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Financial Analyst Day 2021

Driving durable growth and leverage at scale

May 10, 2021

Agenda

Welcome
Darren Yip, Head of Investor Relations

Vision
Bill McDermott, President & Chief Executive Officer

Product Innovation
CJ Desai, Chief Product and Engineering Officer
John Ball, SVP of Customer Workflows
Josh Kahn, SVP of Creator Workflows

Customer Experience
Jeremy Legg, EVP AT&T Communications and CTO Technology Services

Financial Overview & Global Impact Strategy
Gina Mastantuono, Chief Financial Officer

Break

Executive Q&A

Safe Harbor and Other Information

This presentation contains "forward-looking" statements that are based on our management's beliefs and assumptions and on information currently available to management. Forward-looking statements include information concerning our possible or assumed strategy, future operations, financing plans, operating model, financial position, future revenues, projected costs, competitive position, industry environment, potential growth opportunities, potential market opportunities, plans and objectives of management, the effects of competition on our business and customer trends.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates" (including, without limitation, financial estimates denoted with an "E," such as 2021E), "targets," "guidance," "expects," "intends," "may," "plans," "potential," "predicts," "prospects," "projects," "should," "will," "would" or similar expressions and the negatives of those terms, although not all forward-looking statements contain these identifying words.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Additionally, these forward-looking statements, particularly our targets and guidance, involve risk, uncertainties and assumptions based on information available to us as of 5/10/21, including those related to the continued impacts of COVID-19 on our business, future financial performance and global economic conditions. Many of these assumptions relate to matters that are beyond our control and changing rapidly, including, but not limited to, the timeframes for and severity of social distancing and other mitigation requirements, the timing of headwinds from COVID-19, the availability of vaccinations, the continued impact of COVID-19 on new or existing customers' purchasing decisions and the length of our sales cycles, renewal timing or billings terms, particularly for customers in certain industries highly affected by COVID-19. Significant variation from the assumptions underlying our forward-looking statements could cause our actual results to vary or cause us to modify our targets and guidance higher or lower, and the impact could be significant. Further information on these and other factors that could cause or contribute to such differences include, but are not limited to those discussed in the section titled "Risk Factors" in our Annual Report on Form 10-K filed for the year ended December 31, 2020 and in our other Securities and Exchange Commission ("SEC") filings, including our most recent Quarterly Report on Form 10-Q. We cannot guarantee that we will achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements.

Forward-looking statements represent our management's beliefs and assumptions only as of the date of this presentation. We undertake no obligation, and do not intend, to update these forward-looking statements, to review or confirm analysts' expectations, or to provide interim reports or updates on the progress of the current financial quarter.

This presentation includes certain non-GAAP financial measures and the corresponding growth rates as defined by SEC rules. For additional information, see the slide titled "Statement Regarding Use of Non-GAAP Financial Measures."

Terms such as "Remaining Performance Obligations (RPO)" and "Current Remaining Performance Obligations (cRPO)" shall have the meanings set forth in our filings with the SEC.

The information in this presentation on new products, features, or functionality is intended to outline our general product direction and should not be relied upon in making a purchasing decision. The information on new products, features, and functionality is for informational purposes only and shall not be incorporated into any contract. The information on new products, features, and functionality is not a commitment, promise, or legal obligation to deliver any material, code or functionality. The development, release, and timing of any features or functionality described for our products remains at our sole discretion.

The comparison period amounts and the related growth rates included in this presentation have been adjusted from previously reported amounts to reflect the impact of the full retrospective adoption of Topic 606.

Statement Regarding Use of Non-GAAP Financial Measures

We report non-GAAP financial measures in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP.

Our non-GAAP presentation of sales efficiency represents the change in total revenue in current year, divided by prior year change in non-GAAP sales & marketing expenses. Our non-GAAP presentation of sales & marketing expenses exclude certain non-cash or non-recurring items, including stock-based compensation and amortization of purchased intangibles. We believe information regarding sales efficiency provides useful information to investors because it demonstrates the incremental revenue generated by new sales & marketing spend.

Our non-GAAP presentation of income from operations 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. We believe these adjustments provide useful supplemental information to investors and facilitates the analysis of our operating results and comparison of operating results across reporting periods.

Free cash flow, which is a non-GAAP financial measure, is defined as net cash provided by (used in) operating activities plus cash paid for legal settlements and repayments of convertible senior notes attributable to debt discount, reduced by purchases of property and equipment. Free cash flow margin is calculated as free cash flow as a percentage of total revenues. Our non-GAAP presentation of "Rule of 40" is defined as free cash flow margin plus total revenue growth rate. We believe information regarding free cash flow and free cash flow margin and adjustments to free cash flow margin provides useful information to investors because it is an indicator of the strength and performance of our business operations.

We define subscription billings as subscription revenue plus the change in subscription deferred revenue, unbilled receivables and customer deposits as presented or derived from the statement of cash flows. We believe billings is one indicator of the performance of our business. Our non-GAAP presentation of normalized subscription billings growth rate adjusts for an irregular payment cycle in 2020 where some customers paid us in both Q1 and Q4 2020. In Q4 2020, we received a substantial amount of subscription billings pulled forward from Q1 2021 due to early customer payments. We believe the high levels of early payments were the result of customers having excess cash at the end of 2020, due to the incremental cost savings they experienced from COVID-19 and are onetime in nature. We believe providing normalized subscription billings growth rate adjusted for these early payments is a better indicator of our performance and underlying business trends and facilitates greater comparability in our billings information year-over-year.

Our non-GAAP presentation of tax rate excludes the tax effects of stock-based compensation expense, amortization of purchased intangibles, legal settlements, business combination and other related costs.

Long-term 2024E targets for free cash flow, operating margin growth and tax rate are forward-looking non-GAAP financial information. We have not reconciled the targets for these non-GAAP financial measures to their most directly comparable GAAP measure as a result of uncertainty regarding, and the potential variability of, the components in and items excluded from these non-GAAP measures in future periods. Accordingly, reconciliation is not available without unreasonable effort. However, it is important to note that the components and excluded items could be material to our results computed in accordance with GAAP in future periods.

Our presentation of non-GAAP financial measures may not be comparable to similar measures used by other companies. We encourage investors to carefully consider our results under GAAP, as well as our supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand our business. Please see the tables included at the end of this presentation for the reconciliation of GAAP and non-GAAP measures.

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The World Works with ServiceNow

Bill McDermott

President and Chief Executive Officer

ServiceNow is the control tower for digital transformation

Secular Trends

- Business Model Innovation
- Multi-Cloud and Edge Computing
- Application Modernization
- Hyper-Automation and Low Code

Now Platform®

$7.8T
DX spend

C-Suite Priorities

- Serve customers to drive growth
- Make the world work better for people
- Simplify and Integrate everything

Note Digital Transformation spend by 2024, Source: IDC: Digital Transformation Spending Guide, 2021

State of the business: leading innovation, culture and results

Best in Class Financials

Subscription Revenue

	$4.3B	$1.3B
	2020	Q1 2021

Subscription Revenue Growth

	32%	30%
	2020	Q1 2021

Non-GAAP Operating Margin[1]

	25%	27%
	2020	Q1 2021

Non-GAAP Free Cash Flow[1]

	$1.4B	$0.6B
	2020	Q1 2021

Accelerated Innovation

7
New Products

9
Technology market leadership recognition

Rapid COVID-19 Response

1,800+
Orgs using Emergency Response Apps

900+
Orgs using Safe Workplace App

Strong Customer Loyalty and Reach

98%
Renewal Rate

~80%
Fortune 500

Broad Ecosystem

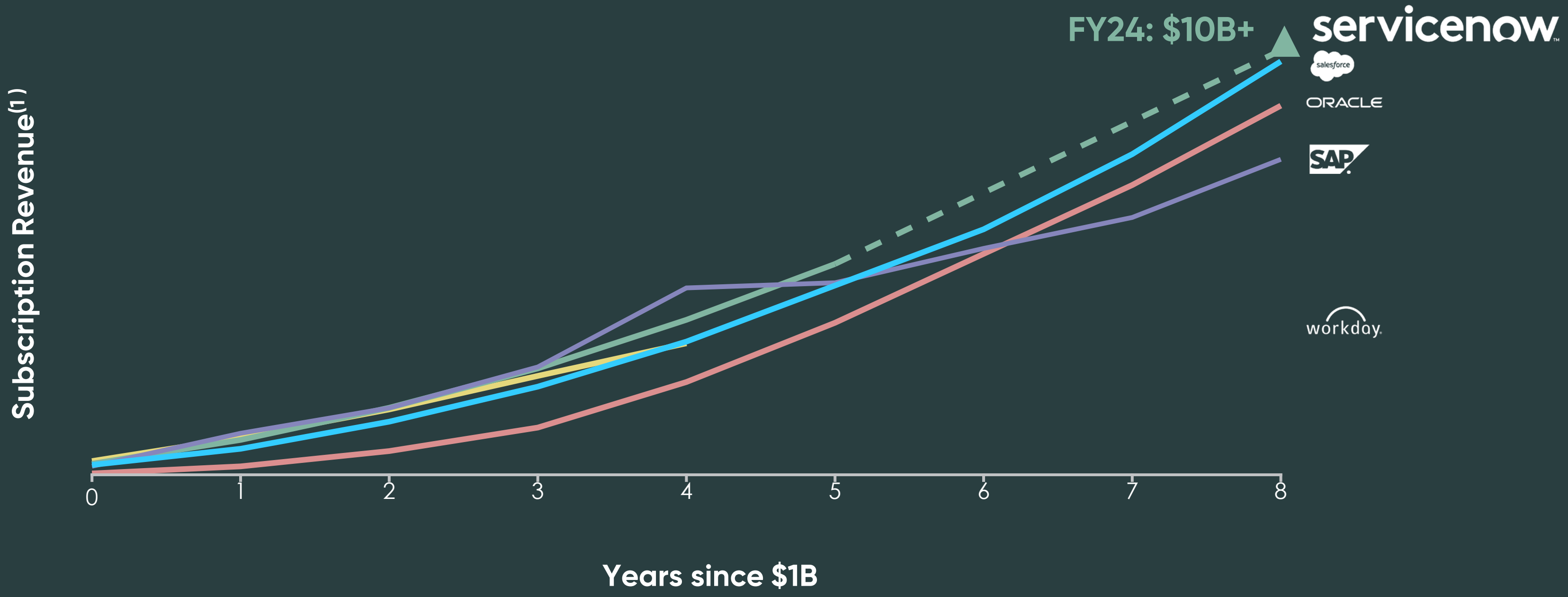
128,000+, 72%
Partner Certifications, y/y growth

Industry-best Talent and Culture Accolades

13,000+ (+2,700 in 2020)
Total Employees

(1) See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures.
Note: Statistics as of 2020 unless otherwise indicated.

ServiceNow's unprecedented organic path to $10B+



Note: Year 0 based on the FY that each company crosses $1B in revenue. ServiceNow 2021 (Year 5) represents the high-end of subscription revenue guidance as of 4/28/21. ServiceNow FY21 to FY24 uses straight line growth. This does not represent guidance.
(1) SAP and Oracle based on total revenues, not subscription revenues

Beyond $10B: Strong momentum continues to $15B+

15+

$ Billion of Subscription Revenue

in 5

Years to Reach Target

Opportunity: a next-generation suite on a clean platform

Platform for Digital Workflows
Buyer: CEO, CXO
87% of Enterprises are accelerating IT led digital transformation

Platform for IT and Technology
Buyer: CIO/CTO
60% growth in net-new, cloud-native apps by 2024

Employee Experience
Buyer: CHRO
Nearly two-thirds of HR leaders are making employee experience a high priority

Low code No code and Hyper Automation
Buyer: CIO/CDO
65% of enterprise software will be low code by 2022

Customer Experience
Buyer: COO/CRO/CMO
Less than 50% of enterprises achieve their CX goals

Workflow a Better World
Buyer: CEO/CFO
Over 90% organizations believe ESG is important for enterprise value

Notes: [1]IDC, Understanding Digital Transformation Investment Trends Sep 2020; [2]IDC, IDC FutureScape: Worldwide Future of Digital Innovation 2021 Predictions; [3]Gartner , Market Snapshot – Human Capital Management, Worldwide, 2020; [4]Foreester Research, Predictions 2021: Software Development, providing insight into the application development and delivery landscape in 2021; [5]Gartner, Executive Leadership: Customer Experience Strategies Primer for 2021; [6] IDC, Capitalizing on ESG – The Business Case for Sustainability for 2021

We will be the defining enterprise software company of the 21st century

Leading financial performance
Profitable growth

Outstanding market leadership
Innovative platform

Unparalleled customer loyalty
Customer centric

Broad and engaged ecosystem
Global reach

Impact-driven ESG mindset
Diverse and inclusive

Product Innovation

CJ Desai

Chief Product and Engineering Officer

We are a platform company

Our platform differentiation provides us with excellent Gross Margin & New Product Creation Unit Economics

1 Architecture

1 Data Model

Multi-Instance Scale

Minimal Downtime

All Core Services

Workflow & Automations

User Experience

Artificial Intelligence

CMDB

Legend

- All Core Services
- Native Integrations
- 1 Architecture

Native Integrations

Organically Built Hub

Over 500 Integrations

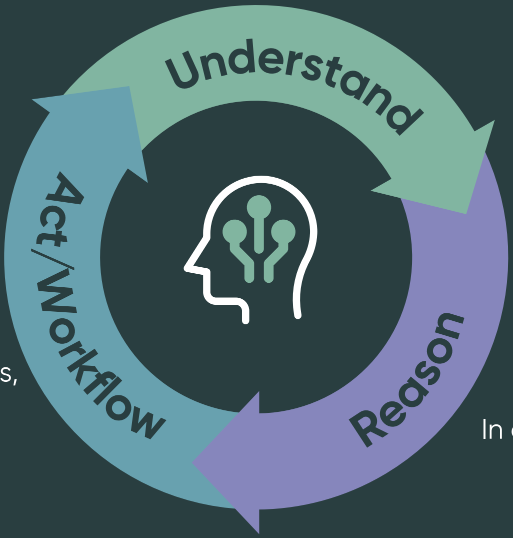
Technology Partnerships

Platform AI Drives Intelligent Workflows

Now Platform®

Platform AI enables intelligence in the workflows

Content, Conversations,
Machine Logs, Process Logs…



Predictions,
Decisions,
Recommendations,
Next actions …

In context

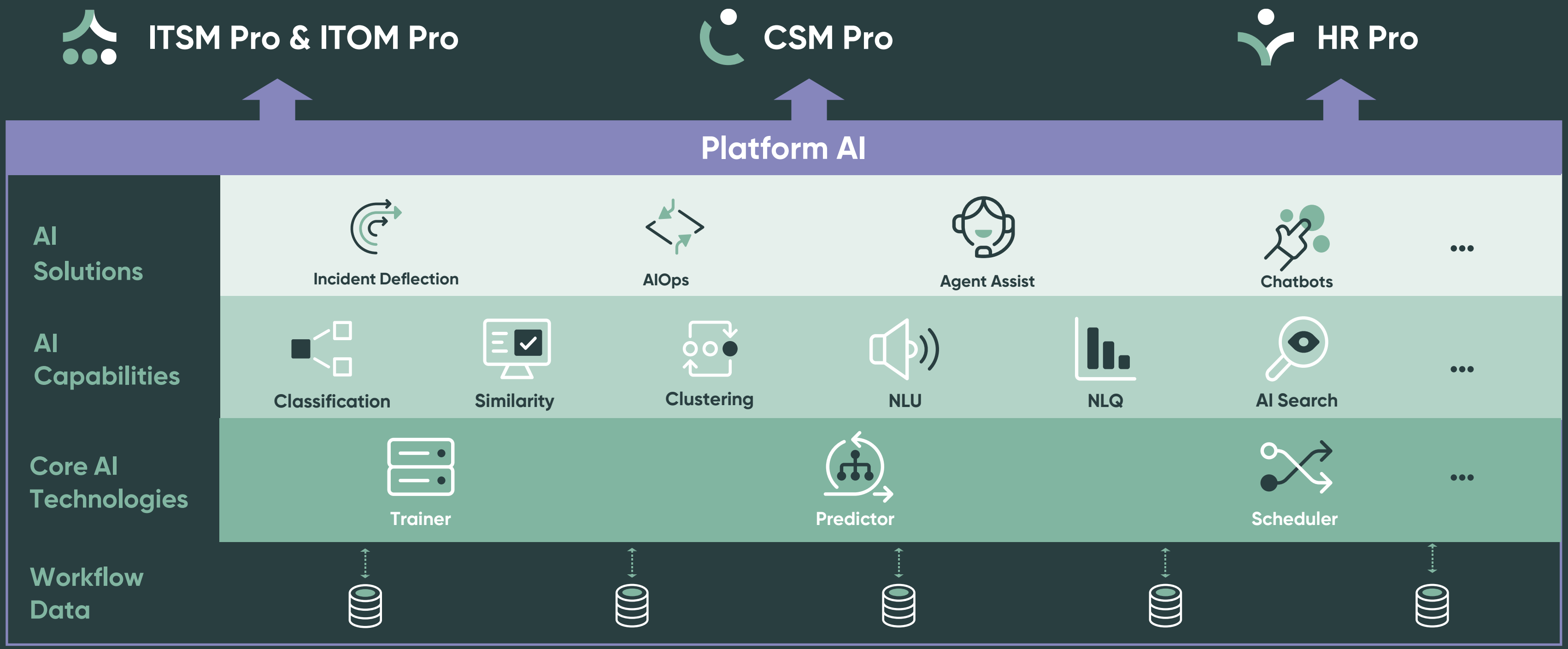
AI: Hello, how may I help you today?

