Impact Public Policy Principles

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Introduction

Salesforce advocates for public policies that align with our core values – trust, innovation, customer success, equality, and sustainability – to support long-term business success and to create shared value for our key stakeholders.

This document outlines global principles for environmental sustainability and education, and guides our public policy engagement with government officials and advocates worldwide. We apply these principles across regions and update on an annual basis to reflect our latest thinking and stakeholder input.

More information on other Salesforce public policy engagement topics can be found online.

Sustainability

At Salesforce, we believe that building a more resilient business and a more resilient world go hand in hand. A net zero, nature positive future is not just a corporate responsibility–it's a business imperative.

By supporting clear and consistent science-based policies, we can drive the systems change necessary to meet critical sustainability targets. This approach not only mitigates environmental risks but also unlocks significant economic opportunities and fosters innovation for our company, our customers, and the world.

Our sustainability policy work is guided by three core objectives:

1. **Reduce Emissions and Scale Nature-Based Solutions**: We advocate for timely decarbonization of major sources of global emissions, in line with a 1.5°C future, while protecting, restoring and enhancing the ability of the natural systems to remove and store carbon. This objective directly strengthens our business and value chain by promoting a stable operating environment.

2. **Incentivize Transparent, Low-Carbon Solutions**: We support a level playing field by advocating for market incentives and regulatory certainty that accelerate the adoption of low-carbon products and services. By championing transparency and disclosure, we are helping our customers and partners make smarter, more sustainable choices, driving demand for innovation.

3. **Support Global Resilience and Adaptation**: We contribute to worldwide efforts that enhance community resilience and facilitate adaptation to climate change. As a global company, a stable, healthy world is a prerequisite for long-term growth and prosperity. This work safeguards our business and our collective future.

In order to advance these objectives, and other leading priorities, Salesforce invests in strategic program areas for sustainability. On the following pages, we explore the priority topics of AI Sustainability, Environmental Disclosure, and Nature in more detail.

AI Sustainability

The rise of artificial intelligence (AI) presents profound opportunities and critical challenges for sustainability. As AI's capabilities grow, so does its environmental footprint, demanding more energy, water, and natural resources. Without intervention, meeting that demand will be difficult, constraining the growth of AI, and increasing its environmental impacts. We believe that for AI to truly serve both people and the planet, governments need to take a two-pronged approach: first, by accelerating the transition to clean energy, and second, by implementing transparency standards that empower users to make sustainable choices.

Clean Energy Transition

Access to abundant, affordable, and reliable energy is crucial for the success of AI, economic growth, and human well-being. Clean energy now makes up the majority of new electricity added globally each year (IRENA, IEA). This is because it often provides the cheapest electricity worldwide and, when paired with modern grid, storage, and transmission infrastructure, can make our power grids more reliable and resilient. We believe accelerating the transition to clean energy is not only an environmental necessity but a critical step for the long-term success of AI and society.

Our Recommendations

- **Regulatory and Permitting Reform**: Establish streamlined, predictable permitting processes with harmonized standards across jurisdictions to reduce project delays and development costs, while maintaining core environmental protections. Potential approaches include binding timeline requirements, single-decision frameworks, and one-stop approval processes.
- **Financing Architecture to Accelerate Deployment**: Establish integrated supply-side and demand-side policies to accelerate clean energy deployment and adoption. Mobilize private capital at scale through tools like technology-neutral tax credits and blended public-private financing vehicles.
- **Utility Market Reform**: Support the transformation of utility business models and creation of competitive markets to drive innovation and clear market signals while ensuring system reliability through performance-based regulation, competitive procurement mandates, and fair cost allocation frameworks, allowing utilities to recover costs for operational and performance improvements.
- **Energy Infrastructure Modernization**: Accelerate deployment of smart, flexible grid and transmission infrastructure to enable bidirectional energy flows, distributed

resources, cross-border interconnections, and high-voltage transmission lines. In conjunction with utility market reform, establish mechanisms such as standardized technical requirements, streamlined multi-jurisdictional coordination, and performance-based implementation timelines

- **Energy Security and Supply Chains**: Build resilient, diversified supply chains for critical minerals and energy technologies to reduce geopolitical risks and ensure reliable energy system operations (such as strategic reserve requirements and critical infrastructure designations).
- **Innovation Ecosystem**: Support breakthrough energy R&D and early-stage deployment of next-generation clean energy technologies (storage, geothermal, hydrogen, etc.), such as through targeted research and investment programs, demonstration and pilot projects, government-backed loan guarantees, and government procurement mandates.
- **Workforce Transition:** Respect a human-rights based approach, focusing on due diligence, community engagement, supply chain transparency, and reskilling to support a just transition to clean energy. Seek Free, Informed, Prior Consent (FIPC) with communities impacted by energy projects.

