

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

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

For the fiscal year ended January 31, 2025
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)¹
(844) 766-9355

(Registrant's telephone number, including area code)

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

Securities registered pursuant to section 12(g) of the Act: Not Applicable

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

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

The aggregate market value of voting and non-voting common equity held by non-affiliates of the registrant on July 31, 2024 (the last business day of the registrant's fiscal second quarter), based on the closing price of \$130.38 for shares of the registrant's Class A common stock as reported by the New York Stock Exchange, was approximately \$42.3 billion.

As of March 7, 2025, there were 334.1 million shares of the registrant's Class A common stock, par value of \$0.0001 per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement relating to the 2025 Annual Meeting of Stockholders are incorporated herein by reference in Part III of this Annual Report on Form 10-K where indicated. Such Proxy Statement will be filed with the Securities and Exchange Commission within 120 days after the registrant's fiscal year ended January 31, 2025.

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 Annual Report on Form 10-K 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, opportunities, priorities, 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 strategic investments, including the impact of changes in market conditions;
- our expectations regarding our convertible senior notes, including the expected use of proceeds we received and our ability to meet the requirements of the notes;
- our expectations regarding our stock repurchase program;
- our expectations regarding stock-based compensation; 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 Annual Report on Form 10-K.

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 Annual Report on Form 10-K. Other sections of this Annual Report on Form 10-K 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 Annual Report on Form 10-K and the documents that we reference in this Annual Report on Form 10-K 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, as well as social media, including certain X (formerly Twitter) and LinkedIn accounts held and/or managed by us or our executive officers, 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 or social media 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 and social media.

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 Annual Report on Form 10-K. 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.
- 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 artificial intelligence and machine learning technology (AI Technology), including generative 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.
- We do business with federal, state, local, and foreign governments and agencies, and heavily regulated organizations; as a result, we face heightened risks related to special contract terms, non-standard product deployments, and compliance with additional processes, rules, and regulations.
- 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.
- 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.
- 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.

PART I

ITEM 1. BUSINESS

We believe that a cloud computing platform that puts data and artificial intelligence (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 a growing number of 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.

Snowflake solves the decades-old problem of data silos and data governance. Leveraging the elasticity and performance of the public cloud, our platform enables customers to unify and query data to support a wide variety of use cases. It also provides frictionless and governed data access so users can securely share data inside and outside of their organizations, generally without copying or moving the underlying data. As a result, customers can blend existing data with new data for broader context, augment data science efforts, and create new monetization streams. Delivered as a service, our platform requires near-zero maintenance, enabling customers to focus on deriving value from their data rather than managing infrastructure.

Our cloud-native architecture includes 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 47 regional deployments around the world. These deployments are generally interconnected to deliver the AI Data Cloud, enabling a consistent, global user experience.

Our platform supports a wide range of product categories that enable our customers' most important business objectives, including analytics, data engineering, AI, and applications and collaboration. We are committed to expanding our platform's product features and use cases and supporting developers in building their applications and businesses. Many of our product features help power multiple product categories. In 2021, we launched Snowpark for Java and Scala to allow developers to build in the language of their choice, and in 2022 we added support for Python. Snowpark brings the power of Python and Java to our platform and complements many use cases for our customers across several product categories, including data engineering and AI. In 2023, we launched Snowpark Container Services, a fully managed container platform designed to facilitate the deployment, management, and scaling of containerized applications and AI models within our ecosystem. Snowpark Container Services are used in several of our product categories, including AI and applications. In 2024, we announced Snowflake Intelligence, within our AI product category, to enable our customers to create data agents, empowering business users to take actions on structured and unstructured data without the need for technical knowledge or coding skills. We continue to invest in our Native Application program to help companies build, operate, and market applications in the AI Data Cloud by supporting developers across all stages of the application journey.

We have an industry-vertical focus, which allows us to go to market with tailored business solutions. For example, we have launched the AI Data Cloud for Financial Services, Advertising, Media and Entertainment, Retail & Consumer Goods, Healthcare & Life Sciences, Manufacturing, Technology, Telecom, Travel & Hospitality, and the Public Sector. Each of these brings together Snowflake's platform capabilities with industry-specific partner solutions and datasets to drive business growth and deliver improved experiences and insights.

Our business benefits from powerful network effects. The AI Data Cloud will continue to grow as organizations move their siloed data from cloud-based repositories and on-premises data centers to the AI Data Cloud. The more customers adopt our platform, the more data can be exchanged with other Snowflake customers, partners, data providers, and data consumers, enhancing the value of our platform for all users. We believe this network effect will help us drive our vision of the AI Data Cloud.

Our platform is used globally by organizations of all sizes across a broad range of industries. As of January 31, 2025, we had 11,159 total customers, increasing from 9,384 customers as of January 31, 2024. As of January 31, 2025, our customers included 745 of the Forbes Global 2000, based on the 2024 Forbes Global 2000 list, and those customers contributed approximately 42% of our revenue for the fiscal year ended January 31, 2025. 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. As our customers experience the benefits of our platform, they typically expand their usage significantly, as evidenced by our net revenue retention rate, which was 126% as of January 31, 2025. The number of customers that contributed more than \$1 million in trailing 12-month product revenue increased from 455 to 580 as of January 31, 2024 and 2025, respectively.

For the fiscal years ended January 31, 2025, 2024, and 2023, our revenue was \$3.6 billion, \$2.8 billion, and \$2.1 billion, respectively, representing year-over-year growth of 29% and 36%, respectively. Our net loss was \$1.3 billion, \$838.0 million, and \$797.5 million for the fiscal years ended January 31, 2025, 2024, and 2023, respectively.

The Rise of the AI Data Cloud

Data exists everywhere, but is often held hostage in silos by machines, applications, networks, and clouds. To access the value of this data, organizations are undergoing massive digital transformation initiatives, and data is driving operations for many modern enterprises. In an effort to mobilize data, companies have invested billions of dollars in disparate on-premises systems, infrastructure clouds, and application clouds. Yet, there are a myriad of challenges associated with legacy data solutions and the data silo problem persists.

We believe the AI Data Cloud can enable a world without data silos, allowing organizations to effortlessly discover, access, derive insights from, and share data from a variety of sources. Customers can share and provide access to each other's data or data products, build and deploy AI applications and experiences, augment data science and machine learning (ML) algorithms with more data sets, connect global supply chains through data hubs, build data and AI products, and create new monetization channels by connecting data providers and consumers. As the AI Data Cloud grows through broad adoption and increasing usage, there are enhanced benefits from greater data availability. Moving forward, we are continuing to foster these benefits through industry-specific AI Data Clouds and the Native Application Framework.

Our Solution

Our platform is built on a cloud-native architecture that leverages the massive scalability and performance of the public cloud. Our platform allows customers to consolidate data into a single source of truth, whether stored in Snowflake or connected from external storage like Apache Iceberg tables, to drive meaningful insights, power applications, and share data across regions and public clouds. Key elements of our platform include:

- **Diverse data types.** Our platform integrates and optimizes structured, semi-structured, and unstructured data, while maintaining performance and flexibility.
- **Massive scalability of data volumes.** Our platform leverages the scalability and performance of the public cloud to support growing data sets without sacrificing performance.
- **Multiple use cases and users simultaneously.** Our platform makes compute resources dynamically available to address the demand of as many users and use cases as needed. Because the storage layer is independent of compute, the data is centralized and simultaneously accessible by many users without compromising performance or data integrity.
- **Optimized price-performance.** Our platform uses advanced optimizations to efficiently access only the data required to deliver the desired results. It delivers speed without the need for tuning or the expense of manually organizing data prior to use. Organizations can adjust their consumption to precisely match their needs, always optimizing for price-performance.

- **Easy to use.** Our platform can be up and running in seconds and is priced based on a consumption-based business model, reducing hidden costs and ensuring customers pay only for what they use. Snowpark, our developer framework, allows developers to interact with Snowflake through various popular programming languages, including Python. This, combined with our familiar SQL-based programming model and query language, provides choice for organizations without governance tradeoffs and saves time and costs to learn new skills or hire specialized analysts or data scientists.
- **Delivered as a service with no overhead.** Our platform is delivered as a service, eliminating the cost, time, and resources associated with managing underlying infrastructure. We deliver automated platform updates regularly with minimal planned downtime, eliminating expensive and time-consuming version and patch management. This gives customers the ability to consume more data at a lower total cost of ownership compared with other solutions.
- **Multi-cloud and multi-region.** Our platform is available on three major public clouds across 47 regional deployments around the world. These deployments are generally interconnected to provide a global and consistent user experience.
- **Seamless and secure collaboration.** Our platform enables governed and secure sharing of live data within an organization and externally across customers and partners, generally without copying or moving the underlying data. When sharing data across regions and public clouds, our platform allows customers to easily replicate data and maintain a single source of truth. Our platform also enables organizations to securely share and monetize data products.

Key Benefits to our Customers

Our platform enables customers to:

- **Transform into data-driven businesses.** Our platform connects data silos, empowers secure and governed access to data, and removes data management and infrastructure complexities. This enables organizations to drive greater insights, improve products and services, and pursue new business opportunities.
- **Consolidate data into a single, analytics- and AI-ready source of truth.** Our platform simplifies our customers' data infrastructure by centralizing data in an analytics- and AI-ready format. As a result, organizations are able to deliver secure, fast, and accurate decision making. It also simplifies governance and minimizes the errors, complexity, and costs associated with managing data silos.
- **Increase agility, augment insights, and create new monetization streams through seamless collaboration.** Our platform allows customers to seamlessly share and consume live data across their organizations, and with their partners, customers, and suppliers, without moving the underlying data. Our platform also allows customers to unlock previously untapped monetization streams through creating and sharing data applications and data products. Customers can also leverage the Snowflake Marketplace, which provides access to hundreds of live, ready-to-query third-party data sets and data products across a wide range of categories. Through collaborating within and outside of their ecosystems, our customers are able to enhance insights and better reach, engage, and retain their end customers.
- **Benefit from a global multi-cloud strategy.** Our platform delivers a consistent product experience across connected regions and public clouds. With a global multi-cloud strategy, organizations can optimize for the best features and functionality each public cloud provides, without becoming overly reliant on a single public cloud provider. Our customers can optimize their cloud costs, seamlessly migrate data among connected public clouds without having to alter existing security policies, and implement regional strategies, including to meet regulatory and data sovereignty requirements.
- **Reduce time spent managing infrastructure.** Because we deliver our platform as a service, our customers can focus on driving immediate value from their data and not on managing complex and expensive infrastructure.
- **Enable greater data access through enhanced data governance.** Security and governance, including the encryption of data in transit and at rest, are part of our core design values. This provides customers with the confidence to share their data inside their organizations, as well as with their partners, customers, and suppliers, to unlock new insights and build new applications.

Our Growth Strategies

We intend to invest in our business to advance the AI Data Cloud through the adoption of our platform. Our growth strategies include:

- **Innovate and advance our platform.** We have a history of technological innovation, releasing new features on a regular basis and making frequent updates to our platform. We intend to continue making significant investments in research and development and hiring top technical talent to enable new use cases, strengthen our technical lead in our platform's architecture, and increase our differentiation through enhanced collaboration capabilities. During the fiscal year ended January 31, 2025, capabilities like Iceberg tables, hybrid tables, notebooks, Internal Marketplace, Universal Search, Document AI, Snowflake Cortex AI, and Snowflake ML became generally available, while capabilities like lineage visualization interface, Snowflake Open Catalog, ML Operations, AI model sharing and model explainability became available in public preview, and are expected to become generally available in the fiscal year ending January 31, 2026.
- **Drive growth by acquiring new customers.** We believe that nearly all organizations will eventually embrace a cloud strategy, and that the opportunity to continue growing our customer base, particularly with larger organizations and organizations with vast amounts of data, is substantial. To drive new customer growth, we intend to continue investing in sales and marketing, with a focus on replacing legacy solutions and big data offerings and providing industry-specific services. We are also investing heavily to meet the heightened needs of our customers in regulated markets, such as the public sector, financial services, and countries with data localization requirements.
- **Drive increased usage within our existing customer base.** As customers realize the benefits of our platform, they typically increase their platform consumption by processing, storing, and sharing more data, and by leveraging additional use cases enabled by our continued innovation. We plan to continue investing in sales and marketing, with a focus on driving more consumption on our platform to grow large customer relationships, which lead to scale and operating leverage in our business model.
- **Expand our global footprint.** As organizations around the world increase their public cloud adoption, we believe there is a significant opportunity to expand the use of our platform outside of North America. We continue to make investments in sales and marketing, research and development, customer support, and public cloud deployments across the EMEA, Asia-Pacific and Japan (APJ), and Latin America regions.
- **Expand data content and collaboration across our global ecosystem.** Our platform provides an innovative way for organizations to collaborate and connect with data and data products, including through the Snowflake Marketplace. We plan to continue investing in adding new customers, partners, data providers, data consumers, and forms of sharing to connect on our platform, and to drive market awareness of the AI Data Cloud.
- **Grow and invest in our partner network.** Our Snowflake Partner Network is comprised of system integrators, resellers, data providers, and other services partners who help accelerate the adoption of our platform, and technology partners, who help provide end-to-end solutions to our customers. We plan to continue investing in building out our partner program to drive more consumption on our platform, broaden our distribution footprint, acquire new customers, and drive greater awareness of our platform. Partners can participate in programs like AI Competencies, Industry Competencies, Snowpark Accelerated, and Governance Accelerated to receive special support from Snowflake technical experts.

Our Platform

Our platform unifies data and supports a growing variety of product categories, including analytics, data engineering, AI, and applications and collaboration. Customers can leverage our platform for any one of these products, but when taken together, they provide an integrated, end-to-end solution that delivers greater insights, faster data transformations, improved data sharing, and accelerated application development. Delivered as a service, our platform is deployed across multiple public clouds and regions, is easy to use, and requires near-zero maintenance.

Product Categories

Organizations use our platform to power the following product categories:

- **Analytics.** Our platform provides reporting and analytics to improve business intelligence. For Analytics, our platform enables organizations to:
 - *Support multiple users and activities concurrently.* Enable multiple activities, such as repeatable analytics, rendering of dashboards, or ad hoc explorations, such as data science model training, with flexible compute capacity, no resource contention, and no provisioning of any infrastructure.
 - *Generate comprehensive data insights.* Run queries on structured, semi-structured, and unstructured data to capitalize on a more comprehensive view of their data to drive maximum insights.
 - *Simplify data governance.* Gain immediate insight into data and usage patterns and set policies and configurations to maximize governance.
 - *Simplify development by uniting transactions and analytical data.* Analytics includes Unistore, which, using hybrid tables, allows our customers to develop lightweight transactional use cases like serving data or storing an application's state, all within our platform. Unistore also enables customers to quickly analyze transactional and historical data from across the organization's ecosystem, build new and better customer experiences, and get deeper insights by integrating transactional and analytical data in a single data set.
- **Data Engineering.** Our platform enables organizations to efficiently build and manage streaming and batch data pipelines in SQL or Python for downstream consumers like data science teams, analytics teams, and business applications. For Data Engineering, our platform enables organizations to:
 - *Drive faster decision making.* Ingest data and transform it in real time to help ensure access to up-to-date information to drive better business outcomes.
 - *Dynamically meet peak business demands.* Meet fluctuating business demands by instantly scaling resources up and down.
 - *Build a modern scalable data lake / lakehouse in the cloud.* Consolidate data into one centralized place with the scalability, security, and power of the cloud to enable real-time analytics on all data. Store structured and unstructured data in one place where data teams can integrate different tools and platforms on a single, shared dataset. Customers can rely on this centralized data repository to address a variety of use cases.
 - *Enact better governance and security to enable broader data access.* Simplify data governance and provide rich security and controls to help ensure data is managed and accessed according to regulatory and corporate requirements.
- **AI.** Our unified data and AI platform enables organizations to build and deploy large language models (LLMs), ML models, and other AI functionality to:
 - *Transform unstructured data into insights.* Efficiently and securely run natural language processing tasks (such as summarization, translation, and categorization) on unstructured data at scale using Document AI and Cortex LLM Functions.
 - *Develop conversational assistants on enterprise data.* Interact with data via conversational applications that can answer ad hoc user queries by combining language models in Cortex AI with real-time structured data retrieval using Cortex Analyst and unstructured data retrieval using Cortex Search.
 - *Build and deploy LLMs, ML and embedding models.* Train and deploy ML models, fine-tune embedding and language models customized with proprietary data to deliver results tailored to a specific industry or organization using the Snowflake ML development suite of services and Snowpark Container Services, a graphics processing unit (GPU)-powered, managed compute service.

- **Applications.** Our platform can power new applications as well as enable existing applications with capabilities for AI, reporting, and analytics. For Applications, our platform enables organizations to:
 - *Develop analytical AI applications.* Build AI applications with our platform serving as the analytical and AI engine to provide massive scalability and insights with minimal operational overhead.
 - *Embed Snowflake into existing applications.* Feed data and analytics directly into business applications in the context of daily workstreams.
 - *Develop and distribute Snowflake-native applications.* Build, scale, and deploy applications that run securely within the boundary of the end customers' Snowflake accounts with Snowflake's Native Application Framework.
- **Collaboration.** Our platform enables organizations to securely share, monetize, and acquire live data, applications, and AI products. For Collaboration, our platform enables organizations to:
 - *Securely share live data.* Build an internal marketplace for employees across all parts of the organization to access, share, and analyze live data and also access and share AI products.
 - *Acquire data sets to enrich analytics.* Leverage public and commercially available data sets on the Snowflake Marketplace to enrich insights, augment analysis, and train AI models.
 - *Monetize new data products and applications.* List data, applications and AI products on the Snowflake Marketplace and tap into new monetization streams.
 - *Invite external parties to access governed data.* Invite customers, suppliers, and partners to securely access their data, streamline operations, and increase transparency.
 - *Easy data replication.* Our platform allows for easy replication of data, accounts, policies, and pipelines for multiple users across multiple public cloud providers and regions without compromising data integrity and governance, enabling our customers and their users to rely on a single source of truth and achieve cross-cloud business continuity.
 - *Enable data clean rooms.* Our platform enables data clean rooms, allowing organizations to design their own collaborative data environment in a privacy-compliant manner.

Architecture

Our platform was built from the ground up to take advantage of the cloud, and is built on an innovative multi-cluster, shared data architecture. It consists of three independently scalable layers deployed and generally connected globally across public clouds and regions:

- **Centralized storage.** The storage layer is based on scalable cloud storage and can manage structured, semi-structured, and unstructured data. It can be grown independently of compute resources, allowing for maximum scalability and elasticity, and ensures a single, persistent copy of the data. The stored data is automatically partitioned, and metadata is extracted during loading to enable efficient processing.
- **Multi-cluster compute.** The compute layer is designed to capitalize on the instant elasticity and performance of the public cloud. Compute clusters can be spun up and down easily within seconds, enabling our platform to retrieve the optimal data required from the storage layer to answer queries and transform data with optimized price-performance. This functionality allows a multitude of users and use cases to operate on a single copy of the data.
- **Cloud services.** The cloud services layer acts as the brain of the platform ensuring the different components work in unison to deliver a consistent user-friendly customer experience. It performs a variety of tasks, including security operations, system monitoring, query optimization, and metadata and state tracking throughout the platform.

This architecture is built on three major public clouds across 47 regional deployments around the world. These deployments are generally interconnected through our Snowgrid technology to deliver the AI Data Cloud, enabling a global and consistent user experience.

Our Technology

Innovation is at the core of our culture. We have developed innovative technology across our platform, including managed service, storage, query capabilities, compute model, data sharing, global infrastructure, and integrated security.

- **Managed Service**

- *High availability.* Within a region, all components of our platform are distributed over multiple data centers to ensure high availability. Hardware and software problems are automatically detected and addressed by the system, with full transparency to our customers.
- *Transactions.* Our platform supports full ACID compliant transactional integrity, so that data remains consistent even when our platform is concurrently used by many users and use cases.
- *Data availability and recovery.* Our platform provides customers the ability to replicate data across various deployments, create point-in-time consistent snapshots of data, and view or recover deleted or changed data over a configured period of time. This allows customers to avoid difficult trade-offs between high recovery times, data loss, or downtime.

- **Storage**

- *Columnar data.* Our platform stores data in a proprietary columnar representation, which optimizes the performance of analytical and reporting queries. It also provides high compression ratios, resulting in economic benefits for customers. We also enable customer choice by allowing customers to leverage our platform for data stored in Parquet and Apache Iceberg tables in customer-managed external storage.
- *Micro-partitioning.* Our platform automatically partitions all data it stores without the need for user specification or configuration. It creates small files called “micro partitions” based on size, enabling optimizations in query processing to retrieve only the data relevant for user queries, simplifying user administration and enhancing performance.
- *Metadata.* When data is ingested or accessed through interoperable storage, our platform automatically extracts and stores metadata to speed up query processing. It does so by collecting data distribution information for all columns in every micro-partition.
- *Semi-structured and unstructured data.* In addition to structured, relational data, our platform supports semi-structured data, including JSON, Avro, and Parquet, and unstructured data, including PDF documents, screenshots, recordings, and images. Data in these formats can be ingested and queried with performance comparable to a relational, structured representation.

- **Query Capabilities.** Our platform is engineered to query petabytes of data. It implements support for a large subset of the ANSI SQL standard for read operations and data modification operations. Our platform provides additional features, including:

- *Time travel.* Our platform keeps track of all changes happening to a table, which enables customers to query previous versions based on their preferences. Customers can query as of a relative point in time or as of an absolute point in time. This has a broad array of use cases for customers, including error recovery, time-based analysis, and data quality checks.
- *Cloning.* Our architecture enables us to offer zero-copy cloning, an operation by which entire tables, schemas, or databases can be duplicated—or cloned—without having to copy or duplicate the underlying data. Our platform leverages the separation between cloud services and storage to be able to track independent clones of objects sharing the same physical copy of the underlying data. This enables a variety of customer use cases such as making copies of production data for data scientists, creating custom snapshots in time, or testing data pipelines.

- **Compute Model.** Our platform offers a variety of capabilities to operate on data, from ingestion to transformation, as well as rich query and analysis. Our compute services are primarily presented to users in one of two models, either through explicit specification of compute clusters or through a number of serverless features.
 - *Compute Clusters.* Our platform exposes compute clusters as a core concept. Our customers can create as few or as many compute clusters as they want and specify compute capacity at tiered levels. These clusters can be configured to run only when needed, with cluster instantiation operations typically completed in seconds. Compute clusters can also be configured as a multi-cluster warehouse in which our platform can automatically add and remove additional instances of a given cluster to address variations in query demands. This gives us the ability to offer extremely high levels of concurrency with a simple configuration specification. We also offer warehouse recommendations for workloads that have large memory requirements, such as ML use cases.
 - *Serverless features.* We offer a number of additional services that automatically provide the capacity our customers require. For example, our data ingestion service automatically ingests data from cloud storage and allocates compute capacity based on the amount of data ingested; our clustering service continuously rearranges the physical layout of data to ensure conformity with clustering key specifications, improving performance; our materialized views service propagates changes from underlying tables to views that have materialized subsets or summaries; our replication service moves data between regions or clouds; our search optimization service analyzes changes in data, maintains information that speeds up lookup queries, and accelerates queries performing lookups of specific values; and our query acceleration service automatically offloads parts of eligible queries to shared, flexible compute clusters to handle high-burst workloads.
- **Data Sharing.** In our platform, data sharing within any given region is defined through access control and not through data movement. As such, the data consumer sees no latency relative to updates from the data provider, and incurs no cost to move or transform data to make it usable. Based on the same technology principles, our platform enables data clean rooms.
- **Global Infrastructure**
 - *Replication.* Our platform enables customers to replicate data from one region or public cloud to another region or public cloud while maintaining transactional integrity, either at the granularity of a database or an account.
 - *Business continuity.* Our platform enables failing over and failing back a database and redirecting clients transparently across regions or public clouds. This provides an integrated and global disaster recovery capability.
 - *Global listings for sharing.* Our platform enables a listing to be published globally to access consumers across regions or public clouds.
- **Built-in Security.** We built our platform with security as a core shared responsibility between us and our customers. Our platform provides a number of configurable capabilities for customers to confidently use our platform while preserving the security requirements of their organizations, including:
 - *Authentication.* Our platform supports a number of authentication capabilities, including federated authentication with a variety of identity providers, as well as support for multi-factor authentication.
 - *Access control.* Our platform provides a fine-grained, customer-configurable security model based on role-based access control. It provides granular privileges on system objects and actions.
 - *Data encryption.* Our platform encrypts all customer data uploaded to our platform, both at rest and in transit over untrusted networks, and simplifies operations by providing automatic re-keying of data. It also supports customer-managed keys, where an additional layer of encryption is provided by keys controlled by customers, giving them the ability to control access to the data.

Sales and Marketing

We sell our platform primarily through our direct sales team, which consists of field sales and inside sales professionals segmented by customer industry, size, and region. Our direct sales team is primarily focused on new customer acquisitions and driving increased use of our platform by existing customers. The breadth of our platform allows us to engage at every level of an organization, including data analysts and data engineers through our self-service model and senior executives through our direct sales team. The substantial majority of our global sales and marketing efforts are carried out by teams located in North America. Outside of North America, we have dedicated direct sales teams for the EMEA and APJ regions for organizations of all sizes.

Many organizations initially adopt our platform through a self-service trial on our website. We deploy a range of marketing strategies to drive traffic to our website and usage of our platform. Our marketing team combines the creation of inbound demand with direct marketing, business development, and efforts targeted at business and technology leaders.

Partnerships

Our partnership strategy is focused on delivering complete end-to-end solutions for our customers, driving general awareness of our platform, and broadening our distribution and reach to new customers. Our Snowflake Partner Network is a global program that manages our business relationships with a broad-based network of companies. Our partnerships consist of channel partners, system integrators, data providers, applications, AI solutions, and other technology partners. Collectively, these partners help us source leads, execute transactions, and deliver training, implementation, and business value for our customers. Our system integrator partners help make the adoption of and migration to our platform easier by providing implementations, value-added professional services, managed services, and resale services. Our technology partners provide strategic value to our customers by providing software tools, such as data loading, business intelligence, AI, data governance, and security, as well as data sets and applications on the Snowflake Marketplace, to augment the capabilities of our platform. We continue to invest in formal alliances with the leading consulting, data management, and implementation service providers to help our customers migrate their legacy database solutions to the cloud. Additionally, with Snowflake Ventures, Snowflake is investing in key partners that are innovating with the AI Data Cloud, and we have over 1,100 partners in our Powered by Snowflake Start Up program, many of whom are building next-generation data-intensive applications. Over time, we expect our partner network to drive more customers and consumption to our platform.

Research and Development

Our research and development organization is responsible for the design, development, testing, and delivery of new technologies, features, integrations, and improvements of our platform. It is also responsible for operating and scaling our platform, including the underlying public cloud infrastructure. Our research and development employees are located primarily in or around Bellevue, Washington and San Mateo, California in the United States, and internationally in Berlin, Germany; Toronto, Canada; Warsaw, Poland; and San José, Costa Rica.

Our research and development organization consists of teams specializing in software engineering, user experience, product management, data science, technical program management, and technical writing. As of January 31, 2025, we had 2,257 employees in our research and development organization. We intend to continue to invest in our research and development capabilities to expand our platform.

Our Competition

The markets we serve are highly competitive and rapidly evolving. With the introduction of new technologies and innovations, we expect the competitive environment to remain intense. Our competition includes the following:

- large, well-established, public cloud providers that generally compete in all of our markets, including Amazon Web Services (AWS), Microsoft Azure (Azure), and Google Cloud Platform (GCP);
- less-established public and private cloud companies with products that compete in some or all 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 believe we compete favorably based on the following competitive factors:

- ability to provide and innovate around an architecture that is purpose-built for the cloud;
- ability to efficiently and seamlessly ingest diverse data types in one location at scale;
- ability to drive business value and ROI;
- ability to support multiple use cases in one platform, including various industry-specific use cases;
- ability to provide seamless and secure access of data to many users simultaneously;
- ability to seamlessly and securely share and move data across public clouds or regions;
- ability to provide a consistent user experience across multiple public cloud providers;
- ability to provide pricing transparency and optimized price-performance benefits;
- ability to elastically scale up and scale down in high-intensity use cases;
- ease of deployment, implementation, and use;
- choice of programming language;
- performance, scalability, and reliability;
- security and governance; and
- quality of service and customer satisfaction.

See the section titled “Risk Factors” for a more comprehensive description of risks related to competition.

Seasonality

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 net cash provided by operating activities and 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 highest in the fourth fiscal quarter of each year. In addition, while historically revenue has been higher in our fourth fiscal quarter, it is also the most negatively impacted by reduced holiday consumption. For more information, including a definition of non-GAAP free cash flow and a reconciliation of net cash provided by operating activities, which is the most directly comparable financial measure calculated in accordance with U.S. generally accepted accounting principles (GAAP), to free cash flow, see the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Human Capital Resources

General

As of January 31, 2025, we had 7,834 employees operating across 34 countries. None of our employees are represented by a labor union with respect to his or her employment. In certain countries in which we operate, we are subject to, and comply with, local labor law requirements, which include works councils and industry-wide collective bargaining agreements. We have not experienced any work stoppages, and we consider our relations with our employees to be good.

Location

We are a Delaware corporation with a globally distributed workforce. We recruit and hire employees in jurisdictions around the world based on a range of factors, including the available talent pool, the type of work being performed, the relative cost of labor, regulatory requirements and costs, and other considerations. The majority of our personnel work from physical offices.

Culture and Engagement

We consider our culture and employees to be important to our success. Our culture is driven by our core company values:

- **Put Customers First:** We only succeed when our customers succeed, so we focus on what matters most to them.
- **Integrity Always:** We are open, honest, and respectful.
- **Think Big:** We set big goals that will make a positive impact and a lasting difference.
- **Be Excellent:** We hold ourselves to the highest standards to achieve quality and excellence in everything we do.
- **Make Each Other the Best:** We bring ideas and people together through respect and collaboration.
- **Get it Done:** We follow through on our commitments and deliver results.
- **Own It:** We hold ourselves accountable at all times.
- **Embrace Each Other's Differences:** We are mindful that everyone has different experiences, and we use our differences to strengthen who we are.

Total Rewards

We have invested substantial time and resources in building our team, and we measure employee performance against our company values. We are dependent on our management, highly-skilled software engineers, and sales personnel, and it is crucial that we continue to attract and retain valuable employees. To facilitate attraction and retention, we strive to provide opportunities for our employees to grow and develop in their careers, supported by strong compensation and benefits programs.

We use a combination of fixed and variable cash compensation for all employees, and we award equity compensation to certain employees that is designed to align our employees' interests with those of our stockholders. Eligible employees are also able to participate in our 2020 Employee Stock Purchase Plan, which allows employees to purchase our stock at a 15 percent discount up to U.S. Internal Revenue Code limits. We offer employees benefits that vary by country and are designed to meet or exceed local legal requirements and to be competitive in the marketplace.

Intellectual Property

Intellectual property rights are important to the success of our business. We rely on a combination of patent, copyright, trademark, and trade secret laws in the United States and other jurisdictions, as well as license agreements, confidentiality procedures, non-disclosure agreements with third parties, and other contractual protections, to protect our intellectual property rights, including our proprietary technology, software, know-how, and brand. We use open-source software in our platform.

As of January 31, 2025, we held more than 900 issued U.S. patents and had more than 400 U.S. patent applications pending. We also held more than 200 issued patents in foreign jurisdictions. As of January 31, 2025, we held more than 35 registered trademarks in the United States, and also held more than 640 registered or protected trademarks in foreign jurisdictions. We continually review our development efforts to assess the existence and patentability of new intellectual property.

Although we rely on intellectual property rights, including patents, copyrights, trademarks, and trade secrets, as well as contractual protections to establish and protect our proprietary rights, we believe that factors such as the technological and creative skills of our personnel, creation of new services, features and functionality, and frequent enhancements to our platform are more essential to establishing and maintaining our technology leadership position.

We control access to and use of our proprietary technology and other confidential information through the use of internal and external controls, including technical controls and contractual protections with employees, contractors, customers, and partners. We require our employees, consultants, and other third parties to enter into confidentiality and proprietary rights agreements, and we control and monitor access to our software, documentation, proprietary technology, and other confidential information. Our policy is to require all employees and independent contractors to sign agreements assigning to us any inventions, trade secrets, works of authorship, developments, processes, and other intellectual property generated by them on our behalf and under which they agree to protect our confidential information. In addition, we generally enter into confidentiality agreements with our customers and partners. See the section titled “Risk Factors” for a more comprehensive description of risks related to our intellectual property.

Government Regulation

Our business activities are subject to various federal, state, local, and foreign laws, rules, and regulations. Compliance with these laws, rules, and regulations has not had a material effect on our capital expenditures, results of operations, and competitive position as compared to prior periods. Nevertheless, compliance with existing or future governmental regulations, including, but not limited to, those related to global trade, business acquisitions, consumer and data protection, AI Technology, environmental or related requirements or disclosures, and taxes, could have a material impact on our business in future periods. For more information on the potential impacts of government regulations affecting our business, see the section titled “Risk Factors.”

Available Information

Our website address is www.snowflake.com. Information found on, or accessible through, our website is not a part of, and is not incorporated into, this Annual Report on Form 10-K. We file electronically with the SEC our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act. We make available on our website at www.snowflake.com, free of charge, copies of these reports and other information as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

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 Annual Report on Form 10-K, 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 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 \$3.6 billion, \$2.8 billion, and \$2.1 billion for the fiscal years ended January 31, 2025, 2024, and 2023, respectively. As a result of our historical rapid growth, limited operating history, large number of new product features, including those incorporating artificial intelligence and machine learning technology (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 heightened risks related to special contract terms, non-standard product deployments, and compliance with additional processes, rules, and regulations.*”

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 from time to time, and there is a risk that customers will consume our platform at lower levels than we expect, including in response to new software releases or hardware improvements that may make our platform more efficient, 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 \$1.3 billion, \$838.0 million and \$797.5 million for the fiscal years ended January 31, 2025, 2024 and 2023, respectively. As of January 31, 2025 and 2024, we had an accumulated deficit of \$7.3 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 have been and may continue to 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.

The markets in which we operate are rapidly evolving and highly competitive. In recent years, we have adopted open data formats like Apache Iceberg tables to allow customers to use our platform to process data stored in external customer-controlled environments outside of Snowflake, and we have introduced a significant number of new features and expanded into new product categories like artificial intelligence. These changes are driving increased competition, both because there is less customer “lock in” when our products are used in external environments, and also because we are competing across more product categories, each of which is subject to distinct customer requirements and preferences. Our success depends on our ability to continue to innovate in response to changing market dynamics.

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 or all 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, product features, 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, third-party products, and the ability to operate in hybrid environments. 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 or offer as many discounts or free services as our competitors. Our support of open data formats may also reduce switching costs between us and our competitors.

We currently 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.

Some of our customers use drivers and/or connectors to connect our platform to third-party applications or databases. Attempts by third-party application or database providers to restrict the use of drivers and connectors may make it more difficult for customers to use our platform, which could lead to reduced sales and consumption.

For all of these reasons, competition may negatively impact our ability to acquire new customers and maintain and grow use of our platform, put downward pressure on our prices and gross margins, or lead us to take greater risks, 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, support of open data formats, 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 product categories, including analytics, data engineering, artificial intelligence, and applications and collaboration. 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 increases 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, the ease with which customers can ingest data into our platform, and the types of environments that our platform supports, including hybrid offerings that extend into customer-managed environments. 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, or at all. 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. Some of our customers 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 or environments, 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. In addition, customers' use of our platform in violation of our terms of service, including by granting access to a single Snowflake account to various third-party entities, could amplify the impact of any cybersecurity or product incidents. 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, inadequate security controls, 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 within our platform for access control, including multi-factor authentication (MFA), network access policies, and unified role-based access controls and policies. Some customers 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 cybersecurity 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, including as described below. 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 additional 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; customer relationship issues; and other liabilities and damage to our business. Further, cybersecurity incidents have in the past and may in the future lead customers or prospective customers to attempt to negotiate contractual terms that are less favorable to us, such as broader indemnification obligations, more stringent cybersecurity requirements, 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, begin to operate in environments outside of our platform and over which we exercise significantly less or no control, and process, store, and transmit increasingly large amounts of data.

For example, in May 2024, we became aware that a cybersecurity threat actor had 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 have been the subject of numerous lawsuits, regulatory investigations, and lawmaker inquiries relating to these customer incidents. Since May 2024, we have been made aware of additional cyberattacks on customers' Snowflake accounts using similar methods to take advantage of customers' failures to implement appropriate security safeguards (e.g., MFA and network access policies). 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 a loss of existing customers 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, which may be unsuccessful or impractical. 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, or results of operations.

Finally, 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, cybersecurity incidents, 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 numerous class action lawsuits alleging common law and statutory claims in connection with cybersecurity matters. 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, cloud infrastructure processor improvements, or compute optimization, 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, the Snowflake Marketplace, and Snowflake Cortex AI;
- 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, external systems, or data;
- our ability to meet our debt obligations; 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 continue to 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 hire and effectively onboard new sales and marketing personnel and to train and manage 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 on favorable terms. 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 in response to evolving industry regulations, the additional need 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 typically have more extensive compliance and vendor diligence programs with respect to new products and services, which can 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 product categories, 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.

