

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) February 17, 2021

PALO ALTO NETWORKS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35594
(Commission
File Number)

20-2530195
(IRS Employer
Identification No.)

3000 Tannery Way
Santa Clara, California 95054
(Address of principal executive office, including zip code)

(408) 753-4000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.0001 par value per share	PANW	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(d) Appointment of New Directors

On February 17, 2021, the Board of Directors (the “Board”) of Palo Alto Networks, Inc., a Delaware corporation (the “Company”), appointed Dr. Helene D. Gayle to the Board, effective May 25, 2021, to serve as a Class II director whose term expires at the annual meeting to be held in 2022 and as a member of the Nominating and Corporate Governance Committee.

Dr. Gayle, age 65, has served as President and Chief Executive Officer of The Chicago Community Trust, a community foundation dedicated to improving the Chicago region through strategic grant making, civic engagement and inspiring philanthropy, since 2017. Dr. Gayle previously served as Chief Executive Officer of McKinsey Social Initiative, an independent non-profit organization, from 2015 to 2017 and as President and Chief Executive Officer of CARE USA, a leading international humanitarian organization, from 2006 to 2015. From 2001 to 2006, she was an executive in the Global Health program at the Bill & Melinda Gates Foundation. Dr. Gayle began her career in public health at the U.S. Centers for Disease Control in 1984, and held positions of increasing responsibility over her 20-year tenure there, ultimately becoming the director of the National Center for HIV, STD and TB Prevention and achieving the rank of Assistant Surgeon General and Rear Admiral in the United States Public Health Service. Dr. Gayle earned a Bachelor of Arts degree in Psychology from Barnard College of Columbia University, an M.D. from University of Pennsylvania and a Masters in Public Health from Johns Hopkins University. She currently serves as a member of the board of directors of GoHealth, a health insurance marketplace, since 2020, of The Coca-Cola Company, a beverage company, since 2013, and of the Colgate-Palmolive Company, a maker of cleaning products, dental and other personal-care products and pet foods, since 2010. Dr. Gayle was selected to serve on our Board due to her extensive leadership experience with complex, domestic and international organizations, and her risk oversight and strong governance experience having served as a director of private and public companies.

In connection with Dr. Gayle’s appointment to the Board and in accordance with the Company’s Director Compensation Policy, the Board approved an initial award of restricted stock units for Dr. Gayle having a value of approximately \$1,000,000, which will be granted effective May 25, 2021 (the “Grant Date”). These restricted stock units will vest over three years, with one-third of the shares subject to the award vesting on the first anniversary of the Grant Date, and the remaining shares vesting equally over the next two years on a quarterly basis, subject to continued service on the Board, on the applicable vesting date. In the event of a change of control, all shares subject to the award would become fully vested and immediately exercisable. The restricted stock units are subject to the terms and conditions of the Company’s 2012 Equity Incentive Plan and its related grant agreements. In addition, the Company expects to grant an annual award of restricted stock units having a value of approximately \$300,000 to Dr. Gayle on the date of each annual meeting of stockholders, beginning with the annual meeting of stockholders to be held in 2022, subject to her continued service on the Board. Each annual award of restricted stock units is expected to vest over one year on a quarterly basis. The Company will also reimburse Dr. Gayle for all reasonable expenses in connection with her service to the Company. A copy of the offer letter between Dr. Gayle and the Company is filed herewith as Exhibit 10.1.

Dr. Gayle executed the Company’s standard form of indemnification agreement (see Exhibit 10.1 to our Annual Report on Form 10-K for the fiscal year ended July 31, 2020 filed with the Securities and Exchange Commission on September 4, 2020).

There is no arrangement or understanding between Dr. Gayle and any other persons pursuant to which Dr. Gayle was elected as a director.

Dr. Gayle is not a party to any transaction, or series of transactions, required to be disclosed pursuant to Item 404(a) of Regulation S-K.

On February 19, 2021, the Company issued a press release announcing the appointment of Dr. Gayle as a director. The press release is attached herewith as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
10.1	Offer Letter between the Registrant and Dr. Helene D. Gayle, dated February 17, 2021.
99.1	Press release dated as of February 19, 2021.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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 hereunto duly authorized.

PALO ALTO NETWORKS, INC.

By: /s/ Luis Felipe Visoso
Luis Felipe Visoso
Chief Financial Officer

Date: February 19, 2021



February 17, 2021

Dr. Helene D. Gayle

Dear Helene,

On behalf of the Board of Directors (the "Board") of Palo Alto Networks, Inc. (the "Company"), we are pleased to inform you that our Nominating and Governance Committee of the Board has nominated you for election as a member of our Board.

As you are aware, the Company is a Delaware corporation and therefore your rights and duties as a Board member of the Company are prescribed by Delaware law, SEC laws, listing rules for the stock exchange on which our shares are traded, our charter documents and by the policies established by our Board from time to time. In addition, you may also be requested to serve as a director of one or more of our subsidiaries in which case you may be subject to other laws while serving in such a capacity.

From time to time, our Board may establish certain other committees to which it may delegate certain duties. In addition to committee meetings, which shall be convened as needed, our Board meetings are generally held quarterly at the Company's offices in Santa Clara, California. We would hope that your schedule would permit you to attend all of the meetings of the Board and any committees of which you are a member. In addition, from time to time, there may be telephonic meetings to address special matters.