Erin: I would like to request a new 24" monitor for my computer. Thank you.

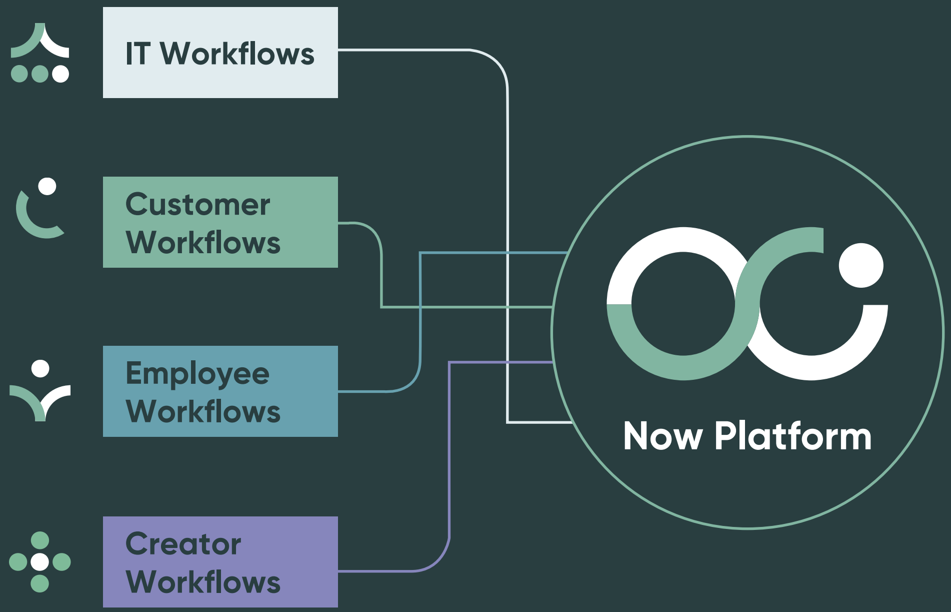
- **Understand**
  what the employee is requesting
- **Reason:**
  based on employee profile, similar requests, rank etc.
  recommend available options (personalization)
- **Act:**
  trigger the "purchase monitor" workflow once the employee selects one

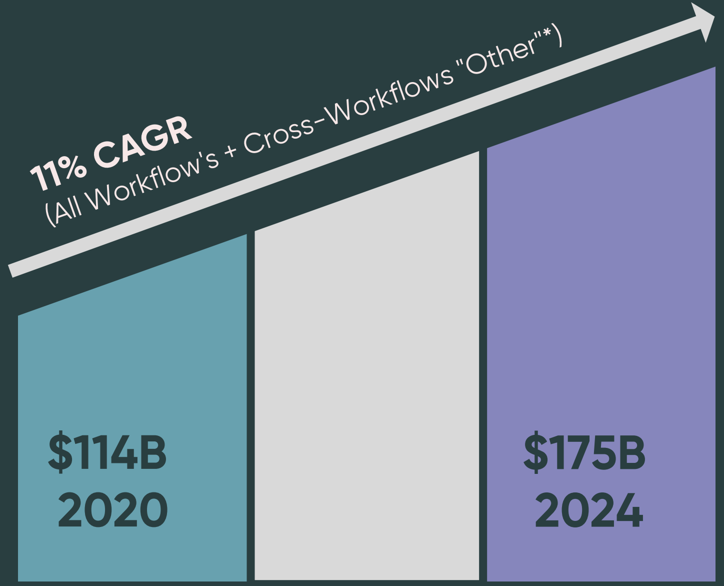
  learn and optimize understanding and reasoning based on employee's selection

Platform AI powers our Biggest Pro Offerings



Portfolio has expanded beyond IT and there are significant market opportunities across our workflows





* Industry Solutions, Connected Operations and Performance Analytics

Note: Calculations performed by ServiceNow and graphics created by ServiceNow based on Gartner research, ServiceNow analysis and additional research reports (detailed below). Source: markets defined from three Gartner reports: (i) Gartner, Forecast: Infrastructure Software Markets, Worldwide, 2019-2025, 1Q21 Update, (ii) Gartner, Forecast: Enterprise Application Software, Worldwide, 2019-2025, 1Q21 Update, and (iii) Gartner, Forecast: Information Security and Risk Management, Worldwide, 2019-2025 1Q21 Update.

Categories included: Experience Mgmt: ITSM, Performance Analysis: AIOps, ITIM and Other Monitoring Tools, Performance Analysis: APM, Other IT Operations Mgmt, Project and Portfolio Mgmt (PPM), Experience Mgmt: SAM, ITAM and ITFM, Other information and Security Software, Integrated Risk Management Solutions Software, Delivery Automation, Plan and Verify, Human Capital Management (HCM), Customer Service and Support, High Control aPaaS, High Productivity aPaaS, Other AD, Application Platform Software, Business Process Mgmt Suite, Robotic Process Automation, Create, Integration Platform as a Service (iPaaS), Analytic Applications, Other AIM.

For segments not profiled by Gartner spend forecast reports, our estimates leverage ServiceNow analysis as well as "IDC: Worldwide Communications Service Provider Ops and Monetization Solution Forecast, 2020-2024," and "Gartner: Competitive Landscape, Operational Tech Security."

Our Portfolio is benefiting from Accelerated Innovations

2016
HR Service Delivery
Customer Service Management

2017
Software Asset Management

2018
ITSM Pro
Field Service Management
Integration Hub

2019
DevOps
Financial Close Automation
Native Mobile
Virtual Agent with NLU

2020
Safe Workplace
Hardware Asset Management
Telecommunications Industry Products
Banking Industry Products
Connected Operations
Legal Service Delivery
Workplace Service Delivery

2021
Vaccine Administration Management
ITSM Enterprise & ITOM AI Ops
CSM Enterprise
App Engine Studio
Procurement Service Management
Healthcare Industry Products
Manufacturing Industry Products

2022
Full Stack Observability
Insurance Industry Products
Cloud Service Providers Products
Robotics Process Automation

All Products in the portfolio are built on a Single Platform

IT Workflows

IT Service Management
IT Operations Management
Software Asset Management
Hardware Asset Management
IT Business Management
Security and Vulnerability Incident
Governance, Risk, and Compliance
DevOps

Customer Workflows

Customer Service Management
Field Service Management
Connected Operations
Industry Solutions

Now Platform

Employee Workflows

HR Service Delivery
Legal Service Delivery
Workplace Service Delivery
Procurement Service Management

Creator Workflows

App Engine
Integration Hub
Process Mining
Security Controls
RPA (2022)

IT Workflows

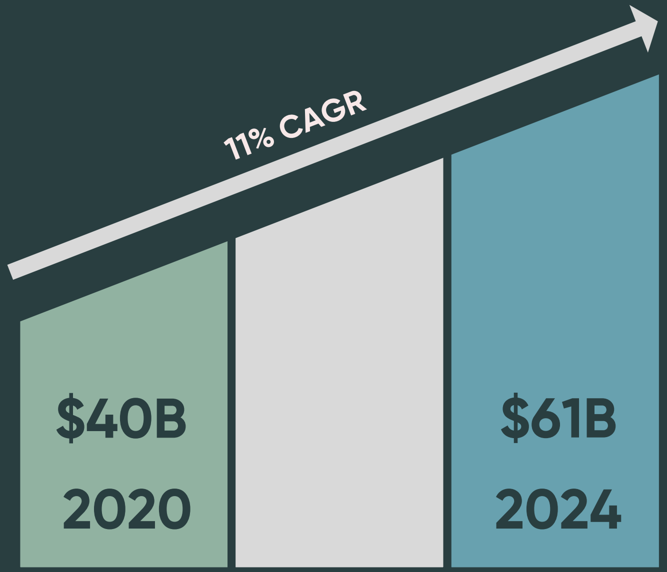
CJ Desai

Chief Product and Engineering Officer

TAM and Market Trends

$61B

TAM for IT Workflows in 2024



Trends

Digital Transformation

Software powers the entire value chain

Evolving IT Role

Strategic partner accountable across decentralized responsibilities

Competing Priorities

Innovate faster, improve resiliency, control cost

Sprawling tech portfolio

Into cloud, distributed and growing

Note: Calculations performed by ServiceNow and graphics created by ServiceNow based on Gartner research. Source: markets defined from three Gartner reports: (i) Gartner, Forecast: Infrastructure Software Markets, Worldwide, 2019-2025, 1Q21 Update, (ii) Gartner, Forecast: Enterprise Application Software, Worldwide, 2019-2025, 1Q21 Update, and (iii) Gartner, Forecast: Information Security and Risk Management, Worldwide, 2019-2025 1Q21 Update.

Categories included: Experience Mgmt: ITSM, Performance Analysis: AIOps, ITIM and Other Monitoring Tools, Performance Analysis: APM, Other IT Operations Mgmt, Project and Portfolio Mgmt (PPM), Experience Mgmt: SAM, ITAM and ITFM, Other information and Security Software, Integrated Risk Management Solutions Software, Delivery Automation, Plan and Verify

IT Workflows Strategy

Platform for IT

Connect the tools, processes and people that deliver software and services to accelerate innovation and strengthen controls

Outperform market via innovation in current solutions

- AI / ML – e.g. Virtual Agents, AIOps
- Process & Workforce Optimization
- Automation, RPA

Extend solutions to serve all technology buyers

- Bridge centralized and team delivery models
- Extend into App Dev, DevOps, SRE
- Capture cloud-native architectures

Move into more non-tech buying centers

- Technology-anchored use cases becoming corporate initiatives
- Risk, Planning, Asset Management
- Leverage incumbency to capture net new TAM

Lightstep Acquisition

Extending the Platform for IT with full-stack observability into cloud-native apps for DevOps and SRE

Full-stack observability technology leader
Deep, real-time insight into distributed cloud native applications

Proven at cloud leaders
Spotify, Twilio, Lyft

Extends Fabric to new personas
Target app engineering, DevOps, and SRE

Expanded value prop for current customers
Cross-sell to accelerate digital transformation

Evidence that we are winning

Customer Expansion

2x customers with 3+ IT Workflows products over the past 2 years

Market Expansion

Regulated Markets

- US IL5
- Australia
- France
- Singapore

New Geos

- South Korea

Analyst Recognition as a Leader

2021 Magic Quadrant for Enterprise Agile Planning Tools

2020 Magic Quadrant for IT Service Management Tools

2020 Magic Quadrant for Software Asset Management Tools

2020 Magic Quadrant for IT Risk Management

2020 Magic Quadrant for IT Vendor Risk Management Tools

The Forrester Wave™: Value Stream Management Solutions, Q3 2020

The Forrester Wave™: Governance, Risk, and Compliance Platforms, Q1 2020

The Forrester Wave™: Enterprise Service Management, Q4 2019

Source: Gartner, Market Share: All Software Markets, Worldwide, 2020, April 14, 2021

Sources: Gartner, Magic Quadrant for Enterprise Agile Planning Tools, Bill Blosen, Mike West, Deacon D.K Wan, Akis Sklavounakis, Keith Mann, Wan Fui Chan, Hassan Ennaciri, April 20, 2021; Gartner, Magic Quadrant for IT Service Management Tools, Rich Doheny, Keith Andes, Mark Cleary, October 6, 2020; Gartner, Magic Quadrant for Software Asset Management Tools, Ryan Stefani, July 20, 2020; Gartner, Magic Quadrant for IT Risk Management, Khushbu Pratap, Brent Predovich, Claude Mandy, August 11, 2020; Gartner, Magic Quadrant for IT Vendor Risk Management Tools, Joanne Spencer, Edward Weinstein, August 24, 2020; The Forrester Wave™: Value Stream Management Solutions, Q3 2020, Christopher Condo, July 15, 2020; The Forrester Wave™: Governance, Risk, And Compliance Platforms, Q1 2020, Alla Valente and Renee Murphy, March 9, 2020; The Forrester Wave™: Enterprise Service Management, Q4 2019, Charlie Betz, William McKeon-White, October 10, 2019

Evidence that we are winning

Customer Expansion

2x customers with 3+ IT Workflows products over the past 2 years

Market Expansion

Regulated Markets

- US IL5
- Australia
- France
- Singapore

New Geos

- South Korea

Analyst Recognition as a Leader

#1 Gartner ITSM Total Worldwide Revenue Market Share, 2020

#2 Gartner IT Operations Total Worldwide Market Share, 2020

Fastest growth Gartner Project and Portfolio Management Total Worldwide Revenue Market Share amongst top 10, 2020

Fastest growth 'Other Security Software' worldwide market share amongst top 10, 2020 (for our Risk and Security business)

Source: Gartner, Market Share: All Software Markets, Worldwide, 2020, April 14, 2021

Customer Workflows

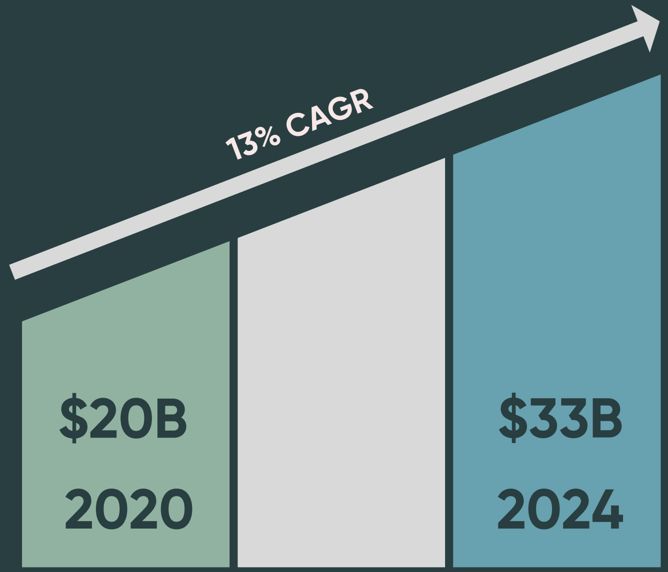
John Ball

Senior Vice President
Customer Workflows

TAM and Market Trends

$33B

TAM for Customer Workflows in 2024



Trends

Direct-to-Consumer

Everything-as-a-service

Work from anywhere

Note: Calculations performed by ServiceNow and graphics created by ServiceNow based on Gartner research. Source: markets defined from Gartner Report: Gartner, Forecast: Enterprise Application Software, Worldwide, 2019-2025, 1Q21 Update.