AI Transparency to Empower Choice

Meaningful progress to AI sustainability begins with clear, consistent information. Transparency is the foundation that enables developers, customers, and end users to make informed decisions about AI. We simply cannot build a responsible digital future on opaque systems (such as AI models, data, products, and infrastructure).

Our Recommendations

- **Establish Harmonized Disclosure Standards:** Support interoperable, internationally recognized, comparable standards, like the AI Energy Score, for disclosing environmental impacts (including energy consumption, carbon emissions, and water usage) of AI models.
- **Apply Tiered Reporting Requirements:** Design disclosure standards to be proportionate to a model's environmental impact, with requirements primarily applying to hosting providers offering dedicated compute infrastructure for AI.

- **Require Reporting for Critical Phases:** Focus disclosures, at a minimum, on the distinct critical phases of an AI model's lifecycle: pre-training, post-training (e.g., fine-tuning), and inference.

- **Ensure Accessible Metrics for End Users:** Make information directly accessible to those procuring and using AI services. Empowering users with this data creates a direct incentive for greater efficiency and sustainability across the industry.
- **Encourage Disclosure Frameworks that Respect Intellectual Property (IP)**: Promote and adopt common benchmarks and reporting frameworks, like the AI Energy Score, that measure environmental impact without compromising intellectual property or other trade secrets.

This approach is designed to foster a market where competition drives innovation in both performance and sustainability – learn more in Salesforce's AI Sustainability Outlook. In addition to our focus on transparency in the context of AI systems, we also apply this commitment more broadly to environmental disclosure.

Environmental Disclosure

For large multinational organizations, Salesforce supports standardized environmental disclosure, believing it provides investors and stakeholders with comparable and reliable data they can use to make decisions. It's crucial for new regulations to strike a balance, as a patchwork of divergent rules across different jurisdictions could inadvertently create additional risks and burdens for businesses.

Our Recommendations

To achieve this balance and ensure consistent, reliable, and decision-useful data, we offer the following recommendations for standardizing environmental disclosure:

- **Support Global Consistency:** Maintain consistency with existing and widely adopted standards and frameworks, including the International Sustainability Standards Board (ISSB), the European Sustainability Reporting Standards (ESRS), and Global Reporting Initiative (GRI) standards.

- **Facilitate Interoperability:** Design for interoperability with similar regulatory frameworks for large multinational organizations under scope of multiple regulatory frameworks.

- **Enable Alignment with Business Operations:** Allow the option to disclose on a consolidated or enterprise-level basis as relevant to align with business operations.

- **Advance Comprehensive Disclosure:** Prioritize meaningful disclosure of environmental information, including governance, risks and opportunities, strategy, and scopes 1-3 greenhouse gas emissions inventory.

- **Ensure Data Credibility:** Subject key environmental data to limited third-party assurance to ensure objective credibility.

- **Encourage Transparency:** Provide safe harbor protection to promote maximum transparency without fear of liability.

Nature

Healthy ecosystems underpin all aspects of the economy and of society. We advocate for policies that address how we protect, restore, and enhance the world's natural ecosystems, particularly forest, freshwater, and marine ecosystems, in a manner that will build community resilience, support a vibrant nature restoration economy, and promote a more sustainable future.

Our Recommendations

- **Improve measurement, valuation, and disclosure of nature-related impacts at government and corporate levels:** Enact policies that encourage the adoption of science-based methodologies and tools to drive accountability for nature-related impacts and dependencies and harmonize disclosures.

- **Improve the accessibility, availability, and interoperability of high-quality environmental data:** Advance policies and initiatives that can harness the potential of AI and big data to improve nature policies and their implementation, and reduce monitoring costs.

- **Promote, maintain, and improve healthy ecosystems and communities globally:** Advocate for policies that protect and restore ecosystems, in particular forests, the ocean, and watersheds, in cooperation with local communities and Indigenous peoples. Leverage ecosystems as natural infrastructure for adaptation, and ensure nature investments translate to improved wellbeing and livelihoods for local communities.

- **Advocate for nature positive fiscal incentives:** Implement fiscal incentives for regenerative and sustainable activities, and phase out harmful subsidies to fully leverage private-sector innovation and ecopreneurship.

- **Advance market-based solutions (e.g., carbon markets) and spearhead new and innovative financing mechanisms for nature-based solutions**: Establish public-private partnerships and invest public de-risking capital to close the finance gap for nature.

