

# FY19 STAKEHOLDER IMPACT REPORT

BLAZING A TRAIL TOWARD A BETTER,  
MORE EQUAL WORLD



# CONTENTS

<b>Introduction</b>	<b>3</b>	<b>Workforce Development</b>	<b>26</b>	<b>Philanthropy</b>	<b>40</b>
Letters from Leadership	4	Salesforce Culture	27	Salesforce.org	41
Reporting Scope and Methodology	7	Talent Development	28	Philanthropy Cloud	41
About Salesforce	8	Futureforce	29	Giving	42
Doing Well and Doing Good	9	Preparing a Future-Ready Workforce	30	Pledge 1%	44
		Trailhead	31		
<b>Operating with Integrity</b>	<b>10</b>	Military Community	32	<b>Report Details</b>	<b>45</b>
Governance	11			ESG Metrics and Descriptors	46
Business Integrity	11	<b>Equality</b>	<b>34</b>	Independent Accountants' Review Report	58
Civic Engagement	13	Equality	35		
Supply Chain	15	Ethical and Humane Use of Technology	36		
		Employee Groups	37		
<b>Environment</b>	<b>16</b>	Investing for Impact	38		
Environmental Sustainability Strategy	17				
Clean and Renewable Energy	20				
Emissions	23				
Sustainable Real Estate	24				

# FORWARD-LOOKING STATEMENTS

This report contains forward-looking 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](http://salesforce.com), inc. could differ materially from the results expressed or implied by the forward-looking statements we make.

The risks and uncertainties referred to above include – but are not limited to – risks and uncertainties associated with the effect of general economic and market conditions; 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 competitive nature of the market in which we participate; our international expansion strategy; our service performance and security, including the resources and costs required to prevent, detect and remediate potential security breaches; the expenses associated with new 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; 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 and investments; 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; the potential availability of additional tax assets in the future; the impact of new accounting pronouncements and tax laws, including the U.S. Tax Cuts and Jobs Act, and interpretations thereof; uncertainties affecting our ability to estimate our tax rate; the impact of future gains or losses from our strategic investment portfolio; the impact of expensing stock options and other equity awards; the sufficiency of our capital resources; factors related to our notes, revolving credit facility, 2021 term loan and loan associated with 50 Fremont; compliance with our debt covenants and capital 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](http://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 & KEITH BLOCK



**Marc Benioff**  
Chairman and CEO,  
Salesforce



**Keith Block**  
Chairman and CEO,  
Salesforce

At Salesforce, we are committed to serving a broader set of stakeholders—our customers, employees, shareholders, the environment, and the communities in which we live and work. As we celebrate the 20th anniversary of Salesforce, we want to thank you – all our stakeholders – for being part of this incredible journey.

When Salesforce was founded in 1999, we started with a vision for a different kind of company – one that would change the way the world does business and, at the same time, improve the state of the world. To turn our vision into reality, we embraced our core values – Trust, Customer Success, Innovation, and the Equality of every human being, and we created a new model of integrated corporate philanthropy guided by our conviction that companies can be the greatest platform for change.

This year, we once again proved that companies can do well as they do good.

Globally, we continued to stand up for the rights of our LGBTQ employees around the world, and we have now spent a total of \$10.3 million to ensure that our employees – men and women – receive equal pay for equal work.

Trailhead, our free online learning platform for everyone, has now helped more than 1.2 million people develop the skills they need to succeed in the Fourth Industrial Revolution.

As a host of the Global Climate Action Summit, we announced that Salesforce partnered with Mission 2020 to create the Step Up Declaration, a new alliance that aims to decarbonize our economy, including the tech sector. In fact, Salesforce is now more than halfway toward our goal of reaching 100 percent renewable energy by 2022.

With our pioneering philanthropy model, we've given \$260 million in grants, nearly four million employee volunteer hours, and 40,000 nonprofits and education institutions use our software for free or at a discount. Around the world, more than 8,500 companies have followed our lead and signed up to Pledge 1% of their time, equity, profit, and product to strengthen their communities.

During Dreamforce, we announced our largest donation ever to public schools – totaling more than \$50 million to San Francisco and Oakland public schools – and raised \$10 million for UCSF Benioff Children's Hospital. As we expanded our presence in London and Dublin this year, we invested \$2 million in local education and in workforce development organizations to further our mission of ensuring everyone has equal access to opportunities in the Fourth Industrial Revolution.

With strong support from Salesforce, the passage of Proposition C in San Francisco will now generate major new resources to reduce the tragedy of homelessness in our hometown.

Our commitment to improving the state of the world is one of the reasons that Fortune has recognized Salesforce as one of the World's Best Companies to Work For for 11 years in a row, one of the World's Most Admired Companies for seven years in a row, and one of the Change the World Companies for three years in a row.

None of this would have been possible without your partnership. We are deeply grateful for your support over the last 20 years. We look forward to working with you in the years ahead to build a world that's more equitable, more prosperous and more sustainable for generations to come.

Thank you,

*Marc*

*KB*

Marc Benioff & Keith Block  
Co-CEOs  
Salesforce

# APPEAL TO STAKEHOLDERS FROM MARK HAWKINS



**Mark Hawkins**  
President and CFO,  
Salesforce

As President and CFO, I focus on ensuring that Salesforce delivers long-term value to stakeholders. Historically, business value creation has been narrowly focused on top-line growth, the financial bottom line, and quarterly earnings. While those are certainly important performance indicators, there is more to address to fully capture the true potential of business to catalyze positive change and create long-term value for all stakeholders.