We do business with federal, state, local, and foreign governments and agencies, and heavily regulated organizations; as a result, we face heightened risks related to special contract terms, non-standard product deployments, and compliance with additional processes, rules, and regulations.

We sell to the U.S. government, state and local governments, foreign governments, and heavily regulated organizations directly and through our partners. Selling to government and regulated customers involves significant costs and operational efforts that arise from special laws, regulations, certification or clearance requirements, procurement processes, contract terms, and customer requirements. We may fail to win sufficient government or regulated business to justify our investments. For the government and regulated business that we do win, performing under the contracts involves higher ongoing cost to meet the special requirements as well as heightened civil and criminal liability for noncompliance for us, our officers, and directors.

We have obtained various government certifications and authorizations that are required to support sales opportunities to the government, including FedRAMP High and DOD Impact Level 4. We may be unable to achieve 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. In addition, we plan to continue to pursue additional authorizations, including national security clearances that allow us to support the U.S. national security community. Obtaining and maintaining national security clearances within a global enterprise will require significant operational investments and the successful implementation of new processes and controls. In addition, unlike our standard commercial offering, we anticipate delivering our platform and other offerings into customer environments, which presents risks and challenges arising from having less visibility into and control over the operation and security of our platform and other offerings.

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. 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, termination rights, and prohibition against any government indemnification obligations. 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.

Further, federal, state, and local governments and regulators routinely investigate and audit contractors for compliance with applicable laws, regulations, and contractual provisions, and changes in government policies may affect the level of oversight of government contractors and areas of focus (such as recent executive orders that affect compliance with nondiscrimination plans). 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 or clearance, and suspensions or debarment from future government business, and we may suffer reputational harm.

Our customers 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.

Finally, we are increasingly investing in doing business with customers and partners in heavily regulated commercial 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 and partners. In addition, regulatory agencies may impose requirements toward third-party vendors of regulated entities 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.

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, and in September 2024, Vivek Raghunathan was appointed as SVP, Engineering and Support to replace him; in February 2025, Michael P. Scarpelli notified us of his intention to retire as Chief Financial Officer once his successor is appointed, after which he will transition into an advisory role to support continuity and a smooth transition; and in March 2025, Christopher W. Degnan notified us of his intention to retire as Chief Revenue Officer and Michael Gannon was appointed to replace him. The loss of additional executive officers or any significant change in key leadership could harm morale, cause additional personnel to depart, introduce operational delays or risks as departing employees are replaced and successors learn our business, or disrupt operations and implementation of business strategy as result of any changes such successors may make, 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 support our growing business, 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. Our stock price declined significantly during a portion of fiscal 2025. If the actual or perceived value of our equity awards declines 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. For example, our stock-based compensation, net of amounts capitalized, represented 41% of our revenue for fiscal 2025 and 42% for fiscal 2024, and we expect stock-based compensation to remain substantial even if we are successful in reducing it as a percentage of our revenue. 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 or as our executive management team changes, 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.

Unfavorable conditions in our industry or the global economy, or reductions in cloud spending, or lower than expected consumption, 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, tariffs, and interest rate fluctuations, or the existence of epidemics, pandemics or other public health crises, 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 military conflicts between Russia and Ukraine and in the Middle East, as well as the rising tensions between China and Taiwan, 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 partners, including data and technology 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 Snowflake Cortex AI and 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 and training 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 are unable to maintain and enhance our brand and reputation, our business and results of operations may be adversely affected.

We believe that maintaining and enhancing our brand identity and reputation is critical to our relationships with, and to our ability to attract and retain, customers, partners, investors, and employees. The successful promotion of our brand depends on a number of factors, including our ability to continue to develop and deliver reliable, high-quality, and cost-effective products and services that meet the needs of our customers; our sales and marketing efforts, including effectiveness at developing a positive presence within our industry through participation in industry events and key media coverage; the influence of customer testimonials and use cases on the perception of our brand; effective integration into our platform of products and services we acquire or invest in; and our ability to differentiate our products from those of our competitors.

The promotion of our brand requires us to make substantial expenditures, which we anticipate will increase as our market becomes more competitive. Our brand promotion activities may not be successful or generate the awareness or increased revenue we expect, and even if they do, any increase in revenue may not offset the significant expenses we incur in the efforts to build our brand. In addition, independent industry or financial analysts often provide reviews of our platform, as well as products and services of our competitors, and perception of our platform in the marketplace may be significantly influenced by these reviews. If these reviews are negative, or less positive as compared to those of our competitors' products and services, our brand may be adversely affected. Negative media coverage could also adversely affect our brand and reputation. If we do not successfully maintain and enhance our brand, our business may not grow, we may have reduced pricing power relative to competitors and we could lose customers or fail to attract potential customers, or fail to hire and retain employees, all of which would materially and adversely affect our business, results of operations, and financial condition.

If the availability of our platform does not meet our service-level commitments to our customers, our 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 certain 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. Such claims may arise more often (and if they arise, may be more complex to litigate) as we begin to extend our platform and other offerings into customer environments over which we exercise significantly less or no control. 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, there have been instances where our customers or other business partners attempt to claim indemnification even if indemnification obligations have not been triggered, and defending against such claims can 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, since the beginning of fiscal 2024, we have acquired several companies, including Samootha, Inc., a privately-held company which developed data clean room technology; Neeva Inc. (Neeva), a privately-held internet search company which leveraged generative AI Technology; 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; LeapYear Technologies, Inc., a privately-held company which provided a differential privacy platform; Night Shift Development, Inc., a privately-held data analytics firm focused on the U.S. public sector; and Datavolo, Inc., a privately-held company that built a dataflow infrastructure to support the creation, management, and observability of multimodal data pipelines for enterprise AI. 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, disputes or litigation can arise out of our acquisitions or investments from time to time, 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, which we have done in the past. In addition, in certain cases we are 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, can negatively affect our 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 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 net cash provided by operating activities, which is the most directly comparable financial measure calculated in accordance with U.S. generally accepted accounting principles (GAAP), to free cash flow, see the section titled "Management's Discussion and Analysis of Financial Condition 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, hurricanes, 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. 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 the fiscal year ended January 31, 2025. 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 or continue our expansion 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, Saudi Arabia, 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;
- compliance with requirements to hire local employees to perform certain specific functions, such as Saudi Arabia's Regional Headquarters Program, which may not align with how we would otherwise operate our business;
- 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 are offering our platform through a Chinese-owned operating partner 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 has required 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 and debt financings 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 further 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. Any debt we incur could give the debt holders rights senior to our stockholders to make claims on our assets and could involve covenants relating to our capital raising activities and other financial and operational matters, which may limit our ability to obtain additional capital, pursue business opportunities and strategic transactions, repurchase stock and pay dividends on our common stock. For example, the holders of our 0% convertible senior notes due 2027 and 0% convertible senior notes due 2029 (collectively, the Notes) have rights senior to holders of our common stock to make claims on our assets, and the indentures governing each series of the Notes, as supplemented (each an Indenture and together, the Indentures), include customary covenants for us, such as covenants to make payment of principal and special interest (if any) and remain current in our reporting obligations with the SEC (though no financial or operating covenants or restrictions on us paying dividends or issuing or repaying, prepaying or repurchasing our other securities or indebtedness). Furthermore, if we issue additional equity securities, including shares of common stock issued upon conversion of the Notes, stockholders will experience dilution, and in some cases we may issue new equity securities that 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.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

Our ability to make scheduled payments of the principal of, to pay special interest, if any, on or to refinance the Notes depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate sufficient cash flow from operations to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt, or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance the Notes will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

We may not have enough available cash or the ability to raise the funds necessary to pay cash upon conversion of the Notes or to repurchase the Notes upon a fundamental change, and any future debt may contain limitations on our ability to do so.

Holders of each series of the Notes will have the right, subject to certain conditions and limited exceptions, to require us to repurchase all or any portion of their Notes upon the occurrence of a fundamental change prior to the maturity date of such series of the Notes (as defined and described in the applicable Indenture). Upon any conversion of Notes, we will be required to make cash payments to settle such conversion unless we elect to fully settle it by delivering shares of our common stock (other than any cash paid in lieu of delivering fractional shares). We may not have enough available cash or be able to obtain financing at the time if we are required to repurchase surrendered Notes or settle the conversion of Notes in cash. In addition, our ability to repurchase Notes or to pay cash upon conversions of the Notes may be limited by law, regulatory authority, or agreements governing our future indebtedness. Our failure to repurchase the Notes or to pay any cash upon future conversions of the Notes, when required by the Indentures, would constitute a default under the relevant Indenture. A default under either Indenture or the fundamental change itself could also lead to a default under agreements governing any future indebtedness. If the repayment of such future indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the Notes or make cash payments upon conversions thereof.

The conditional conversion feature of the Notes, if triggered, may adversely affect our financial condition and operating results.

If the conditional conversion feature of a series of the Notes is triggered, holders of such Notes will be entitled to elect to convert their Notes at any time during specified periods, as described in the applicable Indenture. If one or more holders elect to convert their Notes, we would be required to settle a portion or all of our conversion obligation through the payment of cash, unless we elect to fully settle such conversion by delivering shares of our common stock (other than any cash paid in lieu of delivering fractional shares), which could adversely affect our liquidity. In addition, even if holders do not elect to convert their Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the relevant series of Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

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, Canadian 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 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, protect our trademarks, 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 (U.K. GDPR) established strict requirements applicable to the handling of personal information.
- The EU's Digital Operational Resilience Act (DORA), which became effective as of January 17, 2025, applies to financial entities, such as banks, insurance companies, and investment firms, as well as their information and communication technology third-party service providers. DORA aims to promote resiliency against operational disruptions in the financial sector.
- 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 2025.
- 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, China, and Saudi Arabia, 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, China, or Saudi Arabia), 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. Numerous U.S. states 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 \$7,988 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 maintain and the standards that apply to our platform (or those we may maintain or that may apply in the future), 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 EU'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. Additionally, in the EU, the Network and Information Security Directive (NIS2) regulates resilience and incident response capabilities of entities operating in a number of sectors, including the digital infrastructure sector (such as cloud computing service providers). The deadline for transposition of NIS2 into local law was October 17, 2024; however, many of the member states in the EU have not fully transposed the Directive, leading to the opening of infringement procedures by the European Commission. Once fully implemented, non-compliance with NIS2 may lead to administrative fines of a maximum of 10 million Euros or up to 2% of the total worldwide revenue of the preceding fiscal year.

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 impact 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 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-attestations, 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, litigation, 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. We also from time to time make public statements regarding the data privacy and security features of our products, which may draw scrutiny from regulators or private parties. Claims by regulators or private parties that we have failed to follow our published statements or documentation or otherwise violated individuals' privacy rights, misrepresented or made inaccurate claims about our products, or failed to comply with security or 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. States, regions, and supranational bodies, including the EU and the United States, have passed or proposed new rules and regulations related to the use or sale of AI Technology. For example, the EU's Artificial Intelligence Act, the first comprehensive legal framework regulating artificial intelligence, entered into force in August 2024; Colorado's Artificial Intelligence Act, which will go into effect on February 1, 2026, imposes obligations on developers and deployers of "high-risk" artificial intelligence systems; and South Korea's AI Basic Act, the country's first major artificial intelligence legislation, which will go into effect on January 1, 2026, imposes obligations on developers and deployers of "high impact" and generative 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 rights (including copyright) and the remedies of rights owners surrounding the use and development of 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 of intellectual property, or exposure to claims of copyright or other intellectual property infringement or 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 (including outputs from AI Technology) that we use, and 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)). We could also face claims alleging open-source software or other license terms apply with respect to outputs from AI Technology that we believed to be available for use, and not subject to license terms or other third-party proprietary rights.

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, offensive, 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”). Such outputs may also contain copyrighted or other protected material. 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. Further, unauthorized use or misuse of generative AI Technology by our employees or others who have access to our systems may result in disclosure of confidential company and customer data, reputational harm, privacy law violations and legal liability. Finally, if we enable or offer services or technologies that draw scrutiny or controversy, if our use of AI Technology becomes controversial or causes ethical issues, or if we are perceived to overstate the capabilities or benefits of our products, services, or technologies that employ AI Technology, 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, litigation, 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.

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.

At the same time, anti-ESG sentiment has gained momentum across the United States, and both the federal and state governments have enacted or proposed “anti-ESG” policies or legislation or have issued related legal opinions. In addition, the U.S. Supreme Court’s ruling striking down race-based affirmative action in higher education has increased scrutiny of private sector employment practices and activist groups and state attorneys general have begun to analogize the outcome of that case to private employment matters, asserting that certain corporate practices, such as diversity, equity, and inclusion (DEI), are discriminatory and unlawful. Such anti-ESG and anti-DEI related policies, legislation, initiatives and scrutiny could expose any ESG, DEI or other practices we adopt to the risk of litigation, antitrust investigations or challenges by federal or state authorities, result in injunctions, penalties, and reputational harm.

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. Both advocates and opponents to ESG-related matters are increasingly resorting to a range of activism forms, including media campaigns and litigation, to advance their perspectives. To the extent we are subject to such activism, it may require us to incur costs or otherwise adversely impact our business, results of operations, or financial condition.

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 depends 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. Legislation informally titled the Tax Cuts and Jobs Act and the Inflation Reduction Act (Inflation Act) made many significant changes to U.S. tax laws. For example, the Inflation Act includes provisions that will impact the U.S. federal income taxation of certain corporations, including a minimum tax equal to 15% of the adjusted financial statement income of certain large corporations, as well as a 1% excise tax applicable to corporations traded on an established securities market (which includes the New York Stock Exchange) on the fair market value of certain stock repurchases in excess of the fair market value of stock issuances in the same taxable year. 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. Repurchases of our common stock under current or future stock repurchase programs could result in an excise tax liability, and we are continuing to evaluate the impact that such excise tax liability, if any, may have on our aggregate tax liability. Future guidance from the Internal Revenue Service and other tax authorities with respect to such legislation may affect us, and certain aspects thereof could be repealed or modified in future legislation.

In addition, our tax obligations and effective tax rate in the jurisdictions in which we conduct business could increase, including as a result of the base erosion and profit shifting (BEPS) project that is being led by the Organization for Economic Co-operation and Development (OECD), and other initiatives led by the OECD or the European Commission.

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, the amount of taxes imposed on our business, and our compliance costs, 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 current U.S. federal income tax law, 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, 2025, we had U.S. federal, state, and foreign NOL carryforwards of \$6.2 billion, \$6.0 billion, and \$178.0 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 2026. Of the \$178.0 million foreign NOL carryforwards, \$165.2 million may be carried forward indefinitely, and the remaining \$12.8 million will begin to expire in 2027.

In addition, under Section 382 of the Internal Revenue Code of 1986, as amended, 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 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, divestitures, and restructurings.

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 any derivative transactions relating to such securities; 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, tariffs and trade wars, 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.

Conversion of the Notes may dilute the ownership interest of our stockholders or may otherwise depress the price of our common stock.

The conversion of the Notes may dilute the ownership interests of our stockholders. Upon conversion of the Notes, we have the option to settle the obligation in cash, shares of our common stock, or a combination of both. If we elect to settle our conversion obligation in shares of our common stock or a combination of cash and shares of our common stock, any sales in the public market of our common stock issuable upon such conversion could adversely affect prevailing market price of our common stock. In addition, the existence of the Notes may encourage short selling by market participants because the conversion of the Notes could be used to satisfy short positions, or anticipated conversion of the Notes into shares of our common stock could depress the price of our common stock.

The capped call transactions may affect the value of the Notes and the market price of our common stock.

We entered into privately negotiated capped call transactions relating to each series of Notes with some of the initial purchasers (or their affiliates) and certain other financial institutions (collectively, the option counterparties). The capped call transactions are generally expected to reduce the potential dilution to our common stock upon any conversion of the relevant series of Notes or offset any cash payments we are required to make in excess of the principal amount of converted Notes, with such reduction or offset subject to a cap.

In connection with establishing their initial hedges of the capped call transactions, the option counterparties entered into various derivative transactions with respect to our common stock and/or purchased shares of our common stock concurrently with, or shortly after, the pricing of the Notes. They may modify their hedge positions by entering into or unwinding various derivatives with respect to our common stock and/or purchasing or selling shares of our common stock or other securities of ours in secondary market transactions prior to the maturity of the Notes, and they are likely to do so during any “observation period” related to a conversion of Notes or, to the extent we exercise the relevant election under the capped call transactions, following any repurchase or redemption of the Notes, in each case as described in the Indentures. This activity could also cause or avoid an increase or a decrease in the market price of our common stock or the Notes.

We are subject to counterparty risk with respect to the capped call transactions.

The option counterparties are financial institutions, and we will be subject to the risk that any or all of them might default under the capped call transactions. Our exposure to the credit risk of the option counterparties will not be secured by any collateral. Past global economic conditions have resulted in the actual or perceived failure or financial difficulties of many financial institutions and could adversely affect the option counterparties’ performance under the capped call transactions. If an option counterparty becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at that time under the capped call transactions with such option counterparty. Our exposure will depend on many factors but, generally, an increase in our exposure will be correlated to an increase in the market price and in the volatility of our common stock. In addition, upon a default by an option counterparty, we may suffer more dilution, the effect of which would not be compensated for, than we currently anticipate with respect to our common stock. We can provide no assurance as to the financial stability or viability of the option counterparties.

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, including issuance of shares of our common stock upon conversion of the Notes. We expect to continue 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. In addition, the Inflation Act imposes an excise tax of 1% on certain corporate stock repurchases.

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.

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, the Indentures, 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.

In addition, certain provisions in the Indentures may make it more difficult or expensive for a third party to acquire us. For example, the Indentures will require us, except as described therein, to repurchase the Notes of the relevant series for cash upon the occurrence of a fundamental change (as defined in the Indentures) and, in certain circumstances, to increase the relevant conversion rate for a holder that converts its Notes of the relevant series in connection with a make-whole fundamental change (as defined in the Indentures). A takeover of us may trigger the requirement that we repurchase the relevant series of Notes and/or increase the relevant conversion rate, which could make it more costly for a potential acquirer to engage in such takeover. Such additional costs may have the effect of delaying or preventing a takeover of us that would otherwise be beneficial to investors.

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 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

We have implemented and maintain a cybersecurity program designed to identify, assess, and manage material risks from cybersecurity threats to (i) our information systems and data, which include critical computer networks, third-party hosted services, communications systems, hardware and software, and (ii) critical data, including our intellectual property, confidential information that is proprietary, strategic or competitive in nature, and our customers' data. Our cybersecurity program includes an information security policy, access management policies, an open-source policy, security incident response processes, and a supply chain policy, in addition to the secure design and vendor management programs described below. For a description of the risks from cybersecurity threats that may materially affect us, see the risk factor titled *"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 section titled "Risk Factors" included elsewhere in this Annual Report on Form 10-K.

Our information systems generally fall into two categories: our platform and our corporate systems. Each category has dedicated teams and processes in place to address cybersecurity risk. Our product security team, which reports into our SVP, Engineering and Support, works alongside our product and engineering teams to address how security is designed into our platform. Our corporate security team, which reports to our Chief Information Security Officer, is responsible for the secure design of our corporate systems. In addition, our Chief Information Security Officer manages a global security team that performs certain cybersecurity functions for both our platform and corporate systems, including certification management, incident response, threat detection, analytics, and offensive security (such as simulations and penetration tests).

We actively monitor our threat environment for cybersecurity threats using various methods, including automated detection tools, scans of the threat environment, investigations of potential threats we discover or that are reported to us, and reports and services that identify threats. We monitor our information systems for vulnerabilities using internal and third-party penetration testing, intelligence feeds, and vulnerability databases. We also have a bug bounty program.

Our security teams work with management to prioritize our risk management processes and mitigate cybersecurity threats, including those that may materially impact our business. Our assessment and management of material risks from cybersecurity threats is a key risk area within our enterprise risk management program. Our Chief Information Security Officer and SVP, Engineering and Support are responsible for management of cybersecurity risk under our enterprise risk management program, and senior management and the audit committee of our board of directors receive reports on the key risks and the effectiveness of our management of such enterprise risks. In addition, key cybersecurity risks are assessed as part of our internal audit program. We have completed various security audits and certifications, including SOC 2 Type II, SOC 1 Type II, PCI-DSS, HITRUST, FedRAMP High, and ISO/IEC 27001. We also employ a shared responsibility cybersecurity model where our customers are responsible for using and configuring our platform in a manner that meets applicable cybersecurity standards and requirements. As part of this shared responsibility cybersecurity model, customers have sole responsibility for creating and securing their access credentials for our platform.

Our platform and corporate systems involve the use of third-party technology or service providers, or vendors, such as hosting platforms, open-source software, and application providers. We also use vendors to assist us from time to time to identify, assess, and manage material risks from cybersecurity threats to our platform and corporate systems, including consulting firms, external legal counsel, incident response vendors, penetration test providers, auditors, monitoring technology, and cybersecurity data providers. We have a vendor management program under which our corporate security, product security, and legal teams evaluate cybersecurity risks presented by our use of vendors. Depending on the nature of the technology or services provided, the sensitivity of the information systems and data at issue, and the identity of the vendor, our vendor management process may involve different levels of assessment designed to help identify cybersecurity risks. For vendors that may pose higher risks, this process includes a vendor security questionnaire, an evaluation of the vendor's security program and security documentation, and the imposition of contractual obligations related to cybersecurity on the vendor. All vendors are required to undergo this review, which is in addition to the applicable security reviews that may be conducted by our product security and corporate security teams described above.

Governance

Our board of directors has formed a cybersecurity committee of the board to assist it in fulfilling its oversight responsibility with respect to the management of cybersecurity risks related to our products and services as well as our information technology and network systems. The responsibilities of the cybersecurity committee include overseeing our implementation and maintenance of cybersecurity measures, data governance, compliance with applicable information security laws, and overseeing disclosure controls relating to cybersecurity. The cybersecurity committee receives reports from management concerning our significant cybersecurity threats and risk and the processes we have implemented to address them and has access to various reports, summaries or presentations related to cybersecurity threats, risk, and mitigation. In addition, our audit committee has oversight responsibility over our internal financial controls and our enterprise risk management program. Finally, management periodically provides cybersecurity briefings to the entire board of directors.

The members of management who are primarily responsible for assessing and managing our material risks from cybersecurity threats are our Chief Information Security Officer and our SVP, Engineering and Support. Our Chief Information Security Officer joined Snowflake in 2023 and previously served in various cybersecurity roles for over 12 years across multiple technology sectors, including manufacturing, software, and services. Our SVP, Engineering and Support joined Snowflake as VP of AI Engineering in 2023 in connection with our acquisition of Neeva, where he served as the head of engineering and, prior to that, he served in various roles at Google, including as VP Engineering in various technical leadership roles. Each of our Chief Information Security Officer and SVP, Engineering and Support is responsible for hiring appropriate personnel, integrating cybersecurity risk considerations into our overall risk management strategy, communicating key priorities to relevant personnel, approving budgets, helping prepare for cybersecurity incidents, approving cybersecurity processes, and reviewing security assessments and other security-related reports.

Our cybersecurity incident response processes are designed to escalate certain cybersecurity incidents to management depending on the circumstances, including the individuals named above, who work with our incident response team to help us mitigate and remediate cybersecurity incidents of which they are notified. In addition, our security incident response plan provides for reporting certain cybersecurity incidents to the cybersecurity committee of the board.

ITEM 2. PROPERTIES

We are a Delaware corporation with a globally distributed workforce. We recruit and hire employees in jurisdictions around the world based on a range of factors, including the available talent pool, the type of work being performed, the relative cost of labor, regulatory requirements and costs, and other considerations. The majority of our workforce began working remotely in April 2020 and although some of our employees continue to work remotely following the COVID-19 pandemic, the majority of our workforce has returned to physical offices. We currently lease offices in the United States, including in Atlanta, Georgia; Bellevue, Washington; Boston, Massachusetts; Bozeman, Montana; Denver, Colorado; Dublin, California; San Mateo, California; and Washington, D.C. We also have offices in multiple locations in Canada, Europe, and the APJ and EMEA regions. In November 2024, we entered into an agreement for a new office facility located in Menlo Park, California. During the three months ending April 30, 2025, we started the process of exiting the San Mateo office and relocating to the new Menlo Park office, which is expected to be completed by April 2025. All of our offices are leased, and we do not own any real property. While we believe that our current facilities are adequate to meet our foreseeable needs, we intend to expand our facilities in the future as we continue to add employees around the world. We believe that suitable additional or alternative space will be available to accommodate our future growth.

ITEM 3. 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. On October 28, 2024, an amended complaint was filed by the lead plaintiff. On December 23, 2024, we filed a motion to dismiss the amended complaint. On January 29, 2025, the lead plaintiff informed us that it would seek leave to file a second amended complaint rather than respond to the motion to dismiss. On February 7, 2025, the Court ordered the lead plaintiff to file a second amended complaint by April 7, 2025. We plan to file a motion to dismiss the second amended complaint on or before the responsive pleading deadline. In addition, since the filing of the class action lawsuit, four additional complaints containing securities derivative claims have been filed against us and certain of our directors and executive officers alleging similar violations. The derivative claims have been stayed pending resolution of the anticipated motion to dismiss the class action lawsuit. We and the other defendants intend to vigorously defend against the claims in these actions.

On June 13, 2024, a class action was filed in the United States District Court for the District of Montana against us alleging that we failed to take reasonable measures to secure systems that contained consumer data, thereby allowing threat actors to access and exfiltrate personally identifiable information. In the months that followed, numerous additional class actions making the same or similar allegations were filed in the United States and Canada against us and/or our 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. On October 4, 2024, an order was issued by the United States Judicial Panel on Multidistrict Litigation combining the class actions filed in the United States into a multidistrict litigation in the District of Montana. On February 3, 2025, plaintiffs filed their representative complaint. On March 11, 2025, plaintiffs were granted up to and including March 21, 2025 to file an amended representative complaint to address pleading deficiencies identified by defendants. Defendants, including us, are required to respond, which response may include moving to dismiss or compel arbitration, within 35 days of the filing of any amended representative complaint. In addition to the multidistrict litigation, two class actions are pending in the United States District Court for the Central District of California and the Supreme Court of British Columbia, respectively. We intend to vigorously defend against the claims in these actions.

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 11, “Commitments and Contingencies,” to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further details.

ITEM 4. MINE SAFETY DISCLOSURES

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our Class A common stock, par value \$0.0001 per share, is listed on the New York Stock Exchange, under the symbol "SNOW".

Holders of Record

As of March 7, 2025, there were 160 stockholders of record of our Class A common stock. The actual number of holders of our Class A common stock is greater than the number of record holders and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers or other nominees. The number of holders of record presented here also does not include stockholders whose shares may be held in trust by other entities.

Dividend Policy

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all available funds and future earnings, if any, to fund the development and expansion of our business, and we do not anticipate paying any cash dividends in the foreseeable future. Any future determination regarding the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, operating results, contractual restrictions, capital requirements, business prospects, and other factors our board of directors may deem relevant.

Recent Sales of Unregistered Equity Securities

On November 25, 2024, we issued approximately 0.9 million shares of our Class A common stock (Equity Consideration) to certain securityholders of Datavolo, Inc. (Datavolo), pursuant to the terms of an agreement and plan of merger and reorganization (Merger Agreement), dated as of November 19, 2024, as partial consideration for our acquisition of all of the outstanding capital stock and certain other securities of Datavolo. A portion of the Equity Consideration that was issued to continuing Datavolo employees is subject to forfeiture upon the occurrence of certain events. See Note 12, "Equity," in the notes to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further details.

We issued the shares in reliance on an exemption from registration provided for under Section 4(a)(2) of the Securities Act and/or Rule 506 of Regulation D promulgated thereunder as a transaction by an issuer not involving a public offering. We relied on this exemption from registration based in part on the representations made by the applicable Datavolo securityholders.

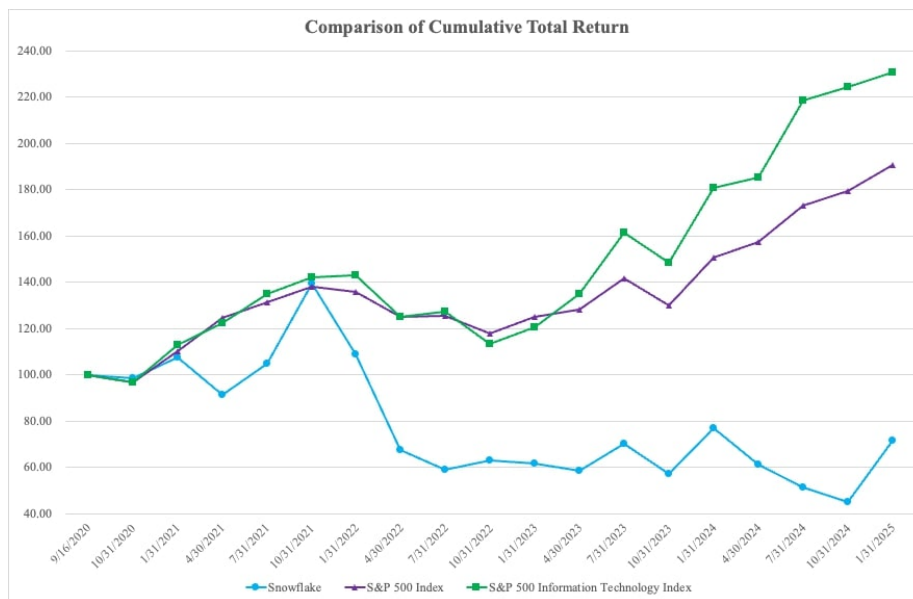
Issuer Purchases of Equity Securities

There were no shares repurchased under our authorized stock repurchase program during the three months ended January 31, 2025.

Stock Performance Graph

This performance graph shall not be deemed "soliciting material" or to be "filed" with the SEC for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any of our filings under the Securities Act.

The graph below shows the cumulative total return to our stockholders between September 16, 2020 (the date that our Class A common stock commenced trading on the New York Stock Exchange) through January 31, 2025 in comparison to the S&P 500 Index and the S&P 500 Information Technology Index. The graph assumes (i) that \$100 was invested in each of our Class A common stock, the S&P 500 Index, and the S&P 500 Information Technology Index at their respective closing prices on September 16, 2020 and (ii) reinvestment of gross dividends. The stock price performance shown in the graph represents past performance and should not be considered an indication of future stock price performance.



ITEM 6. [RESERVED]

ITEM 7. 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 our consolidated financial statements and related notes appearing elsewhere in this Annual Report on Form 10-K. 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 Annual Report on Form 10-K. You should review the disclosure under the heading “Risk Factors” in this Annual Report on Form 10-K 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 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.

A discussion regarding our financial condition and results of operations for the fiscal year ended January 31, 2025 compared to the fiscal year ended January 31, 2024 is presented below. A discussion regarding our financial condition and results of operations for the fiscal year ended January 31, 2024 compared to the fiscal year ended January 31, 2023 can be found in “Management's Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended January 31, 2024 filed with the SEC on March 26, 2024.

Overview

We believe that a cloud computing platform that puts data and artificial intelligence (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 a growing number of 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 includes 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 47 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. 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 126% and 131% as of January 31, 2025 and 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 January 31, 2025, we had 11,159 total customers, increasing from 9,384 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 January 31, 2025, our customers included 745 of the Forbes Global 2000, based on the 2024 Forbes Global 2000 list, and those customers contributed approximately 42% of our revenue for the fiscal year ended January 31, 2025. 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 ended 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."

Convertible Senior Notes

In September 2024, we completed a private offering of \$1.15 billion aggregate principal amount of 0% convertible senior notes due 2027 (2027 Notes) and \$1.15 billion aggregate principal amount of 0% convertible senior notes due 2029 (2029 Notes, and together with the 2027 Notes, the Notes). The total proceeds from the issuance of the Notes were approximately \$2.27 billion, net of \$31.2 million of debt issuance costs.

We used a portion of the net proceeds from the offering to (i) pay the \$195.5 million cost of the privately negotiated capped call transactions relating to each series of the Notes (Capped Calls) and (ii) repurchase \$399.6 million of our common stock from purchasers of the Notes in the offering in privately negotiated transactions entered into in connection with the Notes offering at a purchase price of \$112.50 per share.

See Note 10, "Convertible Senior Notes," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further details.

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 fiscal year ended January 31, 2025, we repurchased 14.8 million shares of our outstanding common stock for an aggregate purchase price of \$1.9 billion, excluding transaction costs associated with the repurchases, at a weighted-average price of \$130.87 per share. All repurchases were made in open market transactions, except for the 3.6 million shares of our outstanding common stock that were repurchased for \$399.6 million from purchasers of the Notes in the offering in privately negotiated transactions entered into in connection with the Notes offering at a purchase price of \$112.50 per share. As of January 31, 2025, \$2.0 billion remained available for future repurchases under the stock repurchase program (exclusive of transaction costs associated with repurchases). See Note 10, "Convertible Senior Notes," and Note 12, "Equity," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K 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.

Business Combination

On November 25, 2024, we acquired all of the outstanding capital stock of Datavolo, Inc. (Datavolo), a privately-held company that built a dataflow infrastructure to support the creation, management, and observability of multimodal data pipelines for enterprise AI. The acquisition date fair value of the preliminary purchase consideration was \$106.8 million, which was comprised of 0.5 million shares of our common stock valued at \$87.7 million as of the acquisition date and \$19.1 million in cash. In addition, we issued to certain of Datavolo's employees a total of 0.4 million shares of our common stock in exchange for a portion of their Datavolo stock. These shares are subject to vesting agreements pursuant to which the shares will vest over four years, subject to each of these employees' continued employment with us or our affiliates. The \$64.6 million fair value of these shares is accounted for as post-combination stock-based compensation over the requisite service period of four years.

The results of operations of this business combination have been included in our consolidated financial statements from the date of acquisition. See Note 7, "Business Combinations," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for details regarding this business combination.

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 (AI Technology), such as Snowflake Cortex AI. 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 existing database products or big data offerings. 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, cloud infrastructure processor improvements, and compute optimization, 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 and AI Technology. 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 government and regulated industries that have heightened 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, including the most directly comparable financial measure calculated in accordance with GAAP, for the periods presented:

	Fiscal Year Ended January 31,		
	2025	2024	2023
Product revenue (in millions)	\$ 3,462.4	\$ 2,666.8	\$ 1,938.8
Net cash provided by operating activities (in millions) ⁽¹⁾	\$ 959.8	\$ 848.1	\$ 545.6
Free cash flow (non-GAAP) (in millions) ⁽²⁾⁽³⁾	\$ 884.1	\$ 778.9	\$ 496.5

	January 31, 2025	January 31, 2024	January 31, 2023
Net revenue retention rate ⁽⁴⁾	126 %	131 %	158 %
Customers with trailing 12-month product revenue greater than \$1 million ⁽⁴⁾	580	455	329
Forbes Global 2000 customers ⁽⁴⁾	745	710	655
Remaining performance obligations (in millions) ⁽⁵⁾	\$ 6,867.5	\$ 5,174.7	\$ 3,660.5

⁽¹⁾ Net cash provided by operating activities is not a key business metric but is included in this table as the most directly comparable GAAP financial measure to free cash flow.

⁽²⁾ Free cash flow for the fiscal years ended January 31, 2025, 2024, and 2023 included the effect of \$57.5 million, \$31.3 million, and \$23.9 million, respectively, in the net cash paid on payroll tax-related items on employee stock transactions. See the section titled "Free Cash Flow" for 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.

⁽³⁾ Cash outflows for employee payroll tax items related to the net share settlement of equity awards, which were \$489.1 million, \$380.8 million, and \$184.6 million for the fiscal years ended January 31, 2025, 2024, and 2023, respectively, are included in cash flow for financing activities and, as a result, do not have an effect on the calculation of free cash flow.

⁽⁴⁾ 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.

⁽⁵⁾ As of January 31, 2025, our remaining performance obligations were approximately \$6.9 billion, of which we expect approximately 48% to be recognized as revenue in the twelve months ending January 31, 2026 based on historical customer consumption patterns. The weighted-average remaining life of our capacity contracts was 2.4 years as of January 31, 2025. 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 millions):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Net cash provided by operating activities	\$ 959.8	\$ 848.1	\$ 545.6
Less: purchases of property and equipment	(46.3)	(35.1)	(25.1)
Less: capitalized internal-use software development costs	(29.4)	(34.1)	(24.0)
Free cash flow (non-GAAP) ⁽¹⁾⁽²⁾	\$ 884.1	\$ 778.9	\$ 496.5
Net cash provided by (used in) investing activities	\$ 190.6	\$ 832.3	\$ (597.9)
Net cash used in financing activities	\$ (226.5)	\$ (854.1)	\$ (92.6)

⁽¹⁾ Free cash flow for the fiscal years ended January 31, 2025, 2024, and 2023 included the effect of \$57.5 million, \$31.3 million, and \$23.9 million, respectively, in the net cash paid on payroll tax-related items on employee stock transactions.