It is expected that during the term of your Board membership with the Company you will not engage in any other employment, occupation, consulting or other business activity that competes with the business in which the Company is now involved in or becomes involved in during the term of your service to the Company, nor will you engage in any other activities that conflict with your obligations to the Company.

If you decide to join the Board, under the terms of our non-employee director compensation policy, when you become a member of the Board (expected to be effective May 25, 2021), you will automatically be granted a restricted stock unit award under our 2012 Equity Incentive Plan (the "2012 Plan") having a value equal to \$1,000,000 (the "Award") in consideration for your service as a member of the Board. The number of Award shares will be based on the average closing price of the Company's common stock over the 30 calendar days prior to the date you join the board. The Award shares will vest over three years, with 1/3 of the shares subject to the Award grant vesting on the first anniversary of the grant date and the remaining shares vesting equally over the next two years on a quarterly basis, subject to you continuing to serve as a Board member on each vesting date. The vesting of the Award will accelerate upon a Change in Control (as defined in the 2012 Plan).

In addition to the Award, you will be eligible to receive annual restricted stock unit equity awards with a value of \$300,000 on the date of each annual meeting of stockholders (**commencing with the December 2022 meeting**) in accordance with our non-employee director compensation policy, subject to your continuing service on the Board. Each annual restricted stock unit equity award is expected to vest over one year on a quarterly basis and will accelerate upon a Change in Control (as defined in the 2012 Plan).

The payment of compensation to Board members is subject to many restrictions under applicable law, and as such, you should be aware that the compensation set forth above is subject to such future changes and modifications as the Board or its committees may deem necessary or appropriate. In addition, please note that unless otherwise approved by our Board or required under applicable law, directors of our subsidiaries shall not

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be entitled to any compensation. You shall be entitled to reimbursement for reasonable expenses incurred by you in connection with your service to the Company and attendance of Board and committee meetings in accordance with the Company's established policies.

Please note that nothing in this letter or any agreement granting you equity should be construed to interfere with or otherwise restrict in any way the rights of the Company, its Board or stockholders from removing you from the Board or any committee in accordance with the provisions of applicable law. Furthermore, except as otherwise provided to other non-employee Board members or required by law, the Company does not intend to afford you any rights as an employee, including without limitation, the right to further employment or any other benefits.

We hope that you find the foregoing terms acceptable. You may indicate your agreement with these terms by signing and dating both the enclosed duplicate and original letter and returning them to me. By signing this letter you also represent that the execution and delivery of this agreement and the fulfillment of the terms hereof will not require the consent of another person, constitute a default under or conflict with any agreement or other instrument to which you are bound or a party.

On behalf of the Company it gives us great pleasure to welcome you as a member of our Board. We anticipate your leadership and experience shall make a key contribution to our success at this critical time in our growth and development.

Yours very truly,

/s/ Nikesh Arora

Nikesh Arora

Chief Executive Officer

Palo Alto Networks, Inc.

Acknowledged and agreed to

February 17, 2021

/s/ Helene D. Gayle

Helene D. Gayle

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Palo Alto Networks Appoints Dr. Helene D. Gayle to Its Board of Directors

SANTA CLARA, Calif., Feb. 19, 2021 – Palo Alto Networks (NYSE: [PANW](#)), the global cybersecurity leader, today announced the appointment of Dr. Helene D. Gayle to the company's board of directors and the nominating and corporate governance committee of the board.

"We are fortunate to have Dr. Gayle join the Palo Alto Networks' board," said Nikesh Arora, chairman and CEO of Palo Alto Networks. "I had the opportunity to serve on the Colgate Palmolive board alongside Dr. Gayle and saw the impact of her integrity and thoughtful perspective. We look forward to the valuable insight and contributions she will bring to our strategy and growth."

Dr. Gayle brings to the board extensive experience leading complex, domestic and international organizations and risk oversight and governance expertise, having served as a director of private and public companies. She currently serves as the president and CEO of The Chicago Community Trust, a community foundation dedicated to improving the Chicago region through strategic grant making, civic engagement and inspiring philanthropy. Previously, she served as the CEO of the McKinsey Social Initiative, a nonprofit that builds partnerships for social impact, from 2015 to 2017, and was president and CEO of CARE, a leading international humanitarian organization for nine years.

Dr. Gayle spent 20 years with the Centers for Disease Control, working primarily on HIV/AIDS. She worked at the Bill & Melinda Gates Foundation, directing programs on HIV/AIDS and other global health issues. She currently serves as a member of the board of directors of GoHealth, The Coca-Cola Company and Colgate-Palmolive Company. She holds a bachelor's degree in psychology from Barnard College, an M.D. at the University of Pennsylvania and a master's degree in public health at Johns Hopkins University.

About Palo Alto Networks

We are the global cybersecurity leader, known for always challenging the security status quo. Our mission is to protect our way of life in the digital age by preventing successful cyberattacks. This has given us the privilege of safely enabling tens of thousands of organizations and their customers. Our pioneering Security Operating Platform emboldens their digital transformation with continuous innovation that seizes the latest breakthroughs in security, automation, and analytics. By delivering a true platform and empowering a growing ecosystem of change-makers like us, we provide highly effective and innovative cybersecurity across clouds, networks, and mobile devices. Find out more at www.paloaltonetworks.com.

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