FY20

# SALESFORCE STAKEHOLDER IMPACT REPORT

February 1, 2019 – January 31, 2020





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# **FORWARD-LOOKING STATEMENTS**

This report contains forwardlooking statements, the achievement or success of which involves risks, uncertainties, and assumptions. If any such risks or uncertainties materialize or if any of the assumptions proves incorrect, the results of **salesforce.com**, inc. could differ materially from the results expressed or implied by the forward-looking statements we make.

These risks and uncertainties include – but are not limited to – risks associated with the effect of general economic and market conditions; the impact of geopolitical events; the impact of natural disasters and actual or threatened public health emergencies, such as the ongoing Coronavirus pandemic; the impact of foreign currency exchange rate and interest rate fluctuations on our results; our business strategy and our plan to build our business, including our strategy to be the leading provider of enterprise cloud computing applications and platforms; the pace of change and innovation in enterprise cloud computing services; the seasonal nature of our sales cycles; the competitive nature of the market in which we participate; our international expansion strategy; the demands on our personnel and infrastructure resulting from significant growth in our customer base and operations, including as a result of acquisitions; our service performance and security, including the resources and costs required to avoid unanticipated downtime and prevent, detect and remediate potential security

breaches; the expenses associated with our data centers and third-party infrastructure providers; additional data center capacity; real estate and office facilities space; our operating results and cash flows; new services and product features, including any efforts to expand our services beyond the CRM market; our strategy of acquiring or making investments in complementary businesses, joint ventures, services, technologies and intellectual property rights; the performance and fair value of our investments in complementary businesses through our strategic investment portfolio; our ability to realize the benefits from strategic partnerships, joint ventures and investments; the impact of future gains or losses from our strategic investment portfolio, including gains or losses from overall market conditions that may affect the publicly traded companies within our strategic investment portfolio; our ability to execute our business plans; our ability to successfully integrate acquired businesses and technologies; our ability to continue to grow unearned revenue and remaining performance obligation; our ability to protect our intellectual property rights; our ability to develop our brands; our reliance on third-party hardware, software and platform providers; our dependency on the development and maintenance of the infrastructure of the Internet; the effect of evolving domestic and foreign government regulations, including those related to the provision of services on the Internet, those related to accessing the Internet, and those addressing data privacy, cross-border data transfers

and import and export controls; the valuation of our deferred tax assets and the release of related valuation allowances; the potential availability of additional tax assets in the future; the impact of new accounting pronouncements and tax laws; uncertainties affecting our ability to estimate our tax rate; uncertainties regarding our tax obligations in connection with potential jurisdictional transfers of intellectual property, including the tax rate, the timing of the transfer and the value of such transferred intellectual property; the impact of expensing stock options and other equity awards; the sufficiency of our capital resources; factors related to our outstanding debt, revolving credit facility and loan associated with 50 Fremont; compliance with our debt covenants and lease obligations; current and potential litigation involving us; and the impact of climate change.

Further information on these and other factors that could affect the company's financial results is included in the reports on Forms 10-K, 10-Q and 8-K and in other filings we make with the Securities and Exchange Commission from time to time. These documents are available on the SEC Filings section of the Investor Information section of the company's website at www.salesforce.com/investor.

Salesforce.com, inc. assumes no obligation and does not intend to update these forward-looking statements, except as required by law.

# INTRODUCTION FROM MARC BENIOFF



Marc Benioff Chair and CEO, Salesforce

As the world continues to deal with the unprecedented effects of the coronavirus, we hope you and your families are staying healthy and safe. This virus impacts everyone, reminding us that we are all connected like never before and that we have obligations to each other.

At Salesforce, meeting our responsibilities to all our stakeholders has been an essential part of our culture since we founded the company 21 years ago.

Today, we're unleashing the full power of our company and leveraging our products, resources, and relationships to help all of our stakeholders navigate this crisis.

We're working tirelessly to help deliver personal protective equipment (PPE) to those most in need. To date, we've sourced 50 million units of PPE for doctors, nurses, and first responders on the front lines in the U.S., France, and India.

We've given more than \$10 million in grants to local and global organizations on the forefront of the response, including organizations such as the CDC Foundation, UCSF's COVID-19 Response Fund, the Italian Red Cross, the Madrid Food Bank, the French Red Cross, and the New York COVID-19 Emergency Fund. As always, we're matching employee donations to eligible organizations, and our employees are

volunteering their time to support their local communities. In addition, Salesforce Care Small Business Grants will provide \$10,000 in capital to help keep businesses afloat as they work to replenish materials, pay salaries, or adapt their business model to overcome these challenging times.

Even as we help respond to the urgent needs of this crisis, we're delivering new solutions to help our customers succeed. Social distancing and cessation of travel have forced companies to accelerate their digital transformations, and Salesforce is helping them sell, service, market, conduct commerce, and collaborate from home. Thousands of customers have deployed our Salesforce Care rapid response solutions to help them stay connected to their employees, customers, and partners during these uncertain times. Organizations around the world have been able to quickly and easily deploy these solutions, which we made available for free for 90 days. With Salesforce Care for Employee and Customer Support, organizations can quickly create an AIpowered employee help center, customer service, and contact center application. Thousands of small businesses have signed up for Salesforce Care for Small Business, which includes Essentials and Tableau Desktop.

We are supporting those on the front lines with our Salesforce Care for Health solution that provides free access to technology for emergency response and healthcare management teams. In just

four days, Women's College Hospital in Toronto, Canada, built an online COVID-19 self-assessment on Salesforce that is integrated with its hospital information system.

We're also helping governments and NGOs respond to the pandemic. In France, the government launched a website and hotline built on Service Cloud to help citizens find essential needs and resources while quarantined. And Tableau is offering an amazing free dashboard – the Tableau Data Hub – that's tracking the virus, based on data from the World Health Organization and other organizations, and which already has more than 700,000 users and more than 1 million views.

Our efforts addressing the challenges of COVID-19 embody our belief that business is the greatest platform for change.

We continue to stand up for the rights of our LGBTQ employees and we're constantly reviewing our pay practices to ensure our employees – men and women – receive equal pay for equal work. We've also committed to having half our U.S. workforce come from underrepresented groups by 2023.

With Trailhead, our free online learning platform for everyone, we're bringing everyone along in the Fourth Industrial Revolution with resume-worthy skills for the digital economy. We now have more than 1.8 million learners changing their lives on Trailhead by getting the opportunity to participate

in the Salesforce ecosystem, which will contribute 4.2 million jobs worldwide by 2024, according to IDC.

Over the past 21 years, we've given \$330 million in grants to worthy causes, our employees globally have volunteered 5 million hours, and 46,000 nonprofits and NGOs use our software for free. Salesforce has now donated more than \$90 million to schools around the world, and our employees have adopted more than 100 schools globally, including 34 schools in San Francisco and Oakland. We've supported efforts to improve public education, eliminate homelessness in our cities, and now to fight this virus.

Finally, we're taking action to protect our largest stakeholder – our planet. We deliver a carbonneutral cloud to our customers, and we're committed to reaching 100% renewable energy for our global operations by 2022.

At Dreamforce last fall, we donated \$17 million in grants and committed 1 million employee hours to advance the United Nations' Sustainable Development Goals, from upholding equality for all people to fighting climate change. At the World Economic Forum in Davos, we committed to conserving and restoring 100 million trees, part of the global 1t.org movement to address climate change by protecting and planting 1 trillion trees around the world.

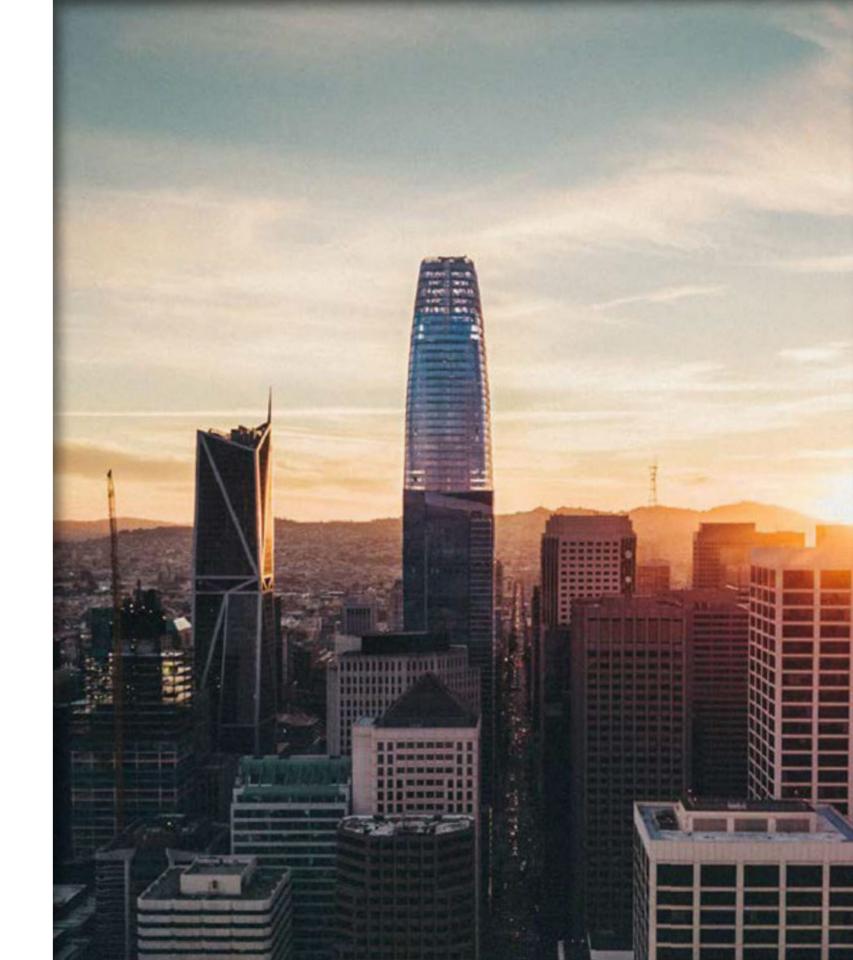
This year, Salesforce also joined the United Nations Global Compact initiative, a global leadership platform for companies to align on the development and implementation of responsible business practices to build a better world. We're committed to making the principles of the UN Global Compact part of Salesforce's strategy and operations.

Our commitment to serving all stakeholders is one of the reasons that for the 12th year in a row Fortune has ranked Salesforce as one of the "100 Best Companies to Work For". We're also proud that Fortune has named Salesforce one of the top 10 Most Admired Companies in the World and one of the Best Workplaces for Giving Back.

The COVID-19 pandemic is a powerful reminder that we're all connected like never before – we're one humanity. And because of the dedication and efforts of stakeholders like you, we will recover from this crisis stronger and live up to our commitments. As always, thank you for being our partner as we work together to meet the urgent challenges of our time and create a better world for generations to come.

Thank you,

Marc Benioff Chair and CEO Salesforce



# REPORTING SCOPE AND METHODOLOGY

#### REPORTING FRAMEWORK

Every year, we produce a comprehensive stakeholder impact report so that key stakeholders can stay informed, track our progress, and support our work.

The contents of this report are informed by the

Global Reporting Initiative Standards (GRI), the **Sustainability Accounting Standards Board's** (SASB) Software and IT Services sector guide, the **U.N. Global Compact** (UNGC), the **Task** Force on Climate-related Financial Disclosures (TCFD), and a third-party Environmental, Social, Governance (ESG) materiality assessment. In fiscal 2020, we refreshed our third-party ESG materiality assessment, which identified key topics that are most important to our stakeholders and our success as a business. We expect to update this assessment on a periodic basis to ensure it reflects changes in our business and the external environment. The assessment process included an evaluation of top business drivers, sustainability impact areas, and industry benchmarking. Interviews with key stakeholders helped prioritize and validate topics. While conducting a materiality assessment helped us identify some relevant topics included in this report, it does not influence the extent of our action or programs related to a particular topic.

The report is reviewed by our Legal and SEC Reporting teams to ensure it is consistent with our other SEC filings and that data contained in the report can be traced back to internal or external records. The SEC Reporting team reviews this report using the same procedures as they do with all other 1934 Securities Exchange Act filings.

Unless otherwise noted, this report encompasses Salesforce's global operations, commitments, and practices during fiscal 2020 (February 1, 2019-January 31, 2020). This report also contains figures that have been approximated or rounded. Certain reclassifications of data from previous public disclosures may be made to conform to the current period presentation. All currency is in U.S. dollars.

#### **ESG** Metrics and Indicators

For complete FY20 and historical ESG metrics that align to SASB, GRI, UNGC, and TCFD, please see the data table on page 51.

#### **ENVIRONMENTAL MANAGEMENT**

For the FY20 Stakeholder Impact Report, we engaged Ernst & Young LLP, an independent third party, to review our greenhouse gas (GHG) emissions data, carbon neutral cloud claim, and net-zero greenhouse gases claim. Ernst & Young LLP's Review Report is included on pages 67-70 of this report.

We continually refine our greenhouse gas accounting processes in accordance with industry standards and best practices. When new or betterquality data becomes available, we update our footprint data accordingly.

We measure success by ensuring that our sustainability efforts are integrated into decisionmaking processes and business operations in a transparent way. In 2017, we signed a letter supporting the recommendations of the **TCFD** and have since worked to align to the recommendations, including conducting a climaterelated scenario analysis.

We assess climate-related risk at least every six months. Since our climate-related risk assessment is integrated into a companywide risk process,

the Salesforce Sustainability team works with the Salesforce Risk Management team on an annual basis to evaluate climate-related transition and physical risks on a time horizon of up to five years, in alignment with our companywide process. Based on Salesforce's enterprise risk management (ERM) methodology and current business model, the transition and physical risks have all been deemed as "very low" risks. Despite this, we have a specific climate change risk management process related to data center and office site selection that occurs each time we open a new facility, which can occur more often than every six months. In addition, we have practices in place to reduce our GHG emissions, mitigating most of the other identified risks. We plan to revisit these transitions and physical risks annually as the business, geopolitical, and social contexts continue to evolve in order to ensure no significant changes have occurred.

We welcome feedback on our initiatives and this report. Please email the Global Impact team at CRImpact@salesforce.com or Investor Relations at investor@salesforce.com to share your thoughts or connect with us on our Salesforce social channels.



# **SALESFORCE SUPPORTS THE SUSTAINABLE DEVELOPMENT** GOALS (SDGs)

Adopted by 193 countries, the 17 SDGs outline the collective impact against the world's most pressing challenges, including those related to poverty, inequality, climate change, environmental degradation, peace, and justice.

Simply put, the SDGs represent the world's to-do list for people and the planet by 2030. Together, these 17 goals are an urgent call for action to combat poverty, mitigate climate change, and secure a more equal and peaceful future.

Using the SDGs, the public, private, and social sectors are already demonstrating that it's possible to work together to create a better world. We've already seen signals of progress: Extreme poverty has declined significantly, immunizations continue to save millions of lives, and the vast majority of the world's population now has access to electricity.

However, despite this progress, recent reports show that the world is moving too slowly in **several key** 

areas. For example, the past four years have been the warmest on record, 1 million plant and animal species are at risk of extinction, and more than half of the world's children are falling behind in reading and math. While the SDGs provide the right action plan, it's up to all of us to act faster and more ambitiously in advance of 2030.

Salesforce has also joined the **United Nations** Global Compact, a voluntary global leadership platform with 10 principles for companies to align on the development,

implementation, and communication of responsible business practices to build a better world. Salesforce is committed to making the principles of the U.N. Global Compact part of its strategy, culture, and day-to-day operations.





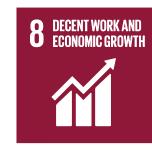






























The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.

#### **DRIVING IMPACT**

In November 2019, Salesforce kicked off a year of action to accelerate the 17 SDGs. We aim to donate \$17 million and volunteer 1 million hours to support the SDGs.

While Salesforce supports all of the SDGs, we have identified six goals that align most to our business. Salesforce is committed to achieving Goals 4: Quality Education; 5: Gender Equality; 7: Affordable and Clean Energy; 8: Decent Work and Economic Growth; 11: Sustainable Cities and Communities; and 13: Climate Action. We use the goals to help frame our strategy as we approach these issues, so that we can leave a positive impact on our communities and the planet.

The Salesforce ecosystem is a powerful force to support all 17 SDGs.