⁽²⁾ Cash outflows for employee payroll tax items related to the net share settlement of equity awards, which were \$489.1 million, \$380.8 million, and \$184.6 million for the fiscal years ended January 31, 2025, 2024, and 2023, respectively, 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%, 3%, and 2% of our revenue for the fiscal years ended January 31, 2025, 2024, and 2023, respectively.

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 all periods presented.

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 fiscal year ended January 31, 2025 is approximately 2.9 years. 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. 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, expansion, or renewal of 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 or expansion of customer contracts that are not commensurate with those earned upon the renewal of contracts are capitalized and then amortized over a period of benefit that we determined to be five years. Sales commissions earned upon the renewal of customer contracts, as well as sales commissions earned upon the origination or expansion of customer contracts that are commensurate with those for renewal contracts, are capitalized and then amortized over the respective weighted-average contractual term of the related contracts. 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 acquired intangible assets, 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 primarily 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.

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. In addition, we expect our general and administrative expenses to increase during fiscal 2026 due to anticipated asset impairment charges upon the cease-use of our San Mateo office facility.

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.

Interest Expense

Interest expense consists of amortization of debt issuance costs incurred in connection with the issuance of our convertible senior notes.

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 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 consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further details.

Results of Operations

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

	Fiscal Year Ended January 31,		
	2025	2024	2023
Revenue	\$ 3,626,396	\$ 2,806,489	\$ 2,065,659
Cost of revenue ⁽¹⁾	1,214,673	898,558	717,540
Gross profit	2,411,723	1,907,931	1,348,119
Operating expenses ⁽¹⁾ :			
Sales and marketing	1,672,092	1,391,747	1,106,507
Research and development	1,783,379	1,287,949	788,058
General and administrative	412,262	323,008	295,821
Total operating expenses	3,867,733	3,002,704	2,190,386
Operating loss	(1,456,010)	(1,094,773)	(842,267)
Interest income	209,009	200,663	73,839
Interest expense	(2,759)	—	—
Other income (expense), net	(35,339)	44,887	(47,565)
Loss before income taxes	(1,285,099)	(849,223)	(815,993)
Provision for (benefit from) income taxes	4,113	(11,233)	(18,467)
Net loss	(1,289,212)	(837,990)	(797,526)
Less: net loss attributable to noncontrolling interest	(3,572)	(1,893)	(821)
Net loss attributable to Snowflake Inc.	\$ (1,285,640)	\$ (836,097)	\$ (796,705)

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

	Fiscal Year Ended January 31,		
	2025	2024	2023
Cost of revenue	\$ 142,163	\$ 123,363	\$ 106,302
Sales and marketing	331,807	299,657	246,811
Research and development	852,027	644,928	407,524
General and administrative	153,317	100,067	100,896
Total stock-based compensation	\$ 1,479,314	\$ 1,168,015	\$ 861,533

The overall increase in stock-based compensation for the fiscal year ended January 31, 2025, compared to the fiscal year ended January 31, 2024, was primarily attributable to additional equity awards granted to new and existing employees, partially offset by the effects of equity awards that became forfeited or fully vested.

As of January 31, 2025, total compensation cost related to unvested awards not yet recognized was \$3.5 billion, which will be recognized over a weighted-average period of 2.8 years. See Note 12, "Equity," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further details.

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

	Fiscal Year Ended January 31,		
	2025	2024	2023
Revenue	100 %	100 %	100 %
Cost of revenue ⁽¹⁾	33	32	35
Gross profit	67	68	65
Operating expenses ⁽¹⁾ :			
Sales and marketing	46	50	54
Research and development	49	46	38
General and administrative	12	11	14
Total operating expenses	107	107	106
Operating loss	(40)	(39)	(41)
Interest income	6	7	3
Interest expense	—	—	—
Other income (expense), net	(1)	2	(2)
Loss before income taxes	(35)	(30)	(40)
Provision for (benefit from) income taxes	1	—	(1)
Net loss	(36)	(30)	(39)
Less: net loss attributable to noncontrolling interest	—	—	—
Net loss attributable to Snowflake Inc.	(36%)	(30%)	(39%)

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

	Fiscal Year Ended January 31,		
	2025	2024	2023
Cost of revenue	4 %	4 %	5 %
Sales and marketing	9	11	12
Research and development	24	23	20
General and administrative	4	4	5
Total stock-based compensation	41 %	42 %	42 %

Stock-based compensation is impacted by our future hiring and retention needs, which are difficult to predict and subject to constant change. We expect that our stock-based compensation will increase in absolute dollars as we continue to issue equity awards to our new and existing employees, but will decrease as a percentage of our revenue in fiscal 2026 and continue to decrease over time as we grow.

Comparison of the Fiscal Years Ended January 31, 2025 and 2024

Revenue

	Fiscal Year Ended January 31,		% Change
	2025	2024	
	(dollars in thousands)		
Revenue:			
Product	\$ 3,462,422	\$ 2,666,849	30%
Professional services and other	163,974	139,640	17%
Total	\$ 3,626,396	\$ 2,806,489	29%
Percentage of revenue:			
Product	95%	95%	
Professional services and other	5%	5%	
Total	100%	100%	

Product revenue increased \$795.6 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, primarily due to increased consumption of our platform by existing customers, as evidenced by our net revenue retention rate of 126% as of January 31, 2025.

We had 580 customers with product revenue of greater than \$1 million for the trailing 12 months ended January 31, 2025, an increase from 455 customers as of January 31, 2024. Such customers represented approximately 67% and 65% of our product revenue for the trailing 12 months ended January 31, 2025 and 2024, respectively. Within these customers, we had 110 and 39 customers with product revenue of greater than \$5 million and \$10 million, respectively, for the trailing 12 months ended January 31, 2025. The substantial majority of our revenue was derived from existing customers under capacity arrangements, which represented approximately 97% of our revenue for each of the fiscal years ended January 31, 2025 and 2024. 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 \$24.3 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, 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

	Fiscal Year Ended January 31,		
	2025	2024	% Change
	(dollars in thousands)		
Cost of revenue:			
Product	\$ 992,069	\$ 701,200	41%
Professional services and other	222,604	197,358	13%
Total cost of revenue	<u>\$ 1,214,673</u>	<u>\$ 898,558</u>	35%
Gross profit (loss):			
Product	\$ 2,470,353	\$ 1,965,649	26%
Professional services and other	(58,630)	(57,718)	2%
Total gross profit	<u>\$ 2,411,723</u>	<u>\$ 1,907,931</u>	26%
Gross margin:			
Product	71%	74%	
Professional services and other	(36%)	(41%)	
Total gross margin	67%	68%	
Headcount (at period end)			
Product	453	414	
Professional services and other	631	525	
Total headcount	1,084	939	

Cost of product revenue increased \$290.9 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year. The increase was primarily due to an increase of \$176.8 million in third-party cloud infrastructure expenses (including those related to GPUs), mainly as a result of increased customer consumption of our platform. Personnel-related costs and allocated overhead costs also increased \$45.3 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, as a result of increased headcount and overall costs to support the growth in our business, and increased stock-based compensation primarily related to additional equity awards granted to existing and new employees. Additionally, amortization of capitalized internal-use software development costs and acquired developed technology intangible assets also increased \$37.5 million and \$11.1 million, respectively, for the fiscal year ended January 31, 2025, compared to the prior fiscal year. The remaining increase in cost of product revenue was primarily attributable to \$7.7 million in costs incurred by us during fiscal 2025 in connection with a restructuring plan for a majority-owned subsidiary.

Our product gross margin was 71% for the fiscal year ended January 31, 2025, compared to 74% for the prior fiscal year. This 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) our pricing model and discounting practices, (iii) 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, and (iv) stock-based compensation.

Cost of professional services and other revenue increased \$25.2 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, primarily due to an increase of \$12.9 million in personnel-related costs and allocated overhead costs as a result of increased headcount. The remaining increase in cost of professional services and other revenue was primarily driven by an increase of \$10.9 million in costs of contracted third-party partners and software tools to support the growth in our business.

Professional services and other gross margin was (36%) and (41%) for the fiscal years ended January 31, 2025 and 2024, 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

	Fiscal Year Ended January 31,		% Change
	2025	2024	
	(dollars in thousands)		
Sales and marketing	\$ 1,672,092	\$ 1,391,747	20%
Percentage of revenue	46 %	50 %	
Headcount (at period end)	3,310	3,008	

Sales and marketing expenses increased \$280.3 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, primarily due to an increase of \$131.7 million in personnel-related costs (excluding commission expenses) and allocated overhead costs, as a result of increased headcount, stock-based compensation, and overall costs to support the growth in our business. The increase in personnel-related costs included a \$32.1 million increase in stock-based compensation for the fiscal year ended January 31, 2025, compared to the prior fiscal year, primarily related to additional equity awards granted to existing and new employees, partially offset by the effects of equity awards that became forfeited or fully vested.

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, also increased \$86.0 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, primarily attributable to sales commissions tied to customers' consumption. In addition, advertising costs and other expenses associated with our sales, marketing and business development programs increased \$26.0 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year. The remaining increase in sales and marketing expenses for the fiscal year ended January 31, 2025 was primarily attributable to a \$16.1 million increase in travel-related expenses.

Research and Development

	Fiscal Year Ended January 31,		% Change
	2025	2024	
	(dollars in thousands)		
Research and development	\$ 1,783,379	\$ 1,287,949	38%
Percentage of revenue	49 %	46 %	
Headcount (at period end)	2,257	2,002	

Research and development expenses increased \$495.4 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, primarily due to an increase of \$389.2 million 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. The increase in personnel-related costs included a \$207.1 million increase in stock-based compensation, primarily related to additional equity awards granted to existing and new employees, partially offset by the effects of equity awards that became forfeited or fully vested.

Third-party cloud infrastructure expenses, incurred primarily in developing our platform (including with respect to GPUs to develop AI Technology), also increased \$92.7 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year. The remaining increase in research and development expenses for the fiscal year ended January 31, 2025 was primarily attributable to \$11.0 million in costs incurred by us during fiscal 2025 in connection with a restructuring plan for a majority-owned subsidiary.

The overall increase in research and development expenses for the fiscal year ended January 31, 2025 was partially offset by impairment charges of \$7.1 million recognized during fiscal 2024. 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

	Fiscal Year Ended January 31,		% Change
	2025	2024	
	(dollars in thousands)		
General and administrative	\$ 412,262	\$ 323,008	28%
Percentage of revenue	12 %	11 %	
Headcount (at period end)	1,183	1,055	

General and administrative expenses increased \$89.3 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, 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

	Fiscal Year Ended January 31,		% Change
	2025	2024	
	(dollars in thousands)		
Interest income	\$ 209,009	\$ 200,663	4%

Interest income increased \$8.3 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, primarily due to higher yields on our cash equivalents and investments in available-for-sale marketable debt securities. See Note 4, "Cash Equivalents and Investments," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further details on our cash equivalents and investments.

Other Income (Expense), Net

	Fiscal Year Ended January 31,		% Change
	2025	2024	
	(dollars in thousands)		
Impairments related to strategic investments in non-marketable equity securities	\$ (11,578)	\$ (3,101)	273%
Net unrealized gains (losses) on strategic investments in marketable equity securities	(2,428)	15,197	(116%)
Net realized gains (losses) on strategic investments in equity securities ⁽¹⁾	(17,414)	34,713	(150%)
Other	(3,919)	(1,922)	104%
Other income (expense), net	\$ (35,339)	\$ 44,887	(179%)

⁽¹⁾ The net realized gains on strategic investments in equity securities for the fiscal year ended January 31, 2024 include primarily a remeasurement gain of \$34.0 million recognized on a previously held equity interest as a result of a business combination completed during fiscal 2024. See Note 7, "Business Combinations," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further details. For strategic investments in equity securities sold, the realized gains or losses represent 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.

Other income (expense), net decreased \$80.2 million for the fiscal year ended January 31, 2025, compared to the prior fiscal year, primarily due to changes in net realized and unrealized gains (losses) and impairments on our strategic investments in equity securities. See Note 5, "Fair Value Measurements," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further details.

Provision for (Benefit from) Income Taxes

	Fiscal Year Ended January 31,		% Change
	2025	2024	
	(dollars in thousands)		
Loss before income taxes	\$ (1,285,099)	\$ (849,223)	51%
Provision for (benefit from) income taxes	4,113	(11,233)	(137%)
Effective tax rate	(0.3%)	1.3%	

Our provision for income taxes was \$4.1 million for the fiscal year ended January 31, 2025, compared to our benefit from income taxes of \$11.2 million for the fiscal year ended January 31, 2024, primarily due to partial releases of valuation allowances from the business combinations completed during fiscal 2024.

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 January 31, 2025, our principal sources of liquidity were cash, cash equivalents, and short-term and long-term investments totaling \$5.3 billion. Our cash equivalents and investments primarily consist of money market funds, corporate notes and bonds, U.S. government and agency securities, commercial paper, certificates of deposit, and time deposits.

As of January 31, 2025, our RPO was \$6.9 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 as well as net proceeds from the issuance of the Notes. Our primary uses of cash include personnel-related expenses, third-party cloud infrastructure expenses (including with respect to GPUs to develop AI Technology), 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 January 31, 2025, our material cash requirements from known contractual obligations and commitments relate primarily to (i) third-party cloud infrastructure agreements, (ii) the Notes, (iii) operating leases for office facilities, and (iv) 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 more information regarding our contractual obligations and commitments (excluding the Notes) as of January 31, 2025, see Note 11, "Commitments and Contingencies," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K. Our long-term purchase commitments may be satisfied earlier than the payment periods presented as we continue to grow and scale our business.

Convertible Senior Notes

In September 2024, we issued an aggregate principal amount of \$2.3 billion of the Notes in a private placement to qualified institutional buyers, comprising of (i) \$1.15 billion aggregate principal amount of the 2027 Notes and (ii) \$1.15 billion aggregate principal amount of the 2029 Notes. Each series of Notes was issued pursuant to separate indentures, as supplemented (each an Indenture and together, the Indentures), between us and U.S. Bank Trust Company, National Association, as trustee. The Notes are general, senior unsecured obligations. The 2027 Notes will mature on October 1, 2027 and the 2029 Notes will mature on October 1, 2029, in each case unless earlier converted, redeemed, or repurchased. Neither the 2027 Notes nor the 2029 Notes bear regular interest, and the principal amount of the Notes will not accrete. We may elect or be required to pay special interest on the Notes under certain circumstances in accordance with the terms of the applicable Indenture. Special interest, if any, will be payable semiannually in arrears on April 1 and October 1 of each year, beginning on April 1, 2025. The total proceeds from the issuance of the Notes were approximately \$2.27 billion, net of \$31.2 million of debt issuance costs.

In connection with the Notes offering, we entered into Capped Calls with certain of the initial purchasers or affiliates thereof and certain other financial institutions for a cost of \$195.5 million. The Capped Calls are generally expected to reduce the potential dilution to our common stock upon any conversion of the relevant series of the Notes and/or offset any cash payments we are required to make in excess of the principal amount of converted Notes of such series, as the case may be, with such reduction and/or offset subject to a cap based on a cap price initially equal to \$225.00 per share.

We used a portion of the net proceeds from the Notes offering to (i) pay the \$195.5 million cost of the Capped Calls and (ii) repurchase \$399.6 million of our common stock from purchasers of the Notes in the offering in privately negotiated transactions entered into in connection with the Notes offering at a purchase price of \$112.50 per share. We expect to use the remainder of the net proceeds for general corporate purposes, which may include other repurchases of our common stock from time to time under our existing or any future stock repurchase program, as well as acquisitions or strategic investments in complementary businesses or technologies. See Note 10, “Convertible Senior Notes,” and Note 12, “Equity,” to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for additional details.

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. 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 fiscal year ended January 31, 2025, we repurchased 14.8 million shares of our outstanding common stock for an aggregate purchase price of \$1.9 billion, excluding transaction costs associated with the repurchases, at a weighted-average price of \$130.87 per share. All repurchases were made in open market transactions, except for the 3.6 million shares of our outstanding common stock that were repurchased for \$399.6 million from purchasers of the Notes in the offering in privately negotiated transactions entered into in connection with the Notes offering at a purchase price of \$112.50 per share. As of January 31, 2025, \$2.0 billion remained available for future repurchases under the stock repurchase program (exclusive of transaction costs associated with repurchases). See Note 10, “Convertible Senior Notes,” and Note 12, “Equity,” to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for additional details.

Subsequent to January 31, 2025, and through March 21, 2025, we repurchased 3.2 million shares of our outstanding common stock for an aggregate purchase price of \$490.6 million, excluding transaction costs associated with the repurchases, at a weighted-average price of \$152.63 per share. All repurchases were made in open market transactions.

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, convertible senior notes repayment requirements, acquisitions and strategic investments we may make from time to time, and repurchases of our common stock under our existing or any future 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):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Net cash provided by operating activities	\$ 959,764	\$ 848,122	\$ 545,639
Net cash provided by (used in) investing activities	\$ 190,646	\$ 832,258	\$ (597,885)
Net cash used in financing activities	\$ (226,523)	\$ (854,103)	\$ (92,624)

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 amortization (accretion) of premiums (discounts) on investments, (vi) net realized and unrealized gains and losses on strategic investments in equity securities, and (vii) deferred income tax benefit or expense, and changes in operating assets and liabilities during each period.

For the fiscal year ended January 31, 2025, net cash provided by operating activities was \$959.8 million, consisting of our net loss of \$1.3 billion, adjusted for non-cash charges of \$1.8 billion, and net cash inflows of \$443.6 million provided by changes in our operating assets and liabilities, net of the effects of business combinations. The main drivers of the changes in operating assets and liabilities during fiscal 2025 were (i) a \$382.8 million increase in deferred revenue due to invoicing for prepaid capacity agreements outpacing revenue recognition, (ii) a \$108.9 million increase in accounts payable due to timing of invoices and payments, (iii) a \$70.9 million increase in accrued expenses and other liabilities primarily due to the timing of accruals and payments, and (iv) a \$29.9 million decrease in prepaid expenses and other assets primarily driven by a decrease in prepaid third-party cloud infrastructure expenses, partially offset by (a) a \$101.6 million increase in deferred commissions earned upon the origination of customer contracts, and (b) a \$47.7 million decrease in operating lease liabilities due to payments related to our operating lease obligations.

For the fiscal year ended January 31, 2024, net cash provided by operating activities was \$848.1 million, consisting of our net loss of \$838.0 million, adjusted for non-cash charges of \$1.3 billion, and net cash inflows of \$390.7 million provided by changes in our operating assets and liabilities, net of the effects of business combinations.

Net cash provided by operating activities increased \$111.6 million for the fiscal year ended January 31, 2025, compared to the fiscal year ended January 31, 2024, primarily due to an increase 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 fiscal 2026.

Investing Activities

Net cash provided by investing activities for the fiscal year ended January 31, 2025 was \$190.6 million, primarily driven by proceeds of \$297.4 million from net sales, maturities and redemptions of investments. The increase is partially offset by (i) \$46.3 million in purchases of property and equipment to support our office facilities, (ii) an aggregate of \$30.3 million in cash paid for Datavolo and other business combinations, net of cash and cash equivalents acquired, and (iii) \$29.4 million in capitalized internal-use software development costs.

Net cash provided by investing activities for the fiscal year ended January 31, 2024 was \$832.3 million, primarily driven by proceeds of \$1.2 billion from net sales, maturities and redemptions of investments, partially offset by an aggregate of \$275.7 million in cash paid for the Neeva, Mountain, LeapYear and other business combinations, net of cash, cash equivalents, and restricted cash acquired, and, to a lesser extent, purchases of property and equipment to support our office facilities, capitalized internal-use software development costs, and purchases of intangible assets.

Financing Activities

Net cash used in financing activities for the fiscal year ended January 31, 2025 was \$226.5 million, primarily driven by (i) \$1.9 billion in repurchases of our common stock under our authorized stock repurchase program, (ii) \$489.1 million in taxes paid related to net share settlement of equity awards, and (iii) \$195.5 million in purchases of the Capped Calls, partially offset by (a) proceeds of approximately \$2.27 billion from the issuance of the Notes, net of \$31.2 million in cash paid for issuance costs, and (b) proceeds of \$121.9 million from the issuance of equity securities under our equity incentive plans.

Net cash used in financing activities for the fiscal year ended January 31, 2024 was \$854.1 million, primarily as a result of \$591.7 million in repurchases of our common stock under our authorized stock repurchase program and \$380.8 million in taxes paid related to net share settlement of equity awards, partially offset by proceeds of \$118.4 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 consolidated financial statements, which are prepared in accordance with GAAP. The preparation of these 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.

The significant accounting policies and methods used in the preparation of our consolidated financial statements are discussed in Note 2, "Basis of Presentation and Summary of Significant Accounting Policies," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K. We believe that the accounting policy and estimate described below involves a substantial degree of judgment and complexity and therefore is the most critical to aid in fully understanding and evaluating our financial condition and results of operations.

Revenue Recognition

Many of our contracts with customers include multiple performance obligations. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation on a relative standalone selling price (SSP) basis. We consider our evaluation of SSP to be a critical accounting estimate. An observable SSP is established based on the price at which a service is sold separately. If an SSP is not observable through past transactions, we estimate it by maximizing the use of observable inputs, including the overall pricing strategy, market data, internally approved pricing guidelines related to the performance obligations, and other observable inputs. As our business and offerings evolve over time, modifications to our pricing and discounting methodologies, changes in the scope and nature of our offerings, and/or changes in customer segmentation may result in a lack of consistency, making it difficult to establish and/or maintain SSP. Changes in SSP could result in different and unanticipated allocations of revenue in contracts with multiple performance obligations. These factors, among others, may adversely impact the amount of revenue and gross margin we report in a given period.

Recent Accounting Pronouncements

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

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK***Interest Rate Risk***

As of January 31, 2025, we had \$5.3 billion of cash, cash equivalents, and short-term and long-term investments in a variety of securities, including money market funds, corporate notes and bonds, U.S. government and agency securities, 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 \$15.3 million in the market value of our cash equivalents, and short-term and long-term investments as of January 31, 2025.

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.

In September 2024, we issued an aggregate principal amount of \$2.3 billion of the Notes. Neither the 2027 Notes nor the 2029 Notes bear regular interest, and the principal amount of the Notes will not accrete. We may elect or be required to pay special interest on the Notes under certain circumstances in accordance with the terms of the applicable Indenture. Accordingly, we do not have economic interest rate exposure on the Notes. However, the fair value of each series of the Notes fluctuates when interest rates or market prices of our common stock change. We record the Notes at amortized cost on the consolidated balance sheets, and we present the fair value of each series of the Notes for disclosure purpose only. In connection with the Notes offering, we entered into the Capped Calls for a cost of \$195.5 million. The Capped Calls are generally expected to reduce the potential dilution to our common stock upon any conversion of the relevant series of the Notes and/or offset any cash payments we are required to make in excess of the principal amount of converted Notes of such series, with such reduction and/or offset subject to a cap. See Note 10, "Convertible Senior Notes," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further details.

Foreign Currency Exchange Risk

Our reporting currency is the U.S. dollar, and 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, Canadian 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 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.

A hypothetical 10% increase or decrease in foreign currency exchange rates would have resulted in a theoretical increase or decrease in operating loss of approximately \$39 million, \$25 million, and \$32 million for the fiscal years ended January 31, 2025, 2024, and 2023, respectively. This sensitivity analysis assumes that all foreign currencies move in the same direction at the same time in the absence of hedging activities. In addition, 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):

	January 31, 2025	January 31, 2024
Equity securities:		
Non-marketable equity securities under Measurement Alternative	\$ 281,158	\$ 190,238
Non-marketable equity securities under equity method	5,491	5,307
Marketable equity securities	13,833	37,320
Debt securities:		
Non-marketable debt securities	750	1,500
Total strategic investments—included in other assets	<u>\$ 301,232</u>	<u>\$ 234,365</u>

See Note 5, "Fair Value Measurements," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K 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 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 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Snowflake Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Snowflake Inc. and its subsidiaries (the “Company”) as of January 31, 2025 and 2024, and the related consolidated statements of operations, of comprehensive loss, of stockholders’ equity and of cash flows for each of the three years in the period ended January 31, 2025, including the related notes (collectively referred to as the “consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of January 31, 2025, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of January 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended January 31, 2025 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of January 31, 2025, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition - Capacity Arrangements

As described in Note 2 to the consolidated financial statements, the Company delivers its platform over the internet as a service. The Company's customers consume the platform typically under capacity arrangements, in which customers commit to a certain amount of consumption at specified prices. Management recognizes revenue as customers consume compute, storage, and data transfer resources. The Company's total revenue for the year ended January 31, 2025 was \$3.6 billion, of which a significant portion is recognized under capacity arrangements.

The principal considerations for our determination that performing procedures relating to revenue recognition - capacity arrangements is a critical audit matter are the significant audit effort in performing procedures and evaluating audit evidence related to revenue recognized under capacity arrangements.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the revenue recognition process, including controls over revenue transactions recognized under capacity arrangements. These procedures also included, among others, evaluating, on a test basis, revenue recognized under capacity arrangements by obtaining and inspecting invoices, customer order forms, cash receipts from customers, usage confirmations from customers, and usage records.

/s/ PricewaterhouseCoopers LLP
San Jose, California
March 21, 2025

We have served as the Company's auditor since 2019.

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

	January 31, 2025	January 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,628,798	\$ 1,762,749
Short-term investments	2,008,873	2,083,499
Accounts receivable, net	922,805	926,902
Deferred commissions, current	97,662	86,096
Prepaid expenses and other current assets	211,234	180,018
Total current assets	5,869,372	5,039,264
Long-term investments	656,476	916,307
Property and equipment, net	296,393	247,464
Operating lease right-of-use assets	359,439	252,128
Goodwill	1,056,559	975,906
Intangible assets, net	278,028	331,411
Deferred commissions, non-current	183,967	187,093
Other assets	333,704	273,810
Total assets	\$ 9,033,938	\$ 8,223,383
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 169,767	\$ 51,721
Accrued expenses and other current liabilities	515,454	446,860
Operating lease liabilities, current	35,923	33,944
Deferred revenue, current	2,580,039	2,198,705
Total current liabilities	3,301,183	2,731,230
Convertible senior notes, net	2,271,529	—
Operating lease liabilities, non-current	377,818	254,037
Deferred revenue, non-current	15,501	14,402
Other liabilities	61,264	33,120
Total liabilities	6,027,295	3,032,789
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock; \$0.0001 par value per share; 200,000 shares authorized, zero shares issued and outstanding as of each January 31, 2025 and 2024	—	—
Common stock; \$0.0001 par value per share; 2,500,000 Class A shares authorized; 334,301 and 334,453 shares issued as of January 31, 2025 and 2024, respectively ⁽¹⁾ ; 333,865 and 333,961 shares outstanding as of January 31, 2025 and 2024, respectively ⁽¹⁾ ; 185,461 Class B shares authorized, zero shares issued and outstanding as of each January 31, 2025 and 2024	34	34
Treasury stock, at cost; 436 shares and 492 shares held as of January 31, 2025 and 2024, respectively ⁽¹⁾	(59,505)	(67,140)
Additional paid-in capital	10,355,211	9,331,238
Accumulated other comprehensive loss	(2,236)	(8,220)
Accumulated deficit	(7,293,575)	(4,075,604)
Total Snowflake Inc. stockholders' equity	2,999,929	5,180,308
Noncontrolling interest	6,714	10,286
Total stockholders' equity	3,006,643	5,190,594
Total liabilities and stockholders' equity	\$ 9,033,938	\$ 8,223,383

⁽¹⁾ In connection with a business combination completed on December 20, 2023, the Company issued approximately 0.2 million shares of its Class A common stock to one of its wholly-owned subsidiaries, in exchange for a noncontrolling equity interest in the acquired company that was held by the subsidiary prior to this business combination. These shares were treated as treasury stock for accounting purposes as of January 31, 2024, and were subsequently transferred to the Company and retired during the fiscal year ended January 31, 2025. These shares are not reflected in the Company's consolidated balance sheets. See Note 7, "Business Combinations," and Note 12, "Equity," for further details.

See accompanying notes to consolidated financial statements.

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

	Fiscal Year Ended January 31,		
	2025	2024	2023
Revenue	\$ 3,626,396	\$ 2,806,489	\$ 2,065,659
Cost of revenue	1,214,673	898,558	717,540
Gross profit	2,411,723	1,907,931	1,348,119
Operating expenses:			
Sales and marketing	1,672,092	1,391,747	1,106,507
Research and development	1,783,379	1,287,949	788,058
General and administrative	412,262	323,008	295,821
Total operating expenses	3,867,733	3,002,704	2,190,386
Operating loss	(1,456,010)	(1,094,773)	(842,267)
Interest income	209,009	200,663	73,839
Interest expense	(2,759)	—	—
Other income (expense), net	(35,339)	44,887	(47,565)
Loss before income taxes	(1,285,099)	(849,223)	(815,993)
Provision for (benefit from) income taxes	4,113	(11,233)	(18,467)
Net loss	(1,289,212)	(837,990)	(797,526)
Less: net loss attributable to noncontrolling interest	(3,572)	(1,893)	(821)
Net loss attributable to Snowflake Inc.	\$ (1,285,640)	\$ (836,097)	\$ (796,705)
Net loss per share attributable to Snowflake Inc. Class A common stockholders—basic and diluted	\$ (3.86)	\$ (2.55)	\$ (2.50)
Weighted-average shares used in computing net loss per share attributable to Snowflake Inc. Class A common stockholders—basic and diluted	332,707	328,001	318,730

See accompanying notes to consolidated financial statements.

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

	Fiscal Year Ended January 31,		
	2025	2024	2023
Net loss	\$ (1,289,212)	\$ (837,990)	\$ (797,526)
Other comprehensive income (loss):			
Net change in unrealized gains or losses on available-for-sale debt securities	5,982	30,760	(20,619)
Other	2	(708)	(1,367)
Total other comprehensive income (loss)	5,984	30,052	(21,986)
Comprehensive loss	(1,283,228)	(807,938)	(819,512)
Less: comprehensive loss attributable to noncontrolling interest	(3,572)	(1,893)	(821)
Comprehensive loss attributable to Snowflake Inc.	\$ (1,279,656)	\$ (806,045)	\$ (818,691)

See accompanying notes to consolidated financial statements.

SNOWFLAKE INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except per share data)

	Class A Common Stock ⁽¹⁾		Treasury Stock ⁽¹⁾		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, 2022	312,377	\$ 31	—	\$ —	\$ 6,984,669	\$ (16,286)	\$ (1,919,369)	\$ 5,049,045	\$ —	\$ 5,049,045
Issuance of common stock upon exercise of stock options	6,118	1	—	—	39,742	—	—	39,743	—	39,743
Issuance of common stock under employee stock purchase plan	286	—	—	—	40,931	—	—	40,931	—	40,931
Issuance of common stock in connection with a business combination	1,916	—	—	—	438,916	—	—	438,916	—	438,916
Issuance of common stock in connection with a business combination subject to future vesting	409	—	—	—	—	—	—	—	—	—
Vesting of early exercised stock options	—	—	—	—	244	—	—	244	—	244
Vesting of restricted stock units	3,348	—	—	—	—	—	—	—	—	—
Shares withheld related to net share settlement of equity awards	(1,149)	—	—	—	(184,702)	—	—	(184,702)	—	(184,702)
Stock-based compensation	—	—	—	—	890,950	—	—	890,950	—	890,950
Capital contributions from noncontrolling interest holders	—	—	—	—	—	—	—	—	13,000	13,000
Other comprehensive loss	—	—	—	—	—	(21,986)	—	(21,986)	—	(21,986)
Net loss	—	—	—	—	—	—	(796,705)	(796,705)	(821)	(797,526)
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	8,355	1	—	—	57,162	—	—	57,163	—	57,163
Issuance of common stock under employee stock purchase plan	516	—	—	—	61,234	—	—	61,234	—	61,234
Issuance of common stock in connection with a business combination ⁽¹⁾	896	—	—	—	174,284	—	—	174,284	—	174,284
Issuance of common stock in connection with a business combination subject to future vesting	385	—	—	—	—	—	—	—	—	—
Vesting of early exercised stock options	—	—	—	—	163	—	—	163	—	163
Vesting of restricted stock units	6,804	1	—	—	(1)	—	—	—	—	—
Shares withheld related to net share settlement of equity awards	(2,296)	—	—	—	(387,596)	—	—	(387,596)	—	(387,596)
Repurchases of common stock as treasury stock	—	—	(500)	(68,299)	—	—	—	(68,299)	—	(68,299)
Repurchases and retirement of common stock, including transaction costs	(3,512)	—	—	—	—	—	(523,433)	(523,433)	—	(523,433)
Reissuance of treasury stock upon settlement of equity awards	—	—	8	1,159	(1,132)	—	—	27	—	27
Stock-based compensation	—	—	—	—	1,216,374	—	—	1,216,374	—	1,216,374
Other comprehensive income	—	—	—	—	—	30,052	—	30,052	—	30,052
Net loss	—	—	—	—	—	—	(836,097)	(836,097)	(1,893)	(837,990)
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	6,593	—	—	—	44,697	—	—	44,697	—	44,697
Issuance of common stock under employee stock purchase plan	660	—	—	—	77,053	—	—	77,053	—	77,053
Issuance of common stock in connection with business combinations	513	—	—	—	87,706	—	—	87,706	—	87,706
Issuance of common stock in connection with business combinations subject to future vesting	445	—	—	—	—	—	—	—	—	—
Cancellation of common stock issued in connection with business combinations ⁽¹⁾	(76)	—	—	—	(67)	—	—	(67)	—	(67)
Vesting of restricted stock units	9,859	2	—	—	(2)	—	—	—	—	—
Shares withheld related to net share settlement of equity awards	(3,381)	—	—	—	(489,555)	—	—	(489,555)	—	(489,555)
Repurchases and retirement of common stock, including transaction costs	(14,765)	(2)	—	—	—	—	(1,932,331)	(1,932,333)	—	(1,932,333)
Reissuance of treasury stock upon settlement of equity awards	—	—	56	7,635	(7,493)	—	—	142	—	142
Purchases of capped calls related to convertible senior notes	—	—	—	—	(195,500)	—	—	(195,500)	—	(195,500)
Stock-based compensation	—	—	—	—	1,507,134	—	—	1,507,134	—	1,507,134
Other comprehensive income	—	—	—	—	—	5,984	—	5,984	—	5,984
Net loss	—	—	—	—	—	—	(1,285,640)	(1,285,640)	(3,572)	(1,289,212)
BALANCE—January 31, 2025	334,301	\$ 34	(436)	\$ (59,505)	10,355,211	\$ (2,236)	\$ (7,293,575)	\$ 2,999,929	\$ 6,714	\$ 3,006,643

⁽¹⁾ In connection with a business combination completed on December 20, 2023, the Company issued approximately 0.2 million shares of its Class A common stock to one of its wholly-owned subsidiaries, in exchange for a noncontrolling equity interest in the acquired company that was held by the subsidiary prior to this business combination. These shares were treated as treasury stock for accounting purposes as of January 31, 2024, and were subsequently transferred to the Company and retired during the fiscal year ended January 31, 2025. These shares are not reflected in the Company's consolidated statements of stockholders' equity. See Note 7, "Business Combinations," and Note 12, "Equity," for further details.

See accompanying notes to consolidated financial statements.

