

# WHISTLE BLOWER POLICY



## **PALO ALTO NETWORKS, INC.** **Policy Regarding Reporting of** **Accounting, Auditing and Other Matters**

(Adopted as of March 6, 2012, Amended February 24, 2016,  
August 29, 2017 and February 23, 2018))

Palo Alto Networks, Inc. (the “**Company**”) is committed to maintaining high standards of integrity, and the Company’s policies and practices have been developed to maintain the highest business, legal and ethical standards. The Audit Committee of the Board of Directors of the Company (the “**Audit Committee**”) takes very seriously all complaints and concerns regarding accounting, internal accounting controls, auditing and other legal matters, such as the actual or potential violation of law, regulation, the Company’s Code of Business Conduct and Ethics, and Company policy.

For these reasons, the Company must maintain a workplace environment where employees who reasonably believe that they are aware of: 1) questionable accounting, internal accounting controls or auditing matters, 2) the reporting of fraudulent financial information, 3) violations or potential violations of laws, rules and regulations, or (4) activities or transactions that appear to violate the Company’s Code of Business Conduct and Ethics or Company policy can raise these concerns free of any harassment, discrimination or retaliation. It is the Company’s policy to encourage its employees to report those concerns as soon as possible after discovery. The Company strives to encourage open communication so that such concerns may be raised without fear of retaliation in any manner.

Accordingly, the Audit Committee has established the following procedures for:

The receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and complaints regarding actual or potential violations of law, regulation, the Company’s Code of Business Conduct and Ethics, or Company policy; and

The submission by the Company’s employees (confidentially and anonymously, if they wish, in the United States, and in any other jurisdiction to the fullest extent legally permitted in such other jurisdiction), and the appropriate treatment, of concerns regarding accounting or auditing matters they believe to be questionable or violations of the Company’s Code of Business Conduct and Ethics, state and federal laws (e.g., U.S. federal securities laws), or Company policy, such as the Company’s Anti-Corruption Policy, including the Foreign Corrupt Practices Act (the “FCPA”) (or similar laws).

The Audit Committee is committed to continuously reviewing and updating its policies and procedures. The Company may modify this policy at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with applicable laws, rules and regulations and/or to accommodate organizational changes.

#### **A. Matters that Must be Reported**

Employees should immediately report and submit complaints of accounting and auditing and other legal matters for which there is actual or suspected:

- Intentional error, fraud or gross negligence in the preparation, review or audit of any of the Company's financial statements;
- Intentional error, fraud or gross negligence in the recording of the Company's financial records;
- Intentional noncompliance with the Company's internal and reporting controls;
- Significant deficiencies in the Company's internal and reporting controls
- Violations of U.S. Securities and Exchange Commission ("SEC") rules and regulations that are related to accounting, internal accounting controls and auditing matters;
- Fraud against investors, securities fraud, mail or wire fraud, bank fraud or fraudulent statements to management, outside auditors, the SEC or members of the investing public;
- Violations of the Company's Insider Trading Policy, the U.S. federal securities laws or the Company's Anti-Corruption Policy, including the FCPA (or similar laws); or
- Violations of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or violations of the civil False Claims Act.

Employees should also immediately report and submit complaints regarding potential violations of the Company's Code of Business Conduct and Ethics or other laws.

#### **B. Receipt of Complaints**

1. Concerns regarding accounting, internal accounting controls, or auditing matters and concerns regarding actual or potential violations of law, regulation, the Company's Code of Business Conduct and Ethics, or Company policy may be submitted (confidentially and anonymously, if desired, in the United States, and in any other jurisdiction to the fullest extent legally permitted in such other jurisdiction) in one of the following ways:

