

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 31, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number: 001-39504



SNOWFLAKE INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

46-0636374

(I.R.S. Employer Identification No.)

Suite 3A, 106 East Babcock Street

Bozeman, MT 59715

(Address of principal executive offices and zip code)¹

(844) 766-9355

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.0001 par value	SNOW	The New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Small reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 20, 2024, there were 335.2 million shares of the registrant's Class A common stock, par value of \$0.0001 per share, outstanding.

¹ We are a Delaware corporation with a globally distributed workforce and no corporate headquarters. Under the Securities and Exchange Commission's rules, we are required to designate a "principal executive office." For purposes of this report, we have designated our office in Bozeman, Montana as our principal executive office.

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SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act), about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical fact contained in this report, including statements regarding our future results of operations and financial condition, business strategy, capital requirements, market trends, and plans and objectives of management for future operations, are forward-looking statements. In some cases, forward-looking statements can be identified by words such as “anticipate,” “believe,” “continue,” “can,” “could,” “design,” “estimate,” “target,” “expect,” “intend,” “may,” “plan,” “potentially,” “predict,” “project,” “should,” “will,” “would,” or the negative of these terms or other similar expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our revenue, expenses, and other operating results, including statements relating to the portion of our remaining performance obligations that we expect to recognize as revenue in future periods;
- our ability to acquire new customers and successfully retain existing customers;
- our ability to maintain and increase consumption on our platform;
- our ability to continue to innovate and make new features generally available to customers, including our development and use of artificial intelligence and machine learning, and our customers’ adoption and use of such features;
- our ability to achieve or sustain our profitability;
- future investments in our business, our anticipated capital expenditures, and our estimates regarding our capital requirements;
- the costs and success of our sales and marketing efforts, and our ability to promote our brand;
- our growth strategies for, and market acceptance of, our platform and the AI Data Cloud, including the Snowflake Marketplace and Snowpark, as well as our ability to execute such strategies;
- our ability to successfully integrate and realize the benefits of strategic acquisitions;
- our reliance on key personnel and our ability to identify, recruit, and retain skilled personnel;
- our ability to effectively manage our growth, including any international expansion;
- our ability to protect our intellectual property rights and any costs associated therewith;
- our ability to prevent or mitigate disruptions, outages, defects, and other performance and quality problems with our platform or with the public cloud and internet infrastructure on which it relies;
- our expectations regarding general market conditions and the effects of those conditions, including on customer and partner activity;
- our ability to compete effectively with existing competitors and new market entrants;
- the growth rates of the markets in which we compete;
- our expectations regarding our stock repurchase program; and
- the impacts of volatility and uncertainty in the global economy on our business and the businesses of our customers and partners.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this Quarterly Report on Form 10-Q.

Forward-looking statements are based on our management's beliefs and assumptions and on information currently available. These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, including risks described in the section titled "Risk Factors" and elsewhere in this Quarterly Report on Form 10-Q. Other sections of this Quarterly Report on Form 10-Q may include additional factors that could harm our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for our management to predict all risk factors nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ from those contained in, or implied by, any forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. We cannot assure you that the events and circumstances reflected in the forward-looking statements will be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this report or to conform these statements to actual results or to changes in our expectations. You should read this Quarterly Report on Form 10-Q and the documents that we reference in this Quarterly Report on Form 10-Q and have filed as exhibits to this report with the understanding that our actual future results, levels of activity, performance, and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

Investors and others should note that we may announce material business and financial information to our investors using our investor relations website (investors.snowflake.com), our filings with the Securities and Exchange Commission (SEC), webcasts, press releases, and conference calls. We use these mediums, including our website, to communicate with investors and the general public about our company, our products, and other issues. It is possible that the information we make available on our website may be deemed to be material information. We therefore encourage investors and others interested in our company to review the information we make available on our website.

SELECTED RISKS AFFECTING OUR BUSINESS

Investing in our common stock involves numerous risks, including those set forth below. This summary does not contain all of the information that may be important to you, and you should read this summary together with the more detailed discussion of risks and uncertainties set forth in the section titled “Risk Factors” included elsewhere in this Quarterly Report on Form 10-Q. Below is a summary of some of these risks, any one of which could materially adversely affect our business, results of operations, and financial condition. In that event, the market price of our common stock could decline, and you could lose part or all of your investment. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that adversely affect our business. You should not interpret our disclosure of any of the following risks to imply that such risks have not already materialized.

- We have experienced rapid revenue growth and have a limited operating history, both of which make it difficult to forecast our future results of operations.
- We may not have visibility into our future financial position and results of operations.
- We have a history of operating losses and may not achieve or sustain profitability in the future.
- General market conditions, volatility, or disruptions, including higher inflation, higher interest rates, bank failures, and fluctuations or volatility in capital markets or foreign currency exchange rates, could have an adverse impact on our or our customers’ or partners’ businesses, which could negatively impact our financial condition or results of operations.
- The markets in which we operate are highly competitive, and if we do not compete effectively, our business, financial condition, and results of operations could be harmed.
- If we fail to innovate in response to changing customer needs, new technologies, or other market requirements, our business, financial condition, and results of operations could be harmed.
- If we are not successful in executing our investments in our platform, including artificial intelligence and machine learning technology, or AI Technology, our business, financial condition, and results of operations could be harmed.
- If we, our customers, or third-party service providers experience an actual or perceived security breach or unauthorized parties otherwise obtain access to our customers’ data, our data, or our platform, our platform may be perceived as not being secure, our reputation may be harmed, demand for our platform may be reduced, and we may incur significant liabilities.
- We or our third-party service providers could suffer disruptions, outages, defects, and other performance and quality problems with our platform or with the public cloud and internet infrastructure on which it relies.
- We expect fluctuations in our financial results, making it difficult to project future results, and if we fail to meet the expectations of securities analysts or investors with respect to our results of operations, our stock price could decline.
- Failure to effectively develop and expand our sales and marketing capabilities could harm our ability to increase our customer base and achieve broader market acceptance of our products and platform.
- Sales efforts to large customers involve risks that may not be present or that are present to a lesser extent with respect to sales to smaller organizations, such as longer sales cycles and more complex customer requirements.
- Unfavorable conditions in our industry or the global economy, reductions in cloud spending, or lower than expected consumption, could limit our ability to grow our business and negatively affect our results of operations.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

SNOWFLAKE INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)
(unaudited)

	July 31, 2024	January 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,282,045	\$ 1,762,749
Short-term investments	1,948,462	2,083,499
Accounts receivable, net	431,597	926,902
Deferred commissions, current	86,899	86,096
Prepaid expenses and other current assets	149,085	180,018
Total current assets	3,898,088	5,039,264
Long-term investments	697,406	916,307
Property and equipment, net	264,778	247,464
Operating lease right-of-use assets	272,459	252,128
Goodwill	984,076	975,906
Intangible assets, net	286,538	331,411
Deferred commissions, non-current	177,457	187,093
Other assets	363,084	273,810
Total assets	\$ 6,943,886	\$ 8,223,383
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 134,537	\$ 51,721
Accrued expenses and other current liabilities	448,926	446,860
Operating lease liabilities, current	32,843	33,944
Deferred revenue, current	1,848,376	2,198,705
Total current liabilities	2,464,682	2,731,230
Operating lease liabilities, non-current	279,969	254,037
Deferred revenue, non-current	12,280	14,402
Other liabilities	49,367	33,120
Total liabilities	2,806,298	3,032,789
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Preferred stock; \$0.0001 par value per share; 200,000 shares authorized, zero shares issued and outstanding as of each July 31, 2024 and January 31, 2024	—	—
Common stock; \$0.0001 par value per share; 2,500,000 Class A shares authorized, 335,620 and 334,453 shares issued and outstanding as of July 31, 2024 and January 31, 2024, respectively (excluding 200 shares held by a wholly-owned subsidiary and treated as treasury stock for accounting purposes as of each July 31, 2024 and January 31, 2024); 185,461 Class B shares authorized, zero shares issued and outstanding as of each July 31, 2024 and January 31, 2024	34	34
Treasury stock, at cost; 460 and 492 shares held as of July 31, 2024 and January 31, 2024, respectively	(62,800)	(67,140)
Additional paid-in capital	9,822,965	9,331,238
Accumulated other comprehensive loss	(5,379)	(8,220)
Accumulated deficit	(5,625,819)	(4,075,604)
Total Snowflake Inc. stockholders' equity	4,129,001	5,180,308
Noncontrolling interest	8,587	10,286
Total stockholders' equity	4,137,588	5,190,594
Total liabilities and stockholders' equity	\$ 6,943,886	\$ 8,223,383

See accompanying notes to condensed consolidated financial statements.

SNOWFLAKE INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Revenue	\$ 868,823	\$ 674,018	\$ 1,697,532	\$ 1,297,617
Cost of revenue	288,078	218,392	560,595	427,806
Gross profit	580,745	455,626	1,136,937	869,811
Operating expenses:				
Sales and marketing	400,625	343,288	801,447	674,846
Research and development	437,660	313,996	848,454	591,408
General and administrative	97,763	83,749	190,911	162,202
Total operating expenses	936,048	741,033	1,840,812	1,428,456
Operating loss	(355,303)	(285,407)	(703,875)	(558,645)
Interest income	49,265	50,280	104,044	93,411
Other income (expense), net	(7,946)	4,086	(29,248)	1,524
Loss before income taxes	(313,984)	(231,041)	(629,079)	(463,710)
Provision for (benefit from) income taxes	3,786	(3,721)	6,507	(10,326)
Net loss	(317,770)	(227,320)	(635,586)	(453,384)
Less: net loss attributable to noncontrolling interest	(871)	(453)	(1,699)	(890)
Net loss attributable to Snowflake Inc.	\$ (316,899)	\$ (226,867)	\$ (633,887)	\$ (452,494)
Net loss per share attributable to Snowflake Inc. Class A common stockholders—basic and diluted	\$ (0.95)	\$ (0.69)	\$ (1.90)	\$ (1.39)
Weighted-average shares used in computing net loss per share attributable to Snowflake Inc. Class A common stockholders—basic and diluted	334,071	327,335	333,830	325,772

See accompanying notes to condensed consolidated financial statements.

SNOWFLAKE INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands)
(unaudited)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Net loss	\$ (317,770)	\$ (227,320)	\$ (635,586)	\$ (453,384)
Other comprehensive income (loss):				
Net change in unrealized gains or losses on available-for-sale debt securities	10,304	(1,575)	2,883	5,869
Other	30	159	(42)	159
Total other comprehensive income (loss)	10,334	(1,416)	2,841	6,028
Comprehensive loss	(307,436)	(228,736)	(632,745)	(447,356)
Less: comprehensive loss attributable to noncontrolling interest	(871)	(453)	(1,699)	(890)
Comprehensive loss attributable to Snowflake Inc.	\$ (306,565)	\$ (228,283)	\$ (631,046)	\$ (446,466)

See accompanying notes to condensed consolidated financial statements.

SNOWFLAKE INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)
(unaudited)

	Three Months Ended July 31, 2024										
	Class A Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Snowflake Inc. Stockholders' Equity	Noncontrolling Interest	Total Stockholders' Equity	
	Shares	Amount	Shares	Amount							
BALANCE—April 30, 2024	335,264	\$ 34	(469)	\$ (63,958)	\$ 9,546,792	\$ (15,713)	\$ (4,908,921)	\$ 4,558,234	\$ 9,458	\$ 4,567,692	
Issuance of common stock upon exercise of stock options	1,816	—	—	—	12,963	—	—	12,963	—	12,963	
Vesting of restricted stock units	2,264	1	—	—	(1)	—	—	—	—	—	
Shares withheld related to net share settlement of equity awards	(767)	—	—	—	(98,881)	—	—	(98,881)	—	(98,881)	
Repurchases and retirement of common stock	(2,957)	(1)	—	—	—	—	(399,999)	(400,000)	—	(400,000)	
Reissuance of treasury stock upon settlement of equity awards	—	—	9	1,158	(1,156)	—	—	2	—	2	
Stock-based compensation	—	—	—	—	363,248	—	—	363,248	—	363,248	
Other comprehensive income	—	—	—	—	—	10,334	—	10,334	—	10,334	
Net loss	—	—	—	—	—	—	(316,899)	(316,899)	(871)	(317,770)	
BALANCE—July 31, 2024	335,620	\$ 34	(460)	\$ (62,800)	\$ 9,822,965	\$ (5,379)	\$ (5,625,819)	\$ 4,129,001	\$ 8,587	\$ 4,137,588	

	Three Months Ended July 31, 2023										
	Class A Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Snowflake Inc. Stockholders' Equity	Noncontrolling Interest	Total Stockholders' Equity	
	Shares	Amount	Shares	Amount							
BALANCE—April 30, 2023	326,312	\$ 33	(500)	\$ (68,299)	\$ 8,450,433	\$ (30,828)	\$ (3,065,096)	\$ 5,286,243	\$ 11,742	\$ 5,297,985	
Issuance of common stock upon exercise of stock options	2,480	—	—	—	16,194	—	—	16,194	—	16,194	
Vesting of early exercised stock options	—	—	—	—	61	—	—	61	—	61	
Vesting of restricted stock units	1,637	—	—	—	—	—	—	—	—	—	
Shares withheld related to net share settlement of equity awards	(551)	—	—	—	(99,902)	—	—	(99,902)	—	(99,902)	
Stock-based compensation	—	—	—	—	312,625	—	—	312,625	—	312,625	
Other comprehensive loss	—	—	—	—	—	(1,416)	—	(1,416)	—	(1,416)	
Net loss	—	—	—	—	—	—	(226,867)	(226,867)	(453)	(227,320)	
BALANCE—July 31, 2023	329,878	\$ 33	(500)	\$ (68,299)	\$ 8,679,411	\$ (32,244)	\$ (3,291,963)	\$ 5,286,938	\$ 11,289	\$ 5,298,227	

SNOWFLAKE INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)
(unaudited)

	Six Months Ended July 31, 2024										
	Class A Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Snowflake Inc. Stockholders' Equity	Noncontrolling Interest	Total Stockholders' Equity	
	Shares	Amount	Shares	Amount							
BALANCE—January 31, 2024	334,453	\$ 34	(492)	\$ (67,140)	\$ 9,331,238	\$ (8,220)	\$ (4,075,604)	\$ 5,180,308	\$ 10,286	\$ 5,190,594	
Issuance of common stock upon exercise of stock options	3,186	—	—	—	23,480	—	—	23,480	—	23,480	
Issuance of common stock under employee stock purchase plan	346	—	—	—	46,735	—	—	46,735	—	46,735	
Issuance of common stock in connection with a business combination	1	—	—	—	—	—	—	—	—	—	
Vesting of restricted stock units	5,452	1	—	—	(1)	—	—	—	—	—	
Shares withheld related to net share settlement of equity awards	(1,879)	—	—	—	(275,965)	—	—	(275,965)	—	(275,965)	
Repurchases and retirement of common stock	(5,939)	(1)	—	—	—	—	(916,328)	(916,329)	—	(916,329)	
Reissuance of treasury stock upon settlement of equity awards	—	—	32	4,340	(4,257)	—	—	83	—	83	
Stock-based compensation	—	—	—	—	701,735	—	—	701,735	—	701,735	
Other comprehensive income	—	—	—	—	—	2,841	—	2,841	—	2,841	
Net loss	—	—	—	—	—	—	(633,887)	(633,887)	(1,699)	(635,586)	
BALANCE—July 31, 2024	335,620	\$ 34	(460)	\$ (62,800)	\$ 9,822,965	\$ (5,379)	\$ (5,625,819)	\$ 4,129,001	\$ 8,587	\$ 4,137,588	

	Six Months Ended July 31, 2023										
	Class A Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Snowflake Inc. Stockholders' Equity	Noncontrolling Interest	Total Stockholders' Equity	
	Shares	Amount	Shares	Amount							
BALANCE—January 31, 2023	323,305	\$ 32	—	\$ —	\$ 8,210,750	\$ (38,272)	\$ (2,716,074)	\$ 5,456,436	\$ 12,179	\$ 5,468,615	
Issuance of common stock upon exercise of stock options	4,856	1	—	—	31,526	—	—	31,527	—	31,527	
Issuance of common stock under employee stock purchase plan	312	—	—	—	37,065	—	—	37,065	—	37,065	
Vesting of early exercised stock options	—	—	—	—	122	—	—	122	—	122	
Vesting of restricted stock units	3,499	—	—	—	—	—	—	—	—	—	
Shares withheld related to net share settlement of equity awards	(1,189)	—	—	—	(188,905)	—	—	(188,905)	—	(188,905)	
Repurchases of common stock as treasury stock	—	—	(500)	(68,299)	—	—	—	(68,299)	—	(68,299)	
Repurchases and retirement of common stock	(905)	—	—	—	—	—	(123,395)	(123,395)	—	(123,395)	
Stock-based compensation	—	—	—	—	588,853	—	—	588,853	—	588,853	
Other comprehensive income	—	—	—	—	—	6,028	—	6,028	—	6,028	
Net loss	—	—	—	—	—	—	(452,494)	(452,494)	(890)	(453,384)	
BALANCE—July 31, 2023	329,878	\$ 33	(500)	\$ (68,299)	\$ 8,679,411	\$ (32,244)	\$ (3,291,963)	\$ 5,286,938	\$ 11,289	\$ 5,298,227	

See accompanying notes to condensed consolidated financial statements.

SNOWFLAKE INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six Months Ended July 31,	
	2024	2023
Cash flows from operating activities:		
Net loss	\$ (635,586)	\$ (453,384)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	85,332	52,447
Non-cash operating lease costs	27,568	25,653
Amortization of deferred commissions	45,586	35,853
Stock-based compensation, net of amounts capitalized	687,936	564,231
Net accretion of discounts on investments	(24,772)	(32,992)
Net realized and unrealized losses (gains) on strategic investments in equity securities	27,203	(2,895)
Deferred income tax	49	(12,894)
Other	1,918	11,812
Changes in operating assets and liabilities, net of effects of business combinations:		
Accounts receivable	492,192	309,843
Deferred commissions	(36,754)	(40,992)
Prepaid expenses and other assets	33,347	46,916
Accounts payable	91,425	17,469
Accrued expenses and other liabilities	4,637	27,106
Operating lease liabilities	(25,289)	(16,023)
Deferred revenue	(349,459)	(149,515)
Net cash provided by operating activities	425,333	382,635
Cash flows from investing activities:		
Purchases of property and equipment	(21,562)	(13,268)
Capitalized internal-use software development costs	(13,396)	(17,215)
Cash paid for business combinations, net of cash, cash equivalents, and restricted cash acquired	(8,906)	(264,571)
Purchases of intangible assets	—	(27,480)
Purchases of investments	(1,274,742)	(1,725,964)
Sales of investments	40,797	7,266
Maturities and redemptions of investments	1,511,458	1,780,061
Settlement of cash flow hedges	(749)	—
Net cash provided by (used in) investing activities	232,900	(261,171)
Cash flows from financing activities:		
Proceeds from exercise of stock options	23,664	31,519
Proceeds from issuance of common stock under employee stock purchase plan	46,735	37,065
Taxes paid related to net share settlement of equity awards	(278,114)	(182,710)
Repurchases of common stock	(916,329)	(191,694)
Net cash used in financing activities	(1,124,044)	(305,820)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(1,909)	1,005

	Six Months Ended July 31,	
	2024	2023
Net decrease in cash, cash equivalents, and restricted cash	(467,720)	(183,351)
Cash, cash equivalents, and restricted cash—beginning of period	1,780,977	956,731
Cash, cash equivalents, and restricted cash—end of period	\$ 1,313,257	\$ 773,380
Supplemental disclosures of non-cash investing and financing activities:		
Property and equipment included in accounts payable and accrued expenses	\$ 20,168	\$ 6,474
Stock-based compensation included in capitalized software development costs	\$ 17,141	\$ 24,622
Unpaid taxes related to net share settlement of equity awards included in accrued expenses and other current liabilities	\$ 4,719	\$ 6,249
Reconciliation of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	\$ 1,282,045	\$ 755,192
Restricted cash—included in other assets and prepaid expenses and other current assets	31,212	18,188
Total cash, cash equivalents, and restricted cash	\$ 1,313,257	\$ 773,380

See accompanying notes to condensed consolidated financial statements.

SNOWFLAKE INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Organization and Description of Business

Snowflake Inc. (Snowflake or the Company) provides a cloud-based data platform, which enables customers to consolidate data into a single source of truth to drive meaningful insights, apply AI to solve business problems, build data applications, and share data and data products. The Company provides its platform through a customer-centric, consumption-based business model, only charging customers for the resources they use. Through its platform, the Company delivers the AI Data Cloud, a network where Snowflake customers, partners, developers, data providers, and data consumers can break down data silos and derive value from rapidly growing data sets in secure, governed, and compliant ways. Snowflake was incorporated in the State of Delaware on July 23, 2012.

2. Basis of Presentation and Summary of Significant Accounting Policies

Fiscal Year

The Company's fiscal year ends on January 31. For example, references to fiscal 2025 refer to the fiscal year ending January 31, 2025.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and applicable rules and regulations of the U.S. Securities and Exchange Commission (SEC) regarding interim financial reporting. Accordingly, they do not include all disclosures normally required in annual consolidated financial statements prepared in accordance with GAAP. Therefore, these unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2024, which was filed with the SEC on March 26, 2024.

In management's opinion, these unaudited condensed consolidated financial statements have been prepared on the same basis as the annual financial statements and reflect all adjustments, which include only normal recurring adjustments necessary for the fair statement of the Company's financial position as of July 31, 2024 and the results of operations for the three and six months ended July 31, 2024 and 2023, and cash flows for the six months ended July 31, 2024 and 2023. The condensed balance sheet as of January 31, 2024 was derived from the audited consolidated financial statements but does not include all disclosures required by GAAP. The results of operations for the three and six months ended July 31, 2024 are not necessarily indicative of the results to be expected for the full year or any other future interim or annual period.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of Snowflake Inc., its wholly-owned subsidiaries, and a majority-owned subsidiary in which the Company has a controlling financial interest. All intercompany transactions and balances have been eliminated in consolidation. The Company records noncontrolling interest in its condensed consolidated financial statements to recognize the minority ownership interest in its majority-owned subsidiary. Profits and losses of the majority-owned subsidiary are attributed to controlling and noncontrolling interests using the hypothetical liquidation at book value method.

Segment Information

The Company has a single operating and reportable segment. The Company's chief operating decision maker is its Chief Executive Officer, who reviews financial information presented on a consolidated basis for purposes of making operating decisions, assessing financial performance, and allocating resources. For information regarding the Company's revenue by geographic area, see Note 3, "Revenue, Accounts Receivable, Deferred Revenue, and Remaining Performance Obligations."

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The following table presents the Company's long-lived assets, comprising property and equipment, net and operating lease right-of-use assets, by geographic area (in thousands):

	July 31, 2024	January 31, 2024
United States	\$ 418,999	\$ 379,664
Other ⁽¹⁾	118,238	119,928
Total	\$ 537,237	\$ 499,592

⁽¹⁾ No individual country outside of the United States accounted for more than 10% of the Company's long-lived assets as of July 31, 2024 and January 31, 2024.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Such estimates include, but are not limited to, stand-alone selling prices (SSP) for each distinct performance obligation, internal-use software development costs, the expected period of benefit for deferred commissions, the fair value of intangible assets acquired in business combinations, the useful lives of long-lived assets, the carrying value of operating lease right-of-use assets, stock-based compensation, accounting for income taxes, and the fair value of investments in marketable and non-marketable securities.

The Company bases its estimates on historical experience and also on assumptions that management considers reasonable. These estimates are assessed on a regular basis; however, actual results could differ from these estimates.

Summary of Significant Accounting Policies

The Company's significant accounting policies are discussed in "Note 2 – Basis of Presentation and Summary of Significant Accounting Policies" of the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2024, which was filed with the SEC on March 26, 2024. During the six months ended July 31, 2024, the Company updated its revenue recognition accounting policy, as described below. This update was made due to the developments in the Company's business in connection with a new product capability that became generally available to customers during the three months ended July 31, 2024. Other than this update, there have been no significant changes to the Company's accounting policies.

Revenue Recognition

The Company accounts for revenue in accordance with Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* (ASC 606) for all periods presented.

The Company delivers its platform over the internet as a service. Customers choose to consume the platform under either capacity arrangements, in which customers commit to a certain amount of consumption at specified prices, or under on-demand arrangements, in which the Company charges for use of the platform monthly in arrears. Under capacity arrangements, from which a majority of revenue is derived, the Company typically bills its customers annually in advance of their consumption. Revenue from on-demand arrangements typically relates to customers with lower usage levels or overage consumption beyond a customer's contracted usage amount under a capacity contract or following the expiration of a customer's capacity contract. Revenue from on-demand arrangements represented approximately 2% of our revenue for each of the three and six months ended July 31, 2024 and 2023. The Company recognizes revenue as customers consume compute, storage, and data transfer resources under either of these arrangements. In limited instances, customers pay an annual deployment fee to gain access to a dedicated instance of a virtual private deployment. Deployment fees are recognized ratably over the contract term.

Customers do not have the contractual right to take possession of the Company's platform. Pricing for the platform includes embedded support services, data backup and disaster recovery services, as well as future updates, when and if available, offered during the contract term.

Customer contracts for capacity typically have a term of one to four years. To the extent customers enter into such contracts and either consume the platform in excess of their capacity commitments or continue to use the platform after expiration of the contract term, they are charged for their incremental consumption. In many cases, customer contracts permit customers to roll over any unused capacity to a subsequent order, generally on the purchase of additional capacity.

Customer contracts are generally non-cancelable during the contract term, although customers can terminate for breach if the Company materially fails to perform. For those customers who do not have a capacity arrangement, the Company's on-demand arrangements generally have a monthly stated contract term and can be terminated at any time by either the customer or the Company.

For compute resources, consumption is based on the type of compute resource used and the duration of use or, for some features, the volume of data processed. For storage resources, consumption for a given customer is based on the average terabytes per month of all of such customer's data stored in the platform. For data transfer resources, consumption is based on terabytes of data transferred, the public cloud provider used, and the region to and from which the transfer is executed.

The Company's revenue also includes professional services and other revenue, which consists primarily of consulting, technical solution services, and training related to the platform. Professional services revenue is recognized over time based on input measures, including time and materials costs incurred relative to total costs, with consideration given to output measures, such as contract deliverables, when applicable. Other revenue consists primarily of fees from customer training delivered on-site or through publicly available classes.

The Company determines revenue recognition in accordance with ASC 606 through the following five steps:

1) *Identify the contract with a customer.* The Company considers the terms and conditions of the contracts and the Company's customary business practices in identifying its contracts under ASC 606. The Company determines it has a contract with a customer when the contract has been approved by both parties, it can identify each party's rights regarding the services to be transferred and the payment terms for the services, it has determined the customer to have the ability and intent to pay, and the contract has commercial substance. At contract inception, the Company evaluates whether two or more contracts should be combined and accounted for as a single contract and whether the combined or single contract includes more than one performance obligation. The Company applies judgment in determining the customer's ability and intent to pay, which is based on a variety of factors, including the customer's payment history or, in the case of a new customer, credit and financial information pertaining to the customer.

2) *Identify the performance obligations in the contract.* Performance obligations promised in a contract are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the services is separately identifiable from other promises in the contract.

Prior to June 2024, the Company treated consumption of its platform for compute, storage, and data transfer resources as a single performance obligation because they were consumed by customers as a single, integrated offering. Each of compute, storage and data transfer worked together to drive consumption on the Company's platform.

In June 2024, the Company made Iceberg tables generally available to its customers, enabling them to use the Snowflake platform for compute services without requiring storage. As a result, starting from June 2024, customers are allowed to select compute, storage, and data transfer resources separately, at their discretion. Consequently, the Company treats the consumption of its platform for compute, storage, and data transfer resources as separate and distinct performance obligations. This change did not have a material impact on the Company's condensed consolidated financial statements for any period presented.

The Company treats its virtual private deployments for customers, professional services, technical solution services, and training each as a separate and distinct performance obligation. Some customers have negotiated an option to purchase additional capacity at a stated discount. These options generally do not provide a material right as they are priced at the Company's SSP, as described below, as the stated discounts are not incremental to the range of discounts typically given.

3) *Determine the transaction price.* The transaction price is determined based on the consideration the Company expects to receive in exchange for transferring services to the customer. Variable consideration is included in the transaction price if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue recognized under the contract will not occur. Variable consideration is estimated based on expected value, primarily relying on the Company's history. In certain situations, the Company may also use the most likely amount as the basis of its estimate. None of the Company's contracts contain a significant financing component. Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to governmental entities (e.g., sales and other indirect taxes).

4) *Allocate the transaction price to performance obligations in the contract.* If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation on a relative SSP basis. The determination of a relative SSP for each distinct performance obligation requires judgment. The Company determines SSP for performance obligations based on an observable standalone selling price when it is available, as well as other factors, including the overall pricing objectives, which take into consideration market conditions and customer-specific factors, including a review of internal discounting tables, the services being sold, the volume of capacity commitments, the estimated mix of compute, storage, and data transfer, and other factors. The observable standalone selling price is established based on the price at which products and services are sold separately. If an SSP is not observable through past transactions, the Company estimates it using available information including, but not limited to, market data and other observable inputs.

5) *Recognize revenue when or as the Company satisfies a performance obligation.* Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised service to a customer. Revenue is recognized when control of the services is transferred to the customers, in an amount that reflects the consideration that the Company expects to receive in exchange for those services. The Company determined an output method for capacity arrangements to be the most appropriate measure of progress because it most faithfully represents when the value of the services is simultaneously received and consumed by the customer, and control is transferred. Virtual private deployment fees are recognized ratably over the term of the deployment as the deployment service represents a stand-ready performance obligation provided throughout the deployment term.

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which requires disclosure, on an annual and interim basis, of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit and loss, and an amount for other segment items by reportable segment and a description of its composition. This guidance also requires disclosures on the title and position of the chief operating decision maker and an explanation of how the chief operating decision maker uses the reported measures of segment profit or loss in assessing segment performance and deciding how to allocate resources, and interim disclosures of reportable segment's profit or loss and assets. This guidance is effective for the Company for its fiscal year beginning February 1, 2024 and interim periods within its fiscal year beginning February 1, 2025 on a retrospective basis. Early adoption is permitted. The Company is currently evaluating the impact of the adoption of this guidance on its condensed consolidated financial statements and disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires annual disclosure on disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. This guidance is effective for the Company for its fiscal year beginning February 1, 2025 on a prospective basis. Early adoption and retrospective application are permitted. The Company is currently evaluating the impact of the adoption of this guidance on its condensed consolidated financial statements and disclosures.

3. Revenue, Accounts Receivable, Deferred Revenue, and Remaining Performance Obligations

Disaggregation of Revenue

Revenue consists of the following (in thousands):

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Product revenue	\$ 829,250	\$ 640,209	\$ 1,618,837	\$ 1,230,281
Professional services and other revenue	39,573	33,809	78,695	67,336
Total	\$ 868,823	\$ 674,018	\$ 1,697,532	\$ 1,297,617

Revenue by geographic area, based on the location of the Company's customers (or end-customers under reseller arrangements), was as follows (in thousands):

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Americas:				
United States	\$ 663,630	\$ 516,367	\$ 1,295,671	\$ 999,356
Other Americas ⁽¹⁾	22,777	17,842	46,512	34,698
EMEA ⁽¹⁾⁽²⁾	137,872	106,284	269,529	201,174
Asia-Pacific and Japan ⁽¹⁾	44,544	33,525	85,820	62,389
Total	\$ 868,823	\$ 674,018	\$ 1,697,532	\$ 1,297,617

⁽¹⁾ No individual country in these areas represented more than 10% of the Company's revenue for all periods presented.

⁽²⁾ Includes Europe, the Middle East, and Africa.

Accounts Receivable, Net

As of July 31, 2024 and January 31, 2024, allowance for credit losses of \$4.6 million and \$2.5 million, respectively, was included in the Company's accounts receivable, net balance.

Significant Customers

For purposes of assessing the concentration of credit risk and significant customers, a group of customers under common control or customers that are affiliates of each other are regarded as a single customer. As of July 31, 2024 and January 31, 2024, there were no customers that represented 10% or more of the Company's accounts receivable, net balance. Additionally, there were no customers that represented 10% or more of the Company's revenue for each of the three and six months ended July 31, 2024 and 2023.

Deferred Revenue

The Company recognized \$642.7 million and \$524.0 million of revenue for the three months ended July 31, 2024 and 2023, respectively, from the deferred revenue balances as of April 30, 2024 and 2023, respectively.

The Company recognized \$1.2 billion and \$896.4 million of revenue for the six months ended July 31, 2024 and 2023, respectively, from the deferred revenue balances as of January 31, 2024 and 2023, respectively.

Remaining Performance Obligations

Remaining performance obligations (RPO) represent the amount of contracted future revenue that has not yet been recognized, including (i) deferred revenue and (ii) non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods. The Company's RPO excludes performance obligations from on-demand arrangements as there are no minimum purchase commitments associated with these arrangements, and certain time and materials contracts that are billed in arrears. Portions of RPO that are not yet invoiced and are denominated in foreign currencies are revalued into U.S. dollars each period based on the applicable period-end exchange rates.

As of July 31, 2024, the Company's RPO was \$5.2 billion, of which the Company expects approximately 50% to be recognized as revenue in the twelve months ending July 31, 2025 based on historical customer consumption patterns. However, the amount and timing of revenue recognition are generally dependent upon customers' future consumption, which is inherently variable at customers' discretion and can extend beyond the original contract term in cases where customers are permitted to roll over unused capacity to future periods, generally on the purchase of additional capacity at renewal.

4. Cash Equivalents and Investments

The following is a summary of the Company's cash equivalents, short-term investments, and long-term investments on the condensed consolidated balance sheets (in thousands):

	July 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Cash equivalents:				
Money market funds	\$ 636,041	\$ —	\$ —	\$ 636,041
U.S. government securities	276,147	—	(2)	276,145
Time deposits	65,287	—	—	65,287
Commercial paper	2,348	—	—	2,348
Total cash equivalents	<u>979,823</u>	<u>—</u>	<u>(2)</u>	<u>979,821</u>
Investments:				
Corporate notes and bonds	1,274,237	1,525	(1,682)	1,274,080
U.S. government and agency securities	672,427	346	(2,427)	670,346
Commercial paper	443,345	40	(226)	443,159
Certificates of deposit	258,208	108	(33)	258,283
Total investments	<u>2,648,217</u>	<u>2,019</u>	<u>(4,368)</u>	<u>2,645,868</u>
Total cash equivalents and investments	<u>\$ 3,628,040</u>	<u>\$ 2,019</u>	<u>\$ (4,370)</u>	<u>\$ 3,625,689</u>

	January 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Cash equivalents:				
U.S. government securities	\$ 742,235	\$ 1	\$ (2)	\$ 742,234
Money market funds	533,211	—	—	533,211
Time deposits	56,263	—	—	56,263
Total cash equivalents	<u>1,331,709</u>	<u>1</u>	<u>(2)</u>	<u>1,331,708</u>
Investments:				
Corporate notes and bonds	1,549,151	1,959	(3,394)	1,547,716
U.S. government and agency securities	877,496	574	(4,653)	873,417
Commercial paper	353,525	154	(131)	353,548
Certificates of deposit	224,869	271	(15)	225,125
Total investments	<u>3,005,041</u>	<u>2,958</u>	<u>(8,193)</u>	<u>2,999,806</u>
Total cash equivalents and investments	<u>\$ 4,336,750</u>	<u>\$ 2,959</u>	<u>\$ (8,195)</u>	<u>\$ 4,331,514</u>

The Company included \$21.2 million and \$24.2 million of interest receivable in prepaid expenses and other current assets on the condensed consolidated balance sheets as of July 31, 2024 and January 31, 2024, respectively. The Company did not recognize an allowance for credit losses against interest receivable as of July 31, 2024 and January 31, 2024 because such potential losses were not material.

As of July 31, 2024, the contractual maturities of the Company's available-for-sale marketable debt securities did not exceed 36 months. The estimated fair values of available-for-sale marketable debt securities, classified as short-term or long-term investments on the Company's condensed consolidated balance sheets, by remaining contractual maturity, are as follows (in thousands):

	July 31, 2024
	Estimated Fair Value
Due within 1 year	\$ 1,948,462
Due in 1 year to 3 years	697,406
Total	\$ 2,645,868

The following tables show the fair values of, and the gross unrealized losses on, the Company's available-for-sale marketable debt securities, classified by the length of time that the securities have been in a continuous unrealized loss position and aggregated by investment type, on the condensed consolidated balance sheets (in thousands):

	July 31, 2024					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Cash equivalents:						
U.S. government securities	\$ 179,497	\$ (2)	\$ —	\$ —	\$ 179,497	\$ (2)
Commercial paper	2,348	—	—	—	2,348	—
Total cash equivalents	181,845	(2)	—	—	181,845	(2)
Investments:						
Corporate notes and bonds	527,359	(807)	276,449	(875)	803,808	(1,682)
U.S. government and agency securities	122,169	(174)	333,091	(2,253)	455,260	(2,427)
Commercial paper	316,822	(226)	—	—	316,822	(226)
Certificates of deposit	45,260	(33)	—	—	45,260	(33)
Total investments	1,011,610	(1,240)	609,540	(3,128)	1,621,150	(4,368)
Total cash equivalents and investments	\$ 1,193,455	\$ (1,242)	\$ 609,540	\$ (3,128)	\$ 1,802,995	\$ (4,370)

	January 31, 2024					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Cash equivalents:						
U.S. government securities	\$ 338,893	\$ (2)	\$ —	\$ —	\$ 338,893	\$ (2)
Total cash equivalents	338,893	(2)	—	—	338,893	(2)
Investments:						
Corporate notes and bonds	625,766	(1,259)	321,952	(2,135)	947,718	(3,394)
U.S. government and agency securities	525,408	(1,323)	191,863	(3,330)	717,271	(4,653)
Commercial paper	172,422	(131)	—	—	172,422	(131)
Certificates of deposit	71,813	(15)	—	—	71,813	(15)
Total investments	1,395,409	(2,728)	513,815	(5,465)	1,909,224	(8,193)
Total cash equivalents and investments	\$ 1,734,302	\$ (2,730)	\$ 513,815	\$ (5,465)	\$ 2,248,117	\$ (8,195)

For available-for-sale marketable debt securities with unrealized loss positions, the Company does not intend to sell these securities and it is more likely than not that the Company will hold these securities until maturity or a recovery of the cost basis. The decline in fair values of these securities due to credit related factors was not material as of July 31, 2024 and January 31, 2024.

See Note 5, "Fair Value Measurements," for information regarding the Company's strategic investments.

5. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The accounting guidance establishes a three-tiered hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value as follows:

Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 Inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The following table presents the fair value hierarchy for the Company's assets and liabilities measured at fair value on a recurring basis as of July 31, 2024 (in thousands):

	Level 1	Level 2	Total
Assets:			
Cash equivalents:			
Money market funds	\$ 636,041	\$ —	\$ 636,041
U.S. government securities	—	276,145	276,145
Time deposits	—	65,287	65,287
Commercial paper	—	2,348	2,348
Short-term investments:			
Corporate notes and bonds	—	770,287	770,287
U.S. government and agency securities	—	488,432	488,432
Commercial paper	—	443,159	443,159
Certificates of deposit	—	246,584	246,584
Long-term investments:			
Corporate notes and bonds	—	503,793	503,793
U.S. government and agency securities	—	181,914	181,914
Certificates of deposit	—	11,699	11,699
Derivative assets:			
Foreign currency forward contracts	—	1,075	1,075
Total assets	<u>\$ 636,041</u>	<u>\$ 2,990,723</u>	<u>\$ 3,626,764</u>
Liabilities:			
Derivative liabilities:			
Foreign currency forward contracts	\$ —	\$ (565)	\$ (565)
Total liabilities	<u>\$ —</u>	<u>\$ (565)</u>	<u>\$ (565)</u>

The following table presents the fair value hierarchy for the Company's assets and liabilities measured at fair value on a recurring basis as of January 31, 2024 (in thousands):

	Level 1	Level 2	Total
Assets:			
Cash equivalents:			
U.S. government securities	\$ —	\$ 742,234	\$ 742,234
Money market funds	533,211	—	533,211
Time deposits	—	56,263	56,263
Short-term investments:			
Corporate notes and bonds	—	939,727	939,727
U.S. government and agency securities	—	573,780	573,780
Commercial paper	—	353,548	353,548
Certificates of deposit	—	216,444	216,444
Long-term investments:			
Corporate notes and bonds	—	607,989	607,989
U.S. government and agency securities	—	299,637	299,637
Certificates of deposit	—	8,681	8,681
Derivative assets:			
Foreign currency forward contracts	—	60	60
Total assets	<u>\$ 533,211</u>	<u>\$ 3,798,363</u>	<u>\$ 4,331,574</u>
Liabilities:			
Derivative liabilities:			
Foreign currency forward contracts	\$ —	\$ (745)	\$ (745)
Total liabilities	<u>\$ —</u>	<u>\$ (745)</u>	<u>\$ (745)</u>

The Company determines the fair value of its security holdings based on pricing from the Company's service providers and market prices from industry-standard independent data providers. Such market prices may be quoted prices in active markets for identical assets (Level 1 inputs) or pricing determined using inputs other than quoted prices that are observable either directly or indirectly (Level 2 inputs), such as yield curve, volatility factors, credit spreads, default rates, loss severity, current market and contractual prices for the underlying instruments or debt, broker and dealer quotes, as well as other relevant economic measures.

Strategic Investments

The tables above do not include the Company's strategic investments, which consist primarily of (i) non-marketable equity securities recorded at cost minus impairment, if any, and adjusted for observable transactions for the same or similar investments of the same issuer (referred to as the Measurement Alternative), and (ii) marketable equity securities.

The Company's non-marketable equity securities accounted for using the Measurement Alternative are recorded at fair value on a non-recurring basis and classified within Level 3 of the fair value hierarchy because significant unobservable inputs or data in an inactive market are used in estimating their fair value. The estimation of fair value for these assets requires the use of an observable transaction price or other unobservable inputs, including the volatility, rights, and obligations of the securities the Company holds. The Company's marketable equity securities are recorded at fair value on a recurring basis and classified within Level 1 of the fair value hierarchy because they are valued using the quoted market price.

The following table presents the Company's strategic investments by type (in thousands):

	July 31, 2024	January 31, 2024
Equity securities:		
Non-marketable equity securities under Measurement Alternative	\$ 295,506	\$ 190,238
Non-marketable equity securities under equity method	5,436	5,307
Marketable equity securities	13,255	37,320
Debt securities:		
Non-marketable debt securities	1,750	1,500
Total strategic investments—included in other assets	\$ 315,947	\$ 234,365

The following table summarizes the gains and losses associated with the Company's strategic investments in equity securities (in thousands):

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Unrealized losses on non-marketable equity securities under Measurement Alternative:				
Impairments	\$ (7,158)	\$ (2,101)	\$ (25,911)	\$ (2,101)
Net unrealized gains (losses) on marketable equity securities	650	7,410	(3,005)	4,996
Net unrealized gains (losses) on strategic investments in equity securities	(6,508)	5,309	(28,916)	2,895
Net realized gains on marketable equity securities sold ⁽¹⁾	—	—	1,713	—
Total—included in other income (expense), net	\$ (6,508)	\$ 5,309	\$ (27,203)	\$ 2,895

⁽¹⁾ Represents the difference between the sale proceeds and the carrying value of the securities at the beginning of the period or the purchase date, if later.

The cumulative upward adjustments and the cumulative impairments to the carrying value of the non-marketable equity securities accounted for using the Measurement Alternative held by the Company as of July 31, 2024 were \$37.1 million and \$67.0 million, respectively.

6. Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	July 31, 2024	January 31, 2024
Leasehold improvements	\$ 96,573	\$ 67,804
Computers, equipment, and software	46,586	29,859
Furniture and fixtures	24,211	17,593
Capitalized internal-use software development costs	176,321	93,222
Construction in progress—capitalized internal-use software development costs	24,671	78,737
Construction in progress—other	3,926	34,890
Total property and equipment, gross	372,288	322,105
Less: accumulated depreciation and amortization ⁽¹⁾	(107,510)	(74,641)
Total property and equipment, net	\$ 264,778	\$ 247,464

⁽¹⁾ Includes \$52.7 million and \$30.0 million of accumulated amortization related to capitalized internal-use software development costs as of July 31, 2024 and January 31, 2024, respectively.

Depreciation and amortization expense was \$21.2 million and \$38.0 million for the three and six months ended July 31, 2024, respectively. Included in these amounts were the amortization of capitalized internal-use software development costs of \$13.3 million and \$24.2 million for the three and six months ended July 31, 2024, respectively.

Depreciation and amortization expense was \$8.5 million and \$16.1 million for the three and six months ended July 31, 2023, respectively. Included in these amounts were the amortization of capitalized internal-use software development costs of \$3.9 million and \$7.4 million for the three and six months ended July 31, 2023, respectively.

During the six months ended July 31, 2023, the Company recognized impairment charges of \$7.1 million related to its capitalized internal-use software development costs previously included in construction in-progress that were no longer probable of being completed. Such impairment charges were recorded as research and development expenses on the condensed consolidated statements of operations. No impairment charge was recognized during the six months ended July 31, 2024.

7. Business Combinations**Fiscal 2025**

During the three months ended July 31, 2024, the Company acquired certain technology assets and hired key employees from a privately-held company for \$10.8 million in cash. The Company has accounted for this transaction as a business combination. In allocating the aggregate purchase consideration based on the estimated fair values, the Company recorded \$2.5 million as a developed technology intangible asset (to be amortized over an estimated useful life of five years), and \$8.3 million as goodwill, which is deductible for income tax purposes.

The excess of purchase consideration over the fair value of net tangible and identifiable assets acquired was recorded as goodwill. The Company believes the goodwill balance associated with this business combination is primarily attributed to the assembled workforce and expected synergies arising from the acquisition.

Acquisition-related costs, recorded as general and administrative expenses, associated with this business combination were not material during the six months ended July 31, 2024.

From the date of acquisition through July 31, 2024, revenue attributable to this acquired company, included in the Company's condensed consolidated statements of operations for the three and six months ended July 31, 2024 was not material. It was impracticable to determine the effect on the Company's net loss attributable to this acquired company as its operation has been integrated into the Company's ongoing operations since the date of acquisition.

Fiscal 2024***Neeva Inc.***

During the three months ended July 31, 2023, the Company acquired all outstanding stock of Neeva Inc. and its equity investee (collectively, Neeva), for \$185.4 million in cash. The Company acquired Neeva primarily for its talent and developed technology. The Company has accounted for this transaction as a business combination.

The purchase consideration was preliminarily allocated to assets acquired and liabilities assumed based on their respective estimated fair values as of the date of acquisition. During each of the three months ended July 31, 2024 and January 31, 2024, the Company recorded measurement period adjustments which did not have material impacts on goodwill. The allocation of purchase consideration, inclusive of measurement period adjustments, was as follows:

	Estimated Fair Value (in thousands)	Estimated Useful Life (in years)
Cash and cash equivalents	\$ 43,968	
Goodwill	62,931	
Developed technology intangible assets	83,000	5
Other net tangible liabilities	(759)	
Deferred tax liabilities, net ⁽¹⁾	(3,713)	
Total	<u>\$ 185,427</u>	

⁽¹⁾ Deferred tax liabilities, net primarily relates to the intangible asset acquired and the amount presented is net of deferred tax assets.

The fair values of the developed technology intangible assets were estimated using the replacement cost method, which utilizes assumptions for the cost to replace it, such as time and resources required, as well as a theoretical profit margin and opportunity cost.

The excess of purchase consideration over the fair values of identifiable net assets acquired was recorded as goodwill, which is not deductible for income tax purposes. The Company believes the goodwill balance associated with this business combination represents the synergies expected from expanded market opportunities when integrating the acquired developed technologies with the Company's offerings.

Mountain US Corporation (formerly known as Mobilize.Net Corporation)

On February 10, 2023, the Company acquired all outstanding stock of Mountain US Corporation (formerly known as Mobilize.Net Corporation) (Mountain), a privately-held company which provided a suite of tools for efficiently migrating databases to the AI Data Cloud, for \$76.3 million in cash. The Company acquired Mountain primarily for its talent and developed technology. The Company has accounted for this transaction as a business combination.

The purchase consideration was allocated to assets acquired and liabilities assumed based on their respective estimated fair values. The allocation of purchase consideration, inclusive of measurement period adjustments, was as follows:

	Estimated Fair Value (in thousands)	Estimated Useful Life (in years)
Cash and cash equivalents	\$ 11,594	
Goodwill	46,426	
Developed technology intangible asset	33,000	5
Other net tangible liabilities	(6,623)	
Deferred tax liabilities, net ⁽¹⁾	(8,136)	
Total	\$ 76,261	

⁽¹⁾ Deferred tax liabilities, net primarily relates to the intangible asset acquired and the amount presented is net of deferred tax assets.

The fair value of the developed technology intangible asset was estimated using the replacement cost method, which utilizes assumptions for the cost to replace it, such as time and resources required, as well as a theoretical profit margin and opportunity cost.

The excess of purchase consideration over the fair values of identifiable net assets acquired was recorded as goodwill, which is not deductible for income tax purposes. The Company believes the goodwill balance associated with this business combination represents the synergies expected from strengthening enablement capabilities and the acceleration of legacy migrations to the AI Data Cloud, as well as expanding the Company's professional services footprint.

LeapYear Technologies, Inc.

On February 10, 2023, the Company acquired all outstanding stock of LeapYear Technologies, Inc. (LeapYear), a privately-held company which provided a differential privacy platform, for \$62.0 million in cash. The Company acquired LeapYear primarily for its talent and developed technology. The Company has accounted for this transaction as a business combination.

