

**CHARTER OF THE  
AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
SERVICENOW, INC.**

**Effective as of June 28, 2012 and as amended on October 20, 2014.**

**I. PURPOSE**

The purpose of the Audit Committee (the “*Committee*”) of the Board of Directors of ServiceNow, Inc. (the “*Company*”) shall be to (a) assist the Board of Directors of the Company (the “*Board*”) in its oversight of (i) the quality and integrity of the financial statements of the Company, (ii) the effectiveness of the Company’s internal controls over financial reporting, (iii) the Company’s compliance with legal and regulatory requirements, (iv) the Company’s enterprise risk management framework, (v) the independence and qualifications of the Company’s independent auditor, and (vi) the performance of the Company’s internal audit function and independent auditor, and (b) prepare the committee report as required by the rules of the Securities and Exchange Commission (the “*Commission*”) to be included in the Company’s proxy statement.

**II. MEMBERSHIP**

The Committee will consist of three or more members of the Board, with the exact number determined by the Board. All members of the Committee will be appointed by, and will serve at the discretion of, the Board. All members of the Committee will be independent directors under the applicable rules, regulations and listing requirements of the New York Stock Exchange (the “*NYSE*”), as amended from time to time (the “*Exchange Rules*”), except as may otherwise be permitted by such Exchange Rules, and will also satisfy the Commission’s more rigorous independence requirement for members of the audit committee. All members of the Committee will have sufficient accounting or financial experience and ability to enable them to discharge their responsibilities, and at least one member will be an “audit committee financial expert” within the meaning of the rules and regulations promulgated by the Commission under the Securities Exchange Act of 1934, as amended (the “*Commission Rules*”).

**III. RESPONSIBILITIES AND DUTIES**

The principal responsibilities and duties of the Committee in serving the purposes outlined in Section I of this charter are set forth below. These duties are set forth as a guide with the understanding that the Committee will carry them out in a manner that is appropriate given the Company’s needs and circumstances. The Committee may supplement them as appropriate and may establish policies and procedures from time to time that it deems necessary or advisable in fulfilling its responsibilities.

**A. Independent Auditor**

1. *Appointment and Oversight of Independent Auditor.* The Committee appoints the independent auditor to examine the Company’s accounts, controls and financial statements. The Committee has sole responsibility for the appointment, retention, oversight and, if necessary, termination of any registered public accounting firm engaged (including resolution of

disagreements between the Company's management and the firm regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, and the independent auditor and each such registered public accounting firm will report directly to the Committee. The Committee also has the ultimate authority over the compensation of the independent auditor.

## 2. *Auditor Independence and Qualifications*

a. The Committee is responsible for assessing the independent auditor's qualifications, performance and independence annually. In connection with this assessment, the Committee will make sure it reviews, on an annual basis, all relationships between the independent auditor and the Company, including those described in the formal written statement that the Committee obtains annually from the independent auditor under applicable requirements of the Public Company Accounting Oversight Board (the "**PCAOB**") related to the independent auditor's communications with the Committee concerning independence. The Committee shall engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and/or independence of the independent auditor.

b. The Committee will obtain and review, at least annually, a report from the independent auditor describing:

- (i) the firm's internal quality-control procedures; and
- (ii) any material issues raised by the most recent internal quality-control review, peer review or PCAOB review of the firm, or by any governmental or professional authority in any inquiry or investigation, within the preceding five years, regarding any independent audit carried out by the independent auditor, and any steps taken to address any such issues.

c. The Committee is responsible for reviewing and evaluating the lead audit partner of the independent auditor and overseeing the rotation of the lead audit partner as required by applicable law and the Commission Rules. In making its evaluation, the Committee should take into account the opinions of management and the independent auditor (and as applicable, other personnel including those responsible for the internal audit function).

d. The Committee will set policies for the Company's hiring of employees or former employees of the independent auditor.

## 3. *Approval of Audit and Non-Audit Services*

a. The Committee will review the independent auditor's audit planning, scope and staffing.

b. The Committee must pre-approve all audit and permissible non-audit related services provided to the Company by the independent auditor. The Committee may establish pre-approval policies and procedures, as permitted by the Exchange Rules, Commission Rules and applicable law, for the engagement of the independent auditor to render services to the Company, including without limitation policies that would allow the delegation of pre-approval authority to one or more members of the Committee, provided that

any pre-approval decision is reported to the Committee at its next scheduled meeting.

4. *Interaction with Independent Auditor*

a. The Committee will, to the extent warranted, discuss with the independent auditor the above referenced reports and any other matters required to be reviewed under applicable legal, regulatory or NYSE requirements.

b. The Committee will periodically consult with the independent auditor, out of the presence of the Company's management and the Company's internal audit function, about the Company's internal controls, the fullness and accuracy of the Company's financial statements, the responsibilities, budget and staffing of the Company's finance and internal audit function, and any other matters that the Committee or independent auditor believes should be discussed privately with the Committee.