- Via electronic mail to the Company's General Counsel;
- Via Internet or electronic mail to a third party service provider at [www.paloaltonetworks.ethicspoint.com](http://www.paloaltonetworks.ethicspoint.com);
- Via a third party hosted telephone hotline at the following toll-free number: 1-855-266-7042 in the United States or, for employees outside the United States, at the phone numbers listed at [www.paloaltonetworks.ethicspoint.com](http://www.paloaltonetworks.ethicspoint.com);
- Directly to the Audit Committee, by using the Company's third party service provider at [www.paloaltonetworks.ethicspoint.com](http://www.paloaltonetworks.ethicspoint.com), or by calling the third party hosted telephone hotline at the following toll-free number: 1-855-266-7042; or

- Via regular mail to:

Palo Alto Networks, Inc.  
3000 Tannery Way  
Santa Clara, California 95054  
Attn: General Counsel

2. The methods of submitting complaints shall be published on the Company's external and internal websites in such manner as the General Counsel, in consultation with the Audit Committee, deems appropriate. It shall be emphasized to employees that each of the methods of submitting complaints listed above may be used anonymously and that such complaints shall be treated confidentially.
3. Except for complaints sent directly to the Audit Committee, all complaints will be forwarded to the General Counsel's office for coordination of their treatment as set forth below.

#### **C. Treatment of Complaints**

1. All accounting and auditing complaints received shall be entered on an accounting and auditing matters log, which shall include, among other things: a) information regarding the date the complaint was received, b) a description of the complaint, c) the submitter (if provided), and d) the status and disposition of an investigation of the complaint. Receipt of the complaint will be acknowledged to the sender, within a reasonable period following receipt, if appropriate information for response is supplied.
2. Non-accounting or non-auditing complaints shall be logged separately and will be forwarded to the appropriate person or department for investigation (e.g., Human Resources), unless the General Counsel deems other treatment is necessary (e.g., such complaint involves a finance employee or an executive officer).
3. With respect to complaints not initially directed to the Audit Committee, the General Counsel will report immediately to the Audit Committee: (i) matters related to violations or potential violations of the Company's Anti-Corruption Policy, including the FCPA or similar laws, (ii) matters associated with the Company's revenue recognition policies or which involve accounting, internal accounting controls and auditing matters, (iii) matters related to the Company's executive officers and (iv) such other matters as he deems significant. The Audit Committee shall direct and oversee an investigation of such complaints, as well as any complaints initially directed to the Audit Committee, as it determines to be appropriate. The Audit Committee may also delegate the oversight and investigation of such complaints to the appropriate members of the Company's management.
4. All other complaints regarding accounting or auditing matters or other legal matters, such as actual or potential violations of law, regulation, the Company's Code of Business Conduct and Ethics, or Company policy shall be reviewed under the direction and oversight of the General Counsel and/or his/her designee, who will involve such other parties (e.g., members of the Finance Department or outside advisors) as deemed appropriate. The General Counsel shall provide the Audit Committee with a quarterly report of all accounting or auditing complaints received and an update of pending investigations. The Audit Committee may request special treatment for any complaint and may assume the direction and oversight of an investigation of any such complaint.

5. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review. Access to reports and records of complaints may be granted to regulatory agencies and other parties at the discretion of the Audit Committee. Documents that are covered by the attorney-client communication and/or work-product privileges should not be disclosed unless the Legal Department has consented in writing to a waiver of privilege
6. Information about complaints may include personal information of persons associated with the complaint.
7. In all cases, prompt and appropriate corrective action shall be taken as determined by the Audit Committee. An employee may be subject to disciplinary action, which may include the termination of his or her employment, if the employee fails to cooperate in an investigation or deliberately provides false or misleading information during an investigation. The specific action that will be taken in response to a report will depend on the nature and gravity of the conduct or circumstances reported and the quality of the information provided. Where questionable accounting, internal accounting controls or auditing matters or the reporting of fraudulent financial information is verified, corrective action will be taken and, if appropriate, the persons responsible will be disciplined.
8. Reprisal, threats, retribution or retaliation in any way against any person who has in good faith made a complaint or reported a concern, or against any person who assists in any investigation or process with respect to such a complaint or concern, is prohibited. Employees who believe that they have been subjected to any discrimination, retaliation or harassment for having submitted a complaint or participating in an investigation relating to such a complaint, should immediately report the concern to the General Counsel or to any of their supervisors. Any complaint that such discrimination, retaliation or harassment has occurred will be promptly and thoroughly investigated. If such a complaint is substantiated, appropriate disciplinary action will be taken, up to and including termination of employment, in accordance with applicable law.
9. The General Counsel or Audit Committee will report the results of any investigation regarding a complaint, including any corrective actions taken, to the person making the complaint, if appropriate information for response was supplied, maintaining the anonymity of the person making the complaint to the fullest extent possible.