The purchase consideration was allocated to assets acquired and liabilities assumed based on their respective estimated fair values. The allocation of purchase consideration, inclusive of measurement period adjustments, was as follows:

	Estimated Fair Value (in thousands)	Estimated Useful Life (in years)
Cash, cash equivalents, and restricted cash	\$ 3,563	
Goodwill	9,029	
Developed technology intangible asset	53,000	5
Other net tangible liabilities	(1,434)	
Deferred tax liabilities, net ⁽¹⁾	(2,150)	
Total	\$ 62,008	

⁽¹⁾ Deferred tax liabilities, net primarily relates to the intangible asset acquired and the amount presented is net of deferred tax assets.

The fair value of the developed technology intangible asset was estimated using the replacement cost method, which utilizes assumptions for the cost to replace it, such as time and resources required, as well as a theoretical profit margin and opportunity cost.

The excess of purchase consideration over the fair values of identifiable net assets acquired was recorded as goodwill, which is not deductible for income tax purposes. The Company believes the goodwill balance associated with this business combination represents the synergies expected from expanded market opportunities when integrating the acquired developed technologies with the Company's offerings.

Acquisition-related costs, recorded as general and administrative expenses, associated with each of the business combinations above were not material during the six months ended July 31, 2023.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information summarizes the combined results of operations of the Company and Neeva, as if Neeva had been acquired as of February 1, 2022 (in thousands):

	Pro Forma					
	Three Months Ended July 31,			Six Months Ended July 31,		
	2023	2022	(unaudited)	2023	2022	(unaudited)
Revenue	\$ 674,156	\$ 497,261	\$ 1,297,863	\$ 919,640		
Net loss	\$ (244,992)	\$ (254,014)	\$ (499,999)	\$ (437,835)		

The pro forma financial information presented above has been calculated after adjusting the results of operations of Neeva to reflect certain business combination effects, including the amortization of the acquired intangible asset, stock-based compensation, income tax impact, and acquisition-related costs incurred by both the Company and Neeva as though this business combination occurred as of February 1, 2022, the beginning of the Company's fiscal 2023. The historical condensed consolidated financial information has been adjusted in the pro forma combined financial results to give effect to pro forma events that are directly attributable to the business combination, reasonably estimable, and factually supportable. The pro forma financial information is for informational purposes only and is not indicative of the results of operations that would have been achieved if this business combination had taken place as of February 1, 2022.

Pro forma financial information for the Mountain, LeapYear, and fiscal 2025 business combinations has not been presented, as the effects of each were not material to the Company's condensed consolidated financial statements.

8. Intangible Assets and Goodwill

Intangible Assets, Net

Intangible assets, net consisted of the following (in thousands):

	July 31, 2024		
	Gross	Accumulated Amortization	Net
Finite-lived intangible assets:			
Developed technology	\$ 242,296	\$ (68,216)	\$ 174,080
Developer community	154,900	(70,872)	84,028
Assembled workforce	55,732	(29,899)	25,833
Patents	8,874	(7,103)	1,771
Total finite-lived intangible assets	<u>\$ 461,802</u>	<u>\$ (176,090)</u>	<u>\$ 285,712</u>
Indefinite-lived intangible assets—trademarks			826
Total intangible assets, net			<u>\$ 286,538</u>

	January 31, 2024		
	Gross	Accumulated Amortization	Net
Finite-lived intangible assets:			
Developed technology	\$ 243,596	\$ (47,919)	\$ 195,677
Developer community	154,900	(55,442)	99,458
Assembled workforce	55,732	(22,945)	32,787
Patents	8,874	(6,211)	2,663
Total finite-lived intangible assets	\$ 463,102	\$ (132,517)	\$ 330,585
Indefinite-lived intangible assets—trademarks			826
Total intangible assets, net			\$ 331,411

During the three and six months ended July 31, 2024, the cost and accumulated amortization of a fully amortized intangible asset were removed from the Company's condensed consolidated balance sheet, as the asset was no longer in use.

Amortization expense of intangible assets was \$23.9 million and \$47.3 million for the three and six months ended July 31, 2024, respectively, and \$20.8 million and \$36.4 million for the three and six months ended July 31, 2023, respectively.

As of July 31, 2024, future amortization expense is expected to be as follows (in thousands):

Fiscal Year Ending January 31,	Amount
Remainder of 2025	\$ 47,759
2026	89,013
2027	84,860
2028	52,295
2029	11,633
Thereafter	152
Total	\$ 285,712

Goodwill

Changes in goodwill were as follows (in thousands):

	Amount
Balance—January 31, 2024	\$ 975,906
Additions and measurement period adjustments ⁽¹⁾	8,170
Balance—July 31, 2024	\$ 984,076

⁽¹⁾ Includes measurement period adjustments related to the preliminary fair values of the assets acquired and liabilities assumed in business combinations. These adjustments did not have a material impact on goodwill. See Note 7, "Business Combinations," for further details.

9. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	July 31, 2024	January 31, 2024
Accrued compensation	\$ 206,486	\$ 205,056
Accrued third-party cloud infrastructure expenses	63,087	48,571
Liabilities associated with sales, marketing and business development programs	37,836	39,571
Employee contributions under employee stock purchase plan	37,502	40,641
Accrued taxes	17,446	37,108
Accrued purchases of property and equipment	10,456	4,508
Employee payroll tax withheld on employee stock transactions	10,224	22,479
Accrued professional services	8,709	9,274
Other	57,180	39,652
Total accrued expenses and other current liabilities	\$ 448,926	\$ 446,860

10. Commitments and Contingencies

Operating Leases—The Company leases its facilities for office space under non-cancelable operating leases with various expiration dates through fiscal 2039. Certain lease agreements include options to renew or terminate the lease, which are not reasonably certain to be exercised and therefore are not factored into the determination of lease payments.

In May 2024, the Company entered into a lease agreement for a new office facility located in the United States with a total commitment of \$95.6 million, net of tenant incentives to be received. The lease commenced during the three months ended July 31, 2024, with an expiration date in fiscal 2039, and resulted in an increase of \$35.2 million and \$38.3 million in the Company's operating lease right-of-use assets and operating lease liabilities, respectively.

In addition, the Company subleases certain of its unoccupied facilities to third parties with various expiration dates through fiscal 2030. Such subleases have all been classified as operating leases. Sublease income is recorded as a reduction to the Company's operating lease costs. Sublease income was \$1.9 million and \$4.3 million for the three and six months ended July 31, 2024, respectively, and \$3.1 million and \$6.2 million for the three and six months ended July 31, 2023, respectively.

Other Contractual Commitments—Other contractual commitments relate mainly to third-party cloud infrastructure agreements and subscription arrangements used to facilitate the Company's operations at the enterprise level. There were no material contractual obligations that were entered into during the six months ended July 31, 2024 that were outside the ordinary course of business.

401(k) Plan—The Company sponsors a 401(k) defined contribution plan covering all eligible U.S. employees. Contributions to the 401(k) plan are discretionary. The Company did not make any matching contributions to the 401(k) plan for each of the three and six months ended July 31, 2024 and 2023.

Legal Matters—On March 23, 2021, a former employee filed a charge with the National Labor Relations Board (the NLRB) claiming that he was terminated in retaliation for engaging in concerted activity protected under the National Labor Relations Act. On September 15, 2023, following a hearing before a NLRB administrative law judge, the administrative law judge issued his ruling in favor of the former employee and ordered that he be awarded certain compensatory and other damages.

The Company is appealing the ruling to the Board of the NLRB. The Company believes it is reasonably possible that a loss could ultimately result from an unfavorable outcome and that an estimate of the potential range of loss is between zero and \$25 million, plus interest. No material loss accrual was recorded as of July 31, 2024 and January 31, 2024, because management believes the likelihood of material loss resulting from this charge is not probable given the further appellate proceedings that are due to take place.

In addition, the Company is involved from time to time in various claims and legal actions arising in the ordinary course of business. While it is not feasible to predict or determine the ultimate outcome of these matters, the Company believes that none of its current legal proceedings will have a material adverse effect on its financial position, results of operations, or cash flows.

Letters of Credit—As of July 31, 2024, the Company had a total of \$17.5 million in cash collateralized letters of credit outstanding, substantially in favor of certain landlords for the Company's leased facilities. These letters of credit renew annually and expire at various dates through fiscal 2033.

Indemnification—The Company enters into indemnification provisions under agreements with other parties in the ordinary course of business, including business partners, investors, contractors, customers, and the Company's officers, non-employee directors, and certain employees. The Company has agreed to indemnify and defend the indemnified party for claims and related losses suffered or incurred by the indemnified party from actual or threatened third-party claims due to the Company's activities or non-compliance with certain representations and warranties made by the Company. It is not possible to determine the maximum potential loss under these indemnification provisions due to the Company's limited history of prior indemnification claims and the unique facts and circumstances involved in each particular provision. For each of the three and six months ended July 31, 2024 and 2023, losses recorded in the condensed consolidated statements of operations in connection with the indemnification provisions were not material.

11. Equity

Common Stock—The Company had reserved shares of common stock for future issuance as follows (in thousands):

	July 31, 2024	January 31, 2024
2012 Equity Incentive Plan:		
Options outstanding	23,480	26,767
Restricted stock units outstanding	123	789
2020 Equity Incentive Plan:		
Options outstanding	1,617	602
Restricted stock units outstanding	22,309	20,168
Shares available for future grants	70,086	59,371
2020 Employee Stock Purchase Plan:		
Shares available for future grants	16,759	13,764
Total shares of common stock reserved for future issuance	<u>134,374</u>	<u>121,461</u>

Stock Repurchase Program and Treasury Stock—In February 2023, the Company's board of directors authorized a stock repurchase program of up to \$2.0 billion of its outstanding Class A common stock. Repurchases may be effected, from time to time, either on the open market (including via pre-set trading plans), in privately negotiated transactions, or through other transactions in accordance with applicable securities laws. The timing and amount of any repurchases will be determined by management based on an evaluation of market conditions and other factors. The program does not obligate the Company to acquire any particular amount of common stock, and the repurchase program may be suspended or discontinued at any time at the Company's discretion. In August 2024, the Company's board of directors authorized the repurchase of an additional \$2.5 billion of its outstanding common stock and extended the expiration date of the stock repurchase program from March 2025 to March 2027.

The following table summarizes the stock repurchase activity under the Company's stock repurchase program (in thousands, except per share data):

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Number of shares repurchased	2,957	—	5,939	1,405
Weighted-average price per share ⁽¹⁾	\$ 135.29	\$ —	\$ 154.30	\$ 136.39
Aggregate purchase price ⁽¹⁾	\$ 400,000	\$ —	\$ 916,329	\$ 191,694

⁽¹⁾ Includes transaction costs associated with the repurchases.

As of July 31, 2024, \$491.9 million remained available for future stock repurchases under the stock repurchase program, which does not take into account the additional \$2.5 billion of repurchase amount authorized in August 2024. The first 0.5 million shares repurchased during the six months ended July 31, 2023 were recorded in treasury stock as a reduction to the stockholders' equity on the condensed consolidated balance sheets. All shares of Class A common stock subsequently repurchased were retired. Upon retirement, the par value of the common stock repurchased was deducted from common stock and any excess of repurchase price (including associated transaction costs) over par value was recorded entirely to retained earnings (accumulated deficit) on the condensed consolidated balance sheets.

Equity Incentive Plans—The Company's 2020 Equity Incentive Plan (2020 Plan), which became effective in connection with its Initial Public Offering (IPO), provides for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards (RSUs), performance awards and other forms of equity compensation (collectively, equity awards). All shares that remain available for future grants are under the 2020 Plan.

The Company's 2012 Equity Incentive Plan (2012 Plan) provided for the grant of equity awards to employees, non-employee directors, and other service providers of the Company. The 2012 Plan was terminated in September 2020 in connection with the IPO but continues to govern the terms of outstanding awards that were granted prior to the termination of the 2012 Plan. Upon the expiration, forfeiture, cancellation, or reacquisition of any shares of common stock underlying outstanding equity awards granted under the 2012 Plan, an equal number of shares of Class A common stock will become available for grant under the 2020 Plan. No further equity awards will be granted under the 2012 Plan.

The Company's 2020 Employee Stock Purchase Plan (2020 ESPP), which became effective in connection with the IPO, authorizes the issuance of shares of common stock pursuant to purchase rights granted to employees. Offering periods are generally six months long and begin on March 15 and September 15 of each year, except for the first two offering periods. The initial offering period began on September 15, 2020 and ended on February 26, 2021. The second offering period began on March 1, 2021 and ended on September 14, 2021.

On February 1, 2024, the shares available for grant under the 2020 Plan and the 2020 ESPP were automatically increased by 16.7 million shares and 3.3 million shares, respectively, pursuant to the annual evergreen increase provisions under the 2020 Plan and the 2020 ESPP.

Stock Options—Stock options granted under the 2012 Plan and the 2020 Plan (collectively, the Plans) generally vest based on continued service over four years and expire ten years from the date of grant. Certain stock options granted under the 2012 Plan are exercisable at any time following the date of grant and expire ten years from the date of grant.

A summary of stock option activity during the six months ended July 31, 2024 is as follows:

	Number of Shares (in thousands)	Weighted- Average Exercise Price	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Balance—January 31, 2024	27,369	\$ 12.35	5.0	\$ 5,023,664
Granted	960	\$ 163.04		
Exercised	(1,379)	\$ 7.69		
Canceled	(92)	\$ 3.75		
Balance—April 30, 2024	26,858	\$ 18.01	4.8	\$ 3,723,873
Granted	77	\$ 164.78		
Exercised	(1,816)	\$ 7.14		
Canceled	(22)	\$ 207.56		
Balance—July 31, 2024	<u>25,097</u>	\$ 19.07	4.6	\$ 2,872,192
Vested and exercisable as of July 31, 2024	<u>23,914</u>	\$ 11.52	4.5	\$ 2,872,130

The weighted-average grant-date fair value of options granted during the six months ended July 31, 2024 was \$79.16 per share. No options were granted during the six months ended July 31, 2023. The intrinsic value of options exercised in the six months ended July 31, 2024 and 2023 was \$467.8 million and \$736.7 million, respectively. The aggregate grant-date fair value of options that vested during the six months ended July 31, 2024 and 2023 was \$15.8 million and \$28.3 million, respectively.

Equity-Classified RSUs—RSUs granted under the 2012 Plan are equity-classified and had both service-based and performance-based vesting conditions, of which the performance-based vesting condition was satisfied upon the effectiveness of the IPO in September 2020. The service-based vesting condition for these awards is typically satisfied over four years with a cliff vesting period of one year and continued vesting quarterly thereafter. Stock-based compensation associated with RSUs granted under the 2012 Plan was recognized using an accelerated attribution method from the time it was deemed probable that the vesting condition was met through the time the service-based vesting condition had been achieved.

Equity-classified RSUs granted under the 2020 Plan include those that only contain a service-based vesting condition that is typically satisfied over four years, and the related stock-based compensation for these RSUs is recognized on a straight-line basis over the requisite service period. In addition, under the 2020 Plan, the Company granted 0.8 million and 0.5 million equity-classified RSUs (Leadership PRSUs) to its executive officers and certain other members of its senior leadership team during the six months ended July 31, 2024 and 2023, respectively. These Leadership PRSUs were granted at 120% of the target number of these awards, representing the maximum number of Leadership PRSUs that may be eligible to vest over their full term, and have both service-based and performance-based vesting conditions. The service-based vesting condition for these Leadership PRSUs is typically satisfied over four years with a cliff vesting period of one year and continued vesting quarterly thereafter. The performance-based vesting condition is satisfied upon the achievement of certain Company annual performance targets set by the compensation committee of the board of directors of the Company. The ultimate number of the Leadership PRSUs eligible to vest ranges between 0% to 120% of the target number of the Leadership PRSUs based on the weighted-average achievement of such Company annual performance metrics for the respective fiscal year. Stock-based compensation associated with these Leadership PRSUs is recognized using an accelerated attribution method over the requisite service period, based on the Company's periodic assessment of the probability that the performance condition will be achieved. Stock-based compensation recognized for these Leadership PRSUs was \$8.7 million and \$21.2 million for the three and six months ended July 31, 2024, respectively, and \$6.3 million and \$10.1 million for the three and six months ended July 31, 2023, respectively.

A summary of equity-classified RSUs activity during the six months ended July 31, 2024 is as follows:

	Number of Shares (in thousands)	Weighted-Average Grant Date Fair Value per Share
Unvested Balance—January 31, 2024	19,575	\$ 169.82
Granted	5,869	\$ 167.74
Vested	(3,202)	\$ 162.47
Forfeited	(533)	\$ 168.85
Performance adjustment ⁽¹⁾	(50)	\$ 139.58
Unvested Balance—April 30, 2024	21,659	\$ 170.44
Granted	2,408	\$ 141.61
Vested	(2,272)	\$ 172.52
Forfeited	(748)	\$ 167.94
Unvested Balance—July 31, 2024	21,047	\$ 167.01

⁽¹⁾ Represents an adjustment in the number of shares outstanding, with regards to Leadership PRSUs granted during the six months ended July 31, 2023, based on the actual achievement of the associated Company annual performance targets for fiscal 2024.

Liability-Classified RSUs—During the fourth quarter of fiscal 2024, in connection with a business combination, the Company agreed to grant, under the 2020 Plan, RSUs that contain both post-combination service-based and performance-based vesting conditions (Acquisition PRSUs) to eligible existing or future employees, subject to a maximum total number of approximately 1.7 million shares. The post-combination service-based vesting condition for these Acquisition PRSUs is satisfied over four years with a cliff vesting period of one year and continued vesting quarterly thereafter. The performance-based vesting condition is contingent on the achievement of certain performance metric over the twelve-month period ending January 31, 2027. Acquisition PRSUs will vest when both service-based and performance-based conditions are satisfied. The ultimate number of Acquisition PRSUs eligible to vest is determined based on the actual achievement of the performance metric, which takes into account certain factors including the Company’s stock price and market capitalization.

Once granted, Acquisition PRSUs are initially liability-classified and recorded in other liabilities on the Company’s condensed consolidated balance sheets, as the monetary value of the obligation under each potential outcome of the performance condition is predominantly based on a fixed monetary amount known at inception and will be settled in a variable number of shares. Subsequently, these awards are remeasured to the fair value at each reporting date until the number of Acquisition PRSUs eligible to vest is fixed, at which time these awards will be reclassified to equity. Stock-based compensation associated with these awards is recognized based on the probable outcome of the performance condition, using an accelerated attribution method over the requisite service period, with a cumulative catch-up adjustment recognized for changes in the fair value estimated at each reporting date. As of July 31, 2024 and January 31, 2024, the liabilities associated with these Acquisition PRSUs were \$3.8 million and \$0.5 million, respectively. Stock-based compensation recognized for these Acquisition PRSUs was not material for each of the three and six months ended July 31, 2024.

A summary of liability-classified RSUs activity during the six months ended July 31, 2024 is as follows:

	Number of Shares (in thousands)
Unvested Balance—January 31, 2024 and April 30, 2024	1,382
Granted ⁽¹⁾	3
Unvested Balance—July 31, 2024	1,385

⁽¹⁾ Represents the maximum number of Acquisition PRSUs that may be eligible to vest with respect to these awards over their full term.

Restricted Common Stock—From time to time, the Company has granted restricted common stock outside of the Plans. Restricted common stock is not deemed to be outstanding for accounting purposes until it vests.

A summary of restricted common stock activity during the six months ended July 31, 2024 is as follows:

	Outside of the Plans	
	Number of Shares (in thousands)	Weighted-Average Grant Date Fair Value per Share
Unvested Balance—January 31, 2024	671	\$ 209.15
Vested	(146)	\$ 223.42
Unvested Balance—April 30, 2024	525	\$ 205.15
Vested	(25)	\$ 194.28
Unvested Balance—July 31, 2024	500	\$ 205.68

Stock-Based Compensation—The following table summarizes the assumptions used in estimating the fair values of stock options granted to employees during the three and six months ended July 31, 2024:

	Three Months Ended July 31, 2024	Six Months Ended July 31, 2024
Expected term (in years)	6.0	4.8 - 6.0
Expected volatility	56.6 %	56.6% - 56.7%
Risk-free interest rate	4.4 %	4.2% - 4.4%
Expected dividend yield	— %	— %

In addition, for the stock option granted during the three months ended April 30, 2024, the shares to be issued upon exercise are subject to a one-year holding period. As such, the Company applied a 7.6% discount for lack of marketability to the fair value estimated using the Black-Scholes option-pricing model, based on the assumptions included in the table above.

No stock options were granted during each of the three and six months ended July 31, 2023.

The following table summarizes the assumptions used in estimating the fair value of employee stock purchase rights granted under the 2020 ESPP during the six months ended July 31, 2024 and 2023:

	Six Months Ended July 31,	
	2024	2023
Expected term (in years)	0.5	0.5
Expected volatility	49.6 %	71.3 %
Risk-free interest rate	5.4 %	4.7 %
Expected dividend yield	— %	— %

No employee stock purchase rights were granted during each of the three months ended July 31, 2024 and 2023.

Expected term—For stock options considered to be “plain vanilla” options, the Company estimates the expected term based on the simplified method, which is essentially the weighted average of the vesting period and contractual term, as the Company’s historical option exercise experience does not provide a reasonable basis upon which to estimate the expected term. The expected term for employee stock purchase rights granted under the 2020 ESPP (ESPP Rights) approximates the offering period.

Expected volatility—In fiscal 2023 and 2024, the Company used the average volatility of its Class A common stock and the stocks of a peer group of representative public companies to develop an expected volatility assumption. During the six months ended July 31, 2024, the Company began using the average of (i) the historical volatility of its Class A common stock, and (ii) the implied volatility from publicly traded options on its Class A common stock to develop an expected volatility assumption.

Risk-free interest rate—Risk-free rate is estimated based upon quoted market yields for the United States Treasury debt securities for a term consistent with the expected life of the awards in effect at the time of grant.

Expected dividend yield—Because the Company has never paid and has no intention to pay cash dividends on common stock, the expected dividend yield is zero.

Fair value of underlying common stock—Since the completion of the IPO, the fair value of the Company’s common stock is determined by the closing price, on the date of grant, of its common stock, which is traded on the New York Stock Exchange.

The following table summarizes the assumptions used in estimating the fair value of liability-classified Acquisition PRSUs as of July 31, 2024 and January 31, 2024:

	July 31, 2024	January 31, 2024
Expected volatility	58.0 %	60.0 %
Risk-free interest rate	4.2 %	4.0 %

Expected volatility—In fiscal 2024, expected volatility was estimated based on the historical volatility of the Company’s Class A common stock. During the six months ended July 31, 2024, the Company began using the average of (i) the historical volatility of its Class A common stock, and (ii) the implied volatility from publicly traded options on its Class A common stock to develop an expected volatility assumption.

Risk-free interest rate—Risk-free rate is estimated based upon quoted market yields for the United States Treasury debt securities for a term that approximates the period from the reporting date to January 31, 2027.

Stock-based compensation included in the condensed consolidated statements of operations was as follows (in thousands):

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Cost of revenue	\$ 34,815	\$ 32,302	\$ 67,223	\$ 62,764
Sales and marketing	80,676	78,838	154,083	151,133
Research and development	204,917	163,005	399,589	299,422
General and administrative	35,592	25,577	67,041	50,912
Stock-based compensation, net of amounts capitalized	356,000	299,722	687,936	564,231
Capitalized stock-based compensation	7,846	12,903	17,141	24,622
Total stock-based compensation	<u>\$ 363,846</u>	<u>\$ 312,625</u>	<u>\$ 705,077</u>	<u>\$ 588,853</u>

As of July 31, 2024, total compensation cost related to unvested awards not yet recognized was \$3.4 billion, which will be recognized over a weighted-average period of 2.9 years.

12. Income Taxes

The Company computes its tax provision for interim periods by applying the estimated annual effective tax rate to year-to-date pre-tax income from recurring operations and adjusting for discrete tax items arising in that quarter.

The Company had an effective tax rate of (1.2%) and (1.0%) for the three and six months ended July 31, 2024, respectively, and 1.6% and 2.2% for the three and six months ended July 31, 2023, respectively. The Company has incurred U.S. operating losses and has minimal profits in foreign jurisdictions.

The Company has evaluated all available evidence, both positive and negative, including historical levels of income and expectations and risks associated with estimates of future taxable income, and has determined that it is more likely than not that its net deferred tax assets will not be realized in the United States and the United Kingdom. Due to uncertainties surrounding the realization of the deferred tax assets, the Company maintains a full valuation allowance against its net deferred tax assets.

The Company is subject to income taxes in the United States and numerous foreign jurisdictions. As of July 31, 2024, tax years 2012 and forward generally remain open for examination for U.S. federal and state tax purposes, and tax years 2019 and forward generally remain open for examination for foreign tax purposes.

The Company has applied ASC 740 and determined that it has uncertain tax positions giving rise to unrecognized tax benefits for each of the three and six months ended July 31, 2024 and 2023. The Company's policy is to recognize interest and penalties related to uncertain tax positions in income tax expense. The Company does not anticipate any significant changes to unrecognized tax benefits over the next 12 months. None of the unrecognized tax benefits are currently expected to impact the Company's effective tax rate, if realized, as a result of the full valuation allowance.

On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (the Inflation Act) into law. The Inflation Act contains certain tax measures, including a corporate alternative minimum tax of 15% on some large corporations and an excise tax of 1% on stock repurchases. For the three and six months ended July 31, 2024, the Inflation Act had no material impact to the Company, including its stock repurchase program. The Company is continuing to evaluate the various provisions of the Inflation Act and does not anticipate the impact, if any, will be material to the Company.

13. Net Loss per Share

Basic and diluted net loss per share attributable to Snowflake Inc. Class A common stockholders is computed in conformity with the two-class method required for participating securities. The Company considers unvested common stock to be participating securities, as the holders of such stock have the right to receive nonforfeitable dividends on a pari passu basis in the event that a dividend is declared on common stock.

Basic net loss per share attributable to Snowflake Inc. Class A common stockholders is computed by dividing net loss attributable to Snowflake Inc. Class A common stockholders by the weighted-average number of shares of Snowflake Inc. Class A common stock outstanding during the period, which excludes treasury stock. Diluted net loss per share attributable to Snowflake Inc. Class A common stockholders is computed by giving effect to all potentially dilutive Snowflake Inc. Class A common stock equivalents to the extent they are dilutive. For purposes of this calculation, stock options, RSUs, restricted common stock, early exercised stock options, and ESPP Rights are considered to be common stock equivalents but have been excluded from the calculation of diluted net loss per share attributable to Snowflake Inc. Class A common stockholders as their effect is anti-dilutive for all periods presented.

The following table presents the calculation of basic and diluted net loss per share attributable to Snowflake Inc. Class A common stockholders (in thousands, except per share data):

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Numerator:				
Net loss	\$ (317,770)	\$ (227,320)	\$ (635,586)	\$ (453,384)
Less: net loss attributable to noncontrolling interest	(871)	(453)	(1,699)	(890)
Net loss attributable to Snowflake Inc. Class A common stockholders	\$ (316,899)	\$ (226,867)	\$ (633,887)	\$ (452,494)
Denominator:				
Weighted-average shares used in computing net loss per share attributable to Snowflake Inc. Class A common stockholders—basic and diluted	334,071	327,335	333,830	325,772
Net loss per share attributable to Snowflake Inc. Class A common stockholders—basic and diluted	\$ (0.95)	\$ (0.69)	\$ (1.90)	\$ (1.39)

No Class B common stock was outstanding during any periods presented.

The following potentially dilutive securities were excluded from the calculation of diluted net loss per share attributable to Snowflake Inc. Class A common stockholders for the periods presented because the impact of including them would have been anti-dilutive (in thousands):

	Three and Six Months Ended July 31,	
	2024	2023
Stock options	25,097	30,893
RSUs	22,432	20,497
Unvested restricted common stock and early exercised stock options	500	291
Employee stock purchase rights under the 2020 ESPP	271	176
Total	48,300	51,857

14. Related Party Transactions

A member of the Company's board of directors currently serves as the Chief Executive Officer of a privately-held company (the Related Party), which has been the Company's customer since 2018. During the six months ended July 31, 2024, as a minority investor, the Company made a strategic investment of approximately \$5.0 million, by purchasing non-marketable equity securities issued by the Related Party. Revenue recognized from the Related Party was not material for each of the three and six months ended July 31, 2024 and 2023. Additionally, as of July 31, 2024 and January 31, 2024, the Company did not have material accounts receivable balance due from the Related Party.

15. Subsequent Event

As set forth in Note 11, "Equity," in February 2023, the Company's board of directors authorized a stock repurchase program of up to \$2.0 billion of its outstanding common stock. As of July 31, 2024, \$491.9 million remained available for future repurchases under the stock repurchase program. In August 2024, the Company's board of directors authorized the repurchase of an additional \$2.5 billion of its outstanding common stock and extended the expiration date of the stock repurchase program from March 2025 to March 2027. Repurchases may be effected, from time to time, either on the open market (including via pre-set trading plans), in privately negotiated transactions, or through other transactions in accordance with applicable securities laws.

The timing and amount of any repurchases will be determined by management based on an evaluation of market conditions and other factors. The program does not obligate the Company to acquire any particular amount of common stock, and the repurchase program may be suspended or discontinued at any time at the Company's discretion.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with (1) our unaudited condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q, and (2) our audited consolidated financial statements and the related notes and the discussion under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for the fiscal year ended January 31, 2024 included in the Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (SEC) on March 26, 2024. This discussion, particularly information with respect to our future results of operations or financial condition, business strategy and plans, and objectives of management for future operations, includes forward-looking statements that involve risks and uncertainties as described under the heading “Special Note About Forward-Looking Statements” in this Quarterly Report on Form 10-Q. You should review the disclosure under the heading “Risk Factors” in this Quarterly Report on Form 10-Q for a discussion of important factors that could cause our actual results to differ materially from those anticipated in these forward-looking statements.

In addition to our results determined in accordance with U.S. generally accepted accounting principles (GAAP), free cash flow, a non-GAAP financial measure, is included in the section titled “Key Business Metrics.” This non-GAAP financial measure is not meant to be considered in isolation or as a substitute for, or superior to, comparable GAAP financial measures and should be read only in conjunction with our unaudited condensed consolidated financial statements prepared in accordance with GAAP. Our presentation of this non-GAAP financial measure may not be comparable to similar measures used by other companies. We encourage investors to carefully consider our results under GAAP, as well as our supplemental non-GAAP information and the GAAP-to-non-GAAP reconciliation included in the section titled “Key Business Metrics—Free Cash Flow,” to more fully understand our business.

Unless the context otherwise requires, all references in this report to “Snowflake,” the “Company,” “we,” “our,” “us,” or similar terms refer to Snowflake Inc. and its consolidated subsidiaries. Unless otherwise noted, all references in this report to our common stock refer to our Class A common stock.

Overview

We believe that a cloud computing platform that puts data and AI at its core will offer great benefits to organizations by allowing them to realize the value of the data that powers their businesses. By offering rich primitives for data and applications, we believe that we can create a data connected world where organizations have seamless access to explore, share, and unlock the value of data. To realize this vision, we deliver the AI Data Cloud, a network where Snowflake customers, partners, developers, data providers, and data consumers can break down data silos and derive value from rapidly growing data sets in secure, governed, and compliant ways.

Our platform is the innovative technology that powers the AI Data Cloud, enabling customers to consolidate data into a single source of truth to drive meaningful insights, apply AI to solve business problems, build data applications, and share data and data products. We provide our platform through a customer-centric, consumption-based business model, only charging customers for the resources they use.

Our cloud-native architecture consists of three independently scalable but logically integrated layers across compute, storage, and cloud services. The compute layer provides dedicated resources to enable users to simultaneously access common data sets for many use cases with minimal latency. The storage layer ingests massive amounts and varieties of structured, semi-structured, and unstructured data to create a unified data record. The cloud services layer intelligently optimizes each use case’s performance requirements with no administration. This architecture is built on three major public clouds across 42 regional deployments around the world. These deployments are generally interconnected to deliver the AI Data Cloud, enabling a consistent, global user experience.

We generate the substantial majority of our revenue from fees charged to our customers based on the compute, storage, and data transfer resources consumed on our platform. Prior to June 2024, these three resources were consumed by our customers as a single, integrated offering. In June 2024, we made Iceberg tables generally available to our customers, enabling them to use our platform for compute services without requiring storage. As a result, starting from June 2024, customers are allowed to select compute, storage, and data transfer resources separately, at their discretion. For compute resources, consumption is based on the type of compute resource used and the duration of use or, for some features, the volume of data processed. For storage resources, consumption for a given customer is based on the average terabytes per month of all of such customer's data stored in our platform. For data transfer resources, consumption is based on terabytes of data transferred, the public cloud provider used, and the region to and from which the transfer is executed.

Our customers typically enter into capacity arrangements with a term of one to four years, or consume our platform under on-demand arrangements in which we charge for use of our platform monthly in arrears. Consumption for most customers accelerates from the beginning of their usage to the end of their contract terms and often exceeds their initial capacity commitment amounts. When this occurs, our customers have the option to amend their existing agreement with us to purchase additional capacity or request early renewals. When a customer's consumption during the contract term does not exceed its capacity commitment amount, it may have the option to roll over any unused capacity to future periods, generally upon the purchase of additional capacity. For these reasons, we believe our deferred revenue is not a meaningful indicator of future revenue that will be recognized in any given time period.

Our go-to-market strategy is focused on acquiring new customers and driving increased use of our platform for existing customers. We primarily focus our selling efforts on large organizations and primarily sell our platform through a direct sales force, which targets technical and business leaders who are adopting a cloud strategy and leveraging data to improve their business performance. Our sales force is comprised of sales development, inside sales, and field sales personnel and is segmented by the industry, size, and region of prospective customers. Once our platform has been adopted, we focus on increasing the migration of additional customer workloads to our platform to drive increased consumption, as evidenced by our net revenue retention rate of 127% and 131% as of July 31, 2024 and January 31, 2024, respectively. See the section titled "Key Business Metrics" for a definition of net revenue retention rate.

Our platform is used globally by organizations of all sizes across a broad range of industries. As of July 31, 2024, we had 10,249 total customers, increasing from 9,424 customers as of January 31, 2024. Our customer count is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity, and we present our total customer count for historical periods reflecting these adjustments. Our platform has been adopted by many of the world's largest organizations that view Snowflake as a key strategic partner in their cloud and data transformation initiatives. As of July 31, 2024, our customers included 736 of the Forbes Global 2000, based on the 2024 Forbes Global 2000 list, and those customers contributed approximately 42% of our revenue for the six months ended July 31, 2024. Our Forbes Global 2000 customer count is subject to adjustments for annual updates to the Global 2000 list by Forbes, as well as acquisitions, consolidations, spin-offs, and other market activity with respect to such customers, and we present our Forbes Global 2000 customer count for historical periods reflecting these adjustments.

Fiscal Year

Our fiscal year ends on January 31. For example, references to fiscal 2025 refer to the fiscal year ending January 31, 2025.

Impact of Macroeconomic Conditions

Our business and financial condition have been, and may continue to be, impacted by adverse macroeconomic conditions, including inflation, high interest rates, and fluctuations or volatility in capital markets or foreign currency exchange rates. These conditions have caused, and may continue to cause, customers to rationalize budgets, prioritize cash flow management, including through shortened contract duration, and optimize consumption, including by reducing storage through shorter data retention policies. We are continuing to monitor the actual and potential effects of general macroeconomic conditions across our business. For additional details, see the section titled "Risk Factors."

Stock Repurchase Program

In February 2023, our board of directors authorized a stock repurchase program of up to \$2.0 billion of our outstanding common stock. In August 2024, our board of directors authorized the repurchase of an additional \$2.5 billion of our outstanding common stock and extended the expiration date of the stock repurchase program from March 2025 to March 2027. During the six months ended July 31, 2024, we repurchased 5.9 million shares of our outstanding common stock for an aggregate purchase price of \$916.3 million, including transaction costs, at a weighted-average price of \$154.30 per share. All repurchases were made in open market transactions. As of July 31, 2024, \$491.9 million remained available for future repurchases under the stock repurchase program, which does not take into account the additional \$2.5 billion of repurchase amount authorized in August 2024. See Note 11, “Equity,” and Note 15, “Subsequent Event,” to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details.

The timing and amount of any repurchases will be determined by management based on an evaluation of market conditions and other factors. The program does not obligate us to acquire any particular amount of common stock and the repurchase program may be suspended or discontinued at any time at our discretion.

Key Factors Affecting Our Performance

Adoption of our Platform and Expansion of the AI Data Cloud

Our future success depends in large part on the market adoption of our platform, including new product functionality such as Snowpark and our artificial intelligence and machine learning technology, or AI Technology, such as Snowflake Cortex. While we see growing demand for our platform, particularly from large enterprises, many of these organizations have invested substantial technical, financial, and personnel resources in their legacy database products or big data offerings, despite their inherent limitations. In addition, customers’ use of our AI Technology is often dependent on their ability to meet evolving regulatory standards, successfully complete internal compliance reviews, and enter into mutually acceptable contractual terms. While this makes it difficult to predict customer adoption rates and future demand, we believe that the benefits of our platform put us in a strong position to capture the significant market opportunity ahead.

Our platform powers the AI Data Cloud, a network of data providers, data consumers, and data application developers that enables our customers to securely share, monetize, and acquire live data sets and data products. The AI Data Cloud includes access to the Snowflake Marketplace, through which customers can access or acquire third-party data sets, data applications, and other data products. Our future growth is increasingly dependent on our ability to increase consumption of our platform by building and expanding the AI Data Cloud.

Expanding Within our Existing Customer Base

Our large base of customers represents a significant opportunity for further consumption of our platform. While we have seen an increase in the number of customers that have contributed more than \$1 million in product revenue in the trailing 12 months, we believe that there is a substantial opportunity to continue growing these customers further, as well as continuing to expand the usage of our platform within our other existing customers. We plan to continue investing to encourage increased consumption and adoption of new use cases among our existing customers, particularly large enterprises.

Once deployed, our customers often expand their use of our platform more broadly within the enterprise and across their ecosystem of customers and partners as they migrate more data to the public cloud, identify new use cases, and realize the benefits of our platform and the AI Data Cloud. However, because we generally recognize product revenue on consumption and not ratably over the term of the contract, we do not have visibility into the timing of revenue recognition from any particular customer. In addition, many customers are attempting to rationalize budgets, prioritize cash flow management, and optimize consumption amidst macroeconomic uncertainty. In any given period, there is a risk that customer consumption of our platform will be slower than we expect, which may cause fluctuations in our revenue and results of operations.

New software releases or hardware improvements, like better storage compression and cloud infrastructure processor improvements, may make our platform more efficient, enabling customers to consume fewer compute, storage, and data transfer resources to accomplish the same workloads. In addition, new product features allow customers to use our platform for compute services without requiring storage. To the extent these improvements do not result in an offsetting increase in new workloads, we may experience lower revenue. Our ability to increase usage of our platform by, and sell additional contracted capacity to, existing customers, and, in particular, large enterprise customers, will depend on a number of factors, including our customers' satisfaction with our platform, competition, pricing, macroeconomic conditions, overall changes in our customers' spending levels, customers' attempts to optimize their consumption, our customers' confidence in the security of our platform, our ability to maintain our reputation as a trustworthy vendor, the effectiveness of our and our partners' efforts to help our customers realize the benefits of our platform, and the extent to which customers migrate new workloads to our platform over time, including data science, artificial intelligence, and machine learning workloads.

Acquiring New Customers

We believe there is a substantial opportunity to further grow our customer base by continuing to make significant investments in sales and marketing and brand awareness. Our ability to attract new customers will depend on a number of factors, including the productivity of our sales organization, competitive dynamics in our target markets, changes in our customers' spending and platform consumption in response to market uncertainty, our ability to mitigate reputational damage following cybersecurity threat activity directed at our customers, and our ability to build and maintain partner relationships, including with global system integrators, resellers, technology partners, and third-party providers of native applications on the Snowflake Marketplace. While our platform is built for organizations of all sizes, we focus our selling efforts on large enterprise customers, customers with vast amounts of data, and customers requiring industry-specific solutions. We may not achieve anticipated revenue growth if we are unable to attract, hire, develop, integrate, and retain talented and effective sales personnel; if our sales personnel are unable to achieve desired productivity levels in a reasonable period of time and maintain productivity; or if our sales and marketing programs are not effective.

Investing in Growth and Scaling our Business

We are focused on our long-term revenue potential, and believe our market opportunity is large. We will continue to invest significantly in research and development to improve our platform, including in the areas of data science, artificial intelligence, and machine learning. In addition, we are focused on expanding our business both domestically and internationally. As part of these efforts, we are investing in meeting the needs of organizations in geographies and specialized and regulated industries that have heightened data requirements, including with respect to data localization, privacy, and security. We intend to continue to invest heavily to grow our business to take advantage of our expansive market opportunity, while also focusing on cash flow and long-term profitability.

Key Business Metrics

We monitor the key business metrics set forth below to help us evaluate our business and growth trends, establish budgets, measure the effectiveness of our sales and marketing efforts, and assess operational efficiencies. The calculation of the key business metrics discussed below may differ from other similarly titled metrics used by other companies, securities analysts, or investors.

The following tables present a summary of key business metrics for the periods presented:

	Three Months Ended				
	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023	July 31, 2023
Product revenue (in millions)	\$ 829.3	\$ 789.6	\$ 738.1	\$ 698.5	\$ 640.2
Free cash flow (non-GAAP) (in millions) ⁽¹⁾⁽²⁾	\$ 58.8	\$ 331.5	\$ 324.5	\$ 102.3	\$ 69.0

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	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023	July 31, 2023
Net revenue retention rate ⁽³⁾	127 %	128 %	131 %	135 %	142 %
Customers with trailing 12-month product revenue greater than \$1 million ⁽³⁾	510	484	458	433	399
Forbes Global 2000 customers ⁽³⁾	736	734	720	700	698
Remaining performance obligations (in millions) ⁽⁴⁾	\$ 5,230.8	\$ 4,987.7	\$ 5,174.7	\$ 3,698.7	\$ 3,540.2

⁽¹⁾ Includes net cash paid (received) on payroll tax-related items on employee stock transactions as follows (in millions):

	Three Months Ended				
	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023	July 31, 2023
Net cash paid (received) on payroll tax-related items on employee stock transactions	\$ 7.1	\$ 34.1	\$ (0.2)	\$ 8.5	\$ 19.1

⁽²⁾ Cash outflows for employee payroll tax items related to the net share settlement of equity awards were \$103.5 million and \$278.1 million for the three and six months ended July 31, 2024, respectively, and \$98.3 million and \$182.7 million for the three and six months ended July 31, 2023, respectively. These amounts are included in cash flow for financing activities and, as a result, do not have an effect on the calculation of non-GAAP free cash flow. See the section titled "Free Cash Flow" for a reconciliation of non-GAAP free cash flow to the most directly comparable financial measure calculated in accordance with GAAP.

⁽³⁾ Historical numbers for (i) net revenue retention rate, (ii) customers with trailing 12-month product revenue greater than \$1 million, and (iii) Forbes Global 2000 customers reflect any adjustments for acquisitions, consolidations, spin-offs, and other market activity. In addition, our Forbes Global 2000 customer count reflects adjustments for annual updates to the Forbes Global 2000 list by Forbes.

⁽⁴⁾ As of July 31, 2024, our remaining performance obligations were approximately \$5.2 billion, of which we expect approximately 50% to be recognized as revenue in the twelve months ending July 31, 2025 based on historical customer consumption patterns. The weighted-average remaining life of our capacity contracts was 2.2 years as of July 31, 2024. However, the amount and timing of revenue recognition are generally dependent upon customers' future consumption, which is inherently variable at our customers' discretion and can extend beyond the original contract term in cases where customers are permitted to roll over unused capacity to future periods, generally upon the purchase of additional capacity at renewal. In addition, our historical customer consumption patterns are not necessarily indicative of future results.

Product Revenue

Product revenue is a key metric for us because we recognize revenue based on platform consumption, which is inherently variable at our customers' discretion, and not based on the amount and duration of contract terms. Product revenue is primarily derived from the consumption of compute, storage, and data transfer resources by customers on our platform. Customers have the flexibility to consume more than their contracted capacity during the contract term and may have the ability to roll over unused capacity to future periods, generally upon the purchase of additional capacity at renewal. Our consumption-based business model distinguishes us from subscription-based software companies that generally recognize revenue ratably over the contract term and may not permit rollover. Because customers have flexibility in the timing of their consumption, which can exceed their contracted capacity or extend beyond the original contract term in many cases, the amount of product revenue recognized in a given period is an important indicator of customer satisfaction and the value derived from our platform. While customer use of our platform in any period is not necessarily indicative of future use, we estimate future revenue using predictive models based on customers' historical usage to plan and determine financial forecasts. Product revenue excludes our professional services and other revenue, which has been less than 10% of revenue for each of the periods presented.

Net Revenue Retention Rate

We believe the growth in use of our platform by our existing customers is an important measure of the health of our business and our future growth prospects. We monitor our dollar-based net revenue retention rate to measure this growth. To calculate this metric, we first specify a measurement period consisting of the trailing two years from our current period end. Next, we define as our measurement cohort the population of customers under capacity contracts that used our platform at any point in the first month of the first year of the measurement period. The cohorts used to calculate net revenue retention rate include end-customers under a reseller arrangement. We then calculate our net revenue retention rate as the quotient obtained by dividing our product revenue from this cohort in the second year of the measurement period by our product revenue from this cohort in the first year of the measurement period. Any customer in the cohort that did not use our platform in the second year remains in the calculation and contributes zero product revenue in the second year. Our net revenue retention rate is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity, and we present our net revenue retention rate for historical periods reflecting these adjustments. Since we will continue to attribute the historical product revenue to the consolidated contract, consolidation of capacity contracts within a customer's organization typically will not impact our net revenue retention rate unless one of those customers was not a customer at any point in the first month of the first year of the measurement period. We expect our net revenue retention rate to decrease over the long-term as customers that have consumed our platform for an extended period of time become a larger portion of both our overall customer base and our product revenue that we use to calculate net revenue retention rate, and as their consumption growth primarily relates to existing use cases rather than new use cases. In addition, we have seen, and may continue to see, impacts on customer consumption patterns due to holidays and certain of our customers increasing their consumption of our platform at a slower pace than expected, which may negatively impact our net revenue retention rate in future periods.

Customers with Trailing 12-Month Product Revenue Greater than \$1 Million

Large customer relationships lead to scale and operating leverage in our business model. Compared with smaller customers, large customers present a greater opportunity for us to sell additional capacity because they have larger budgets, a wider range of potential use cases, and greater potential for migrating new workloads to our platform over time. As a measure of our ability to scale with our customers and attract large enterprises to our platform, we count the number of customers under capacity arrangements that contributed more than \$1 million in product revenue in the trailing 12 months. For purposes of determining our customer count, we treat each customer account, including accounts for end-customers under a reseller arrangement, that has at least one corresponding capacity contract as a unique customer, and a single organization with multiple divisions, segments, or subsidiaries may be counted as multiple customers. We do not include customers that consume our platform only under on-demand arrangements for purposes of determining our customer count. Our customer count is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity, and we present our customer count for historical periods reflecting these adjustments.

Forbes Global 2000 Customers

We believe that the number of Forbes Global 2000 customers is an important indicator of the growth of our business and future revenue trends as we focus our selling efforts on large enterprise customers and customers with vast amounts of data. Our Forbes Global 2000 customer count is a subset of our customer count based on the 2024 Forbes Global 2000 list. Our Forbes Global 2000 customer count is subject to adjustments for annual updates to the list by Forbes, as well as acquisitions, consolidations, spin-offs, and other market activity with respect to such customers, and we present our Forbes Global 2000 customer count for historical periods reflecting these adjustments.

Free Cash Flow

We define free cash flow, a non-GAAP financial measure, as GAAP net cash provided by operating activities reduced by purchases of property and equipment and capitalized internal-use software development costs. Cash outflows for employee payroll tax items related to the net share settlement of equity awards are included in cash flow for financing activities and, as a result, do not have an effect on the calculation of free cash flow. We believe information regarding free cash flow provides useful supplemental information to investors because it is an indicator of the strength and performance of our core business operations.

The following table presents a reconciliation of net cash provided by operating activities, which is the most directly comparable financial measure calculated in accordance with GAAP, to free cash flow for the periods presented (in thousands):

	Three Months Ended				
	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023	July 31, 2023
Net cash provided by operating activities	\$ 69,865	\$ 355,468	\$ 344,580	\$ 120,907	\$ 83,191
Less: purchases of property and equipment	(5,043)	(16,519)	(13,072)	(8,746)	(6,298)
Less: capitalized internal-use software development costs	(5,992)	(7,404)	(7,029)	(9,889)	(7,874)
Free cash flow (non-GAAP) ⁽¹⁾⁽²⁾	<u>\$ 58,830</u>	<u>\$ 331,545</u>	<u>\$ 324,479</u>	<u>\$ 102,272</u>	<u>\$ 69,019</u>

⁽¹⁾ Includes net cash paid (received) on payroll tax-related items on employee stock transactions as follows (in thousands):

	Three Months Ended				
	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023	July 31, 2023
Net cash paid (received) on payroll tax-related items on employee stock transactions	\$ 7,121	\$ 34,146	\$ (182)	\$ 8,541	\$ 19,138

⁽²⁾ Cash outflows for employee payroll tax items related to the net share settlement of equity awards were \$103.5 million and \$278.1 million for the three and six months ended July 31, 2024, respectively, and \$98.3 million and \$182.7 million for the three and six months ended July 31, 2023, respectively. These amounts are included in cash flow for financing activities and, as a result, do not have an effect on the calculation of free cash flow.