Categories included: Customer Service and Support

Customer Workflows Strategy

Extend Horizontal Capabilities

All common capabilities needed for modern customer service and field service

Build on NOW Platform

Extend & configure OOTB workflows with no/low code

Native Integrations

AI & Analytics

Enhance by Industry

Even faster time to value

Telecoms and Banking GA today, Healthcare by end of 2021

Evidence that we are winning

Market Traction

$400M ACV (2020)

111% 2016-2020 CAGR

>1500 Customers

Recognition

A Leader in 2020 Magic Quadrant for the CRM Customer Engagement Center

Partner Momentum

60% Y/Y growth in partner sourced pipeline

Gartner, Magic Quadrant for the CRM Customer Engagement Center, Brian Manusama, Nadine LeBlanc, June 4, 2020

Customers across every industry

Tech

xerox

T · · Systems ·

DXC.technology

1/2 of F500

Telecom and Media

at&t

BT

TATA COMMUNICATIONS

NTT

vodafone

Telia

1/3 of F500

Financial Services

LLOYDS BANK

Kiwi bank.

Swiss Re

1/3 of F500

Healthcare

HONORHEALTH

Children's MINNESOTA

NHS England

NHS SCOTLAND

SIEMENS Healthineers

1/3 of F500

Government

TN State of Tennessee

State of Delaware

HOWARD COUNTY MARYLAND

200+ customers

Transportation

CWT

1/5 of F500

Retail and Hospitality

7 ELEVEN

MGM

1/5 of F500

Education

AMERICAN UNIVERSITY WASHINGTON, DC

DEAKIN UNIVERSITY

NANYANG TECHNOLOGICAL UNIVERSITY SINGAPORE

70+ customers

Manufacturing

KONICA MINOLTA

RICOH

GE Digital

1/5 of F500

Digital Transformation Requires Customer Engagement AND Customer Operations

Customer Engagement

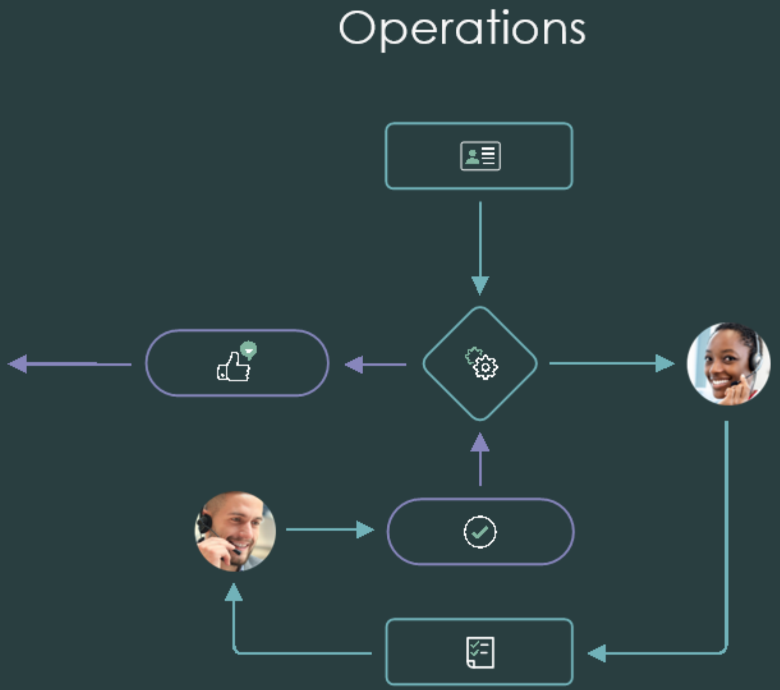
+

Customer Operations

Great Customer Experiences Require Great Engagement

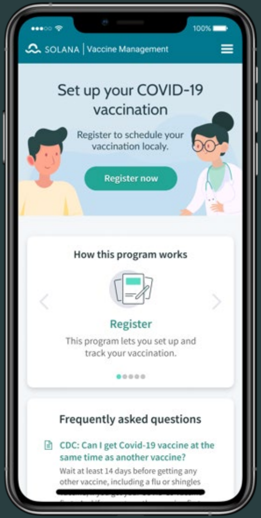
Current Customer Operations is Often a Mess

ServiceNow Powers Great Experiences by Combining Great Engagement and Operations

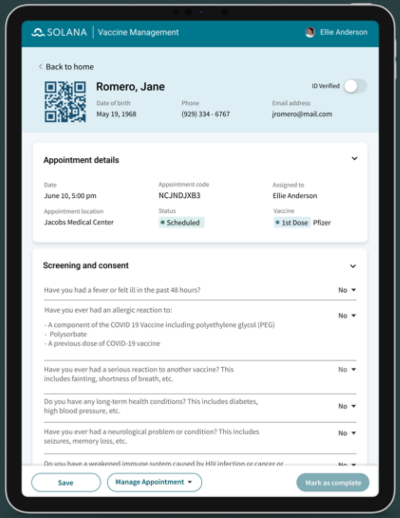


Vaccine Administration Management – Extreme Agility

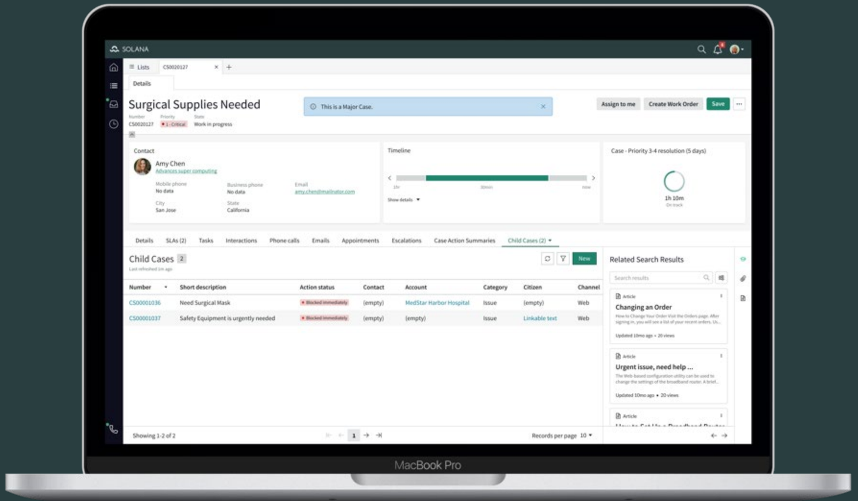
Consumer-grade patient experience



Contactless and efficient clinician experience



Vaccine site workflow management



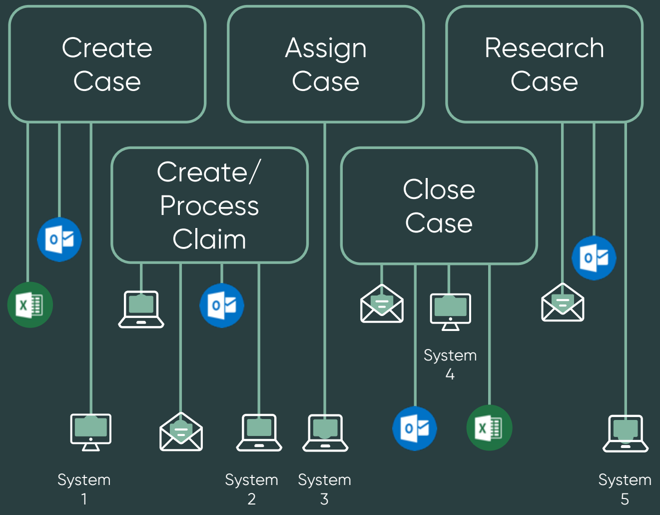
Developed in a month | Deployed in days by health care organizations

LLOYDS BANK

Payment Operations

16 + 6

Steps Systems / Tools



Reduced to

Faster customer response

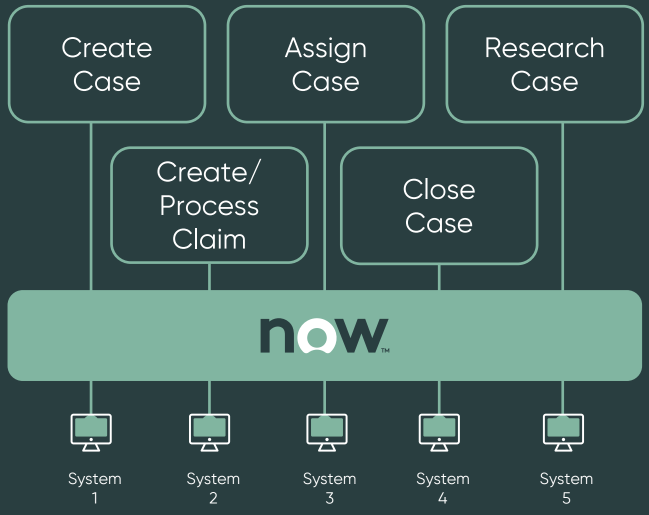
Reduced cost

Higher payment recovery rates

Deployed in 12 weeks

2 + 1

Steps Systems / Tools



We are highly differentiated in a large and growing market

$33B

TAM in 2024

1. Digital transformation provides a huge market tailwind for Customer Workflows
2. We have a complete offering for modern engagement, customer operations, and field service
3. Our solutions are built on the most flexible platform in the market
4. Our industry solutions will further accelerate growth and customer success

Creator Workflows

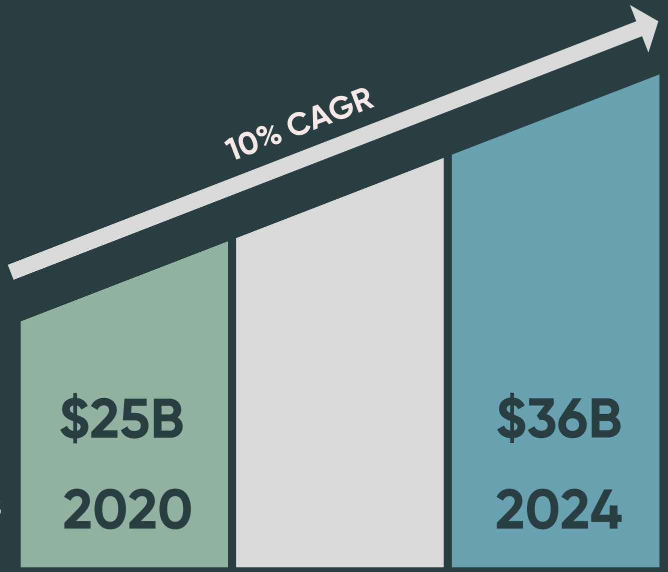
Josh Kahn

Senior Vice President
Creator Workflows

TAM and Market Trends

$36B

TAM for Creator Workflows in 2024



Trends

Business Process Digitization
Apps replace unstructured process

Scarcity of Software Engineers
Scaling application delivery requires enabling departmental citizen developers

Fragmented Automation Technologies
Multiple automation platforms create silos that are hard to scale

Note: Calculations performed by ServiceNow and graphics created by ServiceNow based on Gartner research. Source: markets defined from Gartner Report: Gartner, Forecast: Infrastructure Software Markets, Worldwide, 2019-2025, 1Q21 Update.

Categories included: High Control aPaaS, High Productivity aPaaS, Other AD, Application Platform Software, Business Process Mgmt Suite, Robotic Process Automation, Create, Integration Platform as a Service (iPaaS)

Creator Workflows Strategy

Deliver a consolidated automation platform

Complete spectrum of automation technology

Workflow & process analytics with powerful, simple low-code tools

Focus on IT as our primary customer

The speed, power, and trust IT needs to build business critical apps

Empower lines of business with simple tools for their business analysts

Win other buyers with ServiceNow products

Customer operations with Customer Workflows

Enterprise service management with Employee Workflows

Be selective in how we capture TAM

App Engine: Win the app development market with direct GTM teams

IntegrationHub & RPA: Monetize ServiceNow-centric use cases, not a pure play

Evidence that we are winning

Market Traction

>$450M ACV (2020)(1)

>45% CAGR 2016-2020

>2000 Customers

Analyst Recognition

A Leader in 2020 Magic Quadrant for Enterprise Low-Code Application Platforms

End User Adoption

2M+ monthly active users of apps, up >35% in 2020

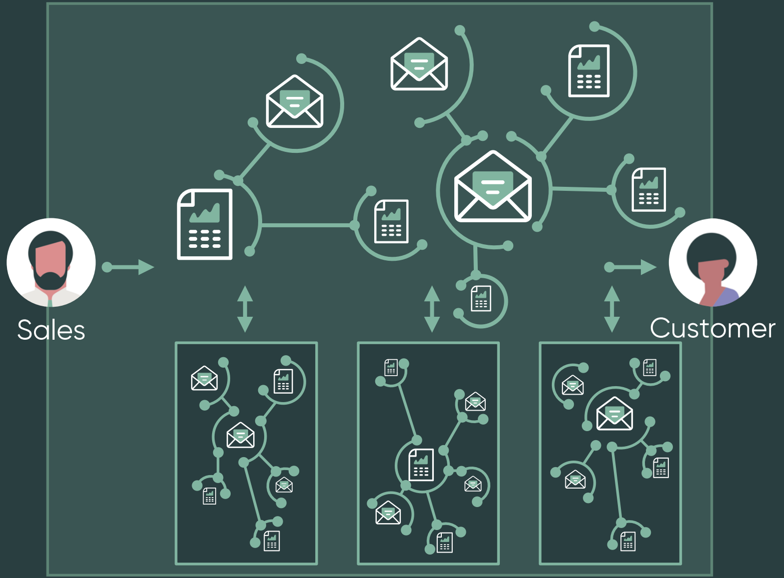
Integration usage up >500% in 2020

(1) Includes App Engine, Integration Hub, and Platform Other.

