Corporate Governance Guidelines

Last updated on August 20, 2026

The following corporate governance guidelines have been approved and adopted by the Board of Directors (the "**Board**") of Palo Alto Networks, Inc. (the "**Company**") for the purpose of establishing the corporate governance policies pursuant to which the Board intends to conduct its oversight of the business of the Company in accordance with its fiduciary responsibilities.

A. Role of the Board

The role of the Board is to oversee the performance of the chief executive officer ("CEO") and other senior management and to assure that the best interests of stockholders are being served. To satisfy this responsibility, the directors are expected to take a proactive approach to their duties and function as active monitors of corporate management. Accordingly, the directors provide oversight in the formulation of the long-term strategic, financial and organizational goals of the Company and of the plans designed to achieve those goals. In addition, the Board reviews and approves standards and policies to ensure that the Company is committed to achieving its objectives through the maintenance of the highest standards of responsible conduct and ethics and to assure that management carries out their day-to-day operational duties in a competent and ethical manner.

The day-to-day business of the Company is carried out by its employees, managers and officers, under the direction of the CEO and the oversight of the Board, to enhance the long-term value of the Company for the benefit of stockholders. The Board and management also recognize that creating long-term enterprise value is advanced by considering the interests and concerns of other stakeholders, including the Company's employees, customers, creditors and suppliers as well as the community generally.

The Board understands that effective directors act on an informed basis after thorough inquiry and careful review, appropriate in scope to the magnitude of the matter being considered. The directors know their position requires them to ask probing questions of management and outside advisors. The directors also rely on the advice, reports and opinions of management, counsel and expert advisers. In doing so, the Board evaluates the qualifications of those it relies upon for information and advice and also looks to the processes used by managers and advisors in reaching their recommendations. In addition, the Board has the authority to hire outside advisors at the Company's expense if it believes doing so is appropriate.

B. Selection of Chairperson of the Board and CEO

The Board shall fill the Chairperson of the Board and CEO positions based upon the Board's view of what is in the best interests of the Company. The CEO and Chairperson may, but need not be, the same person. The "Chairperson" of the Board may use as a title, "Chair," "Chairperson," "Chairman" or "Chairwoman" as they so choose.

C. Lead Independent Director

If the Board does not have an independent Chairperson, the Board shall, annually, appoint a lead director by and from the independent Board members to serve for a minimum of one year ("Lead Independent Director"). The Lead Independent Director shall engage in regular communication between the independent directors (including during executive sessions of the independent directors) and the CEO, keeping the CEO apprised of any concerns, issues or determinations made during the independent sessions or otherwise. The Lead Independent Director shall also consult with the CEO on other matters pertinent to the Company and the Board. The role and responsibilities of the Lead Independent Director also include: (i) presiding at all meetings of the Board at which the Chairperson is not present and calling, setting the agenda for, and presiding over executive sessions and meetings of the independent directors; (ii) providing independent Board leadership and serving as liaison between the Chairperson and the independent directors; (iii) in collaboration with the Chairperson, developing and approving Board meeting agendas and the allocation of adequate time for Board discussions and deliberations, and communicating with independent Board members to ensure that matters of interest and importance are being included on Board meeting agendas for Board meetings; (iv) in communication with the independent directors and management, approving the type and sufficiency of information and materials provided to the Board members, and ensuring that such materials are provided to the Board sufficiently in advance of Board meetings to allow for proper and meaningful review, preparation, and participation for Board meetings; (v) ensuring the Board exercises appropriate risk management oversight, including providing direction related thereto to management; (vi) having the authority to call meetings of the Board and the independent directors (including preparing agendas for such meetings); (vii) leading the Board's evaluation of the performance of the CEO, including communicating feedback directly to the CEO; (viii) leading the Board's annual self-evaluation process, including identifying areas for improvement in the Board's performance and effectiveness, and overseeing the implementation of resulting recommendations, and (ix) being available for direct consultation and communication with major stockholders as appropriate, including with respect to corporate governance and other Board and Company matters. All members of the Board are encouraged to communicate with the CEO. As long as the Chairperson of the Board is an independent, non-employee director, the Lead Independent Director role and responsibilities may be assigned to the Chairperson.

