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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended June 30, 2022

OR

☐ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Commission File Number: 001-35580



SERVICENOW, INC.

(Exact name of Registrant as specified in its charter)

Delaware	**20-2056195**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

ServiceNow, Inc.
2225 Lawson Lane
Santa Clara, California 95054
(Address, including zip code, of Registrant's principal executive offices)

(408) 501-8550
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and formal fiscal year, if changed since last report.)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, par value $0.001 per share	NOW	The New York Stock Exchange

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

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

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

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

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

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

As of June 30, 2022, there were approximately 202 million shares of the Registrant’s Common Stock outstanding.

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PART I

ITEM 1. FINANCIAL STATEMENTS

SERVICENOW, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions)

	June 30, 2022	December 31, 2021
Assets	(unaudited)	
Current assets:		
Cash and cash equivalents	$ 1,664	$ 1,728
Short-term investments	2,170	1,576
Accounts receivable, net	853	1,390
Current portion of deferred commissions	323	303
Prepaid expenses and other current assets	322	223
Total current assets	5,332	5,220
Deferred commissions, less current portion	640	623
Long-term investments	1,608	1,630
Property and equipment, net	876	766
Operating lease right-of-use assets	604	591
Intangible assets, net	257	287
Goodwill	803	777
Deferred tax assets	642	692
Other assets	340	212
Total assets	$ 11,102	$ 10,798
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 265	$ 89
Accrued expenses and other current liabilities	705	850
Current portion of deferred revenue	3,686	3,836
Current portion of operating lease liabilities	87	82
Current debt, net	—	92
Total current liabilities	4,743	4,949
Deferred revenue, less current portion	58	63
Operating lease liabilities, less current portion	572	556
Long-term debt, net	1,485	1,484
Other long-term liabilities	50	51
Total liabilities	6,908	7,103
Commitments and contingencies		
Stockholders' equity:		
Common stock	—	—
Additional paid-in capital	4,186	3,665
Accumulated other comprehensive income (loss)	(100)	34
Retained earnings (accumulated deficit)	108	(4)
Total stockholders' equity	4,194	3,695
Total liabilities and stockholders' equity	$ 11,102	$ 10,798

See accompanying notes to condensed consolidated financial statements

SERVICENOW, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in millions, except number of shares which are reflected in thousands and per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenues:				
Subscription	$ 1,658	$ 1,330	$ 3,289	$ 2,623
Professional services and other	94	79	185	146
Total revenues	1,752	1,409	3,474	2,769
Cost of revenues[1]:				
Subscription	287	248	562	476
Professional services and other	102	81	196	152
Total cost of revenues	389	329	758	628
Gross profit	1,363	1,080	2,716	2,141
Operating expenses[1]:				
Sales and marketing	722	557	1,395	1,081
Research and development	444	333	858	647
General and administrative	175	139	354	265
Total operating expenses	1,341	1,029	2,607	1,993
Income from operations	22	51	109	148
Interest expense	(6)	(7)	(12)	(14)
Other income, net	13	6	17	15
Income before income taxes	29	50	114	149
Provision for (benefit from) income taxes	9	(9)	19	8
Net income	$ 20	$ 59	$ 95	$ 141
Net income per share - basic	$ 0.10	$ 0.30	$ 0.47	$ 0.71
Net income per share - diluted	$ 0.10	$ 0.29	$ 0.47	$ 0.70
Weighted-average shares used to compute net income per share - basic	200,955	197,815	200,517	197,216
Weighted-average shares used to compute net income per share - diluted	203,018	202,274	203,228	202,348
Other comprehensive income (loss):				
Foreign currency translation adjustments	$ (62)	$ 14	$ (74)	$ (17)
Unrealized gain (loss) on investments, net of tax	(22)	—	(60)	(7)
Other comprehensive income (loss)	(84)	14	(134)	(24)
Comprehensive income (loss)	$ (64)	$ 73	$ (39)	$ 117

(1) Includes stock-based compensation as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Cost of revenues:				
Subscription	$ 39	$ 33	$ 75	$ 62
Professional services and other	$ 18	$ 15	34	28
Operating expenses:				
Sales and marketing	$ 113	$ 99	218	192
Research and development	$ 126	$ 98	241	186
General and administrative	$ 56	$ 37	109	70

See accompanying notes to condensed consolidated financial statements

SERVICENOW, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in millions, except number of shares which are reflected in thousands)
(unaudited)

	Three Months Ended June 30, 2022						Three Months Ended June 30, 2021					
	Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount					Shares	Amount				
Balance at beginning of the period	**200,457**	**$ —**	**$ 3,925**	**$ 88**	**$ (16)**	**$ 3,997**	**197,447**	**$ —**	**$ 3,133**	**$ (152)**	**$ 56**	**$ 3,037**
Common stock issued under employee stock plans	554	—	1	—	—	1	688	—	1	—	—	1
Taxes paid related to net share settlement of equity awards	—	—	(91)	—	—	(91)	—	—	(124)	—	—	(124)
Stock-based compensation	—	—	351	—	—	351	—	—	282	—	—	282
Shares granted related to business combination	—	—	—	—	—	—	—	—	6	—	—	6
Settlement of 2022 Warrants	603	—	—	—	—	—	—	—	—	—	—	—
Settlement of 2022 Notes conversion feature	—	—	(212)	—	—	(212)	—	—	(89)	—	—	(89)
Benefit from exercise of 2022 Note Hedge	—	—	212	—	—	212	—	—	89	—	—	89
Other comprehensive income (loss), net of tax	—	—	—	—	(84)	(84)	—	—	—	—	14	14
Net income	—	—	—	20	—	20	—	—	—	59	—	59
Balance at end of the period	**201,614**	**$ —**	**$ 4,186**	**$ 108**	**$ (100)**	**$ 4,194**	**198,135**	**$ —**	**$ 3,298**	**$ (93)**	**$ 70**	**$ 3,275**

	Six Months Ended June 30, 2022						Six Months Ended June 30, 2021					
	Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount					Shares	Amount				
Balance at beginning of the period	**199,608**	**$ —**	**$ 3,665**	**$ (4)**	**$ 34**	**$ 3,695**	**195,845**	**$ —**	**$ 2,974**	**$ (234)**	**$ 94**	**$ 2,834**
Cumulative-effect adjustment from adoption of Accounting Standards Update (ASU) 2020-06	—	—	(19)	17	—	(2)	—	—	—	—	—	—
Common stock issued under employee stock plans	1,403	—	106	—	—	106	1,754	—	95	—	—	95
Taxes paid related to net share settlement of equity awards	—	—	(241)	—	—	(241)	—	—	(315)	—	—	(315)
Stock-based compensation	—	—	675	—	—	675	—	—	538	—	—	538
Shares granted related to business combination	—	—	—	—	—	—	—	—	6	—	—	6
Settlement of 2022 Warrants	603	—	—	—	—	—	536	—	—	—	—	—
Settlement of 2022 Notes conversion feature	—	—	(233)	—	—	(233)	—	—	(191)	—	—	(191)

Benefit from exercise of 2022 Note Hedge	—	—	233	—	—	233	—	—	191	—	—	191
Other comprehensive income (loss), net of tax	—	—	—	—	(134)	(134)	—	—	—	—	(24)	(24)
Net income	—	—	—	95	—	95	—	—	—	141	—	141
Balance at end of the period	**201,614**	**$ —**	**$ 4,186**	**$ 108**	**$ (100)**	**$ 4,194**	**198,135**	**$ —**	**$ 3,298**	**$ (93)**	**$ 70**	**$ 3,275**

See accompanying notes to condensed consolidated financial statements

SERVICENOW, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)
(unaudited)

	Six Months Ended June 30,	
	2022	**2021**
Cash flows from operating activities:		
Net income	$ 95	$ 141
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	206	221
Amortization of deferred commissions	169	136
Stock-based compensation	677	537
Deferred income taxes	(3)	(16)
Repayments of convertible senior notes attributable to debt discount	—	(13)
Other	19	22
Changes in operating assets and liabilities, net of effect of business combinations:		
Accounts receivable	511	224
Deferred commissions	(237)	(217)
Prepaid expenses and other assets	(72)	(57)
Accounts payable	140	75
Deferred revenue	(44)	85
Accrued expenses and other liabilities	(165)	(111)
Net cash provided by operating activities	$ 1,296	$ 1,027
Cash flows from investing activities:		
Purchases of property and equipment	(244)	(198)
Business combinations, net of cash acquired	(57)	(738)
Purchases of investments	(1,774)	(1,132)
Purchases of non-marketable investments	(136)	(7)
Sales and maturities of investments	1,131	1,023
Others	—	1
Net cash used in investing activities	$ (1,080)	$ (1,051)
Cash flows from financing activities:		
Repayments of convertible senior notes attributable to principal	(94)	(53)
Proceeds from employee stock plans	106	95
Taxes paid related to net share settlement of equity awards	(241)	(315)
Net cash used in financing activities	$ (229)	$ (273)
Foreign currency effect on cash, cash equivalents and restricted cash	(49)	(11)
Net change in cash, cash equivalents and restricted cash	(62)	(308)
Cash, cash equivalents and restricted cash at beginning of period	1,732	1,679
Cash, cash equivalents and restricted cash at end of period	$ 1,670	$ 1,371
Cash, cash equivalents and restricted cash at end of period:		
Cash and cash equivalents	$ 1,664	$ 1,362
Restricted cash included in prepaid expenses and other current assets	6	9
Total cash, cash equivalents and restricted cash shown in the condensed consolidated statements of cash flows	$ 1,670	$ 1,371
Supplemental disclosures of other cash flow information:		
Interest paid	$ 11	$ 15
Income taxes paid, net of refunds	$ 21	$ 20
Non-cash investing and financing activities:		
Settlement of 2022 Notes conversion feature	$ 233	$ 191
Benefit from exercise of 2022 Note Hedge	$ 233	$ 191
Property and equipment included in accounts payable, accrued expenses and other liabilities	$ 59	$ 49

See accompanying notes to condensed consolidated financial statements

SERVICENOW, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Unless the context requires otherwise, references in this report to "ServiceNow," the "Company," "we," "us," and "our" refer to ServiceNow, Inc. and its consolidated subsidiaries.

(1) Description of the Business

ServiceNow was founded on a simple premise: a better technology platform will help work flow better. We help global enterprises across industries, universities and governments to digitize their workflows. We categorize the workflows we provide into four primary areas: Technology (formerly known as Information Technology), Employee, Customer and Creator. The products under each of our workflows help customers connect work across systems and silos to enable great experiences for people. The Now Platform is uniquely positioned to enable our customers' digital transformation from non-integrated enterprise technology solutions with manual and disconnected processes and activities, to integrated enterprise technology solutions with automation and connected processes and activities which increases our customers' resiliency and security and delivers additional value to their employees and consumers.

(2) Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements and condensed footnotes have been prepared in accordance with the applicable rules and regulations of the Securities and Exchange Commission (the "SEC") regarding interim financial reporting. Accordingly, they do not include all of the information and footnotes required by U.S. generally accepted accounting principles ("GAAP") for complete financial statements due to the permitted exclusion of certain disclosures for interim reporting. In the opinion of management, all adjustments (consisting of normal recurring items) considered necessary under GAAP for fair statement of results for the interim periods presented have been included. As a result of displaying amounts in millions, rounding differences may exist in the consolidated financial statements and footnote tables. The results of operations for the three and six months ended June 30, 2022 are not necessarily indicative of the results to be expected for the year ending December 31, 2022 or for other interim periods or future years. The condensed consolidated balance sheet as of December 31, 2021 is derived from audited consolidated financial statements; however, it does not include all of the information and footnotes required by GAAP for complete financial statements. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on February 3, 2022.

Principles of Consolidation

The accompanying condensed consolidated financial statements have been prepared in conformity with GAAP, and include our accounts and the accounts of our wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated upon consolidation.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as reported amounts of revenues and expenses during the reporting period. Such management estimates and assumptions include, but are not limited to, standalone selling price for each distinct performance obligation included in customer contracts with multiple performance obligations, the period of benefit for deferred commissions, valuation of intangible assets, the useful life of property and equipment and identifiable intangible assets, stock-based compensation expense and income taxes. Actual results could differ from those estimates. We assessed the impact of COVID-19 on the estimates and assumptions and determined there was no material impact.

In January 2022, we completed an assessment of the useful life of our data center equipment and determined we should increase the estimated useful life of data center equipment from three years to four years. This change in accounting estimate was effective beginning fiscal year 2022. Based on the carrying amount of data center equipment included in property and equipment, net as of December 31, 2021, the effect of this change in estimate for the three and six months ended June 30, 2022, was a reduction in depreciation expense of $19 million and $40 million, respectively, and an increase in net income of $16 million and $36 million, or $0.07 and $0.17 per share basic and $0.08 and $0.18 per share diluted, respectively.

Significant Accounting Policies

There were no significant changes to our significant accounting policies disclosed in "Note 2 – Summary of Significant Accounting Policies" of our Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on February 3, 2022, other than the change in useful life of our data center equipment, discussed above.

Concentration of Credit Risk and Significant Customers

Credit risk arising from accounts receivable is mitigated to a certain extent due to our large number of customers and their dispersion across various industries and geographies. As of June 30, 2022, we had one customer, a channel partner, that represented more than 10% of our accounts receivable balance. As of December 31, 2021, there were no customers that represented more than 10% of our accounts receivable balance. Further, there were no customers that individually exceeded 10% of our total revenues in any of the periods presented. Our customers in Russia represented an immaterial portion of our total consolidated revenues and our accounts receivable balance in each of the periods presented. For purposes of assessing concentration of credit risk and significant customers, a group of customers under common control or customers that are affiliates of each other are regarded as a single customer.

Recently Adopted Accounting Pronouncements

Debt with Conversion Options

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-06, "Debt–Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging–Contracts in Entity's Own Equity (Subtopic 815-40)" to simplify the accounting for convertible instruments and contracts on an entity's own equity. The standard results in our 2022 Notes being accounted for as a single unit of debt and requires the if-converted method to calculate diluted earnings per share calculation. We adopted this standard effective January 1, 2022 using a modified retrospective method, under which the basis of all convertible instruments outstanding at adoption have been adjusted to the amounts that would have been recorded had the new guidance been applied from inception. The previously recorded equity component of the convertible instrument outstanding and amortization of the debt discount and issuance costs classified as equity are reclassified from equity to debt through an adjustment to the opening balance of accumulated deficit as of January 1, 2022 which will result in reduced interest expense in future periods. Adoption of the standard resulted in a decrease to accumulated deficit of $17 million, decrease to additional paid-in capital of $19 million and an increase to debt, current of $2 million.

Further, we utilized the if-converted method for purposes of diluted net income per share. The impact of the change in methodology to determine diluted net income per share of common stock attributable to common stockholders is immaterial.

Acquired Contract Assets and Contract Liabilities

In October 2021, the FASB issued ASU 2021-08, "Business Combinations (Topic 805): Accounting for Acquired Contract Assets and Contract Liabilities," which requires contract assets and contract liabilities acquired in a business combination to be recognized and measured in accordance with Topic 606, *Revenue from Contracts with Customers,* as if the acquirer had originated the contracts. The new standard is effective for interim and annual periods beginning after December 15, 2022. Early adoption is permitted, including in an interim period, for any period for which financial statements have not yet been issued. However, adoption in an interim period other than the first fiscal quarter requires an entity to apply the new guidance to all prior business combinations that have occurred since the beginning of the annual period in which the new guidance is adopted. We elected to early adopt this standard in the second quarter beginning April 1, 2022. The adoption had no impact to our condensed consolidated financial statements during the three and six months ended June 30, 2022.

(3) Investments

Marketable Debt Securities

The following is a summary of our available-for-sale debt securities recorded within short-term and long-term investments on the condensed consolidated balance sheets (in millions):

	June 30, 2022			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-sale securities:				
Commercial paper	$ 576	$ —	$ (2)	$ 574
Corporate notes and bonds	2,969	—	(51)	2,918
Certificates of deposit	132	—	—	132
U.S. government and agency securities	68	—	(1)	67
Mortgage-backed and asset-backed securities	100	—	(13)	87
Total available-for-sale securities	$ 3,845	$ —	$ (67)	$ 3,778

	December 31, 2021			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-sale securities:				
Commercial paper	$ 528	$ —	$ —	$ 528
Corporate notes and bonds	2,418	1	(7)	2,412
Certificates of deposit	28	—	—	28
U.S. government and agency securities	140	—	—	140
Mortgage-backed and asset-backed securities	100	—	(2)	98
Total available-for-sale securities	$ 3,214	$ 1	$ (9)	$ 3,206

As of June 30, 2022, the contractual maturities of our available-for-sale debt securities, excluding those securities classified within cash and cash equivalents on the condensed consolidated balance sheet and mortgage-backed and asset-backed securities that do not have a single maturity, did not exceed 36 months. The fair values of available-for-sale securities, by remaining contractual maturity, are as follows (in millions):

	June 30, 2022
Due within 1 year	$ 2,170
Due in 1 year through 5 years	1,521
Instruments not due in single maturity	87
Total	$ 3,778

As of June 30, 2022 and December 31, 2021, the fair value of available-for-sale securities in a continuous loss position totaled $3,640 million and $2,416 million, the majority of which has been in a continuous unrealized loss position for less than 12 months.

The decline in fair value below amortized cost basis was not considered other than temporary as it is more likely than not we will hold the securities until maturity or a recovery of the cost basis, and credit-related impairment losses were not deemed material as of June 30, 2022.

Non-Marketable Equity Investments

As of June 30, 2022 and December 31, 2021, the total amount of non-marketable equity investments in privately-held companies included in other assets on our condensed consolidated balance sheets was $231 million and $99 million, respectively. Our non-marketable equity investments are accounted for using the measurement alternative which measures the investments at cost minus impairment, if any, plus or minus changes resulting from qualifying observable price changes resulting from the issuance of similar or identical securities in an orderly transaction by the same issuer. Determining whether an observed transaction is similar to a security within our portfolio requires judgment based on the rights and preferences of the securities. Recording upward and downward adjustments to the carrying value of our equity securities as a result of observable price changes requires quantitative assessments of the fair value of our securities using various valuation methodologies and involves the use of estimates. We classify these fair value measurements as Level 3 within the fair value hierarchy.

On December 31, 2021, we agreed to purchase $100 million of common and preferred shares of Celonis SE (“Celonis”), a privately held company that develops and sells process mining software, in exchange for cash. The transaction was completed in March 2022.

(4) Fair Value Measurements

The following table presents our fair value hierarchy for our assets measured at fair value on a recurring basis as of June 30, 2022 (in millions):

	Level 1	Level 2	Total
Cash equivalents:			
Money market funds	$ 727	$ —	$ 727
Commercial paper	—	228	228
Corporate notes and bonds	—	15	15
Certificates of deposit	—	—	—
Deposits	236	—	236
Marketable securities:			
Commercial paper	—	574	574
Corporate notes and bonds	—	2,918	2,918
Certificates of deposit	—	132	132
Mortgage-backed and asset-backed securities	—	87	87
U.S. government and agency securities	—	67	67
Total	$ 963	$ 4,021	$ 4,984

The following table presents our fair value hierarchy for our assets measured at fair value on a recurring basis as of December 31, 2021 (in millions):

	Level 1	Level 2	Total
Cash equivalents:			
Money market funds	$ 706	$ —	$ 706
Commercial paper	—	110	110
Corporate notes and bonds	—	28	28
Certificates of deposit	—	8	8
Deposits	235	—	235
Marketable securities:			
Commercial paper	—	528	528
Corporate notes and bonds	—	2,412	2,412
Certificates of deposit	—	28	28
Mortgage-backed and asset-backed securities	—	98	98
U.S. government and agency securities	—	140	140
Total	$ 941	$ 3,352	$ 4,293

We determine the fair value of our security holdings based on pricing from our service providers and market prices from industry-standard independent data providers. Such market prices may be quoted prices in active markets for identical assets (Level 1 inputs) or pricing determined using inputs other than quoted prices that are observable either directly or indirectly (Level 2 inputs) or using unobservable inputs which are supported by little or no market activity (Level 3 inputs). Our non-marketable equity investments are not included in the table above and are discussed in Note 3. See Note 8 for the fair value measurement of our derivative contracts and Note 10 for the fair value measurement of our long-term debt, which are also not included in the table above.

(5) Business Combinations

On June 15, 2022, we acquired Hitch Works, Inc., a skills mapping and intelligence company, to help our customers address talent gaps by connecting employee learning and development to workforce planning, for $57 million in a cash transaction. The purchase price was preliminarily allocated based on the estimated fair value of developed technology intangible asset of $14 million (five-year estimated useful life), deferred tax liabilities of $2 million and goodwill of $45 million, which is not deductible for income tax purposes.

Goodwill is primarily attributed to the value expected from synergies resulting from the Hitch Works, Inc. acquisition. The fair values assigned to tangible and intangible assets acquired and liabilities assumed are based on management's estimates and assumptions and may be subject to change as additional information is received. The provisional measurements of fair value for income taxes payable and deferred taxes may be subject to change as additional information is received and certain tax returns are finalized. The Company expects to finalize the fair value measurements as soon as practicable, but not later than one year from the acquisition date.

On June 15, 2021, we acquired LightStep, Inc., a leading observability solution provider, for $512 million in a cash transaction. The purchase price was allocated based on the estimated fair value of developed technology intangible asset of $85 million (five-year estimated useful life), customer-related and brand assets of $11 million, net tangible assets of $8 million, deferred tax liabilities of $6 million and goodwill of $413 million, which is not deductible for income tax purposes.

We have included the financial results of business combinations in the consolidated financial statements from the respective dates of acquisition, which were not material. Pro forma revenue and earnings amounts on a combined basis have not been presented as it is impracticable due to the lack of availability of historical financial statements that comply with GAAP.

(6) Goodwill and Intangible Assets

Goodwill balance consists of the following (in millions):

	Carrying Amount
Balance as of December 31, 2021	$ 777
Goodwill acquired	45
Foreign currency translation adjustments	(19)
Balance as of June 30, 2022	$ 803

Intangible assets consist of the following (in millions):

	June 30, 2022	December 31, 2021
Developed technology	$ 420	$ 415
Patents	69	69
Other	15	14
Intangible assets, gross	504	498
Less: accumulated amortization	(247)	(211)
Intangible assets, net	$ 257	$ 287

The weighted-average useful life of the acquired developed technology for the six months ended June 30, 2022 and 2021 was approximately five years. Amortization expense for intangible assets for the three months ended June 30, 2022 and 2021 was $20 million and $16 million, respectively, and for the six months ended June 30, 2022 and 2021 was $40 million and $33 million, respectively.

The following table presents the estimated future amortization expense related to intangible assets held at June 30, 2022 (in millions):

Years Ending December 31,	
Remainder of 2022	$ 40
2023	75
2024	68
2025	48
2026	18
Thereafter	8
Total future amortization expense	$ 257

(7) Property and Equipment

Property and equipment, net consists of the following (in millions):

	June 30, 2022	December 31, 2021
Computer equipment	$ 1,402	$ 1,226
Computer software	75	77
Leasehold and other improvements	214	200
Furniture and fixtures	78	74
Construction in progress	8	14
Property and equipment, gross	1,777	1,591
Less: Accumulated depreciation	(901)	(825)
Property and equipment, net	$ 876	$ 766

Construction in progress consists primarily of leasehold and other improvements and in-process software development costs. Depreciation expense for the three months ended June 30, 2022 and 2021 was $61 million and $78 million, respectively, and for the six months ended June 30, 2022 and 2021 was $119 million and $149 million, respectively.