At Davos 2020, Salesforce, together with the other founding partners, World Economic Forum (WEF), Deloitte, and LinkedIn, announced the launch of **UpLink**, a digital crowd-engagement platform, to accelerate the resolution of the world's most pressing SDG issues. **UpLink** is a global platform for action, to connect the next generation of young changemakers and social entrepreneurs to the WEF networks with the resources, expertise, and experience to enact change.

The first version of the **UpLink** platform was released in March 2020 and focuses on ocean-related global challenges. Throughout 2020, UpLink will support the creation of additional global communities centered around actions such as reforestation (through 1t.org), circular economies, and food.



# **ABOUT SALESFORCE**

Salesforce is the #1 CRM, bringing companies and customers together in the digital age. Founded in 1999, Salesforce enables companies of every size and industry to take advantage of powerful technologies – cloud, mobile, social, blockchain, voice, and artificial intelligence – to connect to their customers in a whole new way. Companies come to us as their **trusted advisor**, and together we transform their businesses around the customer.

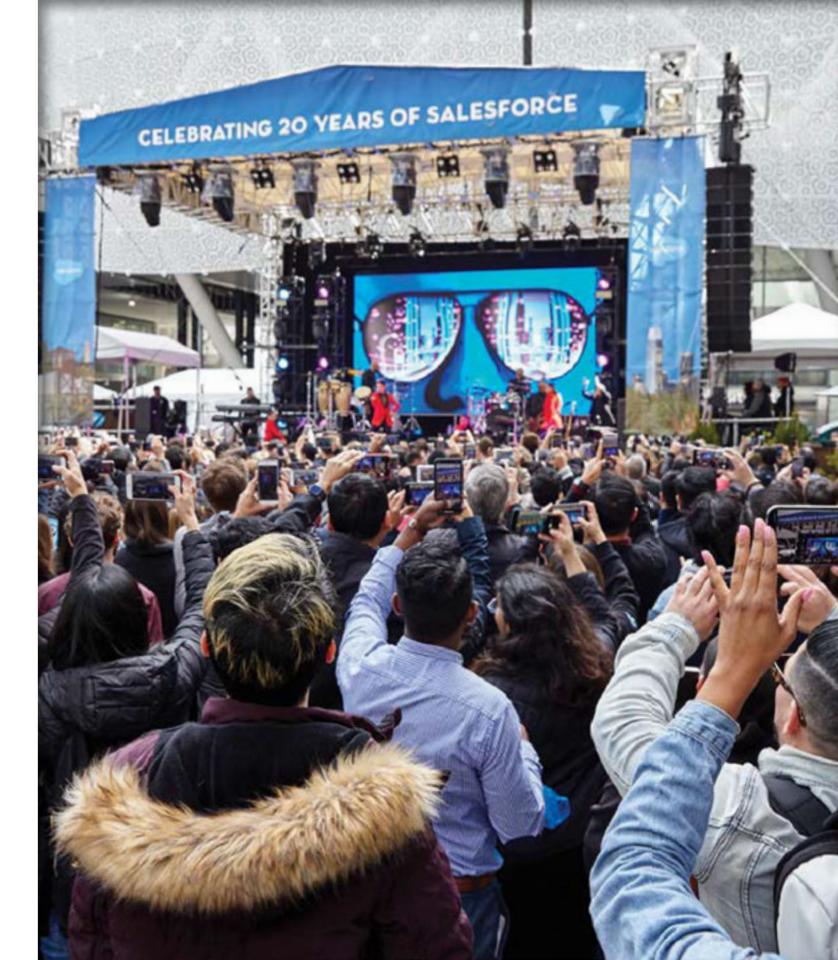
Salesforce Customer 360 is our vision for how we help customers with their digital transformations. It's an integrated CRM platform that unites marketing, sales, commerce, services, and more to give companies a single source of truth about their customers. It gives companies a single, shared view of their customers so they can **deliver** the intelligent, personalized experiences their customers have come to expect from every brand and build lasting, trusted relationships.

Salesforce will power more than 2 trillion B2B and B2C transactions this year for more than 150,000 companies and millions of Trailblazers - the individuals and their organizations who are using

Salesforce to drive innovation, grow their careers, transform their businesses, and give back to the community.

Salesforce is committed to a set of core values – trust, customer success, innovation, and equality for all. The company is one of the leaders on Fortune's World's Best Workplaces list, and for nine years in a row, Salesforce has ranked on Forbes' list of the World's Most Innovative Companies. For information, please visit www.salesforce.com.









# **OPERATING** WITH INTEGRITY

## **GOVERNANCE**

Our corporate governance practices support our core values of trust, customer success, innovation, and equality. These practices provide a framework for the proper operation of our company, consistent with our shareholders' best interests and the requirements of law. We are committed to a corporate governance structure that promotes longterm stockholder value creation by providing a leadership structure and composition of the Board of Directors that is aligned with our strategic direction and providing our stockholders with both the opportunity to provide direct feedback and key substantive rights to ensure accountability.

Salesforce is committed to managing our affairs consistent with the highest principles of business ethics and corporate governance requirements of both federal law and the NYSE, including the following:

- A majority of our board members are independent of Salesforce and its management.
- All members of our key board committees the Audit and Finance Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee – are independent.
- · We have a clear code of business conduct to which all employees, officers, and directors must adhere.
- The charters of our board committees clearly establish their respective roles and responsibilities.

Read more at investor.salesforce.com.



## TRUST AND SECURITY

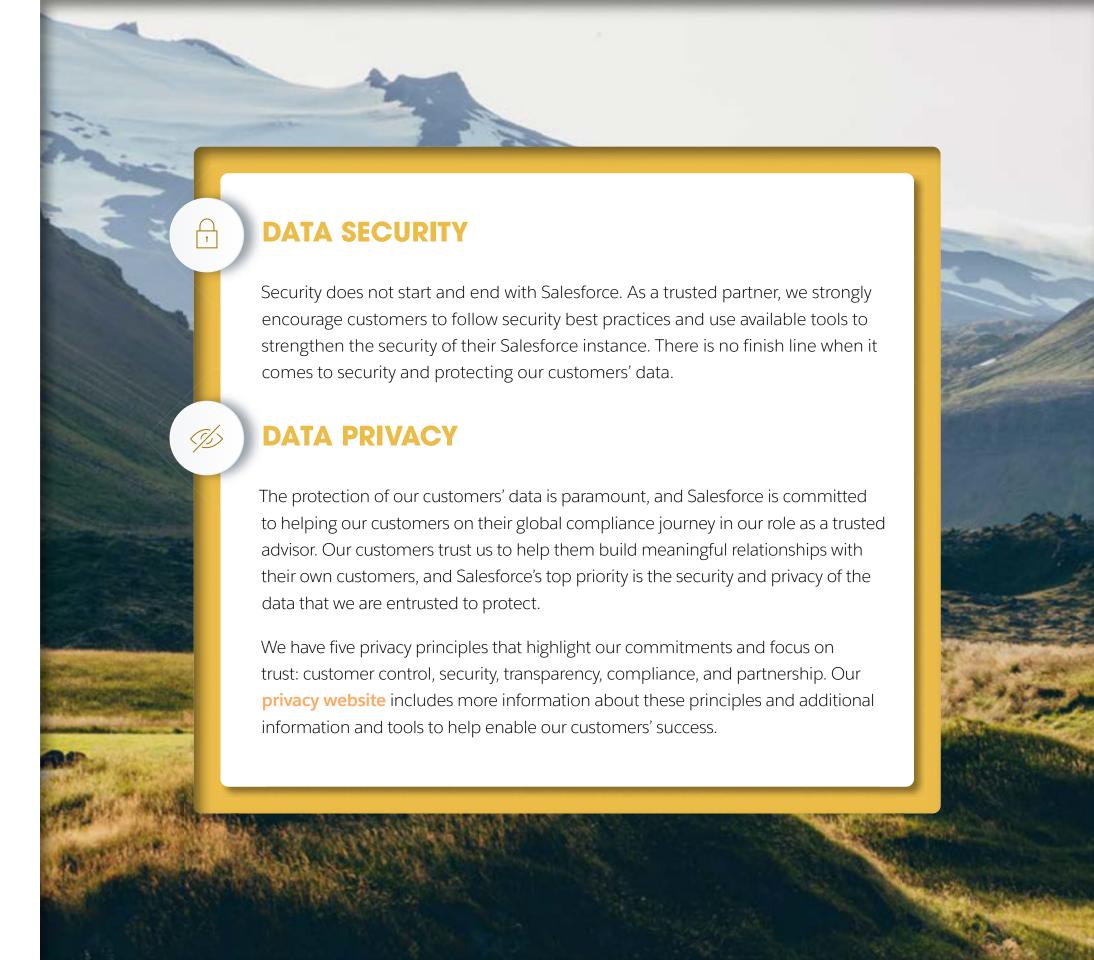
Nothing is more important than the trusted relationship between Salesforce and its customers, employees, and everyone in the Salesforce ecosystem. Salesforce earns the trust of its stakeholders through transparency, security, compliance, privacy, and performance. We are trusted advisors, and we deliver the most trusted infrastructure in the industry.

Trust.salesforce.com is the Salesforce community's home for realtime information on system availability, performance, security, and compliance. Having trust as the foundation of our culture is how we maintain our pace of innovation and deep customer and partner relationships at scale.



"Customers trust us to make them successful, deliver unwavering security, reliability, performance, and compliance."

- Marc Benioff Salesforce Chairman and CEO



#### **BUSINESS INTEGRITY**

Salesforce believes ethics and integrity are critical to the success of our customers, our employees, our business, and to improving the state of the world. We're committed to conducting business in accordance with the laws and regulations that apply to us, and we strive to be one of the most ethical companies in the world. We're proud to have been named on Ethisphere's 2020 World's Most Ethical Companies® Honoree List. Our Code of Conduct, Business Conduct Principles, and other internal policies describe the way we treat employees and other key stakeholders globally, addressing topics such as:

- Voluntary labor
- Wages, benefits, and working hours
- Freedom of association, collective bargaining, and workers' councils
- Nondiscrimination and respect at work
- Protection of the environment
- Health and safety at work
- Doing business ethically and within the law
- Doing business fairly
- Protecting intellectual property
- Respecting privacy

Read more at salesforce.com/company/legal.

#### CIVIC ENGAGEMENT

Salesforce works with all stakeholders to advocate for public policy that supports our four core values: trust, customer success, innovation, and equality.

Salesforce's Government Affairs and Public Policy team works with policymakers and elected officials around the globe on issues that impact our stakeholders. This includes, but is not limited to, our employees, our customers, our shareholders, our communities, and the environment. Salesforce is nonpartisan in our work, and we support candidates and eligible organizations of any party who share our priorities and align with our core values. Salesforce is transparent, publicly disclosing all contributions in the U.S. in reports filed with the Federal Election Commission and with various state campaign finance commissions. Salesforce also participates in a variety of industry organizations, coalitions, and trade associations to advance our public policy interests and business goals. We review these memberships on an ongoing basis.

Salesforce encourages our employees to play an active civic role in their communities, in their personal capacity, and according to their personal beliefs through voting and educating themselves about upcoming elections. We are members of the Civic Alliance, a nonpartisan, nonprofit coalition of corporations that have pledged to increase voter turnout. In addition to encouraging our employees to register to vote and then show up on election day, we bring candidates and experts on ballot issues into our offices so our employees can be informed voters. We hosted over a dozen civic engagement events in our offices across the U.S. in FY20. We published modules on civics and citizen engagement in the United States and in the European Union on Trailhead, our online learning platform.

Visit salesforce.com/public-policy to see details on Salesforce's public policy activities, financial contributions, and memberships.





# PROMOTING ECONOMIC INCLUSION AND **OPPORTUNITY AROUND THE WORLD**

### Empowering Everyone to Thrive in the Fourth Industrial Revolution



In the U.S., CEO Marc Benioff signed the White House "Pledge to America's Workers," committing to provide training to 1 million Americans, and to help people of every background learn the skills they need in the digital economy of the Fourth Industrial Revolution.



In France, Salesforce joined the Tech for Good Summit hosted by President Macron, joined IBM Corporation's P-TECH project, and announced the Salesforce Trailhead and OpenClassrooms partnership. Salesforce also partnered with the Marie Claire think tank, whose objective

is to advance the fight for gender equality. We convened political figures in Paris, including Deputy Minister for Gender Equality Marlene Schiappa, and presented the recommendations issued by the think tank during UNESCO's "Call for Equality" event.



In the U.K., Salesforce received accreditation for London Mayor Sadiq Khan's **Good Work Standard**, the benchmark the Mayor wants every employer in London to achieve, including policies that promote fairness and inclusivity in the workplace.



In Singapore, Salesforce was joined by Minister for Manpower Josephine Teo to celebrate upskilled workers at the graduation ceremony for the Salesforce Professional Conversion Program, developed in collaboration with Workforce Singapore and SGTech.

### Advocating for Equality



Salesforce's Washington, D.C., office partnered with the **Human Rights** Campaign to advocate for the passage of the Equality Act, which would prohibit discrimination on the basis of sex, sexual orientation, or gender identity. The House of Representatives approved the legislation in May 2019 by a vote of 236 to 173.



Salesforce submitted testimony on our Equal Pay Assessment to the New York City Commission on Gender Equity. This highlighted the process we began in 2015 and continue annually to address gender pay equity and to ensure everyone is paid equally for equal work.



Salesforce signed Germany's "Diversity Charta," the country's largest corporate initiative for diversity management, which promotes the recognition, appreciation, and integration of diversity in business culture.



Salesforce signed the U.K. government's **Armed Forces Covenant** in February 2019, in recognition of its work to help veterans, reservists, and military spouses prepare for a career in tech. The Covenant specifically recognizes organizations that ensure that current and former members of the armed forces are treated fairly and that inspire others to do the same.

# SUPPLY CHAIN RESPONSIBILITY

Our suppliers are a critical part of the Salesforce ecosystem. In our supply chain, we work with suppliers who share and support our core values and operate with integrity, respect, and transparency.

We encourage all of our suppliers to go beyond compliance to positively impact local communities, ecosystems, and the environment.

We outline our global supply chain expectations in our Global Supplier Code of Conduct, which serves as a guide to ethical supplier conduct. We require all third-party suppliers of products or services that are paid directly by Salesforce to acknowledge our Supplier Code of Conduct.

We pride ourselves on monitoring social and environmental performance in our supplier management process. In FY20, we started a quarterly education series to upskill all our procurement professionals on next-step supplier sustainability and supplier diversity best practice strategies. We've also started collaborating with over 20 key customers who require quarterly supplier diversity reporting on supplier thought leadership and developmental programs.



# **SUPPLIER SUSTAINABILITY**

At Salesforce, we are constantly working to incorporate sustainability into all areas of our business, including our supply chain. We know we're most effective when we work together. That's why we made a commitment that by 2024, suppliers representing 60% of our Scope 3 greenhouse gas emissions will set their own science-based targets by 2024.\* This target has been approved by the Science Based Targets Initiative.

# **SUPPLIER DIVERSITY**

We believe that partnering with certified small and diverse suppliers is smart business. We recognize diverse suppliers as businesses that are 51% owned and operated by at least one of the following: minorities as defined by the country where the business was established; women; veterans; service-disabled veterans; persons who are lesbian, gay, bisexual, or transgender; or persons with a disability.

In FY20, we invested in a new diverse supplier registration process, allowing us to recruit, advise, and engage at a deeper level with suppliers, industry leaders, and nonprofits. The new process has also enabled us to widen our diverse supplier database to show suppliers in specific geographical areas, revenue bands, and with diverse demographics. This commitment gives us a greater level of engagement with the suppliers and the supplier diversity certifying-organizations.

We are looking forward to continued development and growth from our supplier sustainability and supplier diversity programs.

<sup>\* &</sup>quot;Scopes" are the standard way of categorizing emissions using the World Resources Institute's Greenhouse Gas Protocol. Our corporate commitments to reach 100% renewable energy and our internal price on carbon encompass our Scope 1 and 2 emissions.

## OFFICE OF ACCESSIBILITY

Disability inclusion is fundamental to our value of equality. We aspire to become the number one employer for people with disabilities, for the products we sell to be accessible by people with disabilities, and for all persons to have full and equal access to our offices, our meetings, and our events.

Salesforce has joined The Valuable 500, a worldwide call for 500 of the most influential businesses to include disability in their leadership agenda and to end biased attitudes toward disability in business.