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

	Fiscal Year Ended January 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net loss	\$ (1,289,212)	\$ (837,990)	\$ (797,526)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	182,508	119,903	63,535
Non-cash operating lease costs	59,943	52,892	46,240
Amortization of deferred commissions	93,128	74,787	57,445
Stock-based compensation, net of amounts capitalized	1,479,314	1,168,015	861,533
Net amortization (accretion) of premiums (discounts) on investments	(43,434)	(61,525)	3,497
Net realized and unrealized losses (gains) on strategic investments in equity securities	31,420	(46,809)	46,435
Amortization of debt issuance costs	2,759	—	—
Deferred income tax	(7,671)	(26,762)	(26,664)
Other	7,420	14,895	1,618
Changes in operating assets and liabilities, net of effects of business combinations:			
Accounts receivable	536	(212,083)	(166,965)
Deferred commissions	(101,569)	(134,787)	(95,107)
Prepaid expenses and other assets	29,850	59,795	(2,904)
Accounts payable	108,852	19,212	8,024
Accrued expenses and other liabilities	70,876	171,048	74,519
Operating lease liabilities	(47,711)	(40,498)	(42,342)
Deferred revenue	382,755	528,029	514,301
Net cash provided by operating activities	959,764	848,122	545,639
Cash flows from investing activities:			
Purchases of property and equipment	(46,279)	(35,086)	(25,128)
Capitalized internal-use software development costs	(29,433)	(34,133)	(24,012)
Cash paid for business combinations, net of cash, cash equivalents, and restricted cash acquired	(30,305)	(275,706)	(362,609)
Purchases of intangible assets	—	(28,744)	(700)
Purchases of investments	(2,569,243)	(2,476,206)	(3,901,321)
Sales of investments	64,573	11,266	58,813
Maturities and redemptions of investments	2,802,082	3,670,867	3,657,072
Settlement of cash flow hedges	(749)	—	—
Net cash provided by (used in) investing activities	190,646	832,258	(597,885)
Cash flows from financing activities:			
Proceeds from exercise of stock options	44,886	57,194	39,893
Proceeds from issuance of common stock under employee stock purchase plan	77,053	61,234	40,931
Taxes paid related to net share settlement of equity awards	(489,149)	(380,799)	(184,648)
Repurchases of common stock	(1,932,333)	(591,732)	—

	Fiscal Year Ended January 31,		
	2025	2024	2023
Payments of deferred purchase consideration for business combinations	(250)	—	(1,800)
Gross proceeds from issuance of convertible senior notes	2,300,000	—	—
Cash paid for issuance costs on convertible senior notes	(31,230)	—	—
Purchases of capped calls related to convertible senior notes	(195,500)	—	—
Capital contributions from noncontrolling interest holders	—	—	13,000
Net cash used in financing activities	(226,523)	(854,103)	(92,624)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(6,186)	(2,031)	(933)
Net increase (decrease) in cash, cash equivalents, and restricted cash	917,701	824,246	(145,803)
Cash, cash equivalents, and restricted cash—beginning of period	1,780,977	956,731	1,102,534
Cash, cash equivalents, and restricted cash—end of period	\$ 2,698,678	\$ 1,780,977	\$ 956,731
Supplemental disclosures of cash flow information:			
Cash paid for income taxes	\$ 15,675	\$ 12,452	\$ 6,550
Supplemental disclosures of non-cash investing and financing activities			
Property and equipment included in accounts payable and accrued expenses	\$ 36,061	\$ 17,463	\$ 6,317
Stock-based compensation included in capitalized internal-use software development costs	\$ 38,493	\$ 48,181	\$ 28,467
Issuance of common stock in connection with business combinations	\$ 87,706	\$ 174,284	\$ 438,916
Unpaid taxes related to net share settlement of equity awards included in accrued expenses and other current liabilities	\$ 7,273	\$ 6,850	\$ 53
Reconciliation of cash, cash equivalents, and restricted cash:			
Cash and cash equivalents	\$ 2,628,798	\$ 1,762,749	\$ 939,902
Restricted cash—included in other assets and prepaid expenses and other current assets	69,880	18,228	16,829
Total cash, cash equivalents, and restricted cash	\$ 2,698,678	\$ 1,780,977	\$ 956,731

See accompanying notes to consolidated financial statements.

SNOWFLAKE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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 artificial intelligence (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 a growing number of 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 ended January 31, 2025.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Principles of Consolidation

The 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 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 (CODM) is its Chief Executive Officer, who reviews financial information presented on a consolidated basis, including, but not limited to, the Company's consolidated net loss, for purposes of making operating decisions, assessing financial performance, and allocating resources.

The following table presents selected financial information with respect to the Company's single operating segment (in thousands):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Revenue	\$ 3,626,396	\$ 2,806,489	\$ 2,065,659
Cost of revenue and operating expenses:			
Cost of product revenue ⁽¹⁾⁽²⁾	992,069	701,200	547,547
Cost of professional services and other revenue ⁽²⁾	222,604	197,358	169,993
Sales and marketing ⁽²⁾	1,672,092	1,391,747	1,106,507
Research and development ⁽²⁾	1,783,379	1,287,949	788,058
General and administrative ⁽²⁾	412,262	323,008	295,821
Interest income	(209,009)	(200,663)	(73,839)
Interest expense	2,759	—	—
Other (income) expense, net	35,339	(44,887)	47,565
Provision for (benefit from) income taxes	4,113	(11,233)	(18,467)
Net loss	\$ (1,289,212)	\$ (837,990)	\$ (797,526)

⁽¹⁾ For the fiscal years ended January 31, 2025, 2024, and 2023, respectively, approximately 65%, 67%, and 71% of cost of product revenue represented third-party cloud infrastructure expenses incurred in connection with the customers' use of the Snowflake platform and the deployment and maintenance of the platform on public clouds, including different regional deployments.

⁽²⁾ For the fiscal years ended January 31, 2025, 2024, and 2023, respectively, approximately 37%, 38%, and 38% of the Company's total cost of revenue and operating expenses were comprised of personnel-related expenses, excluding stock-based compensation and associated payroll taxes. These expenses consist primarily of salaries, benefits, bonuses, sales commissions and draws paid to the Company's sales force and certain referral fees paid to third parties, including amortization of deferred commissions, and associated payroll taxes. They also include salaries, benefits and bonuses allocated as part of overhead costs. See Note 12, "Equity," for details regarding the Company's stock-based compensation.

The measure of segment assets is the total assets on the Company's consolidated balance sheets. See the Company's consolidated financial statements for other financial information regarding its operating segment.

For information regarding the Company's revenue by geographic area, see Note 3, "Revenue, Accounts Receivable, Deferred Revenue, and Remaining Performance Obligations."

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):

	January 31, 2025	January 31, 2024
United States	\$ 536,885	\$ 379,664
Other ⁽¹⁾	118,947	119,928
Total	\$ 655,832	\$ 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 January 31, 2025 and 2024.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the 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.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk primarily consist of cash, cash equivalents, investments in marketable securities, restricted cash, accounts receivable, and foreign currency forward contracts. The Company maintains its cash, cash equivalents, investments in marketable securities, restricted cash and foreign currency forward contracts with high-quality financial institutions that have investment-grade ratings. For accounts receivable, the Company is exposed to credit risk in the event of nonpayment by customers up to the amounts recorded on the consolidated balance sheets. The Company manages its accounts receivable credit risk through ongoing credit evaluation of its customers' financial conditions. The Company generally does not require collateral from its customers. For information regarding the Company's significant customers, see Note 3, "Revenue, Accounts Receivable, Deferred Revenue, and Remaining Performance Obligations."

Foreign Currency

The reporting currency of the Company is the U.S. dollar. The functional currency of the Company's foreign subsidiaries is primarily the U.S. dollar.

Monetary assets and liabilities denominated in currencies other than the functional currency are remeasured to the functional currency at period-end exchange rates. Foreign currency transaction gains and losses resulting from remeasurement are recognized in other income (expense), net in the consolidated statements of operations, and have not been material for any of the periods presented.

For those subsidiaries with non-U.S. dollar functional currencies, assets and liabilities are translated into U.S. dollars at period-end exchange rates. Revenue and expenses are translated at the average exchange rates during the period. Equity transactions are translated using historical exchange rates. The resulting translation adjustments are recorded in accumulated other comprehensive income (loss) as a component of stockholders' equity (deficit).

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%, 3%, and 2% of the Company's revenue for the fiscal years ended January 31, 2025, 2024, and 2023, respectively. 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. 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. 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, 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.

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 primarily of (i) third-party cloud infrastructure expenses incurred in connection with the customers' use of the Snowflake platform and the deployment and maintenance of the platform on public clouds, including different regional deployments, and (ii) personnel-related costs associated with the Company's customer support team, engineering team that is responsible for maintaining the Company's service availability and security of its platform, and professional services and training departments, including salaries, benefits, bonuses, and stock-based compensation. Cost of revenue also includes amortization of capitalized internal-use software development costs, amortization of acquired intangible assets, costs of contracted third-party partners for professional services, expenses associated with software and subscription services dedicated for use by the Company's customer support team and engineering team responsible for maintaining the Company's service, and allocated overhead.

Research and Development Costs

Research and development costs are expensed as incurred, unless they qualify as capitalized internal-use software development costs. Research and development expenses consist primarily of personnel-related expenses associated with the Company's 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 primarily in developing the Company's platform, amortization of acquired intangible assets, software and subscription services dedicated for use by the Company's research and development organization, and allocated overhead.

Advertising Costs

Advertising costs, excluding expenses associated with the Company's user conferences, are expensed as incurred and are included in sales and marketing expenses in the consolidated statements of operations. These costs were \$104.5 million, \$85.3 million, and \$68.2 million for the fiscal years ended January 31, 2025, 2024, and 2023, respectively.

Income Taxes

The Company is subject to income taxes in the United States and numerous foreign jurisdictions. Significant judgment is required in determining its provision for income taxes and deferred tax assets and liabilities, including evaluating uncertainties in the application of accounting principles and complex tax laws.

The Company records a provision for income taxes for the anticipated tax consequences of the reported results of operations using the asset and liability method. Under this method, the Company recognizes deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts for financial reporting purposes and the tax bases of assets and liabilities, as well as for loss and tax credit carryforwards. The deferred assets and liabilities are measured using the statutorily enacted tax rates anticipated to be in effect when those tax assets and liabilities are expected to be realized or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

A valuation allowance is established if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized. The Company considers all available evidence, both positive and negative, including historical levels of income, expectations and risks associated with estimates of future taxable income in assessing the need for a valuation allowance.

The Company's tax positions are subject to income tax audits by multiple tax jurisdictions throughout the world. The Company recognizes the tax benefit of an uncertain tax position only if it is more likely than not the position will be sustainable upon examination by the taxing authority, including resolution of any related appeals or litigation processes. This evaluation is based on all available evidence and assumes that the tax authorities have full knowledge of all relevant information concerning the tax position. The tax benefit recognized is measured as the largest amount of benefit which is more likely than not (greater than 50% likely) to be realized upon ultimate settlement with the taxing authority. The Company recognizes interest accrued and penalties related to unrecognized tax benefits in income tax expense. The Company makes adjustments to these reserves in accordance with the income tax guidance when facts and circumstances change, such as the closing of a tax audit or the refinement of an estimate. To the extent that the final tax outcome of these matters is different from the amounts recorded, such differences may affect the provision for income taxes in the period in which such determination is made and could have a material impact on the Company's financial condition and operating results.

Stock-Based Compensation

The Company's equity awards include stock options, restricted stock unit awards (RSUs), restricted common stock granted to employees, non-employee directors, and other service providers, and stock purchase rights granted under the Employee Stock Purchase Plan (ESPP Rights) to employees. Equity awards are reviewed in determining whether such awards are equity-classified or liability-classified.

Stock-based compensation related to equity-classified awards is measured based on the estimated fair value of the awards on the date of grant and generally recognized on a straight-line basis over the requisite service period. The fair value of each stock option granted and ESPP Rights is estimated using the Black-Scholes option-pricing model. The determination of the grant-date fair value using an option-pricing model is affected by the estimated fair value of the Company's common stock as well as assumptions regarding a number of other complex and subjective variables. These variables include expected stock price volatility over an expected term, actual and projected employee stock option exercise behaviors, the risk-free interest rate for an expected term, and expected dividends. The fair value of each RSU is based on the fair value of the Company's common stock on the date of grant. For equity-classified awards with both service-based and performance-based vesting conditions, the stock-based compensation 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.

Certain RSUs with both service-based and performance-based vesting conditions are liability-classified, 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 the Company's common stock. The fair value of these awards is estimated using the Monte Carlo simulation model, which requires the use of various assumptions, including the expected stock price volatility and risk-free interest rate. These awards are subsequently remeasured to the fair value at each reporting date until the number of these awards 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.

If an award contains a provision whereby vesting is accelerated upon a change in control, such a change in control is considered to be outside of the Company's control and is not considered probable until it occurs. Forfeitures are accounted for in the period in which they occur.

During the fiscal year ended January 31, 2023, the Company began funding withholding taxes due upon the vesting of employee RSUs in certain jurisdictions by net share settlement, rather than its previous approach of selling shares of the Company's common stock. The amount of withholding taxes related to net share settlement of employee RSUs is reflected as (i) a reduction to additional paid-in-capital, and (ii) cash outflows for financing activities when the payments are made. The shares withheld by the Company as a result of the net share settlement of RSUs are not considered issued and outstanding, and do not impact the calculation of basic net income (loss) per share attributable to Snowflake Inc. Class A common stockholders.

Net Loss Per Share Attributable to Snowflake Inc. Class A Common Stockholders

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, ESPP Rights, early exercised stock options, and shares underlying the conversion option in the convertible senior notes 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.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original or remaining maturities of three months or less when purchased to be cash equivalents.

Restricted Cash

Restricted cash primarily consists of (i) cash held in a trust that is restricted for use in meeting the Company's general obligations and (ii) collateralized letters of credit established in connection with lease agreements for the Company's facilities. Restricted cash is classified within prepaid expenses and other current assets or other assets on the consolidated balance sheets, typically based on the remaining term of the restriction.

Investments

The Company's investments in marketable debt securities have been classified and accounted for as available-for-sale and are recorded at estimated fair value. The Company classifies its marketable debt securities as either short-term or long-term at each balance sheet date based on each instrument's underlying contractual maturity date. Short-term investments are investments with original maturities of less than one year when purchased. Purchase premiums and discounts are amortized or accreted using the effective interest method over the life of the related security and such amortization and accretion are included in interest income in the consolidated statements of operations.

For available-for-sale debt securities in an unrealized loss position, the Company first assesses whether it intends to sell or it is more likely than not that the Company will be required to sell the security before the recovery of its entire amortized cost basis. If either of these criteria is met, the security's amortized cost basis is written down to fair value through other income (expense), net in the consolidated statements of operations. If neither of these criteria is met, the Company further assesses whether the decline in fair value below amortized cost is due to credit or non-credit related factors. In making this assessment, the Company considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency, and any adverse conditions specifically related to the security, among other factors. Credit-related unrealized losses are recognized as an allowance on the consolidated balance sheets with a corresponding charge in the other income (expense), net in the consolidated statements of operations. Non-credit related unrealized losses and unrealized gains on available-for-sale debt securities are included in accumulated other comprehensive income (loss).

Realized gains and losses are determined based on the specific identification method and are reported in other income (expense), net in the consolidated statements of operations.

Strategic Investments

The Company's strategic investments consist of non-marketable equity and debt securities in privately-held companies and marketable equity securities in publicly-traded companies, in which the Company does not have a controlling interest or significant influence. Strategic investments are included in other assets on the consolidated balance sheets.

Non-marketable equity securities are recorded at cost and adjusted for observable transactions for the same or similar investments of the same issuer (referred to as the Measurement Alternative) or impairment. For these investments, the Company recognizes remeasurement adjustments, including upward and downward adjustments, and impairments, if any, in other income (expense), net in the consolidated statements of operations. Valuations of privately-held securities are inherently complex due to the lack of readily available market data and require the use of judgment. For example, determining whether an orderly transaction is for an identical or similar investment requires judgment based on the rights and obligations that are attached to the securities. In determining the estimated fair value of these investments, the Company uses the most recent data available to the Company.

Marketable equity securities are measured at fair value with changes in fair value recorded in other income (expense), net in the consolidated statements of operations.

Non-marketable debt securities are classified as available-for-sale and are recorded at their estimated fair value with changes in fair value recorded through accumulated other comprehensive income (loss).

Strategic investments are subject to periodic impairment analysis, which would involve 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. If the investment is considered impaired, the Company recognizes an impairment through other income (expense), net in the consolidated statements of operations and establishes a new carrying value for the investment.

Fair Value of Financial Instruments

The Company's primary financial instruments include cash equivalents, investments in marketable securities, strategic investments, restricted cash, accounts receivable, derivative assets and liabilities, accounts payable, accrued expenses, and convertible senior notes. The carrying amounts of accounts receivable, accounts payable, and accrued expenses approximate fair value due to their short-term nature. See Note 5, "Fair Value Measurements," and Note 10, "Convertible Senior Notes," for information regarding the fair value of the Company's cash equivalents and investments in marketable securities, strategic investments, and derivative assets and liabilities, as well as the fair value of the Company's convertible senior notes.

Derivative Financial Instruments

The Company's derivative financial instruments, which are carried at fair value on the consolidated balance sheets, consist of foreign currency forward contracts as described below:

Non-Designated Hedges—The Company utilizes foreign currency forward contracts to manage its exposure to certain foreign currency exchange risks primarily associated with (i) a portion of its net outstanding monetary assets and liabilities positions and (ii) certain intercompany balances denominated in currencies other than the U.S. dollar. These foreign currency forward contracts have maturities of twelve months or less and are not designated as hedging instruments (Non-Designated Hedges). As such, all changes in the fair value of these derivative instruments are recorded in other income (expense), net on the consolidated statements of operations, and are intended to offset the foreign currency transaction gains or losses associated with the underlying balances being hedged. Cash flows at settlement of such foreign currency forward contracts are classified as operating activities in the consolidated statement of cash flows.

Cash Flow Hedge—The Company also utilizes foreign currency forward contracts to manage the volatility in cash flows associated with (i) certain forecasted capital expenditures and (ii) a portion of its forecasted operating expenses denominated in certain currencies other than the U.S. dollar. These foreign currency forward contracts have a maturity of twelve months or less and are designated and qualify as cash flow hedges, and, in general, closely match the underlying hedged forecasted transactions in duration. The effectiveness of the cash flow hedges is assessed quantitatively using regression at inception and at each reporting date. The effective portion of these foreign currency forward contracts' gains and losses resulting from changes in fair value is recorded in accumulated other comprehensive income (loss) on the consolidated balance sheets, and subsequently reclassified into the same line items on the Company's consolidated statements of operations as the underlying hedged forecasted transactions in the same period that such transactions affect earnings. In the event the underlying forecasted transactions do not occur, or it becomes probable that they will not occur within the defined hedge period, the gains or losses on the related cash flow hedges are reclassified immediately from accumulated other comprehensive income (loss) to net income (loss) in the Company's consolidated financial statements. Cash flows from such foreign currency forward contracts are classified in the same category on the Company's consolidated statements of cash flows as the cash flows from the underlying hedged forecasted transactions.

These derivative financial instruments did not have a material impact on the Company's consolidated financial statements for all periods presented.

Accounts Receivable, Net

Accounts receivable include billed and unbilled receivables, net of allowance for credit losses. Trade accounts receivable are recorded at invoiced amounts and do not bear interest. The allowance for credit losses is estimated based on the Company's assessment of the collectibility of accounts receivable by considering various factors, including the age of each outstanding invoice, the collection history of each customer, historical write-off experience, current economic conditions, and reasonable and supportable forecasts of future economic conditions over the life of the receivable. The Company assesses collectibility by reviewing accounts receivable on an aggregate basis when similar characteristics exist and on an individual basis when specific customers with collectibility issues are identified. Accounts receivable deemed uncollectible are charged against the allowance for credit losses when identified.

Capitalized Internal-Use Software Development Costs

The Company capitalizes qualifying internal-use software development costs, primarily related to its cloud platform. The costs consist of personnel costs (including related benefits and stock-based compensation) that are incurred during the application development stage. Capitalization of costs begins when two criteria are met: (1) the preliminary project stage is completed, and (2) it is probable that the software will be completed and used for its intended function. Capitalization ceases when the software is substantially complete and ready for its intended use, including the completion of all significant testing. Costs related to preliminary project activities and post-implementation operating activities are expensed as incurred.

Capitalized costs are included in property and equipment, net on the consolidated balance sheets. These costs are amortized over the estimated useful life of the software, which is three years, on a straight-line basis. Cost and accumulated amortization of fully amortized capitalized internal-use software development costs are removed from the Company's consolidated balance sheets when the related software is no longer in use. The amortization of capitalized costs related to the Company's platform applications is primarily included in cost of revenue in the consolidated statements of operations.

Property and Equipment, Net

Property and equipment, net is stated at cost less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful life of the related asset, ranging from generally three to seven years. Leasehold improvements are amortized over the shorter of estimated useful life or the remaining lease term. Expenses that improve an asset or extend its remaining useful life are capitalized. Costs of maintenance or repairs that do not extend the lives of the respective assets are charged to expenses as incurred. Cost and accumulated depreciation and amortization of fully depreciated property and equipment are removed from the Company's consolidated balance sheets when they are no longer in use.

Deferred Commissions

The Company capitalizes incremental costs of obtaining a contract with a customer if such costs are recoverable. Such costs consist primarily of (i) sales commissions earned upon the origination, expansion, or renewal of customer contracts by the Company's sales force, and the associated payroll taxes and fringe benefits, and (ii) certain referral fees earned by third parties (collectively, Commission Costs). Commission Costs for new customer or customer expansion contracts that are not commensurate with those for renewal contracts are capitalized and then amortized over a period of benefit determined to be five years. The Company determined the period of benefit by taking into consideration the length of terms in its customer contracts, life of the technology, and other factors. Commission Costs for renewal contracts, as well as Commission Costs for new customer or customer expansion contracts that are commensurate with those for renewal contracts, are capitalized and then amortized over the respective weighted-average contractual term of the related contracts. Amounts expected to be amortized within one year of the balance sheet date are recorded as deferred commissions, current, and the remaining portion is recorded as deferred commissions, non-current, on the consolidated balance sheets. Amortization expense is included in sales and marketing expenses in the consolidated statements of operations. In addition to the Commission Costs, the Company's sales force earns sales commissions based on the level of the customers' consumption of the Company's platform. These commissions are not considered incremental costs and are expensed in the same period as they are earned. Deferred commissions are periodically analyzed for impairment. There were no impairment losses relating to the deferred commissions for all periods presented.

Leases

The Company determines if an arrangement is or contains a lease at inception by evaluating various factors, including if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration and other facts and circumstances. Lease classification is determined at the lease commencement date. Operating leases are included in operating lease right-of-use assets, operating lease liabilities, current, and operating lease liabilities, non-current on the consolidated balance sheets. The Company did not have any material finance leases for all periods presented.

Right-of-use assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease payments consist primarily of the fixed payments under the arrangement, less any lease incentives. Variable lease payments are expensed as incurred and include certain non-lease components, such as maintenance and other services provided by the lessor to the extent the charges are variable. The Company uses an estimate of its incremental borrowing rate (IBR) based on the information available at the lease commencement date in determining the present value of lease payments, unless the implicit rate is readily determinable. In determining the appropriate IBR, the Company considers various factors, including, but not limited to, its credit rating, the lease term, and the currency in which the arrangement is denominated. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Company does not separate non-lease components from lease components for its facility asset portfolio. In addition, the Company does not recognize right-of-use assets and lease liabilities for short-term leases, which have a lease term of 12 months or less and do not include an option to purchase the underlying asset that the Company is reasonably certain to exercise. Lease cost for short-term leases is recognized on a straight-line basis over the lease term.

In addition, the Company subleases certain of its unoccupied facilities to third parties. The assessment of impairment of the associated right-of-use assets, leasehold improvements, or other assets as a result of a sublease is performed upon triggering events, including but not limited to the execution of a sublease agreement. The Company recognizes sublease income on a straight-line basis over the sublease term. Sublease income is recorded as a reduction to the Company's operating lease costs.

Business Combinations

The Company applies a screen test to evaluate if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets to determine whether a transaction is accounted for as an asset acquisition or business combination. When the Company acquires a business, the purchase consideration is allocated to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their estimated respective fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Estimates used in valuing certain intangible assets include, but are not limited to, time and resources required to recreate the assets acquired. These estimates are based on information obtained from the management of the acquired companies, the Company's assessment of the information, and historical experience. The Company's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. During the measurement period of up to one year from the acquisition date, the Company may record adjustments to the preliminary fair value of the assets acquired and liabilities assumed with a corresponding offset to goodwill for these business combinations.

Impairment of Goodwill, Intangible Assets, and Other Long-Lived Assets

The Company's long-lived assets with finite lives consist primarily of property and equipment, capitalized internal-use software development software costs, operating lease right-of-use assets and acquired intangible assets.

Long-lived assets with finite lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. Recoverability of assets held and used is measured by comparison of the carrying amount of an asset or an asset group to estimated undiscounted future net cash flows expected to be generated by the asset or asset group. If the carrying amount of an asset exceeds these estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the assets exceeds the fair value of the asset or asset group.

Goodwill and indefinite-lived intangible assets are not amortized but rather tested for impairment at least annually in the fourth quarter, or more frequently if events or changes in circumstances indicate that impairment may exist. Goodwill impairment is recognized when the quantitative assessment results in the carrying value of the reporting unit exceeding its fair value, in which case an impairment charge is recorded to goodwill to the extent the carrying value exceeds the fair value, limited to the amount of goodwill. The Company did not recognize any impairment of goodwill for all periods presented.

Convertible Senior Notes

The Company accounts for each series of its convertible senior notes as a liability in its entirety, measured at amortized cost. Debt issuance costs incurred in connection with the issuance of the Company's convertible senior notes are reflected in the consolidated balance sheets as a direct deduction from the carrying amount of the outstanding convertible senior notes. These costs are amortized using the effective interest rate method over the terms of the convertible senior notes and are included within interest expense on the consolidated statements of operations.

In connection with the convertible senior notes offering, the Company entered into privately negotiated capped call transactions relating to each series of convertible senior notes with certain counterparties. The capped call transactions are generally expected to reduce the potential dilution to the Company's common stock upon any conversion of the relevant series of convertible senior notes and/or offset any cash payments the Company is required to make in excess of the principal amount of converted notes of such series, with such reduction and/or offset subject to a cap. See Note 10, "Convertible Senior Notes," for further details.

Deferred Revenue

The Company records deferred revenue when the Company receives customer payments in advance of satisfying the performance obligations on the Company's contracts. Capacity arrangements are generally billed and paid in advance of satisfaction of performance obligations, and the Company's on-demand arrangements are billed in arrears generally on a monthly basis. Deferred revenue also includes amounts that have been invoiced but not yet collected, classified as accounts receivable, when the Company has an enforceable right to consideration for capacity arrangements. Deferred revenue relating to the Company's capacity arrangements that have a contractual expiration date of less than 12 months are classified as current. For capacity arrangements that have a contractual expiration date of greater than 12 months, the Company apportions deferred revenue between current and non-current based upon an assumed ratable consumption of these capacity arrangements over the entire term of the arrangement, even though it does not recognize revenue ratably over the term of the contract as customers have flexibility in their consumption and revenue is generally recognized on consumption. In addition, in many cases, the Company's customer contracts also permit customers to roll over any unused capacity to a subsequent order, generally on the purchase of additional capacity. As such, the current or non-current classification of deferred revenue may not reflect the actual timing of revenue recognition.

Recently Adopted Accounting Pronouncement

In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which expands segment disclosures by requiring disclosure of significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit and loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment's profit or loss and assets. This guidance also requires disclosures of the title and position of the CODM, and an explanation of how the CODM uses the reported measures of segment profit or loss in assessing segment performance and deciding how to allocate resources. The Company adopted this guidance for its fiscal year ended January 31, 2025 on a retrospective basis. While the adoption had no impact on the Company's consolidated financial statements, it resulted in additional disclosures in the accompanying notes. See further details under the heading "Segment Information" in this Note 2, "Basis of Presentation and Summary of Significant Accounting Policies."

Recently Issued Accounting Pronouncements Not Yet Adopted

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 disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*, which requires disclosure, on an annual and interim basis, of specified information about certain costs and expenses in the notes to financial statements. This guidance is effective for the Company for its fiscal year beginning February 1, 2027 and interim periods within its fiscal year beginning February 1, 2028 on either a prospective or retrospective basis. Early adoption is permitted. The Company is currently evaluating the impact of the adoption of this guidance on its disclosures.

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

Disaggregation of Revenue

Revenue consists of the following (in thousands):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Product revenue	\$ 3,462,422	\$ 2,666,849	\$ 1,938,783
Professional services and other revenue	163,974	139,640	126,876
Total	<u>\$ 3,626,396</u>	<u>\$ 2,806,489</u>	<u>\$ 2,065,659</u>

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

	Fiscal Year Ended January 31,		
	2025	2024	2023
Americas:			
United States	\$ 2,761,664	\$ 2,166,448	\$ 1,633,843
Other Americas ⁽¹⁾	101,943	72,784	46,577
EMEA ⁽¹⁾⁽²⁾	574,748	432,634	292,666
Asia-Pacific and Japan ⁽¹⁾	188,041	134,623	92,573
Total	<u>\$ 3,626,396</u>	<u>\$ 2,806,489</u>	<u>\$ 2,065,659</u>

⁽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 January 31, 2025 and 2024, allowance for credit losses of \$4.8 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 January 31, 2025 and 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 fiscal years ended January 31, 2025, 2024, and 2023.

Deferred Revenue

The Company recognized \$1.8 billion, \$1.4 billion, and \$974.3 million of revenue for the fiscal years ended January 31, 2025, 2024, and 2023, respectively, from the deferred revenue balances as of January 31, 2024, 2023, and 2022, 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 January 31, 2025, the Company's RPO was \$6.9 billion, of which the Company expects approximately 48% to be recognized as revenue in the twelve months ending January 31, 2026 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 consolidated balance sheets (in thousands):

	January 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Cash equivalents:				
Money market funds	\$ 1,741,089	\$ —	\$ —	\$ 1,741,089
U.S. government securities	388,578	92	—	388,670
Time deposits	113,851	—	—	113,851
Corporate notes and bonds	4,466	—	—	4,466
Commercial paper	3,064	—	—	3,064
Total cash equivalents	2,251,048	92	—	2,251,140
Investments:				
Corporate notes and bonds	1,559,893	2,177	(1,520)	1,560,550
U.S. government and agency securities	609,937	528	(727)	609,738
Commercial paper	307,752	142	(38)	307,856
Certificates of deposit	187,112	97	(4)	187,205
Total investments	2,664,694	2,944	(2,289)	2,665,349
Total cash equivalents and investments	\$ 4,915,742	\$ 3,036	\$ (2,289)	\$ 4,916,489

	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	1,331,709	1	(2)	1,331,708
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	3,005,041	2,958	(8,193)	2,999,806
Total cash equivalents and investments	\$ 4,336,750	\$ 2,959	\$ (8,195)	\$ 4,331,514

The Company included \$23.6 million and \$24.2 million of interest receivable in prepaid expenses and other current assets on the consolidated balance sheets as of January 31, 2025 and 2024, respectively. The Company did not recognize an allowance for credit losses against interest receivable as of January 31, 2025 and 2024 because such potential losses were not material.

As of January 31, 2025, 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 consolidated balance sheets, by remaining contractual maturity, are as follows (in thousands):

	January 31, 2025	
	Estimated Fair Value	
Due within 1 year	\$	2,008,873
Due in 1 year to 3 years		656,476
Total	\$	2,665,349

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 consolidated balance sheet as of January 31, 2024 (in thousands):

	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)

Gross unrealized losses on the Company's available-for-sale marketable debt securities were not material as of January 31, 2025.

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 January 31, 2025 and 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 January 31, 2025 (in thousands):

	Level 1	Level 2	Total
Assets:			
Cash equivalents:			
Money market funds	\$ 1,741,089	\$ —	\$ 1,741,089
U.S. government securities	—	388,670	388,670
Time deposits	—	113,851	113,851
Corporate notes and bonds	—	4,466	4,466
Commercial paper	—	3,064	3,064
Short-term investments:			
Corporate notes and bonds	—	1,059,181	1,059,181
U.S. government and agency securities	—	456,673	456,673
Commercial paper	—	307,856	307,856
Certificates of deposit	—	185,163	185,163
Long-term investments:			
Corporate notes and bonds	—	501,369	501,369
U.S. government and agency securities	—	153,065	153,065
Certificates of deposit	—	2,042	2,042
Derivative assets:			
Foreign currency forward contracts	—	1,579	1,579
Total assets	<u>\$ 1,741,089</u>	<u>\$ 3,176,979</u>	<u>\$ 4,918,068</u>
Liabilities:			
Derivative liabilities:			
Foreign currency forward contracts	\$ —	\$ (1,639)	\$ (1,639)
Total liabilities	<u>\$ —</u>	<u>\$ (1,639)</u>	<u>\$ (1,639)</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.

See Note 10, "Convertible Senior Notes for the fair value measurement of the Company's convertible senior notes, which is not included in the tables above.

Strategic Investments

The tables above do not include the Company's strategic investments, which consist primarily of non-marketable equity securities accounted for using the Measurement Alternative and 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):

	January 31, 2025	January 31, 2024
Equity securities:		
Non-marketable equity securities under Measurement Alternative	\$ 281,158	\$ 190,238
Non-marketable equity securities under equity method	5,491	5,307
Marketable equity securities	13,833	37,320
Debt securities:		
Non-marketable debt securities	750	1,500
Total strategic investments—included in other assets	<u>\$ 301,232</u>	<u>\$ 234,365</u>

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

	Fiscal Year Ended January 31,		
	2025	2024	2023
Unrealized gains (losses) on non-marketable equity securities under Measurement Alternative:			
Impairments	\$ (11,578)	\$ (3,101)	\$ (38,036)
Upward adjustments	—	—	4,125
Net unrealized gains (losses) on marketable equity securities	(2,428)	15,197	(12,524)
Net unrealized gains (losses) on strategic investments in equity securities	(14,006)	12,096	(46,435)
Net realized gains (losses) on strategic investments in equity securities ⁽¹⁾	(17,414)	34,713	—
Total—included in other income (expense), net	<u>\$ (31,420)</u>	<u>\$ 46,809</u>	<u>\$ (46,435)</u>

⁽¹⁾ The net realized gains on strategic investments in equity securities for the fiscal year ended January 31, 2024 include primarily a remeasurement gain of \$34.0 million recognized on a previously held equity interest as a result of a business combination completed during fiscal 2024. See Note 7, "Business Combinations," for further details. For strategic investments in equity securities sold, the realized gains or losses represent 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 January 31, 2025 were \$18.3 million and \$33.9 million, respectively.

6. Property and Equipment, Net

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

	January 31, 2025	January 31, 2024
Leasehold improvements	\$ 97,324	\$ 67,804
Computers, equipment, and software	49,575	29,859
Furniture and fixtures	25,473	17,593
Capitalized internal-use software development costs	209,684	93,222
Construction in progress—capitalized internal-use software development costs	28,672	78,737
Construction in progress—other	39,106	34,890
Total property and equipment, gross	449,834	322,105
Less: accumulated depreciation and amortization ⁽¹⁾	(153,441)	(74,641)
Total property and equipment, net	\$ 296,393	\$ 247,464

⁽¹⁾ Include \$84.8 million and \$30.0 million of accumulated amortization related to capitalized internal-use software development costs as of January 31, 2025 and 2024, respectively.

Depreciation and amortization expense was \$85.6 million, \$37.7 million, and \$24.7 million for the fiscal years ended January 31, 2025, 2024, and 2023, respectively. Included in these amounts was the amortization of capitalized internal-use software development costs of \$56.4 million, \$19.0 million, and \$10.2 million for the fiscal years ended January 31, 2025, 2024, and 2023, respectively.

Impairment charges related to capitalized internal-use software development costs recognized during each of the fiscal years ended January 31, 2025 and 2023 were not material. During the fiscal year ended January 31, 2024, 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 consolidated statements of operations.

7. Business Combinations

Fiscal 2025

Datavolo, Inc.

On November 25, 2024, the Company acquired all of the outstanding capital stock of Datavolo, Inc. (Datavolo), a privately-held company that built a dataflow infrastructure to support the creation, management, and observability of multimodal data pipelines for enterprise AI. The Company acquired Datavolo for its developed technology and talent. The Company has accounted for this transaction as a business combination.

The acquisition date fair value of the preliminary purchase consideration was \$106.8 million, which was comprised of the following (in thousands):

	Estimated Fair Value
Cash	\$ 19,096
Common stock ⁽¹⁾	87,706
Total	\$ 106,802

⁽¹⁾ Approximately 0.5 million shares of the Company's Class A common stock were included in the purchase consideration and the fair values of these shares were determined based on the closing market price of \$171.42 per share on the acquisition date.

In connection with this business combination, the Company also issued to certain of Datavolo's employees a total of 0.4 million shares of the Company's Class A common stock in exchange for a portion of their Datavolo stock. These shares are subject to vesting agreements pursuant to which the shares will vest over four years, subject to each of these employees' continued employment with the Company or its affiliates. The \$64.6 million fair value of these shares is accounted for as post-combination stock-based compensation over the requisite service period of four years. See Note 12, "Equity," for further discussion.

The following table summarizes the preliminary allocation of purchase consideration to assets acquired and liabilities assumed based on their respective estimated fair values as of the date of acquisition:

	Estimated Fair Value (in thousands)	Estimated Useful Life (in years)
Cash and cash equivalents	\$ 5,916	
Short-term investments	7,734	
Goodwill	65,893	
Developed technology intangible asset	35,000	5
Other net tangible liabilities	(968)	
Deferred tax liabilities, net ⁽¹⁾	(6,773)	
Total	\$ 106,802	

⁽¹⁾ Deferred tax liabilities, net primarily relate 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 discounted cash flow method, which utilizes assumptions including projected future revenue generated from the acquired developed technology, projected profit margin, discount rate, and technology migration curve.

The excess of purchase consideration over the preliminary 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.

From the date of acquisition through January 31, 2025, revenue attributable to Datavolo, included in the Company's consolidated statements of operations for the fiscal year ended January 31, 2025, was not material. It was impracticable to determine the effect on the Company's net loss attributable to Datavolo as its operations have been integrated into the Company's ongoing operations since the date of acquisition.

Other Fiscal 2025 Business Combinations

During the fiscal year ended January 31, 2025, the Company completed acquisitions of two privately-held companies for an aggregate of \$19.2 million in cash. The Company has accounted for these transactions as business combinations. As a result of the preliminary allocation of the aggregate purchase consideration, based on the estimated fair values, the Company recorded a total of \$4.4 million of a customer relationships intangible asset (to be amortized over an estimated useful life of five years), \$4.1 million of developed technology intangible assets (to be amortized over estimated useful lives of five years), \$3.5 million of net liabilities acquired, \$0.6 million of deferred tax liabilities, and \$14.8 million of goodwill, of which \$8.3 million is deductible and \$6.5 million is not deductible for income tax purposes.