Gartner, Magic Quadrant for Enterprise Low-Code Application Platforms, Paul Vincent, Yefim Natis, Kimihiko Iijima, Jason Wong, Saikat Ray, Akash Jain, Adrian Leow, September 30, 2020

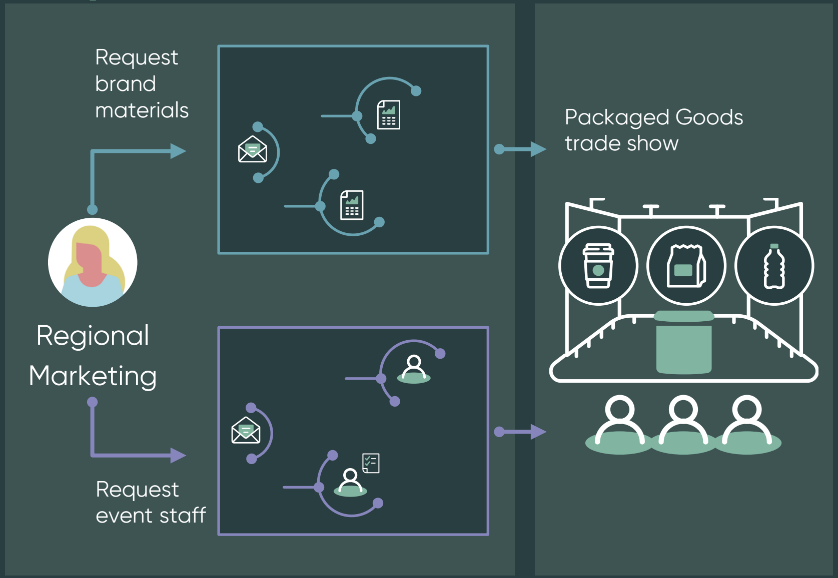
Enterprises are transforming all operations with apps

Complex



$90B+ Workflow of Prescription Benefits Management Drug Pricing

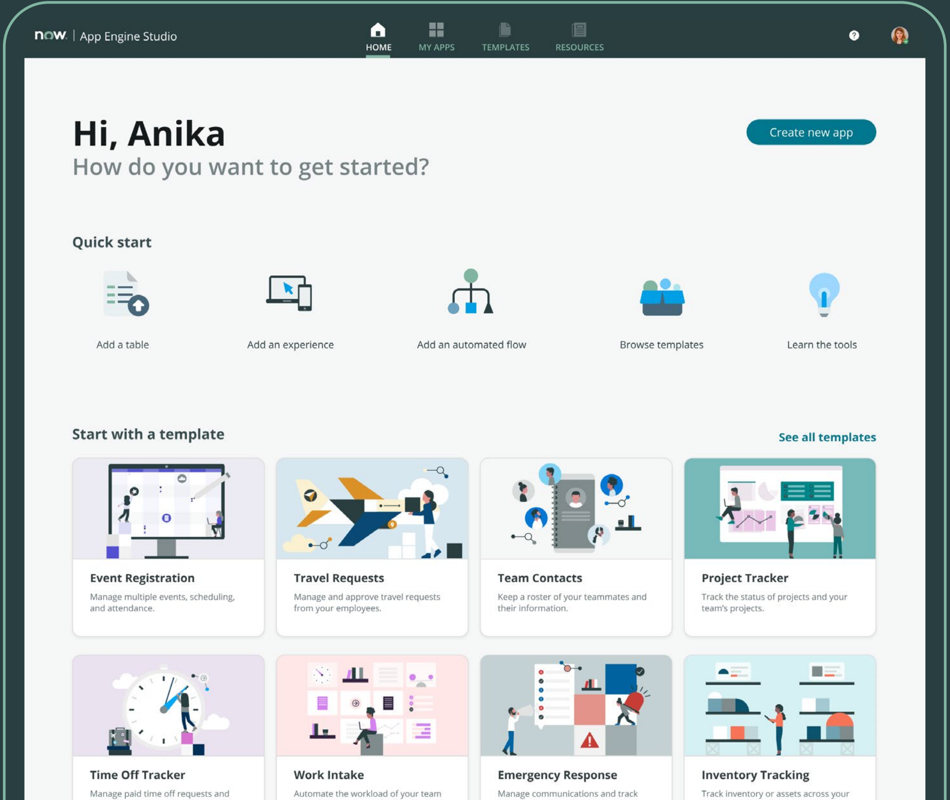
Simple



$70B+ Fortune 200 Consumer Packaged Goods Company Annual Revenue

Our new low-code foundation: App Engine Studio

Quebec release in Q1 2021 raises the bar on low code application development



Accelerates IT developers who want to write code by doing the easy stuff fast

Empowers citizen developers to build powerful apps with no code

Allows IT developers to provide reusable components, accelerating and enabling Citizen Developers

Creator Workflows is the complete low-code automation platform to seize the market opportunity

$36B

TAM in 2024

1. **Workflow and Process Analytics**
   Low-code tools, workflow, predictive analytics, and process mining

2. **Automation Technologies**
   Integrations, decision management, machine learning, artificial intelligence, and robotic process automation

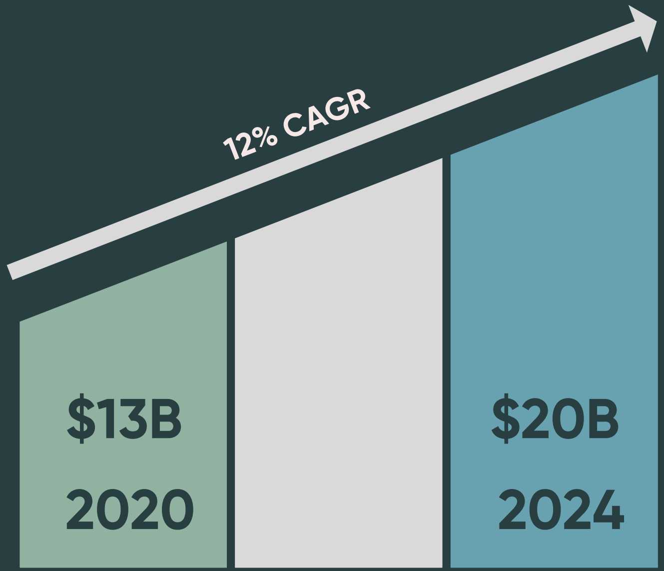
3. **One Platform**
   Strategic Platform for IT, accelerates and scales IT delivery, empowers and delights the line of business

Employee Workflows

CJ Desai

Chief Product and Engineering Officer

TAM and Market Trends



$20B

TAM for Employee Workflows in 2024

Trends

Because of the pandemic, ***"the employee" is a C-Level focus***

Remote, hybrid work has reinforced the ***necessity of digital employee experiences***

Future of Work

Post pandemic, employees will continue to ***digitally engage across the enterprise***

Note: Calculations performed by ServiceNow and graphics created by ServiceNow based on Gartner research. Source: markets defined from Gartner Report: Gartner, Forecast: Enterprise Application Software, Worldwide, 2019-2025, 1Q21 Update.
Categories included: Human Capital Management (HCM)

Employee Workflow Strategy

Deliver experiences across the enterprise

Meet employees “where they are” and deliver experiences to employees across the enterprise: IT, HR, Facilities, Legal and Procurement

Enable simple and complex employee services

Enable AI-driven self-service for simple, high volume requests

Deliver streamlined workflows for complex, enterprise-wide employee journeys

Provide workplace services for future of work

Assess readiness for “return to workplace”

Provide capabilities which enable a hybrid work experience

Improve employee journeys

Improve employee experience and productivity by capturing sentiment and adding learning “in the workflow”

Simplifying the Employee Experience

"What is the policy?" … "Which system" or "department?" … "Who can help?"

Evidence that we are winning

Market Traction

$350M ACV (2020)
109% 2016-2020 CAGR

50% of Fortune 50 CHROs and 35% of Fortune 500 CHROs rely on Employee Workflows

Innovation and Velocity

22 Safe Workplace releases since launch in May 2020

Over 100 customers in production

Customer Validation

Positive customer feedback that employee experience is across the enterprise

Employees engage and interact across the enterprise

NowX

CJ Desai

Chief Product and Engineering Officer

NowX: Conceptualizing and Delivering Organic Innovation

2018	2019	2020	2021
NowX started	2 new products released	5 New products released **50 Enterprise Customers**	Deliver ROI 2-3 New Products **>$100M ACV**

Product Portfolio built on a Single Platform

IT Workflows

IT Service Management
IT Operations Management
Software Asset Management
Hardware Asset Management
IT Business Management
Security & Vulnerability
GRC -- Business Continuity (NowX)
DevOps

Customer Workflows

Customer Service Management
Field Service Management
Connected Operations (NowX)
Industry Solutions (NowX)

Now Platform

Employee Workflows

HR Service Delivery
Legal Service Delivery (NowX)
Workplace Service Delivery
Procurement Service Mgmt (NowX)

Creator Workflows

App Engine
Integration Hub
Process Mining (NowX)
Security Controls
RPA (2022)

NowX is organically innovating industry solutions

2020
- Telecommunications
- Banking

2021
- Manufacturing
- Healthcare
- Telecommunications
- Banking

2022
- Cloud Service Providers
- Insurance
- Manufacturing
- Healthcare
- Telecommunications
- Banking

And beyond...

Financial Overview and Global Impact Strategy

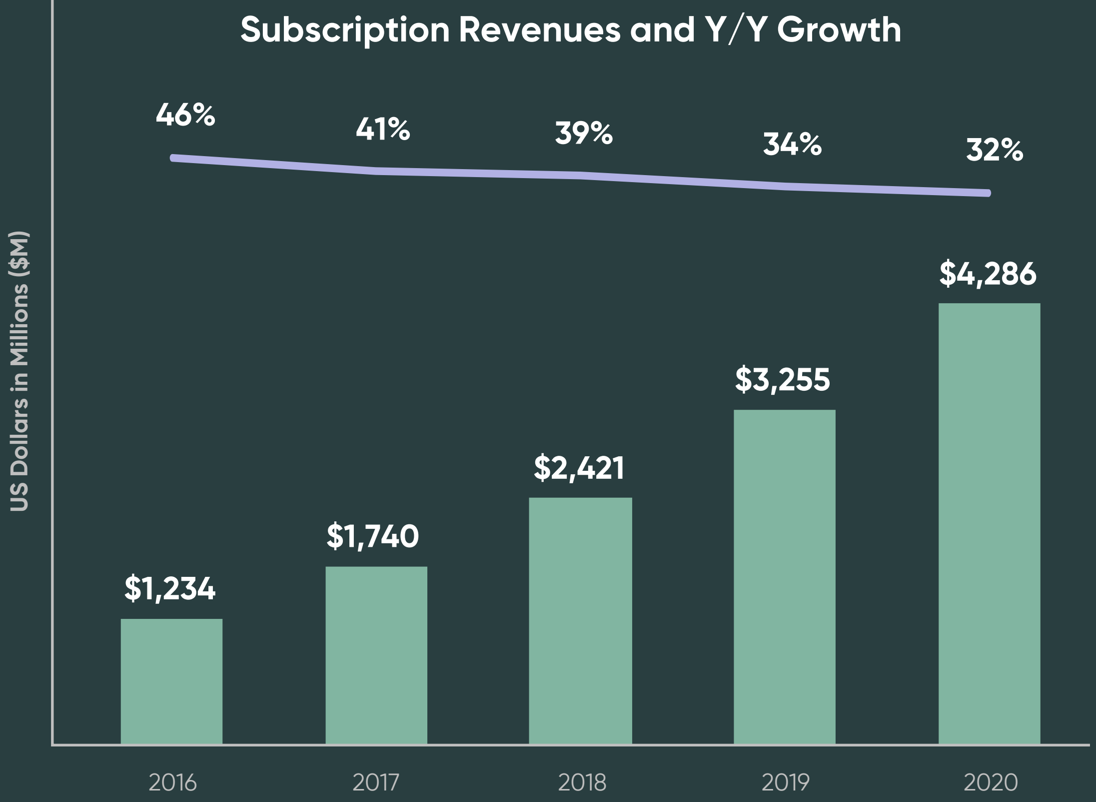
Gina Mastantuono

Chief Financial Officer

Delivering unmatched organic growth at $5B+ run rate

37%

2016 – 2020 CAGR
Subscription Revenue



Note: Numbers rounded for presentation purposes

With strong current RPO trends providing insight into sustained revenue growth

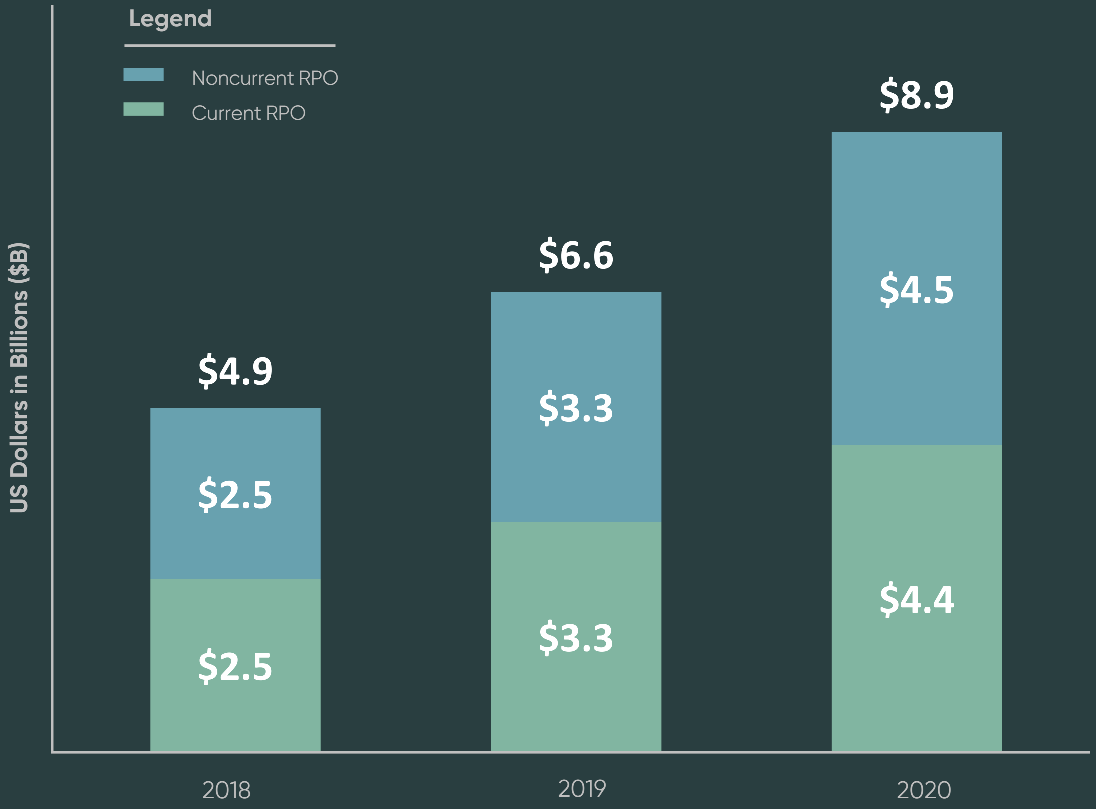
2018 – 2020 CAGR

34%

Total RPO

33%

Current RPO



Note: Numbers rounded for presentation purposes

Organic growth engine fueled by multiple drivers

Land

Add new customers

And Expand

Grow existing deployments wall-to-wall

Cross sell new products

Upsell to premium SKUs

New buying centers

Landing larger deals with new customers

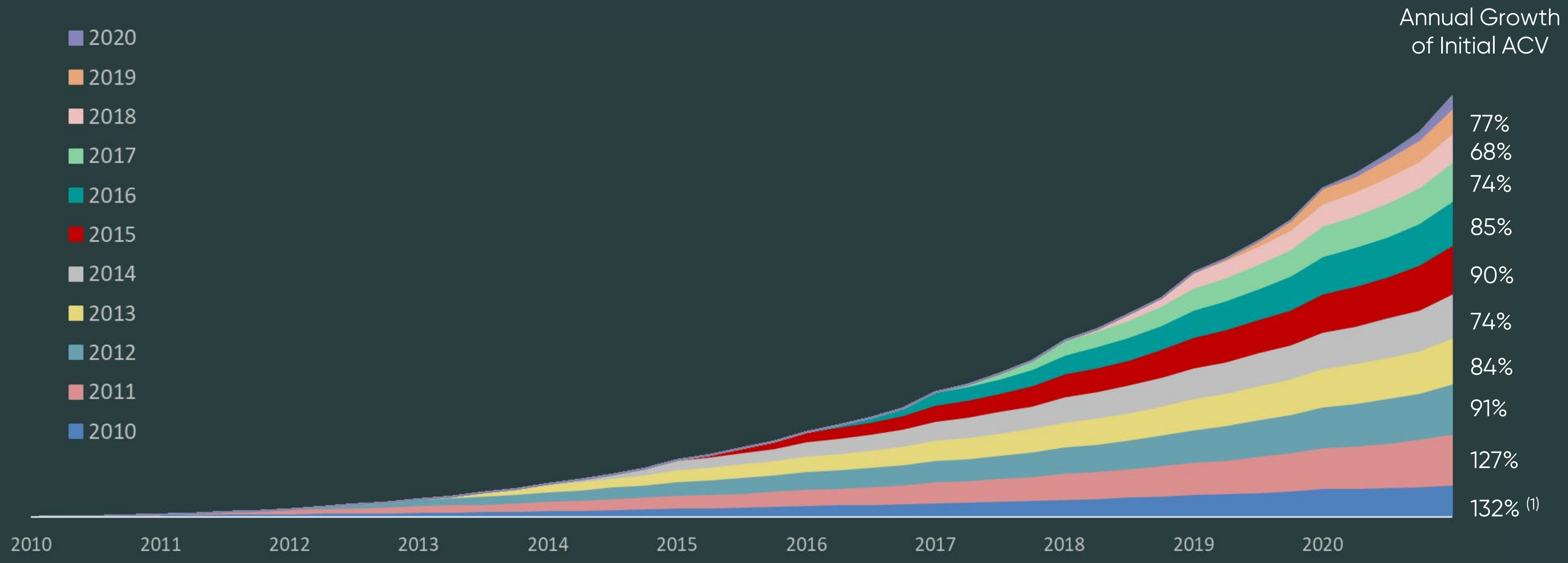
~70%

2016 – 2020 Growth
New customer average first year ACV

~30%

2016 – 2020 Growth
Average number of products purchased in first year

And once they become customers, they continue to grow



(1) As an illustrative example, 2010 customer cohort started with a contract of initial ACV (annual contract value) of $100 and grew to ACV of $1,420 as of Q4-20, representing annual growth of initial ACV of 132%.
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.