Historically, we have received a higher volume of orders from new and existing customers in the fourth fiscal quarter of each year. As a result, we have historically seen higher free cash flow in the first and fourth fiscal quarters of each year.

Remaining Performance Obligations

Remaining performance obligations (RPO) represent the amount of contracted future revenue that has not yet been recognized, including (i) deferred revenue and (ii) non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods. RPO excludes performance obligations from on-demand arrangements and certain time and materials contracts that are billed in arrears. Portions of RPO that are not yet invoiced and are denominated in foreign currencies are revalued into U.S. dollars each period based on the applicable period-end exchange rates. RPO is not necessarily indicative of future product revenue growth because it does not account for the timing of customers' consumption or their consumption of more than their contracted capacity. Moreover, RPO is influenced by a number of factors, including the timing and size of renewals, the timing and size of purchases of additional capacity, average contract terms, seasonality, changes in foreign currency exchange rates, and the extent to which customers are permitted to roll over unused capacity to future periods, generally upon the purchase of additional capacity at renewal. Due to these factors, it is important to review RPO in conjunction with product revenue and other financial metrics disclosed elsewhere herein.

Components of Results of Operations

Revenue

We deliver our platform over the internet as a service. Customers choose to consume our platform under either capacity arrangements, in which they commit to a certain amount of consumption at specified prices, or under on-demand arrangements, in which we charge for use of our platform monthly in arrears. Under capacity arrangements, from which a majority of our revenue is derived, we typically bill our customers annually in advance of their consumption. However, in future periods, we expect to see an increase in capacity contracts providing for quarterly upfront billings and monthly in arrears billings as our customers increasingly want to align consumption and timing of payments. Revenue from on-demand arrangements typically relates to customers with lower usage levels or overage consumption beyond a customer's contracted usage amount under a capacity contract or following the expiration of a customer's capacity contract. Revenue from on-demand arrangements represented approximately 2% of our revenue for each of the three and six months ended July 31, 2024 and 2023.

We recognize revenue as customers consume compute, storage, and data transfer resources under either of these arrangements. In limited instances, customers pay an annual deployment fee to gain access to a dedicated instance of a virtual private deployment. We recognize the deployment fee ratably over the contract term. Such deployment revenue represented less than 1% of our revenue for each of the three and six months ended July 31, 2024 and 2023.

Our customer contracts for capacity typically have a term of one to four years. The weighted-average term of capacity contracts entered into during the three and six months ended July 31, 2024 is 3.1 years and 2.9 years, respectively. To the extent our customers enter into such contracts and either consume our platform in excess of their capacity commitments or continue to use our platform after expiration of the contract term, they are charged for their incremental consumption. In many cases, our customer contracts permit customers to roll over any unused capacity to a subsequent order, generally upon the purchase of additional capacity. For those customers who do not have a capacity arrangement, our on-demand arrangements generally have a monthly stated contract term and can be terminated at any time by either the customer or us.

We generate the substantial majority of our revenue from fees charged to our customers based on the compute, storage, and data transfer resources consumed on our platform. Prior to June 2024, these three resources were consumed by our customers as a single, integrated offering. In June 2024, we made Iceberg tables generally available to our customers, enabling them to use our platform for compute services without requiring storage. As a result, starting from June 2024, customers are allowed to select compute, storage, and data transfer resources separately, at their discretion. For compute resources, consumption is based on the type of compute resource used and the duration of use or, for some features, the volume of data processed. For storage resources, consumption for a given customer is based on the average terabytes per month of all of such customer's data stored in our platform. For data transfer resources, consumption is based on terabytes of data transferred, the public cloud provider used, and the region to and from which the transfer is executed.

Because customers have flexibility in their consumption, and we generally recognize revenue on consumption and not ratably over the term of the contract, we do not have the visibility into the timing of revenue recognition from any particular customer contract that typical subscription-based software companies may have. As our customer base grows, we expect our ability to forecast customer consumption in the aggregate to improve. However, in any given period, there is a risk that customers will consume our platform more slowly than we expect, including in response to adverse macroeconomic conditions, which may cause fluctuations in our revenue and results of operations.

Our revenue also includes professional services and other revenue, which consists primarily of consulting, technical solution services, and training related to our platform. Our professional services revenue is recognized over time based on input measures, including time and materials costs incurred relative to total costs, with consideration given to output measures, such as contract deliverables, when applicable. Other revenue consists primarily of fees from customer training delivered on-site or through publicly available classes.

Allocation of Overhead Costs

Overhead costs that are not substantially dedicated for use by a specific functional group are allocated based on headcount. Such costs include costs associated with office facilities, depreciation of property and equipment, information technology (IT) and general recruiting related expenses and other expenses, such as software and subscription services.

Cost of Revenue

Cost of revenue consists of cost of product revenue and cost of professional services and other revenue. Cost of revenue also includes allocated overhead costs.

Cost of product revenue. Cost of product revenue consists primarily of (i) third-party cloud infrastructure expenses, including those related to graphics processing units (GPUs), incurred in connection with our customers' use of our platform and the deployment and maintenance of our platform on public clouds, including different regional deployments, and (ii) personnel-related costs associated with customer support and maintaining service availability and security of our platform, including salaries, benefits, bonuses, and stock-based compensation. We periodically receive credits from third-party cloud providers that are recorded as a reduction to the third-party cloud infrastructure expenses. Cost of product revenue also includes amortization of capitalized internal-use software development costs, amortization of acquired intangible assets, and expenses associated with software and subscription services dedicated for use by our customer support team and our engineering team responsible for maintaining our platform.

Cost of professional services and other revenue. Cost of professional services and other revenue consists primarily of personnel-related costs associated with our professional services and training departments, including salaries, benefits, bonuses, and stock-based compensation, amortization of an acquired intangible asset, and costs of contracted third-party partners and software tools.

We intend to continue to invest additional resources in our platform infrastructure and our customer support and professional services organizations to support the growth of our business. Some of these investments, including certain support costs and costs of expanding our business internationally, are incurred in advance of generating revenue, and either the failure to generate anticipated revenue or fluctuations in the timing of revenue could affect our gross margin from period to period.

Operating Expenses

Our operating expenses consist of sales and marketing, research and development, and general and administrative expenses. Personnel costs are the most significant component of operating expenses and consist of salaries, benefits, bonuses, stock-based compensation, and sales commissions. Operating expenses also include allocated overhead costs.

Sales and Marketing

Sales and marketing expenses consist primarily of personnel-related expenses associated with our sales and marketing staff, including salaries, benefits, bonuses, and stock-based compensation. Sales and marketing expenses also include sales commissions and draws paid to our sales force and certain referral fees paid to third parties, including amortization of deferred commissions. A portion of the sales commissions paid to the sales force is earned based on the level of the customers' consumption of our platform, and a portion of the commissions paid to the sales force is earned upon the origination of the customer contracts. Sales commissions tied to customers' consumption are expensed in the same period as they are earned. Sales commissions and referral fees earned upon the origination of the new customer or customer expansion contracts are deferred and then amortized over a period of benefit that we determined to be five years. As our go-to-market motion evolves, more sales personnel will be compensated based on the level of the customers' consumption of our platform. As a result, we will defer less sales commissions, and we expect that our expenses associated with sales commissions tied to customers' consumption will increase during the fiscal year ending January 31, 2025. Sales and marketing expenses also include advertising costs and other expenses associated with our sales, marketing and business development programs, including our user conferences, offset by proceeds from such conferences and programs. In addition, sales and marketing expenses are comprised of travel-related expenses, software and subscription services dedicated for use by our sales and marketing organizations, amortization of an acquired intangible asset, and outside services contracted for sales and marketing purposes. We expect that our sales and marketing expenses will increase in absolute dollars and continue to be our largest operating expense for the foreseeable future as we grow our business. However, we expect that our sales and marketing expenses will decrease as a percentage of our revenue over time, although the percentage may fluctuate from period to period depending on the timing and the extent of these expenses.

Research and Development

Research and development expenses consist primarily of personnel-related expenses associated with our research and development staff, including salaries, benefits, bonuses, and stock-based compensation. Research and development expenses also include contractor or professional services fees, third-party cloud infrastructure expenses incurred in developing our platform (including with respect to GPUs to develop AI Technology), amortization of acquired intangible assets, and software and subscription services dedicated for use by our research and development organization. We expect that our research and development expenses will increase in absolute dollars as our business grows, particularly as we incur additional costs related to continued investments in our platform. However, we expect that our research and development expenses will decrease as a percentage of our revenue over time, although the percentage may fluctuate from period to period depending on the timing and the extent of these expenses. In addition, research and development expenses that qualify as internal-use software development costs are capitalized, the amount of which may fluctuate significantly from period to period.

General and Administrative

General and administrative expenses consist primarily of personnel-related expenses for our finance, legal, human resources, facilities, and administrative personnel, including salaries, benefits, bonuses, and stock-based compensation. General and administrative expenses also include external legal, accounting, and other professional services fees, software and subscription services dedicated for use by our general and administrative functions, insurance, unallocated lease costs associated with unused office facilities to accommodate planned headcount growth, and other corporate expenses. We expect that our general and administrative expenses will increase in absolute dollars as our business grows but will decrease as a percentage of our revenue over time, although the percentage may fluctuate from period to period depending on the timing and the extent of these expenses.

Interest Income

Interest income consists primarily of interest income earned on our cash and cash equivalents and short-term and long-term investments, including amortization of premiums and accretion of discounts related to our available-for-sale marketable debt securities, net of associated fees.

Other Income (Expense), Net

Other income (expense), net consists primarily of (i) net realized and unrealized gains (losses) on our strategic investments in equity securities, and (ii) the effect of exchange rates on our foreign currency-denominated asset and liability balances.

Provision for (Benefit from) Income Taxes

Provision for (benefit from) income taxes consists primarily of income taxes in certain foreign and U.S. federal and state jurisdictions in which we conduct business. We maintain a full valuation allowance against our U.S. and U.K. deferred tax assets because we have concluded that it is more likely than not that the deferred tax assets will not be realized.

Net Income (Loss) Attributable to Noncontrolling Interest

Our condensed consolidated financial statements include the accounts of Snowflake Inc., our wholly-owned subsidiaries, and a majority-owned subsidiary in which we have a controlling financial interest. Net income (loss) attributable to noncontrolling interest represents the net income (loss) of our majority-owned subsidiary attributed to noncontrolling interest using the hypothetical liquidation at book value method. See Note 2, "Basis of Presentation and Summary of Significant Accounting Policies," to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details.

Results of Operations

The following table sets forth our condensed consolidated statements of operations data for the periods indicated (in thousands):

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Revenue	\$ 868,823	\$ 674,018	\$ 1,697,532	\$ 1,297,617
Cost of revenue ⁽¹⁾	288,078	218,392	560,595	427,806
Gross profit	580,745	455,626	1,136,937	869,811
Operating expenses ⁽¹⁾ :				
Sales and marketing	400,625	343,288	801,447	674,846
Research and development	437,660	313,996	848,454	591,408
General and administrative	97,763	83,749	190,911	162,202
Total operating expenses	936,048	741,033	1,840,812	1,428,456
Operating loss	(355,303)	(285,407)	(703,875)	(558,645)
Interest income	49,265	50,280	104,044	93,411
Other income (expense), net	(7,946)	4,086	(29,248)	1,524
Loss before income taxes	(313,984)	(231,041)	(629,079)	(463,710)
Provision for (benefit from) income taxes	3,786	(3,721)	6,507	(10,326)
Net loss	(317,770)	(227,320)	(635,586)	(453,384)
Less: net loss attributable to noncontrolling interest	(871)	(453)	(1,699)	(890)
Net loss attributable to Snowflake Inc.	\$ (316,899)	\$ (226,867)	\$ (633,887)	\$ (452,494)

⁽¹⁾ Includes stock-based compensation as follows (in thousands):

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Cost of revenue	\$ 34,815	\$ 32,302	\$ 67,223	\$ 62,764
Sales and marketing	80,676	78,838	154,083	151,133
Research and development	204,917	163,005	399,589	299,422
General and administrative	35,592	25,577	67,041	50,912
Total stock-based compensation	\$ 356,000	\$ 299,722	\$ 687,936	\$ 564,231

The overall increase in stock-based compensation for the three and six months ended July 31, 2024, compared to the three and six months ended July 31, 2023, was primarily attributable to additional equity awards granted to new and existing employees, partially offset by the effects of equity awards that became fully vested or forfeited.

As of July 31, 2024, total compensation cost related to unvested awards not yet recognized was \$3.4 billion, which will be recognized over a weighted-average period of 2.9 years. See Note 11, "Equity," to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details.

The following table sets forth our condensed consolidated statements of operations data expressed as a percentage of revenue for the periods indicated:

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Revenue	100 %	100 %	100 %	100 %
Cost of revenue ⁽¹⁾	33	32	33	33
Gross profit	67	68	67	67
Operating expenses ⁽¹⁾ :				
Sales and marketing	46	51	47	52
Research and development	51	47	50	46
General and administrative	11	12	11	12
Total operating expenses	108	110	108	110
Operating loss	(41)	(42)	(41)	(43)
Interest income	6	6	6	7
Other income (expense), net	(1)	1	(2)	—
Loss before income taxes	(36)	(35)	(37)	(36)
Provision for (benefit from) income taxes	—	(1)	—	(1)
Net loss	(36)	(34)	(37)	(35)
Less: net loss attributable to noncontrolling interest	—	—	—	—
Net loss attributable to Snowflake Inc.	(36%)	(34%)	(37%)	(35%)

⁽¹⁾ Stock-based compensation included in the table above as a percentage of revenue as follows:

	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Cost of revenue	4 %	5 %	4 %	5 %
Sales and marketing	9	12	9	12
Research and development	24	23	24	23
General and administrative	4	4	4	4
Total stock-based compensation	41 %	44 %	41 %	44 %

Comparison of the Three and Six Months Ended July 31, 2024 and 2023

Revenue

	Three Months Ended July 31,			Six Months Ended July 31,		
	2024	2023	% Change	2024	2023	% Change
	(dollars in thousands)			(dollars in thousands)		
Revenue:						
Product	\$ 829,250	\$ 640,209	30%	\$ 1,618,837	\$ 1,230,281	32%
Professional services and other	39,573	33,809	17%	78,695	67,336	17%
Total	\$ 868,823	\$ 674,018	29%	\$ 1,697,532	\$ 1,297,617	31%
Percentage of revenue:						
Product	95 %	95 %		95 %	95 %	
Professional services and other	5 %	5 %		5 %	5 %	
Total	100 %	100 %		100 %	100 %	

Product revenue increased \$189.0 million and \$388.6 million for the three and six months ended July 31, 2024, compared to the three and six months ended July 31, 2023, respectively, primarily due to increased consumption of our platform by existing customers, as evidenced by our net revenue retention rate of 127% as of July 31, 2024.

We had 510 customers with product revenue of greater than \$1 million for the trailing 12 months ended July 31, 2024, an increase from 399 such customers as of July 31, 2023. Such customers represented approximately 65% and 64% of our product revenue for the trailing 12 months ended July 31, 2024 and 2023, respectively. Within these customers, we had 93 and 36 customers with product revenue of greater than \$5 million and \$10 million, respectively, for the trailing 12 months ended July 31, 2024. The substantial majority of our revenue was derived from existing customers under capacity arrangements, which represented approximately 98% of our revenue for each of the three and six months ended July 31, 2024 and 2023. The remainder was derived from on-demand arrangements and new customers under capacity arrangements. The preceding historical metrics reflect any adjustments for acquisitions, consolidations, spin-offs, and other market activity. For purposes of determining revenue derived from (i) customers with trailing 12-month product revenue greater than \$1 million, (ii) new customers, and (iii) existing customers, we treat each customer account, including accounts for end-customers under a reseller arrangement, that has at least one corresponding capacity contract as a unique customer, and a single organization with multiple divisions, segments, or subsidiaries may be counted as multiple customers.

Professional services and other revenue increased \$5.8 million and \$11.4 million for the three and six months ended July 31, 2024, compared to the three and six months ended July 31, 2023, respectively, as we continued to expand our professional services organization to help our customers further realize the benefits of our platform.

Cost of Revenue, Gross Profit (Loss), and Gross Margin

	Three Months Ended July 31,		% Change	Six Months Ended July 31,		% Change
	2024	2023		2024	2023	
	(dollars in thousands)			(dollars in thousands)		
Cost of revenue:						
Product	\$ 235,582	\$ 169,046	39%	\$ 455,239	\$ 328,424	39%
Professional services and other	52,496	49,346	6%	105,356	99,382	6%
Total cost of revenue	\$ 288,078	\$ 218,392	32%	\$ 560,595	\$ 427,806	31%
Gross profit (loss):						
Product	\$ 593,668	\$ 471,163	26%	\$ 1,163,598	\$ 901,857	29%
Professional services and other	(12,923)	(15,537)	(17%)	(26,661)	(32,046)	(17%)
Total gross profit	\$ 580,745	\$ 455,626	27%	\$ 1,136,937	\$ 869,811	31%
Gross margin:						
Product	72%	74%		72%	73%	
Professional services and other	(33%)	(46%)		(34%)	(48%)	
Total gross margin	67%	68%		67%	67%	
Headcount (at period end)						
Product	449	400		449	400	
Professional services and other	553	525		553	525	
Total headcount	1,002	925		1,002	925	

Cost of product revenue increased \$66.5 million and \$126.8 million for the three and six months ended July 31, 2024, compared to the three and six months ended July 31, 2023, respectively. The increase was primarily due to an increase of \$40.6 million and \$75.5 million in third-party cloud infrastructure expenses (including those related to GPUs) for the three and six months ended July 31, 2024, respectively, compared to the same periods in the prior year, as a result of increased customer consumption of our platform. Amortization of capitalized internal-use software development costs and acquired developed technology intangible assets also increased \$11.9 million and \$24.9 million for the three and six months ended July 31, 2024, respectively, compared to the same periods in the prior year. The remaining increase in cost of product revenue was primarily driven by an increase of \$9.8 million and \$18.7 million in personnel-related costs and allocated overhead costs for the three and six months ended July 31, 2024, respectively, compared to the same periods in the prior year.

Our product gross margin was 72% for each of the three and six months ended July 31, 2024, compared to 74% and 73% for the three and six months ended July 31, 2023, respectively. This slight decline is primarily attributable to newly launched product capabilities and features that have not yet reached economies of scale. We expect our product gross margin to fluctuate from period to period due to a number of factors, including, but not limited to: (i) fluctuations in the mix and timing of customers' consumption, which is inherently variable at our customers' discretion, (ii) whether or not a customer contracts with us through public cloud marketplaces, (iii) our pricing model and discounting practices, (iv) the extent of our investments in new product capabilities, features, and operations, such as investments in AI Technology and performance improvements that may make our platform or the underlying cloud infrastructure more efficient, (v) stock-based compensation, and (vi) amortization of capitalized internal-use software developed costs and acquired intangible assets.

Cost of professional services and other revenue increased \$3.2 million and \$6.0 million for the three and six months ended July 31, 2024, compared to the three and six months ended July 31, 2023, respectively, primarily due to an increase in costs of contracted third-party partners as a result of growth in our business.

Professional services and other gross margin was (33%) and (34%) for the three and six months ended July 31, 2024, respectively, compared to (46%) and (48%) for the three and six months ended July 31, 2023, respectively. We do not believe the year-over-year changes in professional services and other gross margins are meaningful given that our professional services and other revenue represents a small percentage of our revenue.

Sales and Marketing

	Three Months Ended July 31,			% Change	Six Months Ended July 31,			% Change
	2024	2023			2024	2023		
	(dollars in thousands)				(dollars in thousands)			
Sales and marketing	\$ 400,625	\$	343,288	17%	\$ 801,447	\$	674,846	19%
Percentage of revenue	46%		51%		47%		52%	
Headcount (at period end)	3,235		2,979		3,235		2,979	

Sales and marketing expenses increased \$57.3 million and \$126.6 million for the three and six months ended July 31, 2024, compared to the three and six months ended July 31, 2023, respectively. The increase was primarily driven by an increase of \$25.2 million and \$42.9 million in expenses associated with sales commissions and draws paid to our sales force and certain referral fees paid to third parties (including amortization of deferred commissions) for the three and six months ended July 31, 2024, respectively, compared to the same periods in the prior year, primarily attributable to sales commissions tied to customers' consumption. Personnel-related costs (excluding commission expenses) and allocated overhead costs increased \$22.5 million and \$50.0 million for the three and six months ended July 31, 2024, respectively, compared to the same periods in the prior year, as a result of increased headcount, stock-based compensation, and overall costs to support the growth in our business.

Advertising costs and other expenses associated with our sales, marketing and business development programs, as well as travel-related expenses, also increased \$5.7 million and \$25.2 million for the three and six months ended July 31, 2024, respectively, compared to the same periods in the prior year.

Research and Development

	Three Months Ended July 31,			% Change	Six Months Ended July 31,			% Change
	2024	2023			2024	2023		
	(dollars in thousands)				(dollars in thousands)			
Research and development	\$ 437,660	\$	313,996	39%	\$ 848,454	\$	591,408	43%
Percentage of revenue	51%		47%		50%		46%	
Headcount (at period end)	2,241		1,805		2,241		1,805	

Research and development expenses increased \$123.7 million and \$257.0 million for the three and six months ended July 31, 2024, compared to the three and six months ended July 31, 2023, respectively. The increase was primarily due to an increase of \$88.6 million and \$197.4 million in personnel-related costs and allocated overhead costs for the three and six months ended July 31, 2024, respectively, compared to the same periods in the prior year, as a result of increased stock-based compensation, headcount, and overall costs to support the growth in our business. The increase in personnel-related costs included an increase of \$41.9 million and \$100.2 million in stock-based compensation for the three and six months ended July 31, 2024, respectively, compared to the same periods in the prior year, primarily related to additional equity awards granted to new and existing employees, partially offset by the effects of equity awards that became fully vested or forfeited. Third-party cloud infrastructure expenses incurred in developing our platform (including with respect to GPUs to develop AI Technology) also increased \$26.7 million and \$50.8 million for the three and six months ended July 31, 2024, respectively, compared to the same periods in the prior year.

The overall increase in research and development expenses for the six months ended July 31, 2024 was partially offset by impairment charges of \$7.1 million recognized during the six months ended July 31, 2023. These impairment charges were related to our capitalized internal-use software development costs previously included in construction in progress that were no longer probable of being completed.

General and Administrative

	Three Months Ended July 31,			Six Months Ended July 31,		
	2024	2023	% Change	2024	2023	% Change
	(dollars in thousands)			(dollars in thousands)		
General and administrative	\$ 97,763	\$ 83,749	17%	\$ 190,911	\$ 162,202	18%
Percentage of revenue	11%	12%		11%	12%	
Headcount (at period end)	1,152	950		1,152	950	

General and administrative expenses increased \$14.0 million and \$28.7 million for the three and six months ended July 31, 2024, compared to the three and six months ended July 31, 2023, respectively, primarily due to an increase in personnel-related costs and allocated overhead costs, as a result of increased stock-based compensation, headcount and overall costs to support the growth in our business.

Interest Income

	Three Months Ended July 31,			Six Months Ended July 31,		
	2024	2023	% Change	2024	2023	% Change
	(dollars in thousands)			(dollars in thousands)		
Interest income	\$ 49,265	\$ 50,280	(2%)	\$ 104,044	\$ 93,411	11%

Interest income remained relatively flat during the three months ended July 31, 2024, compared to the three months ended July 31, 2023.

Interest income increased \$10.6 million for the six months ended July 31, 2024, compared to the six months ended July 31, 2023, primarily due to higher yields on our cash equivalents and investments in available-for-sale marketable debt securities as a result of increased interest rates. See Note 4, "Cash Equivalents and Investments," to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details on our cash equivalents and investments.

Other Income (Expense), Net

	Three Months Ended July 31,			Six Months Ended July 31,		
	2024	2023	% Change	2024	2023	% Change
	(dollars in thousands)			(dollars in thousands)		
Impairments related to strategic investments in non-marketable equity securities	\$ (7,158)	\$ (2,101)	241%	\$ (25,911)	\$ (2,101)	1,133%
Net unrealized gains (losses) on strategic investments in marketable equity securities	650	7,410	(91%)	(3,005)	4,996	(160%)
Net realized gains on marketable equity securities sold	—	—	NM	1,713	—	NM
Other	(1,438)	(1,223)	18%	(2,045)	(1,371)	49%
Other income (expense), net	\$ (7,946)	\$ 4,086	(294%)	\$ (29,248)	\$ 1,524	(2,019%)

NM - Not meaningful.

Other income (expense), net decreased \$12.0 million and 30.8 million for the three and six months ended July 31, 2024, compared to the three and six months ended July 31, 2023, respectively, primarily due to (i) an increase in impairments recorded on our strategic investments in non-marketable equity securities, and (ii) changes in net unrealized gains or losses on our strategic investments in marketable equity securities. See Note 5, "Fair Value Measurements," to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details on our strategic investments.

Provision for (Benefit from) Income Taxes

	Three Months Ended July 31,			Six Months Ended July 31,		
	2024	2023	% Change	2024	2023	% Change
	(dollars in thousands)			(dollars in thousands)		
Loss before income taxes	\$ (313,984)	\$ (231,041)	36%	\$ (629,079)	\$ (463,710)	36%
Provision for (benefit from) income taxes	\$ 3,786	\$ (3,721)	(202%)	\$ 6,507	\$ (10,326)	(163%)
Effective tax rate	(1.2%)	1.6%		(1.0%)	2.2%	

Our provision for income taxes was \$3.8 million and \$6.5 million for the three and six months ended July 31, 2024, respectively, compared to our benefit from income taxes of \$3.7 million and \$10.3 million for the three and six months ended July 31, 2023, respectively, primarily due to partial releases of valuation allowances from the business combinations completed during the three and six months ended July 31, 2023.

We maintain a full valuation allowance on our U.S. and U.K. deferred tax assets, and the significant components of our recorded tax expense are current cash taxes in various jurisdictions. The cash tax expenses are impacted by each jurisdiction's individual tax rates, laws on the timing of recognition of income and deductions, and availability of net operating losses and tax credits. Our effective tax rate might fluctuate significantly and could be adversely affected to the extent earnings are lower than forecasted in countries that have lower statutory rates and higher than forecasted in countries that have higher statutory rates.

Liquidity and Capital Resources

As of July 31, 2024, our principal sources of liquidity were cash, cash equivalents, and short-term and long-term investments totaling \$3.9 billion. Our cash equivalents and investments primarily consist of corporate notes and bonds, U.S. government and agency securities, money market funds, commercial paper, certificates of deposit, and time deposits.

As of July 31, 2024, our RPO was \$5.2 billion. Our RPO represents the amount of contracted future revenue that has not yet been recognized, including (i) deferred revenue and (ii) non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods, but that are not recorded on the balance sheet. Portions of RPO that are not yet invoiced and are denominated in foreign currencies are revalued into U.S. dollars each period based on the applicable period-end exchange rates.

Our primary source of cash is payments received from our customers. Our primary uses of cash include personnel-related expenses, third-party cloud infrastructure expenses, sales and marketing expenses, overhead costs, acquisitions and strategic investments we may make from time to time, and repurchases of our common stock under our authorized stock repurchase program. As of July 31, 2024, our material cash requirements from known contractual obligations and commitments related primarily to (i) third-party cloud infrastructure agreements, (ii) operating leases for office facilities, and (iii) subscription arrangements used to facilitate our operations at the enterprise level. These agreements are enforceable and legally binding and specify all significant terms, including fixed or minimum services to be used, fixed, minimum or variable price provisions, and the approximate timing of the actions under the contracts. For the six months ended July 31, 2024, there were no material changes outside of the ordinary course of business in our commitments and contractual obligations disclosed in our Annual Report on Form 10-K for the fiscal year ended January 31, 2024, which was filed with the SEC on March 26, 2024. See Note 10, "Commitments and Contingencies," to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional details.

In May 2024, we entered into a lease agreement for a new office facility located in the United States with a total commitment of \$95.6 million, net of tenant incentives to be received. The lease commenced during the three months ended July 31, 2024, with an expiration date in fiscal 2039.

In February 2023, our board of directors authorized a stock repurchase program of up to \$2.0 billion of our outstanding common stock. Repurchases may be effected, from time to time, either on the open market (including via pre-set trading plans), in privately negotiated transactions, or through other transactions in accordance with applicable securities laws. The timing and amount of any repurchases will be determined by management based on an evaluation of market conditions and other factors. The program does not obligate us to acquire any particular amount of common stock, and the repurchase program may be suspended or discontinued at any time at our discretion. During the six months ended July 31, 2024, we repurchased 5.9 million shares of our outstanding common stock for an aggregate purchase price of \$916.3 million, including transaction costs, at a weighted-average price of \$154.30 per share. All repurchases were made in open market transactions. As of July 31, 2024, \$491.9 million remained available for future repurchases under the stock repurchase program. See Note 11, "Equity," to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional details.

In August 2024, our board of directors authorized the repurchase of an additional \$2.5 billion of our outstanding common stock and extended the expiration date of the stock repurchase program from March 2025 to March 2027.

We believe that our existing cash, cash equivalents, and short-term and long-term investments, as well as cash flows expected to be generated by our operations, will be sufficient to support our working capital and capital expenditure requirements, acquisitions and strategic investments we may make from time to time, and repurchases of our common stock under our authorized stock repurchase program, for the next 12 months and beyond. Our future capital requirements will depend on many factors, including our revenue growth rate, expenditures related to our headcount growth, the timing and the amount of cash received from customers, the expansion of sales and marketing activities, the timing and extent of spending to support development efforts, the price at which we are able to purchase public cloud capacity, our existing commitments to our third-party cloud providers, expenses associated with our international expansion, the introduction of platform enhancements, the continuing market adoption of our platform, and the volume and timing of our stock repurchases. We may continue to enter into arrangements to acquire or invest in complementary businesses, products, and technologies. We may, as a result of those arrangements or the general expansion of our business, be required to seek additional equity or debt financing. In the event that we require additional financing, we may not be able to raise such financing on terms acceptable to us or at all. If we are unable to raise additional capital or generate cash flows necessary to expand our operations and invest in continued innovation, we may not be able to compete successfully, which would harm our business, results of operations, and financial condition.

The following table shows a summary of our cash flows for the periods presented (in thousands):

	Six Months Ended July 31,	
	2024	2023
Net cash provided by operating activities	\$ 425,333	\$ 382,635
Net cash provided by (used in) investing activities	\$ 232,900	\$ (261,171)
Net cash used in financing activities	\$ (1,124,044)	\$ (305,820)

Operating Activities

Net cash provided by operating activities mainly consists of our net loss adjusted for certain non-cash items, primarily consisting of (i) stock-based compensation, net of amounts capitalized, (ii) depreciation and amortization of property and equipment and amortization of acquired intangible assets, (iii) amortization of deferred commissions, (iv) amortization of operating lease right-of-use assets, (v) net realized and unrealized gains and losses on strategic investments in equity securities, (vi) net accretion of discounts on investments, and (vii) deferred income tax benefit or expense, and changes in operating assets and liabilities during each period.

For the six months ended July 31, 2024, net cash provided by operating activities was \$425.3 million, consisting of our net loss of \$635.6 million, adjusted for non-cash charges of \$850.8 million, and net cash inflows of \$210.1 million provided by changes in our operating assets and liabilities. The main drivers of the changes in operating assets and liabilities during the six months ended July 31, 2024 were (i) a \$492.2 million decrease in accounts receivable due to timing of billings and collections as we have historically received a higher volume of customer orders in the fourth fiscal quarter of each year, (ii) a \$91.4 million increase in accounts payable due to timing of invoices and payments, and (iii) a \$33.3 million decrease in prepaid expenses and other assets primarily driven by a decrease in prepaid third-party cloud infrastructure expenses and prepaid software and subscriptions services expenses, partially offset by (a) a \$349.5 million decrease in deferred revenue due to revenue recognition outpacing invoicing for prepaid capacity agreements, (b) a \$36.8 million increase in deferred commissions earned upon the origination of customer contracts, and (c) a \$25.3 million decrease in operating lease liabilities due to payments related to our operating lease obligations.

For the six months ended July 31, 2023, net cash provided by operating activities was \$382.6 million, consisting of our net loss of \$453.4 million, adjusted for non-cash charges of \$641.2 million, and net cash inflows of \$194.8 million provided by changes in our operating assets and liabilities, net of the effects of business combinations.

Net cash provided by operating activities increased \$42.7 million for the six months ended July 31, 2024, compared to the six months ended July 31, 2023, primarily due to an increase of \$406.4 million in cash collected from customers resulting from increased sales. This was partially offset by increased expenditures due to an increase in headcount and growth in our business. We expect to continue to generate positive net cash flows from operating activities for the fiscal year ending January 31, 2025.

Investing Activities

Net cash provided by investing activities for the six months ended July 31, 2024 was \$232.9 million, primarily driven by proceeds of \$277.5 million from net sales, maturities and redemptions of investments, partially offset by \$21.6 million in purchases of property and equipment to support our office facilities, and, to a lesser extent, capitalized internal-use software development costs, and cash paid for a business combination.

Net cash used in investing activities for the six months ended July 31, 2023 was \$261.2 million, primarily driven by an aggregate of \$264.6 million in cash paid for business combinations, net of cash, cash equivalents, and restricted cash acquired, and, to a lesser extent, purchases of intangible assets, capitalized internal-use software development costs, and purchases of property and equipment to support our office facilities, partially offset by proceeds of \$61.4 million from net sales, maturities and redemptions of investments.

Financing Activities

Net cash used in financing activities for the six months ended July 31, 2024 was \$1.1 billion, primarily as a result of \$916.3 million in repurchases of our common stock under our authorized stock repurchase program and \$278.1 million in taxes paid related to net share settlement of equity awards, partially offset by proceeds of \$70.4 million from the issuance of equity securities under our equity incentive plans.

Net cash used in financing activities for the six months ended July 31, 2023 was \$305.8 million, primarily as a result of \$191.7 million in repurchases of our common stock under our authorized stock repurchase program and \$182.7 million in taxes paid related to net share settlement of equity awards, partially offset by proceeds of \$68.6 million from the issuance of equity securities under our equity incentive plans.

Critical Accounting Estimates

Our management's discussion and analysis of financial condition and results of operations is based on our condensed consolidated financial statements, which are prepared in accordance with GAAP. The preparation of these condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs and expenses, and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. By their nature, these estimates and assumptions are subject to an inherent degree of uncertainty and actual results could differ significantly from the estimates made by management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows will be affected.

There have been no material changes to our critical accounting estimates as compared to those described in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in our Annual Report on Form 10-K for the fiscal year ended January 31, 2024, which was filed with the SEC on March 26, 2024.

Recent Accounting Pronouncements

See Note 2, "Basis of Presentation and Summary of Significant Accounting Policies," to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

As of July 31, 2024, we had \$3.9 billion of cash, cash equivalents, and short-term and long-term investments in a variety of securities, including corporate notes and bonds, U.S. government and agency securities, money market funds, commercial paper, certificates of deposit, and time deposits. Our cash, cash equivalents, and short-term and long-term investments are held for working capital, capital expenditure, and general corporate purposes, including repurchases of our common stock under our stock repurchase program as well as acquisitions and strategic investments we may make from time to time. We do not enter into investments for trading or speculative purposes. A hypothetical 100 basis point increase or decrease in interest rates would have resulted in a decrease or increase of \$14.4 million in the market value of our cash equivalents, and short-term and long-term investments as of July 31, 2024.

As of January 31, 2024, we had \$4.8 billion of cash, cash equivalents, and short-term and long-term investments, and a hypothetical 100 basis point increase or decrease in interest rates would have resulted in a decrease or increase of \$17.6 million, in the market value.

Foreign Currency Exchange Risk

Our reporting currency is the U.S. dollar. The functional currency of our foreign subsidiaries is primarily the U.S. dollar. The majority of our sales are currently denominated in U.S. dollars, although we also have sales in Euros and, to a lesser extent, in British pounds, Australian dollars, and Brazilian reals. Therefore, our revenue is not currently subject to significant foreign currency risk, but that will likely change in the future as we increase sales in these international currencies and enable sales in additional currencies. Our operating expenses are denominated in the currencies of the countries in which our operations are located, which is primarily in the United States and, to a lesser extent, in Europe, the Asia-Pacific region, and Canada. Monetary assets and liabilities denominated in currencies other than the functional currency are remeasured to the functional currency at period-end exchange rates. Our condensed consolidated results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign exchange rates.

In order to manage our exposure to certain foreign currency exchange risks, we utilize foreign currency forward contracts to hedge primarily a portion of our net outstanding monetary assets and liabilities positions and certain intercompany balances denominated in currencies other than the U.S. dollar. From time to time, we may also enter into foreign currency forward contracts, which we designate as cash flow hedges, to manage the volatility in cash flows associated with certain forecasted capital expenditures and a portion of our forecasted operating expenses denominated in certain currencies other than the U.S. dollar. All of our foreign currency forward contracts mature within twelve months. These forward contracts reduced, but did not entirely eliminate, the impact of adverse currency exchange rate movements. We did not enter into these forward contracts for trading or speculative purposes.

We do not believe a 10% increase or decrease in the relative value of the U.S. dollar would have had a material impact on our operating results for each of the three and six months ended July 31, 2024 and 2023. However, a strengthening of the U.S. dollar makes our platform more expensive for international customers, which may slow down consumption.

Other Market Risk

Our strategic investments consist primarily of (i) non-marketable equity securities recorded at cost minus impairment, if any, and adjusted for observable transactions for the same or similar investments of the same issuer (referred to as the Measurement Alternative), and (ii) marketable equity securities. These strategic investments are subject to a wide variety of market-related risks, including volatility in the public and private markets, that could substantially reduce or increase the carrying value of our investments, causing our financial results to fluctuate. Strategic investments are subject to periodic impairment analyses, which involves an assessment of both qualitative and quantitative factors, including the investee's financial metrics, market acceptance of the investee's product or technology, and the rate at which the investee is using its cash.

The following table presents our strategic investments by type (in thousands):

	<u>July 31, 2024</u>	<u>January 31, 2024</u>
Equity securities:		
Non-marketable equity securities under Measurement Alternative	\$ 295,506	\$ 190,238
Non-marketable equity securities under equity method	5,436	5,307
Marketable equity securities	13,255	37,320
Debt securities:		
Non-marketable debt securities	1,750	1,500
Total strategic investments—included in other assets	<u>\$ 315,947</u>	<u>\$ 234,365</u>

See Note 5, "Fair Value Measurements," to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details.

We plan to continue these types of strategic investments as part of our corporate development program. We anticipate additional volatility to our condensed consolidated statements of operations as a result of changes in market prices, changes resulting from observable transactions for the same or similar investments of the same issuer, and impairments to our strategic investments.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of July 31, 2024. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of July 31, 2024, our disclosure controls and procedures were effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ended July 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we have been and will continue to be subject to legal proceedings and claims. We are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, results of operations, financial condition, or cash flows.

We have received, and may in the future continue to receive, claims from third parties asserting, among other things, infringement of their intellectual property rights.

On February 29, 2024, a stockholder class action lawsuit was filed against us, our former Chief Executive Officer, and our Chief Financial Officer in the United States District Court in the Northern District of California, alleging violations under Sections 10(b) and 20(a) of the Exchange Act. The complaint seeks an unspecified amount of damages, attorneys' fees, expert fees, and other costs. The case is at a very preliminary stage. In addition, since the filing of the class action lawsuit, four additional securities derivative claims have been filed against us and certain of our directors and executive officers alleging similar violations. We are in the process of attempting to stay the derivative claims pending resolution of the class action lawsuit. We and the other defendants intend to vigorously defend against the claims in this action.

On June 13, 2024, a class action was filed in the United States District Court for the District of Montana against Snowflake alleging that Snowflake failed to take reasonable measures to secure systems that contained consumer data, thereby allowing threat actors to access and exfiltrate the customers' data. In the weeks that followed, numerous additional class actions making the same or similar allegations were filed against Snowflake and/or customers whose consumer or employee data was exfiltrated. Among other claims, the complaints assert common law claims for negligence, breach of fiduciary duty, breach of implied contract, and unjust enrichment, as well as statutory claims, and seek an unspecified amount of damages, attorneys' fees and costs, as well as injunctive relief. The cases are at a preliminary stage. We intend to vigorously defend against the claims.

Future litigation may be necessary to defend ourselves, our partners, and our customers by determining the scope, enforceability, and validity of third-party proprietary rights, or to establish our proprietary rights. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors. See Note 10, "Commitments and Contingencies," to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional details.

ITEM 1A. RISK FACTORS

Our operations and financial results are subject to various risks and uncertainties, including those described below. You should consider and read carefully all of the risks and uncertainties described below, together with all of the other information contained in this Quarterly Report on Form 10-Q, including the sections titled "Special Note about Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our unaudited condensed consolidated financial statements and related notes, before making an investment decision. The risks described below are not the only ones we face. The occurrence of any of the following risks or additional risks and uncertainties not presently known to us or that we currently believe to be immaterial could materially and adversely affect our business, financial condition, results of operations, or growth prospects. In such case, the trading price of our common stock could decline. You should not interpret our disclosure of any of the following risks to imply that such risks have not already materialized.

Risks Related to Our Business and Operations

We have experienced rapid revenue growth and have a limited operating history, both of which make it difficult to forecast our future results of operations.

Our revenue was \$868.8 million and \$674.0 million for the three months ended July 31, 2024 and 2023, respectively, and \$1.7 billion and \$1.3 billion for the six months ended July 31, 2024 and 2023, respectively. As a result of our historical rapid growth, limited operating history, large number of new product features, including those including artificial intelligence and machine learning technology, or AI Technology, and unstable macroeconomic conditions, our ability to accurately forecast our future results of operations, including revenue, gross margin, remaining performance obligations (RPO), and the percentage of RPO we expect to recognize as revenue in future periods, is limited and subject to a number of uncertainties, including our ability to plan for and model future growth and platform consumption. Our historical revenue growth should not be considered indicative of our future performance.

Further, our revenue growth could slow or our revenue could decline for a number of reasons, including increased competition, changes to technology, such as changes in software or underlying cloud infrastructure or the increasing prominence of new technology like artificial intelligence, reputational harm, and reduced demand for our platform. For example, customers may continue to optimize consumption, rationalize budgets, and prioritize cash flow management, including by reducing storage through shorter data retention policies and shortening committed contract durations. As a result of the foregoing and our rapid revenue growth in prior periods, our revenue growth rate has slowed in recent periods. Any further declines in our revenue growth rate could adversely affect investors' perceptions of our business, and negatively impact the trading price of our common stock.

Our revenue growth is also dependent on our ability to increase our penetration into existing markets, and to successfully enter and grow new markets, including highly-regulated markets such as financial services, healthcare, and the public sector. Sales to highly-regulated entities are subject to substantial additional costs and risks that are not present in sales to other customers, which are described below in the risk factor titled "*We do business with federal, state, local, and foreign governments and agencies, and heavily regulated organizations; as a result, we face risks related to the procurement process, budget, delays, and product decisions driven by statutory and regulatory determinations, termination of contracts, and compliance with government contracting requirements.*"

We have also encountered, and will continue to encounter, risks and uncertainties frequently experienced by growing companies in rapidly changing industries, such as the risks and uncertainties described below. If our assumptions regarding these risks and uncertainties and our future revenue growth are incorrect or change, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations, and our business could suffer.

We may not have visibility into our future financial position and results of operations.

Customers generally consume our platform by using compute, storage, and/or data transfer resources. Unlike a subscription-based business model, in which revenue is recognized ratably over the term of the subscription, we generally recognize revenue on consumption. Because our customers have flexibility in the timing of their consumption, we do not have the visibility into the timing of revenue recognition that a typical subscription-based software company has. Customer consumption fluctuates, and there is a risk that customers will consume our platform at lower levels than we expect, including in response to adverse macroeconomic conditions or holidays. Unexpected fluctuations in customer consumption may cause actual results to differ from our forecasts. As a result, our results of operations in a given period should not be relied upon as indicative of future performance.

We have a history of operating losses and may not achieve or sustain profitability in the future.

We have experienced net losses in each period since inception. We generated net losses of \$317.8 million and \$227.3 million for the three months ended July 31, 2024 and 2023, respectively, and \$635.6 million and \$453.4 million for the six months ended July 31, 2024 and 2023, respectively. As of July 31, 2024 and January 31, 2024, we had an accumulated deficit of \$5.6 billion and \$4.1 billion, respectively. We expect our costs and expenses to increase in future periods. In particular, we intend to continue to invest significant resources to further develop our platform, expand our research and development teams, retain our employees, and acquire other businesses, including in the areas of data science, artificial intelligence, and machine learning. In addition, our platform currently operates on public cloud infrastructure provided by Amazon Web Services (AWS), Microsoft Azure (Azure), and Google Cloud Platform (GCP), and our costs and gross margins are significantly influenced by the prices we are able to negotiate with these public cloud providers, which in certain cases are also our competitors. If we fail to meet any minimum commitments under our third-party cloud infrastructure agreements, we may be required to pay the difference, and our results of operations could be negatively impacted. We will also incur increased general and administrative expenses associated with our growth, including costs related to internal systems, operating as a public company, and targeting regulated industries or markets. Our efforts to grow our business may be costlier than we expect, or our revenue growth rate may be slower than we expect, and we may not be able to increase our revenue enough to offset the increase in operating expenses resulting from these investments. If we are unable to achieve and sustain profitability, or if we are unable to achieve the revenue growth that we expect from these investments, the value of our business and common stock may significantly decrease.

The markets in which we operate are highly competitive, and if we do not compete effectively, our business, financial condition, and results of operations could be harmed.

Our go-to-market strategy is focused on acquiring new customers and driving increased use of our platform by existing customers. The markets in which we operate are rapidly evolving and highly competitive, and the competition we face in such markets continues to increase with our investments in AI Technology, new workloads types, and new product capabilities, such as our increased support for open data formats that allow customers to use our platform for compute services without requiring storage (for example, Iceberg tables, which became generally available to our customers in June 2024). As these markets continue to mature and new technologies and competitors enter such markets, we expect competition to intensify. Our current competitors include:

- large, well-established, public cloud providers that generally compete in all of our markets, including AWS, Azure, and GCP;
- less-established public and private cloud companies with products that compete in some of our markets;
- other established vendors of legacy database solutions or big data offerings; and
- new or emerging entrants seeking to develop competing technologies.

We compete based on various factors, including price, performance, breadth of use cases, multi-cloud availability, brand recognition and reputation, customer support, and differentiated capabilities, including ease of implementation and data migration, ease of administration and use, scalability and reliability, data governance, security and compatibility with existing standards, programming languages, and third-party products. Many of our competitors have substantially greater brand recognition, customer relationships, and financial, technical, and other resources than we do, and may be able to respond more effectively than us to new or changing opportunities, technologies, standards, customer requirements, and buying practices. In addition, we may not be able to respond to market opportunities as quickly as smaller companies. Our support of open data formats may also reduce switching costs between us and our competitors.

We currently only offer our platform on the public clouds provided by AWS, Azure, and GCP, which are also some of our primary competitors. Currently, a substantial majority of our business is run on the AWS public cloud. There is risk that one or more of these public cloud providers could use its respective control of its public clouds to embed innovations or privileged interoperating capabilities in competing products, bundle competing products, provide us unfavorable pricing, leverage its public cloud customer relationships to exclude us from opportunities, and treat us and our customers differently with respect to terms and conditions or regulatory requirements than it would treat its similarly situated customers. Further, they have the resources to acquire, invest in, or partner with existing and emerging providers of competing technologies and thereby accelerate adoption of those competing technologies. All of the foregoing could make it difficult or impossible for us to provide products and services that compete favorably with those of the public cloud providers.

For all of these reasons, competition may negatively impact our ability to acquire new customers and maintain and grow use of our platform, or it may put downward pressure on our prices and gross margins, any of which could materially harm our business, reputation, results of operations, revenue retention rate, and financial condition.

If we fail to innovate in response to changing customer needs, new technologies, or other market requirements, our business, financial condition, and results of operations could be harmed.

We compete in markets that evolve rapidly. We believe that the pace of innovation will continue to accelerate as customers increasingly base their purchases of cloud data platforms on a broad range of factors, including performance and scale, markets addressed, types of data processed, ease of data ingress and egress, user experience and programming languages, use of artificial intelligence, and data governance, security, and regulatory compliance. We introduced data warehousing on our platform in 2014 as our core use case, and our customers subsequently began using our platform for additional workloads, including data lake, data engineering, AI/ML, applications, collaboration, cybersecurity, and Unistore. Our future success depends on our ability to continue to innovate rapidly and effectively and increase customer adoption of our platform and the AI Data Cloud, including the Snowflake Marketplace and Snowpark.

Further, the value of our platform to customers is increased to the extent they are able to use it to process and access all types of data. We need to continue to invest in technologies, services, and partnerships that increase the types of data available and processed on our platform and the ease with which customers can ingest data into our platform. We must also continue to enhance our data sharing and marketplace capabilities so customers can share their data with internal business units, customers, and other third parties, acquire additional third-party data and data products to combine with their own data to gain additional business insights, and develop and monetize applications on our platform. As we develop, acquire, and introduce new services and technologies, including those that may incorporate artificial intelligence and machine learning, we may be subject to new or heightened legal, ethical, and other challenges. In addition, our platform requires third-party public cloud infrastructure to operate. Currently, we use public cloud offerings provided by AWS, Azure, and GCP. We will need to continue to innovate to optimize our offerings for these and other public clouds that our customers require, particularly as we expand internationally. Further, the markets in which we compete are subject to evolving industry standards and regulations, resulting in increasing data governance and compliance requirements for us and our customers and partners. To the extent we expand further into the public sector and highly regulated countries and industries, our platform and operations may need to address additional requirements specific to those markets, including data sovereignty requirements.