We have committed to the following:

- Launch a centralized Office of Accessibility, led by a chief accessibility officer, to drive thought leadership across the industry, and accountability and compliance across the company.
- Grow representation of people with disabilities throughout the Salesforce ecosystem.
- Continue to develop accessible products that allow all individuals to succeed in the Salesforce ecosystem. Beyond striving to comply with industry standards, we work toward providing effective usability for our customers with disabilities.
- Continue to develop our Global Workspace Design Standards to focus on universal and inclusive design beyond compliance to meet the needs of all our employees and guests with disabilities.
- Continue to focus on improving our employee and customer experience to enhance the accessibility of our events, our internal tools and technology, and communications to foster an inclusive environment for all.

Learn more about our accessibility efforts and commitments.





# PROTECTING **OUR PLANET**

# THE ENVIRONMENT IS A **KEY STAKEHOLDER**

Climate change is the greatest challenge humans have ever faced. 2019 was a year in which natural disasters occurred with unprecedented force and frequency. Global experts agree that we need to immediately and collectively create a significant year-on-year decline in global CO<sub>2</sub> emissions in order to keep global temperature rise to 1.5°C. Even 1.5°C will not be pleasant. With the 1 degree of change we have already created, we are seeing devastating and heartbreaking consequences – droughts, floods, fires, and storms, causing harm to human and other life and fueling the sixth great extinction. As U.N. Secretary-General António Guterres said: "The time for action is now. We need multilateral action by all governments. And we need them to work hand in hand with the private sector and civil society." At Salesforce, we recognize swift action is imperative to address climate change and know we can't do it alone. Collaboration with other corporations, the public sector, and NGOs is a key step in driving positive change.

Earlier this year, Salesforce, along with a coalition of business, civil society, and U.N. leaders, committed to set 1.5°C sciencebased emissions reduction targets, the ambitious goal needed to prevent the damaging effects of climate change. The Science Based Targets initiative has approved Salesforce's emissions

reduction targets – advancing Salesforce's commitment to creating a sustainable, low-carbon future and economy.

At Salesforce, we're thinking big. From our suppliers and our customers, to our technology and our brand, we are identifying our biggest levers of influence and determining how we can make them change agents in the greatest and most highstakes challenge ever – the climate emergency. Because in this adventure, winning slowly is the same as losing. We need all leaders from all sectors to create planetary-scale impact, and fast.

To read more about our environmental initiatives, visit salesforce.com/sustainability.

# **GLOBAL LEADERSHIP AND** COLLABORATION

To deliver unprecedented, timely environmental action, we need to achieve new levels of collaboration among businesses, NGOs, governments, and other institutions on a global scale.

We also know we're stronger together. That's why Salesforce participates in key environmental coalitions and working groups including:

- Accounting for Sustainability
- Advanced Energy Buyers Group
- Ceres BICEP Network
- Renewable Energy Buyers Alliance
- Step Up Coalition
- We Are Still In
- We Mean Business





### SALESFORCE SUSTAINABILITY CLOUD

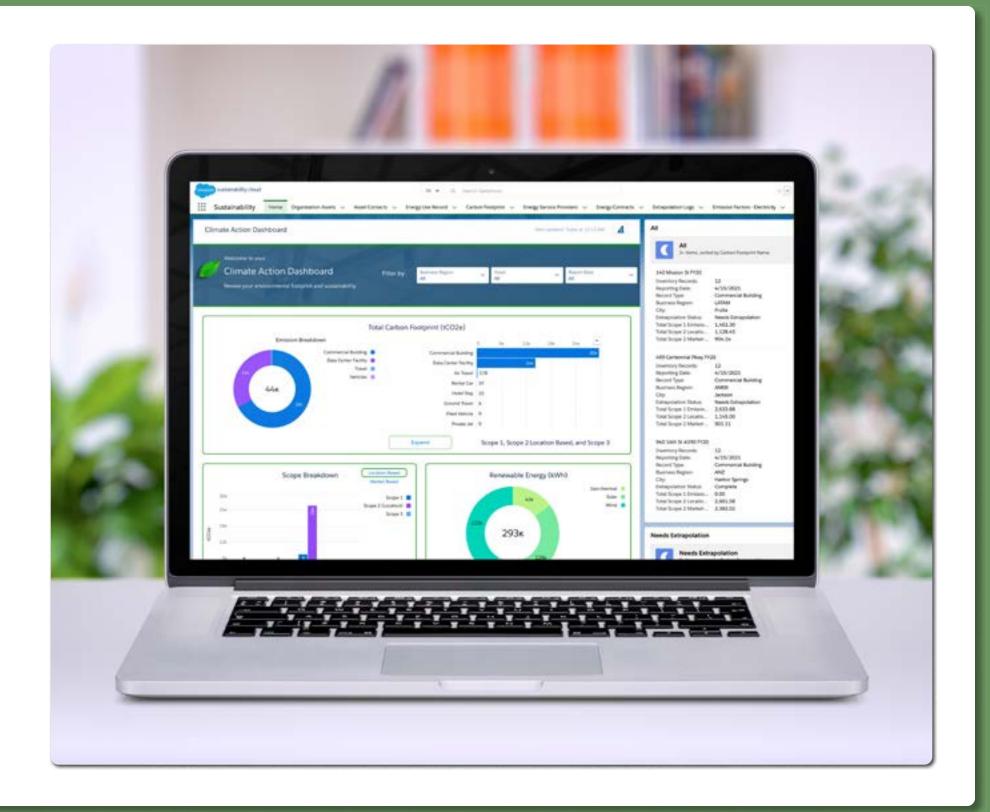
### Empowering Every Business to Drive Impactful Climate Action

Since its founding, Salesforce has harnessed the company's culture of innovation to drive positive social impact through serving the interests of all its stakeholders – including the environment. Salesforce's vision is for customers to use the entire Customer 360 Platform for environmental good.

Salesforce Sustainability Cloud is a prebuilt solution that empowers businesses to quickly track, analyze, and report reliable environmental data to help them reduce their carbon emissions. A company's carbon data is easily integrated into Salesforce and surfaced in Salesforce Einstein Analytics, which creates dynamic reports and dashboards – both for audit purposes and for executive engagement – with insights that empower businesses to drive climate action programs at scale.

Salesforce uses the platform to manage our own environmental footprint and deliver high-quality data to our own stakeholders. For the past three years, we have obtained limited third-party assurance for a number of our key environmental metrics and included these metrics in our financial filings.

Learn more about Salesforce Sustainability Cloud.



## **1TRILLION TREES**

In January 2020, the World Economic Forum and partners, including Salesforce, launched **1t.org** to connect, empower, and mobilize a global reforestation community of millions, unleashing their potential to act at an unprecedented scale and speed. 1t.org has a goal of conserving, restoring, and growing 1 trillion trees within this decade. This could result in up to 12 gigatonnes (Gt) of CO<sub>2</sub> being sequestered from the atmosphere each year, with the same trees possibly storing up to 205 Gt of CO<sub>2</sub> once mature. That's two-thirds of all the CO<sub>2</sub> humans have emitted since the Industrial Revolution. By conserving, restoring, and planting 1 trillion trees by 2030, we can help slow the planet's rising temperatures, as well as stimulate biodiversity and revitalize some of the planet's ecosystem. Carbon sequestration is one important step in addressing climate change, but we know we must also quickly drive down emissions to create a viable 1.5°C future.

Salesforce has set a goal to support and mobilize the conservation and restoration of 100 million trees by 2030.

#### **1T.ORG WILL:**

- Work to overcome the many socioeconomic barriers that hold reforestation back by catalyzing top-down system change – such as policy change, incentives, market creation, and access to funding and technology.
- Raise the level of ambition and spending from business, governments, and philanthropists, and provide guidance to turn that ambition into action.
- Encourage and enable millions more grassroots reforestation champions by providing a digital platform, UpLink, to connect them with the opportunities, tools, and resources they need to thrive.

As a founding supporter of 1t.org and development partner of UpLink, Salesforce is excited to help 1t.org achieve this monumental goal.



# ADVOCATING FOR **CLIMATE POLICY**

A 1.5°C future will require a transformation at an unprecedented pace and scale, more than any single country, company, or group of companies can do alone. This transition is achievable, but it will require collaboration, as well as regulatory changes and technological advances.

Every individual, institution, government, community, and corporation has an essential role to play in reaching a 1.5°C future.

It's not enough for Salesforce, or any other company, to only think about its own footprint. Only through catalyzing global systemic change can we hope to reach a 1.5°C future. One of our most powerful tools to drive change at the pace and scale the planet needs is our voice and our influence. That's why Salesforce is committed to advocating for policies that set the geographies we operate in on a path to a just transition to a low-carbon economy.

#### **OUR CLIMATE POLICY EFFORTS** IN FY20 WERE FOCUSED ON THREE MAJOR PILLARS:

Decreasing GHG Emissions Broadly

Our first and biggest priority is to advocate for clear and consistent government policies that drive the full decarbonization of every part of the economy, in alignment with a 1.5°C pathway. With this in mind, CEO Marc Benioff joined 70+ CEOs in signing a letter that calls for the U.S. to remain in the Paris Agreement. The letter highlights that a consistent signal will allow all businesses, not just voluntary leaders, to be confident in making lowcarbon investments.

Moreover, governments must put forth a robust package of policies that embed the cost of carbon into our products and services, drive innovation and deployment of new technologies, and create clear demand for zero-carbon products and services. In May 2019, Salesforce joined more than **75 companies** in the largest business gathering focused on climate on Capitol Hill in over a decade to advocate for climate legislation. The business leaders called on lawmakers for a well-designed price on carbon as an important part of the U.S. policy solution.

Decreasing the Carbon Intensity of our **Electricity Supply** 

The cloud runs on electricity, which today comes predominantly from burning fossil fuels. In fact, approximately 70% of the world's internet traffic flows through data centers in Virginia, a state where electricity was only about 7% renewable in 2018.1 In 2019, Salesforce stepped forward to challenge Virginia to do more, calling on the state, lawmakers, and utilities to embrace a clean energy future.



In 2019, Salesforce was recognized as a State Champion by Ceres for its leadership in state climate and clean energy policy.

Increasing Access to Renewable Energy

In addition to working to increase the proportion of clean energy in the communities where we operate, we also strive to improve access for ourselves and others who are looking to purchase renewable energy. Last year, Salesforce engaged in Dominion Energy's utility resource planning process in Virginia in an effort to increase access to renewable energy.

Our work has only just begun. We encourage every business, individual, government, and community to use their voice to influence policy and step up to the urgent challenge of climate change.

<sup>&</sup>lt;sup>1</sup> eia.gov/state/analysis.php?sid=VA

# COMMITMENT TO CLEAN AND RENEWABLE ENERGY

Our commitment to 100% renewable energy means sourcing renewable electricity from renewable energy sources equivalent to what we use globally on an annual basis. Achieving this in an impactful way means thinking about deliberate, lasting, long-term grid transformation. Salesforce focuses on purchasing renewable energy in a way that adds new renewable energy to the grid, avoids and reduces the greatest possible emissions, and blazes a trail for others to follow.

#### **REACHING 100% RENEWABLE ENERGY**

In FY19, we published our Clean Energy Strategy, detailing how we plan to get to 100% renewable energy by FY22. In FY20, we procured electricity from renewable energy resources equivalent to 63% of what we used globally, predominantly through large-scale, long-term purchases that add additional renewable energy to the grid.

We're pleased to announce that the Bright Stalk Wind Farm began operations in late 2019. The Bright Stalk Wind VPPA is Salesforce's largest renewable energy agreement to date. Salesforce is supporting 80 megawatts of the 205 megawatt Illinois wind project. Check out our Renewable Energy Projects list to learn more about our renewable energy portfolio.

Meeting our 100% renewable energy goal is a key part of our sustainability strategy. However, the ultimate goal is something bigger and more complex, because balancing our fossil fuel use alone won't be enough.

We want a future in which clean and renewable energy is powering all of the communities where we operate.

Reaching this goal will take time, the deployment of new technologies, financial investment, and regulatory changes.

#### **BLAZING A TRAIL FOR OTHERS** TO FOLLOW

In 2019, Salesforce announced an exciting new renewable aggregation with some incredible partners and Salesforce customers – Bloomberg, Cox Enterprises, Gap, and Workday. Together the group demonstrated a new approach to renewable energy procurement, proving that smaller buyers can pool their demand and support largescale projects in the same impactful way larger companies do. The project received the 2019 **Green Power Market Development Award from** the Center for Resource Solutions and the 2020 **Innovation Award** from Smart Energy Decisions.

Reviewed by Ernst & Young LLP. Please refer to pages 67-70 for its Independent Accountants' Review Report.



#### FY2O GLOBAL ELECTRICITY MIX

In FY20, Salesforce consumed 659 GWh of electricity globally. In alignment with the **Greenhouse Gas Protocol**, Salesforce calculates its carbon footprint using two established methods: location-based and market-based emissions, as presented in the graph on the right.

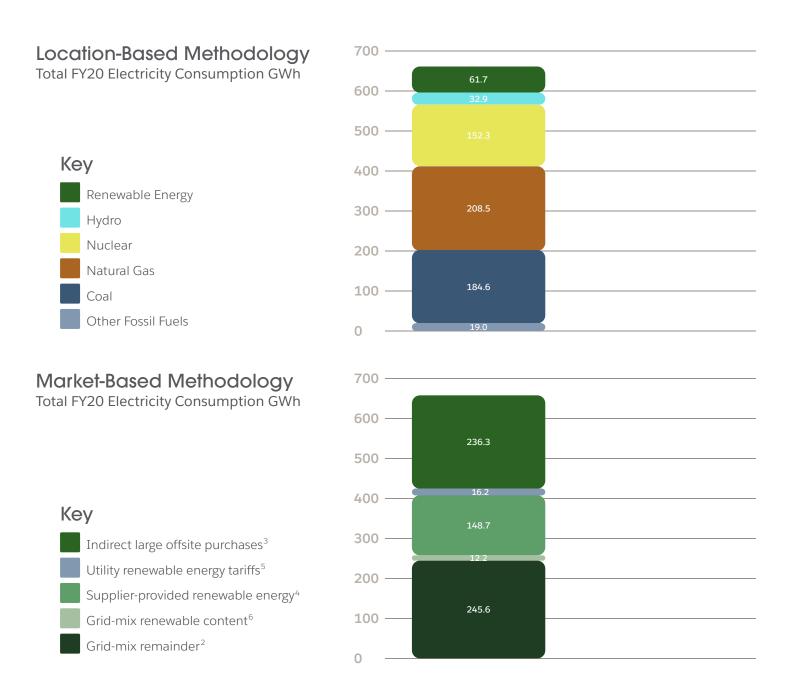
#### LOCATION-BASED METHODOLOGY

We measure the actual (physical) carbon intensity and energy mix of the electric grids on which we operate. This is known as the location-based methodology and is the key indicator of society's collective progress toward achieving the long-term goal of transitioning the electric systems we operate on to low-carbon resources. We believe businesses need to prioritize and transparently disclose location-based performance because it more accurately reflects the opportunities and roadblocks to a clean and renewable grid.

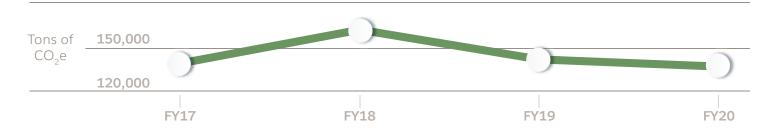
#### MARKET-BASED METHODOLOGY

The second method, known as a market-based methodology, is largely based off of the contracts we have in place for electricity, rather than the mix of resources providing the electricity physically used in operations. The graph illustrates our efforts to balance or offset the impacts of our brown power consumption by bringing new sources of clean and renewable energy online today.

As we have progressed toward our 100% renewable energy goal, our market-based emissions have declined. This reduction is in line with our Science Based Target of reducing our Scope 1 and 2 market-based emissions by 50% by 2030 from a 2018 base year. However, critically, our location-based emissions have increased over the same period, reflective of our business growth and the comparatively slow clean energy transition taking place on the grids where we operate. This is why, through policy advocacy, we continue to work toward a 24/7 clean energy supply for all our global operations. Since FY18, Salesforce has also offset the remainder of our market-based emissions through the purchase of high-quality carbon credits.



#### Scope 1 & 2 Market-based Emissions



<sup>&</sup>lt;sup>2</sup> The energy mix we didn't balance with renewable energy purchases.