(8) Derivative Contracts

As of June 30, 2022 and December 31, 2021, we had foreign currency forward contracts with total notional values of $511 million and $833 million, respectively, which are not designated as hedging instruments. Our foreign currency forward contracts are classified within Level 2 as the valuation inputs are based on quoted prices and market observable data of similar instruments in active markets, such as currency spot and forward rates. Outstanding foreign currency forward contracts are recorded at gross fair value as prepaid expenses and other current assets as well as accrued expenses and other current liabilities on the condensed consolidated balance sheets. The gross fair value of these foreign currency forward contracts was immaterial as of June 30, 2022 and December 31, 2021.

(9) Deferred Revenue and Performance Obligations

Revenues recognized during the three months ended June 30, 2022 and 2021 from amounts included in deferred revenue as of March 31, 2022 and 2021 were $1.5 billion and $1.2 billion, respectively.

Revenues recognized during the six months ended June 30, 2022 and 2021 from amounts included in deferred revenue as of December 31, 2021 and 2020 were $2.5 billion and $2.0 billion, respectively.

Remaining Performance Obligations

Transaction price allocated to remaining performance obligations (“RPO”) represents contracted revenue that has not yet been recognized, which includes deferred revenue and non-cancelable amounts that will be invoiced and recognized as revenues in future periods. RPO excludes contracts that are billed in arrears, such as certain time and materials contracts, as we apply the “right to invoice” practical expedient under relevant accounting guidance.

As of June 30, 2022, the total non-cancelable RPO under our contracts with customers was $11.5 billion and we expect to recognize revenues on approximately 50% of these RPO over the following 12 months. The majority of the non-current RPO will be recognized over the next 13 to 36 months.

(10) Debt

The following table summarizes the carrying value of our outstanding debt (in millions, except percentages):

	June 30, 2022		December 31, 2021	
	2030 Notes	2022 Notes	2030 Notes	2022 Notes
Current, net of unamortized debt discount and issuance costs of $0 million and $2 million, respectively	$ —	$ —	$ —	$ 92
Long-term, net of unamortized debt discount and issuance costs of $15 million and $16 million, respectively	1,485	—	1,484	—
Total debt	$ 1,485	$ —	$ 1,484	$ 92

We consider the fair value of the 2030 Notes and 2022 Notes at June 30, 2022 and December 31, 2021 to be a Level 2 measurement. The estimated fair value of the 2030 Notes and 2022 Notes at June 30, 2022 and December 31, 2021 is based on the closing trading price per $100 of the 2030 Notes and 2022 Notes as follows (in millions):

	June 30, 2022	December 31, 2021
2022 Notes	$ —	$ 440
2030 Notes	$ 1,174	$ 1,400

2030 Notes

In August 2020, we issued 1.40% fixed rate ten-year notes with an aggregate principal amount of $1.5 billion due on September 1, 2030 (the "2030 Notes"). The 2030 Notes were issued at 99.63% of principal and we incurred approximately $13 million for debt issuance costs. The effective interest rate for the 2030 Notes was 1.53% and included interest payable, amortization of debt issuance cost and amortization of debt discount, as applicable. Interest is payable semi-annually in arrears on March 1 and September 1 of each year, beginning on March 1, 2021, and the entire outstanding principal amount is due at maturity on September 1, 2030. The 2030 Notes are unsecured obligations and the indentures governing the 2030 Notes contain customary events of default and covenants that, among others and subject to exceptions, restrict the Company's ability to incur or guarantee debt secured by liens on specified assets or enter into sale and lease-back transactions with respect to specified properties.

2022 Notes

In May and June 2017, we issued an aggregate of $782.5 million of 0% convertible senior notes (the "2022 Notes"), which were due June 1, 2022 unless earlier converted or repurchased in accordance with their terms. The 2022 Notes did not bear interest, and we could not redeem the 2022 Notes prior to maturity. The 2022 Notes were unsecured obligations and did not contain any financial covenants or restrictions on the payments of dividends, the incurrence of indebtedness or the issuance or repurchase of securities by us or any of our subsidiaries.

As described in Note 2, we adopted the new accounting standard for debt with conversion options effective January 1, 2022 using a modified retrospective method, under which financial results reported in prior periods were not adjusted. Prior to the adoption of the new standard, in accounting for the issuance of the 2022 Notes and the related transaction costs, we valued and bifurcated the conversion option from the host debt instrument, referred to as debt discount, and recorded the conversion option of $160 million in equity at issuance. The resulting debt discount and transactions costs allocated to the liability component were amortized to interest expense using the effective interest method over the term of the 2022 Notes. Upon adoption of the new accounting standard on January 1, 2022, we recombined the liability and equity components of the 2022 Notes, including the related issuance costs, assuming the instrument was accounted for as a single liability from inception to the date of adoption. Issuance costs were presented as a deduction from the outstanding principal balance of the 2022 Notes and amortized to interest expense using the effective interest method over the term of the 2022 Notes.

	Convertible Date	Initial Conversion Price per Share	Initial Conversion Rate per $1,000 Par Value	Initial Number of Shares (in millions)
2022 Notes	February 1, 2022	$ 134.75	7.42 shares	6

Conversion of the 2022 Notes on or after the Convertible Date. On or after February 1, 2022 (the "Convertible Date"), a holder was able to convert all or any portion of its 2022 Notes at any time prior to the close of business on the second scheduled trading day immediately preceding maturity, and such conversions were settled on the maturity date.

Prior to the Convertible Date, holders of the 2022 Notes could convert their 2022 Notes at their option if during any calendar quarter if the last reported sale price of our common stock for at least 20 trading days during the period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day (in each case, the "Conversion Condition").

The Conversion Condition for the 2022 Notes was met for all the quarters ended June 30, 2018 through December 31, 2021, except for the quarter ended December 31, 2018. Therefore, our 2022 Notes were convertible at the holders' option beginning on July 1, 2018 through January 31, 2022, except for the quarter ended March 31, 2019 because the Conversion Condition for the 2022 Notes was not met for the quarter ended December 31, 2018.

During the six months ended June 30, 2022, we paid cash to settle $94 million in principal of the 2022 Notes, which was comprised of early conversions of $6 million and the remaining principal of $88 million for the final settlement on June 1, 2022, the maturity date of our 2022 Notes. As a result of the settlements, we also recorded a net reduction to additional paid-in capital of $212 million offset by $212 million benefit from the 2022 Note Hedge (as defined below).

Repurchase of 2022 Notes

On August 11, 2020, we repurchased $497 million in aggregate principal amount of the 2022 Notes (the "2022 Notes Repurchase") funded in part by the $1.1 billion proceeds received from the partial unwind of the 2022 Note Hedge (as defined below). The 2022 Notes Repurchase was accounted for as a debt extinguishment in which $493 million and $1.1 billion were allocated to the liability and equity components of the 2022 Notes, respectively. The cash consideration allocated to the liability component was based on the estimated fair value of the liability component utilizing a discount rate assuming a similar liability per the Company's credit rating with the same maturity, but without the conversion option, as of the repurchase date. The cash consideration allocated to the equity component was based on the aggregate cash consideration less the estimated fair value of the liability component. The loss on extinguishment of $39 million recorded as other income (expense), net, represents the difference between the allocated cash consideration and the carrying value of the liability component, which includes the proportionate amounts of unamortized debt discount and unamortized debt issuance costs in the amount of $43 million.

Note Hedge

To minimize the impact of potential economic dilution upon conversion of the 2022 Notes, we entered into convertible note hedge transactions (the "2022 Note Hedge") with certain investment banks, with respect to our common stock concurrently with the issuance of the 2022 Notes.

	Purchase	Initial Shares	Shares as of June 30, 2022
		(in millions)	
2022 Note Hedge	$ 128	6	—

The 2022 Note Hedge covered shares of our common stock at a strike price per share that corresponded to the initial conversion price of the 2022 Notes, subject to adjustment, and were exercisable upon conversion of the 2022 Notes. The 2022 Note Hedge expired upon the maturity of the 2022 Notes and as of June 30, 2022, the 2022 Note Hedge is no longer outstanding. The 2022 Note Hedge was intended to reduce the potential economic dilution upon conversion of the 2022 Notes in the event that the fair value per share of our common stock at the time of exercise is greater than the conversion price of the 2022 Notes. The 2022 Note Hedge was a separate transaction and was not part of the terms of the 2022 Notes. Holders of the 2022 Notes did not have any rights with respect to the 2022 Note Hedge. The 2022 Note Hedge did not impact earnings per share, as it was entered into to offset any dilution from the 2022 Notes.

On August 11, 2020, in connection with the 2022 Notes Repurchase, we entered into partial unwind agreements (the "Note Hedge Unwind") to reduce the number of options corresponding to the principal amount of the 2022 Notes Repurchase. We received $1.1 billion for the Note Hedge Unwind and the aggregate number of shares underlying the call options under the 2022 Note Hedge was reduced by 3.7 million shares. Consistent with early conversions of the 2022 Notes, proceeds received by the Company from the Note Hedge Unwind were used to settle a portion of the 2022 Notes Repurchase.

Warrants

	Proceeds	Initial Shares	Strike Price	First Expiration Date	Shares as of June 30, 2022
	(in millions)	(in millions)			(in millions)
2022 Warrants	$ 54	6	$ 203.40	September 1, 2022	—

Separately, we entered into warrant transactions with certain investment banks, whereby we sold warrants to acquire, subject to adjustment, the number of shares of our common stock shown in the table above (the "2022 Warrants"). If the average market value per share of our common stock for the reporting period, as measured under the 2022 Warrants, exceeded the strike price of the respective 2022 Warrants, such 2022 Warrants would have a dilutive effect on our earnings per share to the extent we report net income. The 2022 Warrants were separate transactions and were not remeasured through earnings each reporting period. The 2022 Warrants were not part of the 2022 Notes or 2022 Note Hedge.

In connection with the 2022 Notes Repurchase and early note conversions, we entered into partial unwind agreements to reduce the number of warrants outstanding under the 2022 Warrants by delivering an aggregate of 0.5 million shares of our common stock during the six months ended June 30, 2021.

In May 2022, we entered into unwind agreements to settle the remaining portion of the 2022 Warrants by delivering an aggregate of 0.6 million shares of our common stock during the six months ended June 30, 2022. Accordingly, as of June 30, 2022, the 2022 Warrants are no longer outstanding.

(11) Accumulated Other Comprehensive Income (Loss)

The components of accumulated other comprehensive income (loss), net of tax, consist of the following (in millions):

	June 30, 2022	December 31, 2021
Foreign currency translation adjustment	$ (28)	$ 46
Net unrealized gain (loss) on investments, net of tax	(72)	(12)
Accumulated other comprehensive income (loss)	$ (100)	$ 34

Reclassification adjustments out of accumulated other comprehensive income (loss) into net income were not material for all periods presented.

(12) Stockholders' Equity

Common Stock

We are authorized to issue a total of 600 million shares of common stock as of June 30, 2022. Holders of our common stock are not entitled to receive dividends unless declared by our board of directors. As of June 30, 2022, we had 201.6 million shares of common stock outstanding and had reserved shares of common stock for future issuance as follows (in thousands):

	June 30, 2022
Stock plans:	
Options outstanding	1,260
RSUs[1]	6,794
Shares of common stock available for future grants:	
2021 Equity Incentive Plan[2]	5,690
Amended and Restated 2012 Employee Stock Purchase Plan[2]	9,179
Total shares of common stock reserved for future issuance	22,923

(1) Represents the number of shares issuable upon settlement of outstanding restricted stock units ("RSUs") and performance-based RSUs ("PRSUs"), as discussed under Note 13.
(2) Refer to Note 13 for a description of these plans.

During the six months ended June 30, 2022 and 2021, we issued a total of 1.4 million shares and 1.8 million shares, respectively, from stock option exercises, vesting of RSUs, net of employee payroll taxes and purchases from the employee stock purchase plan ("ESPP"). In addition, as described in Note 10, during the six months ended June 30, 2022 and 2021, we issued 0.6 million and 0.5 million shares of our common stock upon the settlement of the remaining portion and partial unwind of the 2022 Warrants, respectively.

(13) Equity Awards

We currently have three equity incentive plans, our 2005 Stock Option Plan (the "2005 Plan"), 2012 Equity Incentive Plan (the "2012 Plan") and 2021 Equity Incentive Plan (the "2021 Plan"). The 2005 Plan was terminated in connection with our initial public offering in 2012 but continues to govern the terms of outstanding stock options that were granted prior to the termination of the 2005 Plan. We no longer grant equity awards pursuant to the 2005 Plan. The 2012 Plan was terminated in connection with the approval of the 2021 Plan on June 7, 2021 but continues to govern the terms of outstanding equity awards that were granted prior to the termination of the 2012 Plan. As of June 7, 2021, we no longer grant equity awards pursuant to the 2012 Plan.

The 2021 Plan and the 2012 Plan provide for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, RSUs, performance-based stock awards and other forms of equity compensation (collectively, "equity awards"). In addition, the 2021 Plan and the 2012 Plan provide for the grant of performance cash awards. Incentive stock options may be granted only to employees. All other equity awards may be granted to employees, including officers, as well as directors and consultants. Prior to June 7, 2021, the 2012 Plan share reserve was increased to the extent outstanding stock options under the 2005 Plan expire or terminate unexercised.

Our Amended and Restated 2012 Employee Stock Purchase Plan (the "2012 ESPP") authorizes the issuance of shares of common stock pursuant to purchase rights granted to our employees. The price at which common stock is purchased under the 2012 ESPP is equal to 85% of the fair market value of our common stock on the first or last day of the offering period, whichever is lower. Offering periods are six months long and begin on February 1 and August 1 of each year. Prior to June 7, 2021, the number of shares of common stock reserved for issuance automatically increased on January 1 of each year, by up to 1% of the total number of shares of common stock outstanding on December 31 of the preceding year as determined by our board of directors. Our board of directors elected not to increase the number of shares of common stock reserved for issuance under the 2012 ESPP pursuant to the provision described in the preceding sentence for the year ending December 31, 2022, and for the remaining term of the 2012 ESPP, the share reserve will not be increased without shareholder approval.

Stock Options

Stock options are exercisable at a price equal to the market value of the underlying shares of common stock on the date of the grant as determined by our board of directors or, for those stock options issued subsequent to our initial public offering, the closing price of our common stock as reported on the New York Stock Exchange on the date of grant. Stock options granted under the 2005 Plan and the 2012 Plan to new employees generally vest 25% one year from the date the requisite service period begins and continue to vest monthly for each month of continued employment over the remaining three years. One-time long-term performance-based options granted to the Chief Executive Officer ("2021 CEO Performance Award") and to certain executives (collectively "2021 Performance Awards") in the fourth quarter of 2021 under the 2021 Plan vest in eight equal tranches based on service conditions and achievement of both performance and market conditions. Options granted generally are exercisable for a period of up to ten years contingent on each holder's continuous status as a service provider.

A summary of stock option activity for the six months ended June 30, 2022 was as follows:

	Number of Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
	(in thousands)		(in years)	(in millions)
Outstanding at December 31, 2021	1,305	$ 551.39		
Granted	23	$ 591.66		
Exercised	(41)	$ 24.76		$ 22
Canceled	(2)	$ 84.80		
Outstanding at March 31, 2022	1,285	$ 569.70		
Granted	—	$ —		
Exercised	(24)	$ 24.92		$ 11
Canceled	(1)	$ 84.53		
Outstanding at June 30, 2022	1,260	$ 580.61	8.8	$ 71
Vested and expected to vest as of June 30, 2022	1,033	$ 564.45	8.7	$ 68
Vested and exercisable as of June 30, 2022	138	$ 143.25	5.3	$ 46

Aggregate intrinsic value represents the difference between the estimated fair value of our common stock and the exercise price of outstanding, in-the-money options. The total fair value of stock options vested during the six months ended June 30, 2022 was $6 million.

As of June 30, 2022, total unrecognized compensation cost, adjusted for estimated forfeitures, related to unvested stock options was approximately $115 million. The weighted-average remaining vesting period of unvested stock options at June 30, 2022 was approximately three years.

RSUs

A summary of RSU activity for the six months ended June 30, 2022 was as follows:

	Number of Shares	Weighted-Average Grant-Date Fair Value Per Share	Aggregate Intrinsic Value
	(in thousands)		(in millions)
Outstanding at December 31, 2021	5,808	$ 416.00	
Granted	2,612	$ 589.15	
Vested	(859)	$ 339.22	$ 494
Forfeited	(211)	$ 438.39	
Outstanding at March 31, 2022	7,350	$ 486.01	
Granted	390	$ 460.49	
Vested	(736)	$ 389.11	$ 324
Forfeited	(210)	$ 472.89	
Outstanding at June 30, 2022	6,794	$ 495.48	

RSUs outstanding as of June 30, 2022 were comprised of 6.3 million RSUs with only service conditions and 0.5 million RSUs with both service and performance conditions, including certain RSUs with additional market conditions.

PRSUs with service, performance and market vesting criteria are considered as eligible to vest when approved by the compensation committee of our board of directors in January of the year following the grant. The ultimate number of shares eligible to vest for PRSUs range from 0% to 200% of the target number of shares depending on achievement relative to the performance metrics and, for certain PRSUs, depend on our total shareholder return relative to that of the S&P 500 index over the applicable measurement period. The eligible shares subject to PRSUs granted during the six months ended June 30, 2022 will vest in February of the following year and semi-annually for the remaining two years contingent on each holder's continuous status as a service provider on the applicable vesting date. The number of PRSUs granted shown in the table above reflects the shares that could be eligible to vest at 100% of target for PRSUs and includes adjustments for over or under achievement for PRSUs granted in the prior year. We recognized $65 million and $54 million of stock-based compensation, net of actual and estimated forfeitures, associated with PRSUs on a graded vesting basis during the six months ended June 30, 2022 and 2021, respectively.

As of June 30, 2022, total unrecognized compensation cost, adjusted for estimated forfeitures, related to unvested RSUs was approximately $2.6 billion and the weighted-average remaining vesting period was approximately three years.

(14) Net Income Per Share

Basic net income per share attributable to common stockholders is computed by dividing net income attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net income per share is computed by dividing net income attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period, adjusted for the effects of dilutive shares of common stock, which are comprised of outstanding stock options, RSUs, ESPP obligations, the 2022 Notes and the 2022 Warrants. Stock awards with performance or market conditions are included in dilutive shares to the extent all conditions are met. The dilutive potential shares of common stock are computed using the treasury stock method or the as-if converted method, as applicable. The effects of outstanding stock options, RSUs, ESPP obligations, 2022 Notes and 2022 Warrants are excluded from the computation of diluted net income per share in periods in which the effect would be antidilutive.

The following tables present the calculation of basic and diluted net income per share attributable to common stockholders (in thousands, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Numerator:				
Net income	$ 19,772	$ 58,396	$ 95,122	$ 140,835
Denominator:				
Weighted-average shares outstanding - basic	200,955	197,815	200,517	197,216
Weighted-average effect of potentially dilutive securities:				
Common stock options	137	297	159	323
RSUs	1,251	2,913	1,678	3,375
2022 Notes	—	567	—	571
2022 Notes settlements	443	80	565	151
2022 Warrants	—	602	—	610
Settlement of 2022 Warrants	232	—	309	102
Weighted-average shares outstanding - diluted	203,018	202,274	203,228	202,348
Net income per share - basic	$ 0.10	$ 0.30	$ 0.47	$ 0.71
Net income per share - diluted	$ 0.10	$ 0.29	$ 0.47	$ 0.70

Potentially dilutive securities that are not included in the calculation of diluted net income per share because doing so would be antidilutive are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Common stock options	1,022	89	1,022	89
RSUs	3,875	1,619	3,457	1,658
ESPP obligations	159	137	159	137
Total potentially dilutive securities	5,056	1,845	4,638	1,884

(15) Income Taxes

We compute our provision for income taxes by applying the estimated annual effective tax rate to year-to-date income from recurring operations and adjust the provision for discrete tax items recorded in the period.

Our income tax provision was $9 million and $19 million for the three and six months ended June 30, 2022, respectively. The income tax provision was primarily attributable to the mix of earnings and losses in countries with differing statutory tax rates and the valuation allowance in the United States.

Our income tax (benefit) provision was $(9) million and $8 million for the three and six months ended June 30, 2021, respectively. The income tax (benefit) provision was primarily attributable to the mix of earnings and losses in countries with differing statutory tax rates, the valuation allowance in the United States, a tax rate change in a foreign jurisdiction and a valuation allowance release resulting from an acquisition.

We are subject to taxation in the United States and foreign jurisdictions. As of June 30, 2022, our tax years 2004 to 2021 remain subject to examination in most jurisdictions.

Due to differing interpretations of tax laws and regulations, tax authorities may dispute our tax filing positions. We periodically evaluate our exposures associated with our tax filing positions and believe that adequate amounts have been reserved for adjustments that may result from tax examinations.

(16) Commitments and Contingencies

Operating Leases

For some of our offices and data centers, we have entered into non-cancelable operating lease agreements with various expiration dates through 2035. Certain lease agreements include options to renew or terminate the lease, which are not reasonably certain to be exercised and therefore are not factored into our determination of lease payments.

Total operating lease costs were $28 million and $56 million excluding short-term lease costs, variable lease costs and sublease income, each of which were immaterial, for the three and six months ended June 30, 2022, respectively.

Total operating lease costs were $23 million and $46 million excluding short-term lease costs, variable lease costs and sublease income, each of which were immaterial, for the three and six months ended June 30, 2021, respectively.

For the six months ended June 30, 2022 and 2021, cash paid for amounts included in the measurement of operating lease liabilities was $38 million and $37 million, respectively. Operating lease liabilities arising from obtaining operating right-of-use assets totaled $68 million and $51 million for the six months ended June 30, 2022 and 2021, respectively.

As of June 30, 2022, the weighted-average remaining lease term is approximately nine years, and the weighted-average discount rate is 3%.

Maturities of operating lease liabilities as of June 30, 2022 are presented in the table below (in millions):

Remainder of 2022	$	53
2023		104
2024		92
2025		84
2026		64
Thereafter		372
Total operating lease payments		769
Less: imputed interest		(110)
Present value of operating lease liabilities	$	659

In addition to the amounts above, as of June 30, 2022, we have operating leases, primarily for offices, that have not yet commenced with undiscounted cash flows of $214 million. These operating leases will commence between 2022 and 2023 with lease terms of 12 years to 13 years.

Other Commitments

Other contractual commitments consist of data center and IT operations and sales and marketing activities. There were no material contractual obligations that were entered into during the six months ended June 30, 2022 that were outside the ordinary course of business.

In addition to the amounts above, the repayment of our 2030 Notes with an aggregate principal amount of $1.5 billion is due on September 1, 2030. Refer to Note 10 for further information regarding our Notes.

Further, $27 million of unrecognized tax benefits have been recorded as liabilities as of June 30, 2022.

Legal Proceedings

From time to time, we are party to litigation and other legal proceedings in the ordinary course of business. While the results of any litigation or other legal proceedings are uncertain, management does not believe the ultimate resolution of any pending legal matters is likely to have a material adverse effect on our financial position, results of operations or cash flows, except for those matters for which we have recorded a loss contingency. We accrue for loss contingencies when it is both probable that we will incur the loss and when we can reasonably estimate the amount of the loss or range of loss.

Generally, our subscription agreements require us to defend our customers for third-party intellectual property infringement and other claims. Any adverse determination related to intellectual property claims or other litigation could prevent us from offering our services and adversely affect our financial condition and results of operations.

Indemnification Provisions

Our agreements include provisions indemnifying customers against intellectual property and other third-party claims. In addition, we have entered into indemnification agreements with our directors, executive officers and certain other officers that will require us, among other things, to indemnify them against certain liabilities that may arise as a result of their affiliation with us. We have not incurred any costs as a result of such indemnification obligations and have not recorded any liabilities related to such obligations in the condensed consolidated financial statements.