The excess of purchase consideration over the fair values of net tangible and identifiable assets acquired was recorded as goodwill. The Company believes the goodwill balances associated with these business combinations are primarily attributed to the assembled workforce and expected synergies arising from the acquisition.

Revenue and net loss attributable to each of the other fiscal 2025 business combinations, from their respective acquisition dates through January 31, 2025, were included in the Company's consolidated statements of operations for the fiscal year ended January 31, 2025, and were not material.

Acquisition-related costs, recorded as general and administrative expenses, associated with each of the fiscal 2025 business combinations were not material during the fiscal year ended January 31, 2025.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information summarizes the combined results of operations of the Company and Datavolo, as if Datavolo had been acquired as of February 1, 2023 (in thousands):

	Pro Forma			
	Fiscal Year Ended January 31,			
	2025		2024	
	(unaudited)			
Revenue	\$	3,626,424	\$	2,806,489
Net loss	\$	(1,324,805)	\$	(844,814)

The pro forma financial information for all periods presented above has been calculated after adjusting the results of operations of Datavolo 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 the Company and Datavolo as though this business combination occurred as of February 1, 2023, the beginning of the Company's fiscal 2024. The historical consolidated financial information in the unaudited pro forma table above has been adjusted in the pro forma combined financial results to give effect to pro forma events that are directly attributable to this 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, 2023.

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

Fiscal 2024

Samoooha, Inc.

On December 20, 2023, the Company acquired all of the outstanding capital stock of Samoooha, Inc. (Samoooha), a privately-held company which developed data clean room technology that enabled multiple parties to securely collaborate on sensitive data. The Company acquired Samoooha for its talent and developed technology. The Company has accounted for this transaction as a business combination.

Prior to this business combination, the Company, via one of its wholly-owned subsidiaries (Investing Subsidiary), held a noncontrolling equity interest in Samoooha, which was accounted for using the Measurement Alternative with a carrying amount of \$4.8 million (Previously Held Equity Interest). In connection with this business combination, the Company remeasured the Previously Held Equity Interest at the date of the acquisition and recognized a gain of \$34.0 million, which was recorded in other income (expense), net on the Company's consolidated statement of operations for the fiscal year ended January 31, 2024.

The acquisition date fair value of the purchase consideration was \$219.0 million, which was comprised of the following (in thousands):

	Estimated Fair Value	
Cash	\$	5,761
Deferred cash consideration		231
Common stock ⁽¹⁾		174,225
Fair value of a previously held equity interest ⁽²⁾		38,818
Total	\$	219,035

⁽¹⁾ Approximately 0.9 million shares of the Company's Class A common stock, issued to selling stockholders that were not affiliated with the Company, were included in the purchase consideration, and the fair values of these shares were determined based on the closing market price of \$194.28 per share on the acquisition date.

⁽²⁾ In connection with this business combination, the Company issued approximately 0.2 million shares of its Class A common stock to the Investing Subsidiary in exchange for the Previously Held Equity Interest. The fair values of these shares were determined based on the closing market price of \$194.28 per share on the acquisition date. These shares were treated as treasury stock for accounting purposes as of January 31, 2024, and were subsequently transferred to the Company and retired during the fiscal year ended January 31, 2025.

In connection with this business combination, the Company also issued to certain of Samoooha's employees a total of 0.4 million shares of the Company's Class A common stock in exchange for a portion of their Samoooha stock. These shares are subject to vesting agreements pursuant to which the shares will vest over four years, subject to each of these employees' continued employment with the Company or its affiliates. The \$74.8 million fair value of these shares is accounted for as post-combination stock-based compensation over the requisite service period of four years. In addition, the Company agreed to grant under its 2020 Equity Incentive Plan certain RSUs that contain both post-combination service-based and performance-based vesting conditions to eligible existing or future employees. See Note 12, "Equity," for further discussion.

The purchase consideration was allocated to assets acquired and liabilities assumed based on their respective estimated fair values as of the date of acquisition. During the fiscal year ended January 31, 2025, 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	\$ 9,589	
Goodwill	189,858	
Developed technology intangible asset	25,000	5
Other net tangible liabilities	(345)	
Deferred tax liabilities, net ⁽¹⁾	(5,067)	
Total	<u>\$ 219,035</u>	

⁽¹⁾ Deferred tax liabilities, net primarily relate 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 discounted cash flow method, which utilizes assumptions including projected future revenue generated from the acquired developed technology, projected profit margin, discount rate, and technology migration curve.

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.

Neeva Inc.

During the three months ended July 31, 2023, the Company acquired all of the outstanding capital 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 allocated to assets acquired and liabilities assumed based on their respective estimated fair values as of the date of acquisition. During each of the fiscal years ended January 31, 2025 and 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 relate 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 of the outstanding capital 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	<u>\$ 76,261</u>	

⁽¹⁾ Deferred tax liabilities, net primarily relate 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 of the outstanding capital 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	<u>\$ 62,008</u>	

⁽¹⁾ Deferred tax liabilities, net primarily relate 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.

Other Fiscal 2024 Business Combination

During the fiscal year ended January 31, 2024, the Company acquired all of the outstanding capital stock of a privately-held company for \$16.6 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 \$1.6 million of cash acquired, \$4.9 million as a developer community intangible asset (to be amortized over an estimated useful life of five years), and \$10.1 million as goodwill, which is not deductible for income tax purposes.

The excess of purchase consideration over the fair values 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 each of the fiscal 2024 business combinations were not material during the fiscal year ended January 31, 2024.

Unaudited Pro Forma Financial Information

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

	Pro Forma			
	Fiscal Year Ended January 31,			
	2024		2023	
	(unaudited)			
Revenue	\$	2,806,739	\$	2,065,730
Net loss	\$	(932,308)	\$	(937,873)

The pro forma financial information for all periods presented above has been calculated after adjusting the results of operations of Samootha and 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 the Company, Samootha, and Neeva as though these business combinations occurred as of February 1, 2022, the beginning of the Company's fiscal 2023. The historical consolidated financial information in the unaudited pro forma table above has been adjusted in the pro forma combined financial results to give effect to pro forma events that are directly attributable to these business combinations, 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 these business combinations had taken place as of February 1, 2022.

Pro forma financial information for the Mountain, LeapYear, and other fiscal 2024 business combination has not been presented, as the effects of each were not material to the Company's consolidated financial statements.

Fiscal 2023

Applica Sp. z o.o.

On September 23, 2022, the Company acquired all of the outstanding capital stock of Applica Sp. z o.o. (Applica), a privately-held company which provided an artificial intelligence platform for document understanding, for \$174.7 million in cash. The Company acquired Applica 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	\$ 61	
Goodwill	146,444	
Developed technology intangible asset	35,000	5
Other net tangible liabilities	(612)	
Deferred tax liabilities, net ⁽¹⁾	(6,202)	
Total	\$ 174,691	

⁽¹⁾ Deferred tax liabilities, net primarily relate 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 generally 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 of \$3.4 million associated with this business combination were recorded as general and administrative expenses during the fiscal year ended January 31, 2023.

Streamlit, Inc.

On March 31, 2022, the Company acquired all of the outstanding capital stock of Streamlit, Inc. (Streamlit), a privately-held company which provided an open-source framework for creating and deploying data applications. The Company acquired Streamlit primarily for its talent and developer community. The Company has accounted for this transaction as a business combination. The acquisition date fair value of the purchase consideration was \$650.8 million, which was comprised of the following (in thousands):

	Estimated Fair Value	
Cash	\$	211,839
Common stock ⁽¹⁾		438,916
Total	\$	650,755

⁽¹⁾ Approximately 1.9 million shares of the Company's Class A common stock were included in the purchase consideration and the fair values of these shares were determined based on the closing market price of \$229.13 per share on the acquisition date.

In addition, in connection with this business combination, the Company issued to Streamlit's three founders a total of 0.4 million shares of the Company's Class A common stock in exchange for a portion of their Streamlit stock. These shares are subject to vesting agreements pursuant to which the shares will vest over three years, subject to each founder's continued employment with the Company or its affiliates. The \$93.7 million fair value of these shares is accounted for as post-combination stock-based compensation over the requisite service period of three years. See Note 12, "Equity," for further discussion.

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	\$ 33,914	
Goodwill	494,411	
Developer community intangible asset	150,000	5
Other net tangible liabilities	(659)	
Deferred tax liabilities, net ⁽¹⁾	(26,911)	
Total	\$ 650,755	

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

The fair value of the developer community 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 of \$1.9 million associated with this business combination were recorded as general and administrative expenses during the fiscal year ended January 31, 2023.

Other Fiscal 2023 Business Combination

During the fiscal year ended January 31, 2023, the Company acquired all of the outstanding capital stock of a privately-held company for \$10.4 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 \$2.0 million as a developed technology intangible asset (to be amortized over an estimated useful life of five years), \$0.3 million of net tangible assets acquired, and \$8.1 million as goodwill, which is not deductible for income tax purposes.

The excess of purchase consideration over the fair values 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 for the fiscal year ended January 31, 2023.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information summarizes the combined results of operations of the Company and the three companies acquired during fiscal 2023, as if each had been acquired as of February 1, 2021 (in thousands):

	Pro Forma	
	Fiscal Year Ended January 31,	
	2023	
	(unaudited)	
Revenue	\$	2,067,262
Net loss	\$	(866,099)

The pro forma financial information for the period presented above has been calculated after adjusting the results of operations of these three acquired companies 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 the Company and these three acquired companies as though these business combinations occurred as of February 1, 2021, the beginning of the Company's fiscal 2022. The historical consolidated financial information in the unaudited pro forma tables above has been adjusted in the pro forma combined financial results to give effect to pro forma events that are directly attributable to these business combinations, 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 these business combinations had taken place as of February 1, 2021.

8. Intangible Assets and Goodwill

Intangible Assets, Net

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

	January 31, 2025		
	Gross	Accumulated Amortization	Net
Finite-lived intangible assets:			
Developed technology	\$ 277,063	\$ (92,033)	\$ 185,030
Developer community	154,900	(86,472)	68,428
Assembled workforce	55,732	(36,929)	18,803
Patents	8,874	(8,005)	869
Customer relationships	4,400	(328)	4,072
Total finite-lived intangible assets	<u>\$ 500,969</u>	<u>\$ (223,767)</u>	<u>\$ 277,202</u>
Indefinite-lived intangible assets—trademarks			826
Total intangible assets, net			<u>\$ 278,028</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	<u>\$ 463,102</u>	<u>\$ (132,517)</u>	<u>\$ 330,585</u>
Indefinite-lived intangible assets—trademarks			826
Total intangible assets, net			<u>\$ 331,411</u>

Intangible assets are primarily acquired through business combinations. See Note 7, “Business Combinations,” for further details. In addition, during the fiscal year ended January 31, 2024, the Company also acquired \$27.5 million of intangible assets, primarily consisting of assembled workforce intangible assets with a useful life of four years.

Amortization expense of intangible assets was \$96.9 million, \$82.2 million, and \$38.8 million for the fiscal years ended January 31, 2025, 2024, and 2023, respectively. Cost and accumulated amortization of fully amortized intangible assets are removed from the Company's consolidated balance sheets when they are no longer in use.

As of January 31, 2025, future amortization expense is expected to be as follows (in thousands):

	Amount
Fiscal Year Ending January 31,	
2026	\$ 97,208
2027	93,056
2028	60,490
2029	19,851
2030	6,597
Thereafter	—
Total	\$ 277,202

Goodwill

Changes in goodwill were as follows (in thousands):

	Amount
Balance—January 31, 2023	\$ 657,370
Additions and related adjustments ⁽¹⁾	318,536
Balance—January 31, 2024	975,906
Additions and related adjustments ⁽¹⁾	80,653
Balance—January 31, 2025	\$ 1,056,559

⁽¹⁾ Include measurement period adjustments related to the fair values of the assets acquired and liabilities assumed in business combinations. These adjustments did not have material impacts 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):

	January 31, 2025	January 31, 2024
Accrued compensation	\$ 194,630	\$ 205,056
Accrued third-party cloud infrastructure expenses	77,944	48,571
Employee contributions under employee stock purchase plan	46,576	40,641
Liabilities associated with sales, marketing and business development programs	44,017	39,571
Accrued taxes	25,819	37,108
Employee payroll tax withheld on employee stock transactions	14,025	22,479
Accrued professional services	14,005	9,274
Accrued purchases of property and equipment	9,896	4,508
Other	88,542	39,652
Total accrued expenses and other current liabilities	\$ 515,454	\$ 446,860

10. Convertible Senior Notes

In September 2024, the Company issued an aggregate principal amount of \$2.3 billion of convertible senior notes in a private placement to qualified institutional buyers, comprising of (i) \$1.15 billion aggregate principal amount of 0% convertible senior notes due 2027 (2027 Notes) and (ii) \$1.15 billion aggregate principal amount of 0% convertible senior notes due 2029 (2029 Notes, and together with the 2027 Notes, the Notes). Each series of Notes was issued pursuant to separate indentures, as supplemented (each an Indenture and together, the Indentures), between the Company and U.S. Bank Trust Company, National Association, as trustee.

The Notes are general, senior unsecured obligations of the Company. The 2027 Notes will mature on October 1, 2027 and the 2029 Notes will mature on October 1, 2029, in each case unless earlier converted, redeemed, or repurchased. Neither the 2027 Notes nor the 2029 Notes bear regular interest, and the principal amount of the Notes will not accrete. The Company may elect or be required to pay special interest on the Notes under certain circumstances in accordance with the terms of the applicable Indenture. Special interest, if any, will be payable semiannually in arrears on April 1 and October 1 of each year, beginning on April 1, 2025. The total proceeds from the issuance of the Notes were approximately \$2.27 billion, net of \$31.2 million of debt issuance costs.

The following table presents the details of each series of Notes:

	Initial Conversion Rate per \$1,000 principal		Initial Conversion Price	Initial number of shares (in thousands)
2027 Notes	6.3492	\$	157.50	7,302
2029 Notes	6.3492	\$	157.50	7,302

The conversion rate for each series of Notes is subject to adjustment under certain circumstances in accordance with the terms of the applicable Indenture. In addition, following certain corporate events that occur prior to the maturity date of the relevant series of Notes or if the Company delivers a notice of redemption in respect of a series of Notes, the Company will, in certain circumstances, increase the conversion rate of the relevant series of Notes for a holder who elects to convert its Notes of the applicable series in connection with such a corporate event or convert its Notes called (or deemed called) for redemption during the related redemption period (as defined in the applicable Indenture), as the case may be.

Holders may convert all or any portion of the 2027 Notes and 2029 Notes at their option at any time prior to the close of business on the business day immediately preceding July 1, 2027 and July 1, 2029, respectively, in each case only upon satisfaction of one or more of the following conditions:

(1) during any fiscal quarter commencing after the fiscal quarter ending on January 31, 2025 (and only during such fiscal quarter), if the last reported sale price of the Company's Class A common stock, par value \$0.0001 per share, for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the conversion price for the relevant series of Notes on each applicable trading day;

(2) during the five business day period after any ten consecutive trading day period (Measurement Period) in which the trading price (as defined in the Indentures) per \$1,000 principal amount of the 2027 Notes or the 2029 Notes, as applicable, for each trading day of the Measurement Period was less than 98% of the product of the last reported sale price of the Company's Class A common stock and the conversion rate for such Notes on each such trading day;

(3) if the Company calls the relevant series of Notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date, but only with respect to the Notes called (or deemed called) for redemption; or

(4) upon the occurrence of specified corporate events as set forth in the applicable Indenture.

On or after July 1, 2027, in the case of the 2027 Notes, and on or after July 1, 2029, in the case of the 2029 Notes, until the close of business on the second scheduled trading day immediately preceding the relevant maturity date, holders of the relevant series of Notes may convert all or any portion of their Notes of such series at any time, regardless of the foregoing conditions.

Upon conversion, the Company may satisfy its conversion obligation by paying or delivering, as the case may be, cash, shares of the Company's Class A common stock or a combination of both, at the Company's election, in the manner and subject to the terms and conditions provided in the applicable Indenture.

The Company may, at its option, redeem for cash all or any portion of the 2027 Notes (subject to the partial redemption limitation set forth in the Indenture governing the 2027 Notes), on or after April 6, 2026 if the last reported sale price of the Company's Class A common stock has been at least 150% of the conversion price then in effect for the 2027 Notes for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption at a redemption price equal to 100% of the principal amount of the 2027 Notes to be redeemed, plus accrued and unpaid special interest, if any, to, but excluding, the redemption date. The Company may, at its option, redeem for cash all or any portion of the 2029 Notes (subject to the partial redemption limitation set forth in the Indenture governing the 2029 Notes), on or after October 6, 2027 if the last reported sale price of the Company's Class A common stock has been at least 130% of the conversion price then in effect for the 2029 Notes for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption at a redemption price equal to 100% of the principal amount of the 2029 Notes to be redeemed, plus accrued and unpaid special interest, if any, to, but excluding, the redemption date. No sinking fund is provided for the Notes.

If the Company undergoes a fundamental change (as defined in the applicable Indenture) prior to the maturity date of a series of Notes, then, subject to certain conditions and except as set forth in the applicable Indenture, holders of the relevant series of Notes may require the Company to repurchase for cash all or any portion of their Notes of such series at a fundamental change repurchase price equal to 100% of the principal amount of the relevant series of Notes to be repurchased, plus accrued and unpaid special interest, if any, to, but excluding, the relevant fundamental change repurchase date.

Each of the Indentures governing the 2027 Notes or the 2029 Notes includes customary covenants and sets forth certain events of default after which the relevant series of Notes may be declared immediately due and payable and sets forth certain types of bankruptcy or insolvency events of default (as defined in the applicable Indenture) involving the Company after which such Notes become automatically due and payable.

Each series of Notes is accounted for as a liability in its entirety, measured at amortized cost. The debt issuance costs for each series of the Notes are amortized to interest expense using the effective interest method over their respective terms, with effective interest rates of 0.04% for the 2027 Notes and 0.02% for the 2029 Notes.

The following table presents the net carrying values and fair values of each series of Notes as of January 31, 2025 (in thousands):

	Principal	Unamortized Debt Issuance Costs	Net Carrying Value	Fair Value	
				Amount	Leveling
2027 Notes	\$ 1,150,000	\$ 13,890	\$ 1,136,110	\$ 1,509,295	Level 2
2029 Notes	\$ 1,150,000	\$ 14,581	\$ 1,135,419	\$ 1,539,068	Level 2

The fair value was determined based on the quoted prices of the Notes in an inactive market on the last traded day of the fiscal quarter and has been classified as Level 2 in the fair value hierarchy.

Amortization of debt issuance costs was not material for the fiscal year ended January 31, 2025.

The Company used a portion of the net proceeds from the offering to (i) pay the \$195.5 million cost of the privately negotiated capped call transactions relating to each series of the Notes, as described below, and (ii) repurchase \$399.6 million of its Class A common stock from purchasers of the Notes in the offering in privately negotiated transactions entered into in connection with the Notes offering at a purchase price of \$112.50 per share. See Note 12, "Equity," for further details.

Capped Call Transactions

In connection with the Notes offering, the Company entered into privately negotiated capped call transactions relating to each series of Notes (Capped Calls) with certain of the initial purchasers or affiliates thereof and certain other financial institutions. The Capped Calls are generally expected to reduce the potential dilution to the Company's Class A common stock upon any conversion of the relevant series of the Notes and/or offset any cash payments the Company is required to make in excess of the principal amount of converted Notes of such series, as the case may be, with such reduction and/or offset subject to a cap based on a cap price initially equal to \$225.00 per share.

The following table sets forth other key terms and premiums paid for the Capped Calls related to each series of Notes (in thousands, except per share data):

	Capped Calls Entered into in Connection with the Offering of the 2027 Notes		Capped Calls Entered into in Connection with the Offering of the 2029 Notes	
Initial number of shares covered, subject to certain adjustments		7,302		7,302
Initial strike price, subject to certain adjustments	\$	157.50	\$	157.50
Initial cap price, subject to certain adjustments	\$	225.00	\$	225.00
Total premium paid	\$	94,300	\$	101,200

The Capped Calls are separate transactions, and not part of the terms of any series of Notes. As the Capped Calls qualify for a scope exception from derivative accounting for instruments that are both indexed to the issuer's own stock and classified in stockholders' equity, the premiums paid for the purchases of the Capped Calls was recorded as a reduction to the additional paid-in capital and will not be remeasured as long as they continue to meet the conditions for equity classification.

The Company elected to integrate the Capped Calls with the Notes for income tax purposes pursuant to applicable U.S. Treasury Regulations. Accordingly, the premiums paid for the purchases of the Capped Calls are deductible for income tax purposes over the term of the Notes.

11. 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 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.

The components of lease costs and other information related to leases were as follows (in thousands):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Operating lease costs	\$ 59,943	\$ 52,892	\$ 46,240
Variable lease costs	14,477	11,667	7,906
Sublease income	(7,539)	(11,943)	(12,782)
Total lease costs	<u>\$ 66,881</u>	<u>\$ 52,616</u>	<u>\$ 41,364</u>

Supplemental cash flow information and non-cash activity related to the Company's operating leases were as follows (in thousands):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Cash payments included in the measurement of operating lease liabilities—operating cash flows	\$ 47,711	\$ 40,498	\$ 42,342
Operating lease liabilities arising from obtaining right-of-use assets	\$ 148,181	\$ 56,037	\$ 72,158

Weighted-average remaining lease term and discount rate for the Company's operating leases were as follows:

	January 31, 2025	January 31, 2024
Weighted-average remaining lease term (years)	7.7	7.5
Weighted-average discount rate	6.2 %	6.1 %

The total remaining lease payments under non-cancelable operating leases and lease receipts for subleases as of January 31, 2025 were as follows (in thousands):

Fiscal Year Ending January 31,	Operating Leases	Subleases	Total
2026	\$ 22,278	\$ (5,774)	\$ 16,504
2027	70,409	(5,960)	64,449
2028	73,003	(6,153)	66,850
2029	61,339	(6,351)	54,988
2030	69,728	(3,235)	66,493
Thereafter	260,669	—	260,669
Total lease payments (receipts)	\$ 557,426	\$ (27,473)	\$ 529,953
Less: imputed interest	(143,685)		
Present value of operating lease liabilities	\$ 413,741		

Lease payments presented above exclude \$47.8 million of legally-binding lease commitments, net of tenant incentives expected to be received, for leases signed but not yet commenced as of January 31, 2025. These leases will commence on various dates starting in fiscal 2026 with lease terms ranging from 5.3 years to 12.8 years.

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.

Future minimum payments under the Company's non-cancelable purchase commitments with a remaining term in excess of one year as of January 31, 2025 are presented in the table below (in thousands):

Fiscal Year Ending January 31,	Amount
2026	\$ 569,771
2027	577,133
2028	655,709
2029	964,554 ⁽¹⁾⁽²⁾
2030 and thereafter	—
Total	\$ 2,767,167

⁽¹⁾ Includes \$755.3 million of remaining non-cancelable contractual commitments as of January 31, 2025 related to one of the Company's third-party cloud infrastructure agreements, under which the Company committed to spend an aggregate of at least \$1.0 billion between June 2023 and May 2028 with no minimum purchase commitment during any year. The Company is required to pay the difference if it fails to meet the minimum purchase commitment by May 2028 and such payment can be applied to qualifying expenditures for cloud infrastructure services for up to twelve months after May 2028.

⁽²⁾ Also includes \$208.3 million of remaining non-cancelable contractual commitments as of January 31, 2025 related to another one of the Company's third-party cloud infrastructure agreements, under which the Company committed to spend an aggregate of at least \$250.0 million between January 2024 and December 2028 with no minimum purchase commitment during any year. The Company is required to pay the difference if it fails to meet the minimum purchase commitment by December 2028.

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 fiscal years ended January 31, 2025, 2024, and 2023.

Legal Matters—On March 23, 2021, a former employee filed a charge with the National Labor Relations Board (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 on the Company's consolidated balance sheets as of January 31, 2025 and 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.

On February 29, 2024, a stockholder class action lawsuit was filed against the Company, the Company's former Chief Executive Officer, and the Company's 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. On October 28, 2024, an amended complaint was filed by the lead plaintiff. On December 23, 2024, the Company filed a motion to dismiss the amended complaint. On January 29, 2025, the lead plaintiff informed the Company that it would seek leave to file a second amended complaint rather than respond to the motion to dismiss. On February 7, 2025, the Court ordered the lead plaintiff to file a second amended complaint by April 7, 2025. The Company plans to file a motion to dismiss the second amended complaint on or before the responsive pleading deadline. In addition, since the filing of the class action lawsuit, four additional complaints containing securities derivative claims have been filed against the Company and certain of the Company's directors and executive officers alleging similar violations. The derivative claims have been stayed pending resolution of the anticipated motion to dismiss the class action lawsuit. The Company is unable to estimate any reasonably possible loss, or range of loss, with respect to these matters at this time. The Company and the other defendants intend to vigorously defend against the claims in these actions.

On June 13, 2024, a class action was filed in the United States District Court for the District of Montana against the Company alleging that the Company failed to take reasonable measures to secure systems that contained consumer data, thereby allowing threat actors to access and exfiltrate personally identifiable information. In the months that followed, numerous additional class actions making the same or similar allegations were filed in the United States and Canada against the Company 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. On October 4, 2024, an order was issued by the United States Judicial Panel on Multidistrict Litigation combining the class actions filed in the United States into a multidistrict litigation in the District of Montana. On February 3, 2025, plaintiffs filed their representative complaint. On March 11, 2025, plaintiffs were granted up to and including March 21, 2025 to file an amended representative complaint to address pleading deficiencies identified by defendants. Defendants, including the Company, are required to respond, which response may include moving to dismiss or compel arbitration, within 35 days of the filing of any amended representative complaint. In addition to the multidistrict litigation, two class actions are pending in the United States District Court for the Central District of California and the Supreme Court of British Columbia, respectively. The Company is unable to estimate any reasonably possible loss, or range of loss, with respect to these matters at this time. The Company intends to vigorously defend against the claims in these actions.

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 January 31, 2025, the Company had a total of \$15.6 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 fiscal years ended January 31, 2025, 2024, and 2023, losses recorded in the consolidated statements of operations in connection with the indemnification provisions, where the Company is an indemnifying party, were not material.

12. Equity

Preferred Stock—The Company's amended and restated certificate of incorporation authorized the issuance of 200.0 million shares of undesignated preferred stock with a par value of \$0.0001 per share and with rights and preferences, including voting rights, designated from time to time by the board of directors. No preferred stock was outstanding during any periods presented.

Common Stock—The Company has two classes of common stock authorized: Class A common stock and Class B common stock. The shares of Class A common stock and Class B common stock are identical, except with respect to voting, converting, and transfer rights, and have a par value of \$0.0001 per share. Holders of common stock are entitled to receive any dividends as may be declared from time to time by the board of directors. No Class B common stock was outstanding during any periods presented.

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

	January 31, 2025	January 31, 2024
2012 Equity Incentive Plan:		
Options outstanding	20,067	26,767
Restricted stock units outstanding	—	789
2020 Equity Incentive Plan:		
Options outstanding	1,586	602
Restricted stock units outstanding	24,790	20,168
Shares available for future grants	64,834	59,371
2020 Employee Stock Purchase Plan:		
Shares available for future grants	16,446	13,764
Total shares of common stock reserved for future issuance	127,723	121,461

Stock Repurchase Program—In February 2023, the Company’s board of directors authorized a stock repurchase program of up to \$2.0 billion of the Company’s 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):

	Fiscal Year Ended January 31,	
	2025	2024
Number of shares repurchased	14,765	4,012
Weighted-average price per share ⁽¹⁾	\$ 130.87	\$ 147.49
Aggregate purchase price ⁽¹⁾	\$ 1,932,164	\$ 591,673

⁽¹⁾ Excludes transaction costs associated with the repurchases.

All repurchases were made in open market transactions, except for the 3.6 million shares of the Company’s outstanding Class A common stock that were repurchased for \$399.6 million from purchasers of the Notes in the offering in privately negotiated transactions entered into in connection with the Notes offering at a purchase price of \$112.50 per share. See Note 10, “Convertible Senior Notes,” for further details.

As of January 31, 2025, \$2.0 billion remained available for future stock repurchases under the stock repurchase program (exclusive of any transaction costs associated with repurchases). The first 0.5 million shares repurchased during the fiscal year ended January 31, 2024 were recorded in treasury stock as a reduction to the stockholders’ equity on the 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 consolidated balance sheets.

Treasury Stock—As described above, 0.5 million shares were repurchased under the Company’s authorized stock repurchase program and recorded in treasury stock, of which 56,000 and 8,000 shares were reissued upon settlement of equity awards during the fiscal years ended January 31, 2025 and 2024, respectively.

In addition, during the fiscal year ended January 31, 2024, in connection with the Samooha business combination as discussed in Note 7, “Business Combinations,” the Company issued approximately 0.2 million shares of its Class A common stock to one of its wholly-owned subsidiaries in exchange for a noncontrolling equity interest in Samooha that was held by the subsidiary prior to this business combination. These shares were treated as treasury stock for accounting purposes as of January 31, 2024, and were subsequently transferred to the Company and retired during the fiscal year ended January 31, 2025.

Equity Incentive Plans—The Company’s 2020 Equity Incentive Plan (2020 Plan) provides for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock 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 Company’s initial public offering (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.

A total of 34.1 million shares of the Company’s Class A common stock was initially reserved for issuance under the 2020 Plan in addition to (i) any annual automatic evergreen increases in the number of shares of Class A common stock reserved for issuance under the 2020 Plan and (ii) upon the expiration, forfeiture, cancellation, or reacquisition of any shares of Class B common stock underlying outstanding stock awards granted under the 2012 Plan, an equal number of shares of Class A common stock, such number of shares not to exceed 78.8 million. On February 1, 2024, the shares available for future grants under the 2020 Plan were automatically increased by 16.7 million shares pursuant to the provision described in the preceding sentence.

The Company’s 2020 Employee Stock Purchase Plan (2020 ESPP) authorizes the issuance of shares of common stock pursuant to purchase rights granted to employees. A total of 5.7 million shares of the Company’s Class A common stock was initially reserved for future issuance under the 2020 ESPP, in addition to any annual automatic evergreen increases in the number of shares of Class A common stock reserved for future issuance under the 2020 ESPP. On February 1, 2024, the shares available for future grants under the 2020 ESPP were automatically increased by 3.3 million shares pursuant to the provision described in the preceding sentence. The price at which Class A common stock is purchased under the 2020 ESPP is equal to 85% of the fair market value of a share of the Company’s Class A common stock on the first or last day of the offering period, whichever is lower. Offering periods are generally six months long and begin on the first trading day on or after 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.

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 fiscal years ended January 31, 2025, 2024, and 2023 is as follows:

	Number of Options Outstanding (in thousands)	Weighted- Average Exercise Price	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Balance—January 31, 2022	42,043	\$ 7.53	6.9	\$ 11,283,299
Granted	642	\$ 207.56		
Exercised	(6,118)	\$ 6.50		
Canceled	(713)	\$ 8.02		
Balance—January 31, 2023	35,854	\$ 11.27	5.9	\$ 5,237,549
Exercised	(8,357)	\$ 6.84		
Canceled	(128)	\$ 70.59		
Balance—January 31, 2024	27,369	\$ 12.35	5.0	\$ 5,023,664
Granted	1,037	\$ 163.17		
Exercised	(6,608)	\$ 6.79		
Canceled	(145)	\$ 78.83		
Balance—January 31, 2025	21,653	\$ 20.83	4.2	\$ 3,493,648
Vested and expected to vest as of January 31, 2025	21,653	\$ 20.83	4.2	\$ 3,493,648
Exercisable as of January 31, 2025	20,645	\$ 13.53	4.1	\$ 3,478,059

The weighted-average grant-date fair value of options granted during the fiscal years ended January 31, 2025 and 2023 was \$79.16 and \$101.66 per share, respectively. No options were granted during the fiscal year ended January 31, 2024. The intrinsic value of options exercised during the fiscal years ended January 31, 2025, 2024, and 2023 was \$913.9 million, \$1.3 billion, and \$1.0 billion, respectively. The aggregate grant-date fair value of options that vested during the fiscal years ended January 31, 2025, 2024, and 2023 was \$31.2 million, \$42.3 million, and \$79.1 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 fiscal years ended January 31, 2025 and 2024, 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 \$60.2 million and \$30.8 million for the fiscal years ended January 31, 2025 and 2024, respectively.

A summary of equity-classified RSUs activity during the fiscal years ended January 31, 2025, 2024, and 2023 is as follows:

	Number of Shares (in thousands)	Weighted-Average Grant-Date Fair Value per Share
Unvested Balance—January 31, 2022	9,612	\$ 180.08
Granted	10,788	\$ 180.65
Vested	(3,348)	\$ 165.30
Forfeited	(1,492)	\$ 206.02
Unvested Balance—January 31, 2023	15,560	\$ 181.17
Granted	12,706	\$ 158.28
Vested	(6,810)	\$ 172.38
Forfeited	(1,881)	\$ 176.44
Unvested Balance—January 31, 2024	19,575	\$ 169.82
Granted	17,096	\$ 142.07
Vested	(9,900)	\$ 168.04
Forfeited	(3,367)	\$ 163.07
Performance adjustment ⁽¹⁾	(50)	\$ 139.58
Unvested Balance—January 31, 2025	23,354	\$ 151.30

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

Liability-Classified RSUs—During the fiscal year ended January 31, 2024, in connection with the Samooaha business combination as discussed in Note 7, “Business Combinations,” 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 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 January 31, 2025 and 2024, the liabilities associated with these Acquisition PRSUs were \$11.1 million and \$0.5 million, respectively. The Company recognized stock-based compensation of \$10.6 million and \$0.5 million associated with these Acquisition PRSUs for the fiscal years ended January 31, 2025 and 2024, respectively.

A summary of liability-classified RSUs activity during the fiscal years ended January 31, 2025 and 2024 is as follows:

	Number of Shares (in thousands)
Unvested Balance—January 31, 2023	—
Granted ⁽¹⁾	1,382
Unvested Balance—January 31, 2024	1,382
Granted ⁽¹⁾	118
Forfeited	(64)
Unvested Balance—January 31, 2025	1,436

⁽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 outside of the Plans during the fiscal years ended January 31, 2025, 2024, and 2023 is as follows:

	Outside of the Plans	
	Number of Shares (in thousands)	Weighted-Average Grant-Date Fair Value per Share
Unvested Balance—January 31, 2022	380	\$ 2.11
Granted	409	\$ 229.13
Vested	(361)	\$ 2.10
Unvested Balance—January 31, 2023	428	\$ 219.26
Granted	385	\$ 194.28
Vested	(142)	\$ 199.28
Unvested Balance—January 31, 2024	671	\$ 209.15
Granted	445	\$ 162.15
Vested	(219)	\$ 213.81
Forfeited	(76)	\$ 226.91
Unvested Balance—January 31, 2025	821	\$ 180.82

During the fiscal year ended January 31, 2025, in connection with the Datavolo business combination, the Company issued to certain of Datavolo's employees a total of 0.4 million shares of the Company's Class A common stock in exchange for a portion of their Datavolo stock. These shares are subject to vesting agreements pursuant to which the shares will vest over four years, subject to each of these employees' continued employment with the Company or its affiliates. The \$64.6 million fair value of these shares is accounted for as post-combination stock-based compensation over the requisite service period of four years. As of January 31, 2025, all 0.4 million shares remained unvested.

During the fiscal year ended January 31, 2024, in connection with the Samooha business combination, the Company issued to certain of Samooha's employees a total of 0.4 million shares of the Company's Class A common stock in exchange for a portion of their Samooha stock. These shares are subject to vesting agreements pursuant to which the shares will vest over four years, subject to each of these employees' continued employment with the Company or its affiliates. The \$74.8 million fair value of these shares is accounted for as post-combination stock-based compensation over the requisite service period of four years. As of January 31, 2025 and 2024, 0.3 million and 0.4 million shares remained unvested, respectively.

During the fiscal year ended January 31, 2023, in connection with the Streamlit business combination, the Company issued to Streamlit's three founders a total of 0.4 million shares of the Company's common stock outside of the Plans in exchange for a portion of their Streamlit stock. These shares are subject to vesting agreements pursuant to which the shares will vest over three years, subject to each founder's continued employment with the Company or its affiliates. The \$93.7 million fair value of these shares is accounted for as post-combination stock-based compensation over the requisite service period of three years. As of January 31, 2025 and 2024, 0.1 million and 0.3 million shares remained unvested, respectively.

See Note 7, "Business Combinations," for further details.

Stock-Based Compensation—The following table summarizes the assumptions used in estimating the grant-date fair values of stock options granted to employees during the fiscal years ended January 31, 2025 and 2023:

	Fiscal Year Ended January 31,	
	2025	2023
Expected term (in years)	4.8 - 6.0	6.0
Expected volatility	56.6% - 56.7%	50.0 %
Risk-free interest rate	4.2% - 4.4%	1.8 %
Expected dividend yield	— %	— %

No stock options were granted during the fiscal year ended January 31, 2024.

In addition, for the stock option granted during the fiscal year ended January 31, 2025, 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.