<sup>&</sup>lt;sup>3</sup> Utility-scale projects that require long-term contracts for energy/environmental attributes. These include our Virtual Power Purchase Agreements.

<sup>&</sup>lt;sup>4</sup> Renewable energy procured by the lessor of a data center or office to meet our electricity use at that site.

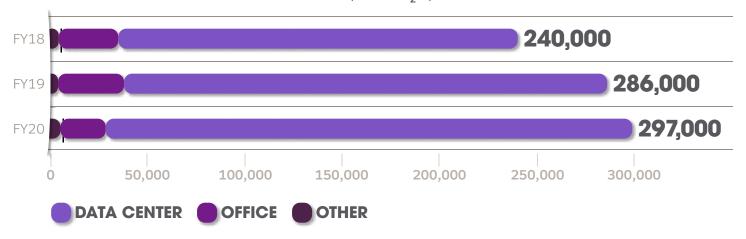
<sup>&</sup>lt;sup>5</sup> Programs in which our utility procures renewable energy specifically on our behalf for sale and delivery to us. The three buildings at our corporate headquarters in San Francisco sourced 100% renewable energy in FY20.

<sup>&</sup>lt;sup>6</sup> The portion of the grid-mix where we operate that comes from renewable energy not otherwise used by specific consumers.

### **ANNUAL EMISSIONS**

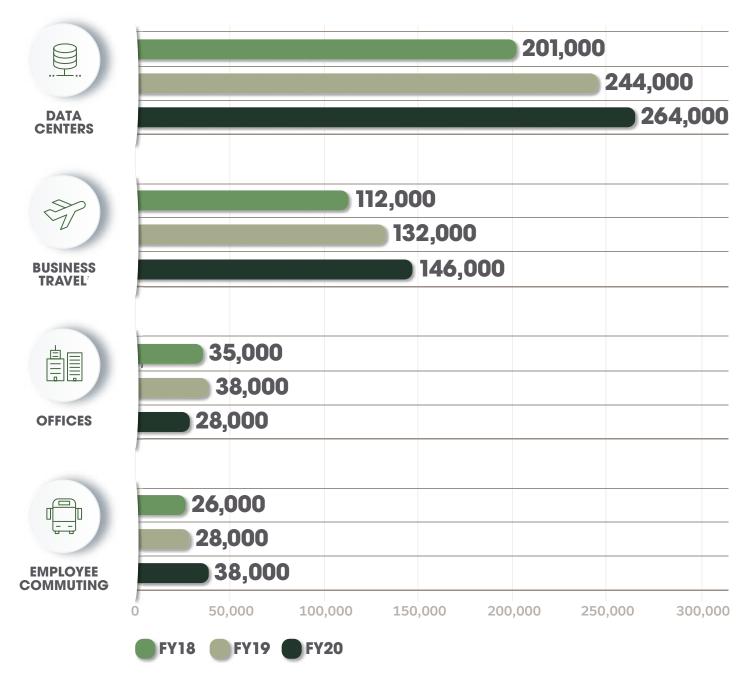
Salesforce works to avoid and reduce our emissions where possible. To achieve this, we are committed to measuring and transparently disclosing our annual emissions, indicated in the following charts. For more detail on our environmental footprint, see the Report Details.

#### Scope 1 and 2 Emissions by Source (MTCO<sub>2</sub>e)



Scope 1 includes direct emissions such as those from onsite natural gas combustion, leaked refrigerants, and so on. Scope 2 includes indirect emissions from the generation of acquired and consumed electricity, steam, heat, and cooling. The above emissions were calculated using a location-based methodology.

#### Annual Emissions by Source Including Scope 1, 2, and 3 Emissions (MTCO<sub>2</sub>e)



The EPA defines MTCO<sub>2</sub>e as the number of metric tons of CO<sub>2</sub> emissions with the same warming potential as one metric ton of another greenhouse gas. The above emissions were calculated using a location-based methodology.

<sup>&</sup>lt;sup>7</sup> In addition to Scope 3 Business Travel, this number includes Emissions from Private Jet usage that are included in Scope 1 emissions.

# SETTING AN INTERNAL PRICE ON CARBON

Offsetting all of Scope 1 and 2 emissions and parts of Scope 3 puts an internal price on our greenhouse gas emission. This creates a financial incentive to support decisions throughout the business that reduce greenhouse gas emissions.

Salesforce is proud to deliver all customers a carbon neutral cloud and to offset all employee commuting and business travel emissions.

#### **OUR STRATEGY**

For many years, Salesforce has worked to mitigate its emissions from its operations by following a three-step, iterative process: avoid, reduce, offset. In addition to our energy management and renewable energy work, to offset the remaining emissions from our operations and provide customers a carbon neutral cloud, we support sustainable development projects through the purchase of carbon credits.8 These credits offset Salesforce's global Scope 1 and 2 emissions as well as parts of our Scope 3 (indirect emissions).

These include emissions from employee commuting and business travel; our data center supply chain, such as the manufacture of servers, production, and distribution of energy use at our data centers; and the impact of our customers using Salesforce on their personal devices. These actions have also formed the basis of our net-zero greenhouse gas emissions claim since FY18. We expect new guidance on the definition of net-zero after the publication of this report.

At Salesforce, business travel and employee commuting form a large part of our emissions footprint. We have strategies in place to reduce these emissions, including placing offices in metro areas near mass transit and utilizing virtual meeting software that allows for a large number of remote workers. We also know there is more work to be done. We have rolled out travel dashboards to executives to show the emissions associated with their team's travel, so they can make responsible travel choices. In the meantime, and as a way to deliver some of the relief the planet needs today, beginning in FY20, we now offset all emissions from business travel and employee commuting.



#### SELECTING HIGH-QUALITY **CARBON OFFSET PROJECTS**

In evaluating sustainable development projects, we look for projects that maximize environmental and social benefits. Additionally, projects go through independent third-party verification to ensure adherence to strict internationally recognized methodologies for quantifying emissions reductions, such as the Gold Standard. We partner with carbon project specialists who conduct additional audits, have scale and reach, and share our core value of innovation.

Read more about our journey to delivering a carbon neutral cloud.

Reviewed by Ernst & Young LLP. Please refer to pages 67-70 for its Independent Accountants' Review Report.

<sup>8</sup> Each carbon credit represents the removal/avoidance of one metric ton of carbon dioxide (or its equivalent) from the atmosphere.

# SUSTAINABLE **REAL ESTATE**

#### **STRATEGY**

For Salesforce, real estate is more than architecture and design; it's a physical manifestation of our culture. It's about creating a place where employees feel empowered to do their best work and one that has a lasting positive impact on our partners, customers, communities, and the environment around us. Through our robust global Sustainable Built Environment Program, we've implemented intentional measures to reduce our environmental impact by delivering consistent sustainable-certified space while always looking for ways to innovate.

We collaborate with industry leaders who are shifting the standards of our built environment, including:

- Paris Solutions Campaign
- ILFI Tech 20
- Embodied Carbon in Construction Calculator
- mindful MATERIALS Catalyst Circle

We are signatories of important initiatives, such as:

- World Green Building Council's Net Zero **Carbon Buildings Commitment**
- Center for Environmental Health's (CEH) Pledge For Safer Furniture Without Flame Retardants

#### SITING FOR SUSTAINABILITY

We infuse sustainability into the very beginning of Salesforce's real estate process by incorporating sustainability criteria as part of initial site search, prioritizing green-certified buildings, and negotiating green lease terms for new and existing buildings.

In FY20, Salesforce received the Institute for Market Transformation and Department of Energy's Green Lease Leaders Silver Award.

In July 2019, Salesforce received the Building Health Leadership Award for our approach to address occupant health and wellbeing through all phases of construction and operations.

#### CONSTRUCTION AND **CERTIFICATION**

At Salesforce, we build our workspaces to meet leading green building standards around the world, such as LEED, BREEAM, Green Mark, and Fitwel. We see the certification process as a helpful guide for real estate project accountability, transparency, and for driving sustainability. But our sustainable built environment strategy is much more than just a certification process; it's a framework for delivering world-class, high-performing, healthy spaces.



#### **HEALTHY AND SUSTAINABLE MATERIALS IN THE WORKPLACE**

The Salesforce design standard promotes collaboration, sustainability, employee wellness, and fun. It's about creating a unified Salesforce real estate experience across the globe for our employees, customers, partners, communities, and the environment. Our Design, Procurement, and Sustainability teams work in close partnership to drive innovative sustainable design and healthy materials standards into all of our spaces. As part of this comprehensive mission, we launched our Healthy and Sustainable Materials Program in 2016 in order to understand, mitigate, and improve the environmental and health impacts of our building products. Through our comprehensive scoring tool, we evaluate all suppliers across holistic criteria including human health, carbon, materiality, water and waste, and social attributes in order to ensure we know what is going into

our spaces. The scoring results are used to make incremental improvements in our purchasing decisions and partner with suppliers to create sustainable products – from installing carpet made from recycled fishing nets, to using low-VOC paint, to piloting a new water-based, nontoxic finish on conference room tables. The implications of this work go beyond our own employees by directly impacting those communities and individuals who manufacture these products.

To learn more about our approach to building and material health, read our **Healthy Materials in the** Workplace guide.

As of FY20, Salesforce has achieved or is pursuing green building certification for 74% of our office space.



#### **SUSTAINABLE OPERATIONS**

Salesforce's global design standard is continuously improved upon to reduce waste, optimize for LEED°, and lower our energy and water consumption.

We've standardized reusable dishes in our kitchens to reduce waste and centralized waste bins to avoid contamination of the waste streams. We also identify opportunities to remove single-use plastics in our snack program and offer snacks in bulk when possible to reduce unnecessary packaging.

Energy efficiency measures, like LED lighting and occupancy sensors, are prioritized in our design standard to deliver energy savings, and we install floor-level submetering with real-time data to continuously improve our operational efficiency. We also pursue innovative pilot solutions such as battery storage and smart sensors to operate high-performance, sustainable buildings. As a result of these efforts and LEED certification, the average global carbon intensity of our real estate offices is steadily declining despite our real estate portfolio growth.

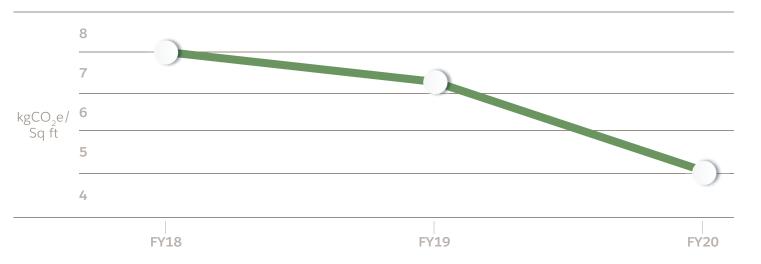


# **EMBODIED CARBON**

All major, new Salesforce office interiors will align with **LEED Platinum v4** standards by 2020 and pursue **International Living Future Institute's Zero Carbon certification** by 2030.

Salesforce is engaged in several efforts to reduce the **embodied carbon** of the products we specify, creating awareness in the industry and influencing a low-carbon supply chain. Carbon emitted during the manufacturing, transportation, installation, and end of life of a product is called the embodied carbon of a product. **Embodied carbon is responsible for 11% of annual global GHG emissions.** Since we have a limited amount of time to reduce carbon emissions in order to set us on a path to a 1.5°C future, the carbon reductions we can make now are more valuable than future carbon reductions.

## Annual Office Carbon Intensity (kgCO<sub>2</sub>e/Sq ft)





# **INSPIRING EMPLOYEE ACTION**

Our green team, Earthforce, is made up of more than 9,000 passionate employee volunteers dedicated to promoting and celebrating environmental responsibility at Salesforce.

Earthforce is one of Salesforce's many employee resource groups. For more information on our Equality Groups, see page 41 of this report or visit salesforce.com/equality.

**FY20 HIGHLIGHTS:** 

**EARTH MONTH CELEBRATIONS** 

20,000+
HOURS OF VOLUNTEER TIME

**BADGES EARNED ON TRAILHEAD COMPLETING INTERNAL SUSTAINABILITY TRAINING** 







# WORKFORCE **DEVELOPMENT**

### SALESFORCE CULTURE

At Salesforce, culture continues to be a significant competitive advantage – it engages our people, drives the creation of our innovative products, and ultimately helps our customers succeed.

The way we see it, culture is no longer a nice-tohave. It's a business imperative with real return on investment. In fact, according to Harvard Business **School**, when culture is treated as a business strategy, companies can see as much as a 50% improvement in employee performance. Further studies show that a focus on culture drives up levels of innovation by 30% and levels of employee retention by as much as 40%.

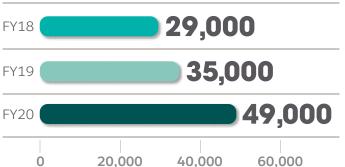
Over the past 21 years, we have been able to build a reputation as a great place to work and scale our culture as we've grown because of our focus on values - our four core values are trust, customer success, innovation, and equality. We live these values everyday – both inside and outside the company. We are also highly intentional about our culture. We write it down; we prioritize it; we put programs behind it; we measure it; we innovate on it: and we hold ourselves accountable to it.

We also believe that it's about meaningful work, purpose, and belonging, which we cultivate through transparency in our business processes, equality, our 1-1-1 philanthropic model, and wellbeing initiatives.

Culture continues to be a significant competitive advantage — it engages our people, drives the creation of our innovative products, and ultimately helps our customers succeed.

Because of our culture, we've been able to attract and retain world-class talent and earn customer loyalty to become the fastest-growing enterprise software company with \$17.1 billion in revenue in FY20. We have also been named an "Innovator of the Decade" by Forbes and one of the "100 Best Companies to Work For<sup>®</sup>" by Fortune for the past 12 years in a row.

## Full-Time Employees





# SALESFORCE IS CONSISTENTLY **RANKED A BEST PLACE TO WORK:**

- GREAT PLACE AUSTRALIA #1 in 2019
  - TO WORK FRANCE #1 in 2019
    - **U.K.** #1 in 2019
    - **JAPAN** #1 in 2019
    - **BAVARIA** #1 in 2019
    - **U.S.** #2 in 2019
    - **SINGAPORE** #2 in 2019
    - **IRELAND** #3 in 2019
    - NETHERLANDS #3 in 2019
    - **ARGENTINA** #4 in 2019

- **GERMANY** #4 in 2019
- CANADA #4 in 2019
- INDIA #36 in 2019
- **EUROPE** #1 in 2019
- **ASIA** #9 in 2019
- **LATIN AMERICA** #18 in 2019
- WORLD'S BEST #3 in 2019
- UK'S BEST WORKPLACES **IN TECH 2019** #1 in 2019

- FORTUNE FORTUNE 100 BEST COMPANIES TO WORK FOR #2 in 2019
  - BEST WORKPLACES FOR MILLENNIALS #3 in 2019
  - BEST WORKPLACES IN TECHNOLOGY #3 in 2019
  - BEST WORKPLACES FOR WOMEN #7 in 2019
  - **FUTURE 50** #9 in 2019
  - BEST WORKPLACES FOR PARENTS #15 in 2019
  - BEST WORKPLACES FOR DIVERSITY #25 in 2019

**PEOPLE • COMPANIES THAT CARE #1 in 2019** 



#### **GLOBAL GROWTH**

Salesforce announced two new towers around the world that will result in more than 3,000 jobs created:

TOKYO

SYDNEY

#### TALENT DEVELOPMENT

Our success depends on our ability to attract, retain, and develop a talented workforce. With technology changing so rapidly, companies need to look beyond traditional, one-size-fits-all solutions and seek out new approaches to learning.

At Salesforce, we do this foremost by offering learning and development content to all employees through myTrailhead, our learning experience platform. myTrailhead empowers our employees with customized learning content, designed just for them. With myTrailhead, we're creating a culture of continuous learning at Salesforce, where we put a focus on learning at every stage of an employee's career journey.

With an eye on building the next generation of global leaders and high-impact teams, Salesforce's Talent Development team also creates and facilitates customized, long-term development programs for our employees. These programs last anywhere from a few days to an entire year, with an emphasis on people managers and senior leaders.

Our talent development work focuses on building high-impact teams that have a common purpose, act with courage and compassion, are mutually accountable, are willing to broaden their thinking, drive execution, and create a supportive and inclusive climate. We are on a journey to create a workplace where employees push boundaries and address challenges using our hearts and minds in order to collaborate on meaningful and impactful work.