At Salesforce, we believe a healthy society and environment are necessary to drive true long-term value creation. And as corporate leaders, we must hold ourselves accountable to a broader set of stakeholders: our customers, our employees, our partners, our communities, the environment, and our shareholders. That's why Salesforce is committed to creating a sustainable, low-carbon future, advancing equality, and fostering customer and employee success. These goals align with Salesforce's long-term growth strategy and financial and operational priorities.

Companies want to do business with us and employees want to work for us because they align with our values – the first and foremost of which is trust. We enhance the trust of our stakeholders by transparently disclosing our environment, social, and governance (ESG) initiatives and metrics. Salesforce discloses ESG initiatives and metrics in this report, as well as in our annual financial filings with the SEC. This includes an ESG section in our 10-K and sustainability, equality, and philanthropy content in our proxy statement. At the Finance for the Future Awards in October 2018, we were thrilled to be recognized for these efforts by winning the "Communicating Integrated Thinking" award. Integrating ESG initiatives is no longer the "right thing to do" – it is a business imperative. Companies must understand the critical importance of these issues in creating long-term value.

Leadership is about creating a multiplier effect. And our world needs leadership. I am excited to be part of the Accounting for Sustainability CFO network and look forward to helping establish the U.S. chapter in 2019.

As we look to the future, Salesforce, and I, continue to believe business is the greatest platform for change. Our work is never over. It is time to rethink the way we do business and encourage our employees, executive leadership, boards, and investors to ensure they're serving all stakeholders.

Sincerely,  
Mark Hawkins

  
President and CFO  
Salesforce



# CALL TO ACTION FROM SUZANNE DIBIANCA



**Suzanne DiBianca**

EVP, Corporate Relations and  
Chief Impact Officer, Salesforce

Over the past year we have seen an increasing amount of scientific research on the severity of climate change, the beneficial effects corporate philanthropy has on the world, the growing statistics on the positive return of impact investing, and the need to bridge the skills gap in the Fourth Industrial Revolution.

Now more than ever there is an increasing demand for every individual, institution, government, community, and corporation to step up and address these challenges and opportunities in their communities, and the environment.

At Salesforce we believe that business is a powerful and trusted platform to drive positive social and environmental impact for all stakeholders. We began as a different kind of company, focused on integrating philanthropy into our DNA with the 1-1-1 model. In 2014 we evolved that model through Pledge 1% and have since seen the impact a shared integrated philanthropy model can have on our world, regardless of company size.

In FY19 Pledge 1% hit major milestones – over 8,500 companies signed the pledge in 100 countries, and donated more than \$1 billion dollars in volunteer hours, product licenses, pro bono resources, and philanthropic funding.

As the effects of climate change worsen, we continue our commitment to protect the environment. Last year we partnered with Mission 2020 to establish the [Step Up Declaration](#), an example of how a vision by two organizations can spark an alliance of more than 20 businesses to drive urgent change. In FY19 we also announced an all-new renewable energy deal in collaboration with incredible partners and customers. This not only helped get us a step closer to our goal of reaching 100% renewable energy by 2022, but also enables those just starting their renewable energy journey to pilot similar projects to meet their climate goals.

Finally, we want to ensure this digital revolution makes a positive impact on society and benefits all citizens. Through our Impact Fund, we invest in diverse, world-class entrepreneurs who are solving some of the world's greatest challenges. I am proud to share that last year 65% of founders and/or CEOs of the portfolio companies in the fund are women or minorities, and over 900 jobs were created at those companies.

I am proud to see what we have achieved over the past year together. We're on a mission to drive urgent action; we are leading by example and sharing our learnings in hopes that others will join us on our journey to improve the state of the world.

Thanks,  
Suzanne DiBianca

A handwritten signature in black ink, appearing to read "Suzanne DiBianca".

EVP, Corporate Relations and  
Chief Impact Officer  
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. Salesforce is committed to transparency and supports the recommendations of the [Task Force on Climate-related Financial Disclosures](#). Salesforce and Salesforce.org together support the [United Nations Sustainable Development Goals](#) (SDGs).

Our global programs, which are highlighted in this report, are most closely aligned with the 12 SDGs that focus on equality, education, workforce development, and protecting the planet. We use the goals pictured below 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 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, and a third-party materiality assessment that includes an evaluation of top business drivers, sustainability impact areas, industry benchmarking, and interviews with stakeholders such as customers, investors, non-governmental organizations, and employees. 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 year 2019 (February 1, 2018–January 31, 2019). 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.

## Environmental Management

For this FY19 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 58–61 of this report.

We continually refine our greenhouse gas accounting processes. When new or better-quality data becomes available, we update our footprint data accordingly.

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 transition 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 Corporate Relations at [cr@salesforce.com](mailto:cr@salesforce.com) or Investor Relations at [investor@salesforce.com](mailto:investor@salesforce.com) to share your thoughts or connect with us on our Salesforce social channels.



## SUSTAINABLE DEVELOPMENT GOALS



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.