(17) Information about Geographic Areas and Products

Revenues by geographic area, based on the location of our users, were as follows for the periods presented (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
North America[1]	$ 1,139	$ 888	$ 2,255	$ 1,771
EMEA[2]	433	378	867	721
Asia Pacific and other	180	143	352	277
Total revenues	$ 1,752	$ 1,409	$ 3,474	$ 2,769

Property and equipment, net by geographic area were as follows (in millions):

	June 30, 2022	December 31, 2021
North America[3]	$ 538	$ 484
EMEA[2]	199	176
Asia Pacific and other	139	106
Total property and equipment, net	$ 876	$ 766

(1) Revenues attributed to the United States were 94% of North America revenues for each of the three and six months ended June 30, 2022 and 2021, respectively.
(2) Europe, the Middle East and Africa ("EMEA")
(3) Property and equipment, net attributed to the United States were approximately 82% and 84% of property and equipment, net attributable to North America as of June 30, 2022 and December 31, 2021, respectively.

Subscription revenues consist of the following (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Digital workflow products	$ 1,463	$ 1,164	$ 2,903	$ 2,295
ITOM products	195	166	386	328
Total subscription revenues	$ 1,658	$ 1,330	$ 3,289	$ 2,623

Our digital workflow products include the Now Platform, IT Service Management, IT Business Management, IT Asset Management, Security Operations, Governance, Risk and Compliance, HR Service Delivery, Safe Workplace Suite of applications, Workplace Service Delivery, Legal Service Delivery, Customer Service Management, Field Service Management, Industry Solutions, App Engine and IntegrationHub, and are generally priced on a per user basis. Our IT Operations Management ("ITOM") products are generally priced on a subscription unit basis which allows us to measure customers' management of various IT resources, and decreasingly on a per node (physical or virtual server) basis.

(18) Subsequent Events

Subsequent to June 30, 2022, we entered into a non-cancelable, $500 million agreement with Microsoft to purchase cloud services over five years, as we accelerate Azure adoption for mutual customers.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition, results of operations and cash flows should be read in conjunction with the (1) unaudited condensed consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q, and (2) the audited consolidated financial statements and notes thereto and management's discussion and analysis of financial condition and results of operations for the year ended December 31, 2021 included in the Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC"), on February 3, 2022. This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements are often identified by the use of words such as "may," "will," "expect," "believe," "anticipate," "intend," "could," "estimate," or "continue," and similar expressions or variations. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to those identified herein, and those discussed in the section titled "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K filed with the SEC on February 3, 2022 and in Part II, Item 1A of this Quarterly Report on Form 10-Q and in our other SEC filings. We disclaim any obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

Investors and others should note that we announce material financial information to our investors using our investor relations website (https://www.servicenow.com/company/investor-relations.html), SEC filings, press releases, public conference calls and webcasts. We use these channels, as well as social media, to communicate with our investors and the public about our company, our services and other issues. It is possible that the information we post on social media could be deemed to be material information. Therefore, we encourage investors, the media, and others interested in our company to review the information we post on the social media channels listed on our investor relations website.

Our free cash flow measure included in the section entitled "—Key Business Metrics—Free Cash Flow," is not in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). This non-GAAP financial measure is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP. This measure may be different from non-GAAP financial measures used by other companies, limiting its usefulness for comparison purposes. We encourage investors to carefully consider our results under GAAP, as well as our supplemental non-GAAP results, to more fully understand our business.

Overview

ServiceNow was founded on a simple premise: a better technology platform will help work flow better. The company's purpose is to make the world work better for everyone. We help global enterprises across industries, universities and governments to digitize their workflows. The Now Platform enables us to connect systems, silos, departments and processes with digital workflows that are simple and easy to use. We categorize the workflows we provide into four primary areas: Technology (formerly known as Information Technology), Employee, Customer and Creator. The Now Platform is uniquely positioned to enable our customers' digital transformation from non-integrated enterprise technology solutions with manual and disconnected processes and activities, to integrated enterprise technology solutions with automation and connected processes and activities. The transformation to digital operations, enabled by the Now Platform, increases our customers' resiliency and security and delivers great experiences and additional value to their employees and consumers.

In response to the COVID-19 pandemic, we continue to focus on maintaining business continuity, helping our employees, customers and communities, and preparing for the future and the long-term success of our business. We are continuing to monitor the actual and potential effects of the COVID-19 pandemic across our business. The extent and continued impact of the COVID-19 pandemic on our business will depend on certain developments including the duration and spread of the outbreak and new variant strains of the virus; the availability and distribution of effective vaccines; the severity of the economic decline attributable to the pandemic and timing, nature and sustainability of economic recovery; and government responses, including vaccination or testing mandates, all of which are highly uncertain and unpredictable. Starting late 2021, many employees began to return to our offices for at least part of the week. Our return to work approach may vary among geographies depending on appropriate health protocols, and may change at any time depending on the severity of or spikes in COVID-19. The impact, if any, of these and any additional operational changes we may implement is uncertain but changes we have implemented have not affected and are not expected to affect our ability to maintain operations, including financial reporting systems, internal control over financial reporting and disclosure controls and procedures.

We are closely monitoring the unfolding events of the Russian invasion of Ukraine and its global impacts. While the conflict is still evolving and the outcome remains highly uncertain, we do not believe the Russia-Ukraine conflict will have a material impact on our business and results of operation. However, if the Russia-Ukraine conflict continues or worsens, leading to greater global economic disruptions and uncertainty, our business and results of operations could be materially impacted. Our customers in Russia represented an immaterial portion of our net assets and total consolidated revenues both as of and for the three months ended June 30, 2022 and December 31, 2021.

See the section "Risk Factors" in Part 1, Item 1A of our Annual Report on Form 10-K filed with the SEC on February 3, 2022 and in Part II, Item 1A of this Quarterly Report on Form 10-Q for further discussion of the possible impact of the COVID-19 pandemic and Russia-Ukraine conflict on our business.

Key Business Metrics

Remaining performance obligations. Transaction price allocated to remaining performance obligations ("RPO") represents contracted revenues that has not yet been recognized, which includes deferred revenue and non-cancelable amounts that will be invoiced and recognized as revenue in future periods. RPO excludes contracts that are billed in arrears, such as certain time and materials contracts, as we apply the "right to invoice" practical expedient under relevant accounting guidance. Current remaining performance obligations ("cRPO") represents RPO that will be recognized as revenue in the next 12 months.

As of June 30, 2022, our RPO was $11.5 billion, of which 50% represented cRPO. RPO and cRPO increased by 21% each, compared to June 30, 2021. Factors that may cause our RPO to vary from period to period include the following:

- *Foreign currency exchange rates*. While a majority of our contracts have historically been in U.S. Dollars, an increasing percentage of our contracts in recent periods has been in foreign currencies, particularly the Euro and British Pound Sterling. Fluctuations in foreign currency exchange rates as of the balance sheet date will cause variability in our RPO.

- *Mix of offerings*. In a minority of cases, we allow our customers to host our software by themselves or through a third-party service provider. In self-hosted offerings, we recognize a portion of the revenue upfront upon the delivery of the software and as a result, such revenue is excluded from RPO.

- *Subscription start date*. From time to time, we enter into contracts with a subscription start date in the future and these amounts are included in RPO if such contracts are signed by the balance sheet date.

- *Timing of contract renewals*. While customers typically renew their contracts at the end of the contract term, from time to time, customers may do so either before or after the scheduled expiration date. For example, in cases where we are successful in selling additional products or services to an existing customer, a customer may decide to renew its existing contract early to ensure that all its contracts expire on the same date. In other cases, prolonged negotiations or other factors may result in a contract not being renewed until after it has expired.

- *Contract duration*. While we typically enter into multi-year subscription services, the duration of our contracts varies. Further, we continue to see an increase in the number of 12-month agreements entered into with the U.S. Federal government throughout the year, with the highest number of agreements entered into in the quarter ended September 30 of each year, driven primarily by timing of their annual budget expenditures. We sometimes also enter into contracts with durations that have a 12-month or shorter term to enable such contracts to co-terminate with existing contracts. The contract duration will cause variability in our RPO.

Number of customers with ACV greater than $1 million. We count the total number of customers with annual contract value ("ACV") greater than $1 million as of the end of the period. We had 1,463 and 1,196 customers with ACV greater than $1 million as of June 30, 2022 and 2021, respectively. For purposes of customer count, a customer is defined as an entity that has a unique Dunn & Bradstreet Global Ultimate ("GULT") Data Universal Numbering System ("DUNS") number and an active subscription contract as of the measurement date. The DUNS number is a global standard for business identification and tracking. We make exceptions for holding companies, government entities and other organizations for which the GULT, in our judgment, does not accurately represent the ServiceNow customer. For example, while all U.S. government agencies roll up to "Government of the United States" under the GULT, we count each government agency that we contract with as a separate customer. Our customer count is subject to adjustments for acquisitions, spin-offs and other market activity; accordingly, we restate previously disclosed number of customers with ACV greater than $1 million calculations to allow for comparability. ACV is calculated based on the foreign exchange rate in effect at the time the contract was signed. Foreign exchange rate fluctuations could cause some variability in the number of customers with ACV greater than $1 million. We believe information regarding the total number of customers with ACV greater than $1 million provides useful information to investors because it is an indicator of our growing customer base and demonstrates the value customers are receiving from the Now Platform.

Free cash flow. We define free cash flow, a non-GAAP financial measure, as GAAP net cash provided by operating activities reduced by purchases of property and equipment. Purchases of property and equipment are otherwise included in cash used in investing activities under GAAP. We believe information regarding free cash flow provides useful information to investors because it is an indicator of the strength and performance of our business operations. However, our calculation of free cash flow may not be comparable to similar measures used by other companies. A calculation of free cash flow is provided below:

	Six Months Ended June 30,		
	2022	2021	% Change
	(dollars in millions)		
Free cash flow:			
Net cash provided by operating activities	$ 1,296	$ 1,027	26 %
Purchases of property and equipment	(244)	(198)	23 %
Free cash flow[(1)]	$ 1,052	$ 829	27 %

(1) Free cash flow for the six months ended June 30, 2021 includes the effect of $13 million relating to the repayments of convertible senior notes attributable to debt discount. Refer to Note 10 in the notes to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details.

We have historically seen higher collections in the quarter ended March 31 due to seasonality in timing of entering into customer contracts, which is significantly higher in the quarter ended December 31. Additionally, we have historically seen higher disbursements in the quarters ended March 31 and September 30 due to payouts under our annual commission plans, purchases under our employee stock purchase plan, payouts under our bonus plans and coupon payments related to our 2030 Notes beginning in 2021.

Renewal rate. We calculate our renewal rate by subtracting our attrition rate from 100%. Our attrition rate for a period is equal to the ACV from customers lost during the period, divided by the sum of (i) the total ACV from all customers that renewed during the period, excluding changes in price or users, and (ii) the total ACV from all customers lost during the period. Accordingly, our renewal rate is calculated based on ACV and is not based on the number of customers that have renewed. Further, our renewal rate does not reflect increased or decreased purchases from our customers to the extent such customers are not lost customers or lapsed renewal. A lost customer is a customer that did not renew an expiring contract and that, in our judgment, will not be renewed. Typically, a customer that reduces its subscription upon renewal is not considered a lost customer. However, in instances where the subscription decrease represents the majority of the customer's ACV, we may deem the renewal as a lost customer. For our renewal rate calculation, we define a customer as an entity with a separate production instance of our service and an active subscription contract as of the measurement date, instead of an entity with a unique GULT or DUNS number. We adjust our renewal rate for acquisitions, consolidations and other customer events that cause the merging of two or more accounts occurring at the time of renewal. Our renewal rate was 99% and 98% for the three and six months ended June 30, 2022, respectively, and 97% for each of the three and six months ended June 30, 2021. As our renewal rate is impacted by the timing of renewals, which could occur in advance of, or subsequent to the original contract end date, period-to-period comparison of renewal rates may not be meaningful.

Components of Results of Operations

Revenues

Subscription revenues. Subscription revenues are primarily comprised of fees that give customers access to the ordered subscription service for both self-hosted offerings and cloud-based subscription offerings, and related standard and enhanced support and updates, if any, to the subscription service during the subscription term. For our cloud-based offerings, we recognize revenue ratably over the subscription term. For self-hosted offerings, a substantial portion of the sales price is recognized upon delivery of the software, which may cause greater variability in our subscription revenues and subscription gross margin. Pricing includes multiple instances, hosting and support services, data backup and disaster recovery services, as well as future updates, when and if available, offered during the subscription term. We typically invoice our customers for subscription fees in annual increments upon execution of the initial contract or subsequent renewal. Our contracts are generally non-cancelable during the subscription term, though a customer can terminate for breach if we materially fail to perform.

Professional services and other revenues. Our arrangements for professional services are primarily on a time-and-materials basis and we generally invoice our customers monthly in arrears for the professional services based on actual hours and expenses incurred. Some of our professional services arrangements are on a fixed fee or subscription basis. Professional services revenues are recognized as services are delivered. Other revenues primarily consist of fees from customer training delivered on-site or through publicly available classes. Typical payment terms require our customers to pay us within 30 days of invoice.

We sell our subscription services primarily through our direct sales organization. We also sell services through managed service providers and resale partners. We also generate revenues from certain professional services and from training of customers and partner personnel, through both our direct team and indirect channel sales. Revenues from our direct sales organization represented 79% of our total revenues for each of the three and six months ended June 30, 2022 and 80% of our total revenues for each of the three and six months ended June 30, 2021. For purposes of calculating revenues from our direct sales organization, revenues from systems integrators and managed services providers are included as part of the direct sales organization.

Seasonality. We have historically experienced seasonality in terms of when we enter into customer agreements. We sign a significantly higher percentage of agreements with new customers, as well as expansion with existing customers, in the fourth quarter of each year. The increase in customer agreements for the fourth quarter is primarily a result of both large enterprise account buying patterns typical in the software industry, which are driven primarily by the expiration of annual authorized budgeted expenditures, and the terms of our commission plans, which incentivize our direct sales organization to meet their annual quotas by December 31. Furthermore, we usually sign a significant portion of these agreements during the last month, and often the last two weeks, of each quarter. This seasonality of entering into customer contracts is sometimes not immediately apparent in our revenues, due to the fact that we recognize subscription revenues from our cloud offering contracts over the term of the subscription agreement, which is generally 12 to 36 months, leading to a higher RPO in the fourth quarter and thereafter. Although these seasonal factors are common in the technology industry, historical patterns should not be considered a reliable indicator of our future sales activity or performance.

Cost of Revenues

Cost of subscription revenues. Cost of subscription revenues consists primarily of expenses related to hosting our services and providing support to our customers. These expenses are comprised of data center capacity costs, which include colocation costs associated with our data centers as well as interconnectivity between data centers, depreciation related to our infrastructure hardware equipment dedicated for customer use, amortization of intangible assets, expenses associated with software, public cloud service costs. IT services and dedicated customer support, personnel-related costs directly associated with data center operations and customer support, including salaries, benefits, bonuses and stock-based compensation and allocated overhead.

Cost of professional services and other revenues. Cost of professional services and other revenues consists primarily of personnel-related costs directly associated with our professional services and training departments, including salaries, benefits, bonuses and stock-based compensation, the costs of contracted third-party partners, travel expenses and allocated overhead.

Professional services are performed directly by our services team, as well as by contracted third-party partners. Fees paid by us to third-party partners are primarily recognized as cost of revenues as the professional services are delivered. Cost of revenues associated with our professional services engagements contracted with third-party partners as a percentage of professional services and other revenues was 13% and 12% for the three and six months ended June 30, 2022, respectively, and 14% and 12% for the three and six months ended June 30, 2021, respectively.

Sales and Marketing

Sales and marketing expenses consist primarily of personnel-related expenses directly associated with our sales and marketing staff, including salaries, benefits and bonuses and stock-based compensation. Sales and marketing expenses also include the amortization of commissions paid to our sales employees, including related payroll taxes and fringe benefits. In addition, sales and marketing expenses include branding expenses, marketing program expenses, which include events such as Knowledge, and costs associated with purchasing advertising and marketing data, software and subscription services dedicated for sales and marketing use and allocated overhead.

Research and Development

Research and development expenses consist primarily of personnel-related expenses directly associated with our research and development staff, including salaries, benefits, bonuses and stock-based compensation and allocated overhead. Research and development expenses also include data center capacity costs, costs associated with outside services contracted for research and development purposes and depreciation of infrastructure hardware equipment that is used solely for research and development purposes.

General and Administrative

General and administrative expenses consist primarily of personnel-related expenses for our executive, finance, legal, human resources, facilities and administrative personnel, including salaries, benefits, bonuses and stock-based compensation, external legal, accounting and other professional services fees, other corporate expenses, amortization of intangible assets and allocated overhead.

Provision for (Benefit from) Income Taxes

Provision for (benefit from) income taxes consists of federal, state and foreign income taxes. Due to cumulative losses, we maintain a valuation allowance against our U.S. deferred tax assets as of June 30, 2022. We consider all available evidence, both positive and negative, including but not limited to earnings history, projected future outcomes, industry and market trends and the nature of each of the deferred tax assets in assessing the extent to which a valuation allowance should be applied against our U.S. and foreign deferred tax assets.

Comparison of the Three Months Ended March 31, 2022 and 2021

Revenues

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
Revenues:						
Subscription	$ 1,658	$ 1,330	25 %	$ 3,289	$ 2,623	25 %
Professional services and other	94	79	19 %	185	146	27 %
Total revenues	$ 1,752	$ 1,409	24 %	$ 3,474	$ 2,769	25 %
Percentage of revenues:						
Subscription	95%	94%		95%	95%	
Professional services and other	5%	6%		5%	5%	
Total	100%	100%		100%	100%	

Subscription revenues increased by $328 million and $666 million for the three and six months ended June 30, 2022, respectively, compared to the three and six months ended June 30, 2021, primarily driven by increased purchases by new and existing customers. Included in subscription revenues is $49 million and $41 million of revenues recognized upfront from the delivery of software associated with self-hosted offerings during the three months ended June 30, 2022 and 2021, respectively, and $126 million and $114 million during the six months ended June 30, 2022 and 2021, respectively.

We expect subscription revenues for the year ending December 31, 2022 to increase in absolute dollars as we continue to add new customers and existing customers increase their usage of our products, but remain relatively flat as a percentage of revenues compared to the year ended December 31, 2021.

Our expectations for revenues, cost of revenues and operating expenses for the remainder of 2022 are based on the 30-day average of foreign exchange rates for June 2022.

Subscription revenues consist of the following:

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
Digital workflow products	$ 1,463	$ 1,164	26 %	$ 2,903	$ 2,295	26 %
ITOM products	195	166	17 %	386	328	18 %
Total subscription revenues	$ 1,658	$ 1,330	25 %	$ 3,289	$ 2,623	25 %

Our digital workflow products include the Now Platform, IT Service Management, IT Business Management, IT Asset Management, Security Operations, Governance, Risk and Compliance, HR Service Delivery, Safe Workplace Suite of applications, Workplace Service Delivery, Legal Service Delivery, Customer Service Management, Field Service Management, Industry Solutions, App Engine and IntegrationHub, and are generally priced on a per user basis. Our IT Operations Management ("ITOM") products are generally priced on a subscription unit basis which allows us to measure customers' management of various IT resources, and decreasingly on a per node (physical or virtual server) basis.

Professional services and other revenues increased by $15 million and $39 million during the three and six months ended June 30, 2022 compared to the three and six months ended June 30, 2021, respectively, due to an increase in services and trainings provided to new and existing customers. We expect professional services and other revenues for the year ending December 31, 2022 to increase in absolute dollars but remain relatively flat as a percentage of revenues compared to the year ended December 31, 2021. We are increasingly focused on deploying our internal professional services organization as a strategic resource and relying on our partner ecosystem to contract directly with customers for implementation services delivery.

Cost of Revenues and Gross Profit Percentage

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
Cost of revenues:						
Subscription	$ 287	$ 248	16 %	$ 562	$ 476	18 %
Professional services and other	102	81	26 %	196	152	29 %
Total cost of revenues	$ 389	$ 329	18 %	$ 758	$ 628	21 %
Gross profit percentage:						
Subscription	83%	81%		83%	82%	
Professional services and other	(9%)	(3%)		(6%)	(4%)	
Total gross profit percentage	78%	77%		78%	77%	
Gross profit	$ 1,363	$ 1,080		$ 2,716	$ 2,141	

Cost of subscription revenues increased by $39 million and $86 million for the three and six months ended June 30, 2022, respectively compared to the three and six months ended June 30, 2021, primarily due to increased headcount and increased costs to support the growth of our subscription offerings including costs to support customers in regulated markets. Personnel-related costs including stock-based compensation and overhead expenses increased by $33 million and $68 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year. Maintenance costs to support the expansion of our data center capacity, including public cloud service costs, increased by $15 million and $30 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year. Amortization of intangible assets increased by $4 million and $10 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year. Depreciation expense related to data center hardware and software decreased by $15 million and $27 million, primarily due to the change in estimated useful life of data center equipment from three years to four years, for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year.

We expect our cost of subscription revenues for the year ending December 31, 2022 to increase in absolute dollars as we provide subscription services to more customers and increase usage within our customer instances but remain relatively flat as a percentage of revenues compared to the year ended December 31, 2021. Our subscription gross profit percentage was 83% for each of the three and six months ended June 30, 2022, compared to 81% and 82% for the three and six months ended June 30, 2021, respectively. We expect our subscription gross profit percentage to remain relatively flat for the year ending December 31, 2022 compared to the year ended December 31, 2021. We will continue to incur incremental costs to attract customers in regulated markets by adopting public cloud offerings as well as increased support for customers impacted by new and evolving data residency requirements. To the extent future acquisitions are consummated, our cost of subscription revenues may increase due to additional non-cash charges associated with the amortization of intangible assets acquired.

Cost of professional services and other revenues increased by $21 million and $44 million for the three and six months ended June 30, 2022, respectively, compared to the three and six months ended June 30, 2021, primarily due to increased headcount to support growth resulting in an increase in personnel-related costs including stock-based compensation, travel and overhead expenses.

Our professional services and other gross loss percentage increased to 9% and 6% for the three and six months ended June 30, 2022, respectively, from a loss of 3% and 4% for the three and six months ended June 30, 2021, respectively, primarily driven by planned increase in headcount costs to support the business growth and increase in travel expense for customer implementations. We expect our professional services and other gross loss percentage to worsen for the year ending December 31, 2022 as we expect additional costs to support business growth and increases in travel expenses compared to the year ended December 31, 2021.

Sales and Marketing

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
Sales and marketing	$ 722	$ 557	30 %	$ 1,395	$ 1,081	29 %
Percentage of revenues	41%	40%		40%	39%	

Sales and marketing expenses increased by $165 million and $314 million for the three and six months ended June 30, 2022, respectively, compared to the three and six months ended June 30, 2021, primarily due to increased headcount, resulting in an increase in personnel-related costs including stock-based compensation and overhead expenses of $110 million and $202 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year. Amortization expenses associated with deferred commissions increased by $17 million and $35 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year, due to an increase in contracts with new customers, expansion and renewal contracts. Other sales and marketing program expenses, which includes branding, costs associated with purchasing advertising, marketing events and market data, increased by $32 million and $68 million during the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year, primarily due to increased program costs and travel for our annual Knowledge user conference.

We expect sales and marketing expenses for the year ending December 31, 2022 to increase in absolute dollars, but remain relatively flat as a percentage of revenues compared to the year ended December 31, 2021, as we continue to see leverage from increased sales productivity and marketing efficiencies offset by growth in our international operations and increases in travel expenses in 2022.