> At Salesforce, 92% of employees say their workplace is great.

> > - 2019 GREAT PLACE TO WORK® SURVEY



### SUPPORTING EMPLOYEE GROWTH

### Leading Ohana

Leading Ohana is a program designed to transform executives over a year-long period into mindful, purpose-driven, globally oriented leaders ready to take our business and ecosystem to the next level. It is a transformational leadership program designed to help vertical development with an emphasis on encouraging complex thinking. A key component of this program is working with purpose-driven organizations in developing communities and helping individuals apply the leadership skills gained through the program.

**EXECUTIVE PARTICIPANTS** TO DATE

APPROXIMATED HOURS OF **DEVELOPMENT PER PARTICIPANT** 

#### Accelerate

Accelerate is a year-long program for high-potential employees who are not yet managers to prepare them to be future team leaders. The program provides participants with tools to become more aware of themselves and others, equips them with leadership behaviors, and teaches them what it means to be a leader at Salesforce.

APPROXIMATED HOURS OF STRUCTURED\* DEVELOPMENT PER PARTICIPANT





<sup>\*</sup> Each participant is expected to drive their own development beyond structured hours.

# **FUTUREFORCE**

Our Futureforce University Recruiting program is dedicated to attracting and cultivating next-generation talent. Our interns and new graduates work on real projects that affect how our business runs, giving them the opportunity to make a tangible impact on the future of our company.



Never was that more apparent than FY20 when we saw Futureforce alumni take the main stage at the Dreamforce keynote, earn patents from their intern projects, and take on key roles within our Equality team as their generation leads the charge for change.

In FY20, we hired more than 1,200 new graduates and over 850 interns — and we're just getting started, with a goal to hire 18% of Salesforce's workforce in FY21 from this group.







# PREPARING A FUTURE-READY **WORKFORCE**

We're committed to building a more diverse and inclusive global workforce prepared with the skills to thrive in the 21st century, beginning in our own offices and communities. Establishing a strong professional foundation begins with early career exposure, on-the-job training, and the opportunity to build professional networks. This is why, for the past 12 years, Salesforce has partnered with workforce development organizations to connect untapped talent to meaningful paid work experiences.

We are proud that 53% of the Year Up interns who joined us in FY20 continued with Salesforce following the program, bringing tremendous value to our company and community.

Across the globe, over 700 young adults have joined Salesforce through various workforce development partners, pursuing internships and apprenticeships that help them gain valuable skills while contributing to our teams.





### U.K. Apprenticeship Programs

In FY20, we expanded our apprenticeship programs in London, continuing our partnership with WhiteHat and launching a new apprenticeship program in partnership with Ada, the National College for Digital Skills. Both WhiteHat and Ada are focused on closing the opportunity gap and developing a diverse talent pipeline by providing young adults from underserved and underrepresented communities with the opportunities, training, and support needed to progress into meaningful careers.

WhiteHat apprentices joined our Customer Success, Marketing, Employee Success, and Global Philanthropy & Engagement teams, while we launched Salesforce's apprenticeship program with Ada in partnership with our Solution Engineering team. Both partnerships demonstrate the growing demand for apprentices across different business units, a testament to the significant value these young adults bring to Salesforce.

#### U.S. Internship Programs

In FY20, we welcomed our largest intern classes to date in the United States, hosting more than 100 Year Up and Genesys Works interns across our Atlanta, Bay Area, Bellevue, Chicago, Dallas, Herndon, and New York City offices.

Following six months of intensive technical and professional training, Year Up interns spend six months at Salesforce, completing internships across a wide range of business functions. These young adults (ages 18–24) often come from communities where opportunity is not abundant; yet they possess the talent and drive necessary to grow, succeed, and contribute to the workforce.

Genesys Works provides high school students with pathways to career success through skills training, meaningful work experience, and impactful relationships. Genesys Works interns spend nine months at Salesforce while attending school half time, gaining what is typically their first professional experience and exploring potential career paths before beginning college.

# SKILLING UP FOR THE FUTURE

#### **TRAILHEAD**

Salesforce is committed to enabling the workforce to learn the skills needed to thrive in the jobs of today and tomorrow.

At the core of this commitment is Trailhead.

Trailhead, Salesforce's free gamified online learning platform, empowers anyone to skill up for the future. Trailhead's mission is to reduce the barriers to learning and provide anyone, regardless of their background or education level, with the tools needed to land a job in the thriving Salesforce ecosystem. With Trailhead, anyone can learn in-demand skills, earn resumeworthy credentials that companies are hiring for, and connect to opportunity from mentorship to employment with the Trailblazer Community.

Since its launch, nearly 2 million Trailblazers have earned over 20 million badges on Trailhead.



# TRAILBLAZER HIGHLIGHT



Jesse Twum-Boafo **SOLUTIONS ARCHITECT** Cape Town, South Africa @Jesse tb

Jesse's plans for a career in nonprofits changed when he discovered the power of the Salesforce Platform. Despite his limited tech background, Jesse chased the opportunity to work in the ecosystem. He challenged himself to master the platform by learning on Trailhead. Now Jesse holds 10 Salesforce certifications, leads cutting-edge Salesforce implementations in South Africa, enjoys engaging in the global Trailblazer Community, and inspires anyone who will listen to start learning on Trailhead.



**Alvaro Mattos FOUNDER** Sottama Sao Paulo, Brazil @alvaromattos

Alvaro needed a fresh start after the age of 60. After a 40+ year career in IT and sales, Alvaro discovered Salesforce and enjoyed working on the platform. When he faced an unexpected layoff, Alvaro immersed himself in learning on Trailhead and earned hundreds of badges and several certifications. Alvaro had a tough time finding a job due to his mature age and career experience, so he started his own consulting company. Now he's having the time of his life working on his own terms.



Rebecca Aichholzer **HEAD OF BUSINESS SYSTEM SUCCESS** Brisbane, Australia @bextabooo

Rebecca had a solid job as a sales manager, but she didn't discover her true purpose and passion until she implemented Salesforce for her team. As Rebecca learned on Trailhead and got engaged in the Trailblazer Community, she fell in love with the platform and fellow Trailblazers. She is now a technology leader and an advocate for Women in Tech. Rebecca is head of Business System Success, a community group leader, a Women in Tech advocate, and an inspiring speaker on conquering imposter syndrome.



Althea Taite SALESFORCE ADMINISTRATOR L'Oréal Jacksonville, FL, USA @iamtaite

Althea wanted to skill up on technology to stay relevant in the changing marketing landscape. So she searched for ways to add tech skills to her traditional marketing background, found Salesforce, and started learning on Trailhead. Then she went deep by joining a PepUp Tech cohort to learn with peers, get mentorship, and build connections. Now Althea is thriving as a full-time Salesforce Admin, and she's excited about lifelong learning and continued growth in the Salesforce ecosystem.

#### **PATHFINDER TRAINING PROGRAM**

Salesforce's **Pathfinder Training Program** is a workforce development initiative designed to train individuals with the technical and business skills necessary to pursue a career in the Salesforce ecosystem. Launched in 2018 in collaboration with Deloitte, Pathfinder began with a commitment to train the next generation of Trailblazers. Our vision is that all individuals – regardless of background, demographics, and socioeconomic status – have the skills and support necessary to pursue careers in the Fourth Industrial Revolution. By providing a rigorous curriculum, fostering community support, and collaborating with a network of diverse institutions and employers, Pathfinder gives participants access to the technical training and resources necessary to transform their lives and careers.

To date, 269 individuals have graduated from the Pathfinder Program — and we plan to welcome six more cohorts in FY21 as part of our global expansion this year to the Bay Area and EMEA.



# Salesforce **PATHFINDER**



"I feel extremely grateful for the lifechanging opportunities the Pathfinder Program has brought me. A year ago, I did not know how to write a line of code, and now I'm working for a tech company configuring their processes by point-and-click programming and Apex."

> — Anh Nguyen Pathfinder Graduate



#### **SALESFORCE MILITARY**

In November 2019, Salesforce Military celebrated the five-year anniversary of our commitment to the military community. We support veterans and military spouses by investing in training and career support to help them transition to rewarding civilian careers in the Salesforce ecosystem. This ecosystem will drive an estimated 4.2 million new jobs by 2024, and the Salesforce Military Program enables the military community to be first in line.

We know it isn't enough to train the military community with the necessary technology skills to succeed. Transitioning veterans are often overlooked during the hiring process because their unique experiences might not translate directly to a posted job description. They need help to get their resumes to the top of the pile.

In May 2019, we launched the Salesforce Military Alliance, in partnership with Accenture Federal Services and Prudential, to create a larger movement to prioritize and accelerate the interviewing and hiring of veterans and military spouses for Salesforce ecosystem roles.

These Salesforce partners and customers commit to guaranteed job interviews for any veteran or military spouse who completes online training and earns an administrator certification, and/or offers reskilling opportunities to their current veteran or military spouse employees through the Salesforce Military Program.

The Alliance has grown to 20 partners, and more than 115 military community members have signed up for interviews. These partnerships will drive tangible opportunities for military community job seekers and bring military talent into the Fourth Industrial Revolution.

HERE ARE SOME OF SALESFORCE MILITARY'S ACHIEVEMENTS OVER THE LAST FIVE YEARS:

SALESFORCE.COM/MILITARY AND ACTIVELY LEARNING

TRAILHEAD BADGES EARNED

SALESFORCE CERTIFICATIONS EARNED

SALESFORCE MILITARY TRAILBLAZERS CURRENTLY **WORKING IN THE SALESFORCE ECOSYSTEM** 



## TRAILBLAZER SPOTLIGHT: CIARA SKILES

Ciara Skiles, an active duty military spouse, discovered Salesforce Military at a Hiring Our Heroes Career Summit while stationed in Yokosuka, Japan. She successfully reskilled as a Salesforce Administrator and is now thriving in a remote consultant role.

Not only did Ciara double her salary, but she is now able to build a career while frequently moving as a military spouse.





# **EQUALITY FOR ALL**

## **EQUALITY**

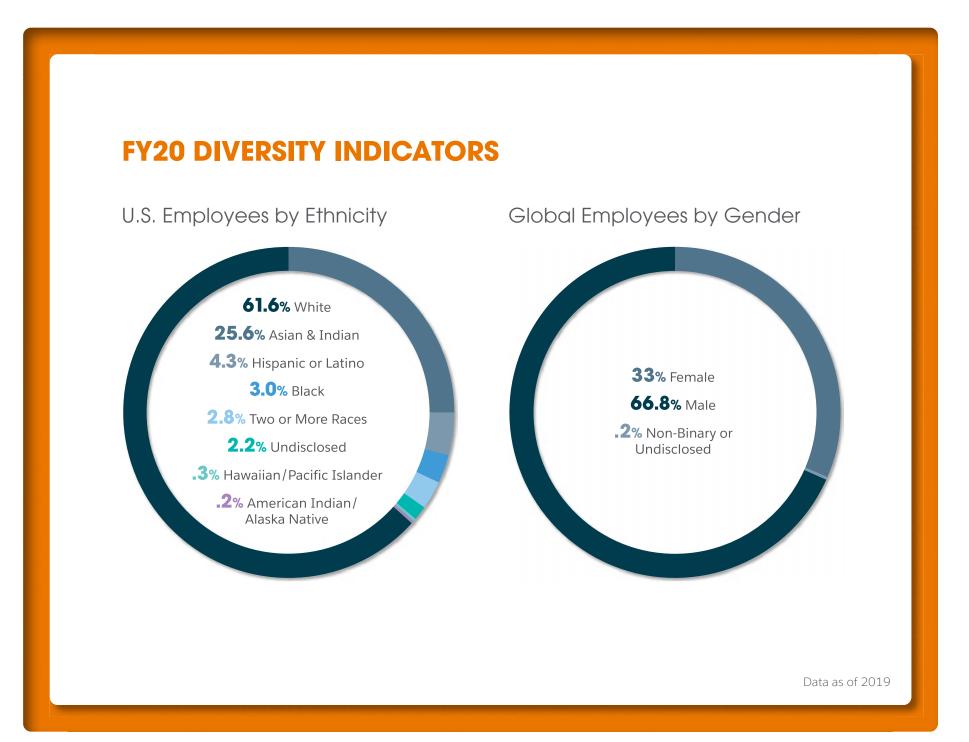
Equality is a core value at Salesforce, and we believe in Equality for All. We're working to create a workplace that reflects the diverse communities we serve and where everyone feels empowered to bring their full, authentic selves to work. We do this through increasing representation – we strive to make our workplaces reflect society; creating opportunity – we believe everyone should have an equal opportunity to succeed in tech; and through empowering allyship – we believe everyone has a responsibility to be an ally, and help build a more equal world.

Creating a culture of Equality isn't just the right thing to do; it's also the smart thing — empowering us to innovate, build deeper connections with our customers, and ultimately become a better company.

Foundational to this journey is understanding the data. We know there is more work to be done on this path to creating a workplace that reflects society.

As part of our mission to create a workplace that reflects society, we set a new goal and strategies to accelerate growth and drive change within our company.

We aspire to have 50% of our U.S. workforce made up of Underrepresented Groups (Women, Black, Latinx, Indigenous, Multiracial, LGBTQ+, People with Disabilities, and Veterans) by FY24 and to continue building a workplace that reflects society around the globe.



## **OUR PATH TO EQUALITY**

We are humbled to be recognized by Fortune as one of the best workplaces for diversity, but we know there is much more work to be done. We believe we have a broader responsibility to the world in which we live and work.

As part of our commitment to being a platform for change, we:

#### **Lead with Data**

Our senior leaders are empowered monthly with a scorecard detailing the head count, hiring, attrition, and promotion data by Gender (Global) and Race (U.S.). We pair our largest organizations with an Equality Board made up of their Recruiting, Employee Success, Equality Partners, and senior leaders to drive prescriptive actions based on data.

### **Empower Our Equality Groups**

Our Equality Groups are employee-led organizations to support our underrepresented communities. Their leaders are on the front lines of Equality, driving progress together as volunteers. Our employees receive 56 hours a year to volunteer – time spent leading this important work counts toward their hours. We encourage everyone to participate as allies to build empathy, learn, and stand up for their colleagues.

#### **Invest in Development**

We are investing in empowering our future diverse leaders with two new initiatives – our Equality Mentorship program and a partnership with the **Executive Leadership Council** on an in-house program focused on underrepresented minorities.

#### **Adopt Inclusive Business Practices**

We have established Inclusive Hiring and Inclusive Leadership trainings for our managers and have invested more than \$12 million to ensure Equal Pay for Equality Work.

#### Invest in the Diverse Workforce of the Future

We have invested \$67.4 million in San Francisco and Oakland public schools and over \$90 million worldwide.

#### Lead in Ethical and Humane Use

We established an Office of Ethical and Humane Use as part of our Office of Equality to help ensure our products are developed and used in ways that are ethical and uphold the fundamental human rights of every individual.

#### Focus on Accessibility

We strive to be Trailblazers in ensuring accessibility, from our products to workplaces, through our new Office of Accessibility.

### **Cultivate Supplier Diversity**

We also are committed to giving access to diverse business owners and vendors through our Supplier Diversity program.

### **Adopt Workforce Development Programs**

We believe in widening access to the tech industry by training and enabling the diverse workforce of tomorrow through various workforce development programs. These efforts include our Pathfinder program in partnership with Deloitte, Salesforce Military, Futureforce, Trailhead, and our partnership with external programs, including Year Up and Genesys Works.

## **EQUAL PAY FOR EQUAL WORK**

In 2016, Salesforce made a commitment to ensure equal pay for equal work. As of April 30, 2020, the company has spent more than \$12 million to address unexplained differences in pay among genders, as well as between race and ethnicity in the U.S. The Salesforce salary assessment methodology analyzes the employee population based on objective factors that determine pay such as job function, level, and location. The assessment then groups employees in comparable roles and analyzes salaries of a given group to determine where there are statistical differences across race in the U.S. and gender globally. Salesforce will continue to focus on equality, diversity, and inclusion at all levels and review employee compensation on an ongoing basis.



## **OUR EQUALITY GROUPS**

At Salesforce, we strive to create workplaces that are reflective of the communities we serve and where everyone feels welcomed, valued, heard, and included in our company. One of the ways we do this is through our employee resource groups, which we call Equality Groups. Salesforce empowers its 12 Equality Groups to create community for underrepresented groups and their allies, offer professional development and mentoring opportunities, and empower employees to be impactful equality leaders in their community.