# ABOUT SALESFORCE

Salesforce is a leader in customer relationship management (CRM), bringing companies closer to their customers in the digital age. Founded in 1999, Salesforce enables companies of every size and industry to take advantage of powerful technologies – cloud, mobile, social, the Internet of Things, and artificial intelligence – to connect to their customers in a whole new way.

The Salesforce Customer Success Platform includes industry-leading services spanning sales, service, marketing, commerce, and across every customer touchpoint. Salesforce is uniquely positioned to drive digital transformation for our more than 150,000 customers and millions of Trailblazers – the individuals and their organizations who are using Salesforce to drive innovation, grow their careers, and transform their businesses.

Salesforce is committed to a set of core values – trust, customer success, innovation, and the equality of every human being. We're ranked #1 on Fortune's World's Best Workplaces list, and Forbes has ranked Salesforce one of the world's most innovative companies for eight years in a row.

Salesforce is [#285](#) out of the Fortune 500. Salesforce is headquartered in San Francisco, with 36,000 employees globally, and is publicly listed on the New York Stock Exchange as CRM.

Visit [salesforce.com/company](https://salesforce.com/company) to learn more about us.

---

**Salesforce enables the next generation of Trailblazers.**

---



# DOING WELL AND DOING GOOD

AMERICA'S BEST  
WORKPLACES  
FOR DIVERSITY

- Forbes

TOP 100 BAY AREA  
CORPORATE  
PHILANTHROPISTS

- San Francisco Business Times

"CHANGE THE  
WORLD" LIST

- Fortune Magazine

LGBT WORK WITH  
PRIDE INDEX

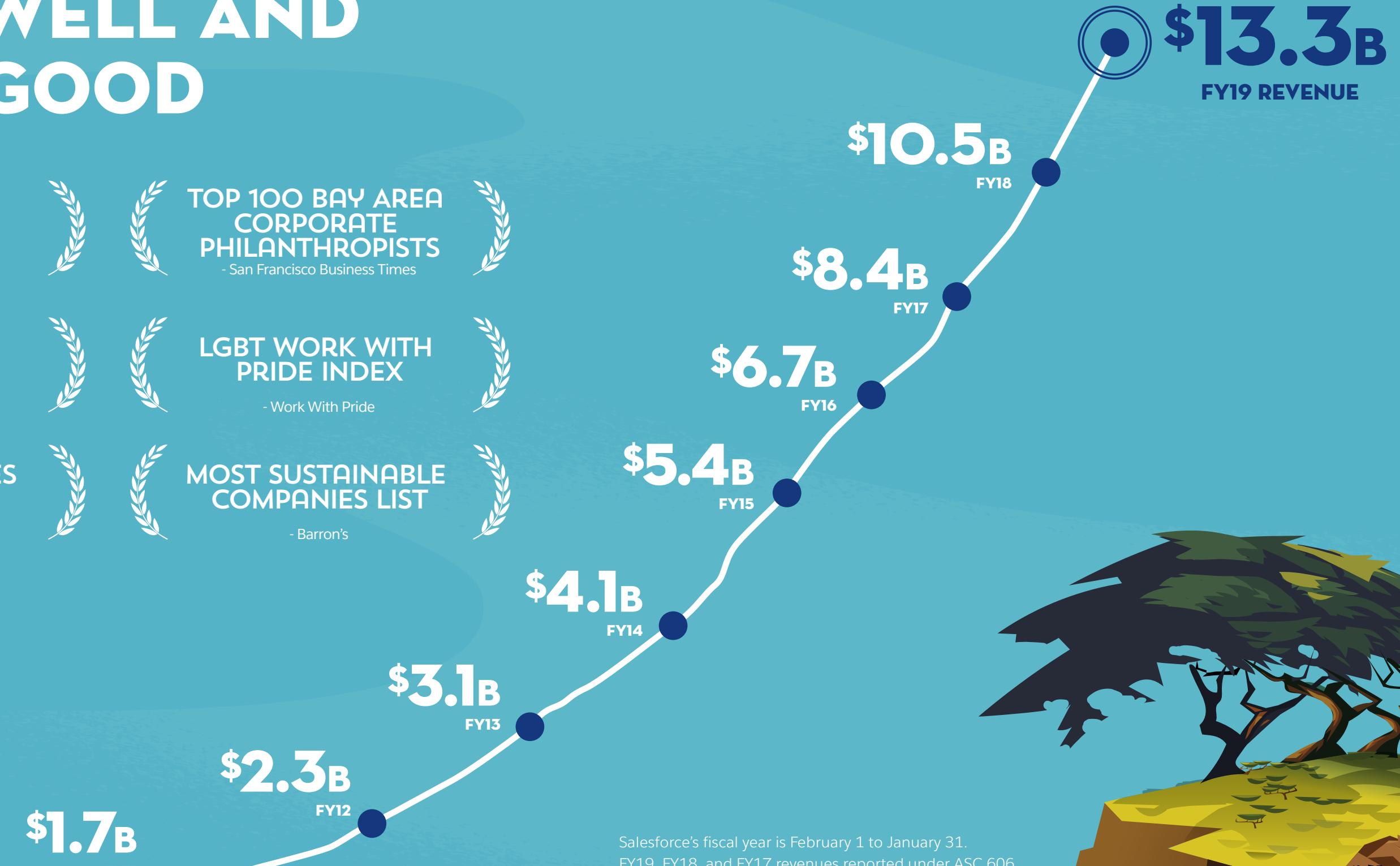
- Work With Pride

BEST WORKPLACES  
FOR WOMEN

- Fortune Magazine

MOST SUSTAINABLE  
COMPANIES LIST

- Barron's



Salesforce's fiscal year is February 1 to January 31.  
FY19, FY18, and FY17 revenues reported under ASC 606.  
All prior years are under ASC 605.  
Complete Salesforce financials are available at  
[investor.salesforce.com](http://investor.salesforce.com).