If we are unable to enhance our platform or operations to keep pace with these rapidly evolving customer requirements, or if new technologies emerge that deliver competitive products at lower prices, more efficiently, more conveniently, or more securely than our platform, our business, financial condition, and results of operations could be adversely affected.

If we are not successful in executing our investments in AI Technology, including generative AI Technology, our business, financial condition, and results of operations could be harmed.

We are investing significantly in AI Technology. Our investments include internally developing AI Technology, acquiring companies with complementary AI Technology, and partnering with companies to bring AI Technology to our platform. Our competitors are pursuing similar opportunities and may, as a result of greater resources, branding, or otherwise, develop, adopt and implement AI Technology faster or more successfully than we do, which could impair our ability to compete effectively and adversely affect our business, financial condition and results of operations. In addition, our successful development of AI Technology depends on our access to GPUs, which are currently in high demand. Finally, customers' use of our AI Technology is often dependent on their ability to meet evolving regulatory standards, successfully complete internal compliance reviews, and enter into mutually acceptable contractual terms. If they are unable to do so, they may not use our AI Technology as much as we anticipate. It is also possible that our investments in AI Technology do not result in the benefits we anticipate, or enable us to maintain our competitive advantage, which may adversely affect our business, financial condition, and results of operations. For example, we may not accurately anticipate market demand or offer AI Technology that amplifies our core data platform.

If we, our customers, or third-party service providers experience an actual or perceived security breach or unauthorized parties otherwise obtain access to our customers' data, our data, or our platform, our platform may be perceived as not being secure, our reputation may be harmed, demand for our platform may be reduced, and we may incur significant liabilities.

In the ordinary course of our business, we store, transmit, generate, and process our, our customers', and our business partners' confidential and proprietary data. Such data includes sensitive data, such as personal information, protected health information, and financial data. We also use third-party service providers, sub-processors, and technology to help us deliver services to our customers and their end-users, as well as for our internal business operations. For example, our platform is built on the infrastructure of third-party public cloud providers, such as AWS, Azure, and GCP, and we use third-party technology to assist with securing our environment and providing access to our platform. Our customers may also use third-party service providers to assist with their use of our platform or third-party technology, such as connectors, to access our platform. These third-party service providers may process, store, or transmit data of our employees, partners, customers, and customers' end-users or may otherwise be used to help operate our platform and corporate systems. We, our customers and business partners, and these third parties face a variety of evolving cybersecurity threats.

Cybersecurity threats come from a variety of sources, including traditional computer "hackers," internal and external personnel (such as through theft or misuse), sophisticated nation-states, and nation-state-supported actors. Cybersecurity threat actors can use a wide variety of methods, including unauthorized intrusions, denial-of-service attacks, ransomware attacks, business email compromises, computer malware, infostealer malware, social engineering attacks (including through deep-fakes and phishing), internal and external personnel misconduct or error, supply-chain attacks, software vulnerabilities, software or hardware disruptions or failures, and attacks enhanced or facilitated by AI Technology, all of which are prevalent in our industry and our customers' and partners' industries. These methods change frequently and are becoming increasingly difficult to detect. Threat actors who successfully compromise networks or systems may use the unauthorized access as a vector to compromise other networks and systems. Threat actors' goals often include disrupting a company's operations or ability to provide services, obtaining unauthorized access to platforms, systems, networks, or physical facilities in which data is stored or processed, or through which data is transmitted, and stealing data. Ransomware attacks are becoming more frequent and severe.

There can be no assurance that security measures designed to protect against security incidents will be effective, and our efforts to investigate, mitigate, contain, and remediate any security incidents that do occur may not be successful. Even though we may not control the security measures of third-party providers, we may incur liability or suffer reputational harm if such measures are breached. Actions taken by us, third-party cloud providers, or the other third parties with whom we work to detect, investigate, mitigate, contain, and remediate security incidents could result in outages, data losses, and disruptions of our business. We may be unable to detect, mitigate, or remediate vulnerabilities in our information security systems (such as our hardware and software, including that of third parties upon which we rely) on a timely basis. We may be unwilling or unable to make ransom payments due to, for example, applicable laws or regulations prohibiting such payments, the negative precedent such payments would set, or uncertainty over whether such payments would result in the threat actor deleting stolen data or otherwise delivering on their promised course of action. In general, cybersecurity incidents or security vulnerabilities could lead to significant interruptions in our operations, loss of data and income, reputational harm, diversion of funds, increased insurance costs, and other harm to our business, reputation, and competitive position. Security incidents and their resulting consequences, including negative publicity, may also cause customers to stop using our platform, deter existing or prospective customers from using our platform, and negatively impact our ability to grow and operate our business.

Our customers have experienced and may in the future experience security incidents in connection with their use of our platform that harm our customer relationships and our reputation, even when such incidents are due to vulnerabilities, policy violations, or credential exposures that we do not cause. We operate under a shared responsibility cybersecurity model where we are responsible for the security of our platform and underlying cloud infrastructure, while our customers are responsible for selecting, enabling, and configuring security controls for their individual environments in a manner that meets applicable cybersecurity standards and effectively reduces their information security risk. To assist customers in meeting their responsibilities, we offer and support a range of tools and features for access control, including multi-factor authentication (MFA), network access policies, and unified role-based access controls and policies. Customers may also use third-party external authentication tools, in which case we do not have visibility into whether adequate access controls (such as MFA or network restrictions) are being enforced. Regardless of whether customers use our authentication tools or external tools, if customers allow static access credentials, they are responsible for ensuring that the credentials remain private and are rotated on a regular basis. If our customers do not implement, or incorrectly implement, these features or otherwise fail to fulfill their responsibilities under our shared responsibility model, there is a higher risk that they will be the victim of cybersecurity incidents, which may harm our customer relationships, our reputation, and our business, which has occurred in the past and may happen again in the future.

We have contractual and other legal obligations to notify customers and other parties of certain security incidents, and may choose to make such notifications even if not legally required to do so. For example, SEC rules require disclosure on Form 8-K of the nature, scope and timing of any material cybersecurity incident and the reasonably likely impact of such incident. Determining whether a cybersecurity incident is notifiable or reportable may not be straightforward, and any such mandatory disclosures are costly and could lead to negative publicity, loss of customer or partner confidence in the effectiveness of our security measures, diversion of management's attention, governmental investigations, and the expenditure of significant capital and other resources to investigate, respond to, or alleviate problems caused by the actual or perceived security breach.

Any security breach of our platform, our operational systems, our software (including open-source software), our physical facilities, or the systems of our third-party service providers or sub-processors, or the perception that one has occurred, or unauthorized access to our customers' or partners' systems, data, or technology, could result in claims that we have breached customer contracts or other legal obligations. In addition, we may be subject to, and have received in the past, requests by regulators (including members of Congress) for information about our security practices, our public statements about our security program, experiences, and issues. Alleged failures, problems, or issues related to our information security or our customers' use of our platform, including following such information requests, could result in formal investigations; actions from a variety of regulators, including state attorneys general, the Department of Justice, the Federal Trade Commission (FTC), and the SEC; litigation; indemnity obligations; fines; penalties; mitigation and remediation costs; reputational harm; diversion of management's attention; friction with customers; and other liabilities and damage to our business. Further, cybersecurity incidents may lead customers or prospective customers to attempt to negotiate contractual terms that are less favorable to us, such as broader indemnification obligations and higher limitations of liability.

Our insurance coverage may not be adequate for liability arising from data security breaches involving us or our customers or other third parties, indemnification obligations, or other liabilities. The successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes to our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements) could have an adverse effect on our business. In addition, we cannot be sure that our existing insurance coverage and coverage for errors and omissions will continue to be available on acceptable terms or that our insurers will not deny coverage as to any future claim. Risks related to our systems and security breaches are likely to increase as we continue to expand our platform and geographic footprint, grow our customer and partner base, acquire operating companies, and process, store, and transmit increasingly large amounts of data.

For example, in May 2024, we became aware that a cybersecurity threat actor had potentially accessed a number of our customers' Snowflake accounts as a result of such customers' failure to fulfill certain of their obligations under our shared responsibility cybersecurity model (e.g., implementing MFA and network access policies). Even though we did not identify any evidence suggesting this activity was caused by or otherwise related to any vulnerability or misconfiguration of our systems, or a breach of our platform's security or our environment, we are now the subject of multiple lawsuits, regulatory actions and investigations, and lawmaker inquiries (including Congressional inquiries) relating to these customer incidents. We are unable to predict the outcome or timeline of these matters or if any additional requests, inquiries, lawsuits, investigations or other government actions may arise. We have suffered and may continue to suffer negative publicity and reputational damage, including due to the misperception that our customers' incidents resulted from a vulnerability, misconfiguration or breach of our platform's security or systems and malicious activity within our environment. In addition, we may experience customer churn or face claims by customers, and it is possible that we are not able to fully recover any losses relating to these matters through any applicable insurance coverage or we may be required to seek indemnification from breached customers to mitigate our damages. These matters, together with any additional inquiries, regulatory or governmental investigations or other disputes that result from these customer security incidents, will require us to divert resources and may harm our reputation, business, financial condition and results of operations.

In addition, some of our employees work remotely, including while traveling for business, which increases our cybersecurity risk, creates data accessibility concerns, and makes us more susceptible to security breaches or business disruptions. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, or prospects.

Any litigation against us could be costly and time-consuming to defend.

From time to time, we may become subject to legal proceedings and claims, such as claims brought by our customers in connection with commercial disputes, employment claims, including claims related to the loss of employee equity grants upon termination, intellectual property claims, or securities class actions or other claims related to volatility in the trading price of our common stock. For example, we are named in a securities class action lawsuit in federal court alleging federal securities law violations, as well as several class action lawsuits alleging common law and statutory claims in connection with the security matters we became aware of in May 2024. See the section titled "Legal Proceedings" for more information. Litigation could result in substantial costs and divert management's attention and resources, which might seriously harm our business, financial condition, and results of operations. Our existing insurance might not cover such claims, provide sufficient payments to cover all the costs to resolve one or more such claims, or continue to be available on terms acceptable to us (including premium increases or the imposition of large deductible or co-insurance requirements). A claim brought against us that is uninsured or underinsured could result in unanticipated costs, potentially harming our business, financial position, and results of operations.

We or our third-party service providers could suffer disruptions, outages, defects, and other performance and quality problems with our platform or with the public cloud and internet infrastructure on which it relies.

Our business depends on our platform being available without disruption. We and our third-party service providers have experienced, and may in the future experience, disruptions, outages, defects, and other performance and quality problems related to our platform and with the public cloud and internet infrastructure on which our platform relies. These problems can be caused by a variety of factors, including introductions of new functionality, vulnerabilities, coding errors, and defects in proprietary and open-source software, human error or misconduct, natural disasters (such as tornadoes, earthquakes, or fires), capacity constraints, design limitations, denial of service attacks, or other security-related incidents.

Further, if our contractual and other business relationships with our public cloud providers are terminated, suspended, or suffer a material change to which we are unable to adapt, such as the elimination of services or features on which we depend, we could be unable to provide our platform and could experience significant delays and incur additional expenses in transitioning customers to a different public cloud provider.

Any disruptions, outages, defects, and other performance and quality problems with our platform or with the public cloud, internet infrastructure, or other technology on which it relies, or any material change in our contractual and other business relationships with our public cloud providers, could result in reduced use of our platform, increased expenses, including service credit obligations, and harm to our brand and reputation, any of which could have a material adverse effect on our business, financial condition, and results of operations.

We expect fluctuations in our financial results, making it difficult to project future results, and if we fail to meet the expectations of securities analysts or investors with respect to our results of operations, our stock price could decline.

Our results of operations have fluctuated in the past and are expected to fluctuate in the future due to a variety of factors, many of which are outside of our control. As a result, our past results may not be indicative of our future performance. In addition to the other risks described herein, factors that may affect our results of operations include the following:

- fluctuations in demand for our platform or changes in our pricing model;
- fluctuations in usage of our platform, including as a result of customer optimization efforts that result in reduced consumption to execute workloads;
- our ability to attract new customers;
- our ability to retain existing customers and drive their increased sustained consumption of our platform (including new product features and functionality);
- customer expansion rates;
- timing, amount, and cost of our investments to expand the capacity of our public cloud providers;
- seasonality, including the impact of holidays;
- investments in new features, functionality, and programming languages, including investments in AI Technology and in making our platform available to store and process highly regulated data or comply with new or existing data sovereignty requirements;
- fluctuations in consumption resulting from the introduction of new features, technologies, or capabilities to our software, systems, or to underlying cloud infrastructure, including features or capabilities that may increase or decrease the consumption required to execute existing or future workloads, like better storage compression and cloud infrastructure processor improvements, or that allow customers to use our platform for compute services without requiring storage;
- our ability to execute on our business strategy, including our strategies related to the AI Data Cloud, such as Snowpark and the Snowflake Marketplace;
- the timing and frequency of purchases;
- the speed with which customers are able to migrate data onto our platform;
- fluctuations or delays in purchasing decisions in anticipation of new products or enhancements by us or our competitors;
- changes in customers' budgets and cash flow management strategies and in the timing of their budget cycles and purchasing decisions;
- our ability to control costs, including our operating expenses;
- the amount and timing of operating expenses, particularly research and development expenses, including with respect to GPUs to develop AI Technology, and sales and marketing expenses, including commissions;
- the amount and timing of non-cash expenses, including stock-based compensation, goodwill impairments, and other non-cash charges;
- the amount and timing of costs associated with recruiting, training, and integrating new employees and retaining and motivating existing employees;
- the effects and timing of acquisitions and their integration;

- general political, social, market, and economic conditions, uncertainty, or volatility, both domestically and internationally, as well as political, social, and economic conditions specifically affecting industries in which our customers and partners participate or on which they rely;
- public health crises, such as the COVID-19 pandemic;
- the impact, or timing of our adoption, of new accounting pronouncements;
- changes in regulatory or legal environments, including the interpretation or enforcement of regulatory or legal requirements, that may cause us to incur, among other things, expenses associated with compliance;
- the overall tax rate for our business, which may be affected by the mix of income we earn in the United States and in jurisdictions with different tax rates, the effects of stock-based compensation, and the effects of changes in our business;
- the impact of changes in tax laws or judicial or regulatory interpretations of tax laws, which are recorded in the period in which such laws are enacted or interpretations are issued and may significantly affect the effective tax rate of that period;
- inflation and our ability to control costs, including our operating expenses;
- fluctuations in currency exchange rates and changes in the proportion of our revenue and expenses denominated or measured in foreign currencies;
- fluctuations or impairments in, or the full loss of, the market values of our strategic investments or of our portfolio, including changes to the value or accessibility of our cash and cash equivalents as a result of economic conditions or bank failures;
- fluctuations in interest rates;
- changes in the competitive dynamics of our market, including consolidation among competitors or customers;
- significant security breaches affecting our platform or customers' accounts; and
- technical difficulties with, or interruptions to, the delivery and use of our platform.

Any of these factors may cause our results of operations to vary significantly or be adversely affected. If our results of operations fall below the expectations of investors and securities analysts who follow our stock, the price of our common stock could decline substantially, and we could face costly lawsuits, including securities class actions.

Failure to effectively develop and expand our sales and marketing capabilities could harm our ability to increase our customer base and achieve broader market acceptance of our products and platform.

We must increase the size and productivity of our sales and marketing organization to increase our sales to new and existing customers. It requires significant time and resources to effectively onboard new sales and marketing personnel and to train new and existing personnel so they are able to successfully sell our product. We also plan to continue to dedicate significant resources to sales and marketing programs that are industry-specific and focused on large organizations. Once a new customer begins using our platform, our sales team needs to focus on expanding consumption with that customer. All these efforts require us to invest significant financial and other resources, including in industries and sales channels in which we have limited experience to date. In addition, our sales compensation plans must be structured in a way that properly incentivizes our sales and marketing personnel to drive increased consumption and new capacity arrangements. Our business and results of operations will be harmed if our sales and marketing efforts generate increases in revenue that are smaller than anticipated. We may not achieve anticipated revenue growth from our sales force if we are unable to attract, hire, develop, integrate, and retain talented and effective sales personnel, if our sales personnel are unable to achieve desired productivity levels, or if our sales and marketing programs, including our sales compensation plans, are not effective.

Sales efforts to large customers involve risks that may not be present or that are present to a lesser extent with respect to sales to smaller organizations.

Sales to large customers involve risks that may not be present or that are present to a lesser extent with sales to smaller organizations, such as longer sales cycles, stronger customer leverage in negotiating pricing and other terms, more complex customer requirements, including our ability to partner with third parties that advise such customers or help them integrate their IT solutions, substantial upfront sales costs, less predictability in completing some of our sales, and higher customer support expectations. For example, large customers may require considerable time to evaluate and test our platform or new features prior to making a purchase decision. In addition, large customers may be switching from legacy on-premises solutions when purchasing our products, and may rely on third parties with whom we do not have relationships when making purchasing decisions. Furthermore, large customers may have more extensive compliance and vendor diligence programs with respect to new products and services, which may increase both the time and resources needed to sell to them and also result in the inability to sell to them if we do not meet their compliance standards. A number of factors also influence the length and variability of our sales cycle, including the need to educate potential customers about the uses and benefits of our platform, the renegotiation of existing agreements to cover additional workloads, changing laws, the discretionary nature of purchasing and budget cycles, and the competitive nature of evaluation and purchasing approval processes. As a result, the length of our sales cycle, from identification of the opportunity to deal closure, may vary significantly from customer to customer, with sales to large enterprises typically taking longer to complete. We have also historically seen consumption growth from large enterprises take longer than when compared to smaller enterprises. Moreover, large customers often begin to deploy our products on a limited basis but nevertheless demand implementation services and negotiate pricing discounts, which increase our upfront investment in the sales effort with no guarantee that sales to these customers will justify our substantial upfront investment. If we fail to effectively manage these risks associated with sales cycles and sales to large customers, our business, financial condition, and results of operations could be affected.

Unfavorable conditions in our industry or the global economy, or reductions in cloud spending, could limit our ability to grow our business and negatively affect our results of operations.

Our results of operations may vary based on the impact of changes in our industry or the global economy on us or our customers and potential customers. Negative conditions or volatility in the general economy both in the United States and abroad, including conditions resulting from changes in gross domestic product growth, financial and credit market fluctuations, bank failures, international trade relations, inflation, and interest rate fluctuations, or the existence of epidemics, pandemics or other public health crises (such as the COVID-19 pandemic), political turmoil and geopolitical conflicts, natural catastrophes, warfare, or terrorist attacks on the United States, Europe, the Asia-Pacific region, Japan, or elsewhere, could cause a decrease in business investments, including spending on cloud technologies, and negatively affect the growth of our business. For example, the ongoing Hamas-Israel and Russia-Ukraine conflicts have created volatility in the global capital markets and could have further global economic consequences, including disruptions of the global supply chain. In addition, unfavorable conditions in the general economy may negatively impact our customers' budgets or cash flow, which could impact the contract terms, including payment terms, our customers demand from us. Competitors, many of whom are larger and have greater financial resources than we do, may respond to challenging market conditions by lowering prices in an attempt to attract our customers. We cannot predict the timing, strength, or duration of any economic slowdown, instability, or recovery, generally or within any particular industry.

Our growth depends on the development, expansion, and success of our partner relationships.

As part of our vision for the AI Data Cloud, we will need to grow and maintain a network of data providers, data consumers, and data application developers. The relationships we have with these partners, and that our partners have with our customers, provide our customers with enhanced value from our platform and the AI Data Cloud, including the Snowflake Marketplace. Our future growth will be increasingly dependent on the success of these relationships, and if we are unsuccessful in growing and maintaining these relationships or the types and quality of data and data applications supported by or available for consumption on our platform, our business, financial condition, and results of operations could be adversely affected.

Additionally, a small but increasing portion of our revenue is generated as a result of our relationships with global system integrators, managed service providers, and resellers. Increasingly, we and our customers rely on these partners to provide professional services, including customer implementations and migrations from legacy solutions, and there may not be enough qualified partners available, or we may not be able to develop or maintain relationships with enough partners, to meet customer demand. While we provide our partners with training and other enablement programs, these programs may not be effective or utilized consistently, and our return on these investments may be lower than expected. In addition, new partners may require extensive training or significant time and resources to achieve productivity. If we fail to effectively manage and grow our network of these partners, or properly monitor the quality and efficacy of their interactions with our customers, our ability to attract and retain new customers and expand customer consumption of our platform may be impacted, and our operating results and growth rate may be harmed.

If we are unable to successfully manage the growth of our professional services business and improve our profit margin from these services, our operating results could be harmed.

Our professional services business, which performs implementation services for our customers, has grown larger and more complex as our product revenue has increased. We believe our future success depends in part on investment in professional services to facilitate customer code conversion and migration from legacy solutions and adoption of our platform, especially with large enterprises. As a result, our sales efforts have been and will continue to be focused on helping our customers more quickly realize the value of our platform and the AI Data Cloud rather than on the profitability of our professional services business. We price our professional services based on the anticipated cost of those services and, as a result, we expect to improve the gross profit percentage of our professional services business over time. If we are unable to manage the growth of our professional services business and improve our profit margin from these services, our operating results, including our profit margins, could be harmed.

If we lose key members of our management team or are unable to attract and retain the executives and employees we need to support our operations and growth, our business and future growth prospects may be harmed.

Our success depends in part on the continued services of our executive officers, as well as our other key employees in the areas of research and development and sales and marketing.

From time to time, there may be changes in our executive management team or other key employees resulting from the hiring or departure of these personnel. Our executive officers and other key employees are employed on an at-will basis, which means that these personnel could terminate their employment with us at any time. For example, in February 2024, Frank Sloodman retired as Chief Executive Officer and Sridhar Ramaswamy was appointed to replace him. In July 2024, Grzegorz Czajkowski, our former EVP, Engineering and Support, resigned and left Snowflake to pursue another opportunity. The loss of additional executive officers or any significant change in executive leadership could harm morale, cause additional personnel to depart, or introduce operational delays or risks as successor executives learn our business, each of which could harm our operating results.

In addition, to execute our growth plan, we must attract and retain highly qualified personnel. Competition for these personnel is intense, especially for engineers experienced in designing and developing cloud-based data platform products, including products with artificial intelligence capabilities, and experienced sales, customer support, and professional services personnel. We also are dependent on the continued service of our existing software engineers because of the sophistication of our platform.

In order to continue to hire and retain highly qualified personnel, we will need to continue to hire in new locations around the world and manage return to work and remote working policies, which may add to the complexity and costs of our business operations. From time to time, we have experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel have greater resources than we have and can provide more competitive compensation and benefits. In addition, we require the majority of our employees to work from a physical office, while certain of our competitors allow remote work environments. In addition, prospective and existing employees often consider the value of the equity awards they receive in connection with their employment. Since the beginning of fiscal year 2025, our stock price has declined significantly. If the actual or perceived value of our equity awards continues to decline or undergoes significant volatility, or if our existing employees receive significant proceeds from liquidating their previously vested equity awards, it may adversely affect our ability to recruit and retain key employees. Furthermore, current and prospective employees may believe that their equity award offers have limited upside, and our competitors may be able to offer more appealing compensation packages. In order to retain our existing employees and manage potential attrition, including as a result of any stock price decreases and market volatility that impact the actual or perceived value of our equity awards, we may issue additional equity awards or provide our employees with increased cash compensation, which could negatively impact our results of operations and be dilutive to stockholders. Finally, if we hire employees from competitors or other companies, their former employers may attempt to assert that we or these employees have breached our or their legal obligations, resulting in a diversion of our time and resources.

We also believe our culture has been a key contributor to our success to date and that the critical nature of the platform that we provide promotes a sense of greater purpose and fulfillment in our employees. As our workforce becomes larger and more distributed around the world, we may not be able to maintain important aspects of our culture. Any failure to preserve our culture could negatively affect our ability to retain and recruit personnel. If we fail to attract and recruit new personnel or fail to retain and motivate our current personnel, our business and future growth prospects would be harmed.

If the availability of our platform does not meet our service-level commitments to our customers, our current and future revenue may be negatively impacted.

We typically commit to our customers that our platform will maintain a minimum service-level of availability. If we are unable to meet these commitments, we may be obligated to provide customers with additional capacity at no cost, which could significantly affect our revenue. We rely on public cloud providers, such as AWS, Azure, and GCP, and any availability interruption in the public cloud could result in us not meeting our service-level commitments to our customers. In some cases, we may not have a contractual right with our public cloud providers that compensates us for any losses due to availability interruptions in the public cloud. Further, any failure to meet our service-level commitments could damage our reputation and hinder the adoption of our platform, and we could face loss of revenue from reduced future consumption of our platform. Any service-level failures could adversely affect our business, financial condition, and results of operations.

We assume liability for data breaches, intellectual property infringement, and other claims, which exposes us to substantial potential liability.

In our customer contracts and certain strategic partnership agreements, we assume liability for security breaches and data protection claims caused by us and by certain third parties on which we rely. Our contracts with customers, partners, investors, and other third parties may also include indemnification provisions under which we agree to defend and indemnify them against claims and losses arising from alleged infringement, misappropriation, or other violation of intellectual property rights and for other matters. We may not be successful in our attempt to limit our liability and indemnity obligations and obtain corresponding liability and indemnification obligations from vendors and partners that would require them to contribute to our obligations, and an event triggering our liability or indemnity obligations could give rise to multiple claims involving multiple customers or other third parties. In addition, our customers or other business partners may attempt to claim indemnification even if we are not at fault, and defending against such claims may be time-consuming and expensive. There is no assurance that our applicable insurance coverage, if any, would cover, in whole or in part, any such liability or indemnity obligations. We may be liable for up to the full amount of the contractual claims, which could result in substantial liability or material disruption to our business or could negatively impact our relationships with customers or other third parties, reduce demand for our platform, and adversely affect our business, financial condition, and results of operations.

Acquisitions, strategic investments, partnerships, or alliances could be difficult to identify, pose integration challenges, divert the attention of management, disrupt our business, dilute stockholder value, and adversely affect our business, financial condition, and results of operations.

We have in the past and may in the future seek to acquire or invest in businesses, joint ventures, and platform technologies that we believe could complement or expand our platform, enhance our technology, or otherwise offer growth opportunities. For example, during the fiscal year ended January 31, 2024, we acquired several companies, including Samoooha, Inc., a privately-held company which developed data clean room technology; Neeva Inc., a privately-held internet search company which leveraged generative artificial intelligence; Mountain US Corporation (f/k/a Mobilize.net Corporation), a privately-held company which provided a suite of tools for efficiently migrating databases to the AI Data Cloud; and LeapYear Technologies, Inc., a privately-held company which provided a differential privacy platform. Any such acquisitions or investments may divert the attention of management and cause us to incur various expenses in identifying, investigating, financing, and pursuing suitable opportunities, whether or not the transactions are completed, and may result in unforeseen operating difficulties and expenditures. In particular, we may encounter difficulties or unexpected costs assimilating or integrating the businesses, technologies, products, personnel, contracts or operations of any acquired companies, particularly if the key personnel of an acquired company choose not to work for us, their software is not easily adapted to work with our platform, or we have difficulty retaining the customers, suppliers, or partners of any acquired business due to changes in ownership, management, or otherwise. Any such transactions that we are able to complete may not result in the synergies or other benefits we expect to achieve, which could result in substantial impairment charges. These transactions could also result in dilutive issuances of equity securities or the incurrence of debt, which could adversely affect our results of operations. In addition, we may inherit commitments, risks, and liabilities of companies that we acquire that we are unable to successfully mitigate and that may be amplified by our existing business. Finally, our acquisitions or investments may result in disputes or litigation, including in connection with the achievement of earnouts.

As part of our corporate development program, we invest in companies to support our key business initiatives. These companies range from early, growth stage companies to mature companies with established revenue streams. Our strategic investments are subject to risk of inability to achieve the desired strategic synergies and partial or total loss of investment capital. Furthermore, our competitors may invest in these companies alongside us, and may obtain information about our corporate development program or other business plans. The financial success of our investment is typically dependent on an exit in favorable market conditions. To the extent any of the companies in which we invest are not successful, which can include failure to achieve strategic business objectives as well as failure to achieve a favorable exit, we could recognize an impairment or loss on all or part of our investment. In addition, in certain cases we may be required to consolidate one or more of our strategic investee's financial results into ours. Fluctuations in any such investee's financial results, due to general market conditions, bank failures, or otherwise, could negatively affect our condensed consolidated financial condition, results of operations, cash flows, or the price of our common stock. If one or more of such investees fails to timely provide us with information necessary for the preparation of our condensed consolidated financial statements and disclosures, we may be unable to report our financial results in a timely manner, which would negatively affect our business and the price of our common stock.

We also enter into strategic partnerships where we agree to incorporate third-party technologies into our platform and services. In some cases, we have revenue-sharing arrangements with our strategic partners who supply the technology. We may be unable to reach agreements with potential strategic partners on terms acceptable to us, if at all, and we may not be successful in partnering with the companies that have the technologies we need. Such strategic partnerships are also subject to a number of risks, including with respect to security controls, indemnification obligations, and ownership of intellectual property and other proprietary information. Any of the foregoing could harm our business, financial position, and results of operations.

Seasonality may cause fluctuations in our remaining performance obligations or in customer consumption.

Historically, we have received a higher volume of orders from new and existing customers in the fourth fiscal quarter of each year. As a result, we have historically seen higher non-GAAP free cash flow in the first and fourth fiscal quarters of each year, and our sequential growth in remaining performance obligations has historically been the highest in the fourth fiscal quarter of each year. We may not be successful in our attempt to align our cash outflows with our cash receipts, particularly since we expect this seasonality to become more pronounced as we continue to target large enterprise customers based on their procurement, budgeting, and deployment cycles. In addition, while consumption is typically lower during holidays, the magnitude of any decrease is difficult to predict and that may result in inaccurate financial guidance. For more information about non-GAAP free cash flow, including a definition of non-GAAP free cash flow and a reconciliation of free cash flow to the most directly comparable financial measure calculated in accordance with U.S. generally accepted accounting principles (GAAP), see the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

We do business with federal, state, local, and foreign governments and agencies, and heavily regulated organizations; as a result, we face risks related to the procurement process, budget, delays, and product decisions driven by statutory and regulatory determinations, termination of contracts, and compliance with government contracting requirements.

We provide our platform to the U.S. government, state and local governments, foreign governments, and heavily regulated organizations directly and through our partners. We have made, and may continue to make, significant investments to support future sales opportunities in the government sector, including obtaining government certifications or clearances. However, government certification or clearance requirements may change, we may be unable to achieve or sustain one or more required government certifications or clearances, or we may be required to make unexpected changes to our business, operations or products to obtain or sustain such certifications or clearances. As a result, our ability to sell into the government sector could be restricted until we satisfy the requirements of such certifications or clearances.

A substantial majority of our sales to government entities have been made indirectly through our distribution and reseller partners. Doing business with government entities, whether directly or indirectly, presents a variety of risks. Many government entities need significant education regarding our business model, as well as the uses and benefits of our platform. The procurement process for governments and their agencies is highly competitive and time-consuming, and government decisions about their procurement needs may, in certain circumstances, be subject to political influence. To pursue these opportunities, we incur significant up-front time and expense, which subjects us to additional compliance risks and costs, without any assurance that we (or a third-party distributor or reseller) will win a contract. Beyond this, demand for our platform may be adversely impacted by public sector budgetary cycles, and funding availability that in any given fiscal cycle may be reduced or delayed, including in connection with an extended federal government shutdown. Further, if we or our partners are successful in receiving a competitive contract award, that award could be challenged by one or more competitive bidders in a legal action known as a “bid protest.” Bid protests may result in an increase in expenses related to obtaining or preserving contract awards or an unfavorable modification or loss of an award. In the event a bid protest is unsuccessful, the resulting delay in the startup and funding of the work under these contracts may cause our actual results to differ materially and adversely from those anticipated. As a result of these lengthy and uncertain sales cycles, it is difficult for us to predict the timing of entering into customer agreements with government entities or with our distribution and reseller partners in the government market.

In addition, public sector customers may have contractual, statutory, or regulatory rights to terminate current contracts with us or our third-party distributors or resellers for convenience or default. If a contract is terminated for convenience, we may only be able to collect fees for platform consumption prior to termination and settlement expenses. If a contract is terminated due to a default, we may be liable for excess costs incurred by the customer for procuring alternative products or services or be precluded from doing further business with government entities. Further, entities providing products or services to governments, whether directly or indirectly, are required to comply with a variety of complex laws, regulations, and contractual provisions relating to the formation, administration, and performance of government contracts. Such laws, regulations, and contractual provisions impose compliance obligations that are more burdensome than those typically encountered in commercial contracts, and they often give customers in the government market substantial rights and remedies, many of which are not typically found in commercial contracts. These rights and remedies may relate to intellectual property, price protection, the accuracy of information provided to the government, incident notification, and termination rights. In addition, governments may use procurement requirements as an alternative to lawmaking, and impose stricter requirements than would apply to the commercial sector in areas that are not directly related to the purchase. These rules and requirements may apply to us or third-party resellers or distributors whose practices we may not control. Such parties' non-compliance could result in repercussions for us with respect to contractual and customer satisfaction issues.

In addition, federal, state, and local governments and regulators routinely investigate and audit contractors for compliance with applicable laws, regulations, and contractual provisions. If, as a result of an audit or investigation, it is determined that we have failed to comply with applicable requirements, we may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeiture of profits or payments we have received, costs associated with the triggering of price reduction clauses, fines, loss of a government certification, and suspensions or debarment from future government business, and we may suffer reputational harm.

Further, we are increasingly investing in doing business with customers and partners in heavily regulated industries, such as the financial services and health care industries. Existing and prospective customers, such as those in these industries, may be required to comply with more stringent regulations in connection with using and implementing our platform or services or particular regulations regarding third-party vendors that may be interpreted differently by different customers. In addition, regulatory agencies may impose requirements toward third-party vendors generally, or our company in particular, that we may not be able to, or may choose not to, meet. We may make special compliance commitments that are more expensive to satisfy than we anticipate, or that we are unable to satisfy. In addition, customers in these heavily regulated areas and their regulators often have a right to conduct audits of our systems, products, and practices. In the event that one or more customers or their regulators determine that some aspect of our business does not meet regulatory requirements, we may be limited in our ability to continue or expand our business.

Our customers also include a number of non-U.S. governments, to which similar procurement, budgetary, contract, and audit risks of U.S. government contracting also apply, particularly in certain emerging markets where our customer base is less established. Such sales may also heighten our exposure to liabilities under anti-corruption laws. In addition, compliance with complex regulations, security certifications, and contracting provisions in a variety of jurisdictions can be expensive and consume significant financial and management resources. In certain jurisdictions, our ability to win business may be constrained by political and other factors unrelated to our competitive position in the market. Further, our business and results of operations could be harmed if our efforts to do business with governments and heavily regulated organizations do not generate the anticipated increases in revenue. Each of these difficulties could materially adversely affect our business and results of operations.

Natural disasters, public health crises, and other catastrophic events could have an adverse impact on our business, operations, and the markets and communities in which we, our partners, and our customers operate.

Our platform and the public cloud infrastructure on which our platform relies are vulnerable to damage or interruption from catastrophic events, such as earthquakes, floods, fires, power loss, telecommunication failures, cyber attacks, military conflict or war, terrorist attacks, criminal acts, sabotage, other intentional acts of vandalism and misconduct, geopolitical events, and epidemics, pandemics or other public health crises, such as the COVID-19 pandemic. Some of our U.S. corporate offices in which we operate and certain of the public cloud data centers on which our platform runs are located in the San Francisco Bay Area and Pacific Northwest, regions known for seismic activity. Despite any precautions we may take, the occurrence of a natural disaster or other unanticipated problems at our facilities or the facilities of our public cloud providers could result in disruptions, outages, and other performance and quality problems.

Our customers are also subject to the risk of catastrophic events. If those events occur, demand for our platform may decrease.

If we are unable to develop and maintain adequate plans to ensure that our business functions continue to operate during and after a catastrophic event and to execute successfully on those plans if such an event occurs, our business could be seriously harmed.

Our current operations are international in scope, and we plan further geographic expansion, creating a variety of operational challenges.

A component of our growth strategy involves the further expansion of our operations and customer base internationally. Customer accounts outside the United States generated 24% of our revenue for each of the three and six months ended July 31, 2024. We are continuing to adapt to and develop strategies to address international markets, but there is no guarantee that such efforts will have the desired effect. For example, we anticipate that we will need to establish relationships with new partners in order to expand into certain countries, including China, and if we fail to identify, establish, and maintain such relationships, we may be unable to execute on our expansion plans. We expect that our international activities will continue to grow for the foreseeable future as we continue to pursue opportunities in existing and new international markets, which will require significant dedication of management attention and financial resources.

Our current and future international business and operations involve a variety of risks, including:

- slower than anticipated public cloud adoption by international businesses;
- changes in a specific country's or region's political, economic, or legal and regulatory environment, including the effects of pandemics, tariffs, trade wars, sanctions, or long-term environmental risks;
- the need to adapt and localize our platform for China and other countries, including as a result of data sovereignty requirements, and the engineering and related costs that we may incur when making those changes;
- greater difficulty collecting accounts receivable and longer payment cycles;
- unexpected changes in, or the selective application of, trade relations, regulations, or laws;
- new, evolving, and more stringent regulations relating to privacy and data security, data localization, and the unauthorized use of, or access to, commercial and personal information;
- new, evolving, and potentially more stringent regulations relating to AI Technology;
- differing and potentially more onerous labor regulations that are generally more advantageous to employees as compared to the United States, including regulations governing terminations in locations that do not permit at-will employment and deemed hourly wage and overtime regulations;
- challenges inherent in efficiently managing, and the increased costs associated with, an increased number of employees over large geographic distances, including the need to implement appropriate systems, policies, benefits, and compliance programs that are specific to each jurisdiction;

- difficulties in managing a business in new markets with diverse cultures, languages, customs, legal systems, alternative dispute systems, and regulatory systems;
- increased travel, real estate, infrastructure, and legal compliance costs associated with international operations, including increased costs associated with changing and potentially conflicting environmental regulations and requirements;
- currency exchange rate fluctuations and the resulting effect on our revenue, RPO, and expenses, and the cost and risk of utilizing mitigating derivative transactions and entering into hedging transactions to the extent we do so in the future;
- limitations on, or charges or taxes associated with, our ability to reinvest earnings from operations in one country to fund the capital needs of our operations in other countries;
- laws and business practices favoring local competitors or general market preferences for local vendors;
- limited or insufficient intellectual property protection or difficulties obtaining, maintaining, protecting, or enforcing our intellectual property rights, including our trademarks and patents;
- political instability, military conflict or war, or terrorist activities;
- exposure to liabilities under anti-corruption and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act of 1977, as amended (FCPA), U.S. bribery laws, the U.K. Bribery Act, and similar laws and regulations in other jurisdictions;
- burdens of complying with laws and regulations related to taxation; and
- regulations, adverse tax burdens, and foreign exchange controls that could make it difficult or costly to repatriate earnings and cash.

We expect to invest substantial time and resources to further expand our international operations, and, if we are unable to do so successfully and in a timely manner, our business and results of operations could suffer.

As we prepare to offer our platform to Chinese affiliates of certain multi-national customers, risks associated with economic, political, and social events in China could negatively affect our business, financial condition, results of operations and growth prospects.

We are currently offering our platform to Chinese affiliates of certain multi-national customers. Under Chinese law, we must offer our platform through a Chinese-owned operating partner, which must assume control and management of certain aspects of our platform and serve as the seller of record. This requires a new operating and go-to-market model, and there is a risk that functionality or customer experience may suffer and that we may incur liability or brand impairment arising from the operating partner's actions or inactions. In addition, developing and operationalizing this new model is a significant investment and may not generate expected returns.

We may also encounter the following risks:

- uncertainty regarding the validity, enforceability, and scope of protection for intellectual property rights in China and the practical difficulties of enforcing such rights;
- inability to secure our intellectual property and other proprietary information located in China from unauthorized access or theft;
- heightened risks of cyber incidents, which could lead to the unauthorized access to or exposure of customer data;
- inability to comply with extensive and evolving Chinese laws that are often ambiguous or inconsistently enforced;
- changes in tax regulations that may impact the economics of our China operating model;
- economic or political instability;
- a slowdown in China's economy; and

- a government-controlled foreign exchange rate and capital controls, including limitations on the convertibility of the Chinese yuan to other currencies.

Further, geopolitical and national security tensions between China and the United States or other countries could lead to further restrictions on our ability to operate in China, increased scrutiny of our business operations in China, or unwillingness of certain customers to do business with us, including the U.S. federal government.

Due to these and other risks, our operations in China may be more expensive or difficult than anticipated or they may fail, which could have an adverse effect on our business, financial condition, results of operations, and growth prospects.

We may require additional capital to support the growth of our business, and this capital might not be available on acceptable terms, if at all.

We have funded our operations since inception primarily through equity financings, including our IPO, and payments received from our customers. We cannot be certain if our operations will generate sufficient cash to fully fund our ongoing operations or the growth of our business. We intend to continue to make investments to support our business, which may require us to engage in equity or debt financings to secure additional funds. Additional financing may not be available on terms favorable to us, if at all, particularly during times of market volatility and general economic instability. If adequate funds are not available on acceptable terms, we may be unable to invest in future growth opportunities, which could harm our business, operating results, and financial condition. If we incur debt, the debt holders would have rights senior to holders of common stock to make claims on our assets, and the terms of any debt could restrict our operations, including our ability to repurchase stock and pay dividends on our common stock. Furthermore, if we issue additional equity securities, stockholders will experience dilution, and the new equity securities could have rights senior to those of our common stock. Because our decision to issue securities in the future will depend on numerous considerations, including factors beyond our control, we cannot predict or estimate the amount, timing, or nature of any future issuances of debt or equity securities. As a result, our stockholders bear the risk of future issuances of debt or equity securities reducing the value of our common stock and diluting their interests.

We are exposed to fluctuations in currency exchange rates, which could negatively affect our results of operations and our ability to invest and hold our cash.

Our sales are currently denominated in U.S. dollars, Euros, British pounds, Australian dollars, and Brazilian reals, and will likely be denominated in other currencies in the future. Because we report our results of operations and revenue in U.S. dollars, we currently face exposure to foreign currency translation risk and may in the future face other foreign currency risks. If we are not able to successfully hedge against the risks associated with currency fluctuations, our results of operations could be adversely affected. For example, a strengthening of the U.S. dollar could increase the real cost of our platform to international customers, which could adversely affect our results of operations. In addition, as our international operations expand, an increasing portion of our operating expenses is incurred outside the United States. These operating expenses are denominated in foreign currencies and are subject to fluctuations due to changes in foreign currency exchange rates. Exposure to these risks and fluctuations could adversely affect our financial position, results of operations, and cash flows.

If our estimates or judgments relating to our critical accounting estimates prove to be incorrect, our results of operations could be adversely affected.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our condensed consolidated financial statements and accompanying notes appearing elsewhere herein. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates.” The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, revenue, costs and expenses, and related disclosures. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

Risks Related to Our Intellectual Property

Our intellectual property rights may not protect our business or provide us with a competitive advantage.

To be successful, we must protect our business, technology and brand in the United States and other jurisdictions through trademarks, trade secrets, patents, copyrights, service marks, invention assignments, contractual restrictions, and other intellectual property rights and confidentiality procedures. Despite our efforts to implement these protections, they may not protect our business or provide us with a competitive advantage for a variety of reasons, including:

- the failure by us to obtain patents and other intellectual property rights for important innovations or maintain appropriate confidentiality and other protective measures to establish and maintain our trade secrets;
- to the extent a customer or partner owns any intellectual property created through a professional services or other engagement, our inability to use or monetize that intellectual property as part of our business;
- uncertainty in, and evolution of, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights;
- potential invalidation of our intellectual property rights through administrative processes or litigation;
- our inability to detect and protect against infringement or other misappropriation of our intellectual property rights by third parties;
- uncertainty regarding the applicability of intellectual property protections to AI Technology (including outputs generated from AI Technology); and
- other practical, resource, or business limitations on our ability to enforce our rights.

Further, the laws of certain foreign countries, particularly certain developing countries, do not provide the same level of protection of corporate proprietary information and assets, such as intellectual property, trademarks, trade secrets, know-how, and records, as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property or proprietary rights abroad. We may also be exposed to material risks of theft or unauthorized reverse engineering of our proprietary information and other intellectual property, including technical data, data sets, or other sensitive information. Our efforts to enforce our intellectual property rights in such foreign countries may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop, which could have a material adverse effect on our business, financial condition, and results of operations. Moreover, if we are unable to prevent the disclosure of our trade secrets to third parties, or if our competitors independently develop any of our trade secrets, we may not be able to establish or maintain a competitive advantage in our market, which could seriously harm our business.

Litigation may be necessary to enforce our intellectual property or proprietary rights, protect our trade secrets, or determine the validity and scope of proprietary rights claimed by others. Any litigation, whether or not resolved in our favor, could result in significant expense to us, divert the efforts of our technical and management personnel, and result in counterclaims with respect to infringement of intellectual property rights by us. If we are unable to prevent third parties from infringing upon or misappropriating our intellectual property or are required to incur substantial expenses defending our intellectual property rights, our business, financial condition, and results of operations may be materially adversely affected.

We may become subject to intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.

We compete in markets where there are a large number of patents, copyrights, trademarks, trade secrets, and other intellectual and proprietary rights, as well as disputes regarding infringement of these rights. In addition, many of the holders of patents, copyrights, trademarks, trade secrets, and other intellectual and proprietary rights have extensive intellectual property portfolios and greater resources than we do to enforce their rights. As compared to our large competitors, our patent portfolio is relatively undeveloped and may not provide a material deterrent to such assertions or provide us with a strong basis to counterclaim or negotiate settlements. Further, to the extent assertions are made against us by entities that hold patents but are not operating companies, our patent portfolio may not provide deterrence because such entities are not concerned with counterclaims.

Any intellectual property litigation to which we become a party may require us to do one or more of the following:

- cease selling, licensing, or using products, features, or data sets that incorporate the intellectual property rights that we allegedly infringe, misappropriate, or violate;
- require us to change the name of our products or services;
- make substantial payments for legal fees, settlement payments, or other costs or damages, including indemnification of third parties;
- obtain a license or enter into a royalty agreement, either of which may not be available on reasonable terms or at all, in order to obtain the right to sell or use the relevant intellectual property; or
- redesign the allegedly infringing products to avoid infringement, misappropriation, or violation, which could be costly, time-consuming, or impossible.

Intellectual property litigation is typically complex, time consuming, and expensive to resolve and would divert the time and attention of our management and technical personnel. It may also result in adverse publicity, which could harm our reputation and ability to attract or retain employees, customers, or partners. As we grow, we may experience a heightened risk of allegations of intellectual property infringement. An adverse result in any litigation claims against us could have a material adverse effect on our business, financial condition, and results of operations.

If we use open-source software inconsistent with our policies and procedures or the license terms applicable to such software, we could be subject to legal expenses, damages, or costly remediation or disruption to our business.

We use open-source software in our platform and in our professional service engagements. From time to time, companies that use third-party open-source software have faced claims challenging the use of such open-source software and their compliance with the terms of the applicable open-source license. We may be subject to suits by parties claiming ownership of what we believe to be open-source software or claiming non-compliance with the applicable open-source licensing terms. Additionally, despite our policies and procedures designed to govern our use of open-source software, we may incorporate open-source software with onerous licensing terms, including the obligation to make our source code available for others to use or modify without compensation to us, or inadvertently use third-party open-source software in a manner that exposes us to claims of non-compliance with the applicable terms of such license, including claims for infringement of intellectual property rights or for breach of contract. If we receive an allegation that we have violated an open-source license, we may incur significant legal expenses, be subject to damages, be required to redesign our product to remove the open-source software or publicly release certain portions of our proprietary source code, or be required to comply with onerous license restrictions, any of which could have a material impact on our business. Even in the absence of a claim, if we discover the use of open-source software inconsistent with our policies, we could expend significant time and resources to replace the open-source software or obtain a commercial license, if available. All of these risks are heightened by the fact that the ownership of open-source software can be uncertain, leading to litigation, that many of the licenses applicable to open-source software have not been interpreted by courts, and that these licenses could be construed to impose unanticipated conditions or restrictions on our ability to commercialize our products. Any use of open-source software inconsistent with our policies or licensing terms could harm our business and financial position.

Risks Related to Our Legal, Regulatory, and Tax Environment

We are subject to stringent and changing obligations related to data, including data privacy and security, and the failure or perceived failure to comply with these obligations could result in significant fines and liability or otherwise result in substantial harm to our business and prospects.