D. Committees

The Board has five "standing committees": the Audit Committee; the Compensation and People Committee; the Governance and Sustainability Committee; the Corporate Development Committee; and the Security Committee. The Board will continue to delegate substantial responsibilities to each standing committee, and each standing committee, other than the Corporate Development Committee and the Security Committee, should consist solely of independent directors, as defined by the rules and listing standards of the Nasdaq Stock Market ("Nasdaq Rules"), and in the case of the Audit Committee as defined by the rules and

regulations of the Securities and Exchange Commission ("SEC Rules"). The members of these standing committees shall also meet the other membership criteria specified in the respective charters for these committees. Additional committees may be formed from time to time as determined by the Board and need not consist solely of independent directors.

E. Assignment of Committee Members

Committees should be appointed (or reappointed), and chairs of each committee designated, by the full Board, upon recommendation by the Governance and Sustainability Committee, annually. While the composition of the committees of the Board should be reviewed each year in making certain that these committees are not stagnant or without fair representation, it is the Board's belief that continuity of experience in the specific functions of these committees provides a significant benefit to the stockholders and to management.

F. Frequency and Length of Committee Meetings

Each committee chair, in consultation with committee members, will determine the frequency and length of meetings of his or her committee, considering all relevant factors such as the committee's mandate, nature of current committee business to be discussed and the like. Moreover, the committee chair should feel free to call additional committee meetings at times other than the scheduled meetings of the full Board.

G. Committee Charters and Agendas

Each committee shall have its own charter, which will set forth the purpose, membership requirements, authority and responsibilities of the committee. Annually, the chair of each committee should review the existing committee charter and determine, in consultation with the rest of the committee, whether any amendments are required. Committee charters should be within the scope of authority granted by the Board and should be approved by the Board. The chair of the committee, in consultation with appropriate members of management and staff, should develop the overall annual agenda to the extent it can be foreseen. In addition, each committee chair should prepare an agenda prior to each committee meeting and should consult with appropriate members of management for additional items which should be included in the agenda. Any committee of the Board is authorized to engage its own outside advisors at the Company's expense, including legal counsel or other consultants, as required, provided that the committee shall promptly advise the full Board of such engagement.

H. Code of Conduct, Conflicts of Interests, Transactions with Related Persons and Complaints Process

The Governance and Sustainability Committee shall periodically review and approve the Company's Code of Conduct, which is applicable to directors, officers and employees; consider questions of possible conflicts of interest of Board members and corporate officers (other than transactions with related persons that are reviewed and approved by the Audit Committee); review actual and potential conflicts of interest (including corporate opportunities) of Board members and corporate officers; and approve or prohibit any involvement of such persons in matters that may involve a conflict of interest or taking of a corporate opportunity. Directors may be asked from time to time to leave a Board meeting when the Board is considering a transaction in which the director (or another organization in which the director is a director or officer) has a financial or other interest.

The Audit Committee shall review and approve any proposed transactions with related persons in accordance with the Company's applicable policies and the Nasdaq Rules and shall report any material transactions with related persons to the full Board. In addition, the Audit Committee shall monitor compliance with the Company's Code of Conduct by the CEO and senior financial officers and review and approve the Company's procedures for handling complaints regarding accounting or auditing matters.

I. Board Meetings and Agenda Items

The Board shall have no less than four regularly scheduled meetings each year at which it reviews and discusses leadership continuity, management development, management reports on the performance of the Company, and its plans and prospects, as well as more immediate issues facing the Company. The Chairperson of the Board (in consultation with the CEO if not the same person and the Lead Independent Director if the Chairperson is the CEO) will set the agenda for each Board meeting. Each Board member is free to suggest inclusion of items on the agenda. A representative from the Company's outside counsel should be available to attend Board meetings. The Board will review the Company's long-term strategic plans during at least one Board meeting per year.

J. Board Materials Distributed in Advance

To the extent possible, information and data which is important to the Board's understanding of matters to be discussed at the meeting and the current status of the Company's business should be distributed to the Board a sufficient number of days before the meeting to enable the directors to read and prepare for the meeting.