In FY20, the Equality Groups organized to contribute over 110,000 volunteer hours to our global community. Over 100 new regional groups were launched to localize conversations around equality and ensure inclusion in our global offices.

Salesforce has 12 official Equality Groups: Abilityforce, Asiapacforce, BOLDforce, Earthforce, Faithforce, Genforce, Latinoforce, Outforce, Southasiaforce, Vetforce, WINDforce, and Women's Network.

Read about all of our Equality Groups at salesforce.com/equality.





















southasiaforce







## **ETHICAL AND HUMANE USE OF TECHNOLOGY**

We opened the **the Office of Ethical and Humane** Use within our Office of Equality in 2018 to create technology and policies that drive customer success, while upholding the basic human rights of every individual.

The Office of Ethical and Humane Use, led by Paula Goldman, Chief Ethical and Humane Use Officer, focuses on three key areas:

Ethical Use Policy: Understanding the direct impact of our products on the world Ethics by Design: Creating a culture of ethics by design throughout Salesforce Advancing the Field: Enabling multistakeholder dialogues

We do this by engaging with a diverse set of stakeholders to include a wide range of views to inform our work and reflect our core value of equality.

### **ETHICAL USE POLICY**

Our first area of focus is understanding the direct impact of our products in society. The Office of Ethical and Humane Use works across product, legal, policy, and ethics to develop and implement a strategic framework to help our customers use our products in a responsible manner. As a result

of this process, we released an updated policy to prohibit the sale of certain firearms and accessories to private citizens on our platform.

Multistakeholder dialogue is key to the Office of Ethical and Humane Use. We are in our second year of convening our Ethical Use Advisory Council, which meets quarterly to provide guidance and counsel for our ethical use initiatives. Our Council is composed of internal front-line employees, executives, and external experts in academia and civil society in the fields of human rights and ethics in tech.

### **ETHICS BY DESIGN**

We are deliberate in embedding ethical and humane principles and features into our products and processes. We empower all Trailblazers – our teams, customers, and stakeholders – to consider technology's potential harms, so we can build tools and features together that help us navigate unprecedented uncertainty, increase trust, and positively impact the world. For example, we offer customers' Salesforce admins the ability to flag sensitive fields (for example, age, race, gender), find highly correlated variables (proxies), and "protect" (exclude) them from use in an AI model. We're extending this strategy to non-AI products as well.

We strive to empower our customers to implement AI safely, accurately, and ethically.



One of the ways we have done this is through the "Responsible Creation of AI" module, which launched in May 2019. This trail is a primer in some foundational ethical concepts and helps employees and customers address potential bias and harms in their data and models. To help employees build ethical AI, we teach ethics as a core part of our monthly Machine Learning course for product managers.

Finally, Salesforce Research has been active in developing AI for Social Good. In November 2019, we launched **SharkEye**, a research partnership with Benioff Ocean Initiative and San Diego State University that uses Einstein Vision to detect great white sharks to learn more about their biology and help people safely share the ocean with marine wildlife.

### **ADVANCING THE FIELD**

Salesforce participates in a variety of organizations and human rights advocacy groups to further the ethical use of technology. We partner with several civil society organizations to collaborate and advance the field of ethics and tech.

One of the groups we have partnered with repeatedly is the WEF at the Center for the Fourth Industrial Revolution. Salesforce is on the Responsible Use of Technology Steering Committee and has participated in workshops on the Public Procurement of AI, AI Board Toolkit, and Generation AI. Furthermore, Salesforce seconded three employees to the WEF as fellows on the topics of Ethics in Tech and Ethical AI.

You can read more about our Office of Ethical and Humane Use at salesforce.com/company/ethicaland-humane-use.

## **INVESTING FOR IMPACT**

At Salesforce, we believe that technology has the power to accelerate solutions to solve some of the world's most urgent problems.

The United Nations estimates that reaching the Sustainable Development Goals in developing countries will cost approximately \$3.9 trillion per year,\* and we believe that impact investing will play a critical role in advancing market-based solutions that address many development challenges.

The Salesforce Ventures Impact Fund continues to advance the growth of companies that are building products and solutions to drive positive impact for people and the planet. Our investments span across four key focus areas: workforce development, sustainability, diversity and inclusion, and the social sector. In 2019, we supported four of our existing portfolio companies with follow-on investments and invested in five new companies. We work closely with our portfolio companies to help them leverage the power of the growing Salesforce ecosystem, with the goal of deploying and scaling their technology to communities that need them the most.



## **PORTFOLIO IMPACT**

We are proud of the growing portfolio, its impact on all our stakeholders, and its potential for the future. Here are the key milestones that the Impact Fund's 21 portfolio companies achieved in calendar year 2019:



OF PORTFOLIO COMPANIES HAVE **DIVERSE\*\* FOUNDERS OR CEOS** 



OF PORTFOLIO COMPANIES HAVE A **DIVERSE**" BOARD OF DIRECTORS



**REVENUE GENERATED** 



**NEW INVESTMENT CAPITAL RAISED** 



**NET NEW JOBS CREATED AT PORTFOLIO COMPANIES** 



INDIVIDUALS DIRECTLY SERVED



**STUDENTS SERVED** 



**LOW-INCOME STUDENTS SERVED** 



METRIC TONS OF CO, REDUCED



INDIVIDUALS RECEIVED ACCESS TO **NEW FINANCIAL SERVICES** 



IN DONATIONS AND GRANTS UNLOCKED

\*\* Diversity is defined as having female or underrepresented minority representation.

<sup>\*</sup> mckinsey.com/business-functions/sustainability/ourinsights/how-impact-investing-can-reach-the-mainstream



## **PORTFOLIO COMPANY SPOTLIGHTS**

# GUILD

### Guild Education Reaches Unicorn Status

In November 2019, a \$157 million Series D fundraise at a \$1 billion valuation placed Guild Education in rarified unicorn territory. Led by CEO and Co-Founder Rachel Carlson, this education technology company upskills the workforce of today for jobs of tomorrow by partnering with Fortune 1000 employers like Walmart, Disney, Lowe's, and Chipotle. Guild helps these leading companies offer debt-free education pathways to their front-line employees, all of which is deeply aligned with the companies' broader corporate strategies. In line with Guild's mission to unlock opportunity for America's workforce through



education, more than 400,000 working adults have used the company's platform and network of nonprofit, accredited universities to explore a debt-free path to pursuing programs that include bachelor's and master's degrees, certificates, trade diplomas, ESL classes, and high school completion.



# Unite Us Is Bridging the Gap Between Healthcare and Social Services

To address the social factors that contribute to people's health outcomes, Unite Us created a technology platform that standardizes how health and social care providers communicate and track outcomes together. Its proven infrastructure provides both a person-centered care coordination platform and a hands-on community engagement process. By generating meaningful data on services and outcomes, Unite Us empowers its network partners to consistently improve the services they're providing and optimize the



way care is being delivered in their communities. Unite Us is now active in 35 states, working with many of the largest insurance companies, healthcare providers, governments, and community-based organizations. The Salesforce Ventures Impact Fund's strategic investment aims to scale and strengthen the power of this technology to address real challenges in the social determinants of health.



# **PHILANTHROPY**

## **SALESFORCE &** SALESFORCE.ORG

From the time Salesforce was founded, giving back has always been part of our DNA. Since then, we have donated \$330 million in grants and our employees have volunteered more than 4.9 million hours in our communities. We empower 49,000 Salesforce employees to give back as citizen philanthropists and invest in our local communities through strategic investments by the Salesforce Foundation.

Our philanthropic efforts are grounded in a commitment to advance equity and access, rooted in our belief that talent is everywhere but opportunity is not. Through our strategic investments and partnerships, we are strengthening public school districts, helping young people find affordable paths to and through college, advancing demand-driven skills training, and connecting untapped talent with meaningful career opportunities that lead to

economic mobility. Ultimately, we seek to create a more diverse and inclusive global workforce prepared with the skills to thrive in the 21st century.

In June 2019, Salesforce.org was integrated into Salesforce. Salesforce.org remains aligned with our customers and is singularly committed to improving the state of the world. We continue to provide free and highly discounted technology to the nonprofit and education sectors. With over 46,000 nonprofits, educational institutions, and philanthropies using our technology, we are dedicated to creating solutions for the social impact sector to connect, organize, and scale their missions.

Our potential to drive positive change at scale has never been greater. The philanthropic power of our global community has never been stronger. And Salesforce.org's capacity to innovate on top of the world's #1 CRM platform has never been higher. We remain inspired by our customers, committed to cross-sector collaboration, and optimistic about the impact we can have together.



## **IN FY20:**

Salesforce provided more than **46**, **000** nonprofit and higher education organizations with the use of our service offerings for free or at a discount.

85% of Salesforce.org's customers reported that using Salesforce helped them to achieve their missions.

Salesforce.org customers reported an average 20% improvement in operational costs and an average 36% improvement in collaboration with their peers and the communities they serve.







### **GIVING**

In FY20, we invested more than \$70 million in grants and 1 million employee volunteer hours to support the communities where we live and work. In particular, we're committed to advancing access to high-quality education and meaningful career opportunities, both of which are essential for helping young people reach their full potential, building a more equitable society, and strengthening our global economy. We call this future-ready.

Here are just a few of our annual highlights:



# FURTHERING OUR INVESTMENTS IN PUBLIC SCHOOLS

We take a holistic approach to supporting public schools, with a focus on advancing educational opportunities, strengthening student outcomes, and developing educators as leaders. In FY20, we donated \$19.1 million to U.S. public school districts, including \$8.5 million to San Francisco Unified School District, \$8.7 million to Oakland Unified School District, \$750,000 to Chicago Public Schools, \$650,000 to Indianapolis Public Schools, and \$500,000 to the New York City Department of Education. Our newest investment in New York represents our fifth district partnership and will allow us to reach triple the number of students we serve through our investments in public schools.

In addition to our strategic investments, we also provide technology in classrooms and volunteer our time to support local schools. Through the **Circle the Schools** program, we are providing a new model for how companies can support local schools. In Australia, we partner with the nonprofit **Schools Plus** to "circle" under-resourced schools; in FY20, we hosted our second Schools Plus Collaboration Forum, convening teachers and principals from 41 schools to advance best practices in STEM education. To date, we have circled 122 schools across 43 cities and 12 countries, and our employees have volunteered over 65,000 hours to strengthen schools in their communities.

# ELIMINATING FINANCIAL BARRIERS TO HIGHER EDUCATION

Through our partnership with **uAspire**, a leading nonprofit focused on college affordability, we are helping young people identify financially viable paths to and through college. In FY20, we granted \$500,000 to uAspire, advancing its mission to ensure that all young people have an equitable opportunity to graduate from college and reach their full potential.

# CREATING PATHWAYS TO STRONG FIRST JOBS

Only one in four college students from underrepresented backgrounds graduates with a strong first job, leaving millions in low-wage roles and saddled with student loan debt. We are committed to closing the education-toemployment gap. In FY20, we invested \$500,000 in **Braven**, supporting the organization's efforts to empower low-income, first-generation college students in the United States with the skills, confidence, experiences, and networks necessary to transition from college to strong first jobs, leading to meaningful careers and lives of impact. We also proudly invested \$500,000 in Mozaïk RH, a leading French nonprofit committed to supporting young people from disadvantaged and migrant backgrounds, enabling their successful transitions from university to meaningful careers.

# CELEBRATING SALESFORCE'S CITIZEN PHILANTHROPISTS

Salesforce employees are Trailblazers for a brighter future. Through their outstanding commitments to schools and nonprofit organizations, they are leveling the playing field and helping young people see what they can be. They are mentors, tutors, and role models, committed to building a more inclusive and diverse global workforce. In FY20, we piloted the Future Ready Volunteer Awards to recognize and celebrate our employee citizen philanthropists and the organizations they partner with to advance access to high-quality education and meaningful career opportunities. After reviewing a set of competitive applications from across the globe, we selected five winning nonprofits from the United States, Israel, Mexico, Ghana, and India. Each winner received a \$20,000 donation for the organization they volunteer with, furthering these organizations' missions as well as our collective vision for a future-ready workforce.





We enhance the trust of our stakeholders by transparently disclosing our environmental, social, and governance (ESG) policies and metrics. Our voluntary reporting is informed by the following frameworks:

- The Task Force on Climate-related Financial Disclosures (TCFD)
- The Global Reporting Initiative (GRI) GRI Standards
- The Sustainability Accounting Standards Board (SASB) Sustainability Accounting Standard for the Technology and Communications Sector, Software & IT Services industry (Version 2018-10)
- The Ten Principles of the United Nations **Global Compact** (UNGC)

Each of these frameworks recommends disclosing policies and material metrics related to ESG topics. However, the concept of materiality is defined differently under these reporting frameworks, and we do not attempt to formally reconcile the divergent uses of the term materiality by the GRI, SASB, and TCFD. At Salesforce, the key metrics we disclose are cross-referenced to these frameworks, when applicable. We also disclose metrics that are not explicitly mentioned by these frameworks but

that we believe are relevant to our ESG initiatives. Over time we will work to expand our disclosures and align more closely to the leading frameworks, even as the frameworks themselves rapidly evolve.

In FY20, Salesforce joined the United Nations Global Compact and will continue to incorporate the Ten Principles of the UNGC into company strategy, policies, and procedures. Each of the Ten Principles is reflected in this section of the report.

We are supportive of the SASB and its mission to help businesses identify, manage, and report on the sustainability topics that matter most to their investors by providing market-informed and industry-specific standards. We believe this will allow for increased transparency and comparability across companies. Although the SASB standards are designed for disclosure in financial filings to the Securities and Exchange Commission (SEC), they have not yet been formally adopted for such use. The investor community welcomes such disclosures, and as such, we have included a table in this section as part of our sustainability reporting as well as links to our policies that contain more information on our ESG initiatives. We have also included a summary of our ESG initiatives in our annual report on Form 10-K for fiscal 2020 filed with the SEC on March 5, 2020.

In 2017, Salesforce signed a letter supporting the recommendations of the Task Force on Climaterelated Financial Disclosures and has since worked to align to the recommendations. TCFD recommends disclosures, as they relate to climate change, in four major categories: governance, strategy, risk management, and metrics and targets. Salesforce continues to align its ESG strategy with the TCFD recommendations, included as part of our ESG reporting. Disclosures in alignment with TCFD are available throughout this report and Salesforce's FY20 form 10-K. A detailed discussion of the recommendations is available as part of Salesforce's 2019 Carbon Disclosure Project (CDP) Climate Change response.



Description	FY20	FY19	FY18	GRI	SASB	UNGC
COMPANY OVERVIEW						
Organization name	salesforce.com, inc			GRI 102-1		
Total revenue (in millions)¹	\$17,098	\$13,282	\$10,540	GRI 102-7, 201-1		
Geographic revenue split:				GRI 102-7		
Americas	71%	71%	72%			
Europe	20%	19%	18%			
Asia Pacific	9%	10%	10%			
Primary brands, products, services	Product List			GRI 102-2		
Location of headquarters	San Francisco			GRI 102-3		
Countries of operations	<b>Global Locations</b>			GRI 102-4		
Ownership and legal form	Salesforce Form 10	-K		GRI 102-5		
Markets served	Salesforce Form 10	-K		GRI 102-6		
Association memberships	U.S. Political Engage	ement		GRI 102-13		
Key stakeholders	Shareholders, customers, partners, employees, communities, the environment			GRI 102-40		
Reporting period	February 1, 2019–January 31, 2020			GRI 102-50		
Report cycle	Annual	Annual				
Report contact	CRImpact@salesfo	rce.com		GRI 102-53		

<sup>&</sup>lt;sup>1</sup> Prior period information has been adjusted for the adoption of Accounting Standards Update No. 2014-09, "Revenue from Contracts with Customers (Topic 606,)" which the Company adopted on February 1, 2018.