We are subject to data privacy and protection laws, regulations, guidance, external and internal policies and other documentation, industry standards, certifications, and contractual and other obligations that apply to the collection, transmission, storage, use, and other processing of personal information. These obligations are rapidly

evolving, extensive, complex, and include inconsistencies and uncertainties. Examples of recent and anticipated developments that have impacted or could impact our business include the following:

- The European Union's (EU) General Data Protection Regulation (GDPR) and the United Kingdom's General Data Protection Regulation established strict requirements applicable to the handling of personal information.
- India's Digital Personal Data Protection Act (DPDP Act), which was passed in August 2023, imposes strict rules regarding the collection, use, processing and storage of personal data in India. The DPDP Act will not come into effect until the Indian government provides notice of an effective date, which is expected in 2024.
- The EU has proposed the Regulation on Privacy and Electronic Communications, which, if adopted, would impose new obligations on using personal information in the context of electronic communications, particularly with respect to online tracking technologies and direct marketing.
- Certain other jurisdictions have enacted data localization laws and cross-border personal information transfer laws, such as Brazil and China, which could make it more difficult for us to transfer personal information across jurisdictions (such as transferring or receiving personal or other sensitive information that originates in the EU or China), or to enable our customers to transfer or replicate their data across jurisdictions using our platform. Existing mechanisms that may facilitate cross-border personal information transfers may change or be invalidated. Because our business model involves transmitting and mobilizing data across geographical areas, an inability or material limitation on our ability to transfer personal data to the United States or other countries could materially impact our business operations and revenue.
- In the United States, federal, state, and local governments have enacted or proposed data privacy and security laws, including data breach notification laws, personal data privacy laws, and consumer protection laws. Additionally, in the past few years, numerous U.S. states—including California, Virginia, Colorado, Connecticut, and Utah—have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. Such rights may include the right to access, correct, or delete certain personal data, and to opt-out of certain data processing activities, such as targeted advertising, profiling, and automated decision-making and, if exercised, may adversely impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the California Consumer Privacy Act (CCPA), as amended by the California Privacy Rights Act of 2020 (CPRA), provides increased privacy rights and protections, including the ability of individuals to opt out of specific disclosures of their personal information, and provides for fines of up to \$7,500 per intentional violation and allows private litigants affected by certain data breaches to recover significant statutory damages. Other U.S. states have adopted, or are considering adopting, similar laws.
- The certifications we may maintain and the standards that may apply to our business, such as the U.S. Federal Risk and Authorization Management Program (FedRAMP), U.S. Department of Defense Impact Level 4 (IL4), Payment Card Industry Data Security Standards (PCI-DSS), International Organization for Standardization (ISO)/International Electrotechnical Commission (IEC) 27001, Health Information Trust Alliance Common Security Framework (HI-TRUST CSF), StateRAMP, among others, are becoming more stringent.
- We may also become subject to new laws that specifically regulate non-personal data. For example, we may become subject to certain parts of the European Union's Data Act, which imposes certain data and cloud service interoperability and switching obligations to enable users to switch between cloud service providers without undue delay or cost, as well as certain requirements concerning cross-border international transfers of, and governmental access to, non-personal data outside the European Economic Area.

These and other similar legal and regulatory developments could contribute to legal and economic uncertainty, increase our exposure to liability, affect how we design, market, and sell our platform, and how we operate our business, how our customers and partners process and share data, how we process and use data, and how we transfer personal data from one jurisdiction to another, any of which could increase our costs, require us to take on more onerous obligations in our contracts, impact our ability to operate in certain jurisdictions, and/or negatively impact the types of data available on or the demand for our platform. It is possible that new laws may be adopted or existing laws may be interpreted and applied in a manner that is inconsistent with our practices and our efforts to comply with the evolving data protection rules may be unsuccessful. We may incur substantial costs to comply with such laws and regulations, to meet the demands of our customers relating to their own compliance with applicable laws and regulations, and to establish and maintain internal policies, self-certifications, and third-party certifications supporting our compliance programs. Our customers may delegate certain of their GDPR compliance or other privacy law obligations to us, and we may otherwise be required to expend resources to assist our customers with such compliance obligations.

Any actual or perceived non-compliance with applicable data privacy and security obligations by us or our third-party service providers and sub-processors could result in proceedings, investigations, or claims against us by regulatory authorities, customers, or others, leading to reputational harm, higher liability and indemnity obligations, significant fines, litigation costs, additional reporting requirements or oversight, bans on processing personal information, orders to destroy or not use personal information, limitations in our ability to develop or commercialize our platform, inability to process personal information or operate in certain jurisdictions, and other damages. For example, if regulators assert that we have failed to comply with the GDPR or U.K. GDPR, we may be subject to fines of up to (i) 20.0 million Euros or 17.5 million British pounds, as applicable, or (ii) 4% of our worldwide annual revenue, whichever is greater, as well as potential data processing restrictions and penalties. In addition, private plaintiffs have become increasingly active in bringing privacy- and information security-related claims against companies, including class action claims. Some of these claims allow for the recovery of statutory damages on a per violation basis, and, if viable, carry the potential for significant statutory damages, depending on the volume of data and the number of violations. Even if we are not determined to have violated these laws and other obligations, investigations into these issues typically require the expenditure of significant resources and generate negative publicity. In addition, any failure by us or our third-party service providers and sub-processors to comply with applicable obligations could result in proceedings against us. Certain regulators, such as the FTC, may prohibit our use of certain personal information as a result of such proceedings. Any of these events could have a material adverse effect on our business, financial condition, and results of operations.

We publish privacy policies, certifications and other documentation regarding our security program and our collection, processing, use, and disclosure of personal information or other confidential information. We or our vendors may fail to comply with these policies, certifications, or documentation, or may be perceived to have failed to do so. Claims by regulators or private parties that we have not followed our published documentation or otherwise violated individuals' privacy rights or failed to comply with data protection laws, even if we are not found liable, could be expensive and time-consuming to defend and could result in adverse publicity that could harm our business.

Issues in the development and use of AI Technology, combined with an uncertain regulatory environment, may result in reputational harm, liability, or other adverse consequences to our business operations.

The legal and regulatory landscape applicable to AI Technology is uncertain and is evolving rapidly, which may result in new and enhanced governmental or regulatory scrutiny, litigation, confidentiality, privacy or security risks, ethical concerns, legal liability, or other complications that could adversely affect our business, reputation or financial condition, or results of operations. For example, states, regions, and supranational bodies, including the European Union and the United States, have passed or proposed new rules and regulations related to the use or sale of AI Technology. These regulations may impose onerous obligations related to our development, offering, and use of AI Technology and expose us to an increased risk of regulatory enforcement and litigation. If we cannot use AI Technology or that use is restricted, our business may be less efficient, or we may be at a competitive disadvantage.

In particular, there is significant uncertainty surrounding the applications of intellectual property and privacy laws to AI Technology. Intellectual property ownership and license rights, including copyright, surrounding AI Technology have not been fully addressed by courts or other federal or state laws or regulations, and our use of AI Technology or adoption of AI Technology into our products and services may result in disputes with respect to ownership or intellectual property, or exposure to claims of copyright or other intellectual property misappropriation. In addition, our AI Technology may involve the processing of personal and other sensitive data and may be subject to laws, policies, legal obligations, and contractual requirements related to privacy, data protection, and information security. Certain privacy laws extend rights to consumers (such as the right to obtain consent or delete certain personal data) and regulate automated decision making. An alleged or actual failure to meet these obligations may lead to regulatory investigations and fines or penalties, require us to change our business practices or retrain our algorithms, or prevent or limit our use of AI Technology. For example, the FTC has required other companies to turn over or disgorge valuable insights or trainings generated through the use of AI Technology where the FTC determined such companies violated privacy and consumer protection laws. We may also be held liable for intellectual property, privacy, or other legal violations of third-party AI Technology that we use, and that we may not have full recourse for any damages that we suffer (for example, our use of third-party AI Technology may be subject to limitations of liability or provide no liability coverage (e.g., free or open-source technology)).

The algorithms or training methodologies used in the AI Technology we use or offer may be flawed. Data sets may be overly broad, insufficient, or contain inappropriately biased information. Our generative AI Technology may also generate outputs that are inaccurate, misleading, harmful, or otherwise flawed. This may happen if the inputs that the model relied on were inaccurate, incomplete, or flawed (including if a bad actor “poisons” the model with bad inputs or logic), or if the logic of the algorithm is flawed (a so-called “hallucination”). Our customers or others may rely on or use such outputs to their detriment, or it may lead to adverse outcomes, which may expose us to brand or reputational harm, competitive harm, and/or legal liability. Finally, if we enable or offer services or technologies that draw scrutiny or controversy, we may experience brand or reputational harm, competitive harm, and/or legal liability.

We are subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws, and non-compliance with such laws can subject us to criminal or civil liability and harm our business, financial condition, and results of operations.

We are subject to the FCPA, U.S. domestic bribery laws, the U.K. Bribery Act 2010, and other anti-corruption and anti-money laundering laws in the countries in which we conduct business. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies, their employees, and their third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. As we increase our international sales, including in China, and sales to the public sector, we may engage with business partners and third-party intermediaries to market or resell our products and to obtain necessary permits, licenses, and other regulatory approvals. In addition, we or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities.

We may be held responsible for the actions of our employees, agents, customers, partners, suppliers and other third parties with which we do business if such actions violate our policies and applicable law. As we expand internationally and into the public sector market, our risks under these laws may increase.

Detecting, investigating, and resolving actual or alleged violations of anti-corruption, anti-bribery, or anti-money laundering laws can require a significant diversion of time, resources, and attention from senior management. In addition, noncompliance with anti-corruption, anti-bribery, or anti-money laundering laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, enforcement actions, fines, damages, other civil or criminal penalties or injunctions, suspension or debarment from contracting with certain persons, reputational harm, adverse media coverage, and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal proceeding, our business, financial condition, and results of operations could be harmed.

We are subject to governmental export and import controls that could impair our ability to compete in international markets or subject us to liability if we violate the controls.

Our platform is subject to U.S. export controls, including the U.S. Export Administration Regulations, and we incorporate encryption technology into our platform. This encryption technology may be exported outside of the United States only with the required export authorizations, including by license, a license exception, or other appropriate government authorizations, including the filing of an encryption classification request or self-classification report.

Obtaining the necessary export license or other authorization for a particular sale can be time-consuming and may result in the delay or loss of sales opportunities. Furthermore, our activities are subject to U.S. economic sanctions laws and regulations administered by various U.S. agencies, including the U.S. Treasury Department's Office of Foreign Assets Control, that prohibit the sale or supply of most products and services to embargoed jurisdictions or sanctioned parties. Violations of U.S. sanctions or export control regulations can result in significant fines or penalties and possible incarceration for responsible employees and managers.

If our channel partners fail to obtain appropriate import, export, or re-export licenses or permits, we may also be adversely affected through reputational harm, as well as other negative consequences, including government investigations and penalties.

Also, various countries, in addition to the United States, regulate the import and export of certain encryption and other technology, including import and export licensing requirements, and have enacted laws that could limit our ability to distribute our platform in those countries. Changes in our platform or future changes in export and import regulations may create delays in the introduction of our platform in international markets, prevent our customers with international operations from using our platform globally, or, in some cases, prevent the export or import of our platform to certain countries, governments, or persons altogether. From time to time, various governmental agencies have proposed additional regulation of encryption technology. Any change in export or import regulations, economic sanctions, or related legislation, increased export and import controls, or change in the countries, governments, persons, or technologies targeted by such regulations, could result in decreased use of our platform by, or our decreased ability to export or sell our platform to, existing or potential customers with international operations. Any decreased use of our platform or limitation on our ability to export or sell our platform would adversely affect our business, financial condition, and results of operations.

Our international operations may subject us to greater than anticipated tax liabilities.

We are expanding our international operations to better support our growth into international markets. Our corporate structure and associated transfer pricing policies contemplate future growth in international markets and consider the functions, risks, and assets of the various entities involved in intercompany transactions. The amount of taxes we pay in different jurisdictions depend on the application of the tax laws of various jurisdictions, including the United States, to our international business activities, changes in tax rates, new or revised tax laws or interpretations of existing tax laws and policies, and our ability to operate our business in a manner consistent with our corporate structure and intercompany arrangements. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions pursuant to our intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest, and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows, and lower overall profitability of our operations. Our financial statements could fail to reflect adequate reserves to cover such a contingency.

Changes in tax laws or tax rulings could materially affect our financial position, results of operations, and cash flows.

The tax regimes we are subject to or operate under, including income and non-income taxes, are unsettled and may be subject to significant change. Changes in tax laws, regulations, or rulings, or changes in interpretations of existing laws and regulations, could materially affect our financial position and results of operations. For example, the 2017 legislation informally titled the Tax Act significantly reformed the Internal Revenue Code of 1986, as amended (the Code). In August 2022, the United States passed the Inflation Reduction Act, which provides for a minimum tax equal to 15% of the adjusted financial statement income of certain large corporations, as well as a 1% excise tax on stock repurchases. In February 2023, our board of directors authorized the repurchase of up to \$2.0 billion of our common stock through a stock repurchase program. In August 2024, our board of directors authorized the repurchase of an additional \$2.5 billion of our outstanding common stock under the stock purchase program and extended the expiration date of the stock repurchase program from March 2025 to March 2027. We do not expect the excise tax on repurchases under our stock repurchase program to have a material impact on our aggregate tax liability. In addition, many countries have recently proposed, recommended, or enacted changes to existing tax laws or new tax laws that could significantly increase our tax obligations in the countries where we do business or require us to change the manner in which we operate our business.

Over the last several years, the Organization for Economic Cooperation and Development has been working on a Base Erosion and Profit Shifting Project that, if implemented, would change various aspects of the existing framework under which our tax obligations are determined in many of the countries in which we do business. As of February 2024, more than 140 countries have approved a framework that imposes a minimum tax rate of 15%, among other provisions. As this framework is subject to further negotiation and implementation by each member country, the timing and ultimate impact of any such changes on our tax obligations are uncertain. Similarly, the European Commission and several countries have issued proposals that would apply to various aspects of the current tax framework under which we are taxed. These proposals include changes to the existing framework to calculate income tax, as well as proposals to change or impose new types of non-income taxes (such as taxes based on a percentage of revenue or taxes applicable to digital services), which could apply to our business.

Due to the large and expanding scale of our international business activities, these types of changes to the taxation of our activities could increase our worldwide effective tax rate, increase the amount of taxes imposed on our business, and harm our financial position. Such changes may also apply retroactively to our historical operations and result in taxes greater than the amounts estimated and recorded in our financial statements. We continue to monitor the impact of new global and U.S. legislation on our effective tax rate.

Our ability to use our net operating loss carryforwards may be limited.

We have incurred substantial losses during our history, do not expect to become profitable in the near future, and may never achieve profitability. Unused U.S. federal net operating losses (NOLs) for taxable years beginning before January 1, 2018, may be carried forward to offset future taxable income, if any, until such unused NOLs expire. Under the Tax Act, as modified by 2020 legislation referred to as the CARES Act, U.S. federal NOLs arising in taxable years beginning after December 31, 2017, can be carried forward indefinitely, but the deductibility of such U.S. federal NOLs in taxable years beginning after December 31, 2020, is limited to 80% of such year's taxable income. At the state level, there may be periods during which the use of NOLs is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed.

As of January 31, 2024, we had U.S. federal, state, and foreign NOL carryforwards of \$6.2 billion, \$5.6 billion, and \$175.2 million, respectively. Of the \$6.2 billion U.S. federal NOL carryforwards, \$6.1 billion may be carried forward indefinitely with utilization limited to 80% of taxable income, and the remaining \$0.1 billion will begin to expire in 2032. The state NOL carryforwards begin to expire in 2024. Of the \$175.2 million foreign NOL carryforwards, \$169.6 million may be carried forward indefinitely, and the remaining \$5.6 million will begin to expire in 2027.

In addition, under Section 382 of the Code, and corresponding provisions of state law, if a corporation undergoes an “ownership change,” which is generally defined as one or more stockholders or groups of stockholders who own at least 5% of our stock increasing their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period, the corporation’s ability to use its pre-change NOL carryforwards to offset its post-change income or taxes may be limited. It is possible that we have experienced or may experience ownership changes as a result of shifts in our stock ownership, some of which may be outside of our control. This could limit the amount of NOLs that we can utilize annually to offset future taxable income or tax liabilities. Subsequent ownership changes and changes to the U.S. tax rules in respect of the utilization of NOLs may further affect the limitation in future years.

Changes in our effective tax rate or tax liability may have an adverse effect on our results of operations.

We are subject to income taxes in the United States and various foreign jurisdictions. The determination of our worldwide provision for income taxes and other tax liabilities requires significant judgment by management, and there are many transactions where the ultimate tax determination is uncertain. We believe that our provision for income taxes is reasonable, but the ultimate tax outcome may differ from the amounts recorded in our condensed consolidated financial statements and may materially affect our financial results in the period or periods in which such outcome is determined.

Our effective tax rate could increase due to several factors, including:

- changes in the relative amounts of income before taxes in the various jurisdictions in which we operate that have differing statutory tax rates;
- changes in tax laws, tax treaties, and regulations or the interpretation of them;
- changes to our assessment about our ability to realize our deferred tax assets that are based on estimates of our future results, the prudence and feasibility of possible tax planning strategies, and the economic and political environments in which we do business;
- the outcome of current and future tax audits, examinations, or administrative appeals; and
- the effects of acquisitions and divestitures.

Any of these developments could adversely affect our results of operations.

Risks Related to the Ownership of Our Common Stock

Our stock price may be volatile, and the value of our common stock may decline.

The market price of our common stock has been and may continue to be highly volatile and may fluctuate or decline substantially as a result of a variety of factors, some of which are beyond our control, including:

- actual or anticipated fluctuations in our financial condition or results of operations;
- variance in our actual or projected financial performance from expectations of securities analysts and investors;
- changes in the pricing or consumption of our platform;
- updates to our projected operating and financial results;
- changes in laws or regulations applicable to our business;
- announcements by us or our competitors of significant business developments, acquisitions, investments, or new offerings;
- rumors and market speculation involving us or other companies in our industry;
- significant data breaches, disruptions to, or other incidents involving our platform or our customers;
- our involvement in litigation or governmental or regulatory investigations or inquiries and the development and outcome of such litigation, investigations, or inquiries;

- changes in senior management or key personnel;
- fluctuations in company valuations, particularly valuations of high-growth or cloud companies, perceived to be comparable to us;
- the trading volume of our common stock;
- purchase and sale of our common stock by our insiders or our other stockholders;
- changes in the anticipated future size and growth rate of our market;
- our issuance or repurchase of shares of our common stock or securities convertible into or exchangeable for share of our common stock; and
- general political, social, economic, and market conditions.

Broad market and industry fluctuations, as well as general economic, political, regulatory, and market conditions, such as recessions, inflation, interest rate changes, or international currency fluctuations, may also negatively impact the market price of our common stock. In addition, technology stocks have historically experienced high levels of volatility. In the past, companies that have experienced volatility in the market price of their securities have been subject to securities class action litigation. We have been, and may be in the future, the target of this type of litigation, which could result in substantial expenses and divert our management's attention. We are currently subject to a securities class action lawsuit in federal court. See the section titled "Legal Proceedings" for more information.

Our issuance of additional capital stock in connection with financings, acquisitions, investments, our equity incentive plans, or otherwise will dilute all other stockholders.

We expect to issue additional capital stock in the future that will result in dilution to all other stockholders. We expect to grant equity awards to employees, non-employee directors, and consultants under our equity incentive plans. We may also raise capital through equity financings in the future. As part of our business strategy, we have and may continue to acquire or make investments in companies, products, or technologies and issue equity securities to pay for any such acquisition or investment. Any such issuances of additional capital stock may cause stockholders to experience significant dilution of their ownership interests and the per share value of our common stock to decline.

We may not realize the anticipated long-term stockholder value of our stock repurchase program, and any failure to repurchase our common stock after we have announced our intention to do so may negatively impact our stock price.

In February 2023, our board of directors authorized the repurchase of up to \$2.0 billion of our common stock through a stock repurchase program. In August 2024, our board of directors authorized the repurchase of an additional \$2.5 billion of our outstanding common stock under the stock repurchase program and extended the expiration date of the stock repurchase program from March 2025 to March 2027. Repurchases may be effected, from time to time, either on the open market (including via pre-set trading plans), in privately negotiated transactions, or through other transactions in accordance with applicable securities laws.

The timing and amount of any repurchases will be determined by management based on an evaluation of market conditions and other factors. The program does not obligate us to acquire any particular amount of common stock and may be suspended or discontinued at any time at our discretion. Any failure to repurchase stock after we have announced our intention to do so may negatively impact our reputation, investor confidence in us, or our stock price.

The existence of our stock repurchase program could cause our stock price to be higher than it otherwise would be and could potentially reduce the market liquidity for our stock. Although our stock repurchase program is intended to enhance long-term stockholder value, there is no assurance that it will do so because the market price of our common stock may decline below the levels at which we repurchase shares, and short-term stock price fluctuations could reduce the effectiveness of the program. Repurchasing our common stock reduces the amount of cash we have available to fund working capital, capital expenditures, strategic acquisitions or investments, other business opportunities, and other general corporate projects, and we may fail to realize the anticipated long-term stockholder value of any stock repurchase program.

If securities or industry analysts publish unfavorable or inaccurate research about our business, the market price or trading volume of our common stock could decline.

The market price and trading volume of our common stock is heavily influenced by the way analysts interpret our financial information and other disclosures. We do not have control over these analysts. If securities analysts or industry analysts cease coverage of us, our stock price would be negatively affected. If securities or industry analysts downgrade our common stock or publish negative reports about our business, our stock price would likely decline. Further, investors and analysts may not understand how our consumption-based business model differs from a subscription-based business model. If one or more of these analysts cease coverage of us, publish inaccurate research about our business, or fail to publish reports on us regularly, demand for our common stock could decrease, which might cause our stock price to decline and could decrease the trading volume of our common stock.

We do not intend to pay dividends for the foreseeable future and, as a result, the ability of the holders of our common stock to achieve a return on their investment will depend on appreciation in the price of our common stock.

We have never declared or paid any cash dividends on our capital stock, and we do not intend to pay any cash dividends in the foreseeable future. Any determination to pay dividends in the future will be at the discretion of our board of directors. Accordingly, holders of our common stock may need to rely on sales of our common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment.

We incur significant costs operating as a public company, and our management is required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the New York Stock Exchange, and other applicable securities rules and regulations. Our management and other personnel devote a substantial amount of time to compliance with these requirements. Moreover, these rules and regulations have increased our legal and financial compliance costs and make some activities more time-consuming and costly. In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure are creating uncertainty for public companies. These laws, regulations, and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to continue to invest resources to comply with evolving laws, regulations, and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If, notwithstanding our efforts, we fail to comply with evolving laws, regulations, and standards, regulatory authorities may initiate legal proceedings against us, and our business may be harmed. Failure to comply with these rules might also make it more difficult for us to obtain certain types of insurance, including director and officer liability insurance, and we might be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. We cannot predict or estimate the amount of additional costs we will incur as a public company or the specific timing of such costs.

Increasing scrutiny and changing expectations from global regulations, our investors, customers, and employees with respect to ESG may impact our reputation and business.

Companies across many industries are facing increasing scrutiny related to their environmental, social and governance (ESG) practices and reporting, both in the United States and internationally. For example, new domestic and international laws and regulations relating to ESG matters, including environmental sustainability and climate change and human capital management, are under consideration or being adopted, which may include specific, target-driven disclosure requirements or obligations. Our response to increased ESG disclosure requirements may require additional investments and implementation of new practices and reporting processes, all entailing additional compliance risk and cost. To the extent we share information about our ESG practices, we could be criticized for the accuracy, adequacy, or completeness of such disclosures. In addition, we may communicate ESG goals or initiatives from time to time, which can be costly to achieve and difficult to implement. There is no assurance that we will achieve any of these goals, that our initiatives will achieve their intended outcome, and our ability to implement these ESG-related initiatives or achieve ESG-related goals may be dependent on external factors outside our control.

Further, we may experience backlash from customers, government entities, advocacy groups, employees, or other stakeholders who disagree with our actual or perceived positions, or with our lack of position on social, environmental, governance, political, public policy, economic, geopolitical, or other sensitive issues. Any perceived lack of transparency about these matters could harm our brand and reputation, our employees' engagement and retention, and the willingness of our customers and partners to do business with us.

As a result of being a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting, and any failure to maintain the adequacy of these internal controls may adversely affect investor confidence in our company and, as a result, the value of our common stock.

We are required, pursuant to Section 404 of the Sarbanes-Oxley Act (Section 404), to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting as of the end of each fiscal year. This assessment includes disclosure of any material weaknesses identified by our management in our internal control over financial reporting. In addition, our independent registered public accounting firm is required to attest to the effectiveness of our internal control over financial reporting. Our compliance with Section 404 requires that we incur substantial expenses and expend significant management efforts. We have established an internal audit group, and as we continue to grow, we expect to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge and update the system and process documentation necessary to perform the evaluation needed to comply with Section 404.

During the evaluation and testing process of our internal controls, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to certify that our internal control over financial reporting is effective. We cannot assure you that there will not be material weaknesses or significant deficiencies in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition or results of operations. If we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have a material weakness or significant deficiency in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management, and limit the market price of our common stock.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our amended and restated certificate of incorporation and amended and restated bylaws include provisions that:

- authorize our board of directors to issue, without further action by the stockholders, shares of undesignated preferred stock with terms, rights, and preferences determined by our board of directors that may be senior to our common stock;
- require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent;
- specify that special meetings of our stockholders can be called only by our board of directors, the chairperson of our board of directors, or our Chief Executive Officer;
- establish an advance notice procedure for stockholder proposals to be brought before an annual or special meeting, including proposed nominations of persons for election to our board of directors;
- establish that our board of directors is divided into three classes, with each class serving three-year staggered terms;
- prohibit cumulative voting in the election of directors;
- provide that our directors may only be removed for cause;

- provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum; and
- require the approval of our board of directors or the holders of at least 66 2/3% of our outstanding shares of voting stock to amend our bylaws and certain provisions of our certificate of incorporation.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally, subject to certain exceptions, prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any “interested” stockholder for a period of three years following the date on which the stockholder became an “interested” stockholder. Any of the foregoing provisions could limit the price that investors might be willing to pay in the future for shares of our common stock, and they could deter potential acquirers of our company, thereby reducing the likelihood that holders of our common stock would receive a premium for their shares of our common stock in an acquisition.

Our amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware and, to the extent enforceable, the federal district courts of the United States of America as the exclusive forums for certain disputes between us and our stockholders, which will restrict our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: any derivative action or proceeding brought on our behalf, any action asserting a breach of a fiduciary duty owed by any of our current or former directors, officers, or other employees to our company or our stockholders, any action asserting a claim against us arising out of or pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our amended and restated bylaws, any action as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware, or any action asserting a claim against us or any of our current or former directors, officers, or other employees that is governed by the internal affairs doctrine. This choice of forum provision does not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation provides that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation. This may require significant additional costs associated with resolving such action in other jurisdictions, and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions. In addition, investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder.

These choice of forum provisions may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees. If a court were to find either exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**Recent Sales of Unregistered Equity Securities**

None.

Issuer Purchases of Equity Securities

The following table presents our stock repurchase activity under our authorized stock repurchase program for the three months ended July 31, 2024 (in thousands, except for per share data):

	<u>Total Number of Shares Purchased</u>	<u>Average Price Paid Per Share⁽¹⁾</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Program</u>	<u>Approximate Dollar Value of Shares That May Yet Be Purchased Under the Program⁽²⁾</u>
May 1, 2024 to May 31, 2024	—	\$ —	—	\$ 891,939
June 1, 2024 to June 30, 2024	2,957	\$ 135.29	2,957	\$ 491,939
July 1, 2024 to July 31, 2024	—	\$ —	—	\$ 491,939
Total	<u>2,957</u>		<u>2,957</u>	

⁽¹⁾ Weighted-average price paid per share includes transaction costs associated with the repurchases.

⁽²⁾ In February 2023, our board of directors authorized, and on March 1, 2023, we publicly announced, a stock repurchase program of up to \$2.0 billion of our outstanding common stock. In August 2024, our board of directors authorized, and we publicly announced, the repurchase of an additional \$2.5 billion of our outstanding common stock under the stock repurchase program and extended the expiration date of the stock repurchase program from March 2025 to March 2027. The amount disclosed in this column does not take into account the additional \$2.5 billion of repurchase amount authorized in August 2024. Repurchases may be effected, from time to time, either on the open market (including via pre-set trading plans), in privately negotiated transactions, or through other transactions in accordance with applicable securities laws. The timing and amount of any repurchases will be determined by management based on an evaluation of market conditions and other factors. The program does not obligate us to acquire any particular amount of common stock, and the repurchase program may be suspended or discontinued at any time at our discretion.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Description	Form	File No.	Exhibit	Filing Date	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of Snowflake Inc.	8-K	001-39504	3.1	9/18/2020	
3.2	Amended and Restated Bylaws of Snowflake Inc.	8-K	001-39504	3.1	11/29/2023	
3.3	Certificate of Retirement.	8-K	001-39504	3.1	3/3/2021	
10.1+	Amended and Restated Non-Employee Director Compensation Policy.					X
10.2+	Forms of Notice of Stock Option Grant, Global Stock Option Agreement, and Exercise Notice under 2020 Equity Incentive Plan.					X
10.3+	Forms of Restricted Stock Unit Grant Notice and Global Restricted Stock Unit Award Agreement under 2020 Equity Incentive Plan.					X
31.1	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
101	The following financial information from Snowflake Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended July 31, 2024 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Operations, (iii) the Condensed Consolidated Statements of Comprehensive Loss, (iv) the Condensed Consolidated Statements of Stockholders' Equity, (v) the Condensed Consolidated Statements of Cash Flows, and (vi) Notes to the Condensed Consolidated Financial Statements.					X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibits 101).					X

+ Management contract or compensatory plan or arrangement.

* The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and are not deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 29, 2024

SNOWFLAKE INC.

By: /s/ Sridhar Ramaswamy
Name: Sridhar Ramaswamy
Title: Chief Executive Officer
(Principal Executive Officer)

By: /s/ Michael P. Scarpelli
Name: Michael P. Scarpelli
Title: Chief Financial Officer
(Principal Financial Officer)

By: /s/ Emily Ho
Name: Emily Ho
Title: Chief Accounting Officer
(Principal Accounting Officer)



**AMENDED AND RESTATED
NON-EMPLOYEE DIRECTOR COMPENSATION POLICY**

1. Introduction

Each member of the Board of Directors (the “**Board**”) of Snowflake Inc. (“**Snowflake**”) who is a non-employee director of Snowflake (each such member, a “**Non-Employee Director**”) will receive the compensation described in this Amended and Restated Non-Employee Director Compensation Policy (“**Policy**”) for his or her Board service. This Policy may be amended at any time in the sole discretion of the Board or the Compensation Committee of the Board.

2. Equity Compensation

Equity awards will be granted under Snowflake’s 2020 Equity Incentive Plan (the “**Plan**”).

(a) Initial Appointment Equity Grant. On appointment to the Board, and without any further action of the Board or Compensation Committee of the Board, at the close of business on the day of such appointment, a Non-Employee Director will be automatically granted a Restricted Stock Unit Award for Snowflake’s Class A common stock (the “**Class A Common Stock**”) having a value of \$1,000,000 based on the Fair Market Value (as defined in the Plan) of the underlying Class A Common Stock on the date of grant (the “**Initial RSU**”). Each Initial RSU will vest over three years, with one-third of the Initial RSU vesting on the first, second, and third anniversary of the date of grant. As used herein, the term “**Initial Calendar Year**” as applicable to each Non-Employee Director means the calendar year in which such Non-Employee Director’s Initial RSU is granted.

(b) Automatic Equity Grants. Without any further action of the Board or Compensation Committee of the Board, at the close of business on the date of each Annual Meeting of Snowflake’s stockholders (“**Annual Meeting**”), each person who is then a Non-Employee Director – excluding any Non-Employee Director whose Initial Calendar Year falls in the same calendar year as such Annual Meeting – will automatically receive a Restricted Stock Unit Award for Class A Common Stock having a value of \$300,000 based on the average Fair Market Value (as defined in the Plan) of the underlying Class A Common Stock for the ten (10) trading days prior to and ending on the date of grant (the “**Annual RSU**”). Each Annual RSU will vest on the earlier of (i) the date of the following year’s Annual Meeting (or the date immediately prior to the next Annual Meeting if the Non-Employee Director’s service as a director ends at such meeting due to the director’s failure to be re-elected or the director not standing for re-election); or (ii) the first anniversary of the date of grant.

(c) Vesting; Change of Control. All vesting is subject to the Non-Employee Director’s “**Continuous Service**” (as defined in the Plan) on each applicable vesting date, even if such Continuous Service does not relate to service on the Board. Notwithstanding the foregoing vesting schedules, for each Non-Employee Director who remains in Continuous Service with Snowflake until immediately prior to the closing of a “**Corporate Transaction**” (as defined in the Plan), the shares subject to his or her then-outstanding equity awards will become fully vested immediately prior to the closing of such Corporate Transaction.

(d) Remaining Terms. Each Restricted Stock Unit Award will be granted subject to Snowflake’s standard Restricted Stock Unit Award Agreement, in the form adopted from time to time by the Board or the Compensation Committee of the Board.

3. Annual Cash Compensation

Subject to the Non-Employee Director Compensation Limit (defined below), for each calendar year following the Initial Calendar Year, each Non-Employee Director will receive the cash compensation set forth below for service on the Board. The annual cash compensation amounts will be payable in equal quarterly installments, in arrears following the end of each quarter in which the service occurred, pro-rated for any partial months of service. All annual cash fees are vested upon payment.

- (a) Annual Board Service Retainer:
 - a. All Eligible Directors: \$33,000
- (b) Annual Committee Member Service Retainer:
 - a. Member of the Audit Committee: \$10,000
 - b. Member of the Compensation Committee: \$9,500
 - c. Member of the Cybersecurity Committee: \$5,000
 - d. Member of the Nominating and Governance Committee: \$5,000
- (c) Annual Committee Chair Service Retainer (in lieu of Committee Member Service Retainer):
 - a. Chair of the Audit Committee: \$25,000
 - b. Chair of the Compensation Committee: \$15,000
 - c. Chair of the Cybersecurity Committee: \$10,000
 - d. Chair of the Nominating and Governance Committee: \$10,000
- (d) Additional Annual Lead Independent Director Compensation: \$20,000

Pursuant to Section 4(c) of the Snowflake Inc. 2020 Equity Incentive Plan, the aggregate value of all compensation granted or paid, as applicable, to any Non-Employee Director with respect to any calendar year, including equity awards granted and cash fees paid by Snowflake to such Non-Employee Director, may not exceed (i) U.S. \$750,000 in total value or (ii) in the event such Non-Employee Director is first appointed or elected to the Board during such calendar year, U.S. \$1,000,000 in total value, in each case calculating the value of any equity awards based on the grant date fair value of such equity awards for financial reporting purposes (the “**Non-Employee Director Compensation Limit**”).

4. Expenses

Snowflake will reimburse Non-Employee Directors for ordinary, necessary, and reasonable out-of-pocket travel expenses to cover in-person attendance at, and participation in, Board and committee meetings; *provided*, that the Non-Employee Director timely submit appropriate documentation substantiating such expenses in accordance with Snowflake’s travel and expense policy, as in effect from time to time.



Policy History

- Approved by the Board on August 21, 2020.
- Amended by the Board on March 1, 2022.
- Amended by the Board on February 28, 2023.
- Amended and Restated by the Board on April 5, 2023.
- Amended and Restated by the Board on November 28, 2023.
- Amended by the Board on August 20, 2024.

**SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN
GLOBAL STOCK OPTION GRANT NOTICE**

Snowflake Inc. (the “*Company*”), pursuant to its 2020 Equity Incentive Plan (the “*Plan*”), has granted to you (“*Optionholder*”) an option to purchase the number of shares of the Class A Common Stock set forth below (the “*Option*”). Your Option is subject to all of the terms and conditions as set forth herein and in the Plan, the Global Stock Option Agreement, including any appendices thereto (the “*Appendices*”), and the Notice of Exercise, all of which are provided to you and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Global Stock Option Agreement (including the Appendices) shall have the meanings set forth in the Plan or the Global Stock Option Agreement, as applicable.

Optionholder: _____
Date of Grant: _____
Vesting Commencement Date: _____
Number of Shares of Class A Common Stock Subject to Option: _____
Exercise Price (Per Share): _____
Expiration Date: _____

Type of Grant:

[Incentive Stock Option] OR [Nonstatutory Stock Option]

Exercise and Vesting Schedule:

Subject to the Optionholder’s Continuous Service through each applicable vesting date, the Option will vest as follows:

[_____]

Notwithstanding the foregoing, vesting shall (i) terminate and any unvested portion of the Option shall be forfeited upon the Participant’s termination of Continuous Service, and (ii) be subject to the Company’s Leave of Absence Policy for Equity and the Company’s Survivor Benefit Policy, both as amended from time to time.

Optionholder Acknowledgements: By your signature below or by electronic acceptance or authentication in a form authorized by the Company, you understand and agree that:

- The Option is governed by this Global Stock Option Grant Notice, and the provisions of the Plan and the Global Stock Option Agreement (including the Appendices) and the Notice of Exercise, all of which are made a part of this document. This Grant Notice, the Global Stock Option Agreement, and the Appendices (collectively, the “*Agreement*”) may not be modified, amended, or revised except in a writing signed by you and a duly authorized officer of the Company, unless otherwise provided in the Plan.

- If the Option is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options granted to you) cannot be first *exercisable* for more than USD 100,000 in value (measured by exercise price) in any calendar year. Any excess over USD 100,000 is a Nonstatutory Stock Option.
- You consent to receive the Agreement, the Plan, the Prospectus, and any other Plan-related documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
- You have read and are familiar with the provisions of the Plan, the Agreement, and the Prospectus. In the event of any conflict between the provisions in this Agreement (including the Grant Notice, the Global Option Agreement, and the Appendices), the Notice of Exercise, or the Prospectus and the terms of the Plan, the terms of the Plan shall control.
- This Agreement sets forth the entire understanding between you and the Company regarding the acquisition of Class A Common Stock in connection with this Option and supersedes all prior oral and written agreements, promises, and/or representations on that subject.
- Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, or other Applicable Law) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.
- Notwithstanding the above, if you have not actively accepted the Option within 45 days of the Date of Grant set forth in this Stock Option Grant Notice, you are deemed to have accepted the Option, subject to all of the terms and conditions of the Plan and Agreement.

SNOWFLAKE INC.

By: _____
Signature

Title: Chief Financial Officer

Date: _____

OPTIONHOLDER:

_____ Signature

Date: _____

SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN
GLOBAL STOCK OPTION AGREEMENT

As reflected by your Stock Option Grant Notice (“*Grant Notice*”) Snowflake Inc. (the “*Company*”) has granted you an option under its 2020 Equity Incentive Plan (the “*Plan*”) to purchase a number of shares of Class A Common Stock at the exercise price indicated in your Grant Notice (the “*Option*”). The terms of your Option as specified in the Grant Notice and this Global Stock Option Agreement, including the Appendices described below, constitute your Agreement (the Grant Notice, Global Stock Option Agreement, and Appendices, collectively, are referred to as the “*Agreement*”). Capitalized terms not explicitly defined in this Global Stock Option Agreement but defined in the Grant Notice or the Plan shall have the same definitions as in the Grant Notice or Plan, as applicable.

The general terms and conditions applicable to your Option are as follows:

1. GOVERNING PLAN DOCUMENT. Your Option is subject to all the provisions of the Plan. Your Option is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. Without limitation to the foregoing, your Option is subject to the terms of the Company’s Leave of Absence Policy for Equity and the Company’s Survivor Benefit Policy, both as amended from time to time. In the event of any conflict between the Option Agreement and the provisions of the Plan, the provisions of the Plan shall control.

2. EXERCISE.

(a) You may generally exercise the vested portion of your Option for whole shares of Class A Common Stock at any time during its term by delivery of payment of the exercise price and applicable withholding taxes and other required documentation to the Plan Administrator in accordance with the exercise procedures established by the Plan Administrator, which may include an electronic submission. Please review the Plan, which may restrict or prohibit your ability to exercise your Option during certain periods.

(b) To the extent permitted by Applicable Law, you may pay your Option exercise price as follows:

- i. cash, check, bank draft or money order;
- ii. subject to Company and/or Committee consent at the time of exercise, pursuant to a “cashless exercise” program as further described in the Plan if at the time of exercise the Class A Common Stock is publicly traded;
- iii. subject to Company and/or Committee consent at the time of exercise, by delivery of previously owned shares of Class A Common Stock as further described in the Plan; or
- iv. subject to Company and/or Committee consent at the time of exercise, if the Option is a Nonstatutory Stock Option, by a “net exercise” arrangement as further described in the Plan.

3. TERM. You may not exercise your vested Option before the commencement of its term or after its term expires. The term of your Option commences on the Date of Grant and expires upon the earliest of the following:

- (a) immediately upon the termination of your Continuous Service for Cause;
- (b) three (3) months after the termination of your Continuous Service for any reason other than Cause, Disability or death;
- (c) 12 months after the termination of your Continuous Service due to your Disability;
- (d) 18 months after your death if you die during your Continuous Service;
- (e) immediately upon a Corporate Transaction if the Board has determined that the Option will terminate in connection with a Corporate Transaction,
- (f) the Expiration Date indicated in your Grant Notice; or
- (g) the day before the 10th anniversary of the Date of Grant.

Notwithstanding the foregoing, if you die during the period provided in Section 3(b), the term of your Option shall not expire until the earlier of (i) 18 months after your death, (ii) upon any termination of the Option in connection with a Corporate Transaction, (iii) the Expiration Date indicated in your Grant Notice, or (iv) the day before the tenth anniversary of the Date of Grant. Additionally, the Post-Termination Exercise Period of your Option may be extended as provided in the Plan.

To obtain the U.S. federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the date of grant of your Option and ending on the day three months before the date on which your option becomes exercisable, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. If the Company provides for the extended exercisability of your Option under certain circumstances for your benefit, your Option will not necessarily be treated as an Incentive Stock Option if you exercise your Option more than three months after the date your employment terminates.

4. WITHHOLDING OBLIGATIONS.

(a) Regardless of any action taken by the Company or, if different, the Affiliate to which you provide Continuous Service (the "*Service Recipient*") with respect to any income tax, social insurance, payroll tax, fringe benefits tax, payment on account, or other tax-related items associated with the grant, vesting or exercise of the Option or sale of the underlying Class A Common Stock or other tax-related items related to your participation in the Plan and legally applicable to you (the "*Tax Liability*"), you hereby acknowledge and agree that the Tax Liability is your ultimate responsibility and may exceed the amount, if any, actually withheld by the Company or the Service Recipient. You further acknowledge that the Company and the Service Recipient (i) make no representations or undertakings regarding any Tax Liability in connection with any aspect of this Option, including, but not limited to, the grant, vesting or exercise of the Option, the issuance of Class A Common Stock pursuant to such exercise, the subsequent sale of shares of Class A Common Stock, and the payment of any dividends on the shares; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate your Tax Liability or achieve a particular tax result. Further, if you are subject to Tax Liability in more than one jurisdiction, you acknowledge that the Company and/or the Service Recipient (or former service recipient, as applicable) may be required to withhold or account for Tax Liability in more than one jurisdiction.

(b) In connection with any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Service Recipient to satisfy all Tax Liability. As further provided in Section 8 of the Plan, you hereby authorize the Company and any applicable Service Recipient to satisfy any applicable withholding obligations or rights with regard to the Tax Liability by one or a combination of the following methods: (i) causing you to pay any portion of the Tax Liability in cash or cash equivalent in a form acceptable to the Company; (ii) withholding from any compensation otherwise payable to you by the Company or the Service Recipient; (iii) withholding from the proceeds of the sale of shares of Class A Common Stock issued upon exercise of the Option (including by means of a "cashless exercise" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company, or by means of the Company acting as your agent to sell sufficient shares of Class A Common Stock for the proceeds to settle such withholding requirements, on your behalf pursuant to this authorization without further consent); (iv) withholding shares of Class A Common Stock otherwise issuable to you upon the exercise of the Option, provided that to the extent necessary to qualify for an exemption from application of Section 16(b) of the Exchange Act, if applicable, such share withholding procedure will be subject to the express prior approval of the Board or the Company's Compensation Committee; and/or (v) any other method determined by the Company to be in compliance with Applicable Law. Furthermore, you agree to pay the Company or the Service Recipient any amount the Company or the Service Recipient may be required to withhold, collect or pay as a result of your participation in the Plan or that cannot be satisfied by the means previously described. In the event it is determined that the amount of the Tax Liability was greater than the amount withheld by the Company and/or the Service Recipient, as applicable, you agree to indemnify and hold the Company and/or the Service Recipient (as applicable) harmless from any failure by the Company or the applicable Service Recipient to withhold the proper amount.

(c) The Company may withhold or account for your Tax Liability by considering statutory or other withholding rates applicable in your jurisdiction(s), including (i) maximum applicable rates in your jurisdiction(s), in which case you may receive a refund of any over-withheld amount in cash (whether from applicable tax authorities or the Company) and you will have no entitlement to the equivalent amount in Class A Common Stock or (ii) minimum or such other applicable rates in your jurisdiction(s), in which case you may be solely responsible for paying any additional Tax Liability to the applicable tax authorities or to the Company and/or the Service Recipient. If the Tax Liability withholding obligation is satisfied by withholding shares of Class A Common Stock, for tax purposes, you are deemed to have been issued the full number of shares of Class A Common Stock subject to the exercised portion of the Option, notwithstanding that a number of the shares of Class A Common Stock is held back solely for the purpose of paying such Tax Liability.

(d) You acknowledge that you may not be able to exercise your Option even though the Option is vested, and that the Company shall have no obligation to issue shares of Class A Common Stock, in each case, unless and until you have fully satisfied any applicable Tax Liability, as determined by the Company. Unless any withholding obligation for the Tax Liability is satisfied, the Company shall have no obligation to deliver to you any Class A Common Stock in respect of the Option.

5. INCENTIVE STOCK OPTION DISPOSITION REQUIREMENT. If your option is an Incentive Stock Option, you must notify the Company in writing within 15 days after the date of any disposition of any of the shares of the Class A Common Stock issued upon exercise of your option that occurs within two years after the date of your option grant or within one year after such shares of Class A Common Stock are transferred upon exercise of your option.

6. TRANSFERABILITY. Except as otherwise provided in the Plan, your Option is not transferable, except by will or by the applicable laws of descent and distribution, and is exercisable during your life only by you.

7. **CORPORATE TRANSACTION.** Your Option is subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on your behalf with respect to any escrow, indemnities and any contingent consideration.

8. **NO LIABILITY FOR TAXES.** As a condition to accepting the Option, you hereby (a) agree to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to any Tax Liability arising from the Option or any other compensation from the Company or the Service Recipient and (b) acknowledge that you were advised to consult with your own personal tax, financial and other legal advisors regarding the tax consequences of the Option and have either done so or knowingly and voluntarily declined to do so. Additionally, if you are subject to taxation in the U.S., (i) you acknowledge that the Option is exempt from Section 409A only if the exercise price is at least equal to the “fair market value” of the Class A Common Stock on the date of grant as determined by the U.S. Internal Revenue Service and there is no other impermissible deferral of compensation associated with the Option, and (ii) as a condition to accepting the Option, you agree not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the U.S. Internal Revenue Service asserts that such exercise is less than the “fair market value” of the Class A Common Stock on the date of grant as subsequently determined by the U.S. Internal Revenue Service.

9. **DATA PRIVACY.** In order for the Company to administer the Option and your participation in the Plan, the Company must collect, process and transfer certain of your personal data, as further described in Appendix A to this Global Stock Option Agreement. Appendix A constitutes part of this Agreement.

10. **SEVERABILITY.** If any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

11. **OTHER DOCUMENTS.** You hereby acknowledge receipt of or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Prospectus. In addition, you acknowledge receipt of the Company’s Insider Trading Policy.

12. **QUESTIONS.** If you have questions regarding these or any other terms and conditions applicable to your Option, including a summary of the applicable U.S. federal income tax consequences, please see the Prospectus (or, for a summary of the tax consequences if you are based outside the U.S., the employee information supplement to the Prospectus applicable for your jurisdiction).

13. **[INTENTIONALLY OMITTED].**

14. **GOVERNING LAW.** This Agreement and any controversy arising out of or relating to this Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to conflict of law principles that would result in any application of any law other than the law of the State of Delaware.

15. **WAIVER.** You acknowledge that a waiver by the Company of any provision, or breach thereof, of this Agreement on any occasion shall not operate or be construed as a waiver of such provision on any other occasion or as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other Participant.

16. IMPOSITION OF OTHER REQUIREMENTS. The Company reserves the right to impose other requirements on your participation in the Plan, on the Option and on any Class A Common Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

17. NO ADVICE REGARDING GRANT. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying shares of Class A Common Stock. You should consult with your own personal tax, financial and/or legal advisors regarding the Tax Liability arising in connection with the Option and by accepting the Option, you have agreed that you have done so or knowingly and voluntarily declined to do so.

18. COUNTRY-SPECIFIC PROVISIONS. The Option shall be subject to any additional or different terms and conditions set forth in Appendix B to this Global Stock Option Agreement. Moreover, if you relocate to one of the countries included in Appendix B, the additional or different terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix B constitutes part of this Agreement.

**SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN**

APPENDIX A TO GLOBAL STOCK OPTION AGREEMENT

This Appendix A forms part of the Agreement. Capitalized terms used but not defined in this Appendix A have the meanings set forth in the Plan and/or in the Global Stock Option Agreement.

DATA PRIVACY. To participate in the Plan, you need to review the information provided in (a) through (f) below and, where applicable, consent to the processing of Personal Data (as defined below) by the Company and the third parties according to (g) below.

If you are based in the European Union (“**EU**”), the European Economic Area (“**EEA**”), Switzerland or the United Kingdom (collectively, “**EEA+**”), Snowflake Inc., with its registered office in the state of Delaware at 251 Little Falls Drive, Wilmington, Delaware, 19808, USA is the controller responsible for the processing of your Personal Data in connection with the Agreement and the Plan. The Company's representative in the EU is Snowflake Computing Netherlands B.V. with its primary office located at FOZ Building, Gustav Mahleraan 300-314, 1082 ME Amsterdam, Netherlands. The Company’s representative in the United Kingdom is Snowflake Computing U.K. Limited with its primary office located at 14th Floor, The Bower 207 Old Street, London, United Kingdom, EC1V 9NR.