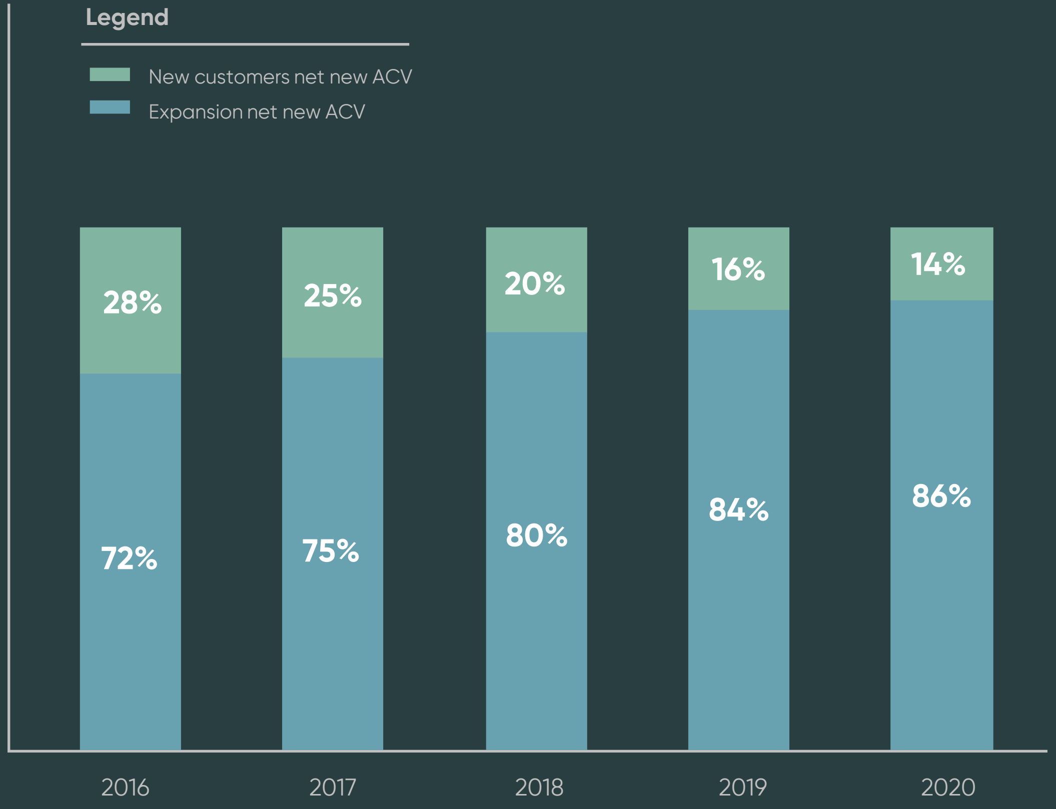
Expanding existing customer relationships

125%+

net expansion rate in 2020

60%+

of our existing customer base spent incremental dollars with NOW in 2020



Note: Revised mapping of customers in the current year may result in revised new customer and expansion net new ACV mix for previous years, due to adjustments for acquisitions, spin-offs, improved subsidiary mapping, updates to customer DUNS numbers, etc. Previously disclosed new customer and expansion net new ACV mix may be restated to reflect such adjustments to allow for comparability.

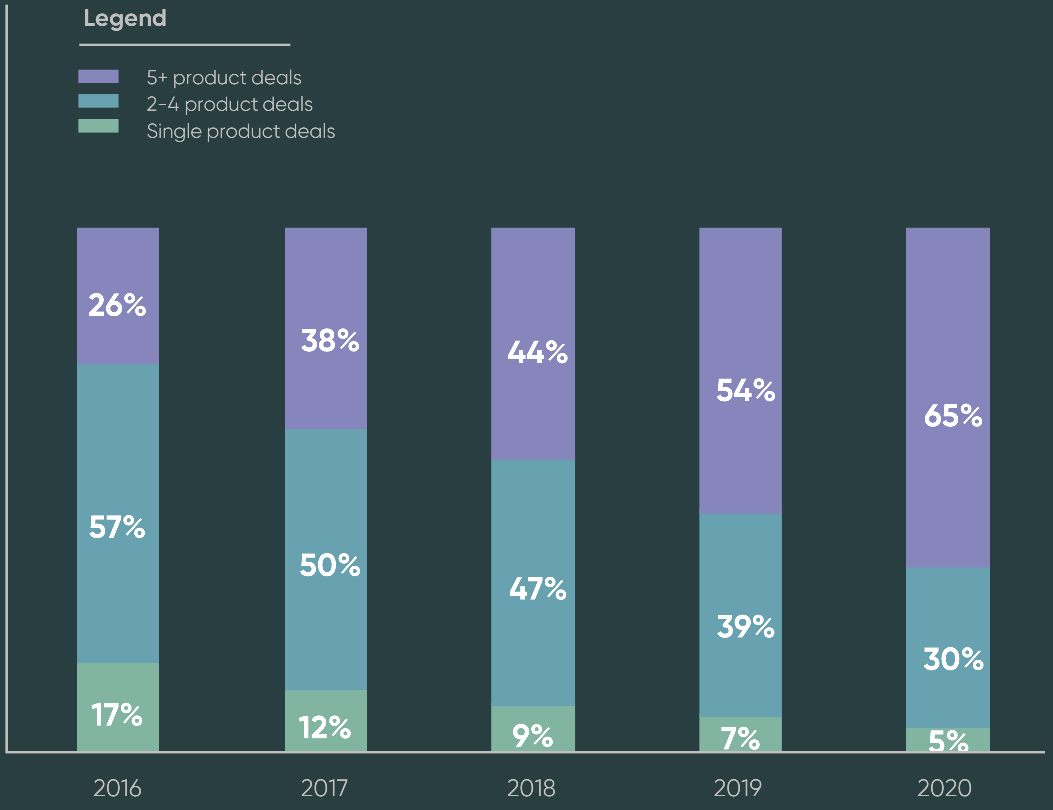
Multi-product deals are increasing stickiness

87%

of our deals include 3+ products

99%

Renewal rate for customers with 3+ products



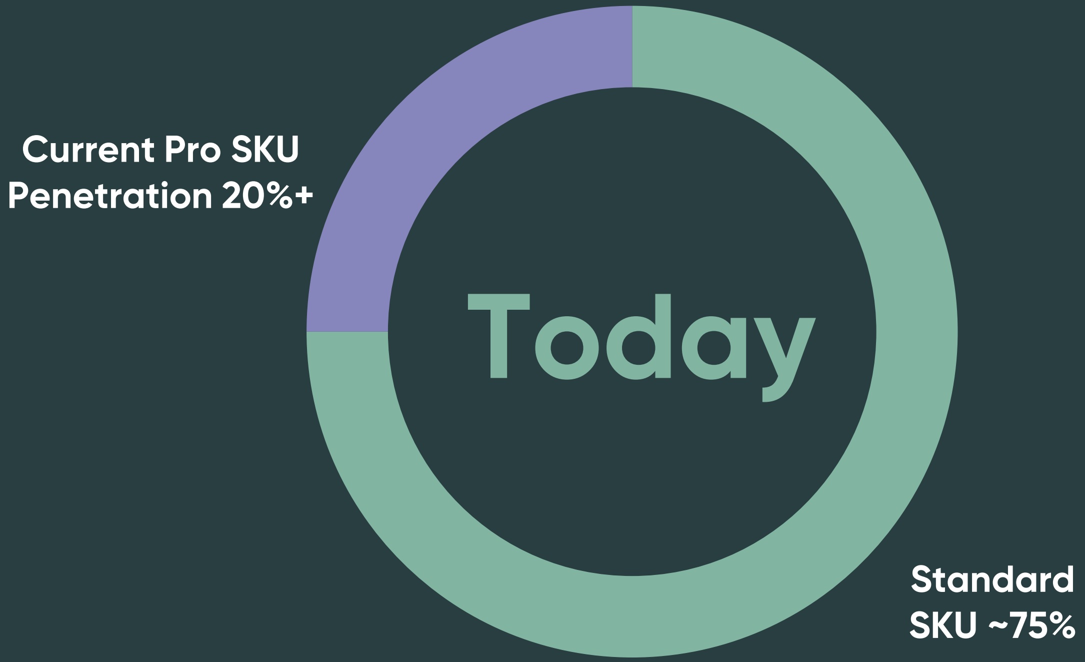
Note: Numbers rounded for presentation purposes.

AI powered experiences create new upsell opportunities

ITSM Pro SKU now 20% penetrated carrying a 25% realized price uplift

CSM Pro SKU now 30% penetrated

Launched ITSM and CSM Enterprise SKU in Q1



Note: Penetration defined as the percentage of customer accounts on the Pro or Enterprise SKU

AI powered experiences create new upsell opportunities

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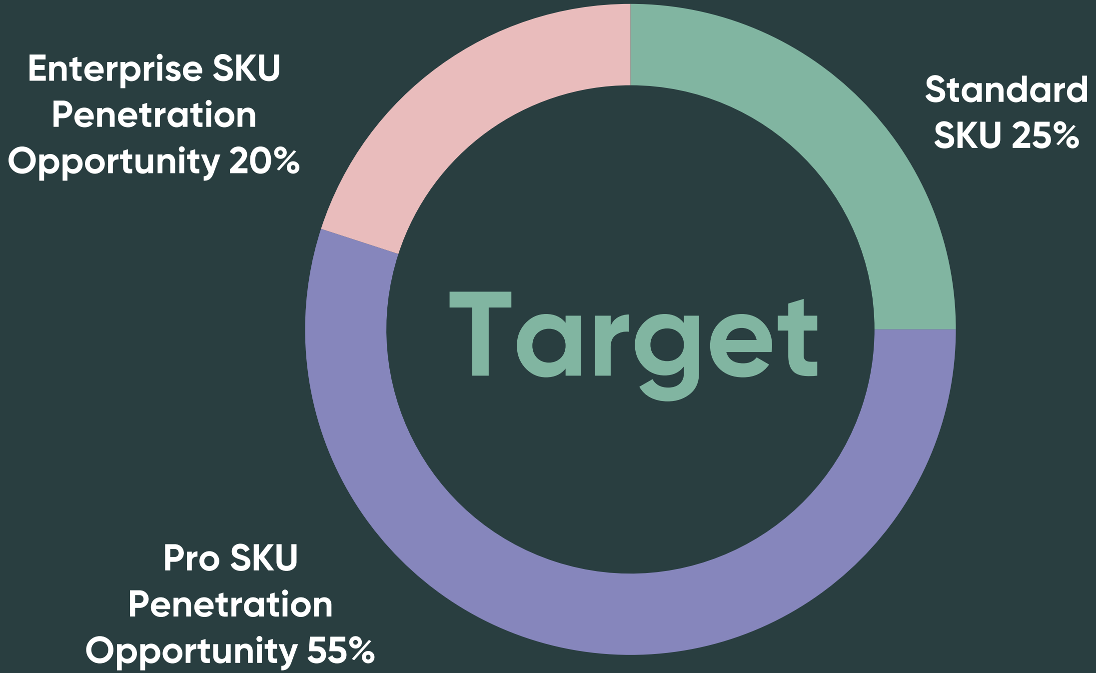
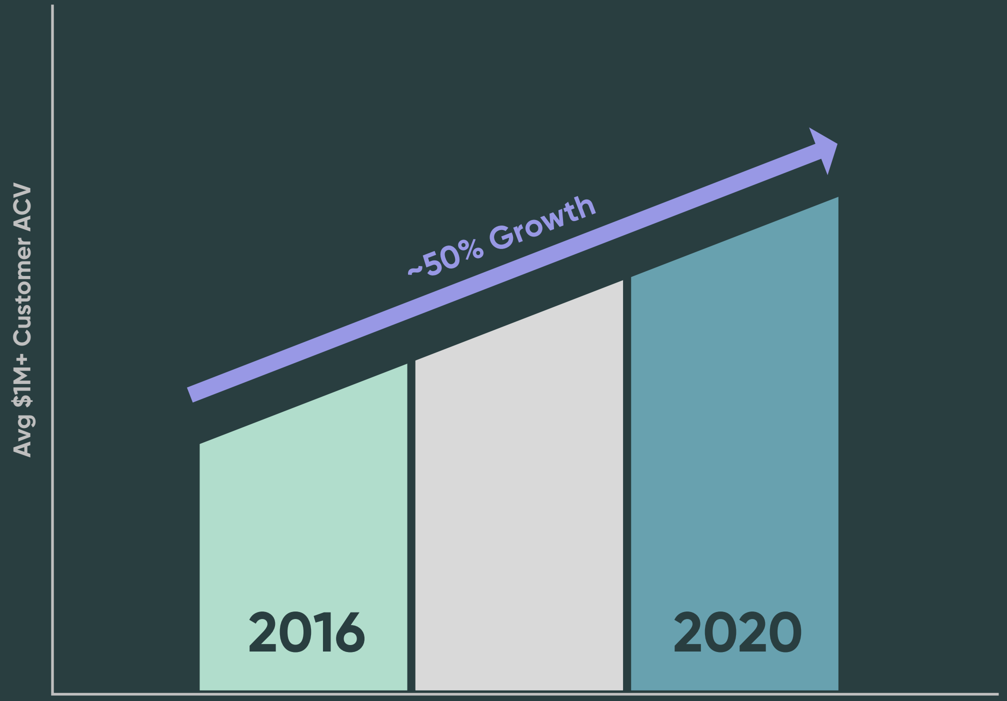


Note: Penetration defined as the percentage of customer accounts on the Pro or Enterprise SKU

Average $1M+ Customer Spend Continues to Grow

~50%

2016 – 2020 Growth
ACV for $1M+ Customers

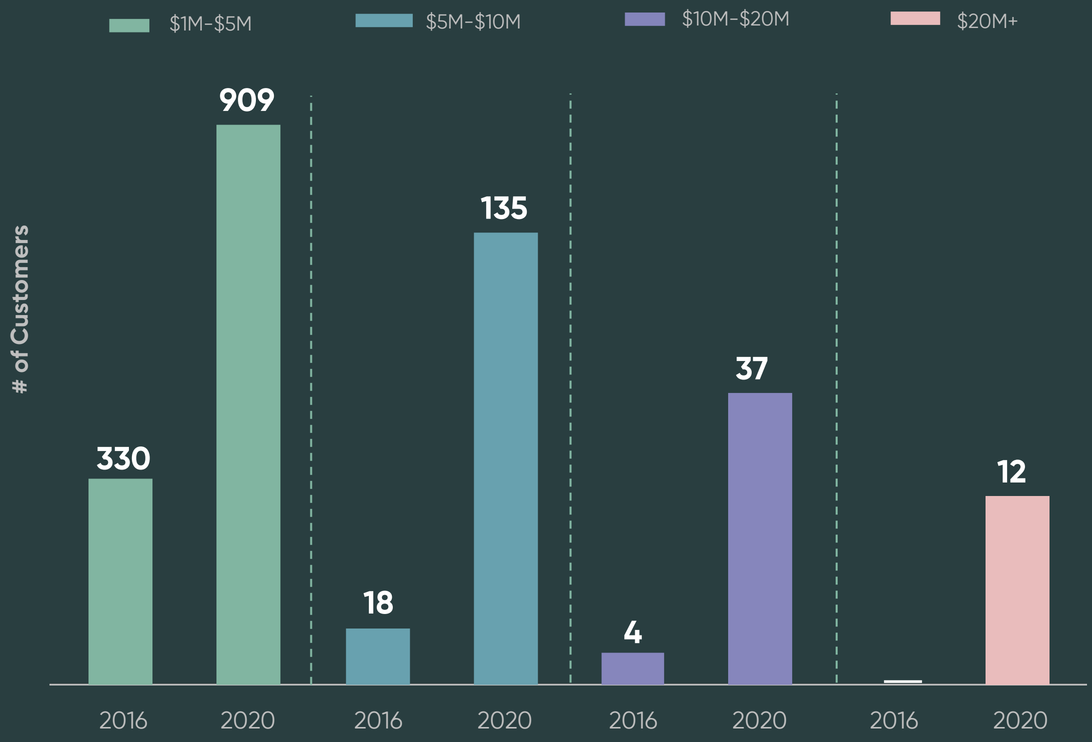


Note: Previously disclosed number of customers with ACV greater than $1 million is restated to allow for comparability. ACV is calculated based on the foreign exchange rate in effect at the time the contract was entered into. Foreign exchange rate fluctuations could cause some variability in the number of customers with ACV greater than $1 million.