K. Board, Committee and Stockholder Meetings

Directors are expected to prepare for, attend and actively participate in all Board and committee meetings. As a general rule, preparation material on specific subjects should be sent to the Board members in advance so that the Board meeting time may be conserved and discussion time focused on questions that the Board has about the material. On those occasions when the subject matter is too sensitive to be distributed, the subject will have to be introduced at

the meeting. The Company encourages, but does not require, directors to attend the annual meeting of stockholders.

L. Regular Attendance of Management at Board Meetings

It is anticipated that certain members of management (e.g., the Chief Financial Officer, the General Counsel and Secretary and such other members of the executive staff as the CEO may from time to time designate) will attend Board meetings on a regular basis. Other members of management and staff will attend meetings and present reports from time to time. Specifically, the Board encourages management to schedule managers to be present at Board meetings who can provide additional insight into the items being discussed because of personal involvement in these areas. It is understood that Company personnel and others attending Board meetings may be asked to leave the meeting in order for the Board to meet in executive session.

M. Executive Sessions of Independent Directors and Audit Committee

It is the policy of the Board to regularly have separate meeting times for independent directors without management. Such executive sessions shall be held at least twice a year. Such meetings should be held following regularly scheduled meetings and at such other times as requested by an independent director. The Chairperson of the Board or, if the Chairperson is the CEO, the Lead Independent Director shall preside at executive sessions.

In addition, the Audit Committee of the Board should meet periodically with the Company's outside auditors without management present at such times as it deems appropriate.

N. Board Access to Company Employees

Board members should have full access to members of management, either as a group or individually, and to Company information that they believe is necessary to fulfill their obligations as Board members. The directors should use their judgment to ensure that any such contact or communication is not disruptive to the business operations of the Company.

O. Board Compensation Review

The Governance and Sustainability Committee should conduct an annual review of director compensation. This review will include input from the Company's Human Resources department or third-party compensation consultant in order to evaluate director compensation compared to other peer companies. Any change in Board compensation should be approved by the full Board. Ownership of shares of the Company's common stock by the directors is encouraged as noted in paragraph DD below.

P. Size of the Board

The size of the Board is established in accordance with the Company's Certificate of Incorporation and Bylaws. The size of the Board may vary based upon the size of the business and the availability of qualified candidates. Board size should facilitate active interaction and participation by all Board members. The Board will review from time to time the appropriateness of its size.

Q. Composition of Board

The Board believes that as a matter of policy there should be a majority of independent directors on the Board. In no event will the Board consist of less than a majority of independent directors. Within that policy, the mix of Board members should provide a range of expertise and perspective in areas relevant to the Company's business. At the same time, in addressing the overall composition of the Board, the Board will consider the background of a director candidate based on broader principles such as their ability to improve the breadth of perspectives, experiences and expertise of the Board.

R. Board Definition of "Independence" for Directors

A director shall be considered "independent" for purposes of serving on the Board if he or she meets the criteria for independence established by the applicable provisions of the Securities Exchange Act of 1934, the SEC Rules and the Nasdaq Rules. A director shall be considered "independent" for purposes of serving on a Board committee based on the definition of independence used in that committee's charter, which shall conform to any requirements established for such a committee by the Nasdaq Rules and any applicable SEC Rules.

S. Board Membership Criteria and Selection

The Governance and Sustainability Committee should review on an annual basis, in the context of recommending a slate of directors for stockholder approval, the composition of the Board. Selection of new directors requires recommendation of a candidate by the Governance and Sustainability Committee to the full Board, which has responsibility for naming new members in the event of a vacancy or expansion of the Board between annual meetings of stockholders.

It is the policy of the Board that the Governance and Sustainability Committee consider both recommendations and nominations for candidates to the Board from stockholders so long as such recommendations and nominations comply with the Certificate of Incorporation and Bylaws of the Company and applicable laws, including the SEC Rules. Stockholders may recommend director nominees for consideration by the Governance and Sustainability Committee by writing to the Secretary of the Company and providing the information required in the Company's Bylaws. Following verification of the stockholder status of the person submitting the recommendation, all properly submitted recommendations will be promptly brought to the attention of the

Governance and Sustainability Committee. Stockholders who desire to nominate persons directly for election to the Board at the Company's annual meeting of stockholders must meet the deadlines and other requirements set forth in the Company's Bylaws and the SEC Rules. Any vacancies or newly created directorships on the Board occurring between the Company's annual meetings of stockholders may be filled by persons selected by a majority of the directors then in office, although less than a quorum, or by a sole remaining director, and any director so elected will serve for the remaining term of the class of directors, if any, for which such director shall have been elected.