(a) **Data Collection and Usage.** The Company collects, processes and uses Personal Data about you, including your name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares of Class A Common Stock or directorships held in the Company, details of all options over shares of Class A Common Stock or any other entitlement to shares of Class A Common Stock awarded, canceled, exercised, purchased, vested, unvested or outstanding in your favor, which the Company receives from you or the Service Recipient (“**Personal Data**”). In order for you to participate in the Plan, the Company will collect Personal Data for purposes of allocating shares of Class A Common Stock and implementing, administering and managing the Plan.

If you are based in the EEA+, the Company’s legal basis for the processing of Personal Data is the necessity of the processing for the Company's performance of its obligations under the Agreement and the Company’s legitimate interest of complying with statutory obligations to which it is subject.

If you are based in any other jurisdiction, the Company relies on your consent to the processing of Personal Data, as further described below.

(b) **Stock Plan Administration and Service Provides.** The Company may transfer Personal Data to Cooley LLP, Fidelity Stock Plan Services LLC, Computershare Trust Company, N.A., and/or Solium Plan Managers LLC (each, an “**administrator**”), each of which is an independent service provider based in the U.S., which is assisting the Company with the implementation, administration and management of the Plan. Administrators may open an account for you to receive and, when applicable, trade shares of Class A Common Stock. You may be asked to acknowledge, or agree to, separate terms and data processing practices with any administrator, with such acknowledgement or agreement being a condition to your ability to participate in the Plan.

(c) International Data Transfers. Personal Data will be transferred from your country to the U.S., where the Company and its service providers are based. You understand and acknowledge that the U.S. has enacted data privacy laws that are different from those applicable in your country of residence. The EU Commission has determined that an appropriate level of protection can be achieved by implementing safeguards such as the Standard Contractual Clauses adopted by the EU Commission.

If you are based in the EEA+, Personal Data will be transferred from the EEA+ to the Company based on the Standard Contractual Clauses adopted by the EU Commission that are entered into by the Company and its Affiliates located in the EEA+. The onward transfer of your Personal Data by the Company to the administrators will be based on a data processing agreement or the EU Standard Contractual Clauses. You may request a copy of such appropriate safeguards at privacy@snowflake.com.

If you are based in any other jurisdiction, the Company relies on your consent to the transfer of Personal Data to the U.S., as further described below.

(d) Data Retention. The Company will use Personal Data only as long as necessary to implement, administer and manage my participation in the Plan or as required to comply with legal or regulatory obligations, including, without limitation, under tax and securities laws. When the Company no longer needs Personal Data for any of the above purposes, which will generally be seven (7) years after you participate in the Plan, the Company will cease to use Personal Data and remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be relevant laws or regulations (if you are in the EEA+) and/or your consent (if you are outside the EEA+).

(e) Data Subject Rights. You understand that you may have a number of rights under data privacy laws in your jurisdiction. Subject to the conditions set out in the Applicable Law and depending on where you are based, such rights may include the right to (i) request access to, or copies of, Personal Data processed by the Company, (ii) rectification of incorrect Personal Data, (iii) deletion of Personal Data, (iv) restrictions on the processing of Personal Data, (v) object to the processing of Personal Data for legitimate interests, (vi) portability of Personal Data, (vii) lodge complaints with competent authorities in your jurisdiction, and/or to (viii) receive a list with the names and addresses of any potential recipients of Personal Data. To receive clarification regarding these rights or to exercise these rights, you can contact privacy@snowflake.com.

(f) Necessary Disclosure of Personal Data. You understand that providing the Company with Personal Data is necessary for the performance of the Agreement and that your refusal to provide Personal Data or, where applicable, consent to process and transfer Personal Data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the Plan.

(g) Data Privacy Consent. If you are located in a jurisdiction outside the EEA+, you hereby voluntarily and unambiguously consent to the collection, use and transfer, in electronic or other form, of Personal Data, as described above and in any other Award materials, by and among, as applicable, the Company, the Service Recipient and any Affiliate for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that you may, at any time, refuse or withdraw the consents herein, in any case without cost, by contacting in writing privacy@snowflake.com. If you do not consent or later seek to revoke your consent, your employment status or service with the Service Recipient will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant the Option or other equity awards to you or administer or maintain such awards. Therefore, you understand that refusing or withdrawing consent may affect your ability to participate in the Plan. For more information on the consequences of refusal to consent or withdrawal of consent, you should contact privacy@snowflake.com.

**SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN**

APPENDIX B TO GLOBAL STOCK OPTION AGREEMENT

Terms and Conditions

This Appendix B forms part of the Agreement and includes special terms and conditions that govern the Option granted to you under the Plan if you reside and/or work in one of the jurisdictions listed below. Capitalized terms used but not defined in this Appendix B have the meanings set forth in the Plan and/or in the Global Stock Option Agreement.

If you are a citizen or resident (or are considered as such for local law purposes) of a country other than the country in which you are currently residing and/or working, or if you relocate to another country after the grant of the Option, the Company shall, in its discretion, determine to what extent the special terms and conditions contained herein shall be applicable to you.

Notifications

This Appendix B may also include information regarding securities, exchange control and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of July 2024. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information in this Appendix B as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you vest in the Option, exercise the Option and acquire shares of Class A Common Stock, or sell shares of Class A Common Stock acquired under the Plan.

In addition, the information contained below is general in nature and may not apply to your particular situation and, as a result, the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your individual situation.

Finally, if you are a citizen or resident (or are considered as such for local law purposes) of a country other than the one in which you are currently residing and/or working, or if you relocate to another country after grant of the Option, the information contained in this Appendix B may not be applicable to you in the same manner.

ALL COUNTRIES OUTSIDE THE UNITED STATES

NATURE OF GRANT. By accepting this Option, you acknowledge, understand and agree that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (b) no Affiliate of the Company (including, but not limited to, the Service Recipient) has any obligation to make any payment of any kind to you under this Agreement;
- (c) the grant of the Option is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options, even if options have been granted in the past;

- (d) all decisions with respect to future option or other grants, if any, will be at the sole discretion of the Company;
- (e) the grant of the Option and your participation in the Plan will not create a right to continue to serve the Company or the Service Recipient in the capacity in effect at the time the Award was granted;
- (f) the grant of the Option and your participation in the Plan will not be interpreted as forming or amending an employment or service contract with the Company or the Service Recipient, and will not interfere with the right (if any) of the Company or the Service Recipient, as applicable, to terminate your Continuous Service;
- (g) you are voluntarily participating in the Plan;
- (h) the Option and the Class A Common Stock subject to the Option, and the income from and value of same, are not intended to replace any pension rights or compensation;
- (i) the Option and the Class A Common Stock subject to the Option, and the income from and value of same, are not part of normal or expected compensation for purposes of, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments;
- (j) unless otherwise agreed with the Company in writing, the Option and the Class A Common Stock subject to the Option, and the income from and value of same, are not granted as consideration for, or in connection with, the service you may provide as a director of an Affiliate;
- (k) the future value of the underlying Class A Common Stock is unknown, indeterminable and cannot be predicted with certainty; if the value of the shares of Class A Common Stock does not increase, the Option will have no value; if you acquire shares of Class A Common Stock pursuant to the exercise of the Option, the value of the shares may increase or decrease, even below the exercise price;
- (l) no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from the termination of your Continuous Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment or labor laws in the jurisdiction where you provide services or the terms of your employment or service agreement, if any) or from the application of any clawback or recoupment policy adopted by the Company or imposed by Applicable Law;

(m) for purposes of the Option, your Continuous Service will be considered terminated as of the date you are no longer actively providing services to the Company, the Service Recipient or any other Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment or labor laws in the jurisdiction where you are employed or provide services or the terms of your employment or service agreement, if any), and such date will not be extended by any notice period (e.g., your period of Continuous Service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment or labor laws in the jurisdiction where you are employed or providing services or the terms of your employment or service agreement, if any); the Board or, if delegated pursuant to Section 2 of the Plan, the Compensation Committee or a designated officer of the Company (or a designee of any of the foregoing), shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of the Option (including whether you may still be considered to be providing services while on a leave of absence, in accordance with the Company’s Leave of Absence Policy for Equity, as amended from time to time); and

(n) neither the Company, the Service Recipient nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the U.S. dollar that may affect the value of the Option or of any amounts due to you upon exercise of the Option or the subsequent sale of any Class A Common Stock acquired upon settlement.

LANGUAGE. You acknowledge and represent that you are sufficiently proficient in the English language, or have consulted with an advisor who is sufficiently proficient in the English language, so as to enable you to understand the provisions of this Agreement and the Plan. If you have received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by Applicable Law.

FOREIGN ASSET/ACCOUNT, EXCHANGE CONTROL AND TAX REPORTING. You acknowledge that, depending on your country, there may be certain foreign asset and/or account reporting requirements or exchange control restrictions which may affect your ability to acquire or hold the Option or the shares of Class A Common Stock or cash received from participating in the Plan (including proceeds from the sale of shares and dividends paid on shares) in a brokerage or bank account outside your country. You may be required to report such accounts, assets or related transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of participating in the Plan to your country through a designated bank or broker and/or within a certain time after receipt. You acknowledge that you are responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements and should consult your personal legal and tax advisors on this matter.

INSIDER TRADING RESTRICTIONS/MARKET ABUSE LAWS. You may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, including but not limited to the United States and your country, which may affect your ability to accept, acquire, sell or otherwise dispose of shares of Class A Common Stock, rights to shares of Class A Common Stock (e.g., the Option) or rights linked to the value of shares of Class A Common Stock during such times as you are considered to have “inside information” regarding the Company (as defined by the laws in applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party, and (ii) “tipping” third parties or causing them otherwise to buy or sell securities. You should keep in mind that third parties can include fellow employees and service providers. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. You acknowledge that it is your responsibility to comply with any applicable restrictions and you should speak with your personal legal advisor on this matter.

VENUE. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant of the Option or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the Court of Chancery of the State of Delaware, or the federal district court for the District of Delaware, and no other courts, where this grant is made and/or to be performed.

ARGENTINA

SECURITIES LAW INFORMATION. Neither the Option nor the underlying shares of Class A Common Stock are publicly offered or listed on any stock exchange in Argentina and, as a result, have not been and will not be registered with the Argentine Securities Commission (*Comisión Nacional de Valores*). The offer is private and not subject to the supervision of any Argentine governmental authority. Neither this nor any other offering material related to the Option or the underlying shares of Class A Common Stock may be utilized in connection with any general offering to the public in Argentina.

EXCHANGE CONTROL INFORMATION. Exchange control restrictions and requirements may impact the ability to remit funds out of Argentina in order to exercise the Option. Therefore, you may be required to pay your Option exercise price by way of a cashless exercise program or other method of payment which does not require you to remit funds out of Argentina. Exchange control restrictions and requirements may also apply if and when you transfer proceeds from the sale of shares of Class A Common Stock into Argentina. Exchange control regulations in Argentina are subject to change. *You should speak with your personal legal advisor regarding any exchange control obligations that you may have prior to the exercise of the Option or remitting funds into Argentina, as you are responsible for complying with applicable exchange control laws.*

FOREIGN ASSET / ACCOUNT REPORTING INFORMATION. If you hold shares of Class A Common Stock as of December 31 of any year, you are required to report the holding of the shares of Class A Common Stock on your personal tax return for the relevant year.

ARMENIA

There are no country-specific provisions.

AUSTRALIA

TAX INFORMATION. It is intended that Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies to the Option granted under the Plan, such that the Option will be subject to deferred taxation.

BRAZIL

COMPLIANCE WITH LAW. By accepting the Option and participating in the Plan, you agree that you will comply with applicable Brazilian laws and report and pay any and all Tax Liability associated with the vesting and exercise of the Option, the receipt of any dividends, and the sale of any shares of Class A Common Stock acquired under the Plan.

NATURE OF GRANT. The following provision supplements the Nature of Grant provision of this Appendix B:

By accepting the Option, you acknowledge and agree that (i) you are making an investment decision, and (ii) the value of the underlying shares of Class A Common Stock is not fixed and may increase or decrease over the vesting period or before you exercise the Option, without compensation to you.

EXCHANGE CONTROL INFORMATION. If you are a resident or domiciled in Brazil, you will be required to submit a declaration of assets and rights (including shares of Class A Common Stock acquired under the Plan) held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than USD 1,000,000. *You should consult your personal legal advisor to ensure compliance with the applicable reporting requirements.*

CANADA

METHOD OF PAYMENT. This provision supplements Section 2 (“Exercise”) of the Global Stock Option Agreement:

Due to tax considerations in Canada, you will not be permitted to pay your Option exercise price using the methods set forth in Section 2(b)(iii) or (iv) of the Global Stock Option Agreement.

TERMINATION OF CONTINUOUS SERVICE. This provision replaces subsection (m) of the Nature of Grant provision of this Appendix B:

For purposes of the Option, your Continuous Service will be considered terminated, and the right (if any) to vest in the Option will terminate (and your right, if any, to exercise the Option after termination of your Continuous Service will be measured) effective, as of the date that is the earliest of: (a) the date your employment or service relationship with the Company, Service Recipient, or any of its Affiliates is terminated, and (b) the date you receive notice of termination of your employment or service relationship with the Company Service Recipient, or an Affiliate, regardless of any notice period or period of pay in lieu of such notice required under applicable employment law in the jurisdiction where you are employed or providing services or the terms of your employment agreement, if any. You will not earn or be entitled to any pro-rated vesting or extended exercisability for that portion of time before the date on which your Continuous Service is terminated (as determined under this provision) nor will you be entitled to any compensation for lost vesting or exercisability.

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting or the extension of exercisability during a statutory notice period, your right to vest in the Option under the Plan, if any, will terminate (and your right, if any, to exercise the vested portion of the Option after termination of your Continuous Service will be measured) effective as of the last day of your minimum statutory notice period and you will not earn or be entitled to pro-rated vesting or extended exercisability if the vesting date falls after (or the post-termination exercise period is measured from) the end of the statutory notice period, nor will you be entitled to any compensation for lost vesting or exercisability.

DATA PRIVACY. This provision supplements the Data Privacy provision of Appendix A:

You hereby authorize the Company or any Affiliate, including the Service Recipient, and any agents or representatives to (i) discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the Plan, and (ii) disclose and discuss any and all information relevant to the Plan with their advisors. You further authorize the Company or any Affiliate, including the Service Recipient, and any agents or representatives to record such information and to keep such information in your file. If you are resident in Quebec, you acknowledge and agree that your personal information, including sensitive personal information, may be transferred or disclosed outside of the province of Quebec, including to the United States. You acknowledge and authorize the Company and other parties involved in the administration of the Plan to use technology for profiling purposes and to make automated decisions that may have an impact on you or the administration of the Plan.

SECURITIES LAW INFORMATION. The sale or other disposal of the shares of Class A Common Stock acquired under the Plan may not take place within Canada. If the Class A Common Stock is registered under the Securities Act, you will be permitted to sell shares of Class A Common Stock acquired under the Plan through the designated broker appointed under the Plan, provided the resale of shares of Class A Common Stock takes place outside Canada through the facilities of the exchange on which the shares of Class A Common Stock are then listed. *You should consult your personal legal advisor prior to selling shares of Class A Common Stock to ensure compliance with any applicable requirements.*

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. You are required to report foreign property on form T1135 (Foreign Income Verification Statement) if the total cost of the foreign property exceeds C\$100,000 at any time in the year. Foreign property includes shares of Class A Common Stock acquired under the Plan and may include the Option. The Option must be reported--generally at a nil cost--if the C\$100,000 cost threshold is exceeded because of other foreign property held. If shares of Class A Common Stock are acquired, their cost generally is the adjusted cost base ("**ACB**") of the shares. The ACB ordinarily would equal the fair market value of the shares at the time of acquisition, but if other shares of Class A Common Stock are owned, this ACB may need to be averaged with the ACB of the other shares. The form T1135 generally must be filed by April 30 of the following year. *You should consult your personal tax advisor to ensure compliance with the applicable reporting requirements.*

The following provisions apply only if you reside in Quebec:

FRENCH LANGUAGE DOCUMENTS. A French translation of this document and certain other documents related to the Option will be made available to you as soon as reasonably practicable. You understand that, from time to time, additional information related to the Option may be provided in English and such information may not be immediately available in French. However, upon request, the Company will provide a translation of such information into French as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless you indicate otherwise, the French translation of this document and the Plan will govern your participation in the Plan.

DOCUMENTS EN LANGUE FRANÇAISE. *Une traduction française de ce document et de certains autres documents relatifs à l'Option sera mise à votre disposition dès que raisonnablement possible. Vous comprenez que, de temps à autre, des informations supplémentaires relatives à l'Option peuvent être fournies en anglais et que ces informations peuvent ne pas être immédiatement disponibles en français. Cependant, sur demande, la Société fournira une traduction de ces informations en français dès que raisonnablement possible. Nonobstant toute disposition contraire dans le Contrat, et sauf indication contraire de votre part, la traduction française de ce document et du Plan régira votre participation au Plan.*

COLOMBIA

NATURE OF GRANT. This provision supplements the Nature of Grant provision of this Appendix B:

Pursuant to Article 128 of the Colombian Labor Code, this Option and related benefits do not constitute a component of your "salary" for any legal purpose. Therefore, this Option and related benefits will not be included and/or considered for purposes of calculating any and all labor benefits, such as legal/fringe benefits, vacations, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount which may be payable.

SECURITIES LAW INFORMATION. The shares of Class A Common Stock are not and will not be registered with the Colombian registry of publicly traded securities (*Registro Nacional de Valores y Emisores*) and therefore the shares of Class A Common Stock may not be offered to the public in Colombia. Nothing in the Agreement should be construed as the making of a public offer of securities in Colombia.

EXCHANGE CONTROL INFORMATION. Investments in shares outside of Colombia (including shares of Class A Common Stock acquired under the Plan) are subject to registration before the Central Bank (*Banco de la República*) as foreign investment held abroad, regardless of value. In addition, all payments for investments originating in Colombia (and the liquidation of such investments) must be transferred through the Colombian foreign exchange market (*e.g.*, local banks), which includes the obligation of correctly completing and filing the appropriate foreign exchange form (*declaración de cambio*).

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. Colombian residents must file an annual informative return with the local tax authority regarding the assets held abroad, which includes any shares of Class A Common Stock acquired under the Plan (for every year the shares of Class A Common Stock are held). This obligation is only applicable if the value of the assets held abroad exceeds 2,000 Tax Units.

COSTA RICA

There are no country-specific provisions.

DENMARK

DANISH STOCK OPTION ACT. By accepting this Option, you acknowledge that you have received an Employer Statement, translated into Danish, if you are entitled to receive one, which is provided to comply with the Danish Stock Option Act, as amended with effect from January 1, 2019.

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. If you establish an account holding shares of Class A Common Stock or cash outside of Denmark, you must report the account and deposits on your annual tax return in the section on foreign affairs and income. *You should consult your personal tax advisor to ensure compliance with the applicable reporting requirements.*

FINLAND

There are no country-specific provisions.

FRANCE

GRANT OF THE OPTION. This provision supplements the Grant Notice:

The Option granted under this Agreement is not intended to qualify for special tax and social security treatment pursuant to Sections L. 225-177 to L. 225-186 and Sections L. 22-10-56 to L. 22-10-58 of the French Commercial Code, as amended.

LANGUAGE CONSENT. You confirm having read and understood the documents relating to the Plan, including the Agreement, with all terms and conditions included therein, which were provided in the English language. You accept the terms of those documents accordingly.

Consentement Relatif à la Langue Utilisée. Vous confirmez avoir lu et compris le Plan et cette convention («*Agreement*»), incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Vous acceptez les dispositions de ces documents en connaissance de cause.

FOREIGN ASSET / ACCOUNT REPORTING INFORMATION. If you hold cash or securities (including shares of Class A Common Stock acquired under the Plan) outside of France or maintain a foreign bank account, including the accounts that were opened, held, used and/or closed during the tax year, you must report such account to the French tax authorities when filing your annual tax return. *You should consult your personal tax advisor to ensure compliance with applicable reporting requirements.*

GERMANY

EXCHANGE CONTROL INFORMATION. Cross-border payments in excess of EUR 12,500 must be reported to the German Federal Bank (*Bundesbank*). If you make or receive a payment in excess of this amount (including if you acquire shares of Class A Common Stock with a value in excess of this amount under the Plan or sell shares of Class A Common Stock via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells shares of Class A Common Stock with a value in excess of this amount to cover the Tax Liability, you must report the payment and/or the value of the shares of Class A Common Stock withheld or sold to Bundesbank. Such reports must be made either electronically using the “General Statistics Reporting Portal” (“*Allgemeine Meldeportal Statistik*”) available on the Bundesbank website (www.bundesbank.de) or via such other method (*e.g.*, by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

India

EXERCISE RESTRICTION. This provision supplements Section 2 (“Exercise”) of the Global Stock Option Agreement:

You must comply at the time of exercise with applicable laws and regulations of India, including but not limited to the Foreign Exchange Management Act, 1999 of India and the rules, regulations and amendments thereto (“*FEMA*”). To this end, you will not be permitted to pay the exercise price by a “sell to cover” arrangement where you sell some, but not all, of the shares of Class A Common Stock purchased on exercise of the Option (although the Company reserves the right to allow such method of payment depending on the development of local law). In addition, you may be required on exercise of your Option to immediately sell all shares of Class A Common Stock purchased on exercise in order to facilitate any required repatriation of proceeds in connection with your shares of Class A Common Stock issued on exercise of your Option.

TAX COLLECTION AT SOURCE. If you remit funds from India to pay the Exercise Price, you may be subject to Tax Collection at Source (“*TCS*”) if your annual remittances out of India exceed a certain amount (currently INR 700,000). You may be required to provide a declaration to the bank remitting the funds to determine if the TCS limit has been reached.

EXCHANGE CONTROL INFORMATION. You must repatriate any funds received from participation in the Plan (e.g., proceeds from the sale of shares of Class A Common Stock) within such time as prescribed under applicable Indian exchange control laws, which may be amended from time to time. You should obtain a foreign inward remittance certificate (“**FIRC**”) from the bank where you deposit the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Company or the Service Recipient requests proof of repatriation. You may be required to provide information regarding funds received from participation in the Plan to the Company and/or the Service Recipient to enable them to comply with their filing requirements under exchange control laws in India. You are personally responsible for complying with exchange control laws in India, and neither the Company nor the Service Recipient will be liable for any fines or penalties resulting from your failure to comply with applicable laws. *You should consult your personal legal advisor to ensure compliance with the applicable requirements.*

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. You must declare the following items in your annual tax return: (i) any foreign assets held (including shares of Class A Common Stock acquired under the Plan), and (ii) any foreign bank accounts for which you have signing authority. Increased penalties for failing to report these assets/accounts have been implemented. *You should consult your personal tax advisor to ensure compliance with the applicable requirements.*

INDONESIA

LANGUAGE CONSENT. By accepting the Option, you (i) confirm having read and understood the documents relating to this grant (i.e., the Plan and the Agreement) which were provided in the English language, (ii) accept the terms of those documents accordingly, and (iii) agree not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

PERSETUJUAN BAHASA. *Dengan menerima Option, (i) anda mengkonfirmasi bahwa anda telah membaca dan mengerti isi dokumen yang terkait dengan pemberian ini yang disediakan untuk anda dalam bahasa Inggris, (ii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) anda setuju bahwa anda tidak akan mengajukan keberatan atas keberlakuan dokumen ini berdasarkan Undang-Undang No. 24 tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan atau Peraturan Presiden pelaksana (ketika diterbitkan).*

EXCHANGE CONTROL INFORMATION. Indonesian residents must provide the Indonesian central bank, Bank of Indonesia, with information on foreign exchange activities (e.g., any change in position in any foreign assets held including shares of Class A Common Stock acquired under the Plan) on an online monthly report no later than the fifteenth day of the month following such activities. Such report can be submitted through the Bank of Indonesia’s website.

If Indonesian residents remit funds out of or into Indonesia (e.g., funds to pay the Option exercise price, proceeds from the sale of shares of Class A Common Stock), the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia for statistical purposes. For transactions of USD 10,000 or more (or its equivalent in other currency), a more detailed description of the transaction must be included in the report and you may be required to provide information about the transaction (e.g., the relationship between you and the transferor or the funds, the source of the funds, etc.) to the bank in order to complete the transaction.

FOREIGN ASSET / ACCOUNT REPORTING INFORMATION. Indonesian residents have the obligation to report their worldwide assets (including any foreign bank or brokerage accounts and shares of Class A Common Stock acquired under the Plan) in their annual individual income tax return.

IRELAND

There are no country-specific provisions.

ISRAEL

TRUST ARRANGEMENT. Capitalized terms used but not defined in these provisions or the Plan or the Global Stock Option Agreement shall have the meanings ascribed to them in the 2020 Equity Incentive Plan Sub-Plan to the Plan for Israeli participants (the "Israel Sub-Plan").

By accepting the Option, you understand and agree that the Options awarded under the Global Stock Option Agreement are subject to and in accordance with the terms and conditions of the Plan, the Israel Sub-Plan, the Global Stock Option Agreement and the trust agreement between the Company and the trustee appointed by the Company or an Affiliate, or any successor trustee (the "**Trustee**").

TYPE OF GRANT. You acknowledge and agree that the Options are subject to the Plan, the Israel Sub-Plan and Sections 102(b)(2) and (3) of the ITO and the trust agreement, a copy of which has been made available to you. You confirm that (i) you are familiar with the terms and provisions of Section 102 of the ITO, particularly the capital gains track described in subsection (b)(2) and (3) thereof, and agree not to require the Trustee to release the shares of Class A Common Stock or to sell or transfer the shares of Class A Common Stock to you or any third party unless permitted to do so by applicable law; (ii) the terms and restrictions set forth in the Israel Sub-Plan will apply to the grant in all respects, including without limitation with respect to mandatory withholding requirements for Tax Liability, and the rights and authorities of the Company, the Service Recipient and the Trustee with respect thereto, and (iii) the Company and any Affiliate and its assignees and successors shall be under no duty to ensure, and no representation or commitment is made, that the shares of Class A Common Stock qualify or shall qualify under any particular tax treatment.

You further acknowledge and agree that any shares of Class A Common Stock acquired under the Plan shall be deposited with the Trustee, or shall be subject to a supervisory trustee arrangement approved by the ITA for the Trustee, in order to comply with the requirements of the capital gains track under Sections 102(b)(2) and (3) of the ITO. You further understand that under current Israeli tax laws, the Section 102 Holding Period is counted from the Date of Grant. In the event that the Options granted under the Plan or the shares of Class A Common Stock do not meet the requirements of Section 102 of the ITO and the Israel Sub-Plan, they shall not qualify for the favorable tax treatment under the capital gains route.

You hereby undertake to release the Trustee from any liability in respect of any action or decision duly taken and bona fide executed in relation to the Plan, the Israel Sub-Plan or shares of Class A Common Stock issued thereunder.

You hereby confirm that, in addition to your agreement hereunder, the acceptance or exercise of the Option shall be deemed as irrevocable confirmation of your acknowledgements and undertakings herein with respect to such Option.

You have had the opportunity to consult your personal tax advisor prior to accepting this Agreement.

DATA PRIVACY. The following provision supplements the Data Privacy provision of Appendix A:

You hereby authorize the Company, the Trustee and their representatives to collect, use and transfer all relevant information regarding you to all Company personnel and agents and or third parties involved in

the administration of the Plan and/or in the event of a corporate financing, merger, acquisitions and/or business transfers, including transfers outside of Israel and further transfers thereafter.

The following provisions apply if you were not an Israeli tax resident when the Options were granted or if the Option does not qualify as a 102 Capital Gains Track Grant:

NON-TRUSTEE AWARD. The Option is subject to the Plan and is not made pursuant to Sections 102(b)(2) and (3) of the Israel Tax Ordinance and, in particular, is not eligible to benefit from the capital gains track described in subsection (b)(2) and (3) thereof. To facilitate compliance with tax requirements in Israel, you acknowledge and agree that the Company may require that any shares of Class A Common Stock purchased under the Plan be held with the Company's designated broker appointed under the Plan or another designee or that such shares be sold at such time specified by the Company.

ITALY

ACKNOWLEDGEMENT OF SPECIFIC PROVISIONS. By accepting the Option, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Agreement in their entirety and fully understand and accept all provisions of the Plan and Agreement.

You further acknowledge that you have read and specifically and expressly approve the following sections of the Agreement: Exercise; Withholding Obligations; No Liability for Taxes; Other Documents; Imposition of Other Requirements; Nature of Grant; and Venue.

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. If, at any time during the fiscal year, you hold foreign financial assets (including the Option and shares of Class A Common Stock) which may generate income taxable in Italy, you are required to report these assets on your annual tax return (UNICO Form, RW Schedule) for the year during which the assets are held (or on a special form if no tax return is due). These reporting obligations will also apply to Italian residents who are the beneficial owners of foreign financial assets under Italian money laundering provisions. *You should consult your personal tax advisor to ensure compliance with the applicable requirements.*

JAPAN

Exchange Control Information. If you acquire shares of Class A Common Stock valued at more than JPY 100,000,000 in a single transaction, you must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within twenty (20) days of the acquisition of the shares. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

Foreign Asset/Account Reporting Information. You are required to report details of any assets held outside Japan as of December 31 (including shares of Class A Common Stock acquired under the Plan), to the extent such assets have a total net fair market value exceeding JPY 50,000,000. Such report is due by March 15 each year. *You should consult your personal tax advisor to ensure compliance with applicable reporting requirements.*

REPUBLIC OF KOREA

EXCHANGE CONTROL INFORMATION. If you sell shares of Class A Common Stock acquired under the Plan or receive cash dividends, you may have to file a report with a Korean foreign exchange bank, provided the proceeds are in excess of USD 5,000 (per transaction) and deposited into a non-Korean bank account. A report may not be required if proceeds are deposited into a non-Korean brokerage account. You are responsible for complying with any applicable exchange control reporting obligations in Korea and you should consult your personal legal advisor to ensure compliance with applicable reporting requirements.

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. Korean residents are required to declare all foreign financial accounts (*e.g.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts in June of the following year if the monthly balance of such accounts exceeds KRW 500 million (or an equivalent amount in foreign currency) on any month-end date during a calendar year. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

MEXICO

ACKNOWLEDGMENT OF THE AGREEMENT. By participating in the Plan, you acknowledge that you have received a copy of the Plan, have reviewed the Plan in its entirety and fully understand and accept all provisions of the Plan. You further acknowledge that you have read and expressly approved the terms and conditions set forth in the “Nature of Grant” Section of Appendix B, in which the following is clearly described and established: (i) your participation in the Plan does not constitute an acquired right; (ii) the Plan and your participation in the Plan are offered by the Company on a wholly discretionary basis; (iii) your participation in the Plan is voluntary; and (iv) the Company and its Affiliates are not responsible for any decrease in the value of the underlying shares.

LABOR LAW POLICY AND ACKNOWLEDGMENT. By participating in the Plan, you expressly recognize that Snowflake Inc., with its registered office in the State of Delaware at 251 Little Falls Drive, Wilmington, Delaware, 19808, USA, is solely responsible for the administration of the Plan and that your participation in the Plan and acquisition of shares do not constitute an employment relationship between you and the Company since you are participating in the Plan on a wholly commercial basis. Based on the foregoing, you expressly recognize that the Plan and the benefits that you may derive from participation in the Plan do not establish any rights between you and the Service Recipient and do not form part of the employment conditions and/or benefits provided by the Service Recipient and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the Plan is as a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and you therefore grant a full and broad release to the Company, its Affiliates, branches, representation offices, its shareholders, officers, agents or legal representatives with respect to any claim that may arise.

RECONOCIMIENTO DEL CONTRATO. Al participar en el Plan, usted reconoce que ha recibido una copia del Plan, que ha revisado el Plan en su totalidad, y que entiende y acepta en su totalidad, todas y cada una de las disposiciones del Plan. Asimismo reconoce que ha leído y aprueba expresamente de los términos y condiciones señalados en la Sección "Naturaleza de la Concesión" del Apéndice B, en la que claramente se describe y establece lo siguiente: (i) su participación en el Plan no constituye un derecho adquirido; (ii) el Plan y su participación en el Plan son ofrecidos por la Compañía sobre una base completamente discrecional; (iii) su participación en el Plan es voluntaria; y (iv) la Compañía y sus Afiliadas no son responsables de ninguna por la disminución en el valor de las acciones Ordinarias de Clase A subyacentes.

POLÍTICA DE LEGISLACIÓN LABORAL Y RECONOCIMIENTO. Al participar en el Plan, usted reconoce expresamente que Snowflake Inc., con oficinas registradas en 251 Little Falls Drive, Wilmington, Delaware, 19808, Estados Unidos de América, es la única responsable por la administración del Plan, y que su participación en el Plan, así como la adquisición de las acciones Ordinarias de Clase A, no constituye una relación laboral entre usted y la Compañía, porque usted está participando en el plan sobre una base comercial. Con base en lo anterior, usted reconoce expresamente que el Plan y los beneficios que pudiera obtener por su participación en el Plan, no establecen derecho alguno entre usted y el Beneficiario del Servicio, y no forman parte de las condiciones y/o prestaciones laborales que el Beneficiario del Servicio ofrece, y que las modificaciones al Plan o su terminación, no constituirán un cambio ni afectarán los términos y condiciones de su relación laboral.

Asimismo usted entiende que su participación en el Plan es el resultado de una decisión unilateral y discrecional de la Compañía; por lo tanto, la Compañía se reserva el derecho absoluto de modificar y/o suspender su participación en cualquier momento, sin que usted incurra en responsabilidad alguna.

Finalmente, usted declara que no se reserva acción o derecho alguno para interponer una reclamación alguna en contra de la Compañía, por concepto de compensación o daños relacionados con cualquier disposición del Plan o de los beneficios derivados del Plan, y por lo tanto, usted libera total y ampliamente de toda responsabilidad a la Compañía, a sus Afiliadas, sucursales, oficinas de representación, sus accionistas, funcionarios, agentes o representantes legales, con respecto a cualquier reclamación que pudiera surgir.

SECURITIES LAW INFORMATION. The Option and the shares of Class A Common Stock offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Agreement and any other document relating to the Option may not be publicly distributed in Mexico. These materials are addressed to you only because of your existing relationship with the Company and its Affiliates and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of Snowflake Technologies Mexico S. de R. de C.V. made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country-specific provisions.

NEW ZEALAND

SECURITIES LAW INFORMATION. *WARNING:* *You are being offered Options which, upon exercise in accordance with the terms of the Agreement and the Plan, will enable you to acquire shares of Company Stock. The shares of Class A Common Stock, if issued, will give you a stake in the ownership of the Company. You may receive a return if dividends are paid.*

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares (if any) have been paid. You may lose some or all of your investment, if any.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

The shares of Class A Common Stock are quoted on the New York Stock Exchange. This means that if the you acquire shares of Class A Common Stock under the Plan, you may be able to sell such shares on the New York Stock Exchange if there are interested buyers. If you sell your investment, the price you get may vary depending on factors such as the financial condition of the Company. You may receive less than the full amount that you paid for the investment, if anything. The price will depend on the demand for shares of Class A Common Stock.

A copy of the Company's most recent financial statements (and, if applicable, a copy of the auditor's report on those financial statements) as well as information on risk factors impacting the Company's business that may affect the value of the shares of Class A Common Stock, are included in the Company's Registration Statement on Form S-1 and (when applicable) the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. These documents have been or will be filed with the U.S. Securities and Exchange Commission and are or will be available to you free of charge online at www.sec.gov or on the Company's "Investor Relations" website at investors.snowflake.com.

You should ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

NORWAY

There are no country-specific provisions.

PHILIPPINES

SECURITIES LAW INFORMATION. The offering of the Plan and the grant of the Option may be subject to certain securities approval/confirmation requirements in the Philippines with the Philippine Securities and Exchange Commission. If the Company has not obtained, or does not maintain, the necessary securities approval/confirmation prior to the exercise of the Option, you will not be permitted to exercise the Option and no shares of Class A Common Stock subject to the Option will be issued. The Option shall be exercisable and shares of Class A Common Stock shall be issued upon exercise of the Option only if and when all necessary securities approvals/confirmations have been obtained and are maintained.

You should be aware of the risks of participating in the Plan, which include (without limitation) the risk of fluctuation in the price of the shares of Class A Common Stock on the New York Stock Exchange and the risk of currency fluctuations between the U.S. dollar and your local currency. In this regard, you should note that the value of any shares of Class A Common Stock you may acquire under the Plan may decrease after the shares of Class A Common Stock are issued, and fluctuations in foreign exchange rates between your local currency and the U.S. dollar may affect the value of the Option or any amounts due to you pursuant to the exercise of the Option or the subsequent sale of any shares of Class A Common Stock acquired upon exercise. The Company is not making any representations, projections or assurances about the value of the shares of Class A Common Stock now or in the future.

For further information on risk factors impacting the Company's business that may affect the value of the shares of Class A Common Stock, you should refer to the risk factors discussion in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov, as well as on the Company's website at <https://investors.snowflake.com/overview/default.aspx>. In addition, you may receive, free of charge, a copy of the Company's Annual Report, Quarterly Reports or any other reports, proxy statements or communications distributed to the Company's stockholders by contacting Investor Relations at Snowflake Inc., 106 East Babcock Street, Suite 3A, Bozeman, Montana 59715, USA and at +1 (844) 766-9355.

You are permitted to sell shares of Class A Common Stock acquired under the Plan through the designated Plan broker appointed by the Company (or such other broker to whom you transfer shares of Class A Common Stock), provided that such sale takes place outside of the Philippines through the facilities of the New York Stock Exchange on which the shares of Class A Common Stock are listed.

POLAND

EXCHANGE CONTROL INFORMATION. Polish residents holding cash and foreign securities (*e.g.*, shares of Class A Common Stock) and/or maintaining accounts abroad must report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets possessed abroad) exceeds PLN 7 million. If required, the reports must be filed on a quarterly basis on special forms that are available on the website of the National Bank of Poland. Further, if you transfer funds in excess of EUR 15,000 (or PLN 15,000 if the transfer of funds is connected with business activity of an entrepreneur) into or out of Poland, the funds must be transferred via a bank account. You are required to retain the documents connected with a foreign exchange transaction for a period of five years, as measured from the end of the year in which such transaction occurred. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

ROMANIA

LANGUAGE CONSENT. By accepting the Option, you acknowledge that you are proficient in reading and understanding English, and have read and acknowledge that you have fully understood the terms of the documents related to the grant (the Grant Notice, the Agreement, and the Plan), which were provided in the English language. You accept the terms of these documents accordingly.

CONSIMTAMANT CU PRIVIRE LA LIMBA. *Prin acceptarea acordarii Optiunii, confirmati ca aveti un nivel adecvat de cunoastere in ce priveste citirea si intelegerea limbii engleze, si ati citit si confirmati ca ati inteles pe deplin termenii documentelor referitoare la acordare (anuntul, Acordul si Planul), care au fost furnizate in limba engleza. Acceptati termenii acestor documente in consecinta.*

EXCHANGE CONTROL INFORMATION. You are generally not required to seek authorization from the National Bank of Romania to participate in the Plan or to open and operate a foreign bank account to receive any proceeds under the Plan. However, if you remit foreign currency out of or into Romania (e.g., the Option exercise price or the proceeds from the sale of shares of Class A Common Stock), you may be required to provide the Romanian bank through which the foreign currency is transferred with appropriate documentation regarding the source of income. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

SINGAPORE

SECURITIES LAW INFORMATION. The Option is granted pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“*SFA*”) under which it is exempt from the prospectus and registration requirements and is not made with a view to the underlying shares of Class A Common Stock being subsequently offered for sale to any other party. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. You should note that the Options are subject to section 257 of the SFA and that you will not be able to make any offer or subsequent sale of the shares of Class A Common Stock in Singapore, unless such offer or sale is made (i) after six (6) months from the Date of Grant or (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA, or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

DIRECTOR REPORTING INFORMATION. If you are a director, associate director or shadow director of a Singapore Affiliate, you may be subject to certain notification requirements under the Singapore Companies Act, regardless of whether you are a Singapore resident or employed in Singapore. These requirements include an obligation to notify the Singapore Affiliate in writing of an interest (e.g., the Option, shares of Class A Common Stock) in the Company or any Affiliate within two days of (i) its acquisition or disposal, (ii) any change in a previously disclosed interest (e.g., when the Option vests or is exercised), or (iii) becoming a director, associate director or shadow director if such an interest exists at that time. If you are the chief executive officer (“*CEO*”) of a Singapore Affiliate and the above notification requirements are determined to apply to the CEO of a Singapore Affiliate, the above notification requirements also may apply.

SPAIN

NATURE OF GRANT. This provision supplements the Nature of Grant provision of this Appendix B:

By accepting the Option, you consent to participation in the Plan and acknowledge that you have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and in its sole discretion decided to grant Options under the Plan to individuals who may be employees or service providers of the Company or one of its Affiliates throughout the world. The decision is limited and entered into based upon the express assumption and condition that any Option will not economically or otherwise bind the Company or any Affiliate, including the Service Recipient, on an ongoing basis, other than as expressly set forth in the Agreement. Consequently, you understand that the Option is given on the assumption and condition that the Option shall not become part of any employment or other service contract (whether with the Company or any Affiliate, including the Service Recipient) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Furthermore, you understand and freely accept that there is no guarantee that any benefit whatsoever shall arise from the Option, which is gratuitous and discretionary, since the future value of the Option and the underlying shares of Class A Common Stock is unknown, indeterminable, and unpredictable.

Further, your participation in the Plan is expressly conditioned on your continued and active rendering of service, such that, unless otherwise set forth in the Plan, if your Continuous Service terminates for any reason, your participation in the Plan will cease immediately. This will be the case, for example, even if (a) you are considered to be unfairly dismissed without good cause (*i.e.*, subject to a “*despido improcedente*”); (b) you are dismissed for disciplinary or objective reasons or due to a collective dismissal; (c) your Continuous Service ceases due to a change of work location, duties or any other employment or contractual condition; (d) your Continuous Service ceases due to a unilateral breach of contract by the Company or any Affiliate; or (e) your Continuous Service terminates for any other reason whatsoever. Consequently, upon termination of your Continuous Service for any of the above reasons, you automatically lose any right to participate in the Plan on the date of your termination of Continuous Service, as described in the Plan and the Agreement.

SECURITIES LAW INFORMATION. The grant of the Option and the shares of Class A Common Stock issued pursuant to the exercise of the Option are considered a private placement outside the scope of Spanish laws on public offerings and issuances of securities. Neither the Plan nor this Agreement have been registered with the *Comisión Nacional del Mercado de Valores* and do not constitute a public offering prospectus.

EXCHANGE CONTROL INFORMATION. You are required to electronically declare to the Bank of Spain any security accounts (including brokerage accounts held abroad), as well as the securities (including shares of Class A Common Stock acquired under the Plan) held in such accounts if the value of the transactions for all such accounts during the prior tax year or the balances of such accounts as of December 31 of the prior tax year exceeds EUR 1 million. Different thresholds and deadlines to file this declaration apply. However, if neither such transactions during the immediately preceding year nor the balances / positions as of December 31 exceed EUR 1 million, no such declaration must be filed unless expressly required by the Bank of Spain. If any such thresholds were exceeded during the current year, you may be required to file the relevant declaration corresponding to the prior year, however, a summarized form of declaration may be available. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. To the extent you hold rights or assets outside of Spain with a value in excess of EUR 50,000 per type of right or asset (*e.g.*, shares of Class A Common Stock, cash, etc.) as of December 31 each year, you will be required to report information on such rights and assets on your annual tax return for such year. After such rights and assets are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously-reported rights or assets increases by more than EUR 20,000. *You should consult your personal tax advisor to ensure compliance with applicable reporting requirements.*

SWEDEN

AUTHORIZATION TO WITHHOLD. This provision supplements Section 4 (“Withholding Obligations”) of the Global Stock Option Agreement:

Without limiting the Company’s and the Service Recipient’s authority to satisfy their withholding obligations for Tax Liability as set forth in Section 4 of the Agreement, by accepting the Option, you authorize the Company to withhold shares of Class A Common Stock or to sell shares of Class A Common Stock otherwise issuable to you upon vesting/exercise to satisfy Tax Liability, regardless of whether the Company and/or the Service Recipient have an obligation to withhold such Tax Liability.

SWITZERLAND

SECURITIES LAW INFORMATION. Neither this document nor any other materials relating to the Option (i) constitute a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“*FinSA*”), (ii) may be publicly distributed nor otherwise made publicly available in Switzerland to any person other than an employee of the Company or a service provider of the Service Recipient or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (“*FINMA*”).

UNITED ARAB EMIRATES

SECURITIES LAW INFORMATION. The Agreement, the Plan, and other incidental communication materials related to the Option are intended for distribution only to employees or service providers of the Company or the Service Recipient for the purposes of an incentive scheme.

The Emirates Securities and Commodities Authority and the Central Bank have no responsibility for reviewing or verifying any documents in connection with this statement. Neither the Ministry of Economy nor the Dubai Department of Economic Development have approved this statement nor taken steps to verify the information set out in it, and have no responsibility for it.

The securities to which this statement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities.

If you do not understand the contents of the Agreement or the Plan, you should consult an authorized financial adviser.

UNITED KINGDOM

RESPONSIBILITY FOR TAXES. This provision supplements Section 4 (“Withholding Obligations”) of the Global Stock Option Agreement:

(a) Without limitation to Section 4 of the Agreement, you agree that you are liable for all the Tax Liability and you hereby covenant to pay all such Tax Liability, as and when requested by the Company and/or the Service Recipient or by HM Revenue & Customs (“*HMRC*”) (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and/or the Service Recipient against any Tax Liability that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on your behalf. For the purposes of this Agreement, Tax Liability includes (without limitation) employment income tax and employee National Insurance contributions.

(b) As a condition of the vesting or exercise of, or the receipt of any benefit pursuant to, the Option, you agree to accept any liability for secondary Class 1 National Insurance contributions which may be payable by the Company and/or the Service Recipient in connection with the Option and any event giving rise to a Tax Liability (the “*Employer NICs*”). Without prejudice to the foregoing, by accepting the Option, you agree to enter into a joint election with the Company or the Service Recipient, the form of such joint election being formally approved by HMRC (the “*NIC Joint Election*”), a copy of which is either attached to this Appendix B or provided to you under separate cover and any other required consent or election. You further agree to execute such other joint elections as may be required between you and any successor to the Company and/or the Service Recipient. You further agree that the Company and/or the Service Recipient may collect the Employer NICs from you by any of the means set forth in Section 4 of the Agreement.

If you do not enter into the NIC Joint Election prior to the exercise of the Option or any other event giving rise to the Tax Liability, you will not be entitled to exercise the Option and receive shares of Class A Common Stock (or receive any benefit in connection with the Option) unless and until you enter into the NIC Joint Election, and no shares of Class A Common Stock or other benefit will be issued to you under the Plan, without any liability to the Company or the employer.

(c) As a condition of the vesting or exercise of, or the receipt of any benefit pursuant to, the Options, you agree to sign, promptly, all documents required by the Company to effect the terms of the foregoing provisions.

**SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN**

GLOBAL STOCK OPTION AGREEMENT

**IMPORTANT NOTE ON THE JOINT ELECTION FOR TRANSFER OF LIABILITY OF
EMPLOYER NATIONAL INSURANCE CONTRIBUTIONS TO THE EMPLOYEE**

As a condition of the vesting of, or the receipt of any benefit pursuant to, your stock options (“*Options*”) granted under the Snowflake Inc. 2020 Equity Incentive Plan, as amended from time to time (the “*Plan*”), you are required to enter into a joint election to transfer to you any liability for employer National Insurance contributions (the “*Employer NICs*”) that may arise in connection with the Options and in connection with any other options granted to you under the Plan, if any, that may be granted to you under the Plan (the “*NIC Joint Election*”).

By entering into the Joint Election:

- you agree that any liability for Employer NICs that may arise in connection with or pursuant to the exercise of the Options and the acquisition of shares of Class A Common Stock of Snowflake Inc. (the “*Company*”) or other taxable events in connection with the Options will be transferred to you; and
- you authorize the Company and/or the Service Recipient to recover an amount sufficient to cover this liability by any method set forth in the Option Agreement and/or the NIC Joint Election.

To enter into the NIC Joint Election, please indicate your agreement where indicated on the acceptance screen. Please note that your acceptance indicates your agreement to be bound by all of the terms of the NIC Joint Election.

Please note that even if you have indicated your acceptance of this NIC Joint Election electronically, you may still be required to sign a paper copy of this NIC Joint Election (or a substantially similar form) if the Company determines such is necessary to give effect to the NIC Joint Election.

Please read the terms of the NIC Joint Election carefully before entering into the NIC Joint Election (by executing the related Global Stock Option Agreement in hard copy or by electronically accepting such Global Stock Option Agreement or by signing or electronically accepting this NIC Joint Election). You should print and keep a copy of this NIC Joint Election for your records.

SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN

GLOBAL STOCK OPTION AGREEMENT

ELECTION TO TRANSFER THE EMPLOYER'S LIABILITY FOR
NATIONAL INSURANCE LIABILITY TO THE EMPLOYEE
(UK EMPLOYEES)

1. PARTIES

This Election is between:

- (A) The individual who has gained authorized access to this Election (the “*Employee*”), who is employed by one of the employing companies listed in the attached schedule (the “*Employer*”) and who is eligible to receive stock options (“*Options*”) pursuant to the terms and conditions of the Snowflake Inc. 2020 Equity Incentive Plan, as amended from time to time (the “*Plan*”), and
- (B) Snowflake Inc., with its registered office in the state of Delaware at 251 Little Falls Drive, Wilmington, Delaware, 19808, USA (the “*Company*”), which may grant Options under the Plan and is entering into this Election on behalf of the Employer.