Our largest customers have grown even larger

1,093

Customers paying $1M+ annually (33% CAGR between 2016-2020)



Note: Previously disclosed number of customers with ACV greater than $1 million is restated to allow for comparability. ACV is calculated based on the foreign exchange rate in effect at the time the contract was entered into. Foreign exchange rate fluctuations could cause some variability in the number of customers with ACV greater than $1 million.

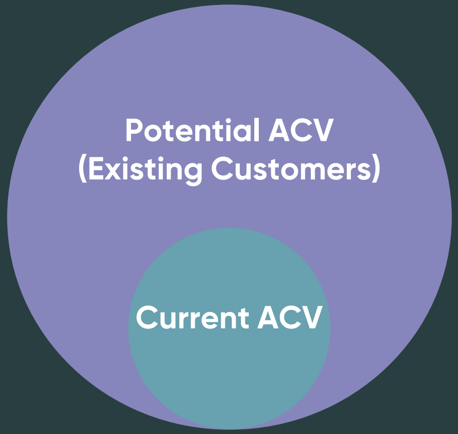
Plenty of runway with existing customers...

~5x

Total ACV Potential (Existing Customers and Products)

Legend

Customers Today – Total Potential ACV
Customers Today – Total Existing ACV



Note: Calculations performed by ServiceNow and based on certain employee, product user base, and product pricing information of existing customers and their specific industries.

And a massive opportunity still ahead of us

~35x

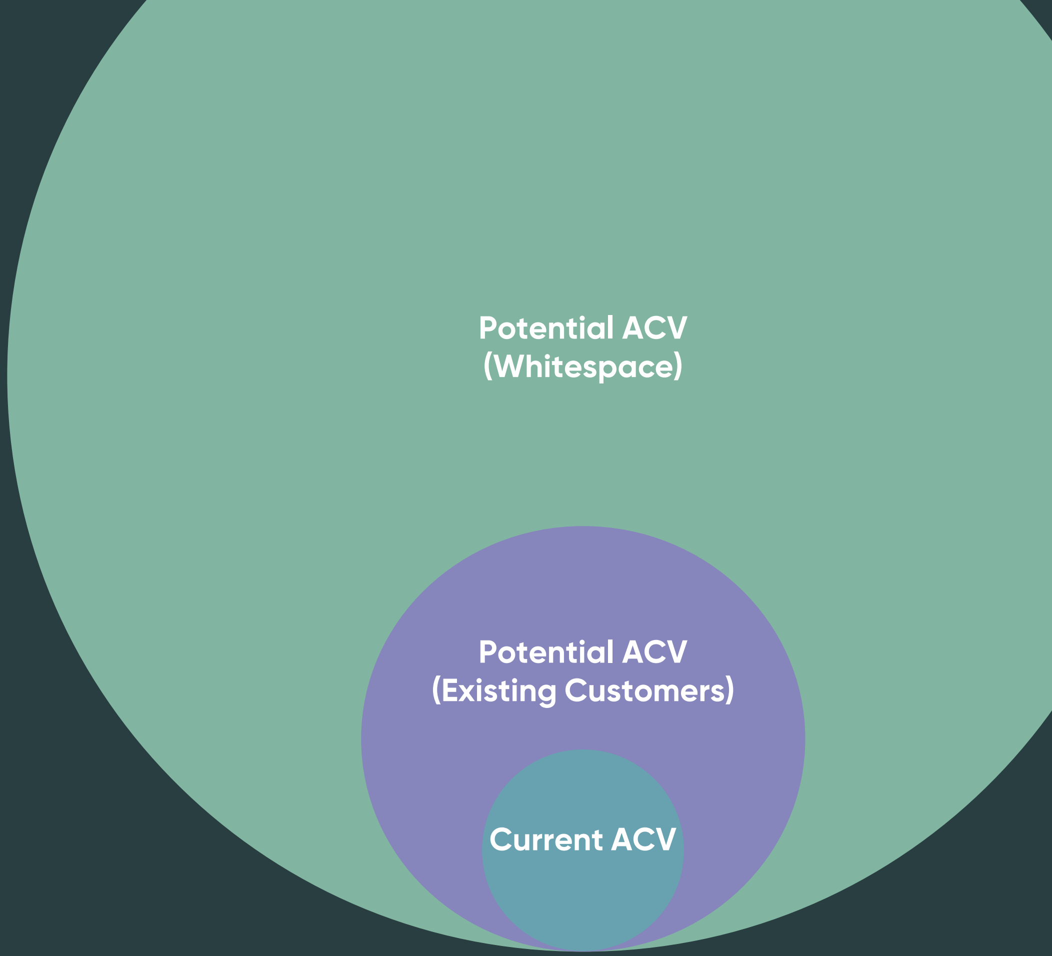
Total ACV Potential
(Total Addressable Market)

~5x

Total ACV Potential
(Existing Customers and Products)

Legend

- Whitespace (Potential New Customers) – Total Potential ACV
- Customers Today – Total Potential ACV
- Customers Today – Total Existing ACV



Note: Calculations performed by ServiceNow and based on certain employee, product user base, and product pricing information of existing customers and their specific industries.

We’re evolving our pricing to ease the buying process

4 Key Outcomes

Simplify buying for our customers

Facilitate and ease expansion

Improve deal velocity

Built to last pricing models

Portfolio simplification

Point products to solutions & outcomes

Standardize on 4 license meter types

Good/Better/Best to ease expansion

ELAs for digital transformation

Fulfiller → Employee Engagement

Pricing simplicity

Commercial flexibility

Value delivery

Built to last

Aligned with value realization

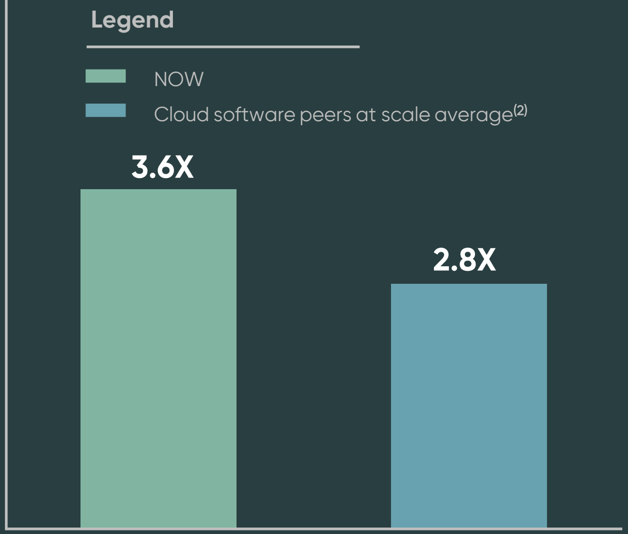
Pilot tiered transaction pricing

ServiceNow's Sales Efficiency(1) Continues to Improve

Sales Efficiency(1) at Different Total Revenue Milestones

First FY at $1B+ Revenue (2015)(3)	2.9X
First FY at $2B+ Revenue (2018)	3.5X
First FY at $4B+ Revenue (2020)	3.6X

2020 Sales Efficiency(1): ServiceNow vs Peers(2)

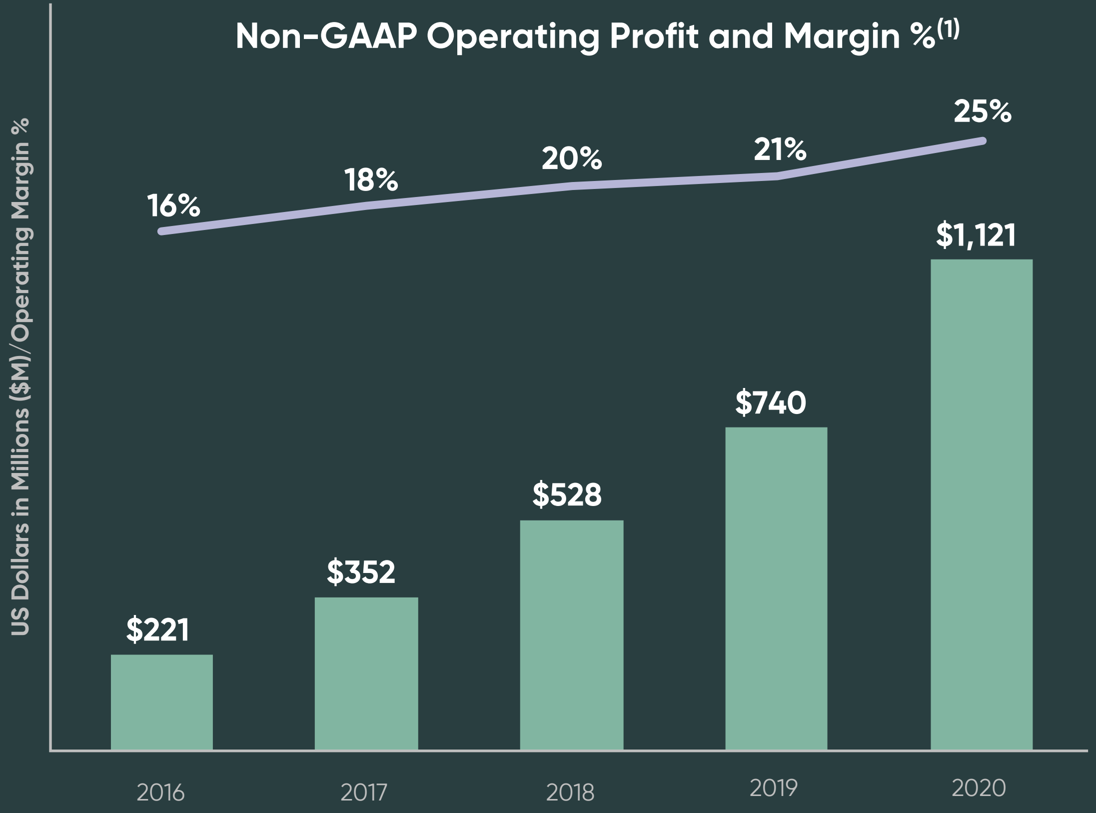


(1) Sales Efficiency is calculated on a non-GAAP basis and represents the change in total revenue in the respective year, divided by prior year change in Non-GAAP Sales & Marketing expense. See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures.
(2) Cloud software peers at scale include ADBE, CRM, WDAY
(3) Prior to 2016, numbers reported under ASC605

The efficiency of the Now Platform and disciplined investments drive consistent margin expansion

50%

2016 – 2020 CAGR
Non-GAAP Operating Profit



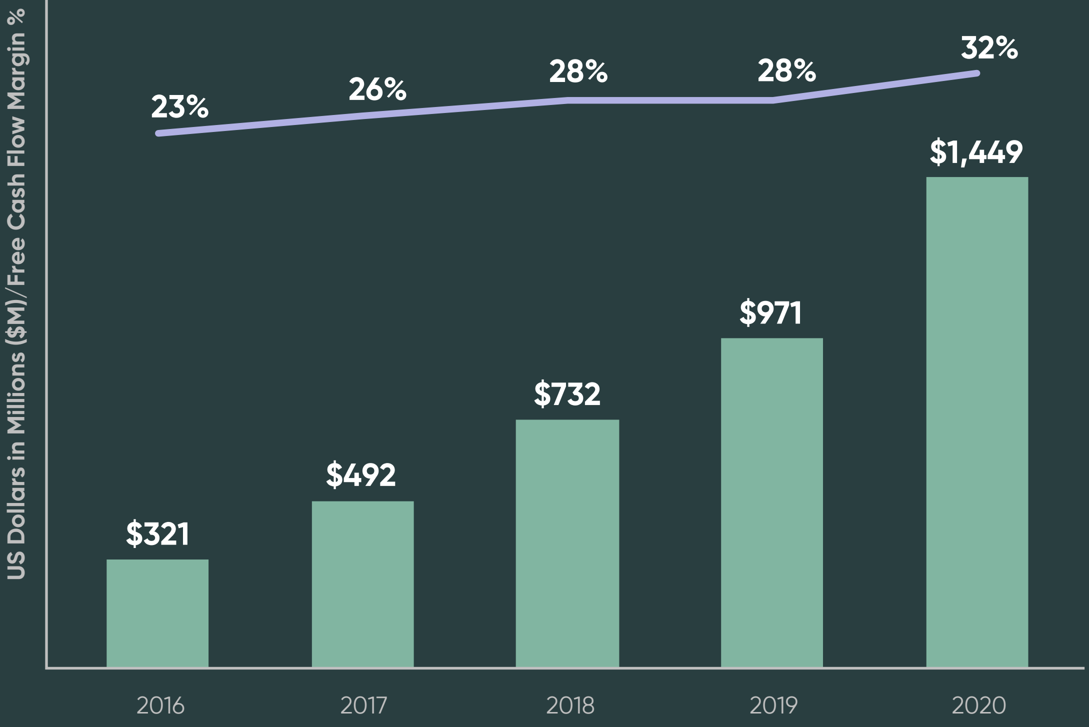
(1) Non-GAAP presentation of operating profit and operating margin exclude certain non-cash or non-recurring items, including stock-based compensation expense, amortization of purchased intangibles, legal settlements, business combination and other related costs. Non-GAAP operating margin is calculated 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.
Note: Numbers rounded for presentation purposes.