Research and Development

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
Research and development	$ 444	$ 333	33 %	$ 858	$ 647	33 %
Percentage of revenues	25%	24%		25%	23%	

Research and development expenses increased by $111 million and $211 million for the three and six months ended June 30, 2022, respectively, compared to the three and six months ended June 30, 2021, primarily due to increased headcount, resulting in an increase in personnel-related costs including stock-based compensation and overhead expenses of $103 million and $197 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year.

We expect research and development expenses for the year ending December 31, 2022 to increase in absolute dollars but remain relatively flat as a percentage of revenues compared to the year ended December 31, 2021 as we continue to improve the existing functionality of our services, develop new applications to fill market needs and enhance our core platform.

General and Administrative

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
General and administrative	$ 175	$ 139	26 %	$ 354	$ 265	34 %
Percentage of revenues	10%	10%		10%	10%	

General and administrative expenses (“G&A”) increased by $36 million and $89 million for the three and six months ended June 30, 2022, respectively, compared to the three and six months ended June 30, 2021, primarily due to increased headcount, resulting in an increase in personnel-related costs including stock-based compensation of $37 million and $82 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year.

We expect G&A expenses to increase in absolute dollars for the year ending December 31, 2022 but remain relatively flat as a percentage of revenues compared to the year ended December 31, 2021, as we continue to see leverage from continued G&A productivity, offset by higher stock-based compensation related to one-time long-term performance-based options granted to the Chief Executive Officer (“2021 CEO Performance Award") and to certain executives (collectively “2021 Performance Awards”).

Stock-based Compensation

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
Cost of revenues:						
Subscription	$ 39	$ 33	18 %	$ 75	$ 62	21 %
Professional services and other	18	15	20 %	34	28	21 %
Operating expenses:						
Sales and marketing	113	99	14 %	218	192	14 %
Research and development	126	98	29 %	241	186	30 %
General and administrative	56	37	51 %	109	70	56 %
Total stock-based compensation	$ 352	$ 282	25 %	$ 677	$ 538	26 %
Percentage of revenues	20%	20%		19%	19%	

Stock-based compensation increased by $70 million and $139 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year, primarily due to additional grants to current and new employees.

Stock-based compensation is inherently difficult to forecast due to fluctuations in our stock price. Based upon our stock price as of June 30, 2022, we expect stock-based compensation to continue to increase in absolute dollars for the year ending December 31, 2022 as we continue to issue stock-based awards to our employees, but remain relatively flat as a percentage of revenues compared to the year ended December 31, 2021. We expect stock-based compensation as a percentage of revenues to decline over time as we continue to grow.

Foreign Currency Exchange

Our international operations have provided and will continue to provide a significant portion of our total revenues. Revenues outside North America represented 35% of total revenues for each of the three and six months ended June 30, 2022, and 37% and 36% of total revenues for the three and six months ended June 30, 2021, respectively.

Because we primarily transact in foreign currencies for sales outside of the United States, the general strengthening of the U.S. Dollar relative to other major foreign currencies (primarily the Euro and British Pound Sterling) had an unfavorable impact on our revenues for the three and six months ended June 30, 2022. For entities reporting in currencies other than the U.S. Dollar, if we had translated our results for the three and six months ended June 30, 2022 at the exchange rates in effect for the three and six months ended June 30, 2021 rather than the actual exchange rates in effect during the period, our reported subscription revenues would have been $66 million and $101 million higher, respectively. We expect to see an incremental strengthening of the US dollar resulting in further foreign currency impact to subscription revenue for the second half of fiscal 2022. The impact from the foreign currency movements from the three and six months ended June 30, 2021 to the three and six months ended June 30, 2022 was not material for professional services and other revenues.

In addition, because we primarily transact in foreign currencies for cost of revenues and operating expenses outside of the United States, the general strengthening of the U.S. Dollar relative to other major foreign currencies had a favorable impact on our cost of revenues and sales and marketing expenses for each of the three and six months ended June 30, 2022. For entities reporting in currencies other than the U.S. Dollar, if we had translated our results for the three and six months ended June 30, 2022 at the exchange rates in effect for the three and six months ended June 30, 2021 rather than the actual exchange rates in effect during the period, our reported cost of revenues would have been $12 million and $18 million higher, respectively and sales and marketing expenses would have been $21 million and $30 million higher for the three and six months ended June 30, 2022, respectively. The impact from the foreign currency movements from the three and six months ended June 30, 2021 to the three and six months ended June 30, 2022 was not material to research and development and general and administrative expenses.

Interest Expense

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
Interest expense	$ (6)	$ (7)	(14 %)	$ (12)	$ (14)	(14 %)
Percentage of revenues	— %	—%		— %	(1%)	

Interest expense decreased for the three and six months ended June 30, 2022 compared to the same periods in the prior year, due to a decrease in amortization expense of the debt discount and issuance costs as a result of settlement of the outstanding principal balance of the 2022 Notes and due to the adoption of the new accounting standard for debt with conversion options. We expect to incur approximately $11 million of interest expense related to the 2030 Notes in the second half of fiscal 2022.

Other Income, net

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
Interest income	$ 12	$ 5	140 %	$ 17	$ 11	55 %
Other	1	1	— %	—	4	(100 %)
Other income, net	$ 13	$ 6	117 %	$ 17	$ 15	13 %
Percentage of revenues	1%	—%		—%	1%	

Other income, net, increased by $7 million and $2 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in the prior year, primarily driven by an increase in investment income from our managed portfolio.

To mitigate our risks associated with fluctuations in foreign currency exchange rates, we enter into foreign currency derivative contracts with maturities of 12 months or less to hedge a portion of our net outstanding monetary assets and liabilities. These hedging contracts may reduce, but cannot entirely eliminate, the impact of adverse currency exchange rate movements.

Provision for (Benefit from) Income Taxes

	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
	(dollars in millions)			(dollars in millions)		
Income before income taxes	$ 29	$ 50	(42 %)	$ 114	$ 149	(23 %)
Provision for (benefit from) income taxes	$ 9	$ (9)	(200 %)	19	8	138 %
Effective tax rate	31%	(18%)		17%	5%	

Our income tax provision was $9 million and $19 million for the three and six months ended June 30, 2022, respectively. The income tax provision was primarily attributable to the mix of earnings and losses in countries with differing statutory tax rates and the valuation allowance in the United States.

Our income tax (benefit) provision was $(9) million and $8 million for the three and six months ended June 30, 2021, respectively. The income tax (benefit) provision was primarily attributable to the mix of earnings and losses in countries with differing statutory tax rates, the valuation allowance in the United States, a tax rate change in a foreign jurisdiction and a valuation allowance release resulting from an acquisition.

We continue to maintain a full valuation allowance on our U.S. federal and state deferred tax assets and the significant components of the tax expense recorded are current cash taxes payable in various jurisdictions. The cash tax expenses are impacted by each jurisdiction's individual tax rates, laws on timing of recognition of income and deductions, and availability of net operating losses and tax credits. Given the full valuation allowance on our U.S. federal and state deferred tax assets, sensitivity of current cash taxes to local rules and our foreign structuring, we expect that our effective tax rate could fluctuate significantly on a quarterly basis and could be adversely affected to the extent earnings are lower than anticipated in countries that have lower statutory rates and higher than anticipated in countries that have higher statutory rates. To the extent sufficient positive evidence becomes available, we may release all or a portion of our valuation allowance in one or more future periods. A release of the valuation allowance, if any, would result in the recognition of certain deferred tax assets and a material income tax benefit for the period in which such release is recorded.

Liquidity and Capital Resources

We generate cash inflows from operations primarily from selling subscription services which are generally paid in advance of provisioning services, and cash outflows to develop new services and core technologies that further enhance the Now Platform, engage our customer and enhance their experience, and enable and transform our business operations. Subscription services arrangements typically have a three-year duration, and we have experienced a renewal rate of 98% over the last three years. Cash outflows from operations are principally comprised of the salaries, bonuses, commissions, and benefits for our workforce; licenses and services arrangements that are integral to our business operations and data centers; and operating lease arrangements that underlie our facilities. We have generated positive operating cash flows over the last ten years as we continue to grow our business in pursuit of our business strategy, and we expect to grow our business and generate positive cash flows from operations during 2022. When assessing sources of liquidity, we also include cash and cash equivalents, short-term investments and long-term investments totaling $5.4 billion as of June 30, 2022.

Our working capital requirements are principally comprised of non-contract workforce salaries, bonuses, commissions, and benefits and, to a lesser extent, cancelable and non-cancelable licenses and services arrangements that are integral to our business operations, and operating lease obligations. In addition, we made the payment for the investment in Celonis SE of $100 million during the six months ended June 30, 2022. Operating lease obligations totaling $769 million are principally associated with leased facilities and have varying maturities with $425 million due over the next five years.

To grow our business, we also invest in capital and other resources to expand our data centers and enable our workforce, and we acquire technology and businesses to supplement our technology portfolio. Our capital expenditures are typically under cancelable arrangements primarily used to support the installed base and growth of our hosted business. We have also issued long-term debt to finance our business. In August 2020, we issued 1.40% fixed rate ten-year notes with an aggregate principal amount of $1.5 billion due on September 1, 2030 (the "2030 Notes"). In May and June 2017, we issued the 2022 Notes with an aggregate principal amount of $782.5 million. During the six months ended June 30, 2022, we paid cash to settle $94 million in principal of the 2022 Notes, which was comprised of early conversions of $6 million and remaining principal of $88 million for final settlement on June 1, 2022, the maturity date of our 2022 Notes.

Our free cash flows, together with our other sources of liquidity, are available to service our liabilities as well as our cancelable and non-cancelable arrangements. We anticipate cash flows generated from operations, cash, cash equivalents and investments will be sufficient to meet our liquidity needs for at least the next 12 months. As we look beyond the next 12 months, we seek to continue to grow free cash flows necessary to fund our operations and grow our business. If we require additional capital resources, we may seek to finance our operations from the current funds available or additional equity or debt financing.

	Six Months Ended June 30,	
	2022	2021
	(dollars in millions)	
Net cash provided by operating activities	$ 1,296	$ 1,027
Net cash used in investing activities	$ (1,080)	$ (1,051)
Net cash used in financing activities	$ (229)	$ (273)
Net change in cash, cash equivalents and restricted cash	$ (62)	$ (308)

Operating Activities

Net cash provided by operating activities was $1,296 million for the six months ended June 30, 2022 compared to $1,027 million for the six months ended June 30, 2021. The net increase in operating cash flow was primarily due to higher collections driven by revenue growth.

Investing Activities

Net cash used in investing activities for the six months ended June 30, 2022 was $1,080 million compared to $1,051 million for the six months ended June 30, 2021. The increase in cash used in investing activities was primarily due to a $534 million increase in net purchases of investments, a $129 million increase in non-marketable investments mainly in Celonis SE, and a $46 million increase in purchases of property and equipment, offset by a $681 million decrease in business combinations.

Financing Activities

Net cash used in financing activities was $229 million for the six months ended June 30, 2022 compared to $273 million for the six months ended June 30, 2021. The decrease in cash used in financing activities is primarily due to a $74 million decrease in taxes paid related to net share settlement of equity awards, a $11 million increase in proceeds from employee stock plans, offset by a $41 million increase in repayments of convertible senior notes attributable to principal.

Critical Accounting Policies and Significant Judgments and Estimates

There have been no significant changes to our critical accounting policies and estimates as described in our Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on February 3, 2022, other than the change in useful life of our data center equipment, discussed in Note 2.

New Accounting Pronouncements Pending Adoption

The impact of recently issued accounting standards is set forth in Note 2, Summary of Significant Accounting Policies, of the notes to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

ITEM 3. QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in our market risk compared to the disclosures in Part II, Item 7A in our Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on February 3, 2022.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Regulations under the Exchange Act require public companies, including our company, to maintain “disclosure controls and procedures,” which are defined in Rule 13a-15(e) and Rule 15d-15(e) to mean a company’s controls and other procedures that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our principal executive officer and principal financial officer, or persons performing similar functions, as appropriate, to allow timely decisions regarding required or necessary disclosures. In designing and evaluating our disclosure controls and procedures, management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. Our Chief Executive Officer and Chief Financial Officer have concluded, based on the evaluation of the effectiveness of the disclosure controls and procedures by our management as of June 30, 2022, that our disclosure controls and procedures were effective at the reasonable assurance level for this purpose.

Changes in Internal Control over Financial Reporting

There were no changes to our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended June 30, 2022 that have materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

From time to time, we are party to litigation and other legal proceedings in the ordinary course of business. While the results of any litigation or other legal proceedings are uncertain, we are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, financial position, results of operations or cash flows.

ITEM 1A. RISK FACTORS

Investing in our securities involves risks. You should carefully consider the risks and uncertainties described under the section "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K filed with the SEC on February 3, 2022 and below and all of the other information in this Quarterly Report on Form 10-Q, including our condensed consolidated financial statements and related notes, before making an investment decision. The section "Risk Factors" in our Annual Report on Form 10-K filed with the SEC on February 3, 2022 and subsequent Quarterly Reports on Form 10-Q identify the risks and uncertainties, though they are not the only ones we face, that could materially and adversely affect our business, financial condition or results of operations. Our business could be harmed by any of these risks or additional risks and uncertainties not presently known to us or that we currently believe to be immaterial. Our stock price could decline due to any of these risks.

Risks Related to Our Ability to Grow Our Business

If we fail to comply with applicable anti-corruption and anti-bribery laws, export control laws, trade sanction laws, or other global trade laws, we could be subject to penalties and civil and/or criminal sanctions and our business could be materially adversely affected.

As we continue to expand our business internationally, we will inevitably do more business with large enterprises and the public sector in countries that are perceived to have heightened levels of public sector corruption. Increased business in countries perceived to have heightened levels of corruption subjects us and our officers and directors to increased scrutiny and increased liability from our business operations. We have implemented and continue to update our compliance program but there is a risk that our employees, partners and agents, as well as those companies to which we outsource certain of our business operations, could take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. In addition, we are subject to global trade laws that apply to our worldwide operations, including restrictions on conducting business in certain restricted countries or with certain entities or individuals. For example, the U.S. and other countries have imposed economic and trade sanctions and export control restrictions against Russia and Belarus following the Russian invasion of Ukraine. Similarly, Russia has imposed counter sanctions that could jeopardize business in that region. While we had very little business in Russia, the restrictions and conflict have required us to reevaluate certain business opportunities and enforce compliance measures against certain existing customers and users. The full extent of the impact of Russia's invasion remains uncertain, but it may affect the purchasing decisions and digital transformation initiatives of some customers and potential customers. If the Russia-Ukraine conflict continues, the U.S., the European Union, the United Kingdom, and other jurisdictions could impose wider economic and trade sanctions as well as export restrictions, which could impact our business opportunities. Any violation of the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), the UK Bribery Act, other applicable anti-corruption and anti-bribery laws, or applicable export control or trade sanctions laws by our employees or third-party intermediaries could result in regulatory investigations and whistleblower complaints, which could subject us to significant risks such as adverse media coverage and/or severe criminal or civil sanctions, which could materially adversely affect our reputation, business, operating results, and prospects.

Risks Related to the Operation of Our Business

If we or our third-party service providers experience an actual or perceived cyber-security event, our platform may be perceived as not being secure and we may lose customers and incur significant liabilities, any of which would harm our business and operating results.

Our operations involve the storage, transmission and processing of our customers' confidential, proprietary and sensitive data, which may include personally identifiable information, protected health information, financial information and, in some cases, government information. While we have security measures and a data governance framework in place designed to protect customer information and prevent data loss, these measures may contain legacy code vulnerabilities, have limited implementation or be breached because of employee error or intentional action or third-party actions, including unintentional

events or deliberate attacks by cyber criminals or foreign state actors, and result in someone obtaining unauthorized access to our instances and ultimately our customers' data or our data, intellectual property and other confidential business information. For example, third parties have attempted to fraudulently induce employees, contractors, or users to disclose information or to gain access to our data or our customers' data, and we have been the target of email scams that attempt to acquire personal information or company assets. Further, we have experienced increased cyberattacks and security challenges as the growing number of employees, vendors and other third parties that remotely access our systems increases our attack surface. We have also seen an increase in cyberattack volume, frequency, and sophistication driven by the global enablement of remote workforces.

Computer malware, ransomware, viruses, hacking, phishing and denial of service attacks by third parties have become more prevalent in our industry, and they, or attempts, have occurred on our and our third-party service providers' systems in the past and may occur again on these systems in the future. The frequency and sophistication of these malicious attacks have increased, and it appears that cyber crimes and cyber criminal networks, some of which may be state-supported, have been provided substantial resources and may target U.S. enterprises or our customers and their use of our products. In addition, we have established extensive development and testing environments for our engineers developing new products and features. Security protocols in those environments have necessarily been less rigorous than in environments housing customer data, but a vulnerability or security defect developed in that environment could become incorporated in code imported to our environments housing customer data. Similarly, in the unique circumstances where customer data may be utilized in developer environments for testing or learning, that data may be at greater risk. Because techniques used to sabotage, obtain unauthorized access to systems or prohibit authorized access to systems change frequently and generally may not be detected until successfully launched against a target, we have been and may continue to be unable to anticipate these techniques or to implement adequate preventative measures. This has included and may continue to include underlying infiltration of pre-existing systems, including those of our third-party service providers or customers, perpetrated by more sophisticated or state-supported attackers, including foreign cybersecurity attacks on U.S. technology companies identified in late 2020 and retaliatory cybersecurity attacks stemming from the Russian invasion of Ukraine. It may also include exploitation of vulnerabilities in third party or open source software code that may be incorporated into our own or our customers' systems, such as the vulnerability in the Java logging library known as "log4j" identified in late 2021 that affected many in our industry. The occurrence of these and other more sophisticated or state-supported attack campaigns may increase as geopolitical tensions and intermittent warfare continue or escalate outside of the U.S. For example, due to the Russia-Ukraine conflict, we and our customers, third-party vendors and service providers are subject to a heightened risk of cybersecurity attacks, phishing attacks, viruses, malware, ransomware, hacking or similar breaches from state-supported actors, including attacks that could materially disrupt our systems and operations, supply chain, and ability to make available or sell our products and services. We devote significant financial and personnel resources to implement and maintain security measures while meeting customer expectations as to the performance of our systems; however, as cyber-security threats develop and grow more complex and sophisticated over time, such as in connection with geopolitical warfare, we will continue to make significant further investments to protect data and infrastructure, but a residual risk may remain despite our preventative efforts. A security breach suffered by us or our third-party service providers, an attack against our service availability or unauthorized access or loss of data could result in a disruption to our service, litigation, service level agreement claims, indemnification and other contractual obligations, regulatory investigations, government fines and penalties, reputational damage, loss of sales and customers, mitigation and remediation expenses and other significant costs and liabilities. In addition, we may incur significant costs and operational consequences of paying to access data, investigating, remediating, complying with notice obligations and implementing additional measures designed to prevent actual or perceived security incidents. We also cannot be certain that our existing insurance coverage will continue to be available on acceptable terms or in sufficient amounts to cover the potentially significant losses that may result from a security incident or breach or the insurer will not deny coverage as to any future claim.

Further, in most instances, our customers administer access to the data held in their particular instance for their employees and service providers. While we offer tools and support, customers are not required to utilize them and may suffer a cyber-security event on their own systems, unrelated to our own, and allow a malicious actor to obtain access to the customer's information held on our platform. Even if such a breach is unrelated to our security programs or practices, such breach could result in our incurring significant economic and operational costs in investigating, remediating, and implementing additional measures to further protect our customers from their own vulnerabilities, and could result in reputational harm to us.

Digital supply chain attacks have increased in frequency and severity. We cannot guarantee that third parties and our supply chain infrastructure have not been compromised or that they do not contain exploitable defects or bugs that could result in a breach of or disruption to our platform, systems and network or the systems and networks of third parties that support us and our business. Third parties may also exploit vulnerabilities in, or obtain unauthorized access to, platforms, systems, networks, or physical facilities utilized by us or our third-party vendors or service providers. Furthermore, supply chain

disruptions due to the Russian invasion of Ukraine (and resulting legal developments) and any indirect effects may further complicate any existing supply chain constraints.

Risks Related to General Economic Conditions

Global economic conditions may harm our industry, business and results of operations.

We operate globally and as a result, our business, revenues and profitability are impacted by global macroeconomic conditions. The success of our activities is affected by general economic and market conditions, including, among others, inflation, interest rates, tax rates, economic uncertainty, political instability, warfare, changes in laws, trade barriers, and economic and trade sanctions. The U.S. capital markets experienced and continue to experience extreme volatility and disruption following the global outbreak of COVID-19 in 2020 and the Russian invasion of Ukraine in 2022. Furthermore, inflation rates in the U.S. have recently increased to levels not seen in decades. Such economic volatility could adversely affect our business, financial condition, results of operations and cash flows, and future market disruptions could negatively impact us. These unfavorable economic conditions could increase our operating costs and, because our typical contracts with customers lock in our price for a few years, our profitability could be negatively affected. Geopolitical destabilization and warfare have impacted and could continue to impact global currency exchange rates, commodity prices, trade and movement of resources, which may adversely affect the buying power of our customers, our access to and cost of resources from our suppliers, and ability to operate or grow our business. In addition, from time to time, the U.S. and other key international economies have been impacted by geopolitical and economic instability, high levels of credit defaults, international trade disputes, changes in demand for various goods and services, high levels of persistent unemployment, wage and income stagnation, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity and foreign exchange markets, inflation, bankruptcies, international trade agreements, export controls, economic and trade sanctions, and overall economic uncertainty. These conditions can arise suddenly and affect the rate of digital transformation spending and could adversely affect our customers' or prospective customers' ability or willingness to purchase our services, delay purchasing decisions, reduce the value or duration of their subscriptions, or affect renewal rates, all of which could harm our operating results. Further, while our ability to do business has not been materially affected, the Russian invasion of Ukraine and the global restrictive measures that have been taken, and could be taken in the future, have created significant global economic uncertainty that could prolong and escalate tensions and expand the geopolitical conflict, which could have a lasting impact on regional and global economies, any of which could harm our business and operating results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In May 2022, we entered into unwind agreements to settle the remaining portion of the 2022 Warrants. In connection with the settlement of the remaining portion of the 2022 Warrants, we delivered, in an exchange pursuant to Section 3(a)(9) of the Securities Act of 1933, as amended, an aggregate of 602,752 shares of our common stock to the holders of the 2022 Warrants, which were Citibank, N.A., Goldman Sachs & Co. LLC, JPMorgan Chase Bank, National Association, London Branch, and Morgan Stanley & Co. International plc. We did not receive any proceeds from the unwind agreements in connection with the 2022 Warrants, nor were they subject to underwriting discounts or commissions.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

EXHIBIT INDEX

Exhibit Number	Description of Document	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Restated Certificate of Incorporation of Registrant, as amended	8-K	001-35580	3.1	6/9/2021	
3.2	Restated Bylaws of Registrant	8-K	001-35580	3.2	6/9/2021	
10.1*	Related form of global equity agreements under the 2021 Equity Incentive Plan					X
10.2*	Form of Global Subscription Agreement under the Amended and Restated 2012 Employee Stock Purchase Plan					X
10.3*	Letter of Understanding - International Assignment dated June 22, 2022 between the Registrant and Nicholas Tzitzon					X
10.4	Form of 2022 Warrant Termination Agreement					X
31.1	Certification of Periodic Report by Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Periodic Report by Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1**	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.2**	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.					X

101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)	X

* Indicates a management contract, compensatory plan or arrangement.