# OPERATING WITH INTEGRITY

# 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 legal requirements.

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 Committee, the Compensation Committee, and the Nominating and Governance Committee – are independent

- We have a 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

Our Nominating and Corporate Governance Committee also reviews, at least annually, our environmental, social, and governance initiatives. Salesforce is committed to creating a sustainable, low-carbon future, advancing equality and diversity, and fostering employee success. We try to integrate social good into everything we do. All of these goals align with our long-term growth strategy and financial and operational priorities.

Read more at [investor.salesforce.com](http://investor.salesforce.com).

## Business Integrity

Trust and the success of our customers are the highest priorities for Salesforce. We are committed to not only abide by the laws and regulations that apply to us as we conduct business around the world, but to also be leaders in these areas. We are proud to have been named on Ethisphere's 2019 World's Most Ethical Companies® Honoree List.

We updated our Code of Conduct and Business Conduct Principles this year, and these documents, together with 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](http://salesforce.com/company/legal).



# Trust and Security

Salesforce understands that the confidentiality, integrity, and availability of our customers' information is vital to their success. That's why we use a multilayered approach to security. Some of the world's largest and most security-conscious organizations trust Salesforce. We partner with our customers to provide recommendations on the best approaches to deal with security issues and to combat sophisticated threat challenges. Our global security team is a 24/7 worldwide operation that monitors and improves our applications, systems, and processes to meet the growing demands and challenges of security. There is no finish line when it comes to security and protecting our customers' data.

[Trust.salesforce.com](https://trust.salesforce.com) is the Salesforce community's home for real-time 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. We are committed to our customers' privacy.

Learn more in our [Privacy Policy](#).

---

**Salesforce is committed to running the most secure, trusted, reliable, and available cloud computing service.**

---

"Trust was a business imperative when Salesforce was started, and it has been the foundation of our company ever since. If you don't have trust, you don't have anything – you can't grow, innovate or ultimately succeed without it."

**– Keith Block**

Co-CEO, Salesforce



## Civic Engagement

Salesforce advocates 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 employees, our customers, our company, our communities, and the environment.

Salesforce participates in the legislative process in the U.S. by supporting candidates and causes that are important to our stakeholders. Salesforce is nonpartisan. We support candidates and eligible organizations of any party who share our priorities and align with our core values. We publicly disclose all contributions in reports filed with the Federal Election Commission and various state campaign finance commissions, as required by law.

Salesforce also participates in a variety of organizations, coalitions, and trade associations to further our public policy interests and business goals. We review these memberships on an ongoing basis.

Salesforce also encourages our Ohana members to play an active part in their communities through voting and educating themselves about upcoming elections. We were proud to receive TurboVote's inaugural Turbie award for our civic engagement efforts.

Visit [salesforce.com/public-policy](https://salesforce.com/public-policy) to see details on Salesforce's public policy activities, financial contributions, and memberships.



“A joint approach between governments and the private sector can have the largest impact on tackling the challenges our societies face today.”

**– Amy Weaver**

President,  
Legal and Corporate Affairs,  
and General Counsel



## PROMOTING OUR VALUES AROUND THE WORLD

- In Reykjavik, Iceland, Amy Weaver, President, Legal and Corporate Affairs, and General Counsel, co-chaired the Women Leaders Global Forum
- In Germany, Salesforce Women's Network hosted over 110 girls for Girls' Day, a nationwide initiative to increase girls' interest in STEM careers sponsored by the Federal Ministry of Family Affairs and the Federal Ministry of Education and Research
- In Singapore, we co-hosted the Ministry of Education's Tertiary Bursary Award Ceremony for students demonstrating financial need with Deputy Prime Minister Mr. Tharman Shanmugaratnam



## POLICY TO PROTECT THE PLANET

Salesforce was an early and vocal proponent of California's Senate Bill 100, which commits California to deliver 100% clean energy by 2045. On September 10, Governor Jerry Brown secured California's place as a climate leader by signing the 100% Clean Energy Act of 2018 into law. Going forward, we will continue to advocate for similar policies that reduce the carbon intensity of our electricity supply.



## YES ON 3 IN MASSACHUSETTS

Salesforce was proud to support Yes on 3, an effort in Massachusetts to explicitly protect transgender people from discrimination in public spaces like restaurants, hotels, and hospitals – ensuring transgender people are treated fairly and equally under the laws of the Commonwealth. The referendum passed with 68% of the vote, making Massachusetts the first state to uphold transgender protections at the ballot box.