#### **D. Retention of Complaints**

The General Counsel shall retain written complaints, the accounting and auditing matters log and all related documentation as required under applicable law.

#### **E. Additional Enforcement Information**

Our Company endeavors to operate on a highly transparent basis, and we want to be made aware of alleged wrongdoings and to address them as soon as possible. We encourage you to first address your concerns by following the procedures outlined herein for reporting to or through the Company, so that the Company may conduct its own internal investigation and take corrective action as quickly as possible. Among other things, the Company may choose to self-report or may be required to report certain matters to the government or other agencies. However, nothing in this Policy is intended to prevent any employee from directly reporting information to law enforcement agencies when an employee has reasonable cause to believe that the violation of a law or regulation

has occurred. A report to law enforcement agencies may be made instead of, or in addition to, a report directly to the Company through its management or the Company's reporting hotline.

In the event the Company self-reports or is required to report certain matters, the report may disclose personal information provided pursuant to this policy to any law enforcement agency or governmental agency:

- In response to a subpoena, warrant or other process issued by a court of competent jurisdiction;
- In response to a legal process having the same consequence as a court-issued request for information, in that by refusing to provide such information, we would be in breach of local law, and we or our officers, executives or employees would be subject to liability for failing to honor such legal process;
- Where such disclosure is necessary for us to enforce our legal rights pursuant to the laws of the jurisdiction from which such information was gathered;
- In the event our investigation leads to the identification of possible criminal conduct or violation of law; or
- Where such disclosure is necessary to prevent or lessen a serious and imminent threat of bodily harm to the data subject.

#### **F. Modification**

The Company may modify this policy at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with applicable laws, rules and regulations and/or to accommodate organizational changes.

#### **G. Additional European Union Privacy Notice**

In addition to the above, for individuals located in the European Union, information about complaints submitted pursuant to this policy may include personal information of persons associated with the complaint. Palo Alto Networks Inc. in the United States is the data controller of such information and will process the information to investigate complaints, identify violations of laws or company's policies, and determine appropriate disciplinary actions.

The basis for data processing is the legitimate business interest of ensuring Palo Alto Networks' compliance with applicable laws, regulations, and policies.

The information may be shared on a strict need-to-know-basis and under confidentiality with Palo Alto Networks employees responsible for investigations and disciplinary actions, and with other subsidiaries of Palo Alto Networks, which may be in Europe, in the Middle East, Africa, Asia Pacific or Japan. Transfers will occur in compliance with applicable requirements. If the reported person is in the European Union and the information is transferred to a country not approved by the EU Commission as providing adequate protection for the rights and freedoms of data subjects, the information will be protected using data transfer agreements based on the EU Standard Contractual Clauses or another approved data transfer mechanism. Within a reasonable period after obtaining the personal data, as required by applicable law, taking into account the nature of the information and the status of the complaint, we will provide to the data subject additional privacy notices concerning the categories of information received and the data processing.

Data subjects may exercise their legal rights to request access to and rectification or erasure of personal data or restriction of processing, and to object to processing, by sending a message to [compliance@paloaltonetworks.com](mailto:compliance@paloaltonetworks.com). Data subjects also have the right to lodge a complaint with a supervisory authority.