** The certifications on Exhibit 32 hereto are deemed not "filed" for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that Section. Such certifications will not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

SIGNATURES

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

SERVICENOW, INC.

Date: July 27, 2022

By: /s/ William R. McDermott

William R. McDermott
President and Chief Executive Officer
(Principal Executive Officer)

Date: July 27, 2022

By: /s/ Gina Mastantuono

Gina Mastantuono
Chief Financial Officer
(Principal Financial Officer)

Date: July 27, 2022

By: /s/ Kevin McBride

Kevin McBride
Chief Accounting Officer
(Principal Accounting Officer)

EXHIBIT 10.1

SERVICENOW, INC.
2021 EQUITY INCENTIVE PLAN
NOTICE OF GLOBAL RESTRICTED STOCK UNIT AWARD

Unless otherwise defined herein, the terms defined in the ServiceNow, Inc. (the "***Company***") 2021 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Global Restricted Stock Unit Award and the electronic representation of this Notice of Global Restricted Stock Unit Award established and maintained by the Company or a third party designated by the Company (the "***Notice***").

Name: As set forth in the electronic representation of this Notice of Global Restricted Stock Unit Award.

You ("***Participant***") have been granted an award of Restricted Stock Units ("***RSUs***") under the Plan subject to the terms and conditions of the Plan, this Notice and the Global Restricted Stock Unit Award Agreement, including any appendix to the Global Restricted Stock Unit Award Agreement for Participant's country (the "***Appendix***") (the Restricted Stock Unit Award Agreement and the Appendix are collectively referred to as the "***Agreement***").

Grant ID Number:	The "Grant Number" as set forth in the electronic representation of this Notice of Global Restricted Stock Unit Award.
Number of RSUs:	The "Total Number of RSUs" as set forth in the electronic representation of this Notice of Global Restricted Stock Unit Award.
Date of Grant:	The "Grant Date" as set forth in the electronic representation of this Notice of Global Restricted Stock Unit Award.
Expiration Date:	The "Expiration" as set forth in the electronic representation of this Notice of Global Restricted Stock Unit Award.
Vesting Schedule:	Subject to the limitations set forth in this Notice, the Plan and the Agreement, the RSUs will vest in accordance with the following schedule: [*ServiceNow to insert vesting schedule, which may be time and/or performance based*]

By accepting (whether in writing, electronically or otherwise) the RSUs, Participant acknowledges and agrees to the following:

Participant understands that Participant's Service with the Company or a Parent, Subsidiary or Affiliate is for an unspecified duration and that nothing in this Notice, the Agreement or the Plan changes the nature of that relationship. Participant acknowledges that the vesting of the RSUs pursuant to this Notice is earned only by continuing Service as an Employee, Director or Consultant of the Company or Parent, Subsidiary or Affiliate. To the extent permitted by applicable law, Participant agrees and acknowledges that the Vesting Schedule may change prospectively in the event that Participant's Service status changes and/or in the event Participant is on a leave of absence, in accordance with Company policies relating to work schedules and vesting of Awards or as determined by the Committee to the extent permitted by applicable law. Participant also understands that this Notice is subject to the terms and conditions of both the Agreement and the Plan, both of which are incorporated herein by reference. Participant has read both the Agreement and the Plan. Participant has read the Company's Insider Trading Policy and 10b5-1 Plan Guidelines, and agrees to comply with such policy, as it may be amended from time to time, whenever Participant acquires or disposes of the Company's securities. By accepting this RSU, Participant consents to the electronic delivery as set forth in the Agreement.

SERVICENOW, INC.
2021 EQUITY INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AWARD AGREEMENT

Unless otherwise defined herein, the terms defined in the ServiceNow, Inc. (the "***Company***") 2021 Equity Incentive Plan (the "***Plan***") shall have the same defined meanings in this Global Restricted Stock Unit Award Agreement (the "***Agreement***").

Participant has been granted Restricted Stock Units ("***RSUs***") subject to the terms, restrictions and conditions of the Plan, the Notice of Global Restricted Stock Unit Award (the "***Notice***") and this Agreement, including any appendix to this Agreement for Participant's country (the "***Appendix***").

1. **Settlement**. The RSUs shall be settled on or as soon as administratively practicable following each vest date under the vesting schedule set forth in the Notice (and in no event later than 2 1/2 months following the end of the year in which such vest date occurs), provided that Participant continues to provide services to the Company or any Subsidiary or Affiliate through such vest date. Settlement of RSUs shall be in Shares.

2. **No Stockholder Rights**. Unless and until such time as Shares are issued in settlement of vested RSUs, Participant shall have no ownership of the Shares allocated to the RSUs and shall have no right dividends or to vote such Shares.

3. **Dividend Equivalents**. Dividends, if any (whether in cash or Shares), shall not be credited to Participant.

4. **Non-Transferability of RSUs**. RSUs may not be transferred in any manner other than by will or by the laws of descent or distribution or court order or unless otherwise permitted by the Committee on a case-by-case basis.

5. **Termination**. If Participant's Service Terminates for any reason, all unvested RSUs shall be forfeited to the Company forthwith, and all rights of Participant to such RSUs shall immediately terminate without payment of any consideration to Participant. In case of any dispute as to whether termination of Service has occurred, the Committee shall have sole discretion to determine whether such termination of Service has occurred and the effective date of such termination of Service.

6. **Withholding Taxes**. Participant acknowledges that, regardless of any action taken by the Company or, if different, Participant's employer (the "***Employer***") the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Participant's participation in the Plan and legally applicable to Participant ("***Tax-Related Items***"), is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. Participant further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSU, including, but not limited to, the grant, vesting or settlement of the RSU and the subsequent sale of Shares acquired pursuant to such settlement; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the RSU to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

i. withholding from Participant's wages or other cash compensation paid to Participant by the Company and/or the Employer;

ii. withholding from proceeds of the sale of Shares acquired upon settlement of the RSU either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization);

iii. withholding in Shares to be issued upon settlement of the RSU, provided the Company only withholds the amount of Shares necessary to satisfy the minimum statutory withholding amounts;

iv. Participant's payment of a cash amount (including by check representing readily available funds or a wire transfer); or

v. any other arrangement approved by the Committee and permitted under applicable law;

all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Plan Guidelines, if applicable; provided however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (i) – (v) above, and the Committee shall establish such method prior to the Tax-Related Items withholding event, and unless determined otherwise by the Committee in advance of a Tax-Related Items withholding event, the method of withholding for this RSU will be (ii) above, if such Participant is located outside of the United States or (iii) above, if such Participant is located within the United States.

The Company may withhold or account for Tax-Related Items by considering statutory or other withholding rates, including minimum or maximum rates applicable in Participant's jurisdiction(s). In the event of over-withholding, Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded, Participant may seek a refund from the local tax authorities. In the event of under-withholding, Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Participant is deemed to have been issued the full number of Shares subject to the vested RSU, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. The Fair Market Value of these Shares, determined as of the effective date when taxes otherwise would have been withheld in cash, will be applied as a credit against the Tax-Related Items withholding.

Finally, Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Participant fails to comply with Participant's obligations in connection with the Tax-Related Items.

7. **No Advice Regarding Grant**. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

8. **Appendix**. Notwithstanding any provisions in this Agreement, the RSUs grant shall be subject to any additional terms and conditions set forth in any appendix to this Agreement for Participant's country. Moreover, if Participant relocates to another country, the additional terms and conditions for such country will apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

9. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the RSU and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

10. **Acknowledgement**. The Company and Participant agree that the RSUs are granted under and governed by the Notice, this Agreement (including the Appendix) and the provisions of the Plan. Participant: (i) acknowledges receipt of a copy of the Plan and the Plan prospectus, (ii) represents that Participant has carefully read and is familiar with their provisions, and (iii) hereby accepts the RSUs subject to all of the terms and conditions set forth herein and those set forth in the Plan and the Notice.

11. **Entire Agreement; Enforcement of Rights**. This Agreement (including the Appendix), the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

12. **Conditions to Issuance; Compliance with Laws and Regulations**. The issuance of Shares and any restriction on the sale of Shares will be subject to and conditioned upon compliance by the Company and Participant with all applicable state, federal and foreign laws and regulations, with all applicable requirements of any stock exchange or automated quotation system on which the Company's Shares may be listed or quoted at the time of such issuance or transfer and with any exchange control restrictions. Participant understands that the Company is under no obligation to register or qualify the Shares with any state, federal or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Company shall have unilateral authority to amend the Plan and this Agreement without Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares. Finally, the Shares issued pursuant to this Agreement shall be endorsed with appropriate legends, if any, determined by the Company. Further, notwithstanding any other provision of this Agreement, the Company shall not be required to issue Shares following the lapse of any such reasonable period of time following the vest date as the Company may from time to time establish for reasons of administrative convenience in accordance with Section 409A of the Code.

13. **Governing Law; Severability**. If one or more provisions of this Agreement are held to be unenforceable, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Jose, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

14. **No Rights as Employee, Director or Consultant**. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent, Subsidiary or Affiliate, to terminate Participant's Service, for any reason, with or without Cause.

15. **Consent to Electronic Delivery of All Plan Documents and Disclosures.** By Participant's acceptance (whether in writing, electronically or otherwise) of the Notice, Participant and the

Company agree that this RSU is granted under and governed by the terms and conditions of the Plan, the Notice and this Agreement (including the Appendix). Participant has reviewed the Plan, the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understands all provisions of the Plan, the Notice and this Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this Agreement. Participant further agrees to notify the Company upon any change in Participant's residence address. By acceptance of this RSU, Participant agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company and consents to the electronic delivery of the Notice, the Appendix, this Agreement, the Plan, account statements, Plan prospectuses required by the U.S. Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the RSU. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion.

16. **Code Section 409A.** For purposes of this Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" as defined in Section 409A of the Internal Revenue Code and the regulations thereunder ("***Section 409A***"). Notwithstanding anything else provided herein, to the extent any payments provided under this Agreement in connection with Participant's termination of employment constitute deferred compensation subject to Section 409A, and Participant is deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six-month period measured from Participant's separation from service from the Company or (ii) the date of Participant's death following such a separation from service; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to Participant including, without limitation, the additional tax for which Participant would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. To the extent any payment under this Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this section are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

17. **Award Subject to Company Clawback or Recoupment.** The RSUs shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other Service that is applicable to Participant. In addition to any other remedies available under such policy, applicable law may require the cancellation of Participant's RSUs (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's RSUs.

BY ACCEPTING THIS AWARD OF RSUS, PARTICIPANT AGREES TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

SERVICENOW, INC.

2021 EQUITY INCENTIVE PLAN
NOTICE OF GLOBAL PERFORMANCE RESTRICTED STOCK UNIT AWARD

Unless otherwise defined herein, the terms defined in the ServiceNow, Inc. (the "***Company***") 2021 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Global Performance Restricted Stock Unit Award and the electronic representation of this Notice of Global Performance Restricted Stock Unit Award and the performance and vesting terms set forth in Appendix A attached hereto (the "***Vesting Appendix***") established and maintained by the Company or a third party designated by the Company (the Notice of Global Performance Restricted Stock Unit Award and the Vesting Appendix are collectively referred to as the "***Notice***").

Name: As set forth in the electronic representation of this Notice of Global Performance Restricted Stock Unit Award.

You ("***Participant***") have been granted an award of performance-based Restricted Stock Units ("***PRSUs***") under the Plan subject to the terms and conditions of the Plan, this Notice and the Global Performance Restricted Stock Unit Award Agreement, including any appendix to the Global Performance Restricted Stock Unit Award Agreement for Participant's country (the "***Appendix***") (the Global Performance Restricted Stock Unit Award Agreement and the Appendix are collectively referred to as the "***Agreement***").

Grant ID Number:	The "Grant Number" as set forth in the electronic representation of this Notice of Global Performance Restricted Stock Unit Award.
Number of PRSUs:	The "Target Number of PRSUs" as set forth in the electronic representation of this Notice of Global Performance Restricted Stock Unit Award.
Date of Grant:	The "Grant Date" as set forth in the electronic representation of this Notice of Global Performance Restricted Stock Unit Award.
Expiration Date:	The "Expiration" as set forth in the electronic representation of this Notice of Global Performance Restricted Stock Unit Award.
Vesting Schedule:	Subject to the limitations set forth in this Notice, the Plan and the Agreement, the PRSUs will vest as set forth in the Vesting Appendix

By accepting (whether in writing, electronically or otherwise) the PRSUs, Participant acknowledges and agrees to the following:

Participant understands that Participant's Service with the Company or a Parent, Subsidiary or Affiliate is for an unspecified duration and that nothing in this Notice, the Agreement or the Plan changes the nature of that relationship. Participant acknowledges that the vesting of the PRSUs pursuant to this Notice is earned only by both achievement of the performance metrics set forth in the Vesting Appendix and continuing Service as an Employee, Director or Consultant of the Company or Parent, Subsidiary or Affiliate. To the extent permitted by applicable law, Participant agrees and acknowledges that the Vesting Schedule may change prospectively in the event that Participant's Service status changes and/or in the event Participant is on a leave of absence, in accordance with Company policies relating to work schedules and vesting of Awards or as determined by the Committee to the extent permitted by applicable law. Participant also understands that this Notice is subject to the terms and conditions of both the Agreement and the Plan, both of which are incorporated herein by reference. Participant has read both the Agreement and the Plan. Participant has read the Company's Insider Trading Policy and 10b5-1 Plan Guidelines, and agrees to comply with such policy, as it may be amended from time to time, whenever Participant acquires or disposes of the Company's securities. By accepting this PRSU, Participant consents to the electronic delivery as set forth in the Agreement.

VESTING APPENDIX

[*ServiceNow to insert applicable performance metrics and vesting schedule.]*

SERVICENOW, INC.
2021 EQUITY INCENTIVE PLAN
GLOBAL PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

Unless otherwise defined herein, the terms defined in the ServiceNow, Inc. (the "***Company***") 2021 Equity Incentive Plan (the "***Plan***") shall have the same defined meanings in this Global Performance Restricted Stock Unit Award Agreement (the "***Agreement***").

Participant has been granted performance-based Restricted Stock Units ("***PRSUs***") subject to the terms, restrictions and conditions of the Plan, the Notice of Global Performance Restricted Stock Unit Award, including the Vesting Appendix attached thereto (the "***Notice***") and this Agreement, including any appendix to this Agreement for Participant's country (the "***Appendix***").

1. **Settlement**. The PRSUs shall be settled on or as soon as administratively practicable following each vest date under the vesting schedule set forth in the Notice (and in no event later than 2 1/2 months following the end of the year in which such vest date occurs), provided that Participant continues to provide services to the Company or any Subsidiary or Affiliate through such vest date except as may be otherwise set forth in the Vesting Appendix. Settlement of PRSUs shall be in Shares.

2. **No Stockholder Rights**. Unless and until such time as Shares are issued in settlement of vested PRSUs, Participant shall have no ownership of the Shares allocated to the PRSUs and shall have no right dividends or to vote such Shares.

3. **Dividend Equivalents**. Dividends, if any (whether in cash or Shares), shall not be credited to Participant.

4. **Non-Transferability of PRSUs**. PRSUs may not be transferred in any manner other than by will or by the laws of descent or distribution or court order or unless otherwise permitted by the Committee on a case-by-case basis.

5. **Termination**. If Participant's Service Terminates for any reason, all unvested PRSUs shall be forfeited to the Company forthwith, and all rights of Participant to such PRSUs shall immediately terminate without payment of any consideration to Participant. In case of any dispute as to whether termination of Service has occurred, the Committee shall have sole discretion to determine whether such termination of Service has occurred and the effective date of such Termination.

6. **Withholding Taxes**. Participant acknowledges that, regardless of any action taken by the Company or, if different, Participant's employer (the "***Employer***") the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Participant's participation in the Plan and legally applicable to Participant ("***Tax-Related Items***"), is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. Participant further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the PRSU, including, but not limited to, the grant, vesting or settlement of the PRSU and the subsequent sale of Shares acquired pursuant to such settlement; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the PRSU to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents, at their

discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

i. withholding from Participant's wages or other cash compensation paid to Participant by the Company and/or the Employer;

ii. withholding from proceeds of the sale of Shares acquired upon settlement of the PRSU either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization);

iii. withholding in Shares to be issued upon settlement of the PRSU, provided the Company only withholds the amount of Shares necessary to satisfy the minimum statutory withholding amounts;

iv. Participant's payment of a cash amount (including by check representing readily available funds or a wire transfer); or

v. any other arrangement approved by the Committee and permitted under applicable law;

all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Plan Guidelines, if applicable; provided however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (i) – (v) above, and the Committee shall establish such method prior to the Tax-Related Items withholding event, and unless determined otherwise by the Committee in advance of a Tax-Related Items withholding event, the method of withholding for this PRSU will be (ii) above, if such Participant is located outside of the United States or (iii) above, if such Participant is located within the United States.

The Company may withhold or account for Tax-Related Items by considering statutory or other withholding rates, including minimum or maximum rates applicable in Participant's jurisdiction(s). In the event of over-withholding, Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded, Participant may seek a refund from the local tax authorities. In the event of under-withholding, Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Participant is deemed to have been issued the full number of Shares subject to the vested PRSU, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. The Fair Market Value of these Shares, determined as of the effective date when taxes otherwise would have been withheld in cash, will be applied as a credit against the Tax-Related Items withholding.

Finally, Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Participant fails to comply with Participant's obligations in connection with the Tax-Related Items.

7. **No Advice Regarding Grant**. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

8. **Appendix**. Notwithstanding any provisions in this Agreement, the PRSUs grant shall be subject to any additional terms and conditions set forth in any appendix to this Agreement for Participant's country. Moreover, if Participant relocates to another country, the additional terms and conditions for such country will apply to Participant, to the extent the Company determines

that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

9. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the PRSU and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

10. **Acknowledgement**. The Company and Participant agree that the PRSUs are granted under and governed by the Notice, this Agreement (including the Appendix) and the provisions of the Plan. Participant: (i) acknowledges receipt of a copy of the Plan and the Plan prospectus, (ii) represents that Participant has carefully read and is familiar with their provisions, and (iii) hereby accepts the PRSUs subject to all of the terms and conditions set forth herein and those set forth in the Plan and the Notice.

11. **Entire Agreement; Enforcement of Rights**. This Agreement (including the Appendix), the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

12. **Conditions to Issuance; Compliance with Laws and Regulations**. The issuance of Shares and any restriction on the sale of Shares will be subject to and conditioned upon compliance by the Company and Participant with all applicable state, federal and foreign laws and regulations, with all applicable requirements of any stock exchange or automated quotation system on which the Company's Shares may be listed or quoted at the time of such issuance or transfer and with any exchange control restrictions. Participant understands that the Company is under no obligation to register or qualify the Shares with any state, federal or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Company shall have unilateral authority to amend the Plan and this Agreement without Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares. Finally, the Shares issued pursuant to this Agreement shall be endorsed with appropriate legends, if any, determined by the Company. Further, notwithstanding any other provision of this Agreement, the Company shall not be required to issue Shares following the lapse of any such reasonable period of time following the vest date as the Company may from time to time establish for reasons of administrative convenience in accordance with Section 409A of the Code.

13. **Governing Law; Severability**. If one or more provisions of this Agreement are held to be unenforceable, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Jose, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

14. **No Rights as Employee, Director or Consultant**. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent, Subsidiary or Affiliate, to terminate Participant's Service, for any reason, with or without Cause.

15. **Consent to Electronic Delivery of All Plan Documents and Disclosures.** By Participant's acceptance (whether in writing, electronically or otherwise) of the Notice, Participant and the Company agree that this PRSU is granted under and governed by the terms and conditions of the Plan, the Notice and this Agreement (including the Appendix). Participant has reviewed the Plan, the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understands all provisions of the Plan, the Notice and this Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this Agreement. Participant further agrees to notify the Company upon any change in Participant's residence address. By acceptance of this PRSU, Participant agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company and consents to the electronic delivery of the Notice, the Appendix, this Agreement, the Plan, account statements, Plan prospectuses required by the U.S. Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the PRSU. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion.

16. **Code Section 409A.** For purposes of this Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" as defined in Section 409A of the Internal Revenue Code and the regulations thereunder ("***Section 409A***"). Notwithstanding anything else provided herein, to the extent any payments provided under this Agreement in connection with Participant's termination of employment constitute deferred compensation subject to Section 409A, and Participant is deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six-month period measured from Participant's separation from service from the Company or (ii) the date of Participant's death following such a separation from service; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to Participant including, without limitation, the additional tax for which Participant would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. To the extent any payment under this Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this section are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

17. **Award Subject to Company Clawback or Recoupment.** The PRSUs shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other Service that is applicable to Participant. In addition to any other remedies available under such policy, applicable law may require the cancellation of Participant's PRSUs (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's PRSUs.

BY ACCEPTING THIS PRSU AWARD, PARTICIPANT AGREES TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

SERVICENOW, INC.
2021 EQUITY INCENTIVE PLAN
NOTICE OF GLOBAL STOCK OPTION GRANT

Unless otherwise defined herein, the terms defined in the ServiceNow, Inc. (the "***Company***") 2021 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Global Stock Option Grant and the electronic representation of this Notice of Global Stock Option Grant established and maintained by the Company or a third party designated by the Company (the "***Notice***").

Name: As set forth in the electronic representation of this Notice of Global Stock Option Grant.

You (the "***Participant***") have been granted an option to purchase shares of Common Stock of the Company under the Plan subject to the terms and conditions of the Plan, this Notice and the Global Stock Option Award Agreement, including any appendix to the Global Stock Option Award Agreement for Participant's country (the "***Appendix***") (the Stock Option Award Agreement and the Appendix are collectively referred to as the "***Agreement***").

Grant ID Number:	The "Grant Name" as set forth in the electronic representation of this Notice of Global Stock Option Grant.
Date of Grant:	The "Grant Date" as set forth in the electronic representation of this Notice of Global Stock Option Grant.
Exercise Price per Share:	US$ The "Exercise Price" as set forth in the electronic representation of this Notice of Global Stock Option Grant.
Total Number of Shares:	The "Shares Granted" as set forth in the electronic representation of this Notice of Global Stock Option Grant.
Type of Option:	The "Grant Type" as set forth in the electronic representation of this Notice of Global Stock Option Grant.
Expiration Date:	The "Expiration" as set forth in the electronic representation of this Notice of Global Stock Option Grant.
Vesting Schedule:	Subject to the limitations set forth in this Notice, the Plan and the Agreement, the Option will vest and may be exercised, in whole or in part, in accordance with the following schedule: [*ServiceNow to insert vesting schedule*]

By accepting (whether in writing, electronically or otherwise) the Option, Participant acknowledges and agrees to the following:

Participant understands that Participant's Service with the Company or a Parent, Subsidiary or Affiliate is for an unspecified duration and that nothing in this Notice, the Agreement or the Plan changes the nature of that relationship. Participant acknowledges that the vesting of the Options pursuant to this Notice is earned only by continuing Service as an Employee, Director or Consultant of the Company or a Parent, Subsidiary or Affiliate. To the extent permitted by applicable law, Participant agrees and acknowledges that the Vesting Schedule may change prospectively in the event that Participant's Service status changes and/or in the event Participant is on a leave of absence, in accordance with Company policies relating to work schedules and vesting of Awards or as determined by the Committee to the extent permitted by applicable law. Furthermore, the period during which Participant may exercise the Option after such termination of Service will commence on the date Participant ceases to actively provide Services and will not be extended by any notice period mandated under employment laws in the jurisdiction where Participant is employed or terms of Participant's employment agreement (e.g., Participant's employment or consulting relationship or other Service with the Company would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the

jurisdiction where he or she is employed or the terms of his or her employment or service agreement, if any); the Committee shall have the exclusive discretion to determine when Participant is no longer actively providing Services for purposes of Participant's Option grant (including whether Participant may still be considered to be providing Services while on a leave of absence). Participant also understands that this Notice is subject to the terms and conditions of both the Agreement and the Plan, both of which are incorporated herein by reference. Participant has read both the Agreement and the Plan. Participant has read the Company's Insider Trading Policy and 10b5-1 Plan Guidelines, and agrees to comply with such policy, as it may be amended from time to time, whenever Participant acquires or disposes of the Company's securities. By accepting this Option, Participant consents to the electronic delivery as set forth in the Agreement.