...With improving free cash flow leverage

46%

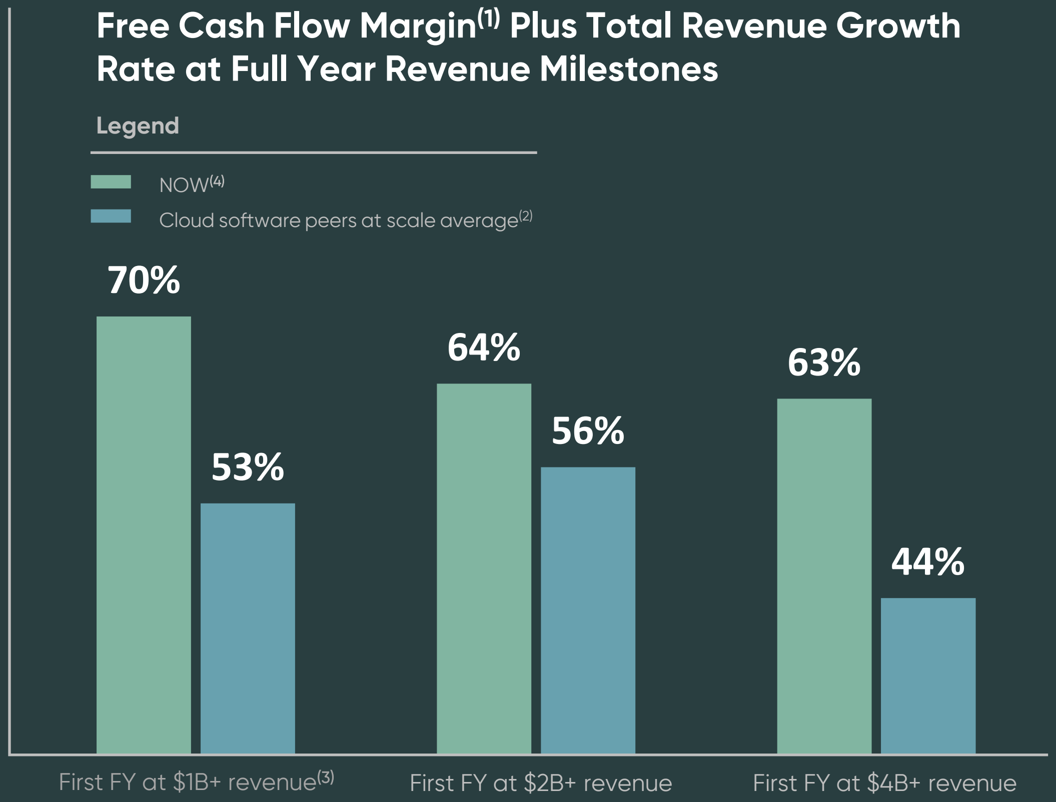
2016 – 2020 CAGR
Non-GAAP Free Cash Flow

Non-GAAP Free Cash Flow and Margin %(1)



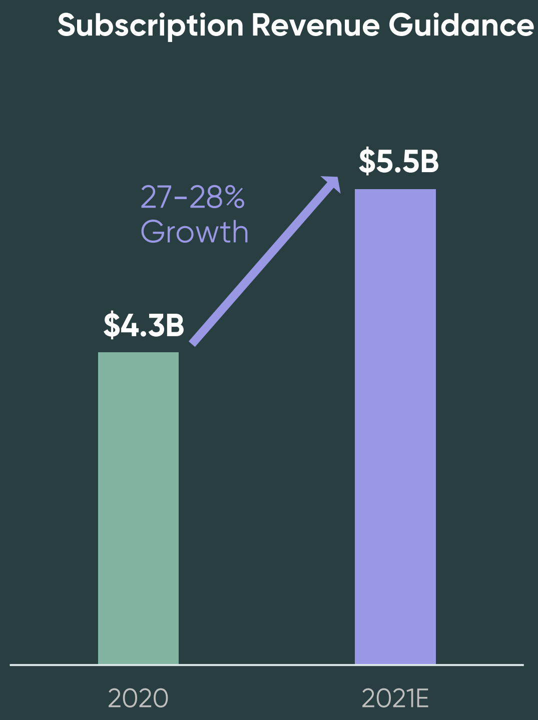
(1) Non-GAAP Free cash flow is defined as net cash provided by (used in) operating activities plus cash paid for legal settlements and repayments of convertible senior notes attributable to debt discount, reduced by purchases of property and equipment. Free cash flow margin is calculated as free cash 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.
Note: Numbers rounded for presentation purposes

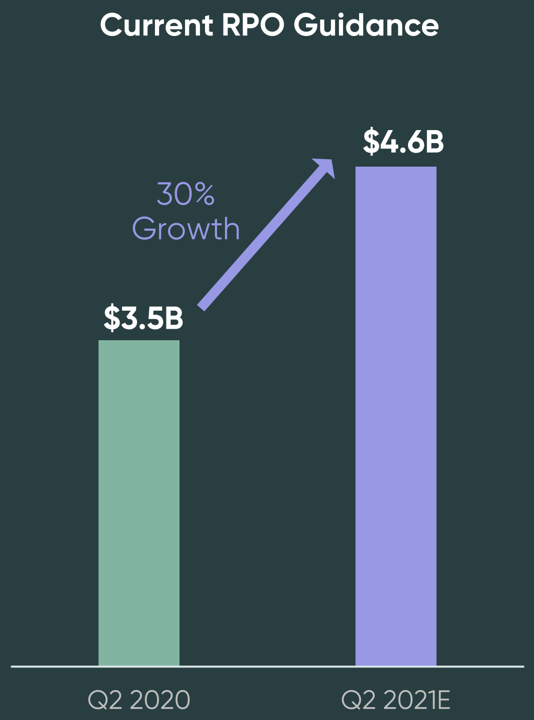
ServiceNow generates an unmatched combination of growth and profitability at scale



(1) Non-GAAP presentation of free cash flow margin is calculated as non-GAAP free cash flow as a percentage of total revenues. All data sourced from SEC filings. See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures
(2) Cloud software peers at scale include ADBE, CRM, WDAY
(3) Prior to 2016, numbers reported under ASC605
(4) NOW: First FY at $1B+ revenue in 2015, First FY at $2B+ revenue in 2018, First FY at $4B+ revenue in 2020

And that momentum continues in 2021: Strong Growth

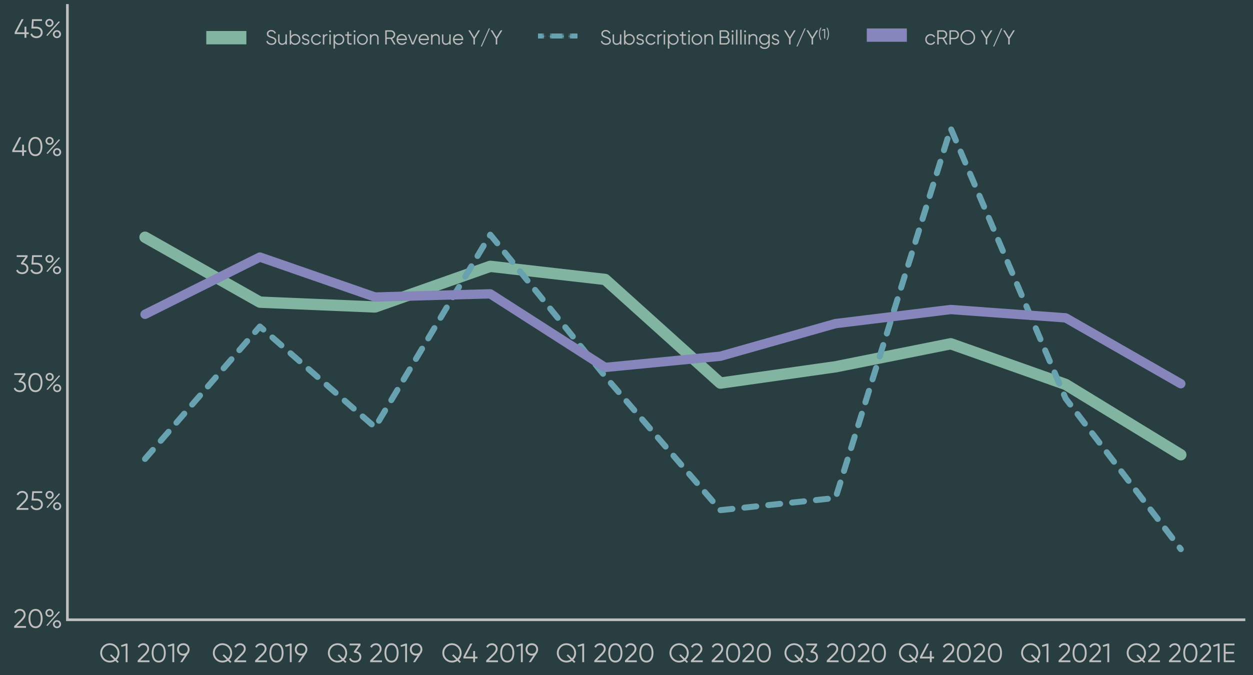




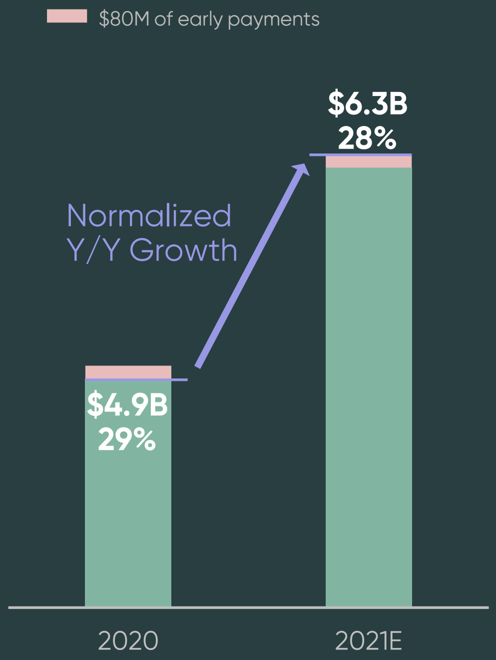
Note: 2021 estimates based on the mid-point of guidance as of 4/28/21.

Sidebar: cRPO is a better leading indicator than Quarterly Billings

Topline Metrics Comparison



Normalized Subscription Billings[2]



Subscription Billings Y/Y Growth[1]

2020: 32%

2021E: 24%-25%

Note: Q2 2021 and 2021 estimates based on the mid-point of guidance as of 4/28/21.

(1) This growth rate is calculated on a non-GAAP basis. See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures

(2) This financial metric and its corresponding growth rate are calculated on a non-GAAP basis. See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures. Our non-GAAP presentation of normalized subscription billings growth rate adjusts for an irregular payment cycle in 2020 where some customers paid us in both Q1 and Q4 2020. In Q4 2020, we received a substantial amount of subscription billings pulled forward from Q1 2021 due to early customer payments. We believe the high levels of early payments were the result of customers having excess cash at the end of 2020, due to the incremental cost savings they experienced from COVID-19 and are one-time in nature.

And that momentum continues in 2021: Strong Free Cash Flow

$1.7B

2021E Free Cash Flow

30%

2021E Free Cash Flow Margin

Note: Free cash flow growth based off the 2021 guidance of 30% free cash flow margin provided on 4/28/21, with the assumption that professional services grows inline with the mid-point of our subscription revenue guidance. These financial metrics are calculated on a non-GAAP basis. See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures.

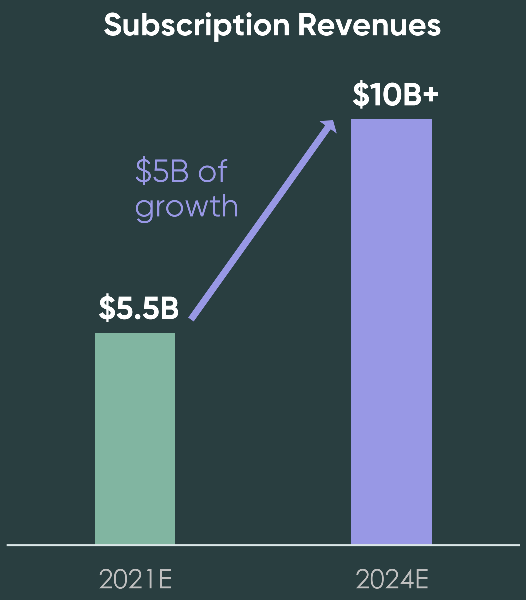
Priorities: continue to invest for strong, sustainable growth

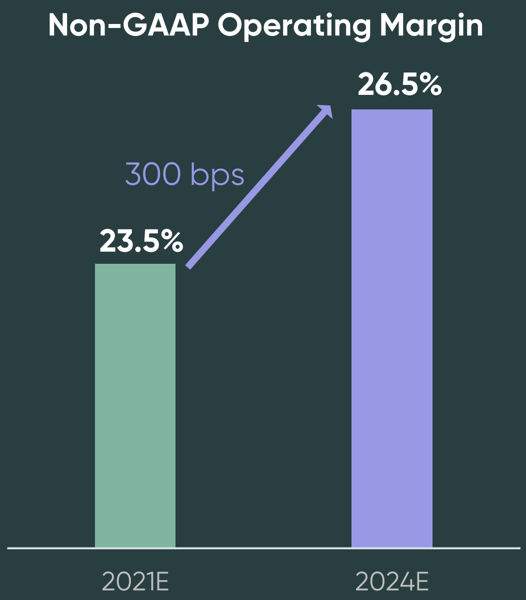
ServiceNow is a market leader, setting the workflow standard for digital transformation

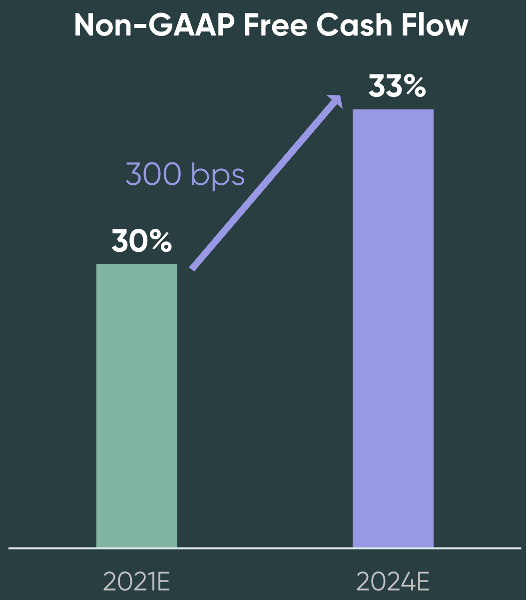
1. Committed to driving continued **high growth at scale**
2. Balanced with **steady margin expansion**
3. Making **disciplined investments** in key areas to ensure that we are well positioned to take advantage of, and **be a market leader** in the digital transformation acceleration

Be the trusted innovator for the C-Suite	Engage customers with a world class GTM machine	Force multiply NOW with industry/ ecosystem	Create product experiences that people love	Teamwork makes the dreamwork