## STANDING UP FOR OUR CITY WHERE IT ALL BEGAN: SALESFORCE AND SAN FRANCISCO'S PROP C CAMPAIGN

San Francisco is facing a homelessness crisis. Families are living in shelters or crowded single-room occupancy apartments, individuals suffering from mental illness and substance abuse are left without care on the streets, and our public spaces are unsanitary.

Salesforce embraces our community, San Francisco, as a key stakeholder, which is why we joined a broad coalition of local citizens, business leaders, elected officials, teachers, and community activists to support Prop C. This initiative was resoundingly approved by residents on the November 2018 ballot. Prop C creates a tax to fund the development of more housing and services for the city's homeless and housing insecure. The tax only applies to San Francisco's largest businesses – those that make more than \$50 million in annual gross receipts. The tax will raise \$300 million a year for the city to address homelessness.

Salesforce was the only major company to support Prop C, and our engagement made a significant difference in the outcome of the campaign. Salesforce made substantial direct and in-kind contributions to Our City, Our Home, the campaign for Prop C. Salesforce's

engagement included working in partnership with those directly impacted by San Francisco's homelessness crisis – including hosting daily phone banks staffed by currently and formerly homeless individuals in Salesforce Tower.

Prior to Salesforce's involvement, Prop C might have failed to achieve a majority. By election night, campaign polling showed that 89% of voters were aware of the measure, leading to a strong mandate of 61% of San Franciscans who voted Yes on C.

Salesforce continues to work with city leaders and other key stakeholders to support homeless and housing insecure San Franciscans.

**The \$300 million that this initiative will raise each year will fund much needed projects including:**



**\$150 MILLION**

TO FUND APPROXIMATELY 4,000 UNITS OF HOUSING FOR THE CHRONICALLY HOMELESS, HOMELESS YOUTH, AND FAMILIES WITH CHILDREN



**\$75 MILLION**

TO ADDRESS THE MENTAL HEALTH AND SUBSTANCE ABUSE CRISIS



**\$45 MILLION**

TO PREVENT SAN FRANCISCANS FROM EVER EXPERIENCING HOMELESSNESS



**\$30 MILLION**

TO KEEP OUR STREETS CLEAN AND SAFE



# Supply Chain Responsibility

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

---

**We encourage 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.

The Supplier Code applies to all third-party suppliers of products or services that are paid directly by Salesforce.

One of our key objectives is monitoring social and environmental performance in our supplier management process, and encouraging our suppliers to share in our values. In FY19, we kicked off this dialogue with a webinar with some of our top suppliers to set expectations, held a training with our sourcing organization to educate and empower supplier managers, and also requested key suppliers to complete a Corporate Social Responsibility (CSR) performance assessment.



## SALESFORCE SUPPLIERS

### 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, in September, Salesforce announced a new commitment to work with our suppliers to set their own robust climate targets. As part of our commitment to [science-based targets](#), by 2025, Salesforce will work with suppliers responsible for half of our total supplier-related emissions to set their own emissions reduction targets.

### Supplier Diversity

We believe that partnering with small businesses and diverse suppliers is not just the right thing to do; it 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 FY19, we implemented a new potential supplier registration portal, allowing us to collect deeper data on interested suppliers to get a more holistic understanding of their business and leadership.

We work with industry leaders and organizations that are shifting the standards of supplier diversity. In FY19, we joined the [National Minority Supplier Development Council](#) (NMSDC), [National LGBT Chamber of Commerce](#) (NGLCC), [Women's Business Enterprise Council](#) (WBENC), and the [Technology Industry Group](#) (TIG) to continue learning and supporting supplier diversity. In October 2018, Salesforce was a sponsor of the TIG Tech Hub at the NMSDC's annual conference, enabling networking and learning opportunities for those at the crossroads of supplier diversity and tech.

We look forward to continuing to develop innovative solutions, engaging our top customers in supplier diversity, and creating resources to support supplier development.



# PROTECTING OUR PLANET

# PROTECTING OUR PLANET

## The Environment Is a Key Stakeholder

The planet needs bold action now. Global experts such as the [Intergovernmental Panel on Climate Change](#) agree that we need to collectively curb global emissions by 2020 in order to avoid a 1.5 degree scenario. At Salesforce we recognize swift action is imperative to address climate change and know we can't do it alone. Collaboration with other corporates, the public sector, and NGOs is a key step in driving positive change.

We're proud to have achieved so many milestones in FY19, including leading the [Step Up Declaration](#), opening our most sustainable office building to date – Salesforce Tower in San Francisco – signing our largest renewable energy contract to date, and continuing to deliver all customers a carbon neutral cloud, and operating as a net-zero greenhouse gas emissions company.<sup>♦</sup> However, we also know that sustainability is an ongoing journey with no finish line.

We measure success by ensuring that our sustainability efforts are integrated into decision-making processes and business operations in a transparent way. In 2017, we signed a letter supporting the recommendations of the [Task Force on Climate-Related Financial Disclosures](#) and have since worked with the recommendations, including conducting a climate-related scenario analysis. We also assess climate-related risks annually through a process that is integrated into a companywide risk assessment.