SERVICENOW, INC.
2021 EQUITY INCENTIVE PLAN
NOTICE OF GLOBAL STOCK OPTION AWARD AGREEMENT

Unless otherwise defined in this Global Stock Option Award Agreement (the "***Agreement***"), any capitalized terms used herein shall have the meaning ascribed to them in the ServiceNow, Inc. (the "***Company***") 2021 Equity Incentive Plan (the "Plan").

Participant has been granted an option to purchase Shares (the "***Option***"), subject to the terms and conditions of the Plan, the Notice of Global Stock Option Grant (the "***Notice***") and this Agreement, including any appendix to this Agreement for Participant's country (the "***Appendix***").

1. **Vesting Rights**. Subject to the applicable provisions of the Plan, the Notice and this Agreement, this Option may be exercised, in whole or in part, in accordance with the schedule set forth in the Notice.

2. **Termination Period**
   a. General Rule. Except as provided below or in the Notice, and subject to the Plan, this Option may be exercised for 90 days after Participant's termination of Service (the "***Termination Date***"). In no event shall this Option be exercised later than the Expiration Date set forth in the Notice, with any exercise beyond three (3) months after the Termination Date deemed to be the exercise of an NQSO. The Company determines when Participant's Service terminates for all purposes under this Agreement.

   b. Death; Disability. Unless provided otherwise in the Notice, upon Participant's termination of Service by reason of his or her death, or if a Participant dies within 90 days of the Termination Date, this Option may be exercised for twelve months, provided that in no event shall this Option be exercised later than the Expiration Date set forth in the Notice. Unless provided otherwise in the Notice, upon Participant's termination of Service by reason of his or her Disability, this Option may be exercised for six months, provided that in no event shall this Option be exercised later than the Expiration Date set forth in the Notice, with any exercise of this Option beyond twelve (12) months after the date Participant ceases to be an employee when the termination is for Participant's disability, within the meaning of Section 22(e)(3) of the Code, is deemed to be an NQSO.

   c. Cause. Upon Participant's termination of Service for Cause (as defined in the Plan), the Option shall expire on such date of Participant's Termination Date.

   d. Cessation of Vesting; Determination. Unless otherwise provided in the Notice or as may be determined by the Company, Participant's right to vest in the Option, if any, will terminate as of the Termination Date and Participant's right to exercise the Option after the Termination Date, if any, will be measured from the Termination Date. In case of any dispute as to whether and when a termination of Service has occurred, the Committee will have sole discretion to determine whether such termination of Service has occurred and the effective date of such termination (including whether Participant may still be considered to be actively providing Services while on a leave of absence).

3. **Grant of Option**. Participant named in the Notice has been granted an Option for the number of Shares set forth in the Notice at the exercise price per Share in U.S. Dollars set forth in the Notice (the "***Exercise Price***"). In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail. If designated in the Notice as an Incentive Stock Option ("***ISO***"), this Option is intended to qualify as an Incentive Stock Option under Section 422 of the Code. However, if this Option is intended to be an ISO, to the extent that it exceeds the U.S. $100,000 rule of Code Section 422(d) it shall be treated as a Nonqualified Stock Option ("***NQSO***").

4. **Exercise of Option**.

   a. Right to Exercise. This Option is exercisable during its term in accordance with the Vesting Schedule set forth in the Notice and the applicable provisions of the Plan and this Agreement. In the event of Participant's death, termination of Service due to Disability, termination of Service for Cause or other termination of Service, the exercisability of the Option is governed by the applicable provisions of the Plan, the Notice and this Agreement.

   b. Method of Exercise. This Option is exercisable by delivery of an exercise notice in a form specified by the Company (the "***Exercise Notice***"), which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "***Exercised Shares***"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be delivered in person, by mail, via electronic mail, transmission via online brokerage system or facsimile or by other authorized method to the Secretary of the Company or other person designated by the Company. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares together with any Tax-Related Items withholding (as defined in Section 8(a) below). This Option shall be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by such aggregate Exercise Price and payment of any Tax-Related Items.

   c. No Shares shall be issued pursuant to the exercise of this Option unless such issuance and exercise complies with all relevant provisions of law and the requirements of any stock exchange or quotation service upon which the Shares are then listed and any exchange control restrictions. Assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to Participant on the date the Option is exercised with respect to such Exercised Shares.

   d. Exercise by Another. Subject to Section 6 below, if another person wants to exercise this Option after it has been transferred to him or her in compliance with this Agreement, that person must prove to the Company's satisfaction that he or she is entitled to exercise this Option. That person must also complete the proper Exercise Notice form (as described above) and pay the Exercise Price (as described below) and any applicable Tax-Related Items (as described below).

5. **Method of Payment**. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of Participant:

   a. cash;
   b. check;
   c. a "broker-assisted" or "same-day sale" (as described in Section 11(d) of the Plan); or
   d. other method authorized by the Committee.

6. **Limited Transferability of Option**. Except as set forth in this Section 6, this Option may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of Participant only by Participant or unless otherwise permitted by the Committee on a case-by-case basis. The terms of the Plan and this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of Participant. Notwithstanding anything else in this Section 6, for U.S. Participants, a NQSO may be transferred by instrument to an inter vivos or testamentary trust in which the NQSO is to be passed to beneficiaries upon the death of the trustor (settlor), to a guardian on the disability or to an executor on death of the NQSO holder, or by gift or pursuant to domestic relations orders to Participant's "Immediate Family" (as defined below), provided that any such permitted

transferees may not transfer NQSOs to parties other than Participant or Participant's Immediate Family (transfers between a Participant's Immediate Family and between a Participant's Immediate Family and Participant are permitted). For the sake of clarification, multiple transfers of NQSOs may be made, by gift or pursuant to domestic relations orders, back and forth between Immediate Family and a Participant pursuant to this Section 6. "***Immediate Family***" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, domestic partner sharing the same household, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons (or Participant) control the management of assets, and any other entity in which these persons (or Participant) own more than fifty percent of the voting interests. The terms of the Plan and this Agreement shall be binding upon the executors, administrators, heirs, transferees, successors and assigns of Participant.

7. **Term of Option**. This Option shall in any event expire on the expiration date set forth in the Notice, which date is no later than 10 years after the Date of Grant (five years after the Date of Grant if this option is designated as an ISO in the Notice and Section 5.3 of the Plan applies).

8. **Tax Consequences**.

a. Exercising the Option. Participant acknowledges that, regardless of any action taken by the Company or a Parent, Subsidiary or Affiliate employing or retaining Participant (the "***Employer***"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax related items related to Participant's participation in the Plan and legally applicable to Participant ("***Tax-Related Items***") is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Option to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. *PARTICIPANT SHOULD CONSULT A TAX ADVISER APPROPRIATELY QUALIFIED IN EACH OF THE JURISDICTIONS, INCLUDING COUNTRY OR COUNTRIES IN WHICH PARTICIPANT RESIDES OR IS SUBJECT TO TAXATION BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.*

Prior to the relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

i. withholding from Participant's wages or other cash compensation paid to Participant by the Company and/or the Employer;

ii. withholding from proceeds of the sale of Shares acquired at exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization) without further consent;

iii. withholding Shares to be issued upon exercise of the Option, provided the Company only withholds the number of Shares necessary to satisfy no more than the maximum statutory withholding amounts; or

iv. any other arrangement approved by the Committee and permitted under applicable law;

all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Plan Guidelines, if applicable; provided however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (i)-(iv) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering statutory or other withholding rates, including minimum or maximum rates applicable in Participant's tax jurisdiction(s). In the event of over-withholding, Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded, Participant may seek a refund from the local tax authorities. In the event of under-withholding, Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to Company and/or Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares upon receipt of approval by the Committee pursuant to (iii) above, for tax purposes, Participant is deemed to have been issued the full member of Shares issued upon exercise of the Options, notwithstanding that a number of the Shares are held back solely for the purpose of satisfying the withholding obligation for Tax-Related Items.

Finally, Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

b. Notice of Disqualifying Disposition of ISO Shares. For U.S. taxpayers, if Participant sells or otherwise disposes of any of the Shares acquired pursuant to an ISO on or before the later of (i) two years after the grant date, or (ii) one year after the exercise date, Participant shall immediately notify the Company in writing of such disposition. Participant agrees that he or she may be subject to income tax withholding by the Company on the compensation income recognized from such early disposition of ISO Shares by payment in cash or out of the current earnings paid to Participant by the Company and/or the Employer or any Parent, Subsidiary or Affiliate.

9. **No Advice Regarding Grant**. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

10. **Appendix**. Notwithstanding any provisions in this Agreement, the Option grant shall be subject to any additional terms and conditions set forth in any appendix to this Agreement for Participant's country. Moreover, if Participant relocates to another country, the additional terms and conditions for such country will apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

11. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Option and on any Shares purchased upon exercise of the Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

12. **Acknowledgement**. The Company and Participant agree that the Option is granted under and governed by the Notice, this Agreement (including the Appendix) and by the provisions of the Plan (incorporated herein by reference). Participant: (i) acknowledges receipt of a copy of the Plan and the Plan prospectus, (ii) represents that Participant has carefully read and is familiar with their provisions, and (iii) hereby accepts the Option subject to all of the terms and conditions set forth herein and those set forth in the Plan and the Notice.

13. **Entire Agreement; Enforcement of Rights**. This Agreement (including the Appendix), the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

14. **Compliance with Laws and Regulations**. The issuance of Shares and any restriction on the sale of Shares will be subject to and conditioned upon compliance by the Company and Participant with all applicable state, federal and foreign laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Shares may be listed or quoted at the time of such issuance or transfer. Participant understands that the Company is under no obligation to register or qualify the Shares with any state, federal or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Company shall have unilateral authority to amend the Plan and this Agreement without Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares. Finally, the Shares issued pursuant to this Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

15. **Governing Law; Severability**. If one or more provisions of this Agreement are held to be unenforceable, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Jose, California, or the federal courts for the United

States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

16. **No Rights as Employee, Director or Consultant**. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent, Subsidiary or Affiliate, to terminate Participant's Service, for any reason, with or without Cause.

17. **Consent to Electronic Delivery of All Plan Documents and Disclosures**. By Participant's signature and the signature of the Company's representative on the Notice, Participant and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan, the Notice and this Agreement (including the Appendix). Participant has reviewed the Plan, the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Notice, and fully understands all provisions of the Plan, the Notice and this Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this Agreement. Participant further agrees to notify the Company upon any change in the residence address indicated on the Notice. By acceptance of this Option, Participant agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company and consents to the electronic delivery of the Notice, the Appendix, this Agreement, the Plan, account statements, Plan prospectuses required by the U.S. Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the Option. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Participant acknowledges that Participant may receive from the Company a paper copy of any documents delivered electronically at no cost if Participant contacts the Company by telephone, through a postal service or electronic mail to Stock Administration. Participant further acknowledges that Participant will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, Participant understands that Participant must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, Participant understands that Participant's consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if Participant has provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail to Stock Administration.

18. **Award Subject to Company Clawback or Recoupment.** The Option shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other Service that is applicable to Participant. In addition to any other remedies available under such policy, applicable law may require the cancellation of Participant's Option (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's Option.

BY ACCEPTING THIS OPTION, PARTICIPANT AGREES TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

SERVICENOW, INC.
2021 EQUITY INCENTIVE PLAN
NOTICE OF GLOBAL PERFORMANCE STOCK OPTION GRANT

Unless otherwise defined herein, the terms defined in the ServiceNow, Inc. (the "***Company***") 2021 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Global Performance Stock Option Grant and the electronic representation of this Notice of Global Performance Stock Option Grant, and the performance and vesting terms set forth in Appendix A attached hereto (the "***Vesting Appendix***") established and maintained by the Company or a third party designated by the Company (the Notice of Global Performance Stock Option Grant and the Vesting Appendix are collectively referred to as the "***Notice***").

Name: As set forth in the electronic representation of this Notice of Global Performance Stock Option Grant.

You (the "***Participant***") have been granted a performance-based option to purchase shares of Common Stock of the Company under the Plan subject to the terms and conditions of the Plan, this Notice and the Global Performance Stock Option Award Agreement, including any appendix to the Global Performance Stock Option Award Agreement for Participant's country (the "***Appendix***") (the Global Performance Stock Option Award Agreement and the Appendix are collectively referred to as the "***Agreement***").

Grant ID Number:	The "Grant Name" as set forth in the electronic representation of this Notice of Global Performance Stock Option Grant.
Date of Grant:	The "Grant Date" as set forth in the electronic representation of this Notice of Global Performance Stock Option Grant.
Exercise Price per Share:	US$ The "Exercise Price" as set forth in the electronic representation of this Notice of Global Performance Stock Option Grant.
Maximum Number of Shares:	The "Shares Granted" as set forth in the electronic representation of this Notice of Global Performance Stock Option Grant.
Type of Option:	The "Grant Type" as set forth in the electronic representation of this Notice of Global Performance Stock Option Grant.
Expiration Date:	The "Expiration" as set forth in the electronic representation of this Notice of Global Performance Stock Option Grant.
Vesting Schedule:	Subject to the limitations set forth in this Notice, the Plan and the Agreement, the Option will vest and may be exercised, in whole or in part, as set forth in the Vesting Appendix.

By accepting (whether in writing, electronically or otherwise) the Option, Participant acknowledges and agrees to the following:

Participant understands that Participant's Service with the Company or a Parent, Subsidiary or Affiliate is for an unspecified duration and that nothing in this Notice, the Agreement or the Plan changes the nature of that relationship. Participant acknowledges that the vesting of the Options pursuant to this Notice is earned only by both achievement of the performance metrics set forth in the Vesting Appendix and continuing Service as an Employee, Director or Consultant of the Company or a Parent, Subsidiary or Affiliate. To the extent permitted by applicable law, Participant agrees and acknowledges that the Vesting Schedule may change prospectively in the event that Participant's Service status changes and/or in the event Participant is on a leave of absence, in accordance with Company policies relating to work schedules and vesting of Awards or as determined by the Committee to the extent permitted by applicable law. Furthermore, the period during which Participant may exercise the Option after such termination of Service will commence on the date Participant ceases to actively provide Services and will not be

extended by any notice period mandated under employment laws in the jurisdiction where Participant is employed or terms of Participant's employment agreement (e.g., Participant's employment or consulting relationship or other Service with the Company would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where he or she is employed or the terms of his or her employment or service agreement, if any); the Committee shall have the exclusive discretion to determine when Participant is no longer actively providing Services for purposes of Participant's Option grant (including whether Participant may still be considered to be providing Services while on a leave of absence). Participant also understands that this Notice is subject to the terms and conditions of both the Agreement and the Plan, both of which are incorporated herein by reference. Participant has read both the Agreement and the Plan. Participant has read the Company's Insider Trading Policy and 10b5-1 Plan Guidelines, and agrees to comply with such policy, as it may be amended from time to time, whenever Participant acquires or disposes of the Company's securities. By accepting this Option, Participant consents to the electronic delivery as set forth in the Agreement.

VESTING APPENDIX

[ServiceNow to insert applicable performance metrics and vesting schedule.]

SERVICENOW, INC.
2021 EQUITY INCENTIVE PLAN
GLOBAL PERFORMANCE STOCK OPTION AWARD AGREEMENT

Unless otherwise defined in this Global Performance Stock Option Award Agreement (the "***Agreement***"), any capitalized terms used herein shall have the meaning ascribed to them in the ServiceNow, Inc. (the "***Company***") 2021 Equity Incentive Plan (the "***Plan***").

Participant has been granted a performance-based option to purchase Shares (the "***Option***"), subject to the terms and conditions of the Plan, the Notice of Global Performance Stock Option Grant, including the Vesting Appendix attached thereto (the "***Notice***") and this Agreement, including any appendix to this Agreement for Participant's country (the "***Appendix***").

1. **Vesting Rights**. Subject to the applicable provisions of the Plan, the Notice and this Agreement, this Option may be exercised, in whole or in part, in accordance with the schedule set forth in the Notice.

2. **Termination Period**

   a. General Rule. Except as provided below or in the Notice, and subject to the Plan, this Option may be exercised for 90 days after Participant's termination of Service (the "***Termination Date***"). In no event shall this Option be exercised later than the Expiration Date set forth in the Notice, with any exercise beyond three (3) months after the Termination Date deemed to be the exercise of an NQSO. The Company determines when Participant's Service terminates for all purposes under this Agreement.

   b. Death; Disability. Unless provided otherwise in the Notice, upon Participant's termination of Service by reason of his or her death, or if a Participant dies within 90 days of the Termination Date, this Option may be exercised for twelve months, provided that in no event shall this Option be exercised later than the Expiration Date set forth in the Notice. Unless provided otherwise in the Notice, upon Participant's termination of Service by reason of his or her Disability, this Option may be exercised for six months, provided that in no event shall this Option be exercised later than the Expiration Date set forth in the Notice, with any exercise of this Option beyond twelve (12) months after the date Participant ceases to be an employee when the termination is for Participant's disability, within the meaning of Section 22(e)(3) of the Code, is deemed to be an NQSO.

   c. Cause. Upon Participant's termination of Service for Cause (as defined in the Plan), the Option shall expire on such date of Participant's Termination Date.

   d. Cessation of Vesting; Determination. Unless otherwise provided in the Notice or as may be determined by the Company, Participant's right to vest in the Option, if any, will terminate as of the Termination Date and Participant's right to exercise the Option after the Termination Date, if any, will be measured from the Termination Date. In case of any dispute as to whether and when a termination of Service has occurred, the Committee will have sole discretion to determine whether such termination of Service has occurred and the effective date of such termination (including whether Participant may still be considered to be actively providing Services while on a leave of absence).

3. **Grant of Option**. Participant named in the Notice has been granted an Option for the number of Shares set forth in the Notice at the exercise price per Share in U.S. Dollars set forth in the Notice (the "***Exercise Price***"). In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail. If designated in the Notice as an Incentive Stock Option ("***ISO***"), this Option is intended to qualify as an Incentive Stock Option under Section 422 of the Code. However, if this Option is intended

to be an ISO, to the extent that it exceeds the U.S. $100,000 rule of Code Section 422(d) it shall be treated as a Nonqualified Stock Option ("***NQSO***").

4. Exercise of Option

a. Right to Exercise. This Option is exercisable during its term in accordance with the Vesting Schedule set forth in the Notice and the applicable provisions of the Plan and this Agreement. In the event of Participant's death, termination of Service due to Disability, termination of Service for Cause or other termination of Service, the exercisability of the Option is governed by the applicable provisions of the Plan, the Notice and this Agreement.

b. Method of Exercise. This Option is exercisable by delivery of an exercise notice in a form specified by the Company (the "***Exercise Notice***"), which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "***Exercised Shares***"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be delivered in person, by mail, via electronic mail, transmission via online brokerage system or facsimile or by other authorized method to the Secretary of the Company or other person designated by the Company. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares together with any Tax-Related Items withholding (as defined in Section 8(a) below). This Option shall be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by such aggregate Exercise Price and payment of any Tax-Related Items.

c. No Shares shall be issued pursuant to the exercise of this Option unless such issuance and exercise complies with all relevant provisions of law and the requirements of any stock exchange or quotation service upon which the Shares are then listed and any exchange control restrictions. Assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to Participant on the date the Option is exercised with respect to such Exercised Shares.

d. Exercise by Another. Subject to Section 6 below, if another person wants to exercise this Option after it has been transferred to him or her in compliance with this Agreement, that person must prove to the Company's satisfaction that he or she is entitled to exercise this Option. That person must also complete the proper Exercise Notice form (as described above) and pay the Exercise Price (as described below) and any applicable Tax-Related Items (as described below).

5. Method of Payment. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of Participant:

a. cash;

b. check;

c. a "broker-assisted" or "same-day sale" (as described in Section 11(d) of the Plan); or

d. other method authorized by the Committee.

6. Limited Transferability of Option. Except as set forth in this Section 6, this Option may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of Participant only by Participant or unless otherwise permitted by the Committee on a case-by-case basis. The terms of the Plan and this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of

Participant. Notwithstanding anything else in this Section 6, for U.S. Participants, a NQSO may be transferred by instrument to an inter vivos or testamentary trust in which the NQSO is to be passed to beneficiaries upon the death of the trustor (settlor), to a guardian on the disability or to an executor on death of the NQSO holder, or by gift or pursuant to domestic relations orders to Participant's "Immediate Family" (as defined below), provided that any such permitted transferees may not transfer NQSOs to parties other than Participant or Participant's Immediate Family (transfers between a Participant's Immediate Family and between a Participant's Immediate Family and Participant are permitted). For the sake of clarification, multiple transfers of NQSOs may be made, by gift or pursuant to domestic relations orders, back and forth between Immediate Family and a Participant pursuant to this Section 6. "***Immediate Family***" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, domestic partner sharing the same household, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons (or Participant) control the management of assets, and any other entity in which these persons (or Participant) own more than fifty percent of the voting interests. The terms of the Plan and this Agreement shall be binding upon the executors, administrators, heirs, transferees, successors and assigns of Participant.

7. **Term of Option**. This Option shall in any event expire on the expiration date set forth in the Notice, which date is no later than 10 years after the Date of Grant (five years after the Date of Grant if this option is designated as an ISO in the Notice and Section 5.3 of the Plan applies).

8. **Tax Consequences**.

a. Exercising the Option. Participant acknowledges that, regardless of any action taken by the Company or a Parent, Subsidiary or Affiliate employing or retaining Participant (the "***Employer***"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax related items related to Participant's participation in the Plan and legally applicable to Participant ("***Tax-Related Items***") is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer, if any. Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Option to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. *PARTICIPANT SHOULD CONSULT A TAX ADVISER APPROPRIATELY QUALIFIED IN EACH OF THE JURISDICTIONS, INCLUDING COUNTRY OR COUNTRIES IN WHICH PARTICIPANT RESIDES OR IS SUBJECT TO TAXATION BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.*

Prior to the relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

i. withholding from Participant's wages or other cash compensation paid to Participant by the Company and/or the Employer;

ii. withholding from proceeds of the sale of Shares acquired at exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization) without further consent;

iii. withholding Shares to be issued upon exercise of the Option, provided the Company only withholds the number of Shares necessary to satisfy no more than the maximum statutory withholding amounts; or

iv. any other arrangement approved by the Committee and permitted under applicable law;

all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Plan Guidelines, if applicable; provided however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (i)-(iv) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering statutory or other withholding rates, including minimum or maximum rates applicable in Participant's tax jurisdiction(s). In the event of over-withholding, Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded, Participant may seek a refund from the local tax authorities. In the event of under-withholding, Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to Company and/or Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares upon receipt of approval by the Committee pursuant to (iii) above, for tax purposes, Participant is deemed to have been issued the full member of Shares issued upon exercise of the Options, notwithstanding that a number of the Shares are held back solely for the purpose of satisfying the withholding obligation for Tax-Related Items.