FY20	FY19	FY18	GRI	SASB	UNGC
Corporate Gover	Corporate Governance Guidelines				
Audit and Financ	e Committee Charter		GRI 102-18		
Compensation C	ommittee Charter		GRI 102-35, 102-36		
Nominating and	Corporate Governance	Committee Charter	GRI 102-24		
11	13	12	GRI 102-22		
10.5 years	9 years	8 years	GRI 102-22		
82%	77%	83%	GRI 102-22		
36%	38%	42%	GRI 102-22, 405-1		
Yes	Yes	No	GRI 102-29		
Yes	Yes	No			
Salesforce FY20 I	Proxy Statement		GRI 102-35		
Yes	Yes	Yes	GRI 102-36		
Code of Conduct	:		GRI 102-16		Principle 10
100%²	100%	100%	GRI 102-16		Principle 10
	Corporate Gover Audit and Finance Compensation C Nominating and 11 10.5 years 82% 36% Yes Yes Salesforce FY20 I Yes Code of Conduct	Corporate Governance Guidelines  Audit and Finance Committee Charter  Compensation Committee Charter  Nominating and Corporate Governance  11 13 10.5 years 9 years 82% 77% 36% 38%  Yes Yes  Yes Yes  Salesforce FY20 Proxy Statement Yes Yes  Code of Conduct	Corporate Governance Guidelines  Audit and Finance Committee Charter  Compensation Committee Charter  Nominating and Corporate Governance Committee Charter  11 13 12  10.5 years 9 years 8 years  82% 77% 83%  36% 38% 42%  Yes Yes No  Yes Yes No  Salesforce FY20 Proxy Statement  Yes Yes Yes Yes  Code of Conduct	Corporate Governance Guidelines         GRI 102-18           Audit and Finance Committee Charter         GRI 102-18           Compensation Committee Charter         GRI 102-35, 102-36           Nominating and Corporate Governance Committee Charter         GRI 102-24           11         13         12         GRI 102-22           10.5 years         9 years         8 years         GRI 102-22           82%         77%         83%         GRI 102-22           36%         38%         42%         GRI 102-22, 405-1           Yes         Yes         No         GRI 102-29           Yes         Yes         No           Salesforce FY20 Proxy Statement         GRI 102-35           Yes         Yes         GRI 102-36           Code of Conduct         GRI 102-16	Corporate Governance Guidelines         GRI 102-18           Audit and Finance Committee Charter         GRI 102-18           Compensation Committee Charter         GRI 102-35, 102-36           Nominating and Corporate Governance Committee Charter         GRI 102-24           11         13         12         GRI 102-22           10.5 years         9 years         8 years         GRI 102-22           82%         77%         83%         GRI 102-22           36%         38%         42%         GRI 102-22           36%         38%         42%         GRI 102-29           Yes         Yes         No         GRI 102-35           Yes         Yes         Yes         GRI 102-36           Code of Conduct         GRI 102-16         GRI 102-16

<sup>&</sup>lt;sup>2</sup> As of January 31, 2020.

Description	FY20	FY19	FY18	GRI	SASB	UNGC
GOVERNANCE, CONTINUED						
Trust and Security						
System performance and security	trust.salesforc	e.com				
Commitment to customer privacy	Privacy Policie	s		GRI 418-1	TC-SI-220a.1	Principle 1
Policies & practices related to user privacy	their own cust is a top priority available on our website) descurity progra	omers. The privacy of the y. Our customer agreeme ur website) and our privac escribe how we safeguar am. We also offer resourc	uild meaningful relationships we data that we are entrusted to nts (templates of which are puty policies (also publicly availated data with an effective privacy es to help our customers operates such as GDPR and CCPA.	protect blicly ble on and	TC-SI-220a.1	
Compliance Certifications and Attestations	Compliance w	rebsite				
Description of business continuity risks related to disruption of operations	hosting facilities software vendor interruptions of our services us mitigate risk is set up to assoremedying technologies, a at the local, standard values and bus	es, cloud computing platforms, or from our inability to rinfrastructure capacity reand harm our business. We from malicious actors and ess, approve, and guide out anology vulnerability that and/or business process. Oute, and country levels to locate, and country levels to locate approach, please see the	m third parties, including data common providers, and other hardward adequately plan for and managouirements, could impair the defender key business practices the external forces. Our trust depair business in understanding and arise from any new technology was government affairs team is erobby for policies that are aligned ussion of business continuity risher Risk Factors section of the FY	re and e service elivery at help rtment d endor, ngaged to our ks and	TC-SI-550a.2	
Public Policy						
Public policy practices	Public Policy			GRI 415-1		
Political engagement	Political Contr	ibutions		GRI 415-1		

Description	FY20	FY19	FY18	GRI	SASB	UNGC
SOCIAL						
Workforce Indicators						
Global Employees	49,000	35,000	29,000	GRI 102-7		
Americas	65.4%	66.2%	68.6%			
Europe	18.9%	18.9%	18.3%			
Asia Pacific	15.7%	14.9%	13.1%			
Description of systems for managing workforce and risk prevention	able to deliver to security. Leverage coordinate, coll recognize the decreate a strong customer succes values through alignment, transcode of conduct workforce analy measure our customer succes and other busing to a single cour engaged at the	ging our own technology aborate, and create effectiversity in our global work corporate culture based ess, innovation, and equal specific measurable actions parency, integrity, and ext, goal planning process, trics initiatives, and more alture and workforce, at sed reducing risks related these factors that we would not region. Our govern	ormance, availability, and and other tools, we can ctively across borders. We kforce, and ensure we on our core values: trust, ality. We operationalize these ons around accountability, experience. Our employee employee surveys, town halls, a allow us to manage and cale, while developing local o visa controls, relocations, and face with a workforce tied ament affairs teams are also levels to lobby for policies		TC-SI-330a.1	

Description	FY20	FY19	FY18	GRI	SASB	UNGC
SOCIAL, CONTINUED						
Diversity Indicators						
Commitment to Equality	Equality Practices	•				Principle 1, 6
Target for Underrepresented Group representation for U.S. workforce (Women, Black, Latinx, Indigenous, Multiracial, LGBTQ+, People with Disabilities, and Veterans) established	Yes					
Target	50%					
Target year	FY24					
Progress <sup>3</sup>	43.9%					
Employees by Gender				GRI 102-8	TC-SI-330a.3	
Female	33.0%	31.6%	30.9%			
Male	66.8%	68.2%	68.7%			
Non-binary	0.2%	0.2%	0.4%			
Employees by Gender (VP+)					TC-SI-330a.3	
Female	23.7%	22.3%	20.9%			
Male	76.1%	77.5%	78.9%			
Non-binary	0.2%	0.2%	0.2%			
Employees by Gender (Tech)					TC-SI-330a.3	
Female	23.5%	22.0%	21.4%			
Male	76.3%	77.7%	78.4%			
Non-binary	0.2%	0.3%	0.2%			

<sup>&</sup>lt;sup>3</sup> This goal was established in FY20, therefore FY20 is the first year we are reporting our progress toward this goal.

Description	FY20	FY19	FY18	GRI	SASB	UNGC
SOCIAL, CONTINUED						
Diversity Indicators						
Employees by Gender (Non-tech)					TC-SI-330a.3	
Female	40.5%	39.4%	38.9%			
Male	59.2%	60.4%	60.5%			
Non-binary	0.3%	0.2%	0.6%			
Employees by Ethnicity (U.SOnly)				GRI 405-1	TC-SI-330a.3	
White	61.6%	63.0%	64.7%			
Asian & Indian	25.6%	25.1%	23.9%			
Hispanic or Latinx	4.3%	4.2%	3.9%			
Black	3.0%	2.8%	2.5%			
Two or more races	2.8%	2.7%	2.6%			
Undisclosed	2.2%	1.7%	2.0%			
Hawaiian/Pacific Islander	0.3%	0.3%	0.3%			
American Indian/Alaska Native	0.2%	0.2%	0.1%			
Equal Pay						
Completed thorough global equal-pay assessment <sup>4</sup>	Yes	Yes	Yes	GRI 405-2		
% of employees globally requiring pay adjustments	7%	5%	6%			
% of employees covered by an independent trade union or collective bargaining agreements	0%	0%	0%	GRI 102-41		

<sup>&</sup>lt;sup>4</sup> To conduct the assessment, we group employees in comparable roles and analyze compensation of those groups to determine whether there are unexplained differences in pay. The global assessment considers differences in pay by gender. In the U.S., the assessment also considered differences in pay by race and ethnicity.

Description	FY20	FY19	FY18	GRI	SASB	UNGC
SOCIAL, CONTINUED						
Talent Development						
Programs for upgrading employee skills	opportunities guides and we team also crea programs for high-impact to reimburseme	At Salesforce, we offer our employees learning and development opportunities in the form of Trailhead, in-person and virtual classes, guides and workbooks, and more. Salesforce's Talent Development team also creates and facilitates customized, long-term development programs for employees and people leaders in service of building high-impact teams. In addition, we offer a yearly education reimbursement to employees who wish to continue job-related education from accredited institutions or organizations.				Principle 6
Employees appraised via management by objectives⁵	100%	100%	100%	GRI 404-3		
Description of organizational alignment strategy	a key part of o continues to g internal mana called the V2N Each year we d are expected to corporate V2N individual em	I alignment and consister our employee engagement grow. When Salesforce was gement tool used by all employee a corporate V2N to complete a corporate V2N dOM. In addition, by using ployee V2MOM is availaber or more about the V2MOM or project.		TC-SI-330a.2		
Open positions filled by internal candidates	28%	22%	20%			
Employee engagement <sup>6</sup>	95%	96%	96%		TC-SI-330a.2	
Employee satisfaction <sup>7</sup>	89%	90%	88%			

<sup>&</sup>lt;sup>5</sup> The appraisal metric is defined as the percentage of employees who participate in our V2MOM organizational alignment process.

<sup>&</sup>lt;sup>6</sup> The engagement metric is based on ratings from an annual employee survey for the statement "I am willing to give extra to get the job done."

<sup>&</sup>lt;sup>7</sup> The satisfaction metric is based on ratings from an annual employee survey for the statement "I would recommend Salesforce as a great place to work."

Description	FY20	FY19	FY18	GRI	SASB	UNGC	
SOCIAL, CONTINUED							
Community Engagement							
Community engagement	Salesforce.org						
Ventures Investment	Impact Investment Fund						
Employee volunteering hours <sup>8</sup>	4,900,000	3,800,000	2,600,000				
Year to date	1,100,000						
Donations to charitable organizations (in partnership with Salesforce.org) <sup>8</sup>	\$330,000,000	\$260,000,000	\$200,000,000				
Year to date	\$70,000,000						
Nonprofit & higher education organizations offered services for free or at a discount (in partnership with Salesforce.org) <sup>8</sup>	46,000	40,000	34,000				
Year to date	6,000						
Human Rights							
Human rights commitment	salesforce.com/coi	mpany/human-rights/		GRI 412-1	Prin	ciple 1, 4, 5, 6	
Commitment to responsible sourcing	salesforce.com/coi	mpany/legal/supplier/		GRI 103-3	Р	rinciple 4, 5, 6	
Commitment to supplier diversity	Supplier Diversity F	Policy		GRI 414-1		Principle 6	
Supplier code of conduct	Global Supplier Co	de of Conduct		GRI 414-1	Princ	ple 1, 3, 4, 5, 6	
Health and safety policy	Health & Safety Pol	licy		GRI 403-1		Principle 6	
Ethical Use of Technology							
Strategy for ethical use of technology	salesforce.com/coi	mpany/ethical-and-huma	ane-use/	GRI 102-16		Principle 1, 2	

<sup>&</sup>lt;sup>8</sup> Lifetime to date as of January 31, 2020.

Description	FY20	FY19	FY18	GRI	SASB	UNGC
ENVIRONMENTAL <sup>9</sup>						
Strategy and Management						
Environmental policy	salesforce.cor	m/global-environmental-	policy			Principle 7
Environmental benefits of Salesforce products	Salesforce For	Salesforce Form 10-K				Principle 8, 9
Renewable energy goal established	Yes	Yes	Yes	GRI 302-4		Principle 8, 9
Net-zero emissions goal achieved	Yes	Yes	Yes	GRI 305-5		Principle 8, 9
Frequency and time horizon for identifying, and assessing climate-related risks	Every six mont	hs or more frequently		GRI 201-2		Principle 7
Risk types evaluated	Current regulation, emerging regulation, technology, legal, market, reputation, acute physical, chronic physical, upstream, downstream			GRI 102-15		Principle 7
Process(es) for managing climate-related risks and opportunities	Reporting Sco	ppe and Methodology		GRI 201-2		Principle 7
Climate change risks and opportunities	Salesforce For	rm 10-K		GRI 201-2		Principle 7
Description of identified risks and opportunities	Reporting Sco	ppe and Methodology		GRI 102-15		Principle 7
Explanation of how climate-related issues are integrated into your business objectives and strategy	Salesforce For	rm 10-K		GRI 201-2		Principle 7
Climate-related scenario analysis	Performed info	ormal 2-degree scenario a	nalysis and national input	GRI 201-2		Principle 7
Discussion of the integration of environmental considerations into strategic planning for data center needs	salesforce.cor	salesforce.com/company/sustainability/operations/			TC-SI-130a.3	Principle 8
Emissions reductions initiatives	salesforce.cor	m/sustainability		GRI 305-5		Principle 8
Engagement with supply chain on climate related issues	Yes			GRI 308-1		Principle 8

<sup>&</sup>lt;sup>9</sup> The recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) have informed the contents of this section. For a more detailed discussion, please see Salesforce's 2019 CDP Climate response.

Description	FY20	FY19	FY18	GRI	SASB	UNGC		
ENVIRONMENTAL, CONTINUED								
Science-Based Targets <sup>10</sup>								
Scope 1+2 Emissions Reduction								
Target Type	Absolute Reduction							
Base Year	FY19							
Target Year	FY31							
Target	50% Absolute Reduction							
Curent	13% Absolute Reduction Achieved <sup>11</sup>							
Scope 3 - Fuel & Energy Related Activities Reduction								
Target Type	Absolute Reduction							
Base Year	FY19							
Target Year	FY31							
Curent	FY21 will be the first	reporting year						
Scope 3 - Upstream Suppliers Set Science-Based Target								
Target Type	Upstream suppliers	set their own Science	e-Based targets					
Target Year	FY25							
Coverage	Suppliers representi	ng 60% of Salesforc	e's upstream Scope 3 emissi	ons				
Current	15% of targeted Sco	ope 3 emissions are	covered by suppliers with Sci	ence-Based targets <sup>12</sup>				

<sup>&</sup>lt;sup>10</sup> The following targets were set and approved by the **Science-Based Targets Initiative** in FY20. Therefore, FY20 is the first year we are reporting our progress against these targets, unless otherwise noted.

<sup>&</sup>lt;sup>11</sup> 13% reduction compared to FY19 Scope 1+2 market-based emissions.

<sup>&</sup>lt;sup>12</sup> 15% is estimated based on FY19 Scope 3 data. Targeted Scope 3 emissions represent 60% of Salesforce's total Scope 3 emissions.

					UNGC
164 <sup>15</sup>	195		GRI 303-3	TC-SI-130a.2	
23%					
4%					
15%					
5%					
53%					
74%	65%	64%			
141,000*16	163,000	146,000	GRI 305-1, 305-2		
100%	100%	100%	GRI 305-3		
142,000*	181,000	236,000	GRI 305-3		
100%	100%	100%	GRI 305-3		
1.39	1.40	1.41	GRI 302-3	TC-SI-130a.1	
0.61	0.61	0.63	GRI-305-4		
	23% 4% 15% 5% 53% 74%  141,000* 142,000* 100%  1.39	23%  4%  15%  5%  53%  74%  65%  141,000*16  100%  100%  100%  100%  1.39  1.40	23%  4%  15%  5%  53%  74%  65%  64%  141,000**  100%  100%  100%  100%  100%  100%  1.42,000*  100%  100%  1.40  1.41	23%  4%  15%  5%  5%  74%  65%  64%  141,000  1 163,000  1 46,000  GRI 305-1, 305-2  100%  100%  100%  GRI 305-3  142,000  100%  100%  GRI 305-3  100%  GRI 305-3  143,000  GRI 305-3	23%  4%  15%  5%  53%  74%  65%  64%  141,000*16  163,000  146,000  GRI 305-1, 305-2  100%  100%  100%  GRI 305-3  142,000*  181,000  236,000  GRI 305-3  100%  100%  GRI 305-3  100%  TC-SI-130a.1

<sup>&</sup>lt;sup>13</sup> FY19 was the first year we published water withdrawal data externally; therefore we do not publish FY18 data. FY20 was the first year we reported water withdrawal disaggregated by baseline water stress. Therefore, we do not report this disaggregation for FY19.

