee, to participate in continuing educational programs in order to maintain the necessary level of expertise to perform their responsibilities as directors. The Company will reimburse directors for expenses incurred in connection with director orientation and continuing education in accordance with guidelines recommended by the Committee and approved by the Board.

### **1.20 Evaluation of Board Performance**

The Board and each of its committees shall conduct a self-evaluation annually. Committees shall assess their performance relative to their charters and best practices. The Committee will oversee an annual performance evaluation of the Board and each committee of the Board.

The Committee will utilize the results of this self-evaluation process to determine if the Board and its committees are functioning effectively and in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board and making recommendations to the Board with respect to assignments of Board members to various committees. The full Board will discuss the evaluation to determine what action, if any, would improve Board and committee performance and whether any changes to these Corporate Governance Guidelines would be appropriate.

### **1.21 Succession Planning**

The Board, with the help of its committees, shall plan for senior management selection and succession planning in order to assure the orderly functioning and transition of the management of the Company, in the event of emergency or retirement of a member of the Company's senior management. As part of this process, the Independent Directors, in consultation with the Chief Executive Officer, shall, in the event of an emergency or retirement of a member of the Company's senior management, assess management needs and abilities of potential successors.

### **1.22 Authority to Retain Advisors**

The Board and each of its committees have the authority, at the Company's expense, to retain and terminate independent advisors to assist in the performance of their respective functions as the Board and any such committee deems necessary or advisable.

### **1.23 Compensation Recovery Policy**

The Company maintains a compensation recovery ("clawback") policy which provides that, in the event that the Company is required to prepare an accounting restatement as a result of fraud or intentional misconduct, the Company may recover from current and former employees who are subject to Section 16 of the Exchange Act and were involved in the fraud or misconduct any performance-based cash or equity compensation erroneously paid or awarded in excess of what would have been paid pursuant to the restated financial statements.

### **1.24 Amendments**

The Board may amend these Corporate Governance Guidelines, or grant waivers in exceptional circumstances, provided that any such modification or waiver may not be a violation of any applicable law, rule or regulation and further provided that any such modification or waiver is appropriately disclosed.

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