Finally, Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

b. Notice of Disqualifying Disposition of ISO Shares. For U.S. taxpayers, if Participant sells or otherwise disposes of any of the Shares acquired pursuant to an ISO on or before the later of (i) two years after the grant date, or (ii) one year after the exercise date, Participant shall immediately notify the Company in writing of such disposition. Participant agrees that he or she may be subject to income tax withholding by the Company on the compensation income recognized from such early disposition of ISO Shares by payment in cash or out of the current earnings paid to Participant by the Company and/or the Employer or any Parent, Subsidiary or Affiliate.

9. **No Advice Regarding Grant**. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

10. **Appendix**. Notwithstanding any provisions in this Agreement, the Option grant shall be subject to any additional terms and conditions set forth in any appendix to this Agreement for Participant's country. Moreover, if Participant relocates to another country, the additional terms and conditions for such country will apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

11. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Option and on any Shares purchased upon exercise of the Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

12. **Acknowledgement**. The Company and Participant agree that the Option is granted under and governed by the Notice, this Agreement (including the Appendix) and by the provisions of the Plan (incorporated herein by reference). Participant: (i) acknowledges receipt of a copy of the Plan and the Plan prospectus, (ii) represents that Participant has carefully read and is familiar with their provisions, and (iii) hereby accepts the Option subject to all of the terms and conditions set forth herein and those set forth in the Plan and the Notice.

13. **Entire Agreement; Enforcement of Rights**. This Agreement (including the Appendix), the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

14. **Compliance with Laws and Regulations**. The issuance of Shares and any restriction on the sale of Shares will be subject to and conditioned upon compliance by the Company and Participant with all applicable state, federal and foreign laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Shares may be listed or quoted at the time of such issuance or transfer. Participant understands that the Company is under no obligation to register or qualify the Shares with any state, federal or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Company shall have unilateral authority to amend the Plan and this Agreement without Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares. Finally, the Shares issued pursuant to this Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

15. **Governing Law; Severability**. If one or more provisions of this Agreement are held to be unenforceable, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Jose, California, or the federal courts for the United

States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

16. **No Rights as Employee, Director or Consultant**. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent, Subsidiary or Affiliate, to terminate Participant's Service, for any reason, with or without Cause.

17. **Consent to Electronic Delivery of All Plan Documents and Disclosures**. By Participant's signature and the signature of the Company's representative on the Notice, Participant and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan, the Notice and this Agreement (including the Appendix). Participant has reviewed the Plan, the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Notice, and fully understands all provisions of the Plan, the Notice and this Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this Agreement. Participant further agrees to notify the Company upon any change in the residence address indicated on the Notice. By acceptance of this Option, Participant agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company and consents to the electronic delivery of the Notice, the Appendix, this Agreement, the Plan, account statements, Plan prospectuses required by the U.S. Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the Option. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Participant acknowledges that Participant may receive from the Company a paper copy of any documents delivered electronically at no cost if Participant contacts the Company by telephone, through a postal service or electronic mail to Stock Administration. Participant further acknowledges that Participant will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, Participant understands that Participant must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, Participant understands that Participant's consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if Participant has provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail to Stock Administration.

18. **Award Subject to Company Clawback or Recoupment.** The Option shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other Service that is applicable to Participant. In addition to any other remedies available under such policy, applicable law may require the cancellation of Participant's Option (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's Option.

BY ACCEPTING THIS OPTION, PARTICIPANT AGREES TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

EXHIBIT 10.2

SERVICENOW, INC. (THE "COMPANY") **ENROLLMENT/CHANGE FORM**

AMENDED AND RESTATED 2012 EMPLOYEE STOCK PURCHASE PLAN ("ESPP")

(Capitalized terms not defined in this form shall have the meaning set forth in the ESPP.)

SECTION 1: **ACTIONS**	**Check Desired Action**: **and Complete Sections**: ☐ Enroll in the ESPP 2 + 3 + 4 + 14 ☐ Change Contribution Percentage 2 + 4 + 14 ☐ Discontinue Contributions 2 + 5 + 14	
SECTION 2: **PERSONAL DATA**	Name: _____ Home Address: _____ _____ Social Security / Identification No.: _____	Department: ____
SECTION 3: **ENROLL**	I hereby elect to participate in the ESPP, effective at the beginning of the next Offering Period. I elect to purchase shares of the Common Stock of the Company subject to the terms and conditions of the ESPP and this Enrollment/Change Form, including any applicable country-specific provisions in the Appendix attached hereto (together, the "Enrollment/Change Form"). I understand that shares of Common Stock purchased on my behalf will be issued in street name and deposited directly into my brokerage account with Fidelity Brokerage Services LLC or its affiliates. I hereby agree to take all steps, and sign all forms, required to establish an account with Fidelity Brokerage Services LLC or its affiliates for this purpose. My participation will continue as long as I remain eligible, unless I withdraw from the ESPP by filing a new Enrollment/Change Form with the Company. If I transfer from the Company to a Participating Corporation or visa-versa or between Participating Corporations, my contributions as of the date of transfer will be used to purchase shares on the next Purchase Date, unless I choose to have such funds refunded to me. I understand that I cannot resume participation following my transfer until the start of the next Offering Period and must timely file a new Enrollment/Change Form to do so. I understand that if I am a U.S. taxpayer, I must notify the Company of any disposition of shares of Common Stock purchased under the ESPP.	
SECTION 4: **ELECT CONTRIBUTION PERCENTAGE**	I hereby authorize the Company to withhold from each of my paychecks such amount as is necessary to equal at the end of the applicable Offering Period __% of my Compensation (as defined in the ESPP) paid during such Offering Period as long as I continue to participate in the ESPP. That amount will be applied to the purchase of shares of Common Stock pursuant to the ESPP. If I am paid in a currency other than U.S. dollars, my contributions will be converted into U.S. dollars prior to the purchase of the Common Stock. **The percentage must be a whole number (from 1%, up to a maximum of 15%). I acknowledge that a lesser percentage of my Compensation than indicated by me may be contributed if necessary to comply with applicable laws (in particular, applicable laws related to minimum salary requirements).** Please ☐-increase ☐-decrease my contribution percentage. **Note:** You may change your contribution percentage only once within a Purchase Period to be effective during such Purchase Period and such change can only be to decrease your contribution percentage. An increase in your contribution percentage can only take effect with the next Offering Period. Each change will become effective as soon as reasonably practicable after the form is received by the Company.	

SECTION 5: **DISCONTINUE CONTRIBUTIONS**	☐- I hereby elect to stop my contributions under the ESPP, effective as soon as reasonably practicable after this form is received by the Company. Please ☐-refund all contributions to me in cash, without interest OR ☐- use my contributions to purchase shares on the next Purchase Date. **I understand that I cannot resume participation until the start of the next Offering Period and must timely file a new Enrollment/Change Form to do so.**
SECTION 6: **RESPONSIBILITY FOR TAXES**	I acknowledge that, regardless of any action the Company or, if different, my employer (the "Employer") takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit, payment on account or other tax-related items related to my participation in the ESPP and legally applicable to me or deemed by the Company or the Employer to be an appropriate charge to me even if technically due by the Company or the Employer ("Tax-Related Items"), I hereby acknowledge and agree that the ultimate liability for all Tax-Related Items is, and remains, my responsibility and may exceed the amount actually withheld by the Company, the Employer and/or the trustee, if any. I further acknowledge and agree that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of my participation in the ESPP, including, but not limited to, the grant or exercise of the options, the subsequent sale of shares of Common Stock acquired under the ESPP and the receipt of any dividends; and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the options to reduce or eliminate my liability for Tax-Related Items or achieve any particular tax result. Further, if I have become subject to tax in more than one jurisdiction, I acknowledge that the Company, the Employer (or former employer, as applicable) and/or any trustee may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Prior to the relevant taxable or taxable withholding event, as applicable, I agree to pay or make adequate arrangements satisfactory to the Company and/or the Employer, as applicable, to satisfy all Tax-Related Items. In this regard, I authorize the Company and/or the Employer, or their respective agents, which are qualified to deduct tax at source, to withhold all applicable Tax-Related Items by one or a combination of the following: (i) withholding from my wages or other cash compensation paid to me by the Company and/or the Employer; (ii) withholding from the proceeds of the sale of shares of Common Stock purchased under the ESPP either through a voluntary sale or through a mandatory sale arranged by the Company (on my behalf pursuant to this authorization); (iii) withholding in shares of Common Stock to be issued upon purchase; and/or (iv) requiring that I pay the Tax-Related Items to the Company or my employer in the form of cash, check or wire transfer. The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including the maximum rate in my jurisdiction(s), in which case I may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in shares of Common Stock. If the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, for tax purposes, I am deemed to have been issued the full number of shares of Common Stock subject to the options, notwithstanding that a number of the shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of my participation in the ESPP Finally, I shall pay to the Company or the Employer any amount of any Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of my participation in the ESPP or my purchase of shares of Common Stock that cannot be satisfied by the means previously described. The Company may refuse to allow me to purchase shares of Common Stock and/or refuse to deliver shares of Common Stock or proceeds of the sale of shares of Common Stock if I fail to comply with my obligations in connection with the payment of Tax-Related Items.

SECTION 7: **NO ADVICE REGARDING GRANT**	The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding my participation in the ESPP, or my acquisition or sale of the underlying shares of Common Stock. I am hereby advised to consult with my own personal tax, legal and financial advisors regarding my participation in the ESPP before taking any action related to the ESPP.
SECTION 8: **ELECTRONIC DELIVERY AND ACCEPTANCE**	The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the ESPP by electronic means. I hereby consent to receive such documents by electronic delivery and agree to participate in the ESPP through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
SECTION 9: **SEVERABILITY**	The provisions of this Enrollment/Change Form are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.
SECTION 10: **APPENDIX**	Notwithstanding any provisions in this Enrollment/Change Form, the right to participate in the ESPP shall be subject to any additional terms and conditions set forth in any Appendix to this Enrollment/Change Form for my country. Moreover, if I relocate to another country, the additional terms and conditions for such country will apply to me, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Enrollment/Change Form.
SECTION 11: **IMPOSITION OF OTHER REQUIREMENTS**	The Company, at its option, may elect to terminate, suspend or modify the terms of the ESPP at any time, to the extent permitted by the ESPP. I agree to be bound by such termination, suspension or modification regardless of whether notice is given to me of such event, subject in any case to my right to timely withdraw from the ESPP in accordance with the ESPP withdrawal procedures then in effect. In addition, the Company reserves the right to impose other requirements on my participation in the ESPP, on any shares of Common Stock purchased under the ESPP, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require me to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
SECTION 12: **GOVERNING LAW**	The interpretation, performance and enforcement of this Enrollment/Change Form shall be governed by the laws of the State of Delaware without resort to that State's conflict-of-laws rules. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or the Enrollment/Change Form, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Jose, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

SECTION 13: **WAVIER**	I acknowledge that a waiver by the Company of breach of any provision of this Enrollment/Change Form shall not operate or be construed as a waiver of any other provision of this Enrollment/Change Form or of any subsequent breach by me or any other Participant.
SECTION 14: **ACKNOWLEDGEMENT AND SIGNATURE**	I acknowledge that I have received a copy of the ESPP and of the Prospectus (which summarizes the major features of the ESPP). I have read the Prospectus and my signature below (or my acceptance of this Enrollment/Change Form on the Fidelity Brokerage Services LLC enrollment page) indicates that I hereby agree to be bound by the terms of the ESPP and this Enrollment/Change Form. Signature: _____ Date: _____

EXHIBIT 10.3

LETTER OF UNDERSTANDING - INTERNATIONAL ASSIGNMENT

June 7, 2022

Nick Tzitzon

Dear Nick:

On behalf of **ServiceNow, Inc. (the "Company")**, we are pleased to offer you the opportunity of an international assignment from Waltham, Massachusetts, USA (your "**Home Location**") to Dublin, Ireland (your "**Host Location**"), continuing in your current role as Chief Strategy and Corporate Affairs Officer reporting to Bill McDermott (your "**International Assignment**"). For the purposes of the International Assignment, you will remain an employee of ServiceNow, Inc. in your Home Location, and will be seconded to ServiceNow Ireland Limited in your Host Location. Upon completion of your International Assignment, it is expected that you will repatriate to your Home Location in accordance with the terms and conditions that govern your International Assignment. All Company policies and the terms of your employment with the Company will remain applicable to you throughout your International Assignment, and this letter of understanding outlines the additional terms and conditions of your International Assignment.

ASSIGNMENT DURATION:

The anticipated duration of your International Assignment is **12 consecutive months**, with an anticipated start date of **August 1, 2022**, contingent on your valid work and residence authorization, and anticipated end date of **August 3, 2023**. The Company, at its discretion, may change the dates or duration of your International Assignment based on business need. At the conclusion of your International Assignment, it is expected that you will repatriate to your Home Location.

BASE SALARY:

You will continue to receive a base salary of **$22,916.66** on a semi-monthly basis, which is equal to **$550,000** annually. Your salary will continue to be paid in your Home Location by the Company.

BONUS:

You will continue to be eligible to participate in the Corporate Incentive Bonus Plan (the "**Bonus Plan**") and your annual incentive bonus target is **100%** of your base salary, payable based upon Company and individual performance. Your eligibility and compensation under the Bonus Plan will be governed by the terms of the Bonus Plan as may be amended from time to time and applicable Company policy, as established from time to time. The payment of any bonus (if any) and its amount shall be at the absolute discretion of the Company. You must be actively employed by the Company on the bonus payment date to be eligible to earn and/or receive a bonus payment. The Company reserves the right to review, amend, replace or withdraw the Bonus Plan at any time. The Company shall make such deductions from any bonus payment payable to you as shall be required by law.

BENEFITS:

During your International Assignment you will remain eligible to participate in certain Home Location benefits (Life and Disability insurances, Employee Assistance Program, and 401(k)). While on International Assignment, the Company agrees to temporarily suspend your enrollment in and payroll deductions for Home Location medical, dental, and vision insurances. In lieu of the aforementioned enrollments, the Company agrees to provide medical, dental, and vision insurance through an expatriate healthcare plan, for you and your family, during your International Assignment. If these benefits are deemed to be taxable in the Host Location based on local tax laws, the Company will cover additional tax assistance to offset all country government tax responsibilities to the applicable tax authorities.

PHYSICAL EXAMINATIONS, INOCULATIONS, VACCINATIONS AND DOCUMENTATION:

It will be your responsibility to ensure that you and accompanying family members undertake necessary physical examinations, inoculations, and vaccinations. Prior to commencement of the International Assignment, you must also obtain any necessary medical records and documents that are required by the laws of either your Home Location or Host Location. The Company will reimburse any such expenses not covered by your health plan.

RELOCATION ASSISTANCE & ASSIGNMENT BENEFITS:

The Company is pleased to offer you relocation assistance and international assignment benefits in connection with your International Assignment. Please see the enclosed Global Relocation International Assignment Benefits Summary for a summary of the relocation and assignment benefits for which you will be eligible in connection with (i) your move to the Host Location; and (ii) your repatriation back to your Home Location.

Upon acceptance of your International Assignment offer, your relocation benefits process will be formally initiated with the Company's relocation vendor.

IMMIGRATION SUPPORT:

The Company will sponsor and coordinate the application for any work permits and/or work visas for you required by the Host Location. The Company will assist in applying for appropriate dependent visas for your accompanying family per local requirements. Your International Assignment will not commence until the appropriate visas or work permits have been approved and obtained. The Company will coordinate and pay for the immigration expenses directly with the service provider.

TAX EQUALIZATIONS AND HYPOTHETICAL WITHHOLDING:

In accordance with the Company's International Assignment Tax Equalization Philosophy (as detailed in the Addendum to this Letter of Understanding, which forms part of this Letter of Understanding), you should not experience either positive or negative income or social security tax effects as a result of working outside of your Home Location.

You will be tax equalized to your home state and country (e.g., Waltham, Massachusetts, USA) for the duration of your International Assignment.

To achieve this, your current actual tax withholdings may cease, in part or in full, and an estimated hypothetical tax may be calculated and withheld from your wages instead, depending on the length of your assignment. This hypothetical tax is a deduction from your pay corresponding to the stay-at-home income taxes (such as national, provincial, canton, state, local, and municipal income, and social taxes) that you would have paid on your income had you remained in your Home Location.

TAX SUPPORT:

For each tax year of your International Assignment, the Company will provide you with the services of our global tax service provider Ernst & Young ("**EY**") to assist with preparation of your tax returns. For the tax year following your repatriation, the Company will provide you tax preparation support for any mandatory trailing liability reporting in the Host Location.

In addition, EY will provide you with tax briefings to help you understand the tax implications of your International Assignment in both the Host Location and the Home Location. These briefings will cover key decisions regarding your personal tax filings in both countries. However, please understand that personal financial and tax planning are not within the scope of services EY will provide to you and their advice will be limited to the time and scope of your International Assignment.

Further details regarding the tax briefing and tax filing preparation services are included in the Addendum to this Letter of Understanding.

RESIGNATION AND TERMINATION OF YOUR EMPLOYMENT DURING YOUR INTERNATIONAL ASSIGNMENT

If, at any time during your International Assignment, your employment with the Company is terminated without "Cause" (as defined in your Employment Letter Agreement dated August 20, 2021) or you resign for "Good Reason" (as defined in your Employment Letter Agreement dated August 20, 2021), your eligibility for international assignment benefits will cease on the date of your termination. The Company will provide you repatriation assistance back to your Home Location solely in the form of (i) repatriation of your household goods; and (ii) the costs of your return travel, as described in the enclosed Global Relocation International Assignment Benefits Summary. In addition, you will receive the tax equalization and tax support described above.

Alternatively, if you resign without "Good Reason" (as defined in your Employment Letter Agreement dated August 20, 2021) or your employment is terminated for "Cause" (as defined in your Employment Letter Agreement dated August 20, 2021) at any time during your International Assignment, your eligibility for relocation assistance and international assignment benefits will cease on the date of your termination. However, any and all expenses you incur subsequent to your date of termination will be your responsibility alone, and the Company will not be responsible for costs you incur in departing from or remaining in the Host Location. Further, the provision of tax equalization and tax support will remain in the sole discretion of the Company.

In addition, if you resign or your employment is terminated "For Cause" (as defined below) at any time during your International Assignment, you will be required to repay the Company the total cost of the relocation assistance incurred by the Company on your behalf (including, for the avoidance of doubt, any gross up payments made for tax equalization purposes), save that your repayment obligation will be reduced by 1/12th for each month of service you complete following the start date of your International Assignment. Thereafter, no repayment shall be required. You agree to repay all amounts due to the Company within ten (10) calendar days following your termination date and you hereby authorize the Company to withhold such amount from any amounts owed to you by the Company, to the extent legally permitted. Details of the total cost will be provided to you in due course, once available. You further agree to execute any documents and/or agreements necessary at the time the reimbursement is triggered to authorize the Company to withhold such amount from any amounts owed to you by the Company, to the extent legally permitted.

AT-WILL EMPLOYMENT:

This Letter of Understanding is not an employment offer or employment contract or a guarantee of continued employment. Your employment with the Company remains "at-will" and the terms of your employment with the Company, including your At-Will Employment, Confidential Information and Invention Assignment Agreement, and Arbitration Agreement will remain in effect throughout your International Assignment.

To indicate your acceptance of the benefits outlined above as well as your repayment obligations, please sign below and return this letter to the **Global Mobility Team** no later than June 24, 2022. This Letter of Understanding is valid until this date but should you have any questions or concerns, please don't hesitate to contact .

Our best wishes for success in your new location!

Sincerely,

/s/ Jacqui Canney
Jacqui Canney

On Behalf of ServiceNow – AMS

ACCEPTED AND AGREED:

By: /s/ Nick Tzitzon Date: June 22, 2022
Nick Tzitzon

Attachments: Addendum to Letter of Understanding - International Assignment
Global Relocation International Assignment Benefits Summary

EXHIBIT 10.4

WARRANT TERMINATION AGREEMENT
dated as of [ ], 2022
[Between] [Among] SERVICENOW, INC. [and [DEALER NAME]] [, [DEALER NAME] and [AGENT NAME]]

THIS WARRANT TERMINATION AGREEMENT (this "**Agreement**") with respect to the Base Warrants Confirmation (as defined below) is made as of [ ], 2022, [between] [among] ServiceNow, Inc. ("**Company**") [and [DEALER NAME] ("**Dealer**")] [, [DEALER NAME] ("**Dealer**") and [AGENT NAME] ("**Agent**")].

WHEREAS, Dealer and Company entered into a Base Warrants Transaction (the "**Base Warrants Transaction**") pursuant to an ISDA confirmation dated as of May 23, 2017, which supplements, forms a part of, and is subject to an agreement in the form of the 2002 ISDA Master Agreement, pursuant to which Dealer purchased from Company [ ] warrants (as amended, modified, terminated or unwound from time to time, the "**Base Warrants Confirmation**");

WHEREAS, Dealer and Company entered into an Additional Warrants Transaction (the "**Additional Warrants Transaction**" and, together with the Base Warrants Transaction, the "**Warrants Transactions**") pursuant to an ISDA confirmation dated as of June 19, 2017, which supplements, forms a part of, and is subject to an agreement in the form of the 2002 ISDA Master Agreement, pursuant to which Dealer purchased from Company [ ] warrants (as amended, modified, terminated or unwound from time to time, the "**Additional Warrants Confirmation**" and, together with the Base Warrants Confirmation, the "**Warrants Confirmations**");

WHEREAS, Company and Dealer agreed on (a) August 6, 2020 to terminate the Additional Warrants Transaction in whole and partially terminate the Base Warrants Transaction, and (b) February 26, 2021, to further partially terminate the Base Warrants Transaction;

WHEREAS, the Number of Warrants under the Base Warrants Transaction as of the date hereof is [ ]; and

WHEREAS, Company has requested a termination of the Base Warrants Transaction in its entirety;

NOW, THEREFORE, in consideration of their mutual covenants herein contained, the parties hereto, intending to be legally bound, hereby mutually covenant and agree as follows:

1. Defined Terms. Any capitalized term not otherwise defined herein shall have the meaning set forth for such term in the Base Warrants Confirmation.

2. Termination. Notwithstanding anything to the contrary in the Base Warrants Confirmation, [Company and Dealer] [Company, Dealer and Agent] agree that, effective on the date hereof, the Base Warrants Transaction shall automatically terminate and all of the respective rights and obligations of the parties under the Base Warrants Confirmation shall be terminated, cancelled and extinguished, and in connection therewith Company shall be required to deliver to Dealer a number of Shares equal to the Share Settlement Amount on the Delivery Date pursuant to Sections 3 and 4 below. [For the avoidance of doubt, Dealer and Agent confirm that [ ] Warrants under the Base Warrants Transactions were effectively terminated on February 26, 2021 (the "**February Unwind**"), in respect of which the Company validly delivered the share settlement amount, and the Company has no further obligations with respect to the Warrants that were terminated in the February Unwind.]

3. Procedures for Hedge Unwind. On each Hedge Unwind Date (as defined below), Dealer (or an affiliate of Dealer), for the account of Dealer, shall unwind a portion of its hedge of the Warrants underlying the Warrants Transactions being terminated hereunder. A "**Hedge Unwind Date**" means each Scheduled Trading Day occurring in the Hedge Unwind Period; *provided*, *however*, that if any such date is a Disrupted Day in whole, such date shall not constitute a Hedge Unwind Date, and an additional Hedge Unwind Date shall occur on the Scheduled Trading Day after the date that would otherwise be the final Hedge Unwind Date. "**Hedge Unwind Period**" means the period of two consecutive Scheduled Trading Days beginning on, and including, [ ], 2022.