<sup>&</sup>lt;sup>14</sup> Regional baseline water stress calculated via WRI's **Aqueduct Water Risk Atlas v3.0.** 

<sup>&</sup>lt;sup>15</sup> In FY20, water consumption declined due to a combination of factors including a move to more efficient sites across our portfolio (Offices and Data Centers).

<sup>&</sup>lt;sup>16</sup> In FY20 Salesforce's renewable electricity consumption increased, resulting in a decrease of gross global emissions.

<sup>&</sup>lt;sup>17</sup> For a detailed inventory of categories included in our carbon neutral cloud calculation, please refer to pages **67–70** for Ernst & Young LLP's Independent Accountants' Review Report.

Reviewed by Ernst & Young LLP. Please refer to pages 67–70 for its Independent Accountants' Review Report.

Description	FY20	FY19	FY18	GRI	SASB	UNGC
ENVIRONMENTAL, CONTINUED						
Greenhouse Gas Emissions						
Emissions by Scope [MTCO <sub>2</sub> e]						
Scope 1 Emissions	6,000�	5,000	4,000	GRI 305-1		
Scope 2 Emissions <sup>18</sup>	291,000*	281,000	236,000	GRI 305-2		
Business Travel and Employee Commuting Scope 3 emissions	180,000	156,000	134,000	GRI 305-3		
Emissions by Source [MTCO <sub>2</sub> e]						
Data Centers <sup>18</sup>	264,000	244,000	201,000	GRI 305-2		
Business Travel <sup>19</sup>	146,000	132,000	112,000	GRI 305-3		
Offices <sup>18</sup>	28,000	38,000	35,000	GRI 305-1, 305-2		
Employee Commuting <sup>20</sup>	38,000	28,000	26,000	GRI 305-3		

<sup>&</sup>lt;sup>18</sup> Calculated using location-based methodology.

<sup>&</sup>lt;sup>19</sup> Includes Scope 1 emissions from company aircraft.

<sup>&</sup>lt;sup>20</sup> Includes Scope 1 emissions from company shuttle.

Reviewed by Ernst & Young LLP. Please refer to pages 67-70 for its Independent Accountants' Review Report.

Description	FY20	FY19	FY18	GRI	SASB	UNGC
ENVIRONMENTAL, CONTINUED						
Energy						
100% Renewable Energy Target Set	Yes	Yes	Yes			
Target Year	FY22	FY22	FY22			
Progress <sup>21</sup>	63%*	55%	50%	GRI 302-4		
Total electricity consumption [MWh]	659,000	628,000	514,000	GRI 302-1	TC-SI-130a.1	
Office electricity	10%	12%	13%	GRI 302-1, 305-2		
Data center electricity	90%	88%	87%	GRI 302-2		
Electricity Mix Location-Based Methodology (all facilities)					TC-SI-130a.1	
Clean and renewable	9%	10%	10%			
Hydro	5%	5%	6%			
Nuclear	23%	22%	21%			
Natural gas	32%	32%	32%			
Coal	28%	28%	29%			
Other Fossil Fuels	3%	3%	2%			

 <sup>&</sup>lt;sup>21</sup> Calculated using a market-based methodology
 Reviewed by Ernst & Young LLP. Please refer to pages 67–70 for its Independent Accountants' Review Report.

FY20	FY19	FY18	GRI	SASB	UNGC
9%	9%	13% <sup>21</sup>			
4%	4%	_21			
24%	24%	22%			
32%	32%	32%			
29%	28%	29%			
2%	3%	4%			
2%	3%	6%			
23%	13%	0%			
36%	37%	40%			
2%	2%	4%			
37%	45%	50%			
	9% 4% 24% 32% 29% 2% 2% 2% 23% 36% 2%	9% 4% 4% 24% 32% 32% 32% 29% 28% 2% 3% 31% 36% 37% 2% 2%	9% 9% 13% <sup>21</sup> 4% 4% - <sup>21</sup> 24% 24% 22% 32% 32% 32% 29% 28% 29% 2% 3% 4%	9% 9% 13% <sup>21</sup> 4% 4% - <sup>21</sup> 24% 24% 22% 32% 32% 32% 29% 28% 29% 2% 3% 4%  2% 3% 0% 4%	9% 9% 13% <sup>21</sup> 4% 4% - <sup>21</sup> 24% 24% 22% 32% 32% 32% 29% 28% 29% 2% 3% 4%  2% 3% 6% 23% 13% 6% 23% 13% 0% 36% 37% 40% 2% 4%

<sup>&</sup>lt;sup>21</sup> In FY18, Hydro was included in our clean and renewable percentage. Since FY19, we have separated it out for a more detailed breakdown.

	Electricity Use (kWh)	Location-Based Emissions (MTCO <sub>2</sub> e)	Market-Based Emissions (MTCO <sub>2</sub> e) <sup>23</sup>	GRI
ENVIRONMENTAL, CONTINUED				
By City FY20 <sup>22</sup>				GRI 305-2
Chandler, AZ	138,319,000	66,000	2,000	
Chicago, IL	77,866,000	45,000	28,000	
Ashburn, VA	66,834,000	25,000	0	
Dallas, TX	64,144,000	30,000	0	
Sterling, VA	45,869,000	17,000	0	
Frankfurt, Germany	38,555,000	16,000	29,000 <sup>24</sup>	
San Francisco, CA	25,570,000	7,000	O <sup>25</sup>	
Yokohamashi, Japan	23,583,000	13,000	13,000	
Indianapolis, IN	22,282,000	13,000	13,000	
Kobe, Japan	20,948,000	11,000	11,000	
Atlanta, GA	19,523,000	10,000	10,000	
Pantin, France	14,837,000	2,000	1,000	
Paris, France	14,122,000	2,000	1,000	
London, United Kingdom	9,702,000	3,000	1,000	
Manassas, VA	9,545,000	4,000	0	

<sup>&</sup>lt;sup>22</sup> Locations included in data table represent over 90% of Salesforce's Scope 1 & 2 location-based emissions.

<sup>&</sup>lt;sup>23</sup> Market-based emissions are reduced using renewable energy credits (RECs) generated by renewable energy projects procured through vitual power purchase agreements or data center vendor's renewable energy procurement or a combination of both.

<sup>&</sup>lt;sup>24</sup> Market-based emissions are higher since a residual emission factor is used for emission calculations.

<sup>&</sup>lt;sup>25</sup> Market-based emissions are further reduced here through sourcing renewable energy directly through the utility provider for all the San Francisco towers.

# INDEPENDENT **ACCOUNTANTS' REVIEW REPORT**

To the Board of Directors and the Management of salesforce.com. inc.

We have reviewed salesforce.com, inc.'s ("Salesforce") accompanying Schedule of Select Sustainability Metrics (the "Subject Matter" or "Schedule") and as presented in Salesforce's Stakeholder Impact Report (the "Report") for the year ended January 31, 2020 in accordance with the criteria set forth in the Schedule (the "Criteria"). We did not review all information included in the Report. We did not review the narrative sections of the Report, except where they incorporated the Subject Matter. Salesforce's management is responsible for the Subject Matter included in the Schedule and as also presented in the Report, in accordance with the Criteria. Our responsibility is to express a conclusion on the Subject Matter based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, Concepts Common to All Attestation Engagements, and AT-C section 210,

Review Engagements. Those standards require that we plan and perform our review to obtain limited assurance about whether any material modifications should be made to the Subject Matter in order for it to be in accordance with the Criteria. A review consists principally of applying analytical procedures, making inquiries of persons responsible for the subject matter, obtaining an understanding of the data management systems and processes used to generate, aggregate and report the Subject Matter and performing such other procedures as we considered necessary in the circumstances. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Subject Matter is in accordance with the Criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. A review also does not provide assurance that we became aware of all significant matters that would be disclosed in an examination. We believe that our review provides a reasonable basis for our conclusion.

In performing our review, we have also complied with the independence and other ethical requirements set forth in the Code of Professional Conduct and applied the Statements on Quality Control Standards established by the AICPA.

As described in the Schedule, the Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, we are not aware of any material modifications that should be made to the Schedule of Select Sustainability Metrics for the year ended January 31, 2020, in order for it to be in accordance with the Criteria.

Ernst + Young LLP

San Francisco, California



## SCHEDULE OF SELECT SUSTAINABILITY METRICS FOR THE FISCAL YEAR' ENDED JANUARY 31, 2020

Metrics <sup>2</sup>	Reported Value	Unit	Criteria
Greenhouse gas (GHG) emissions – Scope 1 <sup>3</sup>	6,000	Metric tonnes carbon dioxide equivalent ("mt CO <sub>2</sub> e")	World Resources Institute ("WRI") / World Business Council for Sustainable Development's ("WBCSD") The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol)
GHG emissions – Scope 2, Location-based method ("LBM") <sup>4</sup> , <sup>5</sup>	291,000	mt CO <sub>2</sub> e	WRI WBCSD GHG Protocol Scope 2 Guidance
GHG emissions – Scope 2, Market-based method ("MBM") <sup>4</sup> , <sup>5</sup>	135,000	mt CO <sub>2</sub> e	WRI WBCSD GHG Protocol Scope 2 Guidance
GHG emissions – Scope 3, for the following:  Non-use phase life cycle emissions of IT equipment in data centers <sup>6</sup> , <sup>7</sup> Managed hosting <sup>8</sup> Energy production and transportation  Emissions associated with end user device operation <sup>9</sup> Transport of Data Center maintenance engineers	142,000	mt CO <sub>2</sub> e	CarbonNeutral Protocol, CarbonNeutral Entity Certification – Data Centers <sup>10</sup> Information and Communication Technology ("ICT") Sector Guidance 'Built on the GHG Protocol' Product Life Cycle Accounting and Reporting Standard <sup>11</sup> , specifically Chapter 4: Guide for assessing GHG emissions of Cloud Computing and Data Center Services

<sup>&</sup>lt;sup>1</sup> The Company's fiscal year ends on January 31. References to fiscal 2020, for example, refer to the fiscal year ending January 31, 2020.

<sup>&</sup>lt;sup>2</sup> The geographical scope of the Subject Matter within the schedule includes Salesforce's global facilities (offices and data centers) under its operational control. Assets that fall under Salesforce's operational control during the fiscal year being reported as a result of an acquisition are included in the boundary of the carbon footprint in the fiscal year following their acquisition. Where possible, based on Salesforce uses the most up to date emission factors available at the time of their carbon footprint calculation.

<sup>&</sup>lt;sup>3</sup> Scope 1 emissions capture owned office energy consumption and fugitive emissions, emissions from use of private jet, and emissions from use of the company shuttle.

<sup>&</sup>lt;sup>4</sup> Scope 2 emissions capture owned (electricity only) and leased (all energy sources) office and data center energy consumption and fugitive emissions.

<sup>&</sup>lt;sup>5</sup> For office facilities where actual data cannot be obtained, including facilities that are new to the Salesforce Portfolio in fiscal year 2020, energy use for electricity, steam, diesel, fuel oil, natural gas and refrigerants are extrapolated using Salesforce's square footage data and energy intensity and regional energy intensity factors internally developed based on fiscal year 2019 data. For office facilities in the Northeast, Midwest, and Western U.S. where an internally developed intensity factor is not available, and no other heating source is identified, natural gas energy use is extrapolated using intensity factors supplied by the 2012 Commercial Buildings Energy Consumption Survey ("CBECS") report from the U.S. Energy Information Administration ("EIA"). For data centers where actual electricity consumption cannot be obtained, data center electricity is estimated at the contractual maximum amount of electricity for the site. For data center facilities where actual data cannot be obtained, including facilities that are new to the Salesforce Portfolio in fiscal year 2020, emissions for consumption of diesel and refrigerants are estimated using internally developed intensity factors.

<sup>&</sup>lt;sup>6</sup> Salesforce recognizes the entire embodied emissions of IT equipment in the first year of possession.

For servers, actual data and vendor-provided life cycle assessment ("LCA") non-use phase emission factors are used to calculate embodied emissions. For non-server IT equipment electricity consumption and a non-use phase life cycle assessment ("LCA") non-use phase emission factors are used to estimate the embodied emissions.

<sup>&</sup>lt;sup>8</sup> Emissions from managed hosting are estimated based on Salesforce's fiscal year expenditure for hosting services using an environmentally extended input output ("EEIO") model per the ICT Sector Guidance.

<sup>9</sup> Salesforce product use emissions are calculated based on the assumption that users are utilizing Salesforce products on a laptop computer. As such, battery watts per hour and battery life data is based on publicly-available information for a laptop which Salesforce deems as a reputable proxy for laptop power usage.

<sup>&</sup>lt;sup>10</sup> CarbonNeutral Protocol https://www.carbonneutral.com/the-protocol.

<sup>11</sup> ICT Sector Guidance 'Built on the GHG Protocol' Product Life Cycle Accounting and Reporting Standard developed by the Global e-Sustainability Initiative ("GeSI") in collaboration with the WRI, WBCSD, and the Carbon Trust http://www.ghgprotocol.org/sites/default/files/ ghgp/GHGP-ICTSG%20-%20ALL%20Chapters.pdf

## SCHEDULE OF SELECT SUSTAINABILITY METRICS FOR THE FISCAL YEAR' ENDED JANUARY 31, 2020

Metrics	Reported Value	Unit	Criteria
Percentage of total global electricity procured from renewable resources	63	%	Salesforce calculates renewable energy as the amount of renewable energy in the grids Salesforce uses and the amount of renewable energy sourced through contractual instruments <sup>12</sup> . Salesforce divides this number by the total energy usage at its global facilities, which includes offices and data centers under its operational control to calculate renewable energy percentage.  Renewable energy resources are defined in accordance with RE100 <sup>13</sup> . Following the hierarchy laid out in the GHG Protocol's Scope 2 guidance for market-based emissions, emissions factors and their associated renewable energy content are applied to electricity use for each facility. Total electricity consumed is calculated based on total kilowatt hours of electricity consumed.

<sup>&</sup>lt;sup>12</sup> Renewable energy can be sourced through contractual instruments including virtual power purchase agreements ("VPPAs"), green tariffs, and supplier contracts which meet the Quality Criteria as outlined within the GHG Protocol.

<sup>&</sup>lt;sup>13</sup> Renewable energy resources are defined in accordance with RE100, excluding electricity produced from water.

## SCHEDULE OF SELECT SUSTAINABILITY METRICS FOR THE FISCAL YEAR' ENDED JANUARY 31, 2020

Adjusted "Net Zero" GHG Emissions For the fiscal year ended January 31, 2020 (mtCO<sub>2</sub>e)

 Scope 1 GHG Emissions
 6,000

 Scope 2 GHG Emissions (MBM)
 135,000

 Total
 141,000

 Less: Carbon Credits
 (141,000)

 0
 0

Adjusted "Carbon Neutral Cloud" For the fiscal year ended January 31, 2020 (mtCO<sub>2</sub>e)

6,000
135,000
142,000
283,000
(141,000)
(142,000)
0

Salesforce's Net Zero GHG Emissions is calculated by totaling Scope 1 and Scope 2 (MBM) GHG emissions, per the criteria described above, less Carbon Credits purchased. Carbon Credits are certified under the Gold Standard or Verified Carbon Standard ("VCS"). All Carbon Credits are retired on a public registry at the amount equal to Salesforce's Scope 1 and Scope 2 (MBM) GHG emissions.

Salesforce's Carbon Neutral Cloud is calculated by totaling Scope 1, Scope 2 (MBM) and Scope 3 GHG emissions, per the criteria described above, less Carbon Credits purchased.

Carbon Credits are certified under the Gold Standard or VCS. All Carbon Credits are retired on a public registry at the amount equal to Salesforce's Scope 1, Scope 2 (MBM), and select Scope 3 GHG emissions. Salesforce defines its boundary and calculates emissions for its Carbon Neutral Cloud based on the CarbonNeutral Protocol, CarbonNeutral Entity Certification – Data Centers.

Salesforce has also followed the guidance on boundary and emissions sources set forth by the ICT Sector Guidance built on the GHG Protocol Product Life Cycle Accounting and Reporting Standard, specifically Chapter 4: Guide for assessing GHG emissions of Cloud Computing and Data Center Services.

Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

<sup>&</sup>lt;sup>14</sup> Limited to Scope 3 GHG emissions identified in the table above.

<sup>&</sup>lt;sup>15</sup> Because of Salesforce's Net Zero GHG Emissions commitment they have offset additional sources of Scope 2 emissions beyond the scope of the Carbon Neutral Cloud boundary defined in the Carbon Neutral Protocol.