The following table summarizes the assumptions used in estimating the fair values of ESPP Rights granted under the 2020 ESPP during the fiscal years ended January 31, 2025, 2024, and 2023:

	Fiscal Year Ended January 31,		
	2025	2024	2023
Expected term (in years)	0.5	0.5	0.5
Expected volatility	46.3% - 49.6%	48.4% - 71.3%	58.9% - 74.8%
Risk-free interest rate	4.5% - 5.4%	4.7% - 5.5%	0.9% - 3.8%
Expected dividend yield	— %	— %	— %

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 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 fiscal year ended January 31, 2025, 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—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 January 31, 2025 and 2024:

	January 31, 2025	January 31, 2024
Expected volatility	50.0 %	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 fiscal year ended January 31, 2025, 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 consolidated statements of operations was as follows (in thousands):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Cost of revenue	\$ 142,163	\$ 123,363	\$ 106,302
Sales and marketing	331,807	299,657	246,811
Research and development	852,027	644,928	407,524
General and administrative	153,317	100,067	100,896
Stock-based compensation, net of amounts capitalized	1,479,314	1,168,015	861,533
Capitalized stock-based compensation	38,493	48,830	29,417
Total stock-based compensation	\$ 1,517,807	\$ 1,216,845	\$ 890,950

As of January 31, 2025, total compensation cost related to unvested awards not yet recognized was \$3.5 billion, which will be recognized over a weighted-average period of 2.8 years.

13. Income Taxes

The components of loss before income taxes were as follows (in thousands):

	Fiscal Year Ended January 31,		
	2025	2024	2023
U.S.	\$ (1,341,798)	\$ (875,703)	\$ (851,538)
Foreign	56,699	26,480	35,545
Loss before income taxes	\$ (1,285,099)	\$ (849,223)	\$ (815,993)

The provision for (benefit from) income taxes consists of the following (in thousands):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Current provision:			
State	\$ 806	\$ 754	\$ 626
Foreign	10,978	14,775	7,571
Deferred benefit:			
Federal	(6,294)	(15,376)	(21,647)
State	(1,011)	(4,700)	(4,410)
Foreign	(366)	(6,686)	(607)
Provision for (benefit from) income taxes	<u>\$ 4,113</u>	<u>\$ (11,233)</u>	<u>\$ (18,467)</u>

The effective income tax rate differs from the federal statutory income tax rate applied to the loss before income taxes due to the following (in thousands):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Income tax benefit computed at federal statutory rate	\$ (269,871)	\$ (178,337)	\$ (171,359)
State taxes, net of federal benefit	33,910	26,380	14,948
Research and development credits	(133,266)	(101,725)	(58,136)
Stock-based compensation	(7,667)	(148,600)	(71,295)
Change in valuation allowance	363,422	371,767	213,532
IRC Section 59A waived deductions	—	11,550	49,476
Other	17,585	7,732	4,367
Provision for (benefit from) income taxes	<u>\$ 4,113</u>	<u>\$ (11,233)</u>	<u>\$ (18,467)</u>

A valuation allowance has been recognized to offset the Company's deferred tax assets, as necessary, by the amount of any tax benefits that, based on evidence, are not expected to be realized. As of January 31, 2025 and 2024, the Company believes it is more likely than not that its U.S. and U.K. deferred tax assets will not be fully realizable and continues to maintain a full valuation allowance against these net deferred tax assets.

Significant components of the Company's deferred tax assets and deferred tax liabilities are shown below (in thousands):

	January 31, 2025	January 31, 2024
Deferred tax assets:		
Net operating losses carryforwards	\$ 1,707,649	\$ 1,673,213
Capitalized research and development	725,823	420,491
Tax credit carryforwards	511,504	376,804
Operating lease liabilities	104,517	54,008
Deferred revenue	95,779	82,683
Capped call transactions	45,032	—
Stock-based compensation	36,044	109,446
Net unrealized losses on strategic investments	6,143	2,443
Other	50,790	31,776
Total deferred tax assets	3,283,281	2,750,864
Less: valuation allowance	(3,104,505)	(2,621,009)
Net deferred tax assets	178,776	129,855
Deferred tax liabilities:		
Intangible assets	(27,481)	(39,173)
Deferred commissions	(56,662)	(41,609)
Operating lease right-of-use assets	(94,997)	(48,629)
Other	(234)	(1,326)
Total deferred tax liabilities	(179,374)	(130,737)
Net deferred tax liabilities	\$ (598)	\$ (882)

The valuation allowance was \$3.1 billion and \$2.6 billion as of January 31, 2025 and 2024, respectively, primarily relating to U.S. federal and state net operating loss carryforwards, capitalized research and development, and tax credit carryforwards. The valuation allowance increased \$483.5 million during the fiscal year ended January 31, 2025, primarily due to increased capitalized research and development and tax credit carryforwards. The valuation allowance increased \$520.4 million and \$241.9 million during the fiscal years ended January 31, 2024 and 2023, respectively, primarily due to increased capitalized research and development, U.S. federal and state net operating loss carryforwards, and tax credit carryforwards.

As of January 31, 2025, the Company had U.S. federal, state, and foreign net operating loss carryforwards of \$6.2 billion, \$6.0 billion, and \$178.0 million, respectively. Of the \$6.2 billion U.S. federal net operating loss 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 net operating loss carryforwards begin to expire in 2026. Of the \$178.0 million foreign net operating loss carryforwards, \$165.2 million may be carried forward indefinitely, and the remaining \$12.8 million will begin to expire in 2027. As of January 31, 2025, the Company also had federal and state tax credits of \$482.9 million and \$212.2 million, respectively. The federal tax credit carryforwards will expire beginning in 2032 if not utilized. The state tax credit carryforwards do not expire. Utilization of the Company's net operating loss and tax credit carryforwards may be subject to annual limitation due to the ownership change limitations provided by the Internal Revenue Code and similar state provisions. Such an annual limitation could result in the expiration of the net operating loss and tax credit carryforwards before utilization.

Foreign withholding taxes have not been provided for the cumulative undistributed earnings of the Company's foreign subsidiaries as of January 31, 2025 due to the Company's intention to permanently reinvest such earnings. Determination of the amount of unrecognized deferred tax liability related to these earnings is not practicable.

The following table shows the changes in the gross amount of unrecognized tax benefits (in thousands):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Beginning balance	\$ 115,253	\$ 75,180	\$ 57,715
Increases based on tax positions during the prior period	655	12,708	1,816
Increases based on tax positions during the current period	35,752	27,365	15,649
Ending balance	\$ 151,660	\$ 115,253	\$ 75,180

There were no interest and penalties associated with unrecognized income tax benefits for each of the fiscal years ended January 31, 2025, 2024, and 2023.

Although it is reasonably possible that certain unrecognized tax benefits may increase or decrease within the next 12 months due to tax examination changes, settlement activities, or the impact on recognition and measurement considerations related to the results of published tax cases or other similar activities, the Company does not anticipate any significant changes to unrecognized tax benefits over the next 12 months.

The Company files income tax returns in the U.S. federal jurisdiction, various state jurisdictions, and in various international jurisdictions. Tax years 2012 and forward generally remain open for examination for federal and state tax purposes. Tax years 2020 and forward generally remain open for examination for foreign tax purposes. To the extent utilized in future years' tax returns, net operating loss carryforwards at January 31, 2025 and 2024 will remain subject to examination until the respective tax year is closed.

On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (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 fiscal year ended January 31, 2025, the Inflation Act had no material impact to the Company, including its stock repurchase program.

14. Net Loss per Share

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):

	Fiscal Year Ended January 31,		
	2025	2024	2023
Numerator:			
Net loss	\$ (1,289,212)	\$ (837,990)	\$ (797,526)
Less: net loss attributable to noncontrolling interest	(3,572)	(1,893)	(821)
Net loss attributable to Snowflake Inc. Class A common stockholders	\$ (1,285,640)	\$ (836,097)	\$ (796,705)
Denominator:			
Weighted-average shares used in computing net loss per share attributable to Snowflake Inc. Class A common stockholders—basic and diluted	332,707	328,001	318,730
Net loss per share attributable to Snowflake Inc. Class A common stockholders—basic and diluted	\$ (3.86)	\$ (2.55)	\$ (2.50)

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):

	Fiscal Year Ended January 31,		
	2025	2024	2023
RSUs	24,790	20,957	15,560
Stock options	21,653	27,369	35,854
Shares underlying the conversion option in the Notes	14,603	—	—
Unvested restricted common stock and early exercised stock options	821	671	446
ESPP Rights	569	284	265
Total	62,436	49,281	52,125

The Company entered into the Capped Calls in connection with the Notes offering. The effect of the Capped Calls was also excluded from the calculation of diluted net loss per share attributable to Snowflake Inc. Class A common stockholders as the effect of the Capped Calls would have been anti-dilutive. The Capped Calls are generally expected to reduce the potential dilution to the Company's Class A common stock upon any conversion of the relevant series of the Notes. See Note 10, "Convertible Senior Notes," for further details.

15. Related Party Transactions

A member of the Company's board of directors currently serves as the Chief Executive Officer of a privately-held company (Related Party), which has been the Company's customer since 2018. In January 2024, the Company renewed its customer agreement with the Related Party for a term of two years with a total contract value of \$22.5 million. In November 2024, an additional customer agreement was entered into with the Related Party for a term of 13 months with a total contract value of \$1.5 million. With respect to the Related Party, the Company recognized \$12.9 million, \$6.8 million, and \$3.7 million of revenue for the fiscal years ended January 31, 2025, 2024 and 2023, respectively, and had an accounts receivable balance due from the Related Party of \$1.8 million and \$5.0 million as of January 31, 2025 and 2024, respectively.

In March 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.

16. Subsequent Event

Subsequent to January 31, 2025, and through March 21, 2025, the Company repurchased 3.2 million shares of its outstanding common stock for an aggregate purchase price of \$490.6 million, excluding transaction costs associated with the repurchases, at a weighted-average price of \$152.63 per share. All repurchases were made in open market transactions.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. 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 15(d)-15(e) under the Exchange Act) as of January 31, 2025. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of January 31, 2025, 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 Commission'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.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15(d)-15(f) under the Exchange Act). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our management conducted an assessment of the effectiveness of the Company's internal control over financial reporting as of January 31, 2025 based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the assessment, our management has concluded that our internal control over financial reporting was effective as of January 31, 2025. The effectiveness of our internal control over financial reporting as of January 31, 2025 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which is included in Item 8 of this Annual Report on Form 10-K.

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 January 31, 2025 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.

ITEM 9B. OTHER INFORMATION

Trading Plans

During our last fiscal quarter, our directors and/or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated the contracts, instructions, or written plans for the purchase or sale of the Company's securities as set forth in the table below.

	Action	Date	Trading Arrangement		Total Shares of Class A Common Stock Subject to Trading Arrangement	Expiration Date
			Rule 10b5-1*	Non-Rule 10b5-1**		
Christian Kleinerman, EVP, Product Management	Adopted	December 19, 2024	X		199,438 ⁽¹⁾	March 31, 2026
Christopher W. Degnan, Chief Revenue Officer	Adopted	December 20, 2024	X		149,500 ⁽²⁾	April 30, 2026
Michael L. Speiser, Director	Adopted	December 27, 2024	X		1,217,784	March 31, 2027

* Intended to satisfy the affirmative defense of Rule 10b5-1(c)

** Not intended to satisfy the affirmative defense of Rule 10b5-1(c)

⁽¹⁾ The actual number of shares subject to the trading arrangement under the Rule 10b5-1 Plan is expected to be different due to: (i) our withholding of certain shares to satisfy tax withholding obligations in connection with the vesting of restricted stock units; (ii) the amount of restricted stock units acquired following determination of the achievement of pre-established financial performance goals for fiscal year 2025; and (iii) the amount of whole shares distributed in connection with the vesting of restricted stock units due to rounding.

⁽²⁾ The trading arrangement provides for gifts of up to 34,500 shares of our common stock.

Changes to Compensatory Arrangements

On March 19, 2025, we entered into a letter agreement and a consulting agreement attached as an exhibit thereto with Christopher W. Degnan (collectively, the Transition and Consulting Agreements), setting forth the terms of Mr. Degnan's continued employment with us and his subsequent advisory role following his resignation as our Chief Revenue Officer on March 14, 2025 (Transition Date). The Transition and Consulting Agreements provide that, among other things: (i) during the period beginning on the Transition Date and ending on the last day of his employment, which will be no later than December 31, 2025 (Separation Date), Mr. Degnan will continue to be employed and will continue to receive his salary and remain eligible for participation in our corporate bonus plan and standard benefits, and his outstanding equity awards will continue to vest, (ii) subject to the conditions set forth therein, in the event that the Separation Date occurs before December 31, 2025, Mr. Degnan will be entitled to certain severance benefits, and (iii) following the Separation Date, Mr. Degnan will serve as an independent contractor for a six-month term and his outstanding equity awards will continue to vest in accordance with their terms during such period.

The foregoing description of the Transition and Consulting Agreements does not purport to be complete and is qualified in its entirety by reference to the Transition and Consulting Agreements, which are attached hereto as Exhibit 10.20 and are incorporated herein by reference.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item is incorporated by reference to our definitive Proxy Statement for the 2025 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after January 31, 2025 (2025 Proxy Statement).

We maintain a Global Code of Conduct and Ethics that applies to all our employees, officers, contractors, and directors, including our principal executive officer, principal financial officer, and principal accounting officer or controller, or persons performing similar functions. The full text of our Global Code of Conduct and Ethics is posted on our website at www.investors.snowflake.com under “Governance.” We intend to disclose on our website set forth above any future amendments to, or waivers from, our Global Code of Conduct and Ethics that are required to be disclosed under Item 5.05 of Form 8-K within four business days following the date of the amendment or waiver.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference to the 2025 Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is incorporated by reference to the 2025 Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference to the 2025 Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item is incorporated by reference to the 2025 Proxy Statement.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this Annual Report on Form 10-K:

a. Consolidated Financial Statements

The consolidated financial statements are filed as part of this Annual Report on Form 10-K under “Item 8. Financial Statements and Supplementary Data.”

b. Financial Statement Schedules

The financial statement schedules are omitted because they are either not applicable or the information required is presented in the financial statements and notes thereto under “Item 8. Financial Statements and Supplementary Data.”

c. Exhibits

The exhibits listed in the following Exhibit Index are filed, furnished, or incorporated by reference as part of this Annual Report on Form 10-K.

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	
4.1	Form of Class A Common Stock Certificate.	S-1/A	333-248280	4.1	9/8/2020	
4.2	Description of Securities.	10-K	001-39504	4.3	3/30/2022	
4.3	Indenture, dated as of September 27, 2024, by and between Snowflake Inc. and U.S. Bank Trust Company, National Association, as Trustee.	8-K	001-39504	4.1	9/27/2024	
4.4	First Supplemental Indenture, dated as of November 22, 2024, by and between Snowflake Inc. and U.S. Bank Trust Company, National Association, as Trustee.	10-Q	001-39504	4.5	11/27/2024	
4.5	Form of Global Note, representing Snowflake Inc.'s 0% Convertible Senior Notes due 2027 (included as Exhibit A to the Indenture filed as Exhibit 4.3).	8-K	001-39504	4.2	9/27/2024	
4.6	Indenture, dated as of September 27, 2024, by and between Snowflake Inc. and U.S. Bank Trust Company, National Association, as Trustee.	8-K	001-39504	4.3	9/27/2024	
4.7	First Supplemental Indenture, dated as of November 22, 2024, by and between Snowflake Inc. and U.S. Bank Trust Company, National Association, as Trustee.	10-Q	001-39504	4.6	11/27/2024	
4.8	Form of Global Note, representing Snowflake Inc.'s 0% Convertible Senior Notes due 2029 (included as Exhibit A to the Indenture filed as Exhibit 4.6).	8-K	001-39504	4.4	9/27/2024	
10.1+	Snowflake Inc. 2012 Equity Incentive Plan.	S-1	333-248280	10.3	8/24/2020	
10.2+	Forms of Option Agreement, Stock Option Grant Notice, and Notice of Exercise under 2012 Equity Incentive Plan.	S-1	333-248280	10.4	8/24/2020	
10.3+	Forms of Restricted Stock Unit Grant Notice and Restricted Stock Unit Award Agreement under 2012 Equity Incentive Plan.	S-1	333-248280	10.5	8/24/2020	
10.4+	Snowflake Inc. 2020 Equity Incentive Plan.	S-1/A	333-248280	10.6	9/8/2020	
10.5+	Forms of Notice of Stock Option Grant, Global Stock Option Agreement, and Exercise Notice under 2020 Equity Incentive Plan.	10-Q	001-39504	10.2	8/29/2024	

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<u>10.6+</u>	<u>Forms of Global RSU Award Grant Notice and Global Restricted Stock Unit Award Agreement under 2020 Equity Incentive Plan.</u>					X
<u>10.7+</u>	<u>Snowflake Inc. 2020 Employee Stock Purchase Plan.</u>	S-1/A	333-248280	10.9	9/8/2020	
<u>10.8+</u>	<u>Form of Indemnification Agreement entered into by and between Snowflake and each director and executive officer.</u>	S-1	333-248280	10.10	8/24/2020	
<u>10.9+</u>	<u>Amended and Restated Offer Letter by and between Snowflake Inc. and Sridhar Ramaswamy, dated February 27, 2024.</u>	8-K	001-39504	10.1	2/28/2024	
<u>10.10+</u>	<u>Confirmatory Offer Letter by and between Snowflake Inc. and Frank Sloodman, dated August 23, 2023.</u>	8-K	001-39504	10.1	8/23/2023	
<u>10.11+</u>	<u>Confirmatory Offer Letter by and between Snowflake Inc. and Michael P. Scarpelli, dated August 23, 2023.</u>	8-K	001-39504	10.2	8/23/2023	
<u>10.12+</u>	<u>Confirmatory Offer Letter by and between Snowflake Inc. and Christopher W. Degan, dated August 23, 2023.</u>	8-K	001-39504	10.3	8/23/2023	
<u>10.13+</u>	<u>Confirmatory Offer Letter by and between Snowflake Inc. and Benoit Dageville, dated August 23, 2023.</u>	8-K	001-39504	10.4	8/23/2023	
<u>10.14+</u>	<u>Confirmatory Offer Letter by and between Snowflake Inc. and Christian Kleinerman, dated August 23, 2023.</u>	8-K	001-39504	10.6	8/23/2023	
<u>10.15+</u>	<u>Confirmatory Offer Letter by and between Snowflake Inc. and Vivek Raghunathan, dated September 26, 2024.</u>	10-Q	001-39504	10.2	11/27/2024	
<u>10.16+</u>	<u>Offer Letter by and between Snowflake Inc. and Michael Gannon, dated March 4, 2025.</u>					X
<u>10.17+</u>	<u>Severance and Change in Control Plan and related participation agreement.</u>	8-K	001-39504	10.7	8/23/2023	
<u>10.18+</u>	<u>Amended and Restated Non-Employee Director Compensation Policy.</u>	10-Q	001-39504	10.1	8/29/2024	
<u>10.19+</u>	<u>Consulting Agreement between Snowflake Inc. and Michael P. Scarpelli, dated February 25, 2025.</u>	8-K	001-39504	10.1	2/26/2025	
<u>10.20+</u>	<u>Letter Agreement and Consulting Agreement between Snowflake Inc. and Christopher W. Degan, dated March 19, 2025.</u>					X
<u>10.21+</u>	<u>Cash Incentive Bonus Plan.</u>	S-1	333-248280	10.19	8/24/2020	
<u>10.22</u>	<u>Form of Confirmation for Capped Call Transactions.</u>	8-K	001-39504	10.1	9/27/2024	
<u>19.1</u>	<u>Insider Trading Policy</u>					X
<u>21.1</u>	<u>List of Subsidiaries of Snowflake Inc.</u>					X
<u>23.1</u>	<u>Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm.</u>					X
<u>24.1</u>	<u>Power of Attorney (included on signature page).</u>					X
<u>31.1</u>	<u>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.</u>					X
<u>31.2</u>	<u>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.</u>					X
<u>32.1*</u>	<u>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.</u>					X
<u>32.2*</u>	<u>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.</u>					X
<u>97.1</u>	<u>Incentive Compensation Recoupment Policy.</u>	10-K	001-39504	97.1	3/26/2024	

101	The following financial information from Snowflake Inc.'s Annual Report on Form 10-K for the fiscal year ended January 31, 2025 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Loss, (iv) the Consolidated Statements of Stockholders' Equity, (v) the Consolidated Statements of Cash Flows, and (vi) Notes to the 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 Annual Report on Form 10-K 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.

ITEM 16. FORM 10-K SUMMARY

None.

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: March 21, 2025

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)

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints Sridhar Ramaswamy, Michael P. Scarpelli, Emily Ho, and each one of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in their name, place, and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Sridhar Ramaswamy</u> Sridhar Ramaswamy	Chief Executive Officer and Director (Principal Executive Officer)	March 21, 2025
<u>/s/ Michael P. Scarpelli</u> Michael P. Scarpelli	Chief Financial Officer (Principal Financial Officer)	March 21, 2025
<u>/s/ Emily Ho</u> Emily Ho	Chief Accounting Officer (Principal Accounting Officer)	March 21, 2025
<u>/s/ Frank Sloodman</u> Frank Sloodman	Chairman of the Board	March 21, 2025
<u>/s/ Benoit Dageville</u> Benoit Dageville	Director	March 21, 2025
<u>/s/ Teresa Briggs</u> Teresa Briggs	Director	March 21, 2025
<u>/s/ Jeremy Burton</u> Jeremy Burton	Director	March 21, 2025
<u>/s/ Mark S. Garrett</u> Mark S. Garrett	Director	March 21, 2025
<u>/s/ Kelly A. Kramer</u> Kelly A. Kramer	Director	March 21, 2025
<u>/s/ Mark D. McLaughlin</u> Mark D. McLaughlin	Director	March 21, 2025
<u>/s/ Michael L. Speiser</u> Michael L. Speiser	Director	March 21, 2025
<u>/s/ Jayshree V. Ullal</u> Jayshree V. Ullal	Director	March 21, 2025

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.

Participant:

By: _____
Signature
Title: Chief Financial Officer
Date: _____

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. Change in Time Commitment. You hereby acknowledge and agree that in the event your regular level of time commitment in the performance of your services for the Company and any Affiliate is reduced (including, without limitation, a change in status from a full-time Employee to a part-time Employee) after the Date of Grant set forth in your Grant Notice, the Company may in its sole discretion determine, to the extent permitted by Applicable Law, to (i) make a corresponding reduction in the number of shares or, if applicable, cash amount subject to any portion of the RSU Award that is scheduled to vest or, if applicable, become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, extend and prorate the vesting schedule applicable to the RSU Award, in each case without obtaining further consent from you. In the event of any such reduction or extension, you will have no right with respect to any portion of the RSU Award that is so reduced or extended. You further acknowledge that, subject to the Company’s sole discretion and Applicable Law, any such reduction or extension will be irrevocable (*e.g.*, in the event you have a subsequent change in status from a part-time Employee to a full-time Employee).

11. 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.

12. 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.

13. 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).

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 February 2025. 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 and any rights you may have under the Agreement may be raised only against the Company and not any Affiliate (including, but not limited to, the Service Recipient);

- (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*).

Austria

Exchange Control Information. If you hold securities (including shares of Class A Common Stock acquired under the Plan) or cash (including proceeds from the sale of shares of Class A Common Stock) outside of Austria, you may be subject to reporting obligations to the Austrian National Bank. If the value of the shares of Class A Common Stock meets or exceeds a certain threshold, you must report the securities held on a quarterly basis to the Austrian National Bank as of the last day of the quarter, on or before the 15th day of the month following the end of the calendar quarter. Where cash amounts held outside of Austria meet or exceed a certain threshold, monthly reporting obligations may also apply as explained in the next paragraph.

If you sell your shares of Class A Common Stock, or receive any cash dividends, you may have exchange control obligations if you hold the cash proceeds outside of Austria. If the transaction volume of all your accounts abroad meets or exceeds a certain threshold, you must report the movements and balances of all accounts to the Austrian National Bank on a monthly basis, as of the last day of the month, on or before the 15th day of the following month, on the prescribed forms.

Belgium

Foreign Asset / Account Reporting Information. You are required to report any securities (*e.g.*, shares of Class A Common Stock) or bank accounts (including brokerage accounts) you maintain outside of Belgium on your annual tax return. The first time you report the foreign security and/or bank account on your annual income tax return you will have to provide the National Bank of Belgium Central Contact Point with the account number, the name of the bank and the country in which the account was opened in a separate form. The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium (www.nbb.be) under the caption *Kredietcentrales / Centrales des crédits*.

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:

In the event of your termination of Continuous Service (for any reason whatsoever, whether or not later found to be invalid or in breach of Applicable Law in the jurisdiction where you are employed or the terms of your employment agreement, if any), your right (if any) to vest in the Restricted Stock Units will terminate effective as of the date you are no longer actually providing service to an Affiliate (the “**Termination Date**”). Unless explicitly required by applicable legislation, the Termination Date shall exclude and shall not be extended by any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, contract, common/civil law or otherwise. Subject to Applicable Law, the Board or, if delegated pursuant to Section 2 of the Plan, the Committee or a designated officer of the Company (or a designee of any of the foregoing) shall have exclusive discretion to determine when you are no longer actively providing services for purposes of the Restricted Stock Units (including whether you may still be considered to be providing services while on a leave of absence). You will not earn or be entitled to any pro-rated vesting for that portion of time before the Termination Date, nor will you be entitled to any compensation for lost vesting.

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued vesting during a statutory notice period, you acknowledge that your right to continue vesting in the Restricted Stock Units under the Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but 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. For further clarity, any reference to termination of your Continuous Service under the Agreement or the Plan will be interpreted to mean the Termination Date.

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 registrá por las siguientes obligaciones en la que se asumirán a las siguientes declaraciones y cláusula

CONSIDERANDOS

1. **EL MANDANTE** es una persona natural colombiana, que actualmente labora en Colombia.
1. 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 segundo.
1. POR TANTO, con base en las consideraciones mencionadas anteriormente, las **PARTES** han convenido suscribir un PODER ESPECIAL (o el "Contrato") que se registrá 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**, y en general a solicitar y tramitar ante las autoridades competentes los permisos y autorizaciones necesarios para el giro de divisas al exterior.

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.

El **MANDATARIO** a través del presente Contrato acepta el encargo del **MANDANTE**, así como las autorizaciones que el mismo le otorga.

CLÁUSULA SEGUNDA. Remuneración: **LAS PARTES** acuerdan y manifiestan expresamente que el presente Contrato no generará contraprestaciones económicas a favor del **MANDATARIO**.

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.

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**.

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:

- (1) 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**.
- (2) 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**.
- (3) Corresponde al **MANDATARIO** cumplir con sus obligaciones relacionadas con el reporte de información exógena, de acuerdo con los términos del Estatuto Tributario vigente.

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.

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:

Artículo 83o. PROHIBICIÓN DE OPERACIONES EN MONEDA EXTRANJERA EN EL

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 ass

CONSIDERATIONS

1. **THE PRINCIPAL** is a Colombian natural person, currently working in Colombia.
1. 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 latter
1. 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**, and in general to request and process before the competent authorities the necessary permits and authorizations for the transfer of foreign currency abroad.

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).

The **AGENT** hereby accepts the assignment of the **PRINCIPAL**, as well as the authorizations granted by the **PRINCIPAL**.

CLAUSE TWO. Remuneration: **THE PARTIES** expressly agree and state that this Agreement shall not generate any economic consideration in favor of the **AGENT**.

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.

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**.

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:

- (1) 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**
- (2) The **AGENT** shall be responsible for the payment of the tax on financial movements - GMF, if applicable, which shall be reimbursed by the **PRINCIPAL**.
- (3) 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.

SIXTH CLAUSE. Nature of the Agreement: **THE PARTIES** understand and agree that,

<p><i>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>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 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 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.¹</p>	<p>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> <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 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 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.²</p>
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¹ Cláusula 4(b)(iv). Global RSU Award Grant Notice.

² Clause 4(b)(iv). Global RSU Award Grant Notice.

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

EMPLOYER STATEMENT

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”).

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.

1. Date of Grant

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.

2. Terms or conditions for grant of the RSU Award

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.

3. Vesting conditions

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.

4. Exercise price

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.

5. The Participant’s rights upon termination of Continuous Service

The treatment of the RSU Award upon termination of the Participant’s

SÆRLIG MEDDELELSE TIL MEDARBEJDERE I DANMARK

ARBEJDSGIVERERKLÆRING

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”).

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.

1. Tildelingstidspunkt

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.

2. Kriterier eller betingelser for tildelingen af Betingede Aktier

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.

3. Modningsvilkår

De Betingede Aktier modnes over en nærmere fastsat periode, forudsat at Deltageren fortsat er ansat. Den fastsatte modningsperiode fremgår af Aftalen.

4. Udnyttelseskurs

Der skal ikke betales nogen udnyttelseskurs i forbindelse med tildelingen af Betingede Aktier og Selskabets udstedelse af Ordinære Aktier til Deltageren.

5. Deltagerens retsstilling i forbindelse med ophør af uafbrudt beskæftigelse

<p>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>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>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> <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.

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 50,000 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 can be made available to you upon request. 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 June 30 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 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

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 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 (5) 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.

Consimțământ cu privire la limba. Prin acceptarea acordării de RSU-uri, confirmați ca aveți un nivel adecvat de cunoaștere în ce privește citirea și înțelegerea limbii engleze, și ați citit și confirmați ca ați înțeles pe deplin termenii documentelor referitoare la acordare (anuntul, Acordul și Planul), care au fost furnizate în limba engleză. Acceptați termenii acestor documente în consecință.

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.*

Saudi Arabia

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 (i) 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; (ii) the RSU Award and any underlying shares of Class A Common Stock 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; and (iii) except as provided for in the Nature of Grant provision in this Appendix B, the RSU Award shall cease vesting upon your termination of Continuous Service, as detailed below. 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**”).

Thailand

Exchange Control Information. Thai residents realizing USD 1,000,000 or more of cash proceeds in a single transaction from the sale of shares of Class A Common Stock or from dividends paid on such shares of Class A Common Stock must immediately repatriate all cash proceeds to Thailand (or utilize such funds offshore for permissible purposes) and provide details of the transaction (*i.e.*, identification information, and purpose of the transaction) to the receiving bank. Further, you must convert such proceeds to Thai Baht within 360 days of repatriation or deposit the funds in an authorized foreign exchange account in Thailand. The inward remittance must also be reported to the Bank of Thailand on a foreign exchange transaction form.

In case you will not repatriate such funds but you will utilize them offshore for permissible purposes (*i.e.* purposes not listed in the negative list prescribed by the Bank of Thailand), you must obtain a waiver of the repatriation requirement from the commercial bank in Thailand by submitting an application and supporting documents evidencing that such funds will be utilized offshore for permissible purposes.

You should consult a personal legal advisor prior to taking any action with respect to the remittance of proceeds into Thailand.

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



March 4, 2025
Michael Gannon

Dear Michael,

We are excited to offer you the position of Chief Revenue Officer reporting to Sridhar Ramaswamy. You will work out of our office in Atlanta, Georgia.

Compensation and Benefits Information

Your annual salary will be **\$500,000** per year, less taxes, payroll deductions and withholding. Our pay frequency is bi-weekly and you will receive your paycheck every other Friday (except if Friday falls on a holiday, then payday will be the day prior). You are eligible for benefits as set forth in Snowflake's Employee Benefits Guide.

Annual Bonus

You will be eligible to participate in the Quarterly Corporate Bonus Plan (the "**Bonus Plan**"). Your annual incentive bonus target is **\$500,000**. Any bonus is payable at Snowflake's discretion based upon both Company and individual performance.

Your eligibility and compensation under this Bonus Plan will be governed under the terms of the Bonus Plan and applicable Snowflake policy, as established from time to time. The payment of any bonus (if any) and its amount will be at the absolute discretion of Snowflake. Bonuses are calculated and paid quarterly, and you will first be eligible for a bonus payout with respect to your first full quarter of employment. All payouts are at management's discretion and are not guaranteed. Snowflake reserves the right to review, amend, or replace the Bonus Plan at any time in its sole discretion.

Sign-On Bonus

If your employment with Snowflake begins on or before March 14, 2025, you will be eligible to earn a one-time \$1,900,000 sign-on bonus ("**Sign-On Bonus**"), less taxes, payroll deductions, and withholdings, provided you complete one year of employment with Snowflake. Snowflake will advance the Sign-On Bonus to you in your first regular paycheck (the "**Advance**"), provided that you are actively and continuously employed by Snowflake in good standing and not subject to notice of termination on the payment date. The Advance will become earned once you have completed one (1) year of continuous employment with Snowflake (your "**Anniversary**"). You agree that if, prior to your Anniversary, you have provided Snowflake notice that you are terminating your employment other than for Good Reason or Snowflake has given you notice that your employment will terminate for Cause ("**Good Reason**" and "**Cause**" as defined in Snowflake's [Severance and Change in Control Plan](#) (as amended from time to time, the "**Severance Plan**")), you will repay the Sign-On Repayment Amount in full within ten (10) business days of Snowflake's written request. You hereby authorize Snowflake to withhold such amount from any

amounts owed to you by Snowflake, to the extent legally permitted. You further agree to execute any documents and/or agreements necessary to allow Snowflake to withhold the repayment.

Equity

Following the day you begin employment with Snowflake (your **"Start Date"**) and subject to approval by Snowflake's Board of Directors or an authorized committee thereof (the **"Board"**), you will be granted the following equity awards:

- A restricted stock unit award (the **"RSU Award"**) with respect to a number of shares of Snowflake's Class A Common Stock (**"Common Stock"** or **"Shares"**) equal to **USD \$50,000,000**.

The RSU Award will vest as follows: a percentage of the RSU Award, which will be determined based on the month in which your Start Date falls as set forth on Appendix A attached hereto, will vest on the first Quarterly Vest Date after your Vesting Commencement Date (defined below), and 6.25% of the RSU Award will vest on each Quarterly Vest Date (defined below) thereafter until your last Quarterly Vest Date, on which date all then-unvested Shares subject to the RSU Award will vest, subject in each case to your Continuous Service (as defined in the Snowflake Inc. 2020 Equity Incentive Plan, as amended from time to time (the **"Plan"**)) through each such date.

- A corporate performance restricted stock unit award (the **"Corporate PRSU Award"** with respect to a number of Shares equal to **USD \$5,000,000** (the **"Target Amount"**).

Your Corporate PRSU Award will be subject to the standard methodology approved by the Board for members of the executive leadership team. Corporate performance metrics, weightings, and targets will be set by the Board for fiscal year 2026, and will be measured at the end of fiscal year 2026 to determine the achieved amount of the PRSU Award. Depending upon the weighted average performance across all performance metrics, you will have the opportunity to achieve up to a maximum of 120% of the Target Amount. If the weighted average performance across all performance metrics is less than 80% of the targets, achievement of the Corporate PRSU Award will be zero (i.e., no portion of the PRSU Award will vest). Any achieved portion of the Corporate PRSU Award will vest as follows: 25% of the achieved amount will vest on March 8, 2026, with quarterly vesting of 6.25% thereafter on each Quarterly Vest Date, so that the achieved portion of the Corporate PRSU Award will be fully vested on March 8, 2029, subject to your Continuous Service (defined in the Plan) through each vesting date.

- A revenue performance restricted stock unit award (the **"Revenue PRSU Award"** and, together with the RSU Award and the Corporate PRSU Award, the **"Equity Awards"**) with respect to a number of Shares equal to **USD \$2,500,000** (the **"Maximum Amount"**).

The number of Shares underlying the Revenue PRSU Award will represent the maximum number of Shares that can be earned under the Revenue PRSU Award. The value of the actual number of Shares earned under the Revenue PRSU Award will equal \$500,000 for every 100 basis points that Snowflake's actual FY26 total revenue exceeds the FY26 total revenue target presented to the Board, with achievement determined on a linear basis (the **"Earned Revenue PRSU Amount"**). The number of Shares representing the Earned Revenue PRSU Amount will be determined based on the Grant Conversion Price. Achievement will be measured after the end of Snowflake's FY26. Shares representing 25% of the Earned Revenue PSU Amount will vest on each Snowflake Quarterly Vest Date starting in March 2026, resulting in full vesting of the Earned

Revenue PRSU Amount on Snowflake's Quarterly Vest Date in December 2026, subject to your Continuous Service (as defined in the Plan) through each such date.

The number of Shares subject to each Equity Award will be calculated by dividing the intended dollar value listed above by the average daily closing price of a Share on the New York Stock Exchange for the ten (10) trading days ending on (and including) the final trading day of the month in which your Start Date falls, rounded up to the nearest whole share (the "**Grant Conversion Price**").

The Equity Awards will be granted under and subject to the terms of the Plan, the award agreement issued thereunder, and Snowflake's policies in effect from time to time, all of which will control in the event of any conflict with this offer letter. Subject to the below, if your Continuous Service terminates prior to any applicable vesting date, then the unvested portion of your Equity Awards, and your right to receive shares subject to such unvested portion, will immediately terminate. To the extent any Shares underlying either the Corporate PRSU Award or the Revenue PRSU Award are not earned, the unearned Shares will be automatically cancelled for no consideration.