2. PURPOSE OF ELECTION

2.1 This Election relates to all Options granted to Employee under the Plan up to the termination date of the Plan.

2.2 In this Election the following words and phrases have the following meanings:

“*ITEPA*” means the Income Tax (Earnings and Pensions) Act 2003.

“*Relevant Employment Income*” from Options on which Employer’s National Insurance Contributions becomes due is defined as:

- (i) an amount that counts as employment income of the earner under section 426 ITEPA (restricted securities: charge on certain post-acquisition events);
- (ii) an amount that counts as employment income of the earner under section 438 of ITEPA (convertible securities: charge on certain post-acquisition events); or
- (iii) any gain that is treated as remuneration derived from the earner's employment by virtue of section 4(4)(a) SSCBA, including without limitation:
 - (A) the acquisition of securities pursuant to the Options (within the meaning of section 477(3)(a) of ITEPA);
 - (B) the assignment (if applicable) or release of the Options in return for consideration (within the meaning of section 477(3)(b) of ITEPA);

- (C) the receipt of a benefit in connection with the Options, other than a benefit within (i) or (ii) above (within the meaning of section 477(3)(c) of ITEPA).

“**SSCBA**” means the Social Security Contributions and Benefits Act 1992.

“**Taxable Event**” means any event giving rise to Relevant Employment Income.

- 2.3 This Election relates to the Employer’s secondary Class 1 National Insurance Contributions (the “**Employer’s Liability**”) which may arise in respect of Relevant Employment Income in respect of the Options pursuant to section 4(4)(a) and/or paragraph 3B(1A) of Schedule 1 of the SSCBA.
- 2.4 This Election does not apply in relation to any liability, or any part of any liability, arising as a result of regulations being given retrospective effect by virtue of section 4B(2) of either the SSCBA or the Social Security Contributions and Benefits (Northern Ireland) Act 1992.
- 2.5 This Election does not apply to the extent that it relates to relevant employment income which is employment income of the earner by virtue of Chapter 3A of Part VII of ITEPA (employment income: securities with artificially depressed market value).
- 2.6 Any reference to the Company and/or the Employer shall include that entity’s successors in title and assigns as permitted in accordance with the terms of the Plan and the Option Agreement. This Election will have effect in respect of the Options and any awards which replace or replaced the Options following their grant in circumstances where section 483 of ITEPA applies.

3. ELECTION

The Employee and the Company jointly elect that the entire liability of the Employer to pay the Employer’s Liability that arises on any Relevant Employment Income is hereby transferred to the Employee. The Employee understands that by electronically accepting or by signing this Election or by accepting the Options, he or she will become personally liable for the Employer’s Liability covered by this Election. This Election is made in accordance with paragraph 3B(1) of Schedule 1 to SSCBA.

4. PAYMENT OF THE EMPLOYER’S LIABILITY

- 4.1 The Employee hereby authorizes the Company and/or the Employer to collect the Employer’s Liability in respect of any Relevant Employment Income from the Employee at any time after the Taxable Event:
- (i) by deduction from salary or any other payment payable to the Employee at any time on or after the date of the Taxable Event; and/or
 - (ii) directly from the Employee by payment in cash or cleared funds; and/or
 - (iii) by arranging, on behalf of the Employee, for the sale of some of the securities which the Employee is entitled to receive in respect of the Options; and/or
 - (iv) where the proceeds of the gain are to be paid through a third party, by that party withholding an amount from the payment or selling some of the securities which the Employee is entitled to receive in respect of the Options; and/or

(v) by any other means specified in the applicable stock option agreement.

- 4.2 The Company hereby reserves for itself and the Employer the right to withhold the transfer of any securities in respect of the Options to the Employee until full payment of the Employer's Liability is received.
- 4.3 The Company agrees to procure the remittance by the Employer of the Employer's Liability to HM Revenue and Customs on behalf of the Employee within 14 days after the end of the UK tax month during which the Taxable Event occurs (or within 17 days after the end of the UK tax month during which the Taxable Event occurs, if payments are made electronically).

5. DURATION OF ELECTION

- 5.1 The Employee and the Company agree to be bound by the terms of this Election regardless of whether the Employee is transferred abroad or is not employed by the Employer on the date on which the Employer's Liability becomes due.
- 5.2 This Election will continue in effect until the earliest of the following:
- (i) the Employee and the Company agree in writing that it should cease to have effect;
 - (ii) on the date the Company serves written notice on the Employee terminating its effect;
 - (iii) on the date HM Revenue and Customs withdraws approval of this Election; or
 - (iv) after due payment of the Employer's Liability in respect of the entirety of the Options to which this Election relates or could relate, such that the Election ceases to have effect in accordance with its terms.
- 5.3 This Election will continue in full force regardless of whether the Employee ceases to be an employee of the Employer.

Acceptance by the Employee

The Employee acknowledges that, by accepting the Options (by signing the related Notice of Stock Option Grant in hard copy or by electronically accepting such Notice of Stock Option Grant) or by signing or electronically accepting this Election, the Employee agrees to be bound by the terms of this Election.

Name _____
Signature _____
Date _____

Acceptance by the Company

The Company acknowledges that, by arranging for the signature of an authorized representative to appear on this Election, the Company agrees to be bound by the terms of this Election.

By: Michael P. Scarpelli
Chief Financial Officer

SCHEDULE OF EMPLOYER COMPANIES

The following Employer(s) shall be covered by the Joint Election:

Snowflake Computing U.K. Limited

Address:	c/o Fieldfisher 2 Swan Lane, London, United Kingdom, EC4R 3TT
Corporation Tax Number:	8130300324
Company Registration Number	10611715
PAYE Reference	475/EB57157

NOTICE OF EXERCISE

Date of Exercise: _____

This constitutes notice to Snowflake Inc. (the “Company”) under my stock option that I elect to purchase the below number of shares of Class A Common Stock of the Company (the “Shares”) for the exercise price set forth below.

Type of option (check one):	Incentive <input type="checkbox"/>	Nonstatutory <input type="checkbox"/>
Stock option dated:	_____	_____
Number of Shares as to which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	\$ _____	\$ _____
Cash payment delivered herewith:	\$ _____	\$ _____
Regulation T Program (cashless exercise ¹):	\$ _____	\$ _____
Value of _____ Shares delivered herewith ² :	\$ _____	\$ _____

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Snowflake Inc. 2020 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

¹ Shares must meet the public trading requirements set forth in the option agreement.
² Shares must meet the public trading requirements set forth in the option. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

Very truly yours,

Signature

Print Name

Address of Record:

**SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN
GLOBAL RSU AWARD GRANT NOTICE**

Snowflake Inc. (the “*Company*”) has awarded to you (the “*Participant*”) the number of restricted stock units specified and on the terms set forth below (the “*RSU Award*”). Your RSU Award is subject to all of the terms and conditions as set forth herein and in the Company’s 2020 Equity Incentive Plan (the “*Plan*”) and the Global Restricted Stock Unit Award Agreement, including any appendices thereto (the “*Appendices*”), which are provided to you and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Global Restricted Stock Unit Award Agreement shall have the meanings set forth in the Plan or the Global Restricted Stock Unit Award Agreement, as applicable.

Participant: _____
 Date of Grant: _____
 First Vest Date: _____
 Number of Restricted Stock Units: _____

Vesting Schedule:

[_____].
 Notwithstanding the foregoing, vesting shall (i) terminate and any unvested restricted stock units shall be forfeited upon the Participant’s termination of Continuous Service, and (ii) be subject to the Company’s Leave of Absence Policy for Equity and the Company’s Survivor Benefit Policy, both as amended from time to time.

Issuance Schedule:

One whole share of Class A Common Stock shall be issued for each restricted stock unit which vests at the time set forth in Section 5 of the Global Restricted Stock Unit Award Agreement. In its sole discretion, the Company may round up or down to the nearest whole share in the event a fractional share would otherwise be issuable on any vesting date pursuant to the Vesting Schedule specified above.

Participant Acknowledgements: By your signature below or by electronic acceptance or authentication in a form authorized by the Company, you understand and agree that:

- The RSU Award is governed by this Global RSU Award Grant Notice (the “*Grant Notice*”), and the provisions of the Plan and the Global Restricted Stock Unit Award Agreement (including the Appendices), all of which are made a part of this document. This Grant Notice, the Global Restricted Stock Unit Award Agreement, and the Appendices (collectively, the “*Agreement*”) may not be modified, amended, or revised except in a writing signed by you and a duly authorized officer of the Company, unless otherwise provided in the Plan.
- You have read and are familiar with the provisions of the Plan, the Agreement, and the Prospectus. In the event of any conflict between the provisions in this Agreement (including the Grant Notice, the Global Restricted Stock Unit Award Agreement, and the Appendices) or the Prospectus and the terms of the Plan, the terms of the Plan shall control.

- This Agreement sets forth the entire understanding between you and the Company regarding the acquisition of Class A Common Stock in connection with the RSU Award and supersedes all prior oral and written agreements, promises, and/or representations on that subject.
- You consent to receive the Agreement, the Plan, the Prospectus and any other Plan-related documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
- Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other Applicable Law) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.
- Notwithstanding the above, if you have not actively accepted the RSU Award within 45 days of the Date of Grant set forth in the RSU Award Grant Notice, you are deemed to have accepted the RSU Award, subject to all of the terms and conditions of the Plan and Agreement.

SNOWFLAKE INC.

By: _____
Signature

Title: Chief Financial Officer

Date: _____

PARTICIPANT:

Signature

Date: _____

SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN

GLOBAL RESTRICTED STOCK UNIT AWARD AGREEMENT (RSU AWARD)

As reflected by your RSU Award Grant Notice (“*Grant Notice*”) Snowflake Inc. (the “*Company*”) has granted you an RSU Award under its 2020 Equity Incentive Plan (the “*Plan*”) for the number of restricted stock units as indicated in your Grant Notice (the “*RSU Award*”). The terms of your RSU Award as specified in this Global Restricted Stock Unit Award Agreement for your RSU Award, including the Appendices described below and the Grant Notice constitute your Agreement (the Grant Notice, Global Restricted Stock Unit Award Agreement, and Appendices, collectively, are referred to as the “*Agreement*”). Capitalized terms not explicitly defined in this Global Restricted Stock Unit Award Agreement but defined in the Grant Notice or the Plan shall have the same definitions as in the Grant Notice or Plan, as applicable.

The general terms and conditions applicable to your RSU Award are as follows:

1. **GOVERNING PLAN DOCUMENT.** Your RSU Award is subject to all the provisions of the Plan, including but not limited to the provisions in:

- (a) Section 7 of the Plan regarding the impact of a Capitalization Adjustment, dissolution, liquidation, or Corporate Transaction on your RSU Award;
- (b) Section 9(d) of the Plan regarding the right (if any) of the Company or an Affiliate to terminate your Continuous Service notwithstanding the grant of the RSU Award; and
- (c) Section 8 of the Plan regarding the tax consequences of your RSU Award.

Your RSU Award is further subject to all interpretations, amendments, rules, and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. Without limitation to the foregoing, your RSU Award is subject to the terms of the Company’s Leave of Absence Policy for Equity and the Company’s Survivor Benefit Policy, both as amended from time to time. In the event of any conflict between the RSU Award Agreement and the provisions of the Plan, the provisions of the Plan shall control.

2. **GRANT OF THE RSU AWARD.** This RSU Award represents your right to be issued on a future date the number of shares of Class A Common Stock that is equal to the Number of Restricted Stock Units indicated in the Grant Notice as modified to reflect any Capitalization Adjustment and subject to your satisfaction of the vesting conditions set forth therein (the “*Restricted Stock Units*”). Any additional Restricted Stock Units that become subject to the RSU Award pursuant to Capitalization Adjustments as set forth in the Plan, if any, shall be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other Restricted Stock Units covered by your RSU Award.

3. **DIVIDENDS.** You shall receive no benefit or adjustment to your RSU Award with respect to any cash dividend, stock dividend, or other distribution that does not result from a Capitalization Adjustment as provided in the Plan; provided, however, that this sentence shall not apply with respect to any shares of Class A Common Stock that are delivered to you in connection with your RSU Award after such shares have been delivered to you.

4. WITHHOLDING OBLIGATIONS.

(a) Regardless of any action taken by the Company or, if different, the Affiliate to which you provide Continuous Service (the “*Service Recipient*”) with respect to any income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items associated with the grant, vesting or settlement of the RSU Award or sale of the underlying Class A Common Stock or other tax-related items related to your participation in the Plan and legally applicable to you (the “*Tax Liability*”), you hereby acknowledge and agree that the Tax Liability is your ultimate responsibility and may exceed the amount, if any, actually withheld by the Company or the Service Recipient. You further acknowledge that the Company and the Service Recipient (i) make no representations or undertakings regarding any Tax Liability in connection with any aspect of this RSU Award, including, but not limited to, the grant or vesting of the RSU Award, the issuance of Class A Common Stock pursuant to such vesting, the subsequent sale of shares of Class A Common Stock, and the payment of any dividends on the Class A Common Stock; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the RSU Award to reduce or eliminate your Tax Liability or achieve a particular tax result. Further, if you are subject to Tax Liability in more than one jurisdiction, you acknowledge that the Company and/or the Service Recipient (or former service recipient, as applicable) may be required to withhold or account for Tax Liability in more than one jurisdiction.

(b) In connection with any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Service Recipient to satisfy all Tax Liability. As further provided in Section 8 of the Plan, you hereby authorize the Company and any applicable Service Recipient to satisfy any applicable withholding obligations or rights with regard to the Tax Liability by any of the following means or by a combination of such means: (i) causing you to pay any portion of the Tax Liability in cash or cash equivalent in a form acceptable to the Company; (ii) withholding from any compensation otherwise payable to you by the Company or the Service Recipient; (iii) withholding shares of Class A Common Stock from the shares of Class A Common Stock issued or otherwise issuable to you in connection with the Award; *provided*, however, that to the extent necessary to qualify for an exemption from application of Section 16(b) of the Exchange Act, if applicable, such share withholding procedure will be subject to the express prior approval of the Board or the Company’s Compensation Committee; (iv) permitting or requiring you to enter into a “same day sale” commitment, if applicable, with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a “*FINRA Dealer*”), pursuant to this authorization and without further consent, whereby you irrevocably elect to sell a portion of the shares of Class A Common Stock to be delivered in connection with your Restricted Stock Units to satisfy the Tax Liability and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Tax Liability directly to the Company or the Service Recipient; and/or (v) any other method determined by the Company to be in compliance with Applicable Law. Furthermore, you agree to pay the Company or the Service Recipient any amount the Company or the Service Recipient may be required to withhold, collect, or pay as a result of your participation in the Plan or that cannot be satisfied by the means previously described. In the event it is determined that the amount of the Tax Liability was greater than the amount withheld by the Company and/or the Service Recipient (as applicable), you agree to indemnify and hold the Company and/or the Service Recipient (as applicable) harmless from any failure by the Company or the applicable Service Recipient to withhold the proper amount.

(c) The Company may withhold or account for your Tax Liability by considering statutory or other withholding rates applicable in your jurisdiction(s), including (i) maximum applicable rates in your jurisdiction(s), in which case you may receive a refund of any over-withheld amount in cash (whether from applicable tax authorities or the Company) and you will have no entitlement to the equivalent amount in Class A Common Stock or (ii) minimum or such other applicable rates in your jurisdiction(s), in which case you may be solely responsible for paying any additional Tax Liability to the applicable tax authorities or to the Company and/or the Service Recipient. If the Tax Liability withholding obligation is satisfied by withholding shares of Class A Common Stock, for tax purposes, you are deemed to have been issued the full number of shares of Class A Common Stock subject to the vested portion of the RSU Award, notwithstanding that a number of the shares of Class A Common Stock is held back solely for the purpose of paying such Tax Liability.

(d) You acknowledge that you may not participate in the Plan and the Company shall have no obligation to deliver shares of Class A Common Stock until you have fully satisfied the Tax Liability, as determined by the Company. Unless any withholding obligation for the Tax Liability is satisfied, the Company shall have no obligation to deliver to you any Class A Common Stock in respect of the RSU Award.

5. DATE OF ISSUANCE.

(a) The issuance of shares in respect of the Restricted Stock Units is intended to comply with U.S. Treasury Regulations Section 1.409A-3(a) and will be construed and administered in such a manner. Subject to the satisfaction of the Tax Liability withholding obligation, if any, in the event one or more Restricted Stock Units vests, the Company shall issue to you one (1) share of Class A Common Stock for each vested Restricted Stock Unit. Each issuance date determined by this paragraph is referred to as an “*Original Issuance Date*.”

(b) If the Original Issuance Date falls on a date that is not a business day, delivery shall instead occur on the next following business day. In addition, if:

(i) the Original Issuance Date does not occur (1) during an “open window period” applicable to you, as determined by the Company in accordance with the Company’s then-effective policy on trading in Company securities, or (2) on a date when you are otherwise permitted to sell shares of Class A Common Stock on an established stock exchange or stock market (including but not limited to under a previously established written trading plan that meets the requirements of Rule 10b5-1 under the Exchange Act and was entered into in compliance with the Company’s policies (a “*10b5-1 Arrangement*)), and

(ii) either (1) a Tax Liability withholding obligation does not apply, or (2) the Company decides, prior to the Original Issuance Date, (A) not to satisfy the Tax Liability withholding obligation by withholding shares of Class A Common Stock from the shares otherwise due, on the Original Issuance Date, to you under this Award, and (B) not to permit you to enter into a “same day sale” commitment with a broker-dealer (including but not limited to a commitment under a 10b5-1 Arrangement) and (C) not to permit you to pay your Tax Liability in cash, then the shares that would otherwise be issued to you on the Original Issuance Date will not be delivered on such Original Issuance Date and will instead be delivered on the first business day when you are not prohibited from selling shares of the Class A Common Stock in the open public market, but in no event later than December 31 of the calendar year in which the Original Issuance Date occurs (that is, the last day of your taxable year in which the Original Issuance Date occurs), or, if and only if permitted in a manner that complies with U.S. Treasury Regulations Section 1.409A-1(b)(4), no later than the date that is the 15th day of the third calendar month of the applicable year following the year in which the shares of Class A Common Stock under this Award are no longer subject to a “substantial risk of forfeiture” within the meaning of U.S. Treasury Regulations Section 1.409A-1(d).

6. TRANSFERABILITY. Except as otherwise provided in the Plan, your RSU Award is not transferable, except by will or by the applicable laws of descent and distribution.

7. CORPORATE TRANSACTION. Your RSU Award is subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on your behalf with respect to any escrow, indemnities and any contingent consideration.

8. NO LIABILITY FOR TAXES. As a condition to accepting the RSU Award, you hereby (a) agree to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to any Tax Liability arising from the RSU Award or any other compensation from the Company or the Service Recipient and (b) acknowledge that you were advised to consult with your own personal tax, financial and other legal advisors regarding the tax consequences of the RSU Award and have either done so or knowingly and voluntarily declined to do so.

9. DATA PRIVACY. In order for the Company to administer the RSU Award and your participation in the Plan, the Company must collect, process and transfer certain of your personal data, as further described in Appendix A to this Global Restricted Stock Unit Award Agreement. Appendix A constitutes part of this Agreement.

10. SEVERABILITY. If any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

11. OTHER DOCUMENTS. You hereby acknowledge receipt of or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Prospectus. In addition, you acknowledge receipt of the Company's Insider Trading Policy.

12. QUESTIONS. If you have questions regarding these or any other terms and conditions applicable to your RSU Award, including a summary of the applicable U.S. federal income tax consequences, please see the Prospectus (or, for a summary of the tax consequences if you are based outside the U.S., the employee information supplement to the Prospectus applicable for your jurisdiction).

13. [INTENTIONALLY OMITTED].

14. GOVERNING LAW. This Agreement and any controversy arising out of or relating to this Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to conflict of law principles that would result in any application of any law other than the law of the State of Delaware.

15. WAIVER. You acknowledge that a waiver by the Company of any provision, or breach thereof, of this Agreement on any occasion shall not operate or be construed as a waiver of such provision on any other occasion or as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other Participant.

16. IMPOSITION OF OTHER REQUIREMENTS. The Company reserves the right to impose other requirements on your participation in the Plan, on the RSU Award and on any Class A Common Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

17. NO ADVICE REGARDING GRANT. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying shares of Class A Common Stock. You should consult with your own personal tax, financial and/or legal advisors regarding the Tax Liability arising in connection with the RSU Award and by accepting the RSU Award, you have agreed that you have done so or knowingly and voluntarily declined to do so.

18. COUNTRY-SPECIFIC PROVISIONS. The RSU Award shall be subject to any additional or different terms and conditions set forth in Appendix B to this Global Restricted Stock Unit Award Agreement. Moreover, if you relocate to one of the countries included in Appendix B, the additional or different terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix B constitutes part of this Agreement.

**SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN**

APPENDIX A TO GLOBAL RESTRICTED STOCK UNIT AWARD AGREEMENT

This Appendix A forms part of the Agreement. Capitalized terms used but not defined in this Appendix A have the meanings set forth in the Plan and/or in the Global Restricted Stock Unit Award Agreement.

DATA PRIVACY. To participate in the Plan, you need to review the information provided in (a) through (f) below and, where applicable, consent to the processing of Personal Data (as defined below) by the Company and the third parties according to (g) below.

If you are based in the European Union (“**EU**”), the European Economic Area (“**EEA**”), Switzerland or the United Kingdom (collectively, “**EEA+**”), Snowflake Inc., with its registered office in the state of Delaware at 251 Little Falls Drive, Wilmington, Delaware, 19808, USA is the controller responsible for the processing of your Personal Data in connection with the Agreement and the Plan. The Company's representative in the EU is Snowflake Computing Netherlands B.V. with its primary office located at FOZ Building, Gustav Mahleraan 300-314, 1082 ME Amsterdam, Netherlands. The Company's representative in the United Kingdom is Snowflake Computing U.K. Limited with its primary office located at 14th Floor, The Bower 207 Old Street, London, United Kingdom, EC1V 9NR.

(a) **Data Collection and Usage.** The Company collects, processes and uses Personal Data about you, including your name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares of Class A Common Stock or directorships held in the Company, details of all Restricted Stock Units over shares of Class A Common Stock or any other entitlement to shares of Class A Common Stock awarded, canceled, exercised, purchased, vested, unvested or outstanding in your favor, which the Company receives from you or the Service Recipient (“**Personal Data**”). In order for you to participate in the Plan, the Company will collect Personal Data for purposes of allocating shares of Class A Common Stock and implementing, administering and managing the Plan.

If you are based in the EEA+, the Company's legal basis for the processing of Personal Data is the necessity of the processing for the Company's performance of its obligations under the Agreement and the Company's legitimate interest of complying with statutory obligations to which it is subject.

If you are based in any other jurisdiction, the Company relies on your consent to the processing of Personal Data, as further described below.

(b) **Stock Plan Administration and Service Provides.** The Company may transfer Personal Data to Cooley LLP, Fidelity Stock Plan Services LLC, Computershare Trust Company, N.A., and/or Solium Plan Managers LLC (each, an “**administrator**”), each of which is an independent service provider based in the U.S., which is assisting the Company with the implementation, administration and management of the Plan. Administrators may open an account for you to receive and, when applicable, trade shares of Class A Common Stock. You may be asked to acknowledge, or agree to, separate terms and data processing practices with any administrator, with such acknowledgement or agreement being a condition to your ability to participate in the Plan.

(c) International Data Transfers. Personal Data will be transferred from your country to the U.S., where the Company and its service providers are based. You understand and acknowledge that the U.S. has enacted data privacy laws that are different from those applicable in your country of residence. The EU Commission has determined that an appropriate level of protection can be achieved by implementing safeguards such as the Standard Contractual Clauses adopted by the EU Commission.

If you are based in the EEA+, Personal Data will be transferred from the EEA+ to the Company based on the Standard Contractual Clauses adopted by the EU Commission that are entered into by the Company and its Affiliates located in the EEA+. The onward transfer of your Personal Data by the Company to the administrators will be based on a data processing agreement or the EU Standard Contractual Clauses. You may request a copy of such appropriate safeguards at privacy@snowflake.com.

If you are based in any other jurisdiction, the Company relies on your consent to the transfer of Personal Data to the U.S., as further described below.

(d) Data Retention. The Company will use Personal Data only as long as necessary to implement, administer and manage my participation in the Plan or as required to comply with legal or regulatory obligations, including, without limitation, under tax and securities laws. When the Company no longer needs Personal Data for any of the above purposes, which will generally be seven (7) years after you participate in the Plan, the Company will cease to use Personal Data and remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be relevant laws or regulations (if you are in the EEA+) and/or your consent (if you are outside the EEA+).

(e) Data Subject Rights. You understand that you may have a number of rights under data privacy laws in your jurisdiction. Subject to the conditions set out in the Applicable Law and depending on where you are based, such rights may include the right to (i) request access to, or copies of, Personal Data processed by the Company, (ii) rectification of incorrect Personal Data, (iii) deletion of Personal Data, (iv) restrictions on the processing of Personal Data, (v) object to the processing of Personal Data for legitimate interests, (vi) portability of Personal Data, (vii) lodge complaints with competent authorities in your jurisdiction, and/or to (viii) receive a list with the names and addresses of any potential recipients of Personal Data. To receive clarification regarding these rights or to exercise these rights, you can contact privacy@snowflake.com.

(f) Necessary Disclosure of Personal Data. You understand that providing the Company with Personal Data is necessary for the performance of the Agreement and that your refusal to provide Personal Data or, where applicable, consent to process and transfer Personal Data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the Plan.

(g) Data Privacy Consent. If you are located in a jurisdiction outside the EEA+, you hereby voluntarily and unambiguously consent to the collection, use and transfer, in electronic or other form, of Personal Data, as described above and in any other Award materials, by and among, as applicable, the Company, the Service Recipient and any Affiliate for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that you may, at any time, refuse or withdraw the consents herein, in any case without cost, by contacting in writing privacy@snowflake.com. If you do not consent or later seek to revoke your consent, your employment status or service with the Service Recipient will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant the Restricted Stock Units or other equity awards to you or administer or maintain such awards. Therefore, you understand that refusing or withdrawing consent may affect your ability to participate in the Plan. For more information on the consequences of refusal to consent or withdrawal of consent, you should contact privacy@snowflake.com.

**SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN**

APPENDIX B TO GLOBAL RESTRICTED STOCK UNIT AWARD AGREEMENT

Terms and Conditions

This Appendix B forms part of the Agreement and includes special terms and conditions that govern the RSU Award granted to you under the Plan if you reside and/or work in one of the jurisdictions listed below. Capitalized terms used but not defined in this Appendix B have the meanings set forth in the Plan and/or in the Global Restricted Stock Unit Award Agreement.

If you are a citizen or resident (or are considered as such for local law purposes) of a country other than the country in which you are currently residing and/or working, or if you relocate to another country after the grant of the RSU Award, the Company shall, in its discretion, determine to what extent the special terms and conditions contained herein shall be applicable to you.

Notifications

This Appendix B may also include information regarding securities, exchange control and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of July 2024. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information in this Appendix B as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you vest in the Restricted Stock Units, acquire shares of Class A Common Stock, or sell shares of Class A Common Stock acquired under the Plan.

In addition, the information contained below is general in nature and may not apply to your particular situation and, as a result, the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your individual situation.

Finally, if you are a citizen or resident (or are considered as such for local law purposes) of a country other than the country in which you are currently residing and/or working, or if you relocate to another country after the grant of the RSU Award, the information contained in this Appendix B may not be applicable to you in the same manner.

ALL COUNTRIES OUTSIDE THE UNITED STATES

NATURE OF GRANT. By accepting this RSU Award, you acknowledge, understand and agree that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (b) no Affiliate of the Company (including, but not limited to, the Service Recipient) has any obligation to make any payment of any kind to you under this Agreement;

(c) the grant of the RSU Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past;

(d) all decisions with respect to future restricted stock units or other grants, if any, will be at the sole discretion of the Company;

(e) the grant of the RSU Award and your participation in the Plan will not create a right to continue to serve the Company or the Service Recipient in the capacity in effect at the time the Award was granted;

(f) the grant of the RSU Award and your participation in the Plan will not be interpreted as forming or amending an employment or service contract with the Company or the Service Recipient, and will not interfere with the right (if any) of the Company or the Service Recipient, as applicable, to terminate your Continuous Service;

(g) you are voluntarily participating in the Plan;

(h) the RSU Award and the Class A Common Stock subject to the RSU Award, and the income from and value of same, are not intended to replace any pension rights or compensation;

(i) the RSU Award and the Class A Common Stock subject to the RSU Award, and the income from and value of same, are not part of normal or expected compensation for purposes of, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits or similar payments;

(j) unless otherwise agreed with the Company in writing, the Restricted Stock Units and the Class A Common Stock subject to the RSU Award, and the income from and value of same, are not granted as consideration for, or in connection with, the service you may provide as a director of an Affiliate;

(k) the future value of the underlying Class A Common Stock is unknown, indeterminable and cannot be predicted with certainty;

(l) no claim or entitlement to compensation or damages shall arise from forfeiture of the RSU Award resulting from the termination of your Continuous Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment or labor laws in the jurisdiction where you provide services or the terms of your employment or service agreement, if any) or from the application of any clawback or recoupment policy adopted by the Company or imposed by Applicable Law;

(m) for purposes of the RSU Award, your Continuous Service will be considered terminated as of the date you are no longer actively providing services to the Company, the Service Recipient or any other Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment or labor laws in the jurisdiction where you are employed or provide services or the terms of your employment or service agreement, if any), and such date will not be extended by any notice period (*e.g.*, your period of Continuous Service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment or labor laws in the jurisdiction where you are employed or providing services or the terms of your employment or service agreement, if any); the Board or, if delegated pursuant to Section 2 of the Plan, the Compensation Committee or a designated officer of the Company (or a designee of any of the foregoing) shall have the exclusive discretion to determine when you are no longer actively providing services for

purposes of the RSU Award (including whether you may still be considered to be providing services while on a leave of absence, in accordance with the Company's Leave of Absence Policy for Equity, as amended from time to time); and

(n) neither the Company, the Service Recipient nor any other Affiliate will be liable for any foreign exchange rate fluctuation between your local currency and the U.S. dollar that may affect the value of the RSU Award or of any amounts due to you pursuant to the settlement of the RSU Award or the subsequent sale of any Class A Common Stock acquired upon settlement.

LANGUAGE. You acknowledge and represent that you are sufficiently proficient in the English language, or have consulted with an advisor who is sufficiently proficient in the English language, so as to enable you to understand the provisions of this Agreement and the Plan. If you have received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by Applicable Law.

FOREIGN ASSET/ACCOUNT, EXCHANGE CONTROL AND TAX REPORTING. You acknowledge that, depending on your country, there may be certain foreign asset and/or account reporting requirements or exchange control restrictions which may affect your ability to acquire or hold the RSU Award or the shares of Class A Common Stock or cash received from participating in the Plan (including proceeds from the sale of shares and dividends paid on shares) in a brokerage or bank account outside your country. You may be required to report such accounts, assets or related transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of participating in the Plan to your country through a designated bank or broker and/or within a certain time after receipt. You acknowledge that you are responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements and should consult your personal legal and tax advisors on this matter.

INSIDER TRADING RESTRICTIONS/MARKET ABUSE LAWS. You may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, including but not limited to the United States and your country, which may affect your ability to accept, acquire, sell or otherwise dispose of shares of Class A Common Stock, rights to shares of Class A Common Stock (e.g., the RSU Award) or rights linked to the value of shares of Class A Common Stock during such times as you are considered to have "inside information" regarding the Company (as defined by the laws in applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party, and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. You should keep in mind that third parties can include fellow employees and service providers. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. You acknowledge that it is your responsibility to comply with any applicable restrictions and you should speak with your personal legal advisor on this matter.

VENUE. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant of the RSU Award or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the Court of Chancery of the State of Delaware, or the federal district court for the District of Delaware, and no other courts, where this grant is made and/or to be performed.

ARGENTINA

SECURITIES LAW INFORMATION. Neither the Restricted Stock Units nor the underlying shares of Class A Common Stock are publicly offered or listed on any stock exchange in Argentina and, as a result, have not been and will not be registered with the Argentine Securities Commission (*Comisión Nacional de Valores*). The offer is private and not subject to the supervision of any Argentine governmental authority. Neither this nor any other offering material related to the Restricted Stock Units or the underlying shares of Class A Common Stock may be utilized in connection with any general offering to the public in Argentina.

EXCHANGE CONTROL INFORMATION. Certain restrictions and requirements may apply if and when you transfer proceeds from the sale of shares of Class A Common Stock or any cash dividends paid with respect to such shares of Class A Common Stock into Argentina. Exchange control regulations in Argentina are subject to change. You should speak with your personal legal advisor regarding any exchange control obligations that you may have prior to vesting in the RSU Award or remitting funds into Argentina, as you are responsible for complying with applicable exchange control laws.

FOREIGN ASSET / ACCOUNT REPORTING INFORMATION. If you hold shares of Class A Common Stock as of December 31 of any year, you are required to report the holding of the shares of Class A Common Stock on your personal tax return for the relevant year.

ARMENIA

There are no country-specific provisions.

AUSTRALIA

TAX INFORMATION. It is intended that Subdivision 83A-C of the *Income Tax Assessment Act 1997 (Cth)* applies to the RSU Award granted under the Plan, such that the RSU Award will be subject to deferred taxation.

SECURITIES LAW INFORMATION. This offer is being made under Division 1A, Part 7.12 of the Corporations Act 2001 (*Cth*).

Please note that if you offer your shares of Class A Common Stock for sale to a person or entity resident in Australia, your offer may be subject to disclosure requirements under Australian law. You should obtain legal advice on your disclosure obligations prior to making any such offer.

BRAZIL

COMPLIANCE WITH LAW. By accepting the RSU Award and participating in the Plan, you agree that you will comply with applicable Brazilian laws and report and pay any and all Tax Liability associated with the vesting and settlement of the Restricted Stock Units, the receipt of any dividends, and the sale of any shares of Class A Common Stock acquired under the Plan.

NATURE OF GRANT. The following provision supplements the Nature of Grant provision of this Appendix B:

By accepting the RSU Award, you acknowledge and agree that (i) you are making an investment decision and (ii) the value of the underlying shares of Class A Common Stock is not fixed and may increase or decrease over the vesting period without compensation to you.

EXCHANGE CONTROL INFORMATION. If you are a resident or domiciled in Brazil, you will be required to submit a declaration of assets and rights (including shares of Class A Common Stock acquired under the Plan) held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than USD 1,000,000. *You should consult your personal legal advisor to ensure compliance with the applicable reporting requirements.*

CANADA

GRANT OF THE RSU AWARD. This provision supplements Section 2 of the Global Restricted Stock Unit Award Agreement:

The RSU Award will be settled by the issuance of shares of Class A Common Stock and not by the issuance of cash (or by a combination of cash and shares), notwithstanding the discretion to settle an RSU Award in cash as described in Section 6(a)(vi) of the Plan.

TERMINATION OF CONTINUOUS SERVICE. This provision replaces subsection (m) of the Nature of Grant provision of this Appendix B:

For purposes of the Restricted Stock Units, your Continuous Service will be considered terminated, and the right (if any) to vest in the Restricted Stock Units will terminate effective, as of the date that is the earliest of: (a) the date your employment or service relationship with the Company, Service Recipient, or any of its Affiliates is terminated, and (b) the date you receive notice of termination of your employment or service relationship with the Company Service Recipient, or an Affiliate, regardless of any notice period or period of pay in lieu of such notice required under applicable employment law in the jurisdiction where you are employed or providing services or the terms of your employment agreement, if any. You will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which your Continuous Service is terminated (as determined under this provision) nor will you be entitled to any compensation for lost vesting.

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the Restricted Stock Units under the Plan, if any, will terminate effective as of the last day of your minimum statutory notice period and you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of the statutory notice period, nor will you be entitled to any compensation for lost vesting.

DATA PRIVACY. This provision supplements the Data Privacy provision of Appendix A:

You hereby authorize the Company or any Affiliate, including the Service Recipient, and any agents or representatives to (i) discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the Plan, and (ii) disclose and discuss any and all information relevant to the Plan with their advisors. You further authorize the Company or any Affiliate, including the Service Recipient, and any agents or representatives to record such information and to keep such information in your file. If you are resident in Quebec, you acknowledge and agree that your personal information, including sensitive personal information, may be transferred or disclosed outside of the province of Quebec, including to the United States. You acknowledge and authorize the Company and other parties involved in the administration of the Plan to use technology for profiling purposes and to make automated decisions that may have an impact on you or the administration of the Plan.

SECURITIES LAW INFORMATION. The sale or other disposal of the shares of Class A Common Stock acquired under the Plan may not take place within Canada. If the Class A Common Stock is registered under the Securities Act, you will be permitted to sell shares of Class A Common Stock acquired under the Plan through the designated broker appointed under the Plan, provided the resale of shares of Class A Common Stock takes place outside Canada through the facilities of the exchange on which the shares of Class A Common Stock are then listed. *You should consult your personal legal advisor prior to selling shares of Class A Common Stock to ensure compliance with any applicable requirements.*

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. You are required to report foreign property on form T1135 (Foreign Income Verification Statement) if the total cost of the foreign property exceeds C\$100,000 at any time in the year. Foreign property includes shares of Class A Common Stock acquired under the Plan and may include the Restricted Stock Units. The Restricted Stock Units must be reported--generally at a nil cost--if the C\$100,000 cost threshold is exceeded because of other foreign property held. If shares of Class A Common Stock are acquired, their cost generally is the adjusted cost base ("**ACB**") of the shares. The ACB ordinarily would equal the fair market value of the shares at the time of acquisition, but if other shares of Class A Common Stock are owned, this ACB may need to be averaged with the ACB of the other shares. The form T1135 generally must be filed by April 30 of the following year. *You should consult your personal tax advisor to ensure compliance with the applicable reporting requirements.*

The following provisions apply only if you reside in Quebec:

FRENCH LANGUAGE DOCUMENTS. A French translation of this document and certain other documents related to the Restricted Stock Units will be made available to you as soon as reasonably practicable. You understand that, from time to time, additional information related to the Restricted Stock Units may be provided in English and such information may not be immediately available in French. However, upon request, the Company will provide a translation of such information into French as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless you indicate otherwise, the French translation of this document and the Plan will govern your participation in the Plan.

DOCUMENTS EN LANGUE FRANÇAISE. *Une traduction française de ce document et de certains autres documents relatifs aux Restricted Stock Units sera mise à votre disposition dès que raisonnablement possible. Vous comprenez que, de temps à autre, des informations supplémentaires relatives aux Restricted Stock Units peuvent être fournies en anglais et que ces informations peuvent ne pas être immédiatement disponibles en français. Cependant, sur demande, la Société fournira une traduction de ces informations en français dès que raisonnablement possible. Nonobstant toute disposition contraire dans le Contrat, et sauf indication contraire de votre part, la traduction française de ce document et du Plan régira votre participation au Plan.*

COLOMBIA

MANDATE LETTER. By electronically accepting your RSU Award, you understand that you are also agreeing to the terms set forth in the Mandate Letter, a copy of which is attached to this Appendix B. The Mandate Letter is required in order that a sufficient number of shares of Class A Common Stock issuable at vesting can be withheld and immediately sold on your behalf to cover Tax-Related Items required to be withheld and the proceeds from such sale can be wired directly from the Company to the Service Recipient in Colombia for remittance to the tax authorities.

NATURE OF GRANT. This provision supplements the Nature of Grant provision of this Appendix B:

Pursuant to Article 128 of the Colombian Labor Code, the RSU Award and related benefits do not constitute a component of your “salary” for any legal purpose. Therefore, the RSU Award and related benefits will not be included and/or considered for purposes of calculating any and all labor benefits, such as legal/fringe benefits, vacations, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount which may be payable.

SECURITIES LAW INFORMATION. The shares of Class A Common Stock are not and will not be registered with the Colombian registry of publicly traded securities (*Registro Nacional de Valores y Emisores*) and therefore the shares of Class A Common Stock may not be offered to the public in Colombia. Nothing in the Agreement should be construed as the making of a public offer of securities in Colombia.

EXCHANGE CONTROL INFORMATION. Investments in shares outside of Colombia (including shares of Class A Common Stock acquired under the Plan) are subject to registration before the Central Bank (*Banco de la República*) as foreign investment held abroad, regardless of value. Notwithstanding that the Company will withhold and immediately sell a number of shares of Class A Common Stock sufficient to cover the applicable Tax-Related Items, you must register 100% of the number of shares of Class A Common Stock issuable at vesting of the RSU Award. You must also notify the Central Bank of the number of shares of Class A Common Stock you sell, including shares sold on your behalf to cover Tax-Related Items as described above, within six months of such sale. In addition, all payments related to the liquidation of such investments must be transferred through the Colombian foreign exchange market (*e.g.*, local banks), which includes the obligation of correctly completing and filing the appropriate foreign exchange form (*declaración de cambio*).

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. Colombian residents must file an annual informative return with the local tax authority regarding the assets held abroad, which includes any shares of Class A Common Stock acquired under the Plan (for every year the shares of Class A Common Stock are held). This obligation is only applicable if the value of the assets held abroad exceeds 2,000 Tax Units.

(Mandate Letter on next page)

PODER ESPECIAL

Snowflake Colombia S.A.S., filial de Snowflake Inc (la “**Compañía**”) identificada con NIT 901506086 (el “**MANDATARIO**”), y de otra parte, el Participante a quien se le ha otorgado el RSU, mayor de edad, domiciliado y residente en Colombia, en nombre y representación propia (el “**MANDANTE**”), en conjunto, LAS PARTES, suscriben el presente PODER ESPECIAL el cual se regirá por las siguientes obligaciones en la que se asumirán a las siguientes declaraciones y cláusulas:

CONSIDERANDOS

- 1. EL MANDANTE** es una persona natural colombiana, que actualmente labora en Colombia.
- Que, en virtud del contrato denominado "Global Restricted Stock Unit Award Agreement", incluyendo el "RSU Award Grant Notice" y los anexos correspondientes celebrados y firmados entre **LAS PARTES**, el **MANDANTE** autoriza a el **MANDATARIO** a celebrar un compromiso de venta de divisas con un Intermediario del Mercado Cambiario con el fin de satisfacer la responsabilidad tributaria del primero, mediante monetización directamente realizada al segundo¹.
- POR TANTO**, con base en las consideraciones mencionadas anteriormente, las **PARTES** han convenido suscribir un **PODER ESPECIAL** (o el “Contrato”) que se regirá por las siguientes:

CLÁUSULAS

CLÁUSULA PRIMERA. Objeto: Por el presente Contrato el **MANDANTE** autoriza y encarga al **MANDATARIO** para que, en nombre y por cuenta del **MANDANTE**, reciba giros de divisas del exterior por concepto de inversión colombiana en el exterior.

Para efectos de lo anterior, el **MANDATARIO** se encuentra autorizado a diligenciar la totalidad de formularios, declaraciones y documentos que el Intermediario del Mercado Cambiario requiera con el fin de realizar la monetización de divisas del exterior en nombre del **MANDANTE**,

SPECIAL POWER

Snowflake Colombia S.A.S., a subsidiary of Snowflake Inc. (the “**Company**”) identified with NIT 901506086 and its authorized agent(s) (the “**AGENT**”), and on the other hand, the Participant to whom the RSU Award was granted, of legal age, domiciled and resident in Colombia, in its own name and representation (the “**PRINCIPAL**”), jointly, **THE PARTIES**, sign this **SPECIAL POWER** which shall be governed by the following obligations in which the following declarations and clauses shall be assumed:

CONSIDERATIONS

- 1. THE PRINCIPAL** is a Colombian natural person, currently working in Colombia.
- That, by virtue of the contract called Global Restricted Stock Unit Award Agreement, including the RSU Award Grant Notice and Appendices thereto entered into between **THE PARTIES**, the **PRINCIPAL** authorizes the **AGENT** to enter into a commitment of sale of foreign currency with an Intermediary of the Foreign Exchange Market in order to satisfy the tax liability of the former, by means of monetization directly made to the latter².
- NOW THEREFORE**, based on the foregoing considerations, the **PARTIES** have agreed to enter into a **SPECIAL POWER** (or the “Agreement”) to be governed by the following:

CLAUSES

CLAUSE ONE: Object: By this Agreement the **PRINCIPAL** hereby authorizes and instructs the **AGENT** to, in the name and on behalf of the **PRINCIPAL**, receive foreign currency transfers from abroad of Colombian investment abroad.

For purposes of the foregoing, the **AGENT** is authorized to fill out all the forms, declarations and documents that the Exchange Market Intermediary may require in order to carry out the monetization of foreign currency on behalf of the **PRINCIPAL**,

¹ Cláusula 4(b)(iv). Global RSU Award Grant Notice.

² Clause 4(b)(iv). Global RSU Award Grant Notice.

<p>y en general a solicitar y tramitar ante las autoridades competentes los permisos y autorizaciones necesarios para el giro de divisas al exterior.</p>	<p>and in general to request and process before the competent authorities the necessary permits and authorizations for the transfer of foreign currency abroad.</p>
<p>La información que el MANDATARIO debe diligenciar será enviada por parte del MANDANTE quien asume responsabilidad de los registros a realizar ante el Banco de la República de Colombia.</p>	<p>The information to be filled in by the AGENT shall be sent by the PRINCIPAL who assumes responsibility for the registrations to be made before the Colombian Central Bank (Banco de la República de Colombia).</p>
<p>El MANDATARIO a través del presente Contrato acepta el encargo del MANDANTE, así como las autorizaciones que el mismo le otorga.</p>	<p>The AGENT hereby accepts the assignment of the PRINCIPAL, as well as the authorizations granted by the PRINCIPAL.</p>
<p>CLÁUSULA SEGUNDA. Remuneración: LAS PARTES acuerdan y manifiestan expresamente que el presente Contrato no generará contraprestaciones económicas a favor del MANDATARIO.</p>	<p>CLAUSE TWO. Remuneration: THE PARTIES expressly agree and state that this Agreement shall not generate any economic consideration in favor of the AGENT.</p>
<p>CLÁUSULA TERCERA. Obligaciones del MANDANTE: El MANDANTE reembolsará los montos correspondientes a cualquier cargo bancario, comisión u otros conceptos similares incurridos por el MANDATARIO en relación con la ejecución de este Acuerdo.</p>	<p>CLAUSE THREE. PRINCIPAL'S OBLIGATIONS: The PRINCIPAL shall reimburse the amounts corresponding to any banking fees, commissions or other similar amounts incurred by the Agent in connection with the performance of this Agreement.</p>
<p>CLÁUSULA CUARTA - Obligaciones del MANDATARIO: El MANDATARIO deberá llevar a cabo las gestiones establecidas en la cláusula primera del presente Contrato de Mandato de acuerdo con las instrucciones del MANDANTE.</p>	<p>CLAUSE FOUR - Obligations of the PRINCIPAL: The AGENT shall carry out the actions set forth in clause one of this Agreement in accordance with the instructions of the PRINCIPAL.</p>
<p>CLÁUSULA QUINTA. Impuestos: En virtud del mandato conferido por medio del presente Contrato, se tendrán en cuenta los siguientes asuntos para efectos tributarios y contables:</p>	<p>CLAUSE FIVE. Taxes: By virtue of the mandate conferred by means of this Agreement, the following matters shall be taken into account for tax and accounting purposes:</p>
<p>(a) Los pagos que efectúe el MANDANTE en nombre del MANDATARIO, no están sujetos al IVA, impuesto de industria y comercio o retenciones del impuesto sobre la renta en la medida en que éstos se hagan a título de reembolso al MANDATARIO por los valores pagados a nombre del MANDANTE.</p>	<p>(a) The payments made on behalf of the PRINCIPAL to the AGENT are not subject to VAT, industry and commerce tax or income tax withholdings to the extent that they are made as reimbursement to the AGENT for the amounts paid on behalf of the PRINCIPAL.</p>
<p>(b) El MANDATARIO será el responsable del pago del gravamen a los movimientos financieros – GMF, en caso de ser aplicables, el cual será reembolsado por el MANDANTE.</p>	<p>(b) The AGENT shall be responsible for the payment of the tax on financial movements - GMF, if applicable, which shall be reimbursed by the PRINCIPAL.</p>

<p>(c) Corresponde al MANDATARIO cumplir con sus obligaciones relacionadas con el reporte de información exógena, de acuerdo con los términos del Estatuto Tributario vigente.</p> <p>CLÁUSULA SEXTA. Naturaleza del Contrato: LAS PARTES comprenden y acuerdan que, con el fin de cumplir las obligaciones previstas en el presente Contrato, el MANDATARIO actuará frente a terceros, en nombre de, y como representante del MANDANTE, en beneficio y por cuenta de éste.</p> <p>De igual forma, se manifiesta que el presente Contrato no tiene como objetivo saldar en divisas operaciones entre residentes, y las partes aceptan y entienden la responsabilidad establecida en el artículo 83 de la Resolución Externa 1 de 2018 del Banco de la República, el cual establece lo siguiente:</p> <p><i>Artículo 83o. PROHIBICIÓN DE OPERACIONES EN MONEDA EXTRANJERA EN EL PAÍS. Salvo lo dispuesto en normas especiales de la presente resolución, no está autorizada la realización de depósitos o de cualquier otra operación financiera en moneda extranjera o, en general, de cualquier contrato o convenio entre residentes en moneda extranjera mediante la utilización de las divisas de que trata este título</i></p> <p>CLÁUSULA SÉPTIMA. Vigencia del Contrato: El contrato tendrá el mismo término del establecido en el Global RSU Award Grant Notice, pero el MANDANTE o el MANDATARIO podrán solicitar en cualquier tiempo la terminación del Contrato, con una antelación no inferior a 30 días calendario, sin que ello diere lugar a incumplimiento o indemnización alguna.</p> <p>CLÁUSULA OCTAVA. Ley aplicable y resolución de controversias: El presente Mandato se regirá y se interpretará de conformidad con las leyes de la República de Colombia, toda vez que es el lugar en donde se ejecutarán las obligaciones derivadas de este Mandato.</p>	<p>(c) It is the responsibility of the AGENT to comply with its obligations related to the reporting of exogenous information, in accordance with the terms of the Tax Statute in force.</p> <p>SIXTH CLAUSE. Nature of the Agreement: THE PARTIES understand and agree that, in order to fulfill the obligations set forth in this Agreement, the AGENT shall act before third parties, in the name of and as representative of the PRINCIPAL, for the benefit and on behalf of the latter.</p> <p>Likewise, it is stated that this Agreement is not intended to settle in foreign currency transactions between residents, and the parties accept and understand the responsibility established in Article 83 of External Resolution 1 of 2018 of the Colombian Central Bank, which establishes the following:</p> <p><i>Article 83. PROHIBITION OF TRANSACTIONS IN FOREIGN CURRENCY IN THE COUNTRY. Except as provided in special rules of this resolution, it is not authorized to make deposits or any other financial transaction in foreign currency or, in general, any contract or agreement between residents in foreign currency through the use of the foreign currency referred to in this title.</i></p> <p>SEVENTH CLAUSE. Term of the Agreement: The Agreement shall be for a term to coincide with the term of the RSU Award to which it relates, but the PRINCIPAL or the AGENT may request the termination of the Agreement at any time, with a notice of no less than 30 calendar days, without this giving rise to any breach or indemnity whatsoever.</p> <p>EIGHT CLAUSE. Applicable law and dispute resolution: This Agreement shall be governed by and construed in accordance with the laws of the Republic of Colombia, since it is the place where the obligations arising from this Agreement shall be performed.</p>
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<p>CLÁUSULA NOVENA. Implementación: Para constancia se suscribe el presente Contrato por LAS PARTES en la fecha arriba indicados, en dos (2) ejemplares del mismo tenor, cada uno de los cuales será considerado como un original.</p> <p>El presente Acuerdo es un anexo del Global RSU Award Grant Notice. Todo lo no regulado en el presente Acuerdo se regirá por lo establecido en el Global RSU Award Grant Notice. El MANDANTE reconoce que al aceptar y firmar el Global RSU Award Grant Notice también se acepta y firma todo lo establecido en el presente Acuerdo.</p> <p>EL MANDANTE</p> <p>El MANDANTE reconoce que al aceptar o firmar electrónicamente este Acuerdo y/o al aceptar o firmar electrónicamente el Global RSU Award Grant Notice (ya sea firmando el Global RSU Award Grant Notice o mediante los procedimientos de aceptación electrónica designados por la Compañía), el MANDANTE acepta estar sujeto a los términos de este Acuerdo.</p> <p>EL MANDATARIO</p> <p>El MANDATARIO reconoce que, al gestionar la firma de un representante autorizado en este Acuerdo o el Global RSU Award Grant Notice, el MANDATARIO acuerda estar sujeto a los términos de este Acuerdo.</p>	<p>CLAUSE NINE. Implementation: For the record, this Agreement is executed by THE PARTIES, in two (2) copies of the same wording, each of which shall be considered as an original.</p> <p>The present Agreement is an annex to the Global Restricted Stock Unit Award Grant Notice. Anything not regulated in the present Agreement shall be governed by the provisions of the Global Restricted Stock Unit Award Grant Notice. The PRINCIPAL acknowledges that by accepting and signing the Global Restricted Stock Unit Award Grant Notice, the PRINCIPAL also accepts and signs all the provisions of the present Agreement.</p> <p>THE PRINCIPAL</p> <p>The Principal acknowledges that by electronically accepting or signing this Agreement and/or by accepting the RSU Award (whether by signing the Global RSU Award Grant Notice or via the Company's designated electronic acceptance procedures), the Principal agrees to be bound by the terms of this Agreement.</p> <p>THE AGENT</p> <p>The Agent acknowledges that, by arranging for signature of an authorized representative to appear on this Agreement or the Global RSU Award Grant Notice, the Agent agrees to be bound by the terms of this Agreement.</p>
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COSTA RICA

There are no country-specific provisions.