In an effort to move toward more integrated reporting and to disclose investor-grade data, we use the Sustainability App on [the Salesforce Platform](#) to track and manage our environmental metrics. For the past two years we have also obtained limited third-party assurance for a number of our key environmental metrics and have included these metrics in our financial filings. In October 2018, we received the [2018 Finance for the Future Award in the category of Communicating Integrated Thinking](#), which recognizes finance

functions that play a unique role in ensuring that sustainability initiatives are front and center in organizations' business models. We're constantly working to further integrate environmental sustainability into all that we do and partner with stakeholders to catalyze climate action.

To read more about our environmental initiatives, visit [salesforce.com/sustainability](#).

♦ Reviewed by Ernst & Young LLP. Please refer to pages 58–61 for its Independent Accountants' Review Report.



## 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 such as:

- [Advanced Energy Buyers Group](#)
- [CERES BICEP Network](#)
- [Future of Internet Power](#)
- [RE100](#)
- [Renewable Energy Buyers Alliance](#)
- [Step Up Coalition](#)
- [We Are Still In](#)
- [We Mean Business](#)

Salesforce is a proud member of the [Renewable Energy Buyers Alliance](#) (REBA) inaugural board. REBA is focused on helping to rapidly scale the number of companies that are able to make impactful purchases of clean and renewable energy, ultimately helping the world transition to a zero-carbon energy future.



## THE GLOBAL CLIMATE ACTION SUMMIT

Salesforce was proud to be a major sponsor of the [Global Climate Action Summit](#) in September 2018, where sectors came together to accelerate collective climate solutions. Salesforce focused on taking action through three key programs: Oceans, Arts and Education, and Climate and Energy.

### Oceans

- Held a two-day immersive Ocean Hack, a Salesforce collaboration with Project Everyone and Wild Labs that brought together a diverse, global group of innovators to develop solutions to ocean-related challenges
- Hosted 1,000 Bay Area students at the California Academy of Science for a hands-on learning experience on oceans and climate science

### Arts and Education

- During the week, a local San Francisco artist created a mural in Salesforce Park featuring local marine species that will be impacted by climate change either through rising bay levels or acidification due to the warming of our oceans. The final mural is currently on display in the UCSF Benioff Children's Hospital.

### Climate and Energy

- Salesforce announced the Step Up Declaration, leading 20 other companies in making strategic corporate commitments to ensure a climate turning point by 2020.





## SALESFORCE LEADS THE STEP UP DECLARATION

At the Global Climate Action Summit, Salesforce announced the launch of the [Step Up Coalition](#), a new alliance dedicated to catalyzing the climate action the world needs now by demonstrating and enabling a reduction of greenhouse gas emissions across all economic sectors and ensuring a climate turning point by 2020. Salesforce is proud to have been the first company to sign the pledge and is now joined by more than 20 other companies committed to taking action and working collaboratively to affect change. To join, each company had to bring forward its own new commitments to drive climate action.

Read more about [Salesforce's Step Up commitments](#).



### Sustainable Real Estate

After 2020, all major new Salesforce office interiors will align with LEED Platinum v4 standards and pursue net zero carbon certification by 2030



### Investing in Climate Impact

By 2022, \$10M to invest in climate entrepreneurs and startups



### Advocacy & Collaboration

Lead geographies where we operate toward a just transition to a low-carbon economy



### Transportation

By 2020, expand internal price on carbon, offsetting 100% of business travel and employee commuting emissions



### Supply Chain

By 2025, 50% of Salesforce suppliers (by emissions) to set emissions reduction targets



### Water Leadership

Committed to We Mean Business' Improve Water Security Initiative



# Commitment to Clean and Renewable Energy

In order to limit global warming to 1.5 degrees or less, the world's electricity system must quickly transition to non-polluting and emissions-free energy sources. This transition will have additional benefits such as improving air and water quality, public health, and wildlife and habitat health, among others.

The main focus of Salesforce's climate advocacy efforts are on policies that set the planet, and the geographies we operate in, on a just path to a low-carbon economy. This includes working to increase the proportion of clean energy in the communities where we operate and thus improve access for ourselves and others who are looking to purchase renewable energy. [SB100](#) in California is one example of the type of policies we engaged with in FY19. We also signed two support letters in Virginia advocating for renewable energy and clean technology advancements for the [data center community](#) and the [state's energy plan](#).



## Salesforce is committed to achieving 100% renewable energy by FY22.

### Strategy for Achieving 100% Renewable Energy

In FY19, we published our [Clean Energy Strategy](#), detailing how we plan to get to 100% renewable energy\* by FY22. One hundred percent renewable energy here means sourcing renewable electricity from renewable energy sources equivalent to what we use globally on an annual basis.

In FY19, we procured electricity from renewable energy resources equivalent to 55%♦ of what we used globally, predominantly through large-scale, long-term purchases and agreements that add additional renewable energy to the grid. Our purchases focus on catalyzing the construction of new sources of clean and renewable energy.

In September 2018, Salesforce announced that all three office buildings (Salesforce East, Salesforce West, and Salesforce Tower) at the heart

of our global headquarters in San Francisco are now sourcing 100% renewable energy through CleanPowerSF, the city's community choice energy program.

Meeting our 100% renewable energy goal is a key part of our 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 we operate in around the clock.

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

\* 100% renewable energy here means sourcing renewable electricity from renewable energy sources equivalent to what we use globally on an annual basis.

♦ Reviewed by Ernst & Young LLP. Please refer to pages 58–61 for its Independent Accountants' Review Report.

