
SUCCESSFACTORS, INC.

CORPORATE GOVERNANCE GUIDELINES

As Adopted by the Board of Directors
on October 31, 2007

SuccessFactors, Inc. (collectively with its subsidiaries, the “*Company*”) is committed to promoting high standards of honest and ethical business conduct and compliance with applicable laws, rules and regulations. As part of this commitment, the Nominating and Corporate Governance Committee (the “*Committee*”) of the Company’s Board of Directors (the “*Board*”) developed, and the Board has adopted, these Corporate Governance Guidelines (the “*Corporate Governance Guidelines*”) to assist the Board in the exercise of its responsibilities. These Corporate Governance Guidelines reflect the Board’s commitment to monitor the effectiveness of policy and decision making both at the Board and management level, with a view to enhancing long-term stockholder value. The Board intends that these guidelines serve as a flexible framework within which the Board may conduct its business, not as a set of binding legal obligations.

These Corporate Governance Guidelines are not intended to change or interpret any federal or state law or regulation, including the General Corporation Law of the State of Delaware, or the Certificate of Incorporation or Bylaws of the Company. These Corporate Governance Guidelines are subject to modification from time to time by the Board.

I. Responsibilities of the Board of Directors

The Board selects corporate officers, acts as the management team’s adviser, and monitors management’s performance. The Board is ultimately responsible for oversight of the Company’s program to prevent and detect violations of law or Company policies and procedures.

The Board is responsible for selecting and appointing the Chief Executive Officer, President, and Chairperson of the Board (which need not be the Chief Executive Officer or President of the Company, the “*Chairperson*”), and Lead Director of the Board, if any. The Chief Executive Officer shall select and appoint all other officers of the Company.

Each member of the Board (each, a “*director*” and collectively, the “*directors*”) is expected to spend the time and effort necessary to properly discharge such director’s responsibilities. Accordingly, a director is expected to regularly attend meetings of the Board and Board committees on which such director sits, and review prior to each meeting the material distributed in advance for such meeting. A director who is unable to attend a meeting (which it is

understood will occur on occasion) is expected to notify the Chairperson or the chairperson of the appropriate committee in advance of such meeting.

II. Independence of the Board

The Board shall be comprised of a majority of directors who, in the business judgment of the Board, qualify as independent directors (“*Independent Directors*”) under the applicable rules, regulations, and listing requirements of the NASDAQ Global Market or other applicable exchange, as amended from time to time, and these Corporate Governance Guidelines.

III. Size of the Board

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

IV. Frequency of Meetings

There are at least four regularly scheduled meetings of the Board each year. At least one regularly scheduled meeting of the Board shall be held each quarter, plus special meetings as required by the needs of the Company.

V. Selection of the Chairman of the Board

The Board does not require the separation of the offices of the Chairman of the Board and the Chief Executive Officer. The Board shall be free to choose its Chairman in any way that it deems best for the Company at any given point in time.

When the positions of Chairman and Chief Executive Officer are held by the same person, the independent directors designate a Lead Independent Director. In cases in which the Chairman and Chief Executive Officer are the same person, the Chairman, with the Lead Independent Director, schedules and sets the agenda for meetings of the Board, and the Chairman or, if the Chairman is not present, the Lead Independent Director chairs such meetings. In addition, the Lead Independent Director presides over executive sessions of independent directors, serves as a liaison between the Chairman and the independent directors, coordinates information sent to the Board, approves meeting schedules to ensure sufficient time to cover all agenda items, is available for consultation and direct communication with major stockholders upon request and performs such other functions and responsibilities as requested by the Board from time to time. The Lead Independent Director will encourage direct dialogue between all directors (particularly those with dissenting views) and management. The Lead Independent Director also will assist the Chairman in leading the Board in anticipating and responding to crises.

VI. Selection of Directors

The Board shall be responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Committee is responsible for identifying, screening and recommending candidates to the Board for Board membership. When formulating its Board membership recommendations, the Committee shall also consider advice and recommendations from stockholders, management, and others as it deems appropriate.

VII. Board Membership Criteria

The Board's policy is to encourage selection of directors who will contribute to the Company's overall corporate goals: responsibility to its stockholders, technology leadership, effective execution, high customer satisfaction and superior employee working environment. The Nominating and Corporate Governance Committee may from time to time review the appropriate skills and characteristics required of Board members, including such factors as business experience, diversity, and personal skills in technology, finance, marketing, international business, financial reporting and other areas that are expected to contribute to an effective Board. Exceptional candidates who do not meet all of these criteria may still be considered. In evaluating potential candidates for the Board, the Nominating and Corporate Governance Committee considers these factors in the light of the specific needs of the Board at that time.