Severance

You will be eligible for severance benefits as a Tier II employee under the Severance Plan.

Other Details

As required by law, your employment with Snowflake is contingent upon your providing legal proof of your identity and authorization to work in the United States.

In addition, Snowflake conducts background and reference checks on all of its potential employees. Your job offer, therefore, is contingent upon clearance of such background and reference checks. Further information regarding our background check will follow your signature of this letter.

As a condition of employment, you are also required to execute Snowflake's standard form of Employee Proprietary Information and Inventions Assignment Agreement attached as [Appendix B](#).

If you accept this offer, you understand and agree that your employment is "at-will" and is for no specific period of time. This means you may resign at any time, for any reason. Likewise, we can end or change our employment relationship with you, with or without cause or advance notice. This also means that Snowflake may change your position, duties, reporting relationship, work location, compensation and benefits from time to time at its discretion.

This offer letter, together with your Employee Proprietary Information and Inventions Assignment Agreement, forms the complete and exclusive statement of your employment agreement with Snowflake. It supersedes any other agreements or promises made to you by anyone, whether oral or written. Changes in your employment terms, other than those changes expressly reserved to Snowflake's discretion in this letter, require a written modification signed by an officer of Snowflake.

You may accept this offer by signing this letter and the enclosed Employee Proprietary Information and Inventions Assignment Agreement and returning them to me.

We look forward to having you join us and contribute to Snowflake's success.

Best Regards,

/s/ Sridhar Ramaswamy

Sridhar Ramaswamy
Chief Executive Officer

Accepted:

/s/ Michael Gannon

Michael Gannon

March 4, 2025

Date

Expected Start Date: March 14, 2025

Appendix A

Month of Start Date	RSU Grant Approval Date	Vesting Commencement Date (VCD)	First Quarterly Vest Date	% Vested on First Quarterly Vest*	% Vested on Each Subsequent Quarterly Vest	% Vested on Final Quarterly Vest	Grant Fully Vested
March 2025	April 2025	June 8, 2025	September 8, 2025	10.42%	6.25%	2.08%	June 8, 2029
April 2025	May 2025	June 8, 2025	September 8, 2025	8.33%	6.25%	4.17%	June 8, 2029
May 2025	June 2025	June 8, 2025	September 8, 2025	6.25%	6.25%	6.25%	June 8, 2029

Your “**Vesting Commencement Date**” will depend on your Start Date, and will (i) fall in March if your Start Date is in December, January or February, (ii) fall in June if your Start Date is in March, April or May, (iii) fall in September if your Start Date is in June, July or August, and (iv) fall in December if your Start Date is in September, October or November.

Snowflake’s “**Quarterly Vest Dates**” will fall within March, June, September, and December of each year.

Appendix B

EMPLOYEE PROPRIETARY INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT

In consideration of my employment or continued employment by Snowflake Inc. (the “**Employer**”) (together with its subsidiaries, parents, affiliates, successors, and assigns, “**Company**”), the compensation paid to me now and during my employment with Employer, and Company’s agreement to provide me with access to its Confidential Information (as defined herein), I agree to the terms set forth in this Employee Proprietary Information and Inventions Assignment Agreement (the “**Agreement**”) as follows:

1. **CONFIDENTIAL INFORMATION PROTECTIONS.**

1.1 Nondisclosure; Recognition of Company’s Rights. At all times during and after my employment, I will hold in confidence and will not disclose, use, lecture upon, or publish any of Company’s Confidential Information, except as may be required in connection with my work for Company, as expressly authorized by Employer’s President or Chief Executive Officer (the “**CEO**”), or as otherwise provided in Section 3.2. I will obtain the President or CEO’s written approval before publishing or submitting for publication any material (written, oral, or otherwise) that relates to my work at Company and/or incorporates any Confidential Information. I hereby assign to Company any rights I may have or acquire in any and all Confidential Information and recognize that all Confidential Information shall be the sole and exclusive property of Company and its assigns.

1.2 Confidential Information. The term “**Confidential Information**” shall mean any and all confidential knowledge, data or information related to Company’s business or its actual or demonstrably anticipated research or development, including, without limitation: (a) trade secrets, inventions, ideas, processes, computer source and object code, data, formulae, programs, other works of authorship, know-how, improvements, discoveries, developments, designs, and techniques; (b) information regarding products, services, plans for research and development, marketing and business plans, budgets, financial statements, contracts, prices, suppliers, and customers; (c) information regarding the skills and compensation of Company’s employees, contractors, and any other service providers of Company; and (d) the existence of any business discussions, negotiations, or agreements between Company and any third party.

1.3 Third Party Information. I understand that Company has received and in the future will receive from third parties confidential or proprietary information (“**Third Party Information**”) subject to a duty on Company’s part to maintain the confidentiality of such information and to use it only for certain limited purposes. During and after the term of my employment, I will hold Third Party Information in strict confidence and will not disclose to anyone (other than Company personnel who need and are authorized to know such information in connection with their work for Company) or use, Third Party Information, except in connection with my work for Company or unless expressly authorized by an officer of Company in writing.

1.4 No Improper Use of Information of Prior Employers and Others. I represent and warrant that my employment by and performance of specific services for Employer and Company does not and will not breach any lawful agreement with any former employer, including any noncompete agreement or any agreement to keep in confidence or refrain from using information acquired by me prior to my employment. I further represent that I have not entered into, and will not enter into, any agreement, either written or oral, in conflict with my obligations under this Agreement. During my employment by Employer, I will not improperly make use of, or disclose, any information or trade secrets of any former employer or other third party, nor will I bring onto the premises or property of Company or use any unpublished documents or any property belonging to any former employer or other third party, in violation of any lawful agreements with or obligations to that former employer or third party. I will use in the performance of my duties only information that is generally known and used by persons with training and experience comparable to my own, is common knowledge in the industry or

otherwise legally in the public domain, or is otherwise provided or developed by Company.

2. INVENTIONS.

2.1 Definitions. As used in this Agreement, the term “**Invention**” means any ideas, concepts, information, materials, processes, data, programs, computer programs (including in source and object code form), know-how, improvements, discoveries, developments, designs, artwork, formulae, other copyrightable works, and techniques and all Intellectual Property Rights in any of the items listed above. The term “**Intellectual Property Rights**” means all trade secrets, copyrights, trademarks, mask work rights, patents and other intellectual property rights recognized by the laws of any jurisdiction or country. The term “**Moral Rights**” means all paternity, integrity, disclosure, withdrawal, special and any other similar rights recognized by the laws of any jurisdiction or country.

2.2 Prior Inventions. I have disclosed on **Exhibit B-1** a complete list of all Inventions (a) that I have, or I have caused to be, alone or jointly with others, conceived, developed, or reduced to practice prior to the commencement of my employment by Employer; (b) in which I have an ownership interest or a license to use; (c) that are necessary or useful in Company's business as currently conducted and currently proposed to be conducted in the future; and (d) that I wish to have excluded from the scope of this Agreement (collectively referred to as “**Prior Inventions**”). If no Prior Inventions are listed in **Exhibit B-1**, I warrant that there are no Prior Inventions. I agree that I will not incorporate, or permit to be incorporated, Prior Inventions in any Company Inventions (defined below) without Company's prior written consent. If, in the course of my employment with Employer, I incorporate a Prior Invention into a Company process, machine or other work, I hereby grant Company a non-exclusive, perpetual, fully-paid and royalty-free, irrevocable and worldwide license, with rights to sublicense through multiple levels of sublicensees, to reproduce, make derivative works of, distribute, publicly perform, and publicly display in any form or medium, whether now known or later developed, make, have made, use, sell, import, offer for sale, and exercise any and all present or future rights in, such Prior Invention.

2.3 Assignment of Company Inventions. Inventions assigned to Company or to a third party as directed by Company pursuant to the subsection titled Government or Third Party are referred to in this Agreement as “**Company Inventions**.” Subject to the subsection titled Government or Third Party, I hereby assign and agree to assign in the future (when any such Inventions or Intellectual Property Rights are first reduced to practice or first fixed in a tangible medium, as applicable) to Company all my right, title, and interest in and to any and all Inventions (and all Intellectual Property Rights with respect thereto) made, conceived, reduced to practice, or learned by me, either alone or with others, during the period of my employment by Employer. Any assignment of Inventions (and all Intellectual Property Rights with respect thereto) hereunder includes an assignment of all Moral Rights. To the extent such Moral Rights cannot be assigned to Company and to the extent the following is allowed by the laws in any country where Moral Rights exist, I hereby unconditionally and irrevocably waive the enforcement of such Moral Rights, and all claims and causes of action of any kind against Company or related to Company's customers, with respect to such rights. I further acknowledge and agree that neither my successors-in-interest nor legal heirs retain any Moral Rights in any Inventions (and any Intellectual Property Rights with respect thereto). Notwithstanding the foregoing, I recognize that this Agreement will **not** be deemed to require assignment of any Invention that I developed entirely on my own time without using the Company's equipment, supplies, facilities, trade secrets, or Confidential Information, except for those Inventions that either (i) relate to Company's actual or anticipated business, research, or development, or (ii) result from or are connected with work performed by me for Company. In addition, this Agreement does not apply to any Invention that qualifies fully for protection from assignment to the Company under any specifically applicable state law, regulation, rule or public policy, as more specifically described in **Exhibit B-1** for employees working in certain states. I have listed any such Inventions that I believe are exempt from the assignment and waiver provisions in this section in **Exhibit B-1**.

2.4 Obligation to Keep Company Informed. During the period of my employment and for one (1) year after my employment ends, I will promptly and fully disclose to Company in writing (a) all Inventions authored, conceived, or reduced to

practice by me, either alone or with others, and (b) all patent applications filed by me or in which I am named as an inventor or co-inventor.

2.5 Government or Third Party. I agree that, as directed by Company, I will assign to a third party, including without limitation the United States, all my right, title, and interest in and to any particular Company Invention.

2.6 Enforcement of Intellectual Property Rights and Assistance. During and after the period of my employment and at Company's request and expense, I will assist Company in every proper way, including consenting to and joining in any action, to obtain and enforce United States and foreign Intellectual Property Rights and Moral Rights relating to Company Inventions in all countries. If Company is unable to secure my signature on any document needed in connection with such purposes, I hereby irrevocably designate and appoint Company and its duly authorized officers and agents as my agent and attorney in fact, which appointment is coupled with an interest, to act on my behalf to execute and file any such documents and to do all other lawfully permitted acts to further such purposes with the same legal force and effect as if executed by me.

2.7 Incorporation of Open Source Software Code. I agree that I will not, without the express written permission of Company, incorporate into any proprietary or licensed Company software or otherwise deliver to Company any software code licensed under the GNU General Public License or Lesser General Public License or any other license that, by its terms and the manner the code is delivered and/or integrated with the proprietary or licensed Company software, requires the distribution of such proprietary or licensed Company software code in source code form under the terms of the open source license.

3. PROTECTED ACTIVITIES

3.1 Immunity for Disclosures to Government or Court. Notwithstanding anything to the contrary in this Agreement, in accordance with the Defend Trade Secrets Act of 2016 (18 U.S.C. Section 1833(b)), I will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney,

and solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, if I sue Company for retaliation based on the reporting of a suspected violation of law, I may disclose a trade secret to my attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and I do not disclose the trade secret except pursuant to court order.

3.2 Protected Activity. Notwithstanding anything to the contrary herein, nothing in this Agreement shall prevent me from: (a) discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that I have a reason to believe is unlawful; (b) filing a charge or complaint with, or otherwise communicating or cooperating with, or participating in any investigation or proceeding that may be conducted by law enforcement or any federal, state, or local government agency, entity, or commission (collectively, a "Governmental Entity"), including the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, and the National Labor Relations Board, including disclosing documents or other information as permitted by law, without giving notice to, or receiving authorization from, Company; (c), discussing the terms and conditions of my employment with others to the extent expressly permitted by Section 7 of the National Labor Relations Act; and, (d) disclosing or communicating information to the extent that such disclosure is protected under the applicable provisions of law or regulation, including, but not limited to, "whistleblower" statutes or other similar provisions that protect such disclosure, provided that (i) in each case such communications and disclosures are consistent with applicable law; and (ii) the information subject to such disclosure was not obtained by me through a communication that was subject to the attorney client privilege or otherwise constitutes attorney work product, unless such disclosure of that information would otherwise be permitted by an attorney pursuant to 17 C.F.R. 205.3(d)(2), applicable state attorney conduct rules, or otherwise. I understand that I should take all reasonable precautions to prevent any unauthorized use or disclosure of Company Confidential

Information to any parties other than a Government Entity.

4. **RECORDS.** I agree to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that is required by Company) of all Inventions made by me during the period of my employment by Company, which records shall be available to, and remain the sole property of, Company at all times.

5. **ADDITIONAL ACTIVITIES.** I agree that during the term of my employment by Employer, I will not without Company's express written consent, engage in any employment or business activity that is competitive with, or would otherwise conflict with my employment. Additionally, to the extent applicable to me or modified for me as described in **Exhibit B-1** based on the jurisdiction in which I work, for the period of my employment by Employer and for one (1) year thereafter, I will not either directly or indirectly, solicit or attempt to solicit any employee, independent contractor, or consultant of Company to terminate his, her or its relationship with Company in order to become an employee, consultant, or independent contractor to or for any other person or entity. I am hereby advised in writing to consult with an attorney prior to entering into this Agreement.

6. **RETURN OF COMPANY PROPERTY.** Upon termination of my employment or upon Company's request at any other time, I will deliver to Company all of Company's property, equipment, and documents, together with all copies thereof, and any other material containing or disclosing any Inventions, Third Party Information or Confidential Information and certify in writing that I have fully complied with the foregoing obligation. I agree that I will not copy, delete, or alter any information contained upon my Company computer or Company equipment before I return it to Company. In addition, if I have used any personal computer, server, or e-mail system to receive, store, review, prepare or transmit any Company information, including but not limited to, Confidential Information, I agree to provide Company with a computer-useable copy of all such Confidential Information and then permanently delete and expunge such Confidential Information from those systems; and I agree to provide Company access to my system as reasonably requested to verify that the necessary

copying and/or deletion is completed. I further agree that any property situated on Company's premises and owned by Company is subject to inspection by Company's personnel at any time with or without notice. Prior to the termination of my employment or promptly after termination of my employment, I will cooperate with Company in attending an exit interview and certify in writing that I have complied with the requirements of this section.

7. **NOTIFICATION TO NEW EMPLOYER.** If I leave the employ of Employer, I consent to the notification of my new employer of my rights and obligations under this Agreement, by Company providing a copy of this Agreement or otherwise.

8. **DISPUTES.**

8.1 **Arbitration.** Any dispute, controversy or claim between me and the Company, including (without limitation) any claim arising out of or relating to either: (a) this Agreement, its enforcement, performance, arbitrability or interpretation, or because of an alleged breach, default, or misrepresentation in connection with any of its provisions, or (b) my employment with Employer or termination of such employment, including in each case any alleged violation of statute, common law or public policy, shall be submitted to and decided by final and binding arbitration. Arbitration shall be administered exclusively by JAMS, and held in the JAMS office closest to the location where I primarily performed services for the Company, before a single arbitrator, in accordance with the then-current JAMS Employment Arbitration Rules and Procedures (which may be obtained at www.jamsadr.com or by contacting Human Resources) and the Federal Arbitration Act, 9 U.S.C. §§ 1-16 and 401-402 ("**FAA**"), as modified by the terms and conditions contained in this paragraph. The arbitrator shall have the authority to compel adequate discovery (including third-party subpoenas and any other type of discovery that would have been available to the parties had the dispute been raised in a court of competent jurisdiction) for the resolution of the dispute and to award such relief as would otherwise be permitted by law. If any party prevails on a statutory claim that affords the prevailing party attorneys' fees and costs, then the arbitrator may award reasonable attorneys' fees and costs to the prevailing party to the extent permitted by applicable law. Any dispute as to who is a prevailing party and/or the reasonableness of any fee or costs shall be

resolved by the arbitrator. By initialing below, I agree to waive all rights to a jury trial for disputes subject to arbitration under this Agreement. The Company acknowledges that I will have the right to be represented by legal counsel at any arbitration proceeding, at my own expense. This Section 8 shall not apply to an action or claim that cannot be subject to mandatory arbitration as a matter of law, including, without limitation, sexual assault disputes and sexual harassment disputes as defined in the FAA, to the extent such claims are not permitted by applicable law(s) to be submitted to mandatory arbitration and the applicable law(s) are not preempted by the FAA or otherwise invalid (collectively, the **"Excluded Claims"**). In the event I intend to bring multiple claims, including one of the Excluded Claims listed above, I understand that the Excluded Claims may be filed with a court, while any other claims will remain subject to mandatory arbitration. The arbitrator shall issue a written arbitration decision regarding the disposition of each claim and the relief, if any awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The Company shall pay all JAMS' arbitration fees in excess of the amount of court fees that would be required of me if the dispute were decided in a court of law. This Agreement to arbitrate is freely and knowingly negotiated between me and Company in good faith and is mutually entered into between the parties. Company and I agree that arbitration is to each party's advantage. Company and I further agree that the mutual promises to arbitrate our disputes, along with the other consideration provided to me in exchange for this Agreement, provide full, adequate, and bargained-for consideration for this mutual agreement to arbitrate, which is binding and is a mutual condition of my employment. I understand and agree that I am giving up certain rights otherwise afforded to me by civil court actions, including but not limited to the right to a jury trial. Nothing in this Agreement is intended to prevent either me or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. In addition to my rights set forth in Section 3.2, I understand and acknowledge my right to participate in a proceeding with any federal, state, or local government agency; make any truthful statements or disclosures required by law, regulation, or legal process; and request or receive confidential legal advice.

8.2 Governing Law and Venue. This section 8.2 (Governing Law and Venue) is subject to Section 8.1 (Arbitration). This Agreement will be governed and interpreted by and under the laws of the state in which my primary place of work is located, without giving effect to any conflicts of laws principles that require the application of the law of a different state. Any awards or orders in arbitration may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction. Enforcement of this Agreement may not be precluded or delayed on the grounds that (1) a party to this Agreement also is a party to a pending court action or special proceeding with a third party arising out of the same transaction or series of related transactions, or (2) a party to this Agreement asserts arbitrable and non-arbitrable claims. In the event that a party to this Agreement asserts arbitrable and non-arbitrable claims in court, the Company and I agree that either party may file a motion to stay the litigation of the non-arbitrable claims until completion of the arbitration of the arbitrable claims, and the other party will not oppose the motion to stay.

8.3 Class and Collective Action Waiver for Employment-Related Claims. Subject to Section 8.1 (Arbitration), I and Company expressly intend and agree that, to the furthest extent permitted by law: (a) class action and collective action procedures shall not be asserted, and will not apply, in any arbitration under this Agreement; (b) each will not assert class or collective action claims against the other in arbitration, court, or any other forum; (c) each shall only submit their own, individual claims in arbitration and shall not bring claims against the other in any representative capacity on behalf of any other individual; and (d) any claims I might have will not be joined, consolidated, or heard together with claims of any other current or former employee of Company. Notwithstanding anything to the contrary in the JAMS rules, the FAA, and the general grant of authority to the arbitrator in paragraph 8.1 (Arbitration) of the power to determine issues of arbitrability, the arbitrator shall have no jurisdiction or authority to compel any class or collective claim, to consolidate different arbitration proceedings, or to join any other party to an arbitration between me and Company. Notwithstanding anything to the contrary in the JAMS rules related to employment arbitration, the arbitrator shall have, to the extent permitted by law, the

authority to determine the enforceability of this class, collective, representative, and multi-plaintiff/claimant action waiver. If the class, collective, representative, or multi-plaintiff/claimant action waiver or prohibition on class arbitration is deemed invalid or unenforceable in whole or part, then the remaining enforceable portions of the waiver and arbitration agreement will remain in force and I agree to stay any claims not subject to individual arbitration until after all claims subject to arbitration are fully resolved. To the extent that I seek to bring any claim(s) under the California Private Attorneys General Act ("PAGA") or other private attorneys general act statute, any individual claim(s) shall be arbitrated on an individual basis, and any non-individual claim(s) that may be brought in court shall be stayed for the duration and pending a final resolution of the arbitration of any individual PAGA or private attorneys general act claim(s).

8.4 MG By initialing here, I acknowledge that I have read this section 8 (Disputes) and agree with the arbitration provision and class action waiver in it.

9. GENERAL PROVISIONS.

9.1 Severability. If any provision of this Agreement is, for any reason, held to be invalid or unenforceable, the other provisions of this Agreement will remain enforceable and the invalid or unenforceable provision will be deemed modified so that it is valid and enforceable to the maximum extent permitted by law.

9.2 Survival. This Agreement shall survive the termination of my employment and the assignment of this Agreement by Company to any successor or other assignee and shall be binding upon my heirs and legal representatives.

9.3 Employment. I agree and understand that nothing in this Agreement shall give me any right to continued employment by Company, and it will not interfere in any way with my right or Company's right to terminate my employment at any time, with or without cause and with or without advance notice.

9.4 Notices. Each party must deliver all notices or other communications required or permitted under this Agreement in writing to the other party at the address listed on the signature page, by

courier, by certified or registered mail (postage prepaid and return receipt requested), or by a nationally-recognized express mail service. Notice will be effective upon receipt or refusal of delivery. If delivered by certified or registered mail, notice will be considered to have been given five (5) business days after it was mailed, as evidenced by the postmark. If delivered by courier or express mail service, notice will be considered to have been given on the delivery date reflected by the courier or express mail service receipt. Each party may change its address for receipt of notice by giving notice of the change to the other party.

9.5 Injunctive Relief. I acknowledge that, because my services are personal and unique and because I will have access to the Confidential Information of Company, any breach of this Agreement by me would cause irreparable injury to Company for which monetary damages would not be an adequate remedy and, therefore, will entitle Company to injunctive relief (including specific performance). The rights and remedies provided to each party in this Agreement are cumulative and in addition to any other rights and remedies available to such party at law or in equity.

9.6 Waiver. Any waiver or failure to enforce any provision of this Agreement on one occasion will not be deemed a waiver of that provision or any other provision on any other occasion.

9.7 Export. I agree not to export, reexport, or transfer, directly or indirectly, any U.S. technical data acquired from Company or any products utilizing such data, in violation of the United States export laws or regulations.

9.8 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be taken together and deemed to be one instrument.

9.9 Entire Agreement. If no other agreement governs nondisclosure and assignment of inventions during any period in which I was previously employed or am in the future employed by Company as an independent contractor, the obligations pursuant to sections of this Agreement titled Confidential Information Protections and

Inventions shall apply. This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior communications between us with respect to such matters. No modification of or amendment to this Agreement, or

any waiver of any rights under this Agreement, will be effective unless in writing and signed by me and the President or CEO of Company. Any subsequent change or changes in my duties, salary or compensation will not affect the validity or scope of this Agreement.

[Signature Page Follows]

This Agreement shall be effective as of the first day of my employment with Company, even if signed at a later date.

EMPLOYEE:
**I HAVE READ, UNDERSTAND, AND ACCEPT THIS AGREEMENT
AND HAVE BEEN GIVEN THE OPPORTUNITY TO REVIEW IT
WITH INDEPENDENT LEGAL COUNSEL.**

/s/ Michael Gannon

Michael Gannon

Date: March 4, 2025

SNOWFLAKE INC.:
ACCEPTED AND AGREED:

/s/ Sridhar Ramaswamy

Name: Sridhar Ramaswamy

Title: Chief Executive Officer

EXHIBIT B-1

INVENTIONS

Prior Inventions Disclosure. The following is a complete list of all Prior Inventions (as provided in Subsection 2.2 of the attached Employee Proprietary Information and Inventions Assignment Agreement, defined herein as the "**Agreement**");

X None

See immediately below:

STATE SPECIFIC NOTIFICATIONS/MODIFICATIONS (AS APPLICABLE)

For Employees Working in California Only

THIS IS TO NOTIFY you in accordance with Section 2870 of the California Labor Code that the Agreement between you and Company does not require you to assign, or offer to assign, any of your rights in an invention to Company if you developed the invention entirely on your own time without using Company's equipment, supplies, facilities, or trade secret information except for those inventions that either:

1. Relate at the time of conception or reduction to practice of the invention to Company's business, or actual or demonstrably anticipated research or development; or
2. Result from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to require you to assign an invention otherwise excluded from being required to be assigned as described above, the provision is against the public policy of this state and is unenforceable.



3/19/2025

Chris Degnan
260 Hubbard Ave
Redwood City CA 94061

Dear Chris:

This letter agreement (the "**Letter Agreement**") sets forth details about your transition and resignation from Snowflake Inc. (the "**Company**" and, together with its subsidiaries and other corporate affiliates, the "**Company Group**"). It will become effective on the date that the last party signs it, as set forth on the signature page hereto (the "**Effective Date**").

1. **Separation Date and Transition Period.**

a. You acknowledge that, effective as of March 14, 2025 (the "**Transition Date**"), you resigned from the role of Chief Revenue Officer and assumed the role of Strategic Advisor to CEO. As part of this transition, you will continue to report directly to the Company's Chief Executive Officer, and the employees that reported to you in your capacity as Chief Revenue Officer will report to the Company's successor Chief Revenue Officer.

b. You and the Company agree to continue your employment following the Transition Date until a date to be mutually determined by you and the Company, which will be no later than December 31, 2025 (your actual final day of employment, the "**Separation Date**"). The period beginning on the Transition Date and ending on the Separation Date is referred to herein as the "**Transition Period**." In the event that you and the Company do not agree upon an earlier date, your employment will automatically terminate on December 31, 2025.

c. During the Transition Period, you will actively support a smooth transition of duties to the Company's successor Chief Revenue Officer and make yourself available to your management chain, peers, and cross-functional partners. Through your Separation Date, you must continue to comply with all of the Company's policies and procedures and with all of your statutory and contractual obligations to the Company, including, without limitation, your obligations under your Proprietary Information and Inventions Agreement dated September 6, 2013 (your "**PIIA**").

d. During the Transition Period, you will continue to be an employee of the Company. This means that (i) you will continue to receive your salary; (ii) you will remain eligible to participate in the Quarterly Corporate Bonus Plan (the "**Bonus Plan**")¹; (iii) you will remain eligible for the Company's standard benefits, subject to their terms and conditions; and (iv) you will continue provide "Continuous Service" under the Snowflake Inc. 2012 Equity Incentive Plan and the Snowflake Inc. 2020 Equity Incentive Plan (together, the "**Plans**") such that your outstanding equity awards will continue to vest.

¹ Any bonus is payable at the Company's sole discretion based upon both Company and individual performance. Your eligibility and compensation under this Bonus Plan will be governed under the terms of the Bonus Plan and applicable Company policy, as established from time to time.

e. You acknowledge that you have voluntarily resigned from your employment with the Company. Nothing in this Letter Agreement alters your employment at will status. Accordingly, you are entitled to resign your employment at any time for any reason, and the Company may terminate your employment with or without Cause (as defined below) or advance notice.

2. **Severance.** In consideration to you for the Company's entry into this Letter Agreement and provided that you enter into and allow to become effective a release of claims following your Separation Date on the Company's form (the "**Separation Date Agreement**"), and provided further that the Company does not elect to terminate the benefits set forth in this Section in connection with Section 4 (Early Termination) below, the Company agrees to the following (the "**Severance Benefits**"):

a. **Cash Payments.** In the event that your Separation Date occurs before December 31, 2025 (the period between your actual Separation Date and December 31, 2025 referred to as the "**Bridge Period**"), the Company will pay you a cash amount equal to your current base salary and bonus target under the Bonus Plan assuming 100% corporate funding that would have been payable during the Bridge Period had you remained an employee, less applicable taxes and deductions.

b. **COBRA Reimbursement.** In the event that your Separation Date occurs before December 31, 2025, and upon your timely election with your insurance provider to continue your existing health benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("**COBRA**") and providing proof of the election to the Company, the Company will pay the insurance premiums to continue your existing health benefits during the Bridge Period. However, if you become employed by another company during the Bridge Period, then you will no longer be eligible to receive COBRA reimbursement.

c. **Consulting Arrangement.** Provided you enter into the Consulting Agreement attached hereto as **Exhibit A** prior to or on your Separation Date, then you will be appointed to serve as a consultant to the Company on the terms and conditions set forth in the Consulting Agreement. As described more fully in the Consulting Agreement, the term of the Consulting Agreement will begin on the Separation Date and end on the earlier of (i) your failure to timely sign the Separation Date Agreement; (ii) your failure to allow the releases set forth in the signed Separation Date Agreement to become effective; (iii) the last day of the sixth month following your Separation Date; and (iv) any earlier termination date provided for in the Consulting Agreement. You and the Company acknowledge and agree that the Consulting Agreement will be effective on the Separation Date, such that you do not have a break in Continuous Service under the Plans.

3. **Accrued Wages.** You will be paid your ordinary wages pursuant to the Company's normal payroll schedule through the Separation Date. On the Separation Date, the Company will pay you all accrued wages earned through the Separation Date that have not yet been paid to you, subject to standard payroll deductions and withholdings. You are entitled to these payments by law. The Separation Date is your employment termination date for all purposes, meaning you are not entitled to any further compensation, monies, or other benefits from the Company Group following the Separation Date, except as set forth in this Letter Agreement and the Consulting Agreement.

4. **Early Termination.** If, before December 31, 2025, your employment is terminated by the Company without Cause (defined below) or you resign and have not engaged in activity that

constitutes Cause, then you will continue to be eligible to receive the Severance Benefits, subject to the conditions in this Letter Agreement and the Consulting Agreement. If the Company terminates your employment for Cause or if you resign following activity that constitutes Cause (a ***“For Cause Separation”***), then, at the Company’s election, you will no longer be eligible to receive some or all of the Severance Benefits. For purposes of this Letter Agreement, ***“Cause”*** means any of the following: (i) your failure to perform your duties and responsibilities to the Company or violation of a Company policy; (ii) your commission of any act of fraud, embezzlement, dishonesty, or any other misconduct that has caused or is reasonably expected to result in injury to the Company; (iii) unauthorized use or disclosure by you of any proprietary information or trade secrets of the Company or any other party to whom you owe an obligation of nondisclosure as a result of your relationship with the Company; or, (iv) your breach of any of your obligations under any written agreement or covenant with the Company.

5. **Health Insurance.** Your existing health benefits through Snowflake will terminate at the end of the month in which the Separation Date falls. To the extent provided by COBRA, or if applicable, state insurance laws, and the Company’s current group health insurance policy, you are eligible to continue coverage under the Company health plan. You will be provided separate notice from our third-party vendor describing your rights and obligations under COBRA. If you choose to enroll in COBRA, it is your responsibility to complete and return the enrollment application by the due date noted in the paperwork sent by our third-party vendor.

6. **Other Compensation or Benefits.** You acknowledge that, except as expressly provided in this Letter Agreement, you have not earned and will not receive from the Company any additional compensation (including bonus, incentive compensation, or equity), severance, or benefits before or after the Separation Date, with the exception of any vested right you may have under either the express terms of a written ERISA-qualified benefit plan (e.g., 401(k) account). For the avoidance of doubt, you agree and acknowledge that you are not entitled to any benefits under the Snowflake Inc. Severance and Change in Control Plan.

7. **Expense Reimbursements.** You agree that, by the close of business on the Separation Date, you will submit your final documented expense reimbursement statement reflecting all business expenses you incurred through the Separation Date, if any, for which you seek reimbursement. The Company will reimburse you for these expenses pursuant to its regular business practice. You agree that any personal or unauthorized charges that you may have incurred on a Company credit card may be deducted from any amounts owed to you by the Company.

8. **Return of Company Property.** By the close of business on the Separation Date, you agree to return to the Company all Company documents (and all copies thereof) and other Company Group property which you have in your possession or control, including, but not limited to, Company Group files, notes, drawings, records, plans, forecasts, reports, studies, analyses, proposals, agreements, financial information, research and development information, sales and marketing information, customer lists, prospect information, pipeline reports, sales reports, operational and personnel information, specifications, code, software, databases, computer-recorded information, tangible property and equipment (including, but not limited to, computers, facsimile machines, mobile telephones, servers), credit cards, entry cards, identification badges and keys; and any materials of any kind which contain or embody any proprietary or confidential information of the Company Group (and all reproductions thereof in whole or in part). You agree that you will make a diligent search to locate

any such documents, property, and information by the close of business on the Separation Date. If you have used any personally-owned computer, server, or e-mail system to receive, store, review, prepare, or transmit any Company Group confidential or proprietary data, materials, or information, by the close of business on the Separation Date, you will permanently delete and expunge such Company Group confidential or proprietary information from those systems; and you agree that, if the Company reasonably believes that you have not complied with the foregoing, to provide the Company access to your system as requested to verify that the necessary deletion is done.

9. **Proprietary Information and Continuing Obligations.** You acknowledge and reaffirm your continuing obligations under your PIIA. **Specific reference is made to Section 4 of your PIIA, which provides that, for the period of your employment by Company and for one (1) year thereafter, you will not, either directly or indirectly, solicit or attempt to solicit any employee, independent contractor, or consultant of Company to terminate his, her, or its relationship with Company in order to become an employee, consultant, or independent contractor to or for any other person or entity.**

10. **No Admissions.** You understand and agree that the promises and payments in consideration of this Letter Agreement shall not be construed to be an admission of any liability or obligation by the Company to you or to any other person, and that the Company makes no such admission.

11. **Venue.** This Letter Agreement shall be governed in all respects by the laws of the State of California, as such laws are applied to agreements entered into and to be performed entirely within California between California residents. Any suit involving this Letter Agreement shall be brought in a court sitting in California. The parties agree that venue shall be proper in such courts, and that such courts will have personal jurisdiction over them.

12. **Miscellaneous.** This Letter Agreement, including all Exhibits, constitutes the complete, final and exclusive embodiment of the entire agreement between you and the Company with regard to its subject matter. This Letter Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. If you violate any of the post-termination obligations in Letter Agreement, the obligation at issue will run from the first date on which you cease to be in violation of such obligation. This Letter Agreement may not be modified or amended except in a writing signed by both you and a duly authorized officer of the Company. This Letter Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Letter Agreement is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Letter Agreement and the provision in question will be modified so as to be rendered enforceable. Any ambiguity in this Letter Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Letter Agreement shall be in writing and shall not be deemed to be a waiver of any successive breach. This Letter Agreement may be executed in counterparts and facsimile signatures will suffice as original signatures.

If this Letter Agreement is acceptable to you, please sign below.

We wish you the best.

Snowflake Inc.

By: /s/ Sridhar Ramaswamy
Name: Sridhar Ramaswamy
Title: Chief Executive Officer

I have read, understand and agree fully to the foregoing Letter Agreement:

Signature: /s/ Chris Degnan
Name: Chris Degnan
Date: March 19, 2025

Exhibit A

CONSULTING AGREEMENT

This Consulting Agreement (the “**Agreement**”) by and between Snowflake Inc. (the “**Company**”) and Chris Degnan, an individual (“**Consultant**” or “**you**”) is effective as of the Separation Date (as defined in the letter agreement signed on March 19, 2025 between the Company and Consultant (the “**Letter Agreement**”), to which this Consulting Agreement is attached as **Exhibit A**) (the “**Effective Date**”).

RECITALS

WHEREAS the parties desire for the Company to engage Consultant to perform the services described herein and for Consultant to provide such services on the terms and conditions described herein; and

WHEREAS, the parties desire to use Consultant’s independent skill and expertise pursuant to this Consulting Agreement as an independent contractor.

NOW THEREFORE, in consideration of the promises and mutual agreements contained herein, the parties hereto, intending to be legally bound, agree as follows:

1. **Engagement of Services.** Consultant agrees to provide consulting services as an advisor to the Company at the request of Sridhar Ramaswamy, the Company’s then-serving Chief Revenue Officer (each, an “**Executive**”), or their designees. Consultant agrees to exercise the highest degree of professionalism and utilize his expertise and creative talents in performing these services. Consultant agrees to make himself reasonably available for up to twenty (20) hours per week to perform such consulting services throughout the Term (as defined in Section 16.1), and to be reasonably available to meet.
2. **Compensation.** As full compensation for the services and the rights granted to the Company in this Consulting Agreement, as well as the releases in the Separation Date Agreement (as defined in the Letter Agreement), the Company will provide continued vesting during the Term of any outstanding equity awards Consultant holds as of the Separation Date. In other words, the consulting services provided by Consultant under this Consulting Agreement constitute Continuous Service for purposes of the Snowflake Inc. 2012 Equity Incentive Plan and the Snowflake Inc. 2020 Equity Incentive Plan (together, the “**Plans**”) and Consultant’s equity award agreements.
3. **Expenses.** The Company agrees to reimburse Consultant for all reasonable, pre-approved, and documented travel and other costs or expenses incurred or paid by Consultant in connection with the performance of the services hereunder in accordance with the general reimbursement policy of the Company then in effect.
4. **Ownership of Work Product.** Consultant hereby irrevocably assigns, grants and conveys to the Company all right, title and interest now existing or that may exist in the future in and to any document, development, work product, know-how, design, processes, invention, technique,

trade secret, or idea, and all intellectual property rights related thereto, that is created by Consultant, to which Consultant contributes, and in each case, which relate to Consultant's services provided pursuant to this Consulting Agreement (the "**Work Product**"), including all copyrights, trademarks and other intellectual property rights (including but not limited to patent rights) relating thereto. Consultant agrees that any and all Work Product shall be and remain the property of the Company. Consultant will immediately disclose to the Company all Work Product. Consultant agrees to execute, at the Company's request and expense, all documents and other instruments reasonably necessary and desirable to confirm such assignment. In the event that Consultant does not, for any reason, execute such documents within a reasonable time of the Company's request, Consultant hereby irrevocably appoints the Company as Consultant's attorney-in-fact for the purpose of executing such documents on Consultant's behalf, which appointment is coupled with an interest. Consultant shall not attempt to register any works created by Consultant pursuant to this Consulting Agreement at the U.S. Copyright Office, the U.S. Patent & Trademark Office, or any foreign copyright, patent, or trademark registry. Consultant retains no rights in the Work Product and agrees not to challenge the Company's ownership of the rights embodied in the Work Product. Consultant further agrees to assist the Company in every reasonably necessary way to enforce the Company's rights relating to the Work Product in any and all countries, including, but not limited to, executing, verifying and delivering such documents and performing such other acts (including appearing as a witness) as the Company may reasonably request for use in obtaining, perfecting, evidencing, sustaining and enforcing the Company's rights relating to the Work Product.

