



# CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS OF PALO ALTO NETWORKS, INC.

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## Purpose

The purpose of the Nominating and Corporate Governance Committee is to ensure that the board of directors (the “Board”) of Palo Alto Networks, Inc. (the “Company”) is properly constituted to meet its fiduciary obligations to stockholders and the Company and to ensure that the Company has and follows appropriate corporate governance standards. To carry out this purpose, the Nominating and Corporate Governance Committee shall:

- Assist the Board in identifying individuals who are qualified to become members of the Board in accordance with criteria approved by the Board and select, or recommend to the Board that the Board select, specified individuals as the director nominees for each meeting of stockholders at which directors are to be elected.
- Review and make recommendations on Board committee structure and composition.
- Develop and recommend to the Board corporate governance guidelines applicable to the Company.
- Oversee the evaluation of the Board.

The Nominating and Corporate Governance Committee has the authority to undertake the specific duties and responsibilities as are enumerated in or consistent with this charter, and will have the authority to undertake such other specific duties as the Board from time to time prescribes.

## Composition

- 1. Membership and Appointment.** The Nominating and Corporate Governance Committee shall consist of at least two (2) members of the Board. Members of the Nominating and Corporate Governance Committee shall be appointed by the Board and may be removed by the Board in its discretion.
- 2. Qualifications.** The members of the Nominating and Corporate Governance Committee shall meet the independence requirements of the New York Stock Exchange and such other qualifications as may be established by the Board from time to time.
- 3. Chairperson.** The Board may designate a chairperson of the Nominating and Corporate Governance Committee. If the Board does not designate a chairperson, a majority of the members of the Nominating and Corporate Governance Committee may elect a chairperson of the Nominating and Corporate Governance Committee.

## Responsibilities

The following are the principal recurring responsibilities of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee may perform such other functions as are consistent with its purpose and applicable law, rules and regulations and as the Board or the Nominating and Corporate Governance Committee deem appropriate. In carrying out its responsibilities, the Nominating and Corporate Governance Committee believes its policies and procedures should remain flexible in order to best react to changing conditions and circumstances.

### 1. Board Composition, Evaluation, Compensation and Nominating Activities. The Nominating and Corporate Governance Committee shall:

- Review the composition, organization and governance of the Board and its committees, determine the criteria for Board membership, including issues of character, integrity, judgment, diversity (including gender and race), experience of particular relevance to the Company and Board, independence, age, area of expertise, length of service, potential conflicts of interest and other time commitments and the like, and make recommendations to the Board for approval.
- Develop and review periodically the policies and procedures for considering stockholder nominees for election to the Board.
- Search for, identify, evaluate and select, or recommend for the selection of the Board, candidates to fill new positions or vacancies on the Board, and review any candidates recommended by stockholders, provided such stockholder recommendations are made in compliance with the Company's bylaws and its stockholder nominations and recommendations policies and procedures. The Nominating and Corporate Governance Committee, in addressing the overall composition of the Board, will also consider the diversity of a Director candidate based on broader factors such as diversity of perspective, experience and expertise, as well as factors commonly associated with diversity such as diversity of gender, race or national origin.
- Evaluate the performance of individual members of the Board eligible for re-election, and select, or recommend for the selection of the Board, the director nominees by class for election to the Board by the stockholders at the annual meeting of stockholders or any special meeting of stockholders at which directors are to be elected.
- Consider the Board's leadership structure, including the separation of the Chairman and chief executive officer ("CEO") roles and/or appointment of a lead independent director of the Board, either permanently or for specific purposes, and make such recommendations to the Board with respect thereto as the Nominating and Corporate Governance Committee deems appropriate.
- Evaluate and recommend termination of membership of individual directors for cause or for other appropriate reasons.
- Evaluate the "independence" of directors and director nominees against the independence requirements of the New York Stock Exchange, applicable rules and regulations promulgated by the Securities and Exchange Commission, and other applicable laws.
- Periodically review and recommend to the Board for approval compensation and benefits, including equity awards, for directors for Board and committee service.
- Evaluate and recommend to the Board whether any resignation should be tendered in accordance with Section X. Directors Who Change Job Responsibility and Term Limits and Mandatory Age-Related Retirement in the corporate governance guidelines.

### 2. Board Committees. The Nominating and Corporate Governance Committee shall:

- Review periodically the composition of each committee of the Board and make recommendations to the Board for the creation of additional committees or the change in mandate or dissolution of committees.
- Recommend to the Board persons to be members and chairpersons of the various committees.