T. Other Public Company Directorships

The Board believes that Board membership requires a significant time commitment. Directors must devote sufficient time to carry out their duties and responsibilities effectively. Accordingly, generally no director should be a member of more than three public company boards. The Governance and Sustainability Committee will consider the number of other public company boards or other boards or committees on which a director or prospective director is a member. Directors shall notify the Governance and Sustainability Committee prior to accepting membership on any other public or private company board, so that the director's time commitments and potential conflicts of interest may be evaluated.

U. Notifying a Director of Non-Inclusion on a Proposed Slate of Directors

Any proposal to decrease the size of the Board, or to substitute a new director for an existing director, should be made first by the Governance and Sustainability Committee, then approved by the full Board. After receipt of a recommendation from the Governance and Sustainability Committee, the Chairperson of the Board or the Lead Independent Director should notify the affected director of such recommendation prior to the meeting of the Board at which the slate of nominees is proposed to be approved.

V. Assessing Board and Committee Performance

The Governance and Sustainability Committee should establish an annual process for permitting the Board and each committee to conduct an assessment of its performance during the prior fiscal year. This assessment should focus on areas in which the Board or its committees believe contributions can be made going forward to increase the effectiveness of the Board or its committees. Each committee and the full Board will consider and discuss the findings of the assessments.

W. Annual Election of Directors

Directors shall be subject to election at the annual meeting of stockholders in accordance with the terms of service specified in the Company's Certificate of Incorporation. The Board shall be classified with three classes of directors. Each director elected at an annual meeting shall serve a term of three years. The Board shall fill vacancies or add new directors as provided in the Company's Certificate of Incorporation and Bylaws.

X. Majority Voting Resignation Policy for Director Elections

The Company's Bylaws provide for majority voting in uncontested director elections. In any director election for which the voting standard is the majority of votes cast at any stockholder meeting for the election of directors at which a quorum is present, the Board expects any incumbent director who does not receive a majority of the votes cast (as such standard is described in the Company's Bylaws) to promptly tender a resignation following the certification of the applicable stockholder vote. Such resignation shall provide that it will be effective only upon the acceptance thereof by the Board.

It is the Board's policy to nominate for election or re-election as director only candidates who agree to tender, promptly following the annual meeting at which they are elected or re-elected as director, irrevocable resignations that will be effective upon (i) the failure to receive the required vote at the next annual meeting at which they face re-election and (ii) Board acceptance of such resignation. In addition, it is the Board's policy to fill director vacancies and new directorships only with candidates who agree to tender, promptly following their appointment to the Board, the same form of resignation tendered by other directors in accordance with this policy.

Any such director who fails to receive the required vote for re-election shall continue in office until such director's resignation is accepted or, if not accepted, until such director's successor shall have been elected and qualified or until such director's earlier death, resignation or removal. The Governance and Sustainability Committee shall promptly consider the tendered resignation and make a recommendation to the Board on whether to accept or reject the resignation or whether any other action should be taken with respect thereto. The Board shall act on any such recommendation by the Governance and Sustainability Committee within 90 days following certification of the applicable stockholder vote and shall promptly publicly disclose its decision in a filing with the Securities and Exchange Commission. The Board expects that any director who tenders a resignation pursuant to this paragraph X shall not participate in the deliberations or actions of the Governance and Sustainability Committee or the Board regarding whether to accept such resignation or take other action with respect thereto.

Y. Directors Who Change Job Responsibility and Term Limits and Mandatory Age-Related Retirement

The Board does not believe directors who retire or change their principal occupation or business association should necessarily leave the Board. However, any time a director

changes his or her principal job responsibility outside the Company, including by retiring, such director shall promptly inform the Board. The Governance and Sustainability Committee shall assess the appropriateness of such director remaining on the Board and shall recommend to the Board whether to recommend that the Board request that such director tender his or her resignation. If so requested, such director is expected to promptly tender his or her resignation from the Board and all committees thereof.