4. Payments and Deliveries. On the first Scheduled Trading Day following the last day of the Hedge Unwind Period or, if such day is not a Clearance System Business Day, on the next Clearance System Business Day immediately following such day (the "**Delivery Date**"), Company shall deliver to Dealer, to the account specified in Section 7 hereof, the Share Settlement Amount. The "**Share Settlement Amount**" shall mean a number of Shares determined by Dealer pursuant to the relevant table set forth in Schedule A attached hereto (using linear interpolation or linear extrapolation by Dealer, as applicable, to determine any Average 10b-18 VWAP not specifically appearing in Schedule A). Dealer shall notify Company of the applicable Share Settlement Amount as soon as reasonably practicable after 5:00 pm (New York City time) on the last Scheduled Trading Day of the Hedge Unwind Period. "**Average 10b-18 VWAP**" means the arithmetic average of the Rule 10b-18 VWAP Prices for each Hedge Unwind Date during the Hedge Unwind Period. "**Rule 10b-18 VWAP Price**" for any Scheduled Trading Day means the Rule 10b-18 volume-weighted average price at which the Shares trade as reported in the composite transactions for United States exchanges and quotation systems, during the regular trading session for the Exchange on such Scheduled Trading Day, as published by Bloomberg at 4:15 p.m. New York City time (or 15 minutes following the end of any extension of the regular trading session) on such Scheduled Trading Day, on Bloomberg Page NOW <equity> AQR SEC (or any successor thereto), absent manifest error or unavailability of such page or a successor thereto, in which case Dealer shall determine the Rule 10b-18 VWAP Price for such Scheduled Trading Day using a volume-weighted method (in which case, for purposes of calculating the Rule 10b-18 VWAP Price for such Scheduled Trading Day, Dealer will include only those trades that are reported during the period of time during which Company could purchase its own shares under Rule 10b-18(b)(2) and are effected pursuant to the conditions of Rule 10b-18(b)(3), each under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). Notwithstanding the foregoing, if (i) any Scheduled Trading Day in the Hedge Unwind Period is a Disrupted Day (in whole or in part) or (ii) Dealer determines in its commercially reasonable judgment that on any Scheduled Trading Day during the Hedge Unwind Period that an extension of the Hedge Unwind Period is reasonably necessary or appropriate to preserve Dealer's hedge unwind activity hereunder in light of existing liquidity conditions or to enable Dealer to effect purchase and/or sales of Shares in connection with its hedge unwind activity hereunder in a manner that would be in compliance with applicable legal, regulatory or self-regulatory requirements, or with related policies and procedures applicable to Dealer, then the Rule 10b-18 VWAP Price for such Scheduled Trading Day(s) shall be the volume-weighted average price per Share on such Scheduled Trading Day on the Exchange for such time period, as determined by Dealer based on such sources as it deems appropriate using a volume-weighted methodology, for the portion of such Scheduled Trading Day for which Dealer determines there is no Market Disruption Event with respect to the Shares (if any) and the number of Hedge Unwind Dates and the Share Settlement Amount shall be adjusted by Dealer in its good faith, commercially reasonable discretion to account for such disruption and/or extension. Dealer and Company agree that this Agreement shall be interpreted to comply with the requirements of Rule 10b5-1(c) under the Exchange Act, and Company shall not take any action that results in this Agreement not so complying with such requirements.

5. Representations and Warranties of Company. Company represents and warrants to Dealer (and agrees with Dealer in the case of Sections 5(g)(ii) and (h)) on the date hereof that:

   a. it has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance;

   b. such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any material contractual restriction binding on or affecting it or any of its assets;

   c. all governmental and other consents that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with;

   d. its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and

subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law));

e. each of it and its affiliates is not in possession of any material nonpublic information regarding Company or the Shares;

f. it is not entering into this Agreement to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for the Shares) or to raise or depress or otherwise manipulate the price of the Shares (or any security convertible into or exchangeable for the Shares) or otherwise in violation of the Exchange Act;

g. (i) it is not on the date hereof, engaged in a distribution, as such term is used in Regulation M under the Exchange Act ("**Regulation M**"), of the Shares or any securities deemed "reference securities" (as defined in Regulation M) with respect to the Shares and (ii) it shall not engage in any such distribution during the period commencing on the date hereof and ending on the second Exchange Business Day immediately following the last day of the Hedge Unwind Period with respect to the Shares or such reference securities; and

h. on each Scheduled Trading Day during the Hedge Unwind Period, neither Company nor any "affiliated purchaser" (as defined in Rule 10b-18 of the Exchange Act) shall directly or indirectly (including, without limitation, by means of any cash-settled or other derivative instrument) purchase, offer to purchase, place any bid or limit order that would effect a purchase of, or commence any tender offer relating to, any Shares (or an equivalent interest, including a unit of beneficial interest in a trust or limited partnership or a depository share) or any security convertible into or exchangeable or exercisable for Shares (but excluding convertible debt); *provided* that the foregoing shall not (i) limit Company's ability, pursuant to its employee incentive plans, to re-acquire Shares in connection with the related equity transactions, (ii) limit Company's ability to withhold shares to cover tax liabilities associated with such equity transactions or (iii) limit Company's ability to grant stock, restricted stock units and options to "affiliated purchasers" (as defined in Rule 10b-18) or the ability of such affiliated purchasers to acquire such stock, restricted stock units or options, in connection with Company's compensation policies for directors, officers and employees.

6. Representations and Warranties of Dealer. [Dealer represents and warrants] [Dealer and Agent represent and warrant] to Company on the date hereof that:

a. it has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance;

b. such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any material contractual restriction binding on or affecting it or any of its assets;

c. all governmental and other consents that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and

d. its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

7. Account for Delivery of Shares to Dealer: [Dealer to provide]

8. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and construed in accordance with the laws of the State of New York (without reference to choice of law doctrine).

9. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if all of the signatures thereto and hereto were upon the same instrument.

10. No Reliance, etc. Company confirms that it has relied on the advice of its own counsel and other advisors (to the extent it deems appropriate) with respect to any legal, tax, accounting, or regulatory consequences of this Agreement, that it has not relied on Dealer or its affiliates in any respect in connection therewith, and that it will not hold Dealer or its affiliates accountable for any such consequences.

11. Designation by Dealer. Notwithstanding any other provision in this Agreement to the contrary requiring or allowing Dealer to purchase, sell, receive or deliver any Shares or other securities to or from Company, Dealer may designate any of its affiliates to purchase, sell, receive or deliver such shares or other securities and otherwise to perform Dealer obligations in respect of the transactions contemplated by this Agreement and any such designee may assume such obligations. Dealer shall be discharged of its obligations to Company to the extent of any such performance.

12. Effectiveness. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

13. [Communications with Employees of J.P. Morgan Securities LLC. If Counterparty interacts with any employee of J.P. Morgan Securities LLC with respect to the Transaction, Counterparty is hereby notified that such employee will act solely as an authorized representative of JPMorgan Chase Bank, N.A. (and not as a representative of J.P. Morgan Securities LLC) in connection with the Transaction.]

14. *[U.S. Resolution Stay Protocol.* The parties acknowledge and agree that (i) to the extent that prior to the date hereof both parties have adhered to the 2018 ISDA U.S. Resolution Stay Protocol (the "Protocol"), the terms of the Protocol are incorporated into and form a part of the Agreement, and for such purposes the Agreement shall be deemed a Protocol Covered Agreement, the J.P. Morgan entity that is a party to the Agreement ("**J.P. Morgan**") shall be deemed a Regulated Entity and the other entity that is a party to the Agreement ("**Counterparty**") shall be deemed an Adhering Party; (ii) to the extent that prior to the date hereof the parties have executed a separate agreement the effect of which is to amend the qualified financial contracts between them to conform with the requirements of the QFC Stay Rules (the "**Bilateral Agreement**"), the terms of the Bilateral Agreement are incorporated into and form a part of the Agreement, and for such purposes the Agreement shall be deemed a Covered Agreement, J.P. Morgan shall be deemed a Covered Entity and Counterparty shall be deemed a Counterparty Entity; or (iii) if clause (i) and clause (ii) do not apply, the terms of Section 1 and Section 2 and the related defined terms (together, the "**Bilateral Terms**") of the form of bilateral template entitled "Full-Length Omnibus (for use between U.S. G-SIBs and Corporate Groups)" published by ISDA on November 2, 2018 (currently available on the 2018 ISDA U.S. Resolution Stay Protocol page at www.isda.org and, a copy of which is available upon request), the effect of which is to amend the qualified financial contracts between the parties thereto to conform with the requirements of the QFC Stay Rules, are hereby incorporated into and form a part of the Agreement, and for such purposes the Agreement shall be deemed a "**Covered Agreement,**" J.P. Morgan shall be deemed a "Covered Entity" and Counterparty shall be deemed a "**Counterparty Entity**." In the event that, after the date of the Agreement, both parties hereto become adhering parties to the Protocol, the terms of the Protocol will replace the terms of this paragraph. In the event of any inconsistencies between the Agreement and the terms of the Protocol, the Bilateral Agreement or the Bilateral Terms (each, the "**QFC Stay Terms**"), as applicable, the QFC Stay Terms will govern. Terms used in this paragraph without definition shall have the meanings assigned to them under the QFC Stay Rules. For purposes of this paragraph, references to "**the Agreement**" include any related credit enhancements entered into between the parties or provided by one to the other. In addition, the parties agree that the terms of this paragraph shall be incorporated into any related covered affiliate credit enhancements, with all references to J.P. Morgan replaced by references to the covered affiliate support provider. "**QFC Stay Rules**" means the regulations codified at 12 C.F.R. 252.2, 252.81–8, 12 C.F.R. 382.1-7 and 12 C.F.R. 47.1-8, which, subject to limited exceptions, require an express recognition of the stay-and-transfer powers of the FDIC under the Federal Deposit Insurance Act and the Orderly Liquidation Authority under Title II of the Dodd Frank Wall Street Reform and Consumer Protection Act

and the override of default rights related directly or indirectly to the entry of an affiliate into certain insolvency proceedings and any restrictions on the transfer of any covered affiliate credit enhancements.]

[*U.S. QFC Mandatory Contractual Requirements*.

(a) **Limitation on Exercise of Certain Default Rights Related to a Dealer Affiliate's Entry Into Insolvency Proceedings**. Notwithstanding anything to the contrary in this Confirmation or any other agreement, the parties hereto expressly acknowledge and agree that subject to Section 13(b), Counterparty shall not be permitted to exercise any Default Right against Dealer with respect to this Confirmation or any other Relevant Agreement that is related, directly or indirectly, to a Dealer Affiliate becoming subject to an Insolvency Proceeding.

(b) **General Creditor Protections**. Nothing in Section 13(a) shall restrict the exercise by Counterparty of any Default Right against Dealer with respect to this Confirmation or any other Relevant Agreement that arises as a result of:

i. Dealer becoming subject to an Insolvency Proceeding; or

ii. Dealer not satisfying a payment or delivery obligation pursuant to (x) this Confirmation or any other Relevant Agreement, or (y) another contract between Dealer and Counterparty that gives rise to a Default Right under this Confirmation or any other Relevant Agreement.

(c) **Burden of Proof**. After a Dealer Affiliate has become subject to an Insolvency Proceeding, if Counterparty seeks to exercise any Default Right with respect to this Confirmation or any other Relevant Agreement, Counterparty shall have the burden of proof, by clear and convincing evidence, that the exercise of such Default Right is permitted hereunder or thereunder.

(d) General Conditions

i. Effective Date. The provisions set forth in this Section 13will come into effect on the later of the Applicable Compliance Date and the date of this Confirmation.

ii. Prior Adherence to the U.S. Protocol. If Dealer and Counterparty have adhered to the ISDA U.S. Protocol prior to the date of this Confirmation, the terms of the ISDA U.S. Protocol shall be incorporated into and form a part of this Confirmation and shall replace the terms of this Section 13. For purposes of incorporating the ISDA U.S. Protocol, Dealer shall be deemed to be a Regulated Entity, Counterparty shall be deemed to be an Adhering Party and the Agreement shall be deemed to be a Protocol Covered Agreement.

iii. Subsequent Adherence to the U.S. Protocol. If, after the date of this Confirmation, both Dealer and Counterparty shall have become adhering parties to the ISDA U.S. Protocol, the terms of the ISDA U.S. Protocol will supersede and replace this Section 13.

(e) **Definitions**. For the purposes of this Section 13, the following definitions apply:

"*Applicable Compliance Date*" with respect to this Confirmation shall be determined as follows: (a) if Counterparty is an entity subject to the requirements of the QFC Stay Rules, January 1, 2019, (b) if Counterparty is a Financial Counterparty (other than a Small Financial Institution) that is not an entity subject to the requirements of the QFC Stay Rules, July 1, 2019 and (c) if Counterparty is not described in clause (a) or (b), January 1, 2020.

"BHC Affiliate" has the same meaning as the term "affiliate" as defined in, and shall be interpreted in accordance with, 12 U.S.C. 1813(w) and 12 U.S.C. 1841(k).

"*Credit Enhancement*" means, with respect to this Confirmation or any other Relevant Agreement, any credit enhancement or other credit support arrangement in support of the

obligations of Dealer or Counterparty hereunder or thereunder or with respect hereto or thereto, including any guarantee or collateral arrangement (including any pledge, charge, mortgage or other security interest in collateral or title transfer arrangement), trust or similar arrangement, letter of credit, transfer of margin or any similar arrangement.

"Dealer Affiliate" means, with respect to Dealer, a BHC Affiliate of that party.

"*Default Right*" means, with respect to this Confirmation (including the Transaction) or any other Relevant Agreement, any:

(i) right of a party, whether contractual or otherwise (including, without limitation, rights incorporated by reference to any other contract, agreement, or document, and rights afforded by statute, civil code, regulation, and common law), to liquidate, terminate, cancel, rescind, or accelerate such agreement or transactions thereunder, set off or net amounts owing in respect thereto (except rights related to same-day payment netting), exercise remedies in respect of collateral or other credit support or property related thereto (including the purchase and sale of property), demand payment or delivery thereunder or in respect thereof (other than a right or operation of a contractual provision arising solely from a change in the value of collateral or margin or a change in the amount of an economic exposure), suspend, delay, or defer payment or performance thereunder, or modify the obligations of a party thereunder, or any similar rights; and

(ii) right or contractual provision that alters the amount of collateral or margin that must be provided with respect to an exposure thereunder, including by altering any initial amount, threshold amount, variation margin, minimum transfer amount, the margin value of collateral, or any similar amount, that entitles a party to demand the return of any collateral or margin transferred by it to the other party or a custodian or that modifies a transferee's right to reuse collateral or margin (if such right previously existed), or any similar rights, in each case, other than a right or operation of a contractual provision arising solely from a change in the value of collateral or margin or a change in the amount of an economic exposure; but

(iii) solely with respect to Section 13, does not include any right under a contract that allows a party to terminate the contract on demand or at its option at a specified time, or from time to time, without the need to show cause.

"Financial Counterparty" has the meaning given to such term in, and shall be interpreted in accordance with, 12 C.F.R. 252.81, 12 C.F.R. 382.1 and 12 C.F.R. 47.2.

"Insolvency Proceeding" means a receivership, insolvency, liquidation, resolution, or similar proceeding.

"*ISDA U.S. Protocol*" means the ISDA 2018 U.S. Resolution Stay Protocol, as published by ISDA on July 31, 2018.

"QFC Stay Rules" means the regulations codified at 12 C.F.R. 252.81–8 (the "Federal Reserve Rule"), 12 C.F.R. 382.1-7 (the "FDIC Rule") and 12 C.F.R. 47.1-8 (the "OCC Rule"), respectively. All references herein to the specific provisions of the Federal Reserve Rule, the FDIC Rule and the OCC Rule shall be construed, with respect to Dealer, to the particular QFC Stay Rule(s) applicable to it.

"Relevant Agreement" means this Confirmation (including the Transaction) and any Credit Enhancement relating hereto or thereto.

"Small Financial Institution" has the meaning given to such term in, and shall be interpreted in accordance with, 12 C.F.R. 252.81, 12 C.F.R. 382.1 and 12 C.F.R. 47.2.]

[*U.S. Resolution Stay Provisions*.

i. Recognition of the U.S. Special Resolution Regimes.

A. In the event that Goldman Sachs & Co. LLC ("**GS&Co.**") becomes subject to a proceeding under (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder or (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder (a "**U.S. Special Resolution Regime**") the transfer from GS&Co. of this Confirmation, and any interest and obligation in or under, and any property securing, this Confirmation, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Confirmation, and any interest and obligation in or under, and any property securing, this Confirmation were governed by the laws of the United States or a state of the United States.

B. In the event that GS&Co. or an Affiliate becomes subject to a proceeding under a U.S. Special Resolution Regime, any Default Rights (as defined in 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable ("**Default Right**")) under this Confirmation that may be exercised against GS&Co. are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Confirmation were governed by the laws of the United States or a state of the United States.

ii. Limitation on Exercise of Certain Default Rights Related to an Affiliate's Entry Into Insolvency Proceedings. Notwithstanding anything to the contrary in this Confirmation, GS&Co. and Counterparty expressly acknowledge and agree that:

A. Counterparty shall not be permitted to exercise any Default Right with respect to this Confirmation or any Affiliate Credit Enhancement that is related, directly or indirectly, to an Affiliate of GS&Co. becoming subject to receivership, insolvency, liquidation, resolution, or similar proceeding (an "**Insolvency Proceeding**"), except to the extent that the exercise of such Default Right would be permitted under the provisions of 12 C.F.R. 252.84, 12 C.F.R. 47.5 or 12 C.F.R. 382.4, as applicable; and

B. Nothing in this Confirmation shall prohibit the transfer of any Affiliate Credit Enhancement, any interest or obligation in or under such Affiliate Credit Enhancement, or any property securing such Affiliate Credit Enhancement, to a transferee upon or following an Affiliate of GS&Co. becoming subject to an Insolvency Proceeding, unless the transfer would result in the Counterparty being the beneficiary of such Affiliate Credit Enhancement in violation of any law applicable to the Counterparty.

iii. U.S. Protocol. If Counterparty has previously adhered to, or subsequently adheres to, the ISDA 2018 U.S. Resolution Stay Protocol as published by the International Swaps and Derivatives Association, Inc. as of July 31, 2018 (the "**ISDA U.S. Protocol**"), the terms of such protocol shall be incorporated into and form a part of this Confirmation and the terms of the ISDA U.S. Protocol shall supersede and replace the terms of this Section 13. For purposes of incorporating the ISDA U.S. Protocol, GS&Co. shall be deemed to be a Regulated Entity, Counterparty shall be deemed to be an Adhering Party, and this Confirmation shall be deemed to be a Protocol Covered Agreement. Capitalized terms used but not defined in this paragraph shall have the meanings given to them in the ISDA U.S. Protocol.

iv. Preexisting In-Scope Agreements. GS&Co. and Counterparty agree that to the extent there are any outstanding "in-scope QFCs," as defined in 12 C.F.R. § 252.82(d), that are not excluded under 12 C.F.R. § 252.88, between GS&Co. and Counterparty that do not

otherwise comply with the requirements of 12 C.F.R. § 252.2, 252.81–8 (each such agreement, a "**Preexisting In-Scope Agreement**"), then each such Preexisting In-Scope Agreement is hereby amended to include the foregoing provisions in this Section 13, with references to "this Confirmation" being understood to be references to the applicable Preexisting In-Scope Agreement.

For the purposes of this Section 13, "**Affiliate**" is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k), and "**Credit Enhancement**" means any credit enhancement or credit support arrangement in support of the obligations of GS&Co. under or with respect to this Confirmation, including any guarantee, collateral arrangement (including any pledge, charge, mortgage or other security interest in collateral or title transfer arrangement), trust or similar arrangement, letter of credit, transfer of margin or any similar arrangement.]

[*QFC Stay Rules*. The parties agree that (i) to the extent that prior to the date hereof both parties have adhered to the 2018 ISDA U.S. Resolution Stay Protocol (the "**Protocol**"), the terms of the Protocol are incorporated into and form a part of this Confirmation, and for such purposes this Confirmation shall be deemed a Protocol Covered Agreement and each party shall be deemed to have the same status as Regulated Entity and/or Adhering Party as applicable to it under the Protocol; (ii) to the extent that prior to the date hereof the parties have executed a separate agreement the effect of which is to amend the qualified financial contracts between them to conform with the requirements of the QFC Stay Rules (the "**Bilateral Agreement**"), the terms of the Bilateral Agreement are incorporated into and form a part of this Confirmation and each party shall be deemed to have the status of "Covered Entity" or "Counterparty Entity" (or other similar term) as applicable to it under the Bilateral Agreement; or (iii) if clause (i) and clause (ii) do not apply, the terms of Section 1 and Section 2 and the related defined terms (together, the "**Bilateral Terms**") of the form of bilateral template entitled "Full-Length Omnibus (for use between U.S. G-SIBs and Corporate Groups)" published by ISDA on November 2, 2018 (currently available on the 2018 ISDA U.S. Resolution Stay Protocol page at www.isda.org and a copy of which is available upon request), the effect of which is to amend the qualified financial contracts between the parties thereto to conform with the requirements of the QFC Stay Rules, are hereby incorporated into and form a part of this Confirmation, and for such purposes this Confirmation shall be deemed a "Covered Agreement," Dealer shall be deemed a "Covered Entity" and Counterparty shall be deemed a "Counterparty Entity." In the event that, after the date of this Confirmation, both parties hereto become adhering parties to the Protocol, the terms of the Protocol will replace the terms of this paragraph. In the event of any inconsistencies between this Confirmation and the terms of the Protocol, the Bilateral Agreement or the Bilateral Terms (each, the "**QFC Stay Terms**"), as applicable, the QFC Stay Terms will govern. Terms used in this paragraph without definition shall have the meanings assigned to them under the QFC Stay Rules. For purposes of this paragraph, references to "this Confirmation" include any related credit enhancements entered into between the parties or provided by one to the other. "**QFC Stay Rules**" means the regulations codified at 12 C.F.R. 252.2, 252.81–8, 12 C.F.R. 382.1-7 and 12 C.F.R. 47.1-8, which, subject to limited exceptions, require an express recognition of the stay-and-transfer powers of the FDIC under the Federal Deposit Insurance Act and the Orderly Liquidation Authority under Title II of the Dodd Frank Wall Street Reform and Consumer Protection Act and the override of default rights related directly or indirectly to the entry of an affiliate into certain insolvency proceedings and any restrictions on the transfer of any covered affiliate credit enhancements.]

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

[DEALER]

By: _____
Name:
Title:

[[AGENT]

By: _____
Name:
Title:

SERVICENOW, INC.

By: _____
Name:
Title:

Schedule A

The Share Settlement Amount shall be determined by Dealer pursuant to the table below.

Average 10b-18 VWAP	Share Settlement Amount
$[ ]	[ ]
$[ ]	[ ]
$[ ]	[ ]
$[ ]	[ ]
$[ ]	[ ]
$[ ]	[ ]
$[ ]	[ ]

Dealer may, in good faith and in a commercially reasonable manner, adjust the tables above upon the occurrence of any event or condition that would have allowed Dealer to adjust the terms of the Warrants Transactions under the Warrants Confirmations.

EXHIBIT 31.1

CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William R. McDermott, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ServiceNow, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: July 27, 2022

/s/ William R. McDermott

William R. McDermott
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gina Mastantuono, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ServiceNow, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: July 27, 2022

/s/ Gina Mastantuono

Gina Mastantuono
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, William R. McDermott, Chief Executive Officer of ServiceNow, Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 27, 2022

/s/ William R. McDermott

William R. McDermott
President and Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to ServiceNow, Inc. and will be retained by it and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Gina Mastantuono, Chief Financial Officer of ServiceNow, Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 27, 2022

/s/ Gina Mastantuono

Gina Mastantuono
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to ServiceNow, Inc. and will be retained by it and furnished to the Securities and Exchange Commission or its staff upon request.