## FORGING THE PATH TO 100% RENEWABLE ENERGY, TOGETHER

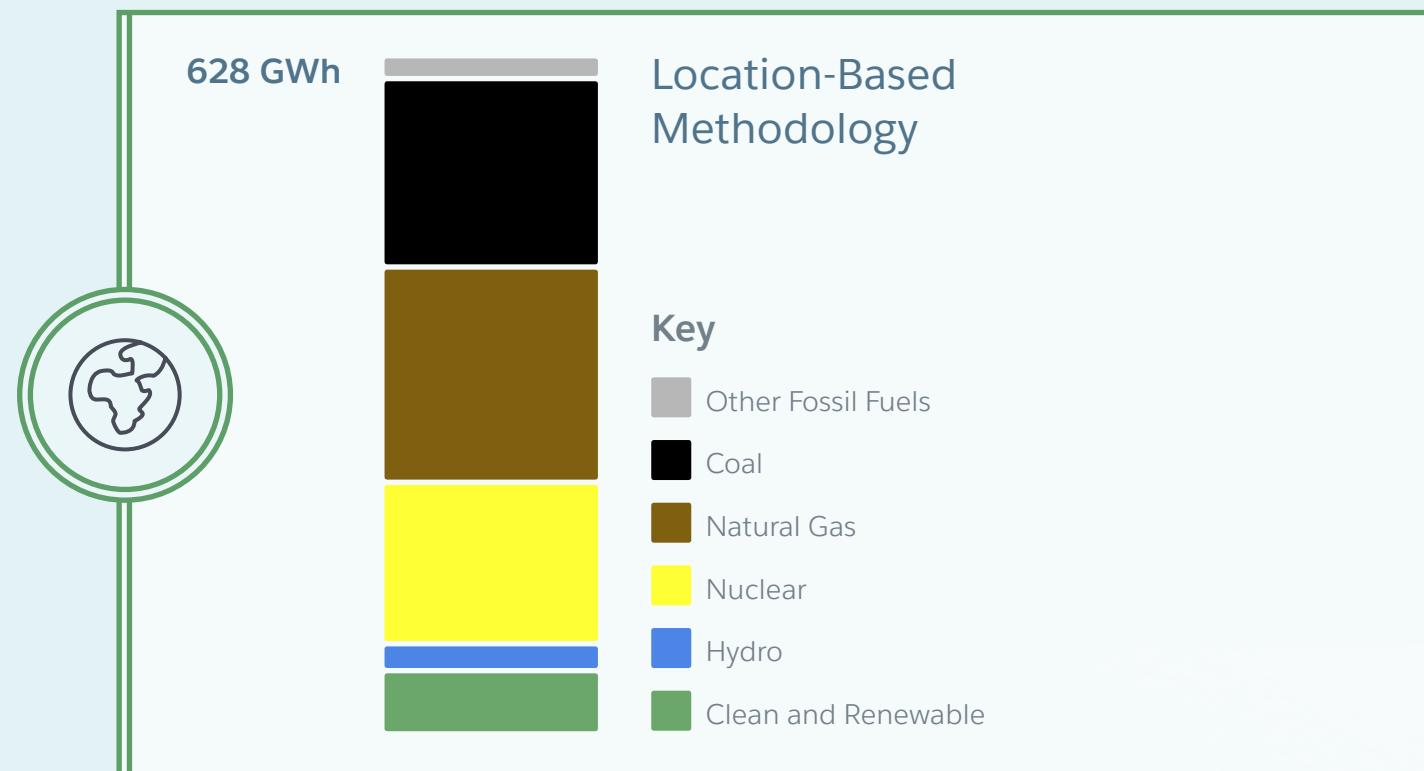
In January, Salesforce announced an exciting new milestone in renewable energy collaboration – an [all-new renewable energy aggregation deal](#) in collaboration with some incredible partners and Salesforce customers – Bloomberg, Cox Enterprises, Gap, and Workday.

# FY19 Global Electricity Mix

In FY19 Salesforce consumed 628 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.