**B. Financial Statements and Disclosures**

1. *Annual Financial Statements and Disclosures*

a. The Committee will meet to review and discuss with the independent auditor and the Company's management the Company's annual financial statements and report on Form 10-K, including the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors".

b. The Committee will discuss with the independent auditor and the Company's management any items appropriate or required to be discussed in accordance with the PCAOB standards in connection with the preparation of the Company's annual financial statements, including any problems or difficulties encountered during the course of the audit, any restrictions on the scope of work or access to required information, and any significant disagreements with management and management's response to such difficulties.

c. The Committee will be responsible for recommending to the Board whether the annual audited financial statements should be included in the Company's annual report on Form 10-K.

d. The Committee will prepare a report to the Company's stockholders for inclusion in the Company's proxy statement as required by the Commission Rules.

2. *Quarterly Financial Statements and Disclosures*

a. The Committee will meet to review and discuss with the independent auditor and the Company's management the Company's quarterly financial statements and report on Form 10-Q, including the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

b. The Committee will discuss with the independent auditor and the Company's management any items appropriate or required to be discussed in accordance with the PCAOB standards in connection with the preparation of the Company's quarterly financial statements.

3. *Earnings Announcements and Guidance.* The Committee will discuss generally with the Company's management and the independent auditor, as appropriate, the type of information to be disclosed and type of presentation to be made regarding the Company's earnings press releases (including any use of "pro forma," or "adjusted" non-GAAP, information), financial information and earnings guidance provided to analysts and rating agencies.

4. *Ongoing Reviews.* In connection with the foregoing, the Committee will review the Company's financial reporting and accounting standards and principles and financial statement presentations, significant changes in the selection of such standards or principles or in their application and the key accounting decisions affecting the Company's financial statements, including alternatives to, and the rationale for, the decisions made. As part of this ongoing review, the Committee will discuss with the Company's management and the independent auditor the reasonableness of judgments and estimates used in the preparation of financial statements, and alternative accounting treatments, principles or practices that were considered or may be preferred by the independent auditor, the Committee or the Company's management. The Committee will also consider the completeness, clarity and transparency of the disclosures in the Company's financial statements.

### **C. Internal Audit Function**

1. *Appointment.* The Committee will oversee the hiring, firing or reassignment of the lead person responsible for the internal audit function.

2. *Design and Planning.* The Committee will discuss with the lead person responsible for the Company's internal audit function, as well as the independent auditor and the Company's management, the responsibilities, budget, staffing, and planned scope of work of the internal audit function. The Committee will review on an annual basis the internal audit plan including any significant changes thereto.

3. *Ongoing reviews.* The Committee will review and discuss with the internal auditors the progress and results of executing the internal audit plan, and shall receive at least quarterly, reports on the status of any issues encountered, significant findings and recommendations. The Committee will also review any significant reports to the Company's management prepared by the internal audit function and management's responses thereto.

4. *Separate Meeting with Internal Audit Function.* The Committee will periodically meet separately with the internal audit function out of the presence of the Company's management and independent auditor to discuss any issues that the Committee or the internal audit function believes warrant the Committee's attention.

## **D. Controls and Procedures**

1. *Review of Processes, Systems, Controls and Procedures.* The Committee will periodically review and meet separately with the independent auditor, the internal audit function and the Company's management to discuss their periodic reviews of the integrity, adequacy and effectiveness of the Company's accounting and financial reporting processes, systems of internal control (including any significant deficiencies and material weaknesses in their design or operation), and disclosure controls and procedures (and management's reports thereon), as well as any special audit steps adopted in light of material control deficiencies.

### *2. Legal and Compliance Matters*

a. The Committee will periodically review with the Company's management and the Company's General Counsel, the Company's program for compliance with laws and regulations, the record of such compliance, and the nature and status of significant legal matters.

b. The Committee will periodically review those policies and procedures of the Company and its subsidiaries relating to significant and material compliance and control matters.

c. The Committee will review and monitor any pending or threatened litigation that could have a material impact on the Company's financial statements.

3. *Risk Assessment and Risk Management.* The Committee is responsible for reviewing as required the Company's overall risk management framework. To this end, it will review the Company's overall risk exposures and the Company's processes around the management and monitoring of such risks, and the allocation of responsibilities for specific risk areas across the Company's management, the Board and committees of the Board. The Committee will discuss with the Company's management the Company's major financial, legal, reporting and compliance risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies and guidelines.

4. *Whistleblower Procedures.* The Committee is responsible for establishing and overseeing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and for the confidential and/or anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters.

## **E. Other Duties and Responsibilities**

1. *Related Party Transactions.* The Committee will review and, where appropriate, approve any proposed transaction between the Company and any related party (other than transactions that are subject to review by the Board as a whole or any other committee of the Board), as defined by applicable law, the Commission Rules and the Exchange Rules, and will periodically review the business interests and activities of members of the Board and management.