Directors are not subject to term limits or a mandatory age-related retirement policy. While established term limits and a mandatory age-related retirement policy may result in the addition of directors with new ideas and viewpoints, they may also result in a significant loss of directors who have been able to develop, over time, increasing insight into the Company and its business and operations and, therefore, provide an often increasingly valuable contribution to the Board as a whole. An individual director's tenure with the Company is considered each time a director's qualifications and attributes are reviewed in connection with potential re-nomination for director.

Z. Director Orientation and Continuing Education

The Company provides an orientation program for new directors that includes written materials, oral presentations, and meetings with senior members of management. The orientation program is designed to familiarize new directors with the Company's business and strategy, its significant financial, accounting and risk management issues, its compliance programs and its Code of Conduct. Any sitting directors may attend the orientation program. Further, the Company encourages directors to participate in continuing education programs focused on the Company's business and industry, committee roles and responsibilities and legal and ethical responsibilities of board members.

AA. Formal Evaluation and Compensation of the CEO and Other Executive Officers

The formal evaluation of the CEO and the other executive officers should be made in the context of annual compensation review by the Compensation and People Committee, with appropriate input from other Board members, and should be communicated to the CEO by the Chairperson of the Board or the Lead Independent Director and the chair of the Compensation and People Committee.

The evaluation should be based on objective criteria, including performance of the business and accomplishment of long-term strategic objectives and annual operating plan performance in accordance with the principles and criteria established by the Compensation and People Committee. Ownership of shares of the Company's common stock by the CEO and other executive officers is encouraged and will be reviewed by the Board.

BB. Succession Planning

The Governance and Sustainability Committee, in consultation with the full Board, is primarily responsible for CEO succession planning. In addition, it shall monitor management's succession plans for other key executives. Succession planning can be critical in the event the CEO or other key executives should cease to serve for any reason, including resignation or unexpected disability. In addition, however, the Board believes that establishment of a strong management team is the best way to prepare for an unanticipated executive departure.

CC. Management Development

In addition to its responsibilities related to executive succession planning, the Governance and Sustainability Committee shall confer with the CEO to encourage management's employee development programs.

DD. Director and Officer Stock Ownership Guidelines

The Board expects all directors and executive officers to display confidence in the Company by ownership of a meaningful amount of the Company's stock.

Accordingly, to further align the interests of non-employee directors and stockholders, each non-employee director must own at least five times the annual base retainer for Board service. Each non-employee director is expected to achieve ownership of the Company's common stock within five years of such director's initial appointment or election date as applicable. In its sole discretion, the Governance and Sustainability Committee may extend or waive this requirement for any non-employee director who, because of his or her personal circumstances, would incur a significant hardship by complying with this requirement.

Similarly, to further align the interests of the Company's executive officers and stockholders, the Company's CEO must own at least ten times the CEO's base salary, and each executive officer must own at least one times such executive officer's base salary. The Company's CEO and other executive officers are expected to achieve ownership of the Company's common stock within five years of the date of the CEO's or other executive officer's initial appointment in such role as applicable.

EE. Board Interaction with Third Parties

The Board believes that management speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that Board members would do this with knowledge of management and, in most instances, only at the request of management. Individual Board members shall also comply with the Company's External Communications Policy.

In cases where stockholders wish to communicate directly

with the non-management directors, messages can be sent by mail to the General Counsel at Palo Alto Networks, 3000 Tannery Way, Santa Clara, California 95054, Attention: General Counsel or Legal Department. These messages will be forwarded to the appropriate member(s) of the Board or, if none is specified, to the Chairperson of the Board.

The Company's directors should not accept any gift of value that indicates an intent to improperly influence the normal business relationship between the Company and any supplier, customer or competitor.

FF. Formulation of Strategy

The Board should provide oversight to management in formulating corporate strategy.

GG. Periodic Review of Guidelines

The Governance and Sustainability Committee and the Board should review these guidelines no less than annually. These guidelines are intended to provide a set of flexible guidelines for the effective functioning of the Board of Directors. The Board may amend, waive, suspend or repeal any of these guidelines at any time, with or without public notice, as it determines necessary or appropriate, in the exercise of the Board's judgment or fiduciary duties.