DENMARK

DANISH STOCK OPTION ACT. By accepting this RSU Award, you acknowledge that you have received an Employer Statement, translated into Danish, if you are entitled to receive one, which is provided to comply with the Danish Stock Option Act, as amended with effect from January 1, 2019.

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. If you establish an account holding shares of Class A Common Stock or cash outside of Denmark, you must report the account and deposits on your annual tax return in the section on foreign affairs and income. *You should consult your personal tax advisor to ensure compliance with the applicable reporting requirements.*

SPECIAL NOTICE FOR EMPLOYEES IN DENMARK	SÆRLIG MEDDELELSE TIL MEDARBEJDERE I DANMARK
EMPLOYER STATEMENT	ARBEJDSGIVERERKLÆRING
<p>Pursuant to Section 3(1) of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares of Stock etc. in Employment Relationships as amended with effect from January 1, 2019 (the "Stock Option Act"), the Participant is entitled to receive the following information regarding the restricted stock unit award ("RSU Award") granted to the Participant by Snowflake Inc. (the "Company") under the Snowflake Inc. 2020 Equity Incentive Plan (the "Plan") in a separate written statement (the "Employer Statement").</p> <p>This Employer Statement contains information applicable to the Participant's participation in the Plan, as required under the Stock Option Act, while the other terms and conditions of the Participant's RSU Award are described in detail in the Plan and the Global RSU Award Grant Notice and the Global Restricted Stock Unit Award Agreement (together, the "Agreement"), both of which have been made available to the Participant. Capitalized terms used but not defined herein shall have the same meanings given to them in the Plan or the Agreement, as applicable.</p> <p>1. Date of Grant</p> <p>The Date of Grant of the Participant's RSU Award is the date that the Committee approved a grant for the Participant and determined it would be effective, which is set forth in the Agreement.</p>	<p>I henhold til § 3, stk. 1 i lov om brug af køberet eller tegningsret til aktier m.v. i ansættelsesforhold som ændret med virkning fra 1. januar 2019 ("Aktieoptionsloven") er Deltageren berettiget til i en særskilt skriftlig erklæring ("Erklæring") at modtage følgende oplysninger om de betingede aktier ("Betingede Aktier"), som Deltageren har fået tildelt af Snowflake Inc. ("Selskabet") i henhold til Snowflake Inc. 2020 Equity Incentive Plan ("Planen").</p> <p>Denne Erklæring indeholder oplysninger, der gælder for Deltagerens deltagelse i Planen, og som er krævet i henhold til Aktieoptionsloven. De øvrige kriterier og betingelser for Deltagerens Betingede Aktier er nærmere beskrevet i Planen og i Aftalen om tildelingen af Betingede Aktier og i Aftalen om Betingede Aktier (samlet "Aftalen"), som begge er gjort tilgængelige for Deltageren. Begreber, der står med stort begyndelsesbogstav i denne arbejdsgivererklæring, men som ikke er defineret heri, har den i Planen eller Aftalen anførte betydning.</p> <p>1. Tildelingstidspunkt</p> <p>Tidspunktet for tildelingen af Deltagerens Betingede Aktier er den dag, hvor Udvalget (the Committee) godkendte Deltagerens tildeling og besluttede, at den skulle træde i kraft. Tidspunktet fremgår af Aftalen.</p>

<p>2. Terms or conditions for grant of the RSU Award</p> <p>The grant of an RSU Award under the Plan is made at the sole discretion of the Company. Employees of the Company and its Affiliates are eligible to receive grants under the Plan. The Committee has broad discretion to determine who will receive an RSU Award and to set the terms and conditions of the RSU Award. The Company may decide, in its sole discretion, not to grant an RSU Award to the Participant in the future. Under the terms of the Plan and the Agreement, the Participant has no entitlement or claim to receive future grants of RSU Awards.</p> <p>3. Vesting conditions</p> <p>The RSU Award will vest, over a specified period of time, provided the Participant's Continuous Service does not terminate. The specified period of time for vesting is set forth in the Agreement.</p> <p>4. Exercise price</p> <p>No exercise price is payable in connection with the RSU Award and the issuance of shares of the Company's Class A Common Stock to the Participant.</p> <p>5. The Participant's rights upon termination of Continuous Service</p> <p>The treatment of the RSU Award upon termination of the Participant's Continuous Service will be determined in accordance with the termination provisions of the Agreement, which are summarized immediately below. In the event of a conflict between the terms of the Agreement and the summary below, the terms set forth in the Agreement will govern the treatment of the RSU Award.</p> <p>Upon termination of the Participant's Continuous Service, any portion of the RSU Award that has yet to vest will be forfeited at no cost to the Company and the Participant will have no further right, title or interest in or to such RSU Award or the shares of the Company's Class A Common Stock underlying such award.</p>	<p>2. Kriterier eller betingelser for tildelingen af Betingede Aktier</p> <p>De af Planen omfattede Betingede Aktier tildeles udelukkende efter Selskabets skøn. Medarbejdere i Selskabet og dets Tilknyttede Selskaber (its Affiliates) er kvalificerede til at modtage tildelingen i henhold til Planen. Udvalget har vide beføjelser til at bestemme, hvem der skal modtage Betingede Aktier, samt til at fastlægge kriterier og betingelser for de Betingede Aktier. Selskabet kan frit vælge fremover ikke at tildele Deltageren nogen Betingede Aktier. I henhold til bestemmelserne i Planen og Aftalen har Deltageren hverken ret til eller krav på fremover at få tildelt Betingede Aktier.</p> <p>3. Modningsvilkår</p> <p>De Betingede Aktier modnes over en nærmere fastsat periode, forudsat at Deltageren fortsat er ansat. Den fastsatte modningsperiode fremgår af Aftalen.</p> <p>4. Udnyttelseskurs</p> <p>Der skal ikke betales nogen udnyttelseskurs i forbindelse med tildelingen af Betingede Aktier og Selskabets udstedelse af Ordinære Aktier til Deltageren.</p> <p>5. Deltagerens retsstilling i forbindelse med ophør af uafbrudt beskæftigelse</p> <p>I tilfælde af ophør af uafbrudt beskæftigelse vil de Betingede Aktier blive behandlet i overensstemmelse med ophørsbestemmelserne i Aftalen, der er opsummeret nedenfor. I tilfælde af uoverensstemmelse mellem vilkårene i Aftalen og sammendraget nedenfor er det vilkårene i Aftalen, der er gældende for de Betingede Aktier.</p> <p>Ved ophør af Deltagerens Ansættelsesforhold bortfalder den del af de Betingede Aktier, der endnu ikke er modnet, uden omkostninger for Selskabet, og Deltageren vil ikke længere have nogen ret til eller interesse i de Betingede Aktier eller i de bagvedliggende Ordinære A-Aktier i Selskabet.</p>
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<p>6. Financial aspects of participating in the Plan</p> <p>The grant of the RSU Award has no immediate financial consequences for the Participant. The value of the RSU Award is not taken into account when calculating holiday allowances, pension contributions or other statutory consideration calculated on the basis of salary.</p> <p>Shares of Class A Common Stock are financial instruments and investing in shares will always have financial risk. The future value of the Company's Class A Common Stock is unknown and cannot be predicted with certainty.</p> <p>Snowflake Inc. 106 East Babcock Street, Suite 3A Bozeman, Montana 59715 United States of America</p>	<p>6. Økonomiske aspekter ved deltagelse i Planen</p> <p>Tildelingen af Betingede Aktier har ingen umiddelbare økonomiske konsekvenser for Deltageren. Værdien af de Betingede Aktier indgår ikke i beregningen af feriepenge, pensionsbidrag eller øvrige lovbestemte, vederlagsafhængige ydelser.</p> <p>Ordinære A-Aktier er finansielle instrumenter, og investering i ordinære aktier vil altid være forbundet med en økonomisk risiko. Den fremtidige værdi af Selskabets Ordinære A-Aktier kendes ikke og kan ikke forudsiges med sikkerhed.</p> <p>Snowflake Inc. 106 East Babcock Street, Suite 3A Bozeman, Montana 59715 United States of America</p>
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FINLAND

There are no country-specific provisions.

FRANCE

GRANT OF THE RSU AWARD. This provision supplements Section 2 of the Global Restricted Stock Unit Award Agreement:

The Restricted Stock Units granted under this Agreement are not intended to qualify for special tax and social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

LANGUAGE CONSENT. You confirm having read and understood the documents relating to the Plan, including the Agreement, with all terms and conditions included therein, which were provided in the English language. You accept the terms of those documents accordingly.

CONSETEMENT RELATIF À LA LANGUE UTILISÉE. *Vous confirmez avoir lu et compris le Plan et cette convention («Agreement»), incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Vous acceptez les dispositions de ces documents en connaissance de cause.*

FOREIGN ASSET / ACCOUNT REPORTING INFORMATION. If you hold cash or securities (including shares of Class A Common Stock acquired under the Plan) outside of France or maintain a foreign bank account, including the accounts that were opened, held, used and/or closed during the tax year, you must report such account to the French tax authorities when filing your annual tax return. *You should consult your personal tax advisor to ensure compliance with applicable reporting requirements.*

GERMANY

EXCHANGE CONTROL INFORMATION. Cross-border payments in excess of EUR 12,500 must be reported to the German Federal Bank (*Bundesbank*). If you make or receive a payment in excess of this amount (including if you acquire shares of Class A Common Stock with a value in excess of this amount under the Plan or sell shares of Class A Common Stock via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells shares of Class A Common Stock with a value in excess of this amount to cover the Tax Liability, you must report the payment and/or the value of the shares of Class A Common Stock withheld or sold to Bundesbank. Such reports must be made either electronically using the “General Statistics Reporting Portal” (“*Allgemeine Meldeportal Statistik*”) available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

INDIA

EXCHANGE CONTROL INFORMATION. You must repatriate any funds received from participation in the Plan (e.g., proceeds from the sale of shares of Class A Common Stock) within such time as prescribed under applicable Indian exchange control laws, which may be amended from time to time. You should obtain a foreign inward remittance certificate (“*FIRC*”) from the bank where you deposit the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Company or the Service Recipient requests proof of repatriation. You may be required to provide information regarding funds received from participation in the Plan to the Company and/or the Service Recipient to enable them to comply with their filing requirements under exchange control laws in India. You are personally responsible for complying with exchange control laws in India, and neither the Company nor the Service Recipient will be liable for any fines or penalties resulting from your failure to comply with applicable laws. *You should consult your personal legal advisor to ensure compliance with the applicable requirements.*

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. You must declare the following items in your annual tax return: (i) any foreign assets held (including shares of Class A Common Stock acquired under the Plan), and (ii) any foreign bank accounts for which you have signing authority. Increased penalties for failing to report these assets/accounts have been implemented. *You should consult your personal tax advisor to ensure compliance with the applicable requirements.*

INDONESIA

LANGUAGE CONSENT. By accepting the RSU Award, you (i) confirm you have read and understand the documents relating to this grant (i.e., the Plan and the Agreement) which were provided in the English language, (ii) accept the terms of those documents accordingly, and (iii) agree not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

PERSETUJUAN BAHASA. Dengan menerima Penghargaan RSU, (i) anda mengkonfirmasi bahwa anda telah membaca dan mengerti isi dokumen yang terkait dengan pemberian ini yang disediakan untuk anda dalam bahasa Inggris, (ii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) anda setuju bahwa anda tidak akan mengajukan keberatan atas keberlakuan dokumen ini berdasarkan Undang-Undang No. 24 tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan atau Peraturan Presiden pelaksana (ketika diterbitkan).

EXCHANGE CONTROL INFORMATION. Indonesian residents must provide the Indonesian central bank, Bank of Indonesia, with information on foreign exchange activities (e.g., any change in position in any foreign assets held including shares of Class A Common Stock acquired under the Plan) on an online monthly report no later than the fifteenth day of the month following such activities. Such report can be submitted through the Bank of Indonesia's website.

If Indonesian residents repatriate funds (e.g., proceeds from the sale of shares of Class A Common Stock) into Indonesia, the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia for statistical purposes. For transactions of USD 10,000 or more (or its equivalent in other currency), a more detailed description of the transaction must be included in the report and you may be required to provide information about the transaction to the bank in order to complete the transaction.

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. Indonesian residents have the obligation to report their worldwide assets (including any foreign bank or brokerage accounts and shares of Class A Common Stock acquired under the Plan) in their annual individual income tax return.

IRELAND

There are no country-specific provisions.

ISRAEL

TRUST ARRANGEMENT. Capitalized terms used but not defined in these provisions or the Plan or the Agreement shall have the meanings ascribed to them in the 2020 Equity Incentive Plan Sub-Plan for Israeli participants (the "*Israel Sub-Plan*").

By accepting the RSU Award, you understand and agree that the Restricted Stock Units awarded under the Agreement are subject to and in accordance with the terms and conditions of the Plan, the Israel Sub-Plan, the Agreement and the trust agreement between the Company and the trustee appointed by the Company or an Affiliate, or any successor trustee (the "*Trustee*").

TYPE OF GRANT. You acknowledge and agree that the RSU Award is subject to the Plan, the Israel Sub-Plan and Sections 102(b)(2) and (3) of the ITO and the trust agreement, a copy of which has been made available to you. You confirm that (i) you are familiar with the terms and provisions of Section 102 of the ITO, particularly the capital gains track described in subsection (b)(2) and (3) thereof, and agree not to require the Trustee to release the shares of Class A Common Stock or to sell or transfer the shares of Class A Common Stock to you or any third party unless permitted to do so by applicable law; (ii) the terms and restrictions set forth in the Israel Sub-Plan will apply to the grant in all respects, including without limitation with respect to mandatory withholding requirements for Tax Liability, and the rights and authorities of the Company, the Service Recipient and the Trustee with respect thereto, and (iii) the Company and any Affiliate and its assignees and successors shall be under no duty to ensure, and no representation or commitment is made, that the shares of Class A Common Stock qualify or shall qualify under any particular tax treatment.

You further acknowledge and agree that any shares of Class A Common Stock acquired under the Plan shall be deposited with the Trustee, or shall be subject to a supervisory trustee arrangement approved by the ITA for the Trustee, in order to comply with the requirements of the capital gains track under Sections 102(b)(2) and (3) of the ITO.

You further understand that under current Israeli tax laws, the Section 102 Holding Period is counted from the Date of Grant. In the event that the RSU Award granted under the Plan or the shares of Class A Common Stock do not meet the requirements of Section 102 of the ITO and the Israel Sub-Plan, they shall not qualify for the favorable tax treatment under the capital gains route.

You hereby undertake to release the Trustee from any liability in respect of any action or decision duly taken and bona fide executed in relation to the Plan, the Israel Sub-Plan or shares of Class A Common Stock issued thereunder.

You hereby confirm that, in addition to your agreement hereunder, the acceptance or settlement of the RSU Awards shall be deemed as irrevocable confirmation of your acknowledgements and undertakings herein with respect to such RSU Award.

You have had the opportunity to consult your personal tax advisor prior to accepting this Agreement.

DATA PRIVACY. The following provision supplements the Data Privacy provision of Appendix A:

You hereby authorize the Company, the Trustee and their representatives to collect, use and transfer all relevant information regarding you to all Company personnel and agents and or third parties involved in the administration of the Plan and/or in the event of a corporate financing, merger, acquisitions and/or business transfers, including transfers outside of Israel and further transfers thereafter.

The following provisions apply if you were not an Israeli tax resident when the RSU Award was granted or if the RSU Award does not qualify as a 102 Capital Gains Track Grant:

NON-TRUSTEE AWARD. The RSU Award is subject to the Plan and is not made pursuant to Sections 102(b)(2) and (3) of the Israel Tax Ordinance and, in particular, is not eligible to benefit from the capital gains track described in subsection (b)(2) and (3) thereof. To facilitate compliance with tax requirements in Israel, you acknowledge and agree that the Company may require that any shares of Class A Common Stock acquired under the Plan be held with the Company's designated broker appointed under the Plan or another designee or that such shares be sold at such time specified by the Company.

ITALY

ACKNOWLEDGEMENT OF SPECIFIC PROVISIONS. By accepting this RSU Award, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Agreement in their entirety and fully understand and accept all provisions of the Plan and Agreement.

You further acknowledge that you have read and specifically and expressly approve the following sections of the Agreement: Governing Plan Document; Grant of the RSU Award; Withholding Obligations; No Liability for Taxes; Other Documents; Imposition of Other Requirements; Nature of Grant; and Venue.

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. If, at any time during the fiscal year, you hold foreign financial assets (including Restricted Stock Units and shares of Class A Common Stock) which may generate income taxable in Italy, you are required to report these assets on your annual tax return (UNICO Form, RW Schedule) for the year during which the assets are held (or on a special form if no tax return is due). These reporting obligations will also apply to Italian residents who are the beneficial owners of foreign financial assets under Italian money laundering provisions. *You should consult your personal tax advisor to ensure compliance with the applicable requirements.*

JAPAN

EXCHANGE CONTROL INFORMATION. If you acquire shares of Class A Common Stock valued at more than JPY 100,000,000 in a single transaction, you must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within twenty (20) days of the acquisition of the shares. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. You are required to report details of any assets held outside Japan as of December 31 (including shares of Class A Common Stock acquired under the Plan), to the extent such assets have a total net fair market value exceeding JPY 50,000,000. Such report is due by March 15 each year. *You should consult your personal tax advisor to ensure compliance with applicable reporting requirements.*

REPUBLIC OF KOREA

EXCHANGE CONTROL INFORMATION. If you sell shares of Class A Common Stock acquired under the Plan or receive cash dividends, you may have to file a report with a Korean foreign exchange bank, provided the proceeds are in excess of USD 5,000 (per transaction) and deposited into a non-Korean bank account. A report may not be required if proceeds are deposited into a non-Korean brokerage account. *You are responsible for complying with any applicable exchange control reporting obligations in Korea and you should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. Korean residents are required to declare all foreign financial accounts (e.g., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts in June of the following year if the monthly balance of such accounts exceeds KRW 500 million (or an equivalent amount in foreign currency) on any month-end date during a calendar year. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

MEXICO

ACKNOWLEDGMENT OF THE AGREEMENT. By participating in the Plan, you acknowledge that you have received a copy of the Plan, have reviewed the Plan in its entirety and fully understand and accept all provisions of the Plan. You further acknowledge that you have read and expressly approved the terms and conditions set forth in the “Nature of Grant” Section of Appendix B, in which the following is clearly described and established: (i) your participation in the Plan does not constitute an acquired right; (ii) the Plan and your participation in the Plan are offered by the Company on a wholly discretionary basis; (iii) your participation in the Plan is voluntary; and (iv) the Company and its Affiliates are not responsible for any decrease in the value of the underlying shares.

LABOR LAW POLICY AND ACKNOWLEDGMENT. By participating in the Plan, you expressly recognize that Snowflake Inc., with its registered office in the State of Delaware at 251 Little Falls Drive, Wilmington, Delaware, 19808, USA, is solely responsible for the administration of the Plan and that your participation in the Plan and acquisition of shares do not constitute an employment relationship between you and the Company since you are participating in the Plan on a wholly commercial basis. Based on the foregoing, you expressly recognize that the Plan and the benefits that you may derive from participation in the Plan do not establish any rights between you and the Service Recipient and do not form part of the employment conditions and/or benefits provided by the Service Recipient and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the Plan is as a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and you therefore grant a full and broad release to the Company, its Affiliates, branches, representation offices, its shareholders, officers, agents or legal representatives with respect to any claim that may arise.

RECONOCIMIENTO DEL CONTRATO. *Al participar en el Plan, usted reconoce que ha recibido una copia del Plan, que ha revisado el Plan en su totalidad, y que entiende y acepta en su totalidad, todas y cada una de las disposiciones del Plan. Asimismo reconoce que ha leído y aprueba expresamente de los términos y condiciones señalados en la Sección "Naturaleza de la Concesión" del Apéndice B, en la que claramente se describe y establece lo siguiente: (i) su participación en el Plan no constituye un derecho adquirido; (ii) el Plan y su participación en el Plan son ofrecidos por la Compañía sobre una base completamente discrecional; (iii) su participación en el Plan es voluntaria; y (iv) la Compañía y sus Afiliadas no son responsables de ninguna por la disminución en el valor de las acciones Ordinarias de Clase A subyacentes.*

POLÍTICA DE LEGISLACIÓN LABORAL Y RECONOCIMIENTO. *Al participar en el Plan, usted reconoce expresamente que Snowflake Inc., con oficinas registradas en 251 Little Falls Drive, Wilmington, Delaware, 19808, Estados Unidos de América, es la única responsable por la administración del Plan, y que su participación en el Plan, así como la adquisición de las acciones Ordinarias de Clase A, no constituye una relación laboral entre usted y la Compañía, porque usted está participando en el plan sobre una base comercial. Con base en lo anterior, usted reconoce expresamente que el Plan y los beneficios que pudiera obtener por su participación en el Plan, no establecen derecho alguno entre usted y el Beneficiario del Servicio, y no forman parte de las condiciones y/o prestaciones laborales que el Beneficiario del Servicio ofrece, y que las modificaciones al Plan o su terminación, no constituirán un cambio ni afectarán los términos y condiciones de su relación laboral.*

Asimismo usted entiende que su participación en el Plan es el resultado de una decisión unilateral y discrecional de la Compañía; por lo tanto, la Compañía se reserva el derecho absoluto de modificar y/o suspender su participación en cualquier momento, sin que usted incurra en responsabilidad alguna.

Finalmente, usted declara que no se reserva acción o derecho alguno para interponer una reclamación alguna en contra de la Compañía, por concepto de compensación o daños relacionados con cualquier disposición del Plan o de los beneficios derivados del Plan, y por lo tanto, usted libera total y ampliamente de toda responsabilidad a la Compañía, a sus Afiliadas, sucursales, oficinas de representación, sus accionistas, funcionarios, agentes o representantes legales, con respecto a cualquier reclamación que pudiera surgir.

SECURITIES LAW INFORMATION. The RSU Award and the shares of Class A Common Stock offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Agreement and any other document relating to the RSU Award may not be publicly distributed in Mexico. These materials are addressed to you only because of your existing relationship with the Company and its Affiliates and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of Snowflake Technologies Mexico S. de R. de C.V. made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country-specific provisions.

NEW ZEALAND

SECURITIES LAW INFORMATION. ***WARNING:** You are being offered Restricted Stock Units which, upon vesting in accordance with the terms of the Agreement and the Plan, will enable you to acquire shares of Company Stock. The shares of Class A Common Stock, if issued, will give you a stake in the ownership of the Company. You may receive a return if dividends are paid.*

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares (if any) have been paid. You may lose some or all of your investment, if any.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

The shares of Class A Common Stock are quoted on the New York Stock Exchange. This means that if you acquire shares of Class A Common Stock under the Plan, you may be able to sell such shares on the New York Stock Exchange if there are interested buyers. If you sell your investment, the price you get may vary depending on factors such as the financial condition of the Company. You may receive less than the full amount that you paid for the investment, if anything. The price will depend on the demand for shares of Class A Common Stock.

A copy of the Company's most recent financial statements (and, if applicable, a copy of the auditor's report on those financial statements) as well as information on risk factors impacting the Company's business that may affect the value of the shares of Class A Common Stock, are included in the Company's Registration Statement on Form S-1 and (when applicable) the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. These documents have been or will be filed with the U.S. Securities and Exchange Commission and are or will be available to you free of charge online at www.sec.gov or on the Company's "Investor Relations" website at investors.snowflake.com.

You should ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

NORWAY

There are no country-specific provisions.

PHILIPPINES

GRANT OF THE RSU AWARD. This provision supplements Section 2 of the Global Restricted Stock Unit Award Agreement:

The offering of the Plan and the grant of the RSU Award may be subject to certain securities approval/confirmation requirements in the Philippines with the Philippine Securities and Exchange Commission. If the Company has not obtained, or does not maintain, the necessary securities approval/confirmation prior to the vesting of the RSU Award, you will not vest in the RSU Award and no shares of Class A Common Stock subject to the RSU Award will be issued. The RSU Award shall vest and shares of Class A Common Stock shall be issued in settlement of the RSU Award only if and when all necessary securities approvals/confirmations have been obtained and are maintained.

SECURITIES LAW INFORMATION. You should be aware of the risks of participating in the Plan, which include (without limitation) the risk of fluctuation in the price of the shares of Class A Common Stock on the New York Stock Exchange and the risk of currency fluctuations between the U.S. dollar and your local currency. In this regard, you should note that the value of any shares of Class A Common Stock you may acquire under the Plan may decrease after the shares of Class A Common Stock are issued, and fluctuations in foreign exchange rates between your local currency and the U.S. dollar may affect the value of the RSU Award or any amounts due to you pursuant to the vesting of the RSU Award or the subsequent sale of any shares of Class A Common Stock acquired upon vesting. The Company is not making any representations, projections or assurances about the value of the shares of Class A Common Stock now or in the future.

For further information on risk factors impacting the Company's business that may affect the value of the shares of Class A Common Stock, you should refer to the risk factors discussion in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov, as well as on the Company's website at <https://investors.snowflake.com/overview/default.aspx>. In addition, you may receive, free of charge, a copy of the Company's Annual Report, Quarterly Reports or any other reports, proxy statements or communications distributed to the Company's stockholders by contacting Investor Relations at Snowflake Inc., 106 East Babcock Street, Suite 3A, Bozeman, Montana 59715, USA and at +1 (844) 766-9355.

You are permitted to sell shares of Class A Common Stock acquired under the Plan through the designated Plan broker appointed by the Company (or such other broker to whom you transfer shares of Class A Common Stock), provided that such sale takes place outside of the Philippines through the facilities of the New York Stock Exchange on which the shares of Class A Common Stock are listed.

POLAND

EXCHANGE CONTROL INFORMATION. Polish residents holding cash and foreign securities (e.g., shares of Class A Common Stock) and/or maintaining accounts abroad must report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets possessed abroad) exceeds PLN 7 million. If required, the reports must be filed on a quarterly basis on special forms that are available on the website of the National Bank of Poland. Further, if you transfer funds in excess of EUR 15,000 (or PLN 15,000 if the transfer of funds is connected with business activity of an entrepreneur) into or out of Poland, the funds must be transferred via a bank account. You are required to retain the documents connected with a foreign exchange transaction for a period of five years, as measured from the end of the year in which such transaction occurred. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

ROMANIA

LANGUAGE CONSENT. By accepting the RSU Award, you acknowledge that you are proficient in reading and understanding English, and have read and acknowledge that you have fully understood the terms of the documents related to the grant (the Grant Notice, the Agreement, and the Plan), which were provided in the English language. You accept the terms of these documents accordingly.

CONSIMITAMANT CU PRIVIRE LA LIMBA. *Prin acceptarea acordarii de RSU-uri, confirmati ca aveti un nivel adecvat de cunoastere in ce priveste citirea si intelegerea limbii engleze, si ati citit si confirmati ca ati inteles pe deplin termenii documentelor referitoare la acordare (anuntul, Acordul si Planul), care au fost furnizate in limba engleza. Acceptati termenii acestor documente in consecinta.*

EXCHANGE CONTROL INFORMATION. You are generally not required to seek authorization from the National Bank of Romania to participate in the Plan or to open and operate a foreign bank account to receive any proceeds under the Plan. However, you may be required to provide the Romanian bank to which you transfer any proceeds under the Plan with appropriate documentation regarding the source of income. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

SAUDIARABIA

SECURITIES LAW INFORMATION. This document may not be distributed in the Kingdom except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. You should conduct your own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorized financial adviser.

SINGAPORE

SECURITIES LAW INFORMATION. The RSU Award is granted pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”) under which it is exempt from the prospectus and registration requirements and is not made with a view to the underlying shares of Class A Common Stock being subsequently offered for sale to any other party. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. You should note that the Restricted Stock Units are subject to section 257 of the SFA and that you will not be able to make any offer or subsequent sale of the shares of Class A Common Stock in Singapore, unless such offer or sale is made (i) after six (6) months from the Date of Grant or (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA, or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

DIRECTOR REPORTING INFORMATION. If you are a director, associate director or shadow director of a Singapore Affiliate, you may be subject to certain notification requirements under the Singapore Companies Act, regardless of whether you are a Singapore resident or employed in Singapore. These requirements include an obligation to notify the Singapore Affiliate in writing of an interest (e.g., Restricted Stock Units, shares of Class A Common Stock) in the Company or an Affiliate within two days of (i) its acquisition or disposal, (ii) any change in a previously disclosed interest (e.g., when the Restricted Stock Units vest), or (iii) becoming a director, associate director or shadow director if such an interest exists at that time. If you are the chief executive officer (“**CEO**”) of a Singapore Affiliate or Subsidiary and the above notification requirements are determined to apply to the CEO of a Singapore Affiliate or Subsidiary, the above notification requirements also may apply.

SPAIN

NATURE OF GRANT. This provision supplements the Nature of Grant provision of this Appendix B:

By accepting the RSU Award, you consent to participation in the Plan and acknowledge that you have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and in its sole discretion decided to grant RSU Awards under the Plan to individuals who may be employees or service providers of the Company or one of its Affiliates throughout the world. The decision is limited and entered into based upon the express assumption and condition that any RSU Award will not economically or otherwise bind the Company or any Affiliate, including the Service Recipient, on an ongoing basis, other than as expressly set forth in the Agreement. Consequently, you understand that the RSU Award is given on the assumption and condition that the RSU Award shall not become part of any employment or other service contract (whether with the Company or any Affiliate, including the Service Recipient) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Furthermore, you understand and freely accept that there is no guarantee that any benefit whatsoever shall arise from the RSU Award, which is gratuitous and discretionary, since the future value of the RSU Award and the underlying shares of Class A Common Stock is unknown, indeterminable, and unpredictable.

Further, your participation in the Plan is expressly conditioned on your continued and active rendering of service, such that, unless otherwise set forth in the Plan, if your Continuous Service terminates for any reason, your participation in the Plan will cease immediately. This will be the case, for example, even if (a) you are considered to be unfairly dismissed without good cause (*i.e.*, subject to a “*despido improcedente*”); (b) you are dismissed for disciplinary or objective reasons or due to a collective dismissal; (c) your Continuous Service ceases due to a change of work location, duties or any other employment or contractual condition; (d) your Continuous Service ceases due to a unilateral breach of contract by the Company or the Service Recipient; or (e) your Continuous Service terminates for any other reason whatsoever. Consequently, upon termination of your Continuous Service for any of the above reasons, you automatically lose any right to participate in the Plan on the date of your termination of Continuous Service, as described in the Plan and the Agreement.

SECURITIES LAW INFORMATION. The grant of the Restricted Stock Units and the shares of Class A Common Stock issued pursuant to the vesting of the Restricted Stock Units are considered a private placement outside the scope of Spanish laws on public offerings and issuances of securities. Neither the Plan nor this Agreement have been registered with the *Comisión Nacional del Mercado de Valores* and do not constitute a public offering prospectus.

EXCHANGE CONTROL INFORMATION. You are required to electronically declare to the Bank of Spain any security accounts (including brokerage accounts held abroad), as well as the securities (including shares of Class A Common Stock acquired under the Plan) held in such accounts if the value of the transactions for all such accounts during the prior tax year or the balances of such accounts as of December 31 of the prior tax year exceeds EUR 1 million. Different thresholds and deadlines to file this declaration apply. However, if neither such transactions during the immediately preceding year nor the balances/ positions as of December 31 exceed EUR 1 million, no such declaration must be filed unless expressly required by the Bank of Spain. If any such thresholds were exceeded during the current year, you may be required to file the relevant declaration corresponding to the prior year, however, a summarized form of declaration may be available. *You should consult your personal legal advisor to ensure compliance with applicable reporting requirements.*

FOREIGN ASSET/ACCOUNT REPORTING INFORMATION. To the extent you hold rights or assets outside of Spain with a value in excess of EUR 50,000 per type of right or asset (*e.g.*, shares of Class A Common Stock, cash, etc.) as of December 31 each year, you will be required to report information on such rights and assets on your annual tax return for such year. After such rights and assets are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously-reported rights or assets increases by more than EUR 20,000. *You should consult your personal tax advisor to ensure compliance with applicable reporting requirements.*

SWEDEN

AUTHORIZATION TO WITHHOLD. This provision supplements Section 4 (“Withholding Obligations”) of the Global Restricted Stock Unit Award Agreement:

Without limiting the Company’s and the Service Recipient’s authority to satisfy their withholding obligations for Tax Liability as set forth in Section 4 of the Agreement, by accepting the RSU Award, you authorize the Company to withhold shares of Class A Common Stock or to sell shares of Class A Common Stock otherwise issuable to you upon vesting/settlement to satisfy Tax Liability, regardless of whether the Company and/or the Service Recipient have an obligation to withhold such Tax Liability.

SWITZERLAND

SECURITIES LAW INFORMATION. Neither this document nor any other materials relating to the RSU Award (i) constitute a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“*FinSA*”), (ii) may be publicly distributed nor otherwise made publicly available in Switzerland to any person other than an employee of the Company or a service provider of the Service Recipient or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (“*FINMA*”).

UNITED ARAB EMIRATES

SECURITIES LAW INFORMATION. The Agreement, the Plan, and other incidental communication materials related to the RSU Award are intended for distribution only to employees or service providers of the Company or the Service Recipient for the purposes of an incentive scheme.

The Emirates Securities and Commodities Authority and the Central Bank have no responsibility for reviewing or verifying any documents in connection with this statement. Neither the Ministry of Economy nor the Dubai Department of Economic Development have approved this statement nor taken steps to verify the information set out in it, and have no responsibility for it.

The securities to which this statement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities.

If you do not understand the contents of the Agreement or the Plan, you should consult an authorized financial adviser.

UNITED KINGDOM

GRANT OF THE RSU AWARD. This provision supplements Section 2 of the Global Restricted Stock Unit Award Agreement:

The RSU Award will be settled by the issuance of shares of Class A Common Stock and not by the issuance of cash (or by a combination of cash and shares), notwithstanding the discretion to settle an RSU Award in cash as described in Section 6(a)(vi) of the Plan.

RESPONSIBILITY FOR TAXES. This provision supplements Section 4 (“Withholding Obligations”) of the Global Restricted Stock Unit Award Agreement:

(a) Without limitation to Section 4 of the Agreement, you agree that you are liable for all the Tax Liability and you hereby covenant to pay all such Tax Liability, as and when requested by the Company and/or the Service Recipient or by HM Revenue & Customs (“**HMRC**”) (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and/or the Service Recipient against any Tax Liability that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on your behalf. For the purposes of this Agreement, Tax Liability includes (without limitation) employment income tax and employee National Insurance contributions.

(b) As a condition of the vesting of, or the receipt of any benefit pursuant to, the Restricted Stock Units, you agree to accept any liability for secondary Class 1 National Insurance contributions which may be payable by the Company and/or the Service Recipient in connection with the Restricted Stock Units and any event giving rise to a Tax Liability (the “**Employer NICs**”). Without prejudice to the foregoing, by accepting the RSU Award, you agree to enter into a joint election with the Company or the Service Recipient, the form of such joint election being formally approved by HMRC (the “**NIC Joint Election**”), a copy of which is either attached to this Appendix B or provided to you under separate cover and any other required consent or election. You further agree to execute such other joint elections as may be required between you and any successor to the Company and/or the Service Recipient. You further agree that the Company and/or the Service Recipient may collect the Employer NICs from you by any of the means set forth in Section 4 of the Agreement.

If you do not enter into the NIC Joint Election prior to the vesting of the RSU Award or any other event giving rise to the Tax Liability, you will not be entitled to vest in the RSU Award and receive shares of Class A Common Stock (or receive any benefit in connection with the RSU Award) unless and until you enter into the NIC Joint Election, and no shares of Class A Common Stock or other benefit will be issued to you under the Plan, without any liability to the Company or the Service Recipient.

(c) As a condition of the vesting of, or the receipt of any benefit pursuant to, the RSUs, you agree to sign, promptly, all documents required by the Company to effect the terms of the foregoing provisions.

**SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN**

GLOBAL RESTRICTED STOCK UNIT AWARD AGREEMENT

**IMPORTANT NOTE ON THE JOINT ELECTION FOR TRANSFER OF LIABILITY OF
EMPLOYER NATIONAL INSURANCE CONTRIBUTIONS TO THE EMPLOYEE**

As a condition of the vesting of, or the receipt of any benefit pursuant to, your restricted stock units (“*RSUs*”) granted under the Snowflake Inc. 2020 Equity Incentive Plan (the “*Plan*”), you are required to enter into a joint election to transfer to you any liability for employer National Insurance contributions (the “*Employer NICs*”) that may arise in connection with the *RSUs* and in connection with future *RSUs*, if any, that may be granted to you under the Plan (the “*NIC Joint Election*”).

By entering into the Joint Election:

- you agree that any liability for Employer NICs that may arise in connection with or pursuant to the vesting of the *RSUs* and the acquisition of shares of Class A Common Stock of Snowflake Inc. (the “*Company*”) or other taxable events in connection with the *RSUs* will be transferred to you; and
- you authorize the Company and/or your employer to recover an amount sufficient to cover this liability by any method set forth in the Agreement and/or the *NIC Joint Election*.

To enter into the *NIC Joint Election*, please indicate your agreement where indicated on the acceptance screen. Please note that your acceptance indicates your agreement to be bound by all of the terms of the *NIC Joint Election*.

Please note that even if you have indicated your acceptance of this *NIC Joint Election* electronically, you may still be required to sign a paper copy of this *NIC Joint Election* (or a substantially similar form) if the Company determines such is necessary to give effect to the *NIC Joint Election*.

Please read the terms of the *NIC Joint Election* carefully before entering into the *NIC Joint Election* (by executing the related Global Restricted Stock Unit Award Agreement in hard copy or by electronically accepting such Global Restricted Stock Unit Award Agreement or by signing or electronically accepting this *NIC Joint Election*). You should print and keep a copy of this *NIC Joint Election* for your records.

SNOWFLAKE INC.
2020 EQUITY INCENTIVE PLAN

GLOBAL RESTRICTED STOCK UNIT AWARD AGREEMENT

ELECTION TO TRANSFER THE EMPLOYER'S LIABILITY FOR
NATIONAL INSURANCE LIABILITY TO THE EMPLOYEE
(UK EMPLOYEES)

1. PARTIES

This Election is between:

- (A) The individual who has gained authorized access to this Election (the "**Employee**"), who is employed by one of the employing companies listed in the attached schedule (the "**Employer**") and who is eligible to receive restricted stock units ("**RSUs**") pursuant to the terms and conditions of the Snowflake Inc. 2020 Equity Incentive Plan, (the "**Plan**"), and
- (B) Snowflake Inc., with its registered office in the state of Delaware at 251 Little Falls Drive, Wilmington, Delaware, 19808, USA (the "**Company**"), which may grant RSUs under the Plan and is entering into this Election on behalf of the Employer.

2. PURPOSE OF ELECTION

2.1 This Election relates to all RSUs granted to Employee under the Plan up to the termination date of the Plan.

2.2 In this Election the following words and phrases have the following meanings:

"**ITEPA**" means the Income Tax (Earnings and Pensions) Act 2003.

"**Relevant Employment Income**" from RSUs on which Employer's National Insurance Contributions becomes due is defined as:

- (i) an amount that counts as employment income of the earner under section 426 ITEPA (restricted securities: charge on certain post-acquisition events);
- (ii) an amount that counts as employment income of the earner under section 438 of ITEPA (convertible securities: charge on certain post-acquisition events); or
- (iii) any gain that is treated as remuneration derived from the earner's employment by virtue of section 4(4)(a) SSCBA, including without limitation:
 - (A) the acquisition of securities pursuant to the RSUs (within the meaning of section 477(3)(a) of ITEPA);
 - (B) the assignment (if applicable) or release of the RSUs in return for consideration (within the meaning of section 477(3)(b) of ITEPA);

- (C) the receipt of a benefit in connection with the RSUs, other than a benefit within (i) or (ii) above (within the meaning of section 477(3)(c) of ITEPA).

“**SSCBA**” means the Social Security Contributions and Benefits Act 1992.

“**Taxable Event**” means any event giving rise to Relevant Employment Income.

- 2.3 This Election relates to the Employer’s secondary Class 1 National Insurance Contributions (the “**Employer’s Liability**”) which may arise in respect of Relevant Employment Income in respect of the RSUs pursuant to section 4(4)(a) and/or paragraph 3B(1A) of Schedule 1 of the SSCBA.
- 2.4 This Election does not apply in relation to any liability, or any part of any liability, arising as a result of regulations being given retrospective effect by virtue of section 4B(2) of either the SSCBA or the Social Security Contributions and Benefits (Northern Ireland) Act 1992.
- 2.5 This Election does not apply to the extent that it relates to relevant employment income which is employment income of the earner by virtue of Chapter 3A of Part VII of ITEPA (employment income: securities with artificially depressed market value).
- 2.6 Any reference to the Company and/or the Employer shall include that entity’s successors in title and assigns as permitted in accordance with the terms of the Plan and the Agreement. This Election will have effect in respect of the RSUs and any awards which replace or replaced the RSUs following their grant in circumstances where section 483 of ITEPA applies.

3. **ELECTION**

The Employee and the Company jointly elect that the entire liability of the Employer to pay the Employer’s Liability that arises on any Relevant Employment Income is hereby transferred to the Employee. The Employee understands that by accepting the RSU (by signing the related Restricted Stock Unit Grant Notice (the “**Grant Notice**”) in hard copy or by electronically accepting such Grant Notice), he or she will become personally liable for the Employer’s Liability covered by this Election. This Election is made in accordance with paragraph 3B(1) of Schedule 1 to SSCBA.

4. **PAYMENT OF THE EMPLOYER’S LIABILITY**

- 4.1 The Employee hereby authorizes the Company and/or the Employer to collect the Employer’s Liability in respect of any Relevant Employment Income from the Employee at any time after the Taxable Event:
- (i) by deduction from salary or any other payment payable to the Employee at any time on or after the date of the Taxable Event; and/or
 - (ii) directly from the Employee by payment in cash or cleared funds; and/or
 - (iii) by arranging, on behalf of the Employee, for the sale of some of the securities which the Employee is entitled to receive in respect of the RSUs; and/or
 - (iv) where the proceeds of the gain are to be paid through a third party, by that party withholding an amount from the payment or selling some of the securities which the Employee is entitled to receive in respect of the RSUs; and/or

(v) by any other means specified in the applicable restricted stock unit agreement.

- 4.2 The Company hereby reserves for itself and the Employer the right to withhold the transfer of any securities in respect of the RSUs to the Employee until full payment of the Employer's Liability is received.
- 4.3 The Company agrees to procure the remittance by the Employer of the Employer's Liability to HM Revenue and Customs on behalf of the Employee within 14 days after the end of the UK tax month during which the Taxable Event occurs (or within 17 days after the end of the UK tax month during which the Taxable Event occurs, if payments are made electronically).

5. DURATION OF ELECTION

- 5.1 The Employee and the Company agree to be bound by the terms of this Election regardless of whether the Employee is transferred abroad or is not employed by the Employer on the date on which the Employer's Liability becomes due.
- 5.2 This Election will continue in effect until the earliest of the following:
- (i) the Employee and the Company agree in writing that it should cease to have effect;
 - (ii) on the date the Company serves written notice on the Employee terminating its effect;
 - (iii) on the date HM Revenue and Customs withdraws approval of this Election; or
 - (iv) after due payment of the Employer's Liability in respect of the entirety of the RSUs to which this Election relates or could relate, such that the Election ceases to have effect in accordance with its terms.
- 5.3 This Election will continue in full force regardless of whether the Employee ceases to be an employee of the Employer.

Acceptance by the Employee

The Employee acknowledges that, by accepting the RSUs (by signing the related RSU Award Grant Notice in hard copy or by electronically accepting such Grant Notice) or by signing or electronically accepting this Election, the Employee agrees to be bound by the terms of this Election.

Name _____
Signature _____
Date _____

Acceptance by the Company

The Company acknowledges that, by arranging for the signature of an authorized representative to appear on this Election, the Company agrees to be bound by the terms of this Election.

By: Michael P. Scarpelli
Chief Financial Officer

SCHEDULE OF EMPLOYER COMPANIES

The following Employer(s) shall be covered by the Joint Election:

Snowflake Computing U.K. Limited

Address:	c/o Fieldfisher 2 Swan Lane, London, United Kingdom, EC4R 3TT
Corporation Tax Number:	8130300324
Company Registration Number	10611715
PAYE Reference	475/EB57157

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) OR 15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Sridhar Ramaswamy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Snowflake Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 29, 2024

By: /s/ Sridhar Ramaswamy
Name: Sridhar Ramaswamy
Title: Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Sridhar Ramaswamy, do hereby certify, to the best of my knowledge and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- the Quarterly Report on Form 10-Q of Snowflake Inc. for the period ended July 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Snowflake Inc.

Date: August 29, 2024

By: /s/ Sridhar Ramaswamy
Name: Sridhar Ramaswamy
Title: Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael P. Scarpelli, do hereby certify, to the best of my knowledge and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- the Quarterly Report on Form 10-Q of Snowflake Inc. for the period ended July 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Snowflake Inc.

Date: August 29, 2024

By: /s/ Michael P. Scarpelli
Name: Michael P. Scarpelli
Title: Chief Financial Officer
(Principal Financial Officer)