VIII. Directors Who Change Their Present Job Responsibility

The Board does not believe that directors who retire or change the position they held when they became a member of the Board should necessarily leave the Board. Promptly following such an event, the director must notify the Committee, which shall review the continued appropriateness of the affected director remaining on the Board. The affected director is expected to act in accordance with the Committee's recommendation following such review.

IX. Retirement Age

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

X. Director Tenure

The Board is classified into three classes, with the members of each class being elected once every three years. There are no limits on the number of three-year terms that may be served by a director. However, in connection with evaluating recommendations for nomination for re-election, the Committee shall consider director tenure.

XI. Number and Composition of Board Committees

The Board currently has the following standing committees: Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee. The purpose and responsibilities for each of these committees shall be outlined in committee charters adopted

by the Board. After consultation with the Committee, the Board may, from time to time, form new committees, re-allocate responsibilities of one committee to another committee or disband a current committee. In addition, the Board may form ad hoc committees from time to time, and determine the composition and areas of competence of such committees.

Each of the committees shall be composed entirely of Independent Directors satisfying applicable legal, regulatory, and stock exchange requirements necessary to serve on any such committee. All other standing committees formed by the Board shall be chaired by Independent Directors, except where the Board, pursuant to the recommendation of the Committee, determines otherwise.

XII. Executive Sessions

In general, the agenda for every regularly scheduled Board meeting shall include a meeting of the “non-management directors,” as defined by Marketplace Rule 4350(c)(2) of the NASDAQ Stock Market (or similar rules of the applicable exchange), in executive session. In any event, the non-management directors shall meet in executive session at least semiannually to discuss, among other matters, the performance of the Chief Executive Officer. The non-management directors will meet in executive session at other times at the request of any non-management director. Absent unusual circumstances, these sessions shall be held on the same date as regularly scheduled Board meetings. The director who presides at these meetings shall be (i) the Chairperson (if a non-management director), (ii) the Lead Director (if a non-management director), or (iii) such other non-management director as is selected by a majority of the non-management directors. The same non-management director need not preside at all executive sessions of the non-management directors. The identity of, or process of selecting, the presiding director shall be disclosed in the Company’s annual proxy statement as required by the NASDAQ Stock Market (or similar rules of the applicable exchange).

XIII. Director Compensation

Non-employee directors receive compensation that consists of a combination of cash and equity. Employee directors are not paid additional compensation for their services as directors. The Compensation Committee recommends to the Board the form and amount of cash-based and equity-based compensation to be paid or awarded to non-employee directors for service on the Board and its committees based on the Compensation Committee’s consideration of the responsibilities and time commitment of Company directors and information regarding the compensation paid at peer companies. The Compensation Committee will periodically review the level and form of, and, if it deems appropriate, recommend to the Board changes in, director compensation. Such review will also include a review of both direct and indirect forms of compensation to the Company’s directors, including any charitable contributions by the Company to organizations affiliated with a director.

XIV. Director Stock Ownership

The Compensation Committee periodically assesses the appropriateness of stock ownership guidelines for directors and senior executives, including whether and to what extent executives should be restricted from selling stock acquired through equity compensation.

XV. Board Access to Senior Management

Directors are encouraged to speak directly to any member of management regarding any questions or concerns the directors may have.

XVI. Attendance at Annual Meeting of Stockholders

Directors are invited and encouraged to attend the Company's annual stockholder meeting.

XVII. Director Orientation and Continuing Education

The Company shall provide new directors with written material, oral presentations and site visits to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, codes of business conduct and ethics, corporate governance guidelines, principal officers, internal auditors, and independent auditors. Directors may be expected, based on the recommendations of the Committee, to participate in continuing educational programs in order to maintain the necessary level of expertise to perform their responsibilities as directors.

XVIII. Formal Evaluation of Officers and Designated Key Employees

The formal evaluation of the performance of the Chief Executive Officer should be made in the context of the Chief Executive Officer's annual compensation review by the Compensation Committee of the Board, with appropriate input from other Board members, and should be communicated to the Chief Executive Officer by the chairperson of the Compensation Committee. In consultation with the Chief Executive Officer, the Compensation Committee will also review the performance of each other officer and designated key employees in connection with the determination of the salary and bonus for those officers and employees. The Compensation Committee will provide a report to the Board on these performance evaluations.

XIX. Succession Planning

The Board is responsible for Chief Executive Officer succession planning, and only the Board may appoint a Chief Executive Officer. The Board may also monitor management's succession plans for other key executives and leadership development programs. The Chief Executive Officer shall propose to the Board an emergency succession plan to provide for one or more individuals to fulfill the Chief Executive Officer's responsibilities on an interim basis in the

event that the Chief Executive Officer is incapacitated or otherwise unable to perform his or her duties as Chief Executive Officer, which the Board will review and approve.

XX. Authority to Retain Advisers

The Board and each of its committees has the authority, at the Company's expense, to retain and terminate independent advisers as the Board and any such committee deems necessary.

XXI. Amendments

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