2024 Target operating model







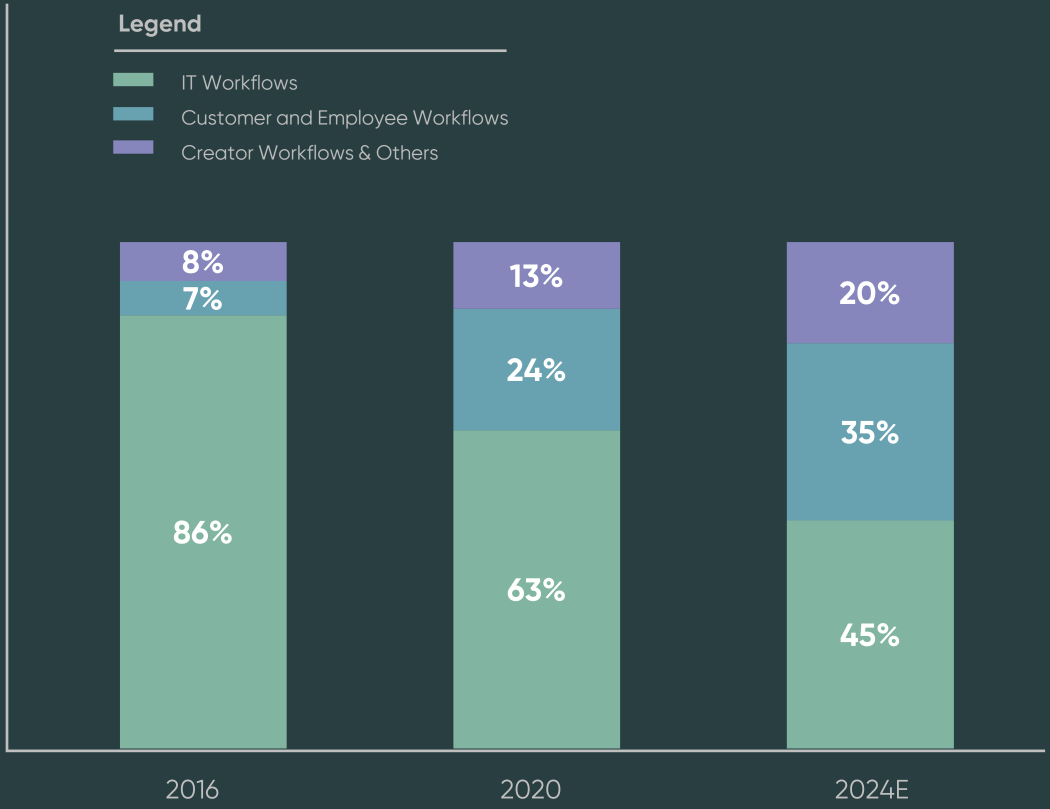
<2%
Annual Dilution

19-20%
Non-GAAP Tax Rate

Note: 2021 estimates based on the mid-point of guidance as of 4/28/21. Operating Margin expansion based on the 23.5% non-GAAP FY21 operating margin guidance provided on 4/28/21. Free cash flow growth based off the FY21 guidance of 30% free cash flow margin provided on 4/28/21, with the assumption that professional services grows inline with the mid-point of our subscription revenue guidance. Our non-GAAP presentation of tax rate excludes the tax effects of stock-based compensation expense, amortization of purchased intangibles, legal settlements, business combination and other related costs. See the tables included at the end of this presentation for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures. Annual dilution target for fully diluted shares outstanding excludes the issuance of additional shares of our common stock in the second half of 2022 upon the automatic exercise of the remaining portion of the 2022 Warrants associated with our 2022 Notes. See our Annual Report on Form 10-K filed on February 12, 2021 for additional information. Targets exclude material M&A.

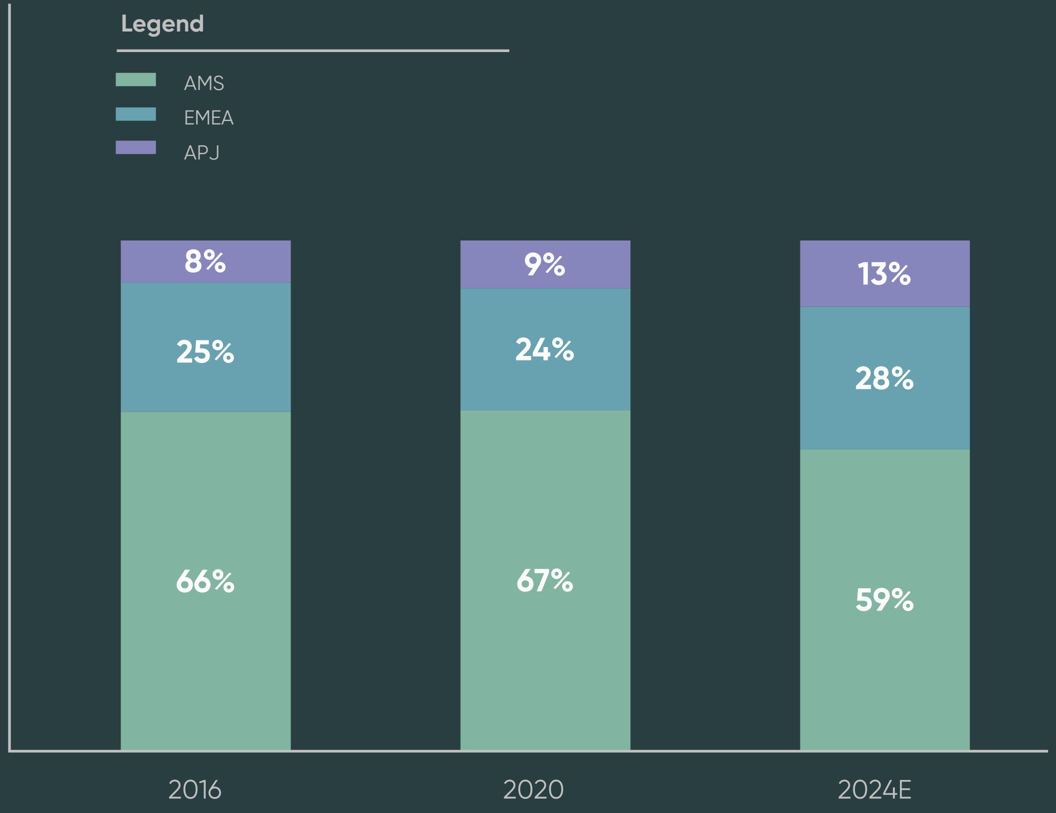
What do we look like at $10B in revenue

Workflow NNACV mix at $10B in revenue



(1) Historical presentations disclosed net new ACV contribution across products and are not comparable to net new ACV contribution across workflows and products disclosed herein.
(2) IT Workflows include IT Service Mgmt, IT Operations Mgmt, IT Business Mgmt, IT Asset Mgmt, DevOps, Security Operations, Governance, Risk and Compliance, Telecom Network Performance Mgmt; Customer and Employee Workflows include Customer Service Mgmt, Field Service Mgmt, Connected Operations, Financial Services Operations, Telecom Service Mgmt, HR Service Delivery, Workplace Service Delivery, Legal Service Delivery, Procurement Service Mgmt, Safe Workplace Suite; Creator Workflows & Others include App Engine, IntegrationHub, and Others.

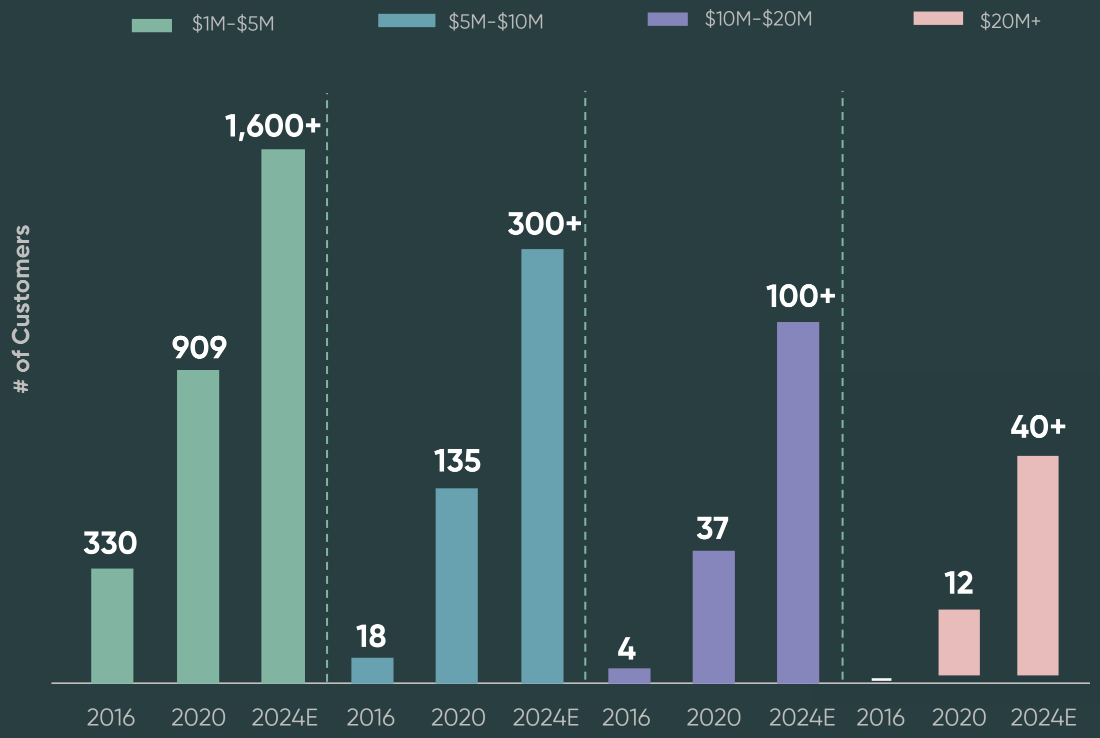
Geo NNACV mix at $10B in revenue



Customer Mix at $10B in revenue

2,000+

Customers paying $1M+ annually by 2024



Note: Previously disclosed number of customers with ACV greater than $1 million is restated to allow for comparability. ACV is calculated based on the foreign exchange rate in effect at the time the contract was entered into. Foreign exchange rate fluctuations could cause some variability in the number of customers with ACV greater than $1 million.

But we aren't stopping at $10B...

Targeting $15B+ by 2026

15+

$ Billion of Subscription Revenue

in 5

Years to Reach Target

And we will get there doing the right thing

Our Global Impact Strategy

IT Workflows | Employee Workflows | Customer Workflows | Creator Workflows

Workflow a better world

Changing the world one workflow at a time on the Now Platform

Sustaining our planet

Champion a resource efficient, net zero carbon environment

ESG priority issues: Climate and energy; Sustainable procurement; Waste

Key initiatives:
- Accelerate decarbonization
- Advance the circular economy

Creating equitable opportunity

Make work more equitable, accessible and rewarding for all people

ESG priority issues: Talent; Digital divide; DIBs; Community engagement; Future of work

Key initiatives:
- Empower the workforce of the future
- Cultivate diversity, inclusion and belonging
- Strengthen employee and community engagement

Acting with integrity

Build trust through ethical, transparent, and secure business practices

ESG priority issues: Data security and privacy; Governance and ethics; Business continuity

Key initiatives:
- Lead with ethics, transparency and disclosure
- Assure security and accountability
- Foster responsible and ethical use of data

servicenow

GAAP to Non-GAAP Reconciliation

GAAP to Non-GAAP Reconciliation – Billings and Normalized Billings

in millions (except %'s)	Q1-19	Q2-19	Q3-19	Q4-19	2019	Q1-20	Q2-20	Q3-20	Q4-20	2020	Q1-21	Q2-21E Midpoint	2021E Midpoint
GAAP Subscription Revenues	$ 740	$ 781	$ 835	$ 899	$ 3,255	$ 995	$ 1,016	$ 1,091	$ 1,184	$ 4,286	$ 1,293	$ 1,293	**$ 5,463**
(+/-) Change in Subscription Deferred Revenue, Unbilled Receivables, and Customer Deposits	70	36	29	399	533	60	3	(10)	643	696	72	(40)	735
Non-GAAP Subscription Billings	$ 810	$ 817	$ 864	$ 1,298	**$ 3,788**	$ 1,055	$ 1,018	$ 1,081	$ 1,828	$ 4,982	$ 1,365	$ 1,253	$ 6,198
YoY Non-GAAP Subscription Billings Growth Rates	*27%*	*32%*	*28%*	*36%*	***31%***	*30%*	*25%*	*25%*	*41%*	*32%*	*29%*	*23%*	*24%*
(+/-) Effects of Early Customer Payments	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	(80)	(80)	80	*N/A*	**80**
Non-GAAP Normalized Subscription Billings (1)	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	$ 1,748	$ 4,902	$ 1,445	*N/A*	$ 6,278
YoY Non-GAAP Normalized Subscription Billings Growth Rates	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*35%*	*29%*	*37%*	*N/A*	***28%***

(1) Our non-GAAP presentation of normalized subscription billings growth rate adjusts for an irregular payment cycle in 2020 where some customers paid us in both Q1 and Q4 2020. In Q4 2020, we received a substantial amount of subscription billings pulled forward from Q1 2021 due to early customer payments. We believe the high levels of early payments were the result of customers having excess cash at the end of 2020, due to the incremental cost savings they experienced from COVID-19 and are one-time in nature.

Note: Numbers rounded for presentation purposes

GAAP to Non-GAAP Reconciliation – Sales and Marketing Expense

in millions	2013*	2014*	2015*	2016	2017	2018	2019
GAAP Sales and Marketing	195	341	498	$ 660	$ 895	$ 1,203	$ 1,534
(-) Sales and Marketing SBC	22	54	102	132	171	228	268
(-) Sales and Marketing Amort of Purchased Intangibles	0	1	1	0	0	-	0
(-) Sales and Marketing Business Combination and Other Related Costs	0	0	0	-	-	-	-
Non-GAAP Sales and Marketing	173	287	396	$ 528	$ 724	$ 975	$ 1,266

* Prior to 2016, numbers reported under ASC 605
Note: Numbers rounded for presentation purposes

GAAP to Non-GAAP Reconciliation – Other

in millions (except %'s)	2015*	Margin*	2016	Margin	2017	Margin	2018	Margin	2019	Margin	2020	Margin	Q1-21	Margin	2021E	Margin
GAAP Income (Loss) from Operations	$ (166)	*(17%)*	$ (382)	*(27%)*	$ (64)	*(3%)*	$ (42)	*(2%)*	$ 42	*1%*	$ 199	*5%*	$ 97	*7%*	*N/A*	*4%*
(+) SBC	258	*26%*	318	*23%*	394	*21%*	544	*21%*	662	*19%*	870	*19%*	256	*19%*	*N/A*	*19%*
(+) Amort of Purchased Intangibles	12	*1%*	15	*1%*	20	*0%*	25	*1%*	35	*1%*	45	*1%*	17	*1%*	*N/A*	*1%*
(+) Business Combination and Other Related Costs	-	*0%*	1	*0%*	2	*0%*	1	*0%*	1	*0%*	6	*0%*	2	*0%*	*N/A*	*0%*
(+) Legal Settlements	-	*0%*	270	*19%*	-	*0%*	-	*0%*	-	*0%*	-		-	*0%*	*0%*	*0%*
Non-GAAP Income from Operations	$ 103	*10%*	$ 222	*16%*	$ 352	*18%*	$ 528	*20%*	$ 740	*21%*	$ 1,121	*25%*	$ 372	*27%*	*N/A*	*24%*
GAAP Net Cash Provided by Operating Activities	$ 318	*32%*	$ 159	*11%*	$ 643	*34%*	$ 811	*31%*	$ 1,236	*36%*	$ 1,787	*39%*	$ 727	*53%*	*N/A*	*37%*
(-) Purchases of Property and Equipment	88	*9%*	106	*7%*	151	*8%*	224	*9%*	265	*8%*	419	*9%*	(107)	*8%*	*N/A*	*7%*
(+) Cash Paid for Legal Settlements	-	*0%*	268	*19%*	-	*0%*	-	*0%*	-	*0%*	-		-	*0%*	*N/A*	*0%*
(+) Repayments of Convertible Senior Notes attributable to Debt Discount	-	*0%*	-	*0%*	-	*0%*	145	*6%*	-	*0%*	82	*2%*	7	*1%*	*N/A*	*0%*
Non-GAAP Free Cash Flow	$ 230	*23%*	$ 321	*23%*	$ 492	*26%*	$ 732	*28%*	$ 971	*28%*	$ 1,449	*32%*	$ 627	*46%*	*N/A*	*30%*

* Prior to 2016, numbers reported under ASC 605
Note: Numbers rounded for presentation purposes