- **Support and recognize local communities as leaders for conservation and restoration:** Support the rights of local communities and Indigenous peoples to Free, Prior and Informed Consent (FPIC), respect land rights, and provide and uphold engagement platforms for local communities and Indigenous peoples in global discussions on nature-based solutions.

Education

Salesforce recognizes that quality education and meaningful workforce development are crucial for individual success, economic growth, and societal wellbeing. We support public policies that equip individuals with the skills needed to thrive in a rapidly changing economy and world. We envision a future where education empowers all individuals to thrive and contribute to a more prosperous society.

Our education policy work is guided by three core objectives:

1. **Empower Individuals for a Digital Future:** Advocate for policies that ensure equal access to digital skills and AI readiness training for all individuals, regardless of age, socioeconomic status, geographic location, or background, fostering foundational and advanced proficiencies in areas like data analysis, cybersecurity, and AI.

2. **Cultivate Next-Generation STEM Talent and Workforce Readiness:** Promote systemic investments in STEM (science, technology, engineering, and mathematics) education at all levels, emphasizing hands-on learning, real-world applications, and educator preparedness, while also advancing policies that connect educational experiences to career opportunities through relevant coursework, work-based learning, and access to professional networks.

3. **Strengthen Public-Private Partnerships for Skills Development:** Foster collaboration between educational institutions, government agencies, and the private sector to design and deliver best-in-class digital skills and AI training programs that address industry talent pipeline needs and create direct pathways to employment.

In order to advance these objectives, and other leading priorities, Salesforce invests in strategic program areas for education. On the following pages, we explore the priority topics of Digital Skills and AI Readiness, STEM Access, and Pathways to Economic Opportunity in more detail.

Digital Skills, AI Literacy and Readiness

The rise of AI is fundamentally reshaping industries and augmenting human capabilities. This transformation creates a critical skills gap leaving many unprepared for the future of work. Without thoughtful and rapid intervention, this gap threatens to widen inequality and hinder economic progress. We believe that everyone should benefit from AI, so we must prioritize broadening access to skills training that equips people to safely and effectively use these transformative technologies.

Our Recommendations

- **Increase access to digital skills, AI literacy and readiness training:** Ensure equal access to learn digital skills and gain a foundational understanding of AI, addressing traditional barriers related to age, socioeconomic status, geographic location, and background. Support programs that provide foundational and advanced skills in digital literacy, data analysis, cybersecurity, AI, and software development. Training is most effective when available at multiple stages of the learning and career journey.

- **Promote public-private skills training partnerships:** Foster collaboration between educational institutions, government agencies, and private sector companies to design and deliver relevant and best-in-class digital skills and AI training. These partnerships have an opportunity to focus on creating pathways to employment and addressing specific industry talent pipeline needs.

STEM Access

A strong foundation in STEM (science, technology, engineering, and mathematics) is the bedrock for future innovation and is essential for navigating an increasingly complex world. However, access to high-equality education remains limited, preventing many young people from developing the critical skills needed for success. To address this disparity and foster the next generation of leaders and problem-solvers, we must ensure that all students have opportunities to engage in hands-on, high-quality STEM learning that emphasizes real-world application.

Our Recommendations

- **Develop the next generation of STEM talent:** Expand STEM learning opportunities at all levels along the learning journey. Emphasize hands-on learning, experiential education, and connections to real-world applications of STEM knowledge. Teach computer science, computational thinking, data science, and principles of AI to ensure young people understand the evolving landscape.
  Invest in the STEM preparedness of educators through pre-service and ongoing professional development opportunities.

- **Support policies that increase funding for STEM access in education:** Advocate for systemic investments in STEM education, including courses, teacher training, digital and physical infrastructure, and STEM experiences for all youth to drive STEM engagement and achievement.

Pathways to Economic Opportunity

While education is a key lever of economic mobility, traditional approaches to secondary education are often insufficient to prepare individuals for the modern job market. A persistent gap between classroom learning and real-world career demands can prevent educational attainment from translating into meaningful employment. We believe that to bridge this gap, we must forge stronger, more direct pathways from learning to earning, making career education an integral part of the entire educational journey.

Our Recommendations

- **Offer relevant coursework and learning opportunities:** Assist education institutions in offering career-relevant courses and experiences, such as work-based learning, igniting young people's passions and sense of possibility. Career education should start early and be integrated into the full education and career continuum, promoting more seamless transitions between education and work.

- **Increase access to professional networks:** Support initiatives that connect young people and job seekers with professionals in their fields of interest, provide mentorship and networking opportunities so that young people build the social capital and human skills needed for a competitive advantage in their careers.