2. *Review of Composition and Performance.* The Committee will evaluate the Committee's composition and performance on an annual basis and submit a report to the Board.

3. *Review of this Charter.* The Committee will review and reassess the adequacy of this charter annually and recommend to the Board any changes the Committee determines are appropriate.

4. *Other Actions.* The Committee will perform any other activities required by applicable law, rules or regulations, including the Commission Rules and the Exchange Rules, and take such other actions and perform and carry out any other responsibilities and duties delegated to it by the Board or as the Committee deems necessary or appropriate consistent with its purpose.

#### **IV. STUDIES AND ADVISERS**

In discharging its responsibilities, the Committee may conduct, direct, supervise or authorize studies of, or investigations into, any matter that the Committee deems appropriate, with full and unrestricted access to all books, records, documents, facilities and personnel of the Company. The Committee has the sole authority to retain, oversee and terminate independent legal counsel and other consultants, accountants, experts and advisers of its choice to assist the Committee in connection with its functions, including any studies or investigations. The Committee will have the sole authority to approve the fees and other retention terms of such advisers. The Company will also provide for appropriate funding, as determined by the Committee, for:

- payment of compensation to any legal and other consultants, accountants, experts and advisers retained by the Committee; and
- ordinary administrative expenses of the Committee that are necessary and appropriate in carrying out its functions.

#### **V. MEETINGS AND ACTIONS**

Meetings of the Committee shall be held at least once each quarter or more frequently, as determined to be appropriate by the Committee. The Board may appoint a member of the Committee to serve as the chairperson of the Committee (the "Chair"); if the Board does not appoint a Chair, the Committee members may designate a Chair by their majority vote. The Chair, in consultation with the other members of the Committee, will set the dates, time, places and agenda for Committee meetings. The Chair or any other member of the Committee may call meetings of the Committee by notice and the Committee may act by unanimous written consent in lieu of a meeting in accordance with the Company's Bylaws. A quorum of the Committee for the transaction of business will be a majority of its members. Meetings may be held in person or via telephone or video conference. Subject to the requirements of this charter, applicable law, the Exchange Rules and the Commission Rules, the Committee and the Chair may invite any director, executive or employee of the Company, or such other person, as it deems appropriate in order to carry out its responsibilities, to attend and participate (in a non-voting capacity) in all or a portion of any Committee meeting. The Committee may meet in executive session at its discretion and may include or exclude from all or a portion of its meetings any person it deems appropriate in order to carry out its responsibilities. The Chair will designate a secretary for each

meeting, who need not be a member of the Committee. The Company shall provide the Committee such staff support as it may require.

## **VI. DELEGATION OF AUTHORITY**

The Committee may establish or designate a sub-committee for the purpose of carrying out any responsibility or activity within the scope of this charter.

## **VII. MINUTES AND REPORTS**

The Committee will maintain written minutes of its meetings and copies of its actions by written consent, and will cause such minutes and copies of written consents to be filed with the minutes of the meetings of the Board. The Committee will report regularly to the Board with respect to its activities, including on significant matters related to the Committee's responsibilities and the Committee's deliberations and actions. The minutes of the Committee and actions by the unanimous written consent of the Committee members will be made available to the other members of the Board.

## **VIII. COMPENSATION**

Members of the Committee will receive such fees, if any, for their service as Committee members as may be determined by the Board, which may include additional compensation for the Chair. Such fees may include retainers or per meeting fees and will be paid in such form of consideration as is determined by the Board in accordance with applicable law, the Exchange Rules and the Commission Rules.

## **IX. PUBLICATION**

The Company shall make this charter freely available to stockholders on request and, provided that the Company is subject to the periodic reporting requirements of the Exchange Act or listed on the NYSE, shall publish it on the Company's web site.

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This charter sets forth the authority and responsibility of the Committee in fulfilling the purposes described herein. In fulfilling their responsibilities, it is recognized that members of the Committee are not full-time employees of the Company and are not, and do not represent themselves to be, professional accountants or auditors. The functions of the Committee are not intended to duplicate or substitute for the activities of management and the independent auditor, and the Committee members cannot provide any expert or special assurance as to the Company's financial statements, internal controls or management of risk or any professional certifications as to the work of the independent auditor.

While the Committee has the responsibilities and powers set forth in this charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles in the United States. This is the responsibility of management and the independent auditor. In addition, the Company's management is responsible for managing its risk function and for reporting on its processes and assessments with respect to the Company's management of risk.

Each member of the Committee shall be entitled to rely on (a) the integrity of those persons and organizations within and outside of the Company from which it receives information, (b) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board) and (c) representations made by management as to any audit and non-audit services provided by the independent auditor.

The Board has formed the Committee to assist the Board in directing the Company's affairs and this charter has been adopted in furtherance of this purpose. While this charter should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Certificate of Incorporation and Bylaws, it is not intended to establish by its own force any legally binding obligations.