5. **Artist's, Moral, and Other Rights.** If Consultant has any rights, including without limitation "artist's rights" or "moral rights," in the Work Product which cannot be assigned (the "**Non-Assignable Rights**"), Consultant agrees to waive enforcement worldwide of such rights against the Company. In the event that Consultant has any such rights that cannot be assigned or waived, Consultant hereby grants to the Company a royalty-free, paid-up, exclusive, worldwide, irrevocable, perpetual license under the Non-Assignable Rights to (i) use, make, sell, offer to sell, have made, and further sublicense the Work Product, and (ii) reproduce, distribute, create derivative works of, publicly perform and publicly display the Work Product in any medium or format, whether now known or later developed.

6. **Non-Disparagement.** Consultant agrees and covenant that Consultant will not at any time make, publish, or communicate to any person or entity or in any public forum any defamatory, maliciously false, or disparaging remarks, comments, or statements concerning the Company or its businesses, or any of its current or former employees, officers, or directors, and their existing and prospective customers, suppliers, investors, and other associated third parties, now or in the future, provided that Consultant may respond accurately and fully to any question, inquiry, or request for information when required by legal process (e.g., a valid subpoena or other similar compulsion of law) or as part of a government investigation.

7. **Representations and Warranties.** Consultant represents and warrants that: (a) Consultant has the full right and authority to enter into this Consulting Agreement and perform his obligations hereunder; (b) Consultant has the right and unrestricted ability to assign the Work Product to the Company as set forth in Sections 4 and 5 (including without limitation the right to assign any Work Product created by Consultant's employees or contractors); (c) the Work Product has not

heretofore been published in its entirety; and (d) the Work Product will not infringe upon any copyright, patent, trademark, right of publicity or privacy, or any other proprietary right of any person, whether contractual, statutory or common law. Consultant agrees to indemnify the Company from any and all damages, costs, claims, expenses or other liability (including reasonable attorneys' fees) arising from or relating to the breach or alleged breach by Consultant of the representations and warranties set forth in this Section 7.

8. **Independent Contractor Relationship.** Consultant is an independent contractor and not an employee of the Company. Nothing in this Consulting Agreement is intended to, or should be construed to, create a partnership, agency, joint venture or employment relationship. The manner and means by which Consultant chooses to complete the consulting services are in Consultant's sole discretion and control. In completing the consulting services, Consultant agrees to provide his own equipment, tools and other materials at his own expense. Consultant is not authorized to represent that he is an agent, employee, or legal representative of the Company, unless specifically directed by an Executive. Consultant is not authorized to make any representation, contract, or commitment on behalf of the Company or incur any liabilities or obligations of any kind in the name of or on behalf of the Company. Consultant shall be free at all times to arrange the time and manner of performance of the consulting services. Consultant is not required to maintain any schedule of duties or assignments. Consultant is also not required to provide reports to the Company. In addition to all other obligations contained herein, Consultant agrees: (a) to proceed with diligence and promptness and hereby warrants that such services shall be performed in accordance with the highest professional standards in the field to the satisfaction of the Company; and (b) to comply, at Consultant's own expense, with the provisions of all state, local, and federal laws, regulations, ordinances, requirements and codes which are applicable to the performance of the services hereunder.

9. **Consultant's Responsibilities.** As an independent contractor, the mode, manner, method and means used by Consultant in the performance of services shall be of Consultant's selection and under the sole control and direction of Consultant. Consultant shall be responsible for all risks incurred in the operation of Consultant's business and shall enjoy all the benefits thereof.

10. **Tax Treatment.** Consultant and the Company agree that the Company will treat Consultant as an independent contractor for purposes of all tax laws (local, state and federal) and file forms consistent with that status. Consultant agrees, as an independent contractor, he is not entitled to unemployment benefits in the event this Consulting Agreement terminates, or workers' compensation benefits in the event that Consultant is injured in any manner while performing obligations under this Consulting Agreement.

11. **No Employee Benefits.** Consultant acknowledges and agrees that he will not receive any employee benefits of any kind from the Company. Consultant (and Consultant's agents, employees, and subcontractors) is excluded from participating in any fringe benefit plans or programs as a result of the performance of services under this Consulting Agreement, without regard to Consultant's independent contractor status. In addition, Consultant (on behalf of himself and on behalf of Consultant's agents, employees, and contractors) waives any and all rights, if any, to participation in any of the Company's fringe benefit plans or programs including, but not limited to, health, sickness, accident or dental coverage, life insurance, disability benefits, severance, accidental

death and dismemberment coverage, unemployment insurance coverage, workers' compensation coverage, and pension or 401(k) benefit(s) provided by the Company to its employees. Consultant acknowledges and agrees that as a result of the extension of the exercisability of his stock options due to this Consulting Agreement, such options will no longer qualify as an "incentive stock option" within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, and will be treated for tax purposes as a Nonstatutory Stock Option ninety (90) days after the Separation Date.

12. **Expenses and Liabilities.** Consultant agrees that as an independent contractor, he is solely responsible for all expenses (and profits/losses) he incurs in connection with the performance of services. Consultant understands that he will not be reimbursed for any supplies, equipment, or operating costs, nor will these costs of doing business be defrayed in any way by the Company. In addition, the Company does not guarantee to Consultant that fees derived from Consultant's business will exceed Consultant's costs.

13. **Non-Exclusivity.** The Company reserves the right to engage other consultants to perform services, without giving Consultant a right of first refusal or any other exclusive rights. Consultant reserves the right to perform services for other persons, provided that the performance of such services do not conflict or interfere with services provided pursuant to or obligations under this Consulting Agreement. However, reference is made to Section 16.2(b), which states that, if Consultant provides services to a competitor of the Company, the Company may terminate this Consulting Agreement immediately for cause.

14. **No Conflict of Interest and Policy Compliance.** During the term of this Consulting Agreement, Consultant agrees to comply with the Company's Global Code of Conduct and Ethics and Insider Trading Policy. Consultant warrants that there is no other contract or duty on his part that prevents or impedes Consultant's performance under this Consulting Agreement.

15. **Confidential Information.** Consultant agrees to hold the Company's Confidential Information (as defined below) in strict confidence and not to disclose such Confidential Information to any third parties. Consultant also agrees not to use any of the Company's Confidential Information for any purpose other than performance of Consultant's services hereunder. "**Confidential Information**" as used in this Consulting Agreement shall mean all information disclosed by the Company to Consultant, or otherwise, regarding the Company or its business obtained by Consultant pursuant to services provided under this Consulting Agreement that is not generally known in the Company's trade or industry and shall include, without limitation, (a) concepts and ideas relating to the development and distribution of content in any medium or to the current, future and proposed products or services of the Company or its subsidiaries or affiliates; (b) trade secrets, drawings, inventions, know-how, software programs, and software source documents; (c) information regarding plans for research, development, new service offerings or products, marketing and selling, business plans, business forecasts, budgets and unpublished financial statements, licenses and distribution arrangements, prices and costs, suppliers and customers; and (d) any information regarding the skills and compensation of employees, contractors or other agents of the Company or its subsidiaries or affiliates. Confidential Information also includes proprietary or confidential information of any third party who may disclose such information to the Company or Consultant in the course of the Company's business. Consultant's obligations set forth in this Section shall not apply with respect to

any portion of the Confidential Information that Consultant can document by competent proof that such portion: (i) is in the public domain through no fault of Consultant; (ii) has been rightfully independently communicated to Consultant free of any obligation of confidence; or (iii) was developed by Consultant independently of and without reference to any information communicated to Consultant by the Company. In addition, Consultant may disclose the Company's Confidential Information in response to a valid order by a court or other governmental body, or as otherwise required by law. When possible, prior to making a disclosure in response to a valid order by a court or other governmental body, or as otherwise required by law, Consultant shall give the Company advance notice and an opportunity to object or seek a protective order. All Confidential Information furnished to Consultant by the Company is the sole and exclusive property of the Company or its suppliers or customers. Upon request by the Company, Consultant agrees to promptly deliver to the Company the original and any copies of such Confidential Information. Consultant's duty of confidentiality under this Consulting Agreement does not amend or abrogate in any manner Consultant's continuing duties under any prior agreement between Consultant and the Company. Notwithstanding the foregoing or anything to the contrary in this Consulting Agreement or any other agreement between the Company and Consultant, nothing in this Consulting Agreement shall limit Consultant's right to discuss Consultant's engagement with the Company or report possible violations of law or regulation with the Equal Employment Opportunity Commission, United States Department of Labor, the National Labor Relations Board, the Securities and Exchange Commission, or other federal government agency or similar state or local agency or to discuss the terms and conditions of Consultant's engagement with others to the extent expressly permitted by applicable provisions of law or regulation, including but not limited to "whistleblower" statutes or other similar provisions that protect such disclosure. Further, notwithstanding the foregoing, pursuant to 18 U.S.C. Section 1833(b), Consultant shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (1) is made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

16. Term and Termination.

16.1 Term. The "**Term**" of this Consulting Agreement is from the Effective Date until the earlier of: (i) Consultant's failure to timely sign the Separation Date Agreement; (ii) Consultant's failure to allow the releases set forth in the signed Separation Date Agreement to become effective; (iii) the last day of the sixth month following the Separation Date; or (iv) any earlier termination provided for in this Consulting Agreement.

16.2 Termination.

(a) **Termination without cause.** Consultant may terminate this Consulting Agreement without cause at any time upon 5 days' prior written notice to the Company.

(b) **Termination for cause.** The Company may terminate this Consulting Agreement for cause immediately if: (i) any events occur that constitute Cause (as defined in the Letter Agreement); (ii) Consultant becomes a service provider, including an employee or consultant, to

a competitor of the Company, as determined by the Company in its reasonable discretion; and (iii) in the event the Consultant has materially breached this Consulting Agreement, the Letter Agreement, the Separation Date Agreement, or Consultant's PIIA (as defined in the Letter Agreement). For the avoidance of doubt, violations of Section 6 (Non-Disparagement), Section 14 (No Conflict of Interest and Policy Compliance), or Section 15 (Confidentiality) of this Consulting Agreement each constitute a material breach of this Consulting Agreement and a violation of Section 4 (Additional Activities) of the PIIA, which contains a one-year post-employment non-solicitation clause, constitutes a material breach of the PIIA.

(c) **Automatic Termination.** For clarity, if the Consultant has his employment terminated for Cause prior to the Separation Date (as defined in the Letter Agreement) and the Company elects to terminate his ability to serve as a consultant, then this Consulting Agreement will be null and void, no aspect of this Consulting Agreement will be binding on either party, and no benefits will be due to Consultant under this Consulting Agreement.

16.3 Effect of Termination. Upon any termination or expiration of this Consulting Agreement, Consultant (i) shall immediately discontinue all use of the Company's Confidential Information delivered under this Consulting Agreement; (ii) shall delete any such the Company Confidential Information from Consultant's computer storage or any other media, including, but not limited to, online and off-line libraries; and (iii) shall return to the Company, or, at the Company's option, destroy, all copies of such Confidential Information then in Consultant's possession.

16.4 Survival. The rights and obligations contained in Sections 3, 4, 5, 7, 10-12, 15, 15.3, and 17-24 will survive any termination or expiration of this Consulting Agreement.

17. **Disputes.** The Company and Consultant agree that Sections 12 (Arbitration) and 13 (Class Action and Collective Action Waiver) will apply to this Consulting Agreement regardless of whether the Separation Date Agreement becomes effective.

CD **By initialing here, Consultant acknowledges that he has read Sections 12 and 13 of the Separation Date Agreement and agrees with the arbitration provision and class action waiver in them.**

18. **Successors and Assigns.** Consultant may not subcontract or otherwise delegate his obligations under this Consulting Agreement without the Company's prior written consent. the Company may assign this Consulting Agreement. Subject to the foregoing, this Consulting Agreement will be for the benefit of the Company's successors and assigns, and will be binding on Consultant's subcontractors or delegates.

19. **Notices.** Any notice required or permitted by this Consulting Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by overnight courier upon written verification of receipt; or (ii) by telecopy, email, or facsimile transmission upon acknowledgment of receipt of electronic transmission. Notice shall be sent to the addresses set forth below or such other address as either party may specify in writing.

20. **Governing Law.** This Consulting Agreement shall be governed in all respects by the laws of the State of California, as such laws are applied to agreements entered into and to be performed entirely within California between California residents. Subject to the provisions of Section 20, any suit involving this Consulting Agreement shall be brought in a court sitting in California. The parties agree that venue shall be proper in such courts, and that such courts will have personal jurisdiction over them.

21. **Severability.** Should any provisions of this Consulting Agreement be held by a court of law to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Consulting Agreement shall not be affected or impaired thereby.

22. **Waiver.** The waiver by the Company of a breach of any provision of this Consulting Agreement by Consultant shall not operate or be construed as a waiver of any other or subsequent breach by Consultant.

23. **Injunctive Relief for Breach.** Consultant's obligations under this Consulting Agreement are of a unique character that gives them particular value; breach of any of such obligations may result in irreparable and continuing damage to the Company for which there will be no adequate remedy at law; and, in the event of such breach, the Company may be entitled to injunctive relief, and such other and further relief as may be proper (including monetary damages if appropriate).

24. **Entire Agreement.** This Consulting Agreement is being entered into as part of the Letter Agreement, and is contingent upon Consultant's execution of the Letter Agreement and satisfactory employment with the Company through the Separation Date (as defined in the Letter Agreement). This Consulting Agreement, the Letter Agreement, and the Exhibits to the Letter Agreement, constitute the entire understanding of the parties relating to the subject matter and supersede any previous oral or written communications, representations, understanding, or agreement between the parties concerning such subject matter. This Consulting Agreement shall not be changed, modified, supplemented or amended except by express written agreement signed by Consultant and the Company, which writing explicitly states the intent of the parties hereto to supplement the terms herein.

[Signature Page Follows]

In Witness Whereof, the parties have executed this Consulting Agreement effective as of the Effective Date.

Snowflake Inc.

By: /s/ Sridhar Ramaswamy
Name: Sridhar Ramaswamy
Title: Chief Executive Officer

Agreed to and Accepted:

Signature: /s/ Chris Degnan
Name: Chris Degnan



INSIDER TRADING POLICY

1. INTRODUCTION

During the course of your relationship with Snowflake Inc. ("**Snowflake**") or one of its affiliated entities, you will learn important, nonpublic information about Snowflake or other publicly traded companies that have relationships with Snowflake. Using this nonpublic information to buy or sell stock, or giving the information to others, violates Snowflake policy and could constitute illegal insider trading. This policy (this "**Policy**") sets forth rules and procedures that address the risks of insider trading.

If you have any questions about whether something may violate this Policy or the law, please contact Snowflake's General Counsel before doing it.

Policy Statements

No Insider Trading

Do not trade while you are aware of material nonpublic information. If you are aware of material nonpublic information about Snowflake, you may not buy, sell, or otherwise transfer any Snowflake securities, either directly or indirectly, unless the transaction falls under one of the few limited exceptions under this Policy. You are also prohibited from trading in the securities of any other publicly traded company while aware of material nonpublic information about that company. There is no "low volume exception"; trading even a small number of securities counts.

Do not "tip." You may not, directly or indirectly, disclose any material nonpublic information about Snowflake to others without either Snowflake's permission or in accordance with Snowflake's Corporate Disclosure Policy. You may not make recommendations or express opinions about Snowflake securities when you are aware of material nonpublic information affecting Snowflake. Giving material nonpublic information to someone else (also known as a "**tip**") who uses it for personal gain (a "**tippee**") is illegal and is a violation of this Policy; you can be liable for transactions of a tippee, or even a tippee's tippee. There is no "low volume exception"; trading by a tippee of even a small number of securities counts.

In addition, if you learn of or are otherwise aware of material nonpublic information about another publicly traded company with which Snowflake does business, including a customer, vendor, partner or collaborator of Snowflake, you may not provide a tip with respect to that company's securities until the information becomes public or is no longer material.

The prohibition against insider trading is absolute. It applies even if the decision to trade is not based on material nonpublic information. It also applies to transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure). All that matters is whether you are aware of any material nonpublic information relating to Snowflake at the time of the transaction. The U.S. federal securities laws do not recognize any mitigating circumstances to insider trading. You may need to forgo a planned transaction or wait to trade even if you had planned the transaction before learning of any material nonpublic information. Even if you believe you will suffer a loss or lose out on profit by waiting to trade, you must wait.

2. WHO IS COVERED BY THIS POLICY?

This Policy applies to all directors, officers, employees, and contractors of Snowflake and its subsidiaries (“**Insiders**”)¹. If you are an Insider, this Policy also applies to your immediate family members, other household members, persons who are your economic dependents, and any individuals whose transactions in securities you influence, direct or control and any entities whose transactions in securities you control. The foregoing persons who are deemed subject to this Policy are referred to in this Policy as “**Related Persons**.” You are responsible for making sure that your Related Persons comply with this Policy. To avoid even the appearance of insider trading, you may never recommend to another person that they buy, hold, or sell Snowflake securities.

3. WHAT TRANSACTIONS ARE SUBJECT TO THIS POLICY?

This Policy applies to all transactions in Snowflake securities, including derivative securities that are not issued by Snowflake, such as exchange-traded put or call options or swaps relating to Snowflake’s securities and similar securities of other public traded companies, as applicable. Accordingly, for purposes of this Policy, the terms “**trade**,” “**trading**” and “**transactions**” include not only purchases and sales of stock in the public market but also any other purchases, sales, transfers or other acquisitions or dispositions of common or preferred equity, options, warrants and other securities (including debt securities) and other arrangements or transactions that affect economic exposure to changes in the prices of these securities. This includes bona fide gifts involving Snowflake’s common stock or transfers for estate planning or tax planning purposes; *provided, however*, that this Policy does not apply to transfers of Snowflake securities that effect only a change in the form of ownership without involving a change in beneficial ownership or pecuniary interest (such as certain estate planning transfers that do not involve any changes in beneficial ownership), in each case that have been pre-approved by Snowflake’s General Counsel (or his or her designee).

Please also be aware that transfers of Snowflake shares out of your Snowflake-sponsored Fidelity account are only allowed in limited circumstances and subject to pre-approval. Please refer to Snowflake’s Share Transfer Guidelines.

4. WHAT IS MATERIAL NONPUBLIC INFORMATION?

It is not always easy to figure out whether you possess material nonpublic information, so always err on the side of caution. If the information makes you want to trade, it would probably have the same effect on others and, thus, constitute material nonpublic information.

4.1. MATERIAL

If sharing the information might affect the market price of a company’s stock or be important to its investors, it is material. Both positive and negative information can be material.

There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances, and is often evaluated by relevant enforcement authorities with the benefit of hindsight. Depending on the specific details, the following items may be considered material nonpublic information until publicly disclosed within the meaning of this Policy.

¹ A non-management member of the Board of Directors (or local equivalent) of a Snowflake subsidiary that is not wholly owned by Snowflake will not be considered an “Insider” for purposes of this Policy so long as such person does not have any other relationship with Snowflake or one of its subsidiaries that would qualify such person as an Insider.

There may be other types of information that would qualify as material information as well. Use this list merely as a non-exhaustive guide:

- financial results or forecasts;
- major new products, features, or processes;
- the status of our progress toward achieving significant business or financial goals;
- acquisitions or dispositions of assets, divisions, or companies;
- pending public or private sales of debt or equity securities;
- stock splits, dividends, or changes in dividend policy;
- the establishment of a repurchase program for Snowflake's securities;
- significant cybersecurity events;
- major contract awards or cancellations;
- key management or control changes;
- significant employee layoffs;
- a disruption in the company's operations or breach or unauthorized access of its property or assets, including its facilities and information technology infrastructure;
- possible tender offers or proxy fights;
- significant accounting restatements or write-offs;
- Significant litigation or settlements, including positive or negative developments about litigation;
- impending bankruptcy;
- gain or loss of a significant license agreement, procurement agreement, or other contracts with customers or suppliers;
- the existence of a special blackout period;
- pricing changes or discount policies; and
- changes to, or the gain or loss of, corporate partner relationships.

4.2. **NONPUBLIC**

Any information that is not public is nonpublic. Figuring out whether information is public may seem easy, but, for purposes of insider trading, it can actually be complex.

For information to be considered "public," two conditions must be met. First, the information must have been widely shared in a manner designed to reach investors, such as through an SEC filing or a press release. The fact that information has been shared with a few members of the public does not mean that it is public.

Second, investors must have time to absorb the information. Even after information has been publicly shared, you must wait until the opening of trading on the second full trading day after public disclosure before you can treat it as public. For example, if we announce material information through a press release after trading ends on Wednesday, the material information will not be considered public for purposes of insider trading until the opening of trading on Friday.

5. **TRADING BLACKOUT PERIODS**

Trading when you are aware of material nonpublic information affecting Snowflake is always prohibited. However, there are certain times when you are more likely to know material nonpublic information. As a result, and to minimize even the appearance of insider trading among our Insiders, Snowflake has established blackout periods during which Insiders and their Related Persons—regardless of whether they possess material nonpublic information or not—may not buy, sell, gift or otherwise

trade in Snowflake securities. There are two types of blackout periods: Quarterly Blackout Periods and Special Blackout Periods.

5.1. **Quarterly Blackout Periods**

Unless there is an exception in this Policy, Insiders and their Related Persons may not trade Snowflake securities during a “**Quarterly Blackout Period**.” Quarterly Blackout Periods start and end as follows:

- Start:

- For Insiders that have a Snowflake title of Vice President (M7/IC9) or above, the end of trading on the last trading day of the second calendar month of each fiscal quarter (e.g., the last trading day of March, June, September, and December).
- For all other Insiders, the end of trading on the 15th calendar day of the third calendar month of each fiscal quarter (e.g. April 15th, July 15th, October 15th, and January 15th) (or if such day is not a trading day, the end of trading on the immediately preceding trading day).

- End: after one full trading day has elapsed since the public release of Snowflake’s annual or quarterly financial results (meaning that the Quarterly Blackout Period ends as of the opening of trading on the second full trading day).

Please note that a Quarterly Blackout Period may commence early or may be extended if, in the judgment of the Chief Executive Officer, Chief Financial Officer, or General Counsel, there exists undisclosed information that would make trades by persons subject to the Quarterly Blackout Period inappropriate. It is important to note that the fact that a Quarterly Blackout Period has commenced early or has been extended should be considered material nonpublic information that should not be communicated to any other person.

5.2. **Special Blackout Periods**

From time to time, there may be other types of material nonpublic information about Snowflake (such as mergers and acquisitions or significant product developments) that pose a heightened insider trading risk. To help address such risk, the Chief Executive Officer, Chief Financial Officer, or General Counsel may impose a Special Blackout Period during which certain people who are involved in the transaction or event may not trade in Snowflake securities. If Snowflake imposes a Special Blackout Period, the Legal department will notify the people who are affected. The fact that a Special Blackout Period is in effect is itself material nonpublic information that should not be communicated to any other person.

6. **OTHER TRADING RESTRICTIONS**

6.1. **No Speculative or Short-Term Trading**

Because there is a heightened legal risk and the appearance of improper or inappropriate conduct if the persons subject to this Policy engage in certain types of transactions, you may not, at any time and regardless of whether you are aware of any material nonpublic information relating to Snowflake, engage or participate in short sales, transactions in put or call options (e.g., covered calls),

hedging transactions (designed to offset or “hedge,” including through prepaid variable forwards, equity swaps, collars and exchange funds, among others), or any margin accounts (where securities are held as collateral for a margin loan that may be sold without your consent if you fail to meet a margin call), pledges (including as collateral for a loan), exchange funds, or other inherently speculative transactions with respect to any Snowflake securities.

6.2. Prohibition of Trading During Pension Plan Blackouts

No director or executive officer (as defined in Rule 3b-7 promulgated under the Exchange Act) of Snowflake may, directly or indirectly, purchase, sell or otherwise transfer any equity security of Snowflake (other than an exempt security) during any “blackout period” (as defined in Regulation BTR under the Exchange Act (as defined below)) if the director or executive officer acquires or previously acquired such equity security in connection with his or her service or employment as a director or executive officer. This prohibition does not apply to any transactions that are specifically exempted, including but not limited to: purchases or sales of Snowflake’s securities made pursuant to, and in compliance with, a pre-existing written plan approved by Snowflake and entered into with your stockbroker that meets the conditions set out under Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and Snowflake’s Policy Regarding Rule 10b5-1 Trading Plans, which can be found on Snowflake’s intranet (an “**Approved Trading Plan**”); compensatory grants or awards of equity securities pursuant to a plan that, by its terms, permits executive officers and directors to receive automatic grants or awards and specifies the terms of the grants and awards; or acquisitions or dispositions of equity securities involving a bona fide gift or by will or the laws of descent or pursuant to a domestic relations order. Snowflake will notify each director and executive officer of any blackout periods in accordance with the provisions of Regulation BTR. Because Regulation BTR is very complex, no director or executive officer of Snowflake should engage in any transactions in Snowflake’s securities, even if believed to be exempt from Regulation BTR, without first consulting with Snowflake’s General Counsel.

6.3. Pre-Clearance of Transactions by Designated Insiders

Designated Insiders are those Insiders who are likely to obtain material nonpublic information on a regular basis. As a result, Designated Insiders must get pre-clearance from Snowflake’s General Counsel (or his or her designee) before buying, selling, or otherwise transferring Snowflake securities, including any purchase or sale in the open market, loan, or other transfer of beneficial ownership. This includes even proposed bona fide gifts involving Snowflake common stock or transfers for tax planning purposes in which the beneficial ownership and pecuniary interest in the transferred securities do not change. “**Designated Insiders**” are directors, executive officers and any other individuals added to the designated insider list maintained by the Snowflake Legal Team.

Pre-clearance is always required for Designated Insiders, even when a blackout period is not in effect. Designated Insiders have been personally notified of this requirement. Section 16 reporting persons are subject to additional preclearance requirements as described in Section 6.4 below. This requirement does not apply to transactions that are specifically exempted from this Policy, including purchases or sales of Snowflake securities made pursuant to an Approved Trading Plan.

To request pre-clearance, Designated Insiders who are Snowflake employees or contractors must submit a pre-clearance request to Snowflake’s General Counsel (or his or her designee) using the electronic process through Snowflake’s employee portal, The Lift. Further information on how to complete the electronic process has been, and will continue to be, provided by the Legal department. If you have questions about the pre-clearance process, please email preclearance@snowflake.com.

A completed pre-clearance request must be submitted to Snowflake's General Counsel (or his or her designee) at least full two business days before the proposed transaction date. Snowflake's General Counsel (or his or her designee) will decide whether the transaction is approved and, if so, will notify the requestor.

As a general rule, if a pre-cleared transaction is not completed within five trading days after the date of approval, it will require new pre-clearance; however, the General Counsel (or his or her designee) may specify a shorter trading period in his or her sole discretion. If a pre-clearance request is not approved, or if the Designated Insider becomes aware of any material nonpublic information after the pre-clearance request is approved but prior to executing the transaction, the Designated Insider may not execute the transaction.

6.4. **Section 16 Reporting Persons – Short-Swing Trading, Control Stock, and Section 16 Reports**

Snowflake officers and directors subject to the reporting obligations under Section 16 of the Exchange Act are subject to additional restrictions and obligations.

If you are a Section 16 reporting person, please review Snowflake's Section 16 Compliance Program. Among other things, Section 16 reporting persons may not engage in short-swing trading (within the meaning of Section 16(b) of the Exchange Act), are subject to restrictions on sales by control persons (Rule 144 under the Securities Act of 1933, as amended), and must provide Snowflake's General Counsel (or his or her designee) advance notice of all Snowflake securities transactions (even if pre-clearance is not required) to allow Snowflake to help you meet your Section 16 public reporting requirements (Forms 3, 4, and 5) as described in Snowflake's Section 16 Compliance Program.

Section 16 reporting persons must pre-clear not only their own transactions in Snowflake securities under Section 6.3 above, but also the transactions of any other person or entity whose transactions are covered by their Section 16 filings (e.g., Forms 4). This typically includes the Section 16 reporting person's spouse, children, any immediate family members who share the same household, and any entities that they control. Please reach out to the Snowflake Legal Team for any questions.

7. **EXCEPTIONS**

The trading restrictions of this Policy do not apply to the following:

- **Cash Option Exercises.** Exercising stock options granted under Snowflake's stock-option plans for cash. However, trading restrictions do apply to (i) any sale of stock as part of a broker-assisted cashless exercise, whether or not for the purpose of generating the cash needed to pay the exercise price or pay taxes, and (ii) the sale of any shares issued upon exercise.
- **Tax Withholding Transactions.** The surrender of shares directly to Snowflake to satisfy tax withholding obligations as a result of the issuance of shares upon vesting or exercise of restricted stock units ("**RSUs**"), options, or other equity awards granted under Snowflake's equity compensation plans. In addition, Snowflake may require that shares be sold in an open market transaction on your behalf to cover tax withholding obligations upon the vesting of RSUs, known as a "sell-to-cover" transaction. This Policy does not apply to sell-to-cover transactions that Snowflake facilitates on your behalf in accordance with Snowflake's equity compensation plans. Otherwise, trading restrictions do apply to your sale of any shares issued upon exercise or

vesting of any such equity awards, whether or not for the purpose of generating the cash needed to pay the exercise price or pay taxes that are not withheld by Snowflake.

- **ESPP Enrollment and Payroll Deductions.** Your decision to enroll in, and any subsequent automatic payroll deductions used to make periodic purchases of Snowflake stock as part of, the Snowflake Employee Stock Purchase Plan ("**ESPP**"), as well as your decision to reduce your contribution election under the ESPP following your enrollment. However, selling any Snowflake stock acquired under the ESPP is subject to the trading restrictions set forth in this Policy.
- **10b5-1 Automatic Trading Programs.** Transactions under an Approved Trading Plan.
- **401(k) Plan.** Automatic investments of 401(k) plan contributions in a stock fund that includes Snowflake securities in accordance with the terms of Snowflake's 401(k) plan. However, any changes in your investment election regarding a stock fund that includes Snowflake securities are subject to the trading restrictions set forth in this Policy, unless (i) neither you nor any of your Related Persons have any control or influence over the securities held by such stock fund, and (ii) Snowflake common stock does not constitute more than 2% of the total holdings of such stock fund.
- **Certain Transfers.** Transfers of Snowflake securities by will, the laws of descent and distribution, or by court order.
- **Mutual Funds & ETFs.** You may trade in mutual funds, exchange traded funds, index funds, or similar investment vehicles providing for diversification of holdings that hold Snowflake common stock at any time, so long as neither you nor any of your Related Persons have any control or influence over the securities held by such investment vehicles.

8. POLICY'S DURATION

Except for the pre-clearance requirements, this Policy applies to you even after your relationship with Snowflake has ended. If you possess material nonpublic information when your relationship with Snowflake ends, you may not trade in Snowflake's stock or the stock of other companies to which such information relates until the material nonpublic information is publicly known or is no longer material. Further, if you leave Snowflake during a Quarterly Blackout Period, then you may not trade Snowflake's securities until such Quarterly Blackout Period has ended.

9. INSIDER RESPONSIBILITY

Insiders have ethical and legal obligations to maintain the confidentiality of information about Snowflake and to not engage in transactions in Snowflake's securities or the securities of other companies while aware of material nonpublic information. Each Insider is responsible for making sure that he or she complies with this Policy, and that any Related Persons, as discussed under the heading "**Who is Covered by this Policy?**" above, also comply with this Policy. In all cases, the responsibility for determining whether an Insider or any of such Insider's Related Persons are aware of material nonpublic information rests with that Insider, and any action on the part of Snowflake or any employee or director of Snowflake pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an Insider from liability under applicable securities laws. You could be subject to severe legal penalties, as well as disciplinary action by Snowflake, for any conduct prohibited by this Policy or applicable securities laws. See "**Penalties**" below.

10. PENALTIES

Anyone who engages in insider trading or otherwise violates this Policy may be subject to both civil liability and criminal penalties. Violators also risk disciplinary action by Snowflake, including termination. Anyone who has questions about this Policy should contact their own attorney or Snowflake's General Counsel.

11. FAQs

Please read the Insider Trading Policy Frequently Asked Questions.

12. Company Transactions

Snowflake's policy is to comply with applicable insider trading laws, rules and regulations, and listing standards with respect to transactions in its own securities.

13. Amendments

Snowflake reserves the right to amend this Policy at any time and for any reason, including to reflect changes in insider trading laws, rules and regulations, and applicable listing standards.

14. CERTIFICATION

If you are requested to do so, please sign the Insider Trading Policy Certification after you have read this Policy. Snowflake may require you to recertify your compliance with this Policy on a periodic basis.



POLICY HISTORY

Approved by the Board of Directors on August 21, 2020.

Amended by the Board of Directors on August 24, 2021.

Amended by the Board of Directors on August 23, 2022.

Amended by the Board of Directors on February 28, 2023.

Amended by the Board of Directors on August 22, 2023.

Amended by the Board of Directors on August 20, 2024.

Amended by the Board of Directors on February 25, 2025.

Snowflake Subsidiary List

Name of Subsidiary	Jurisdiction of Organization
Cloudlet Information Technology (Beijing) Co. Ltd.	China
Mountain US Corporation	Nevada
Night Shift Development, Inc. dba Snowflake Public Sector, Inc.	Delaware
Ponder Data Inc.	Delaware
PT Snowflake Computing Indonesia	Indonesia
Samooha, LLC	Delaware
SNFL Cloudtech India Private Limited	India
SNFL Technologies AB	Sweden
Snowflake Arabia Limited	Saudi Arabia
Snowflake Brazil Ltda	Brazil
Snowflake Cloudtech Israel Ltd.	Israel
Snowflake Colombia S.A.S.	Colombia
Snowflake Computing Belgium B.V.	Belgium
Snowflake Computing Canada ULC	Canada
Snowflake Computing France SAS	France
Snowflake Computing GmbH	Germany
Snowflake Computing Ireland Limited	Ireland
Snowflake Computing Netherlands B.V.	Netherlands
Snowflake Computing Pty Ltd.	Australia
Snowflake Computing Singapore Pte. Ltd.	Singapore
Snowflake Computing Spain, S.L.	Spain
Snowflake Computing Switzerland GmbH	Switzerland
Snowflake Computing UK Ltd.	United Kingdom
Snowflake Costa Rica S.R.L.	Costa Rica
Snowflake Finland OY	Finland
Snowflake G.K.	Japan
Snowflake Holdings LLC	Delaware
Snowflake Holdings II LLC	Delaware
Snowflake International Holdings Inc.	Delaware
Snowflake International Holdings I Inc.	Delaware
Snowflake Investment Holdings LLC	Delaware
Snowflake Italy S.R.L.	Italy
Snowflake Korea YH	South Korea
Snowflake Middle East FZ-LLC	United Arab Emirates
Snowflake Norway AS	Norway
Snowflake Poland Sp. z o.o.	Poland
Snowflake Regional Headquarter Company	Saudi Arabia
Snowflake Technologies Mexico, S. de R.L. de C.V.	Mexico
Tahoe Systems, LLC	Delaware

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-248830, No. 333-254920, No. 333-263986, No. 333-270940 and No. 333-278238) of Snowflake Inc. of our report dated March 21, 2025 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

San Jose, California
March 21, 2025

**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 Annual Report on Form 10-K 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: March 21, 2025

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

**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**

I, Michael P. Scarpelli, certify that:

1. I have reviewed this Annual Report on Form 10-K 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: March 21, 2025

By:	/s/ Michael P. Scarpelli
Name:	Michael P. Scarpelli
Title:	Chief Financial Officer (Principal Financial 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 Annual Report on Form 10-K of Snowflake Inc. for the period ended January 31, 2025 (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: March 21, 2025

By:	<u>/s/ Sridhar Ramaswamy</u>
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 Annual Report on Form 10-K of Snowflake Inc. for the period ended January 31, 2025 (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: March 21, 2025

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