**3. Corporate Governance.** The Nominating and Corporate Governance Committee shall:

- Develop and recommend to the Board a set of corporate governance guidelines applicable to the Company.
- Review annually the corporate governance guidelines approved by the Board and their application, and recommend any changes deemed appropriate to the Board for its consideration.
- Oversee the Company's governance practices, including reviewing and recommending to the Board for approval any changes to the Company's corporate governance framework, including its certificate of incorporation and bylaws.
- Oversee the Board's annual performance and self-evaluation process, including, without limitation, conducting surveys of director observations, suggestions and preferences regarding how effectively the Board and each committee operates. Report its conclusions from the evaluation process, including an assessment of the Board's and the committees' compliance with the principles set forth in the corporate governance guidelines and in the relevant committee charters. Identify areas in which the Board and the committees could improve performance.
- Conduct a periodic review of the Company's succession planning process for the CEO and any members of the Company's management team, report its findings and recommendations to the Board, and assist the Board in evaluating potential successors to the CEO or other members of the Company's executive management team.
- Conduct a periodic review on the Company's succession planning process for the Company's executive management team besides the CEO and report its findings and recommendations to the Board, as well as confer with the CEO to encourage executive management's employee development programs.
- Evaluate the participation of members of the Board in orientation and continuing education activities in accordance with applicable listing standards.
- Review and discuss with management the disclosure regarding the operations of the Nominating and Corporate Governance Committee, director independence, the Company's director nomination process and other corporate governance matters, and recommend that this disclosure be included in the Company's proxy statement or annual report on Form 10-K.
- Review any proposals properly submitted by stockholders for action at the annual meeting of stockholders and make recommendations to the Board regarding action to be taken in response to each such proposal.
- Develop and administer the policies and procedures for stockholder communications to independent directors.
- Review the Company's policies and programs concerning corporate social responsibility, including environmental, social and governance matters.

**4. Conflicts of Interest.** The Nominating and Corporate Governance Committee shall:

- Periodically review, approve and monitor compliance with the Company's Code of Business Conduct and Ethics.
- Consider questions of possible conflicts of interest of Board members and of corporate officers.
- Review actual and potential conflicts of interest of Board members and corporate officers, other than related party transactions reviewed by the Audit Committee, and approve or prohibit any involvement of such persons in matters that may involve a conflict of interest or the taking of a corporate opportunity.

**Meeting and Procedures**

**1. Meetings:**

- The Nominating and Corporate Governance Committee will set its own schedule of meetings and will meet at least two (2) times per year, with the option of holding additional meetings at such times as it deems necessary or appropriate. The chairperson of the Nominating and Corporate Governance Committee shall preside at, and approve the agenda for, each meeting. If a chairperson is not designated or present, an acting chair may be designated by the Nominating and

Corporate Governance Committee members present. The Nominating and Corporate Governance Committee may act by written consent (which may include electronic consent), which shall constitute a valid action of the Nominating and Corporate Governance Committee if it has been approved by each Nominating and Corporate Governance Committee member and shows the date of approval. Any written consent will be effective on the date of the last approval and will be filed with the minutes of the meetings of the Board.

- Written minutes of the Nominating and Corporate Governance Committee will be kept and filed with the minutes of the meetings of the Board.
- The Nominating and Corporate Governance Committee may invite to its meetings any director, officer or employee of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. The Nominating and Corporate Governance Committee may also exclude from its meetings any persons it deems appropriate, including non-management directors who are not members of the Nominating and Corporate Governance Committee, in order to carry out its responsibilities.

**2. Reporting to the Board of Directors.** Consistent with this charter, the Nominating and Corporate Governance Committee shall report to the Board regarding its recommendations for director nominees for the next annual meeting of stockholders or any special meeting of stockholders at which directors are to be elected or to fill vacancies or newly created directorships on the Board or committees. In addition, the Nominating and Corporate Governance Committee shall report regularly to the Board (i) following meetings of the Nominating and Corporate Governance Committee, (ii) with respect to its review and assessment of corporate governance matters and such other matters as are relevant to the Nominating and Corporate Governance Committee's discharge of its responsibilities and (iii) with respect to such recommendations as the Nominating and Corporate Governance Committee may deem appropriate. The report to the Board may take the form of an oral report by the chairperson or any other member of the Nominating and Corporate Governance Committee designated by the Nominating and Corporate Governance Committee to make such report.

**3. Authority to Retain Advisors.** In performing its responsibilities, the Nominating and Corporate Governance Committee shall have the authority to engage and obtain advice, reports or opinions from internal or independent counsel, consultants, and other expert advisors, as it determines necessary or appropriate, to carry out its duties. The Nominating and Corporate Governance Committee shall have sole authority to retain and terminate search firms that are engaged to assist in identifying director candidates, including sole authority to approve the search firm's fees and other retention terms. The Company will provide appropriate funding, as determined by the Nominating and Corporate Governance Committee, to pay any such search firms or any other outside advisors hired by the Nominating and Corporate Governance Committee and any administrative expenses of the Nominating and Corporate Governance Committee that are necessary or appropriate in carrying out its activities.

**4. Subcommittees.** The Nominating and Corporate Governance Committee may form subcommittees for any purpose that the Nominating and Corporate Governance Committee deems appropriate and may delegate to such subcommittees such power and authority as the Nominating and Corporate Governance Committee deems appropriate. If designated, any subcommittee will establish its own schedule and maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Nominating and Corporate Governance Committee shall not delegate to a subcommittee any power or authority required by law, regulation or listing standard to be exercised by the Nominating and Corporate Governance Committee as a whole.

**5. Committee Charter Review.** The Nominating and Corporate Governance Committee shall review and reassess the adequacy of this charter annually and shall submit any recommended changes to the charter to the Board for approval.

**6. Performance Review.** The Nominating and Corporate Governance Committee shall review and assess the performance of the Nominating and Corporate Governance Committee on an annual basis.