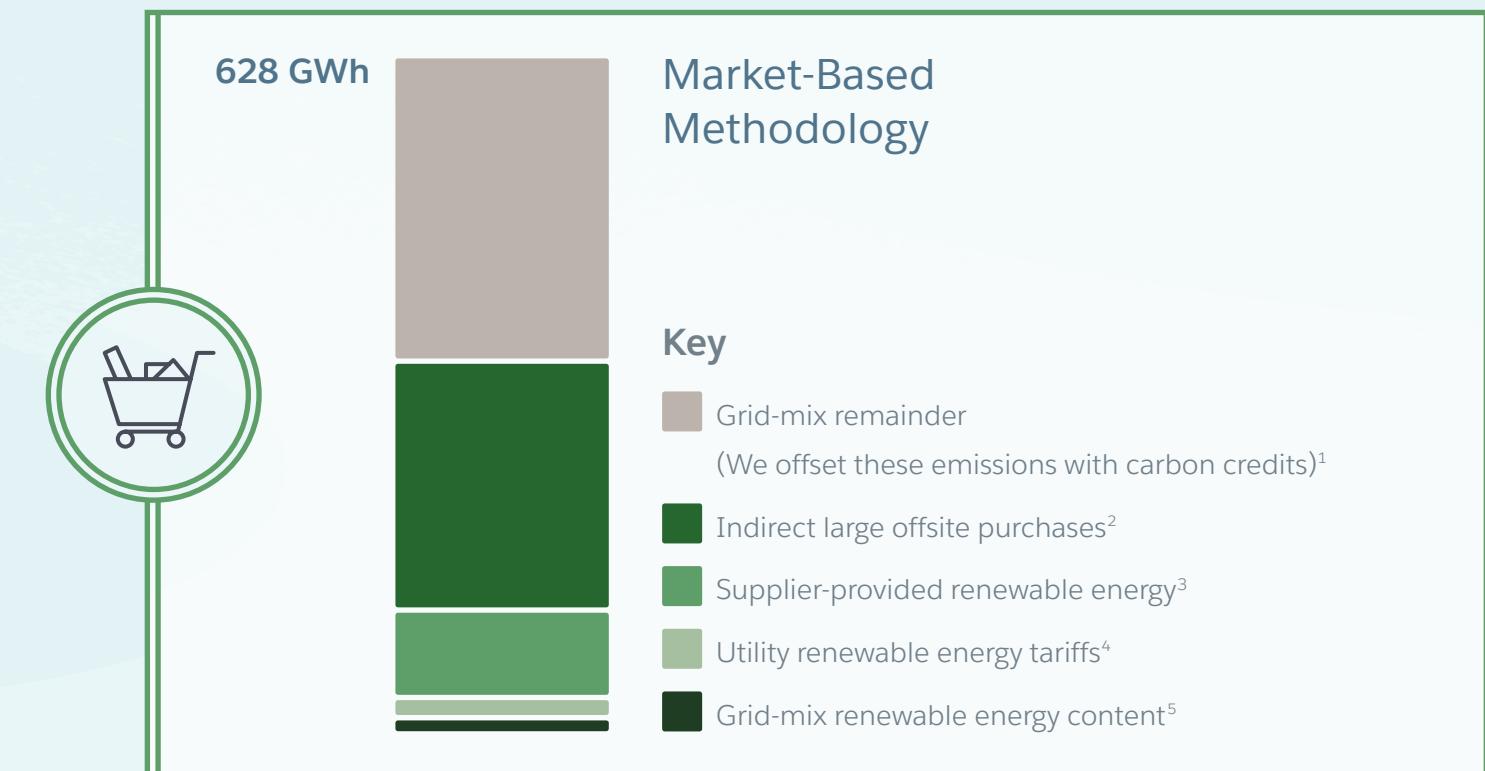
## Location-Based Methodology

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 our collective progress toward achieving our long-term goal of transitioning the electric systems we operate on to low-carbon resources. We believe industries need to prioritize 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 calculation, 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 below graph illustrates our efforts to balance or offset the impacts of our brown power use by bringing new sources of clean and renewable energy online today. The emissions associated with the fossil fuel consumption we haven't yet balanced with renewable energy, we offset with carbon credits.



<sup>1</sup> The energy mix we didn't balance with renewable energy purchases. In FY19, we offset the emissions associated with this remainder through the purchase of carbon credits.

<sup>2</sup> Utility scale projects that require long-term contracts for energy/environmental attributes. These include our Virtual Power Purchase Agreements.

<sup>3</sup> Renewable energy that is procured by the lessor of a data center or office to meet our electricity use at that site.

<sup>4</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 FY19.

<sup>5</sup> The portion of the grid-mix where we operate that comes from renewable energy not otherwise used by specific consumers.

# Operating as a Net-Zero Greenhouse Gas Emissions Company

Operating as a net-zero company<sup>♦</sup> puts an internal price on our greenhouse gas emissions, creating a financial incentive to support decisions throughout the business that reduce greenhouse gas emissions.

## Our Strategy

Since FY18, Salesforce has maintained net-zero greenhouse gas emissions by following a three-step, iterative process: avoid, reduce, offset. In addition to our renewable energy work, to offset our climate impact and operate as a net-zero company, we support sustainable development projects through the purchase of carbon credits.<sup>1</sup> These credits help offset Salesforce's global Scope 1 and 2 emissions.<sup>2</sup>

We took this further to deliver our customers a carbon neutral cloud<sup>♦</sup> by including indirect emissions (Scope 3) within 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.

Salesforce is proud to deliver all customers a carbon neutral cloud<sup>♦</sup> and operate as a net-zero greenhouse gas emissions company.<sup>♦</sup>

## 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 are also partnering 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 net-zero greenhouse gas emissions.

♦ Reviewed by Ernst & Young LLP. Please refer to pages 58–61 for its Independent Accountants' Review Report.

<sup>1</sup> Each carbon credit represents the removal/avoidance of one metric ton of carbon dioxide (or its equivalent) from the atmosphere.

<sup>2</sup>“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 maintain net-zero greenhouse gas emissions encompass our Scope 1 and 2 emissions.



## INSPIRING EMPLOYEE ACTION

Our green team, Earthforce, one of Salesforce's many employee resource groups, is made up of more than 8,000 passionate employee volunteers dedicated to promoting and celebrating environmental responsibility at Salesforce.

For more information on our Ohana Groups see page 37 of this report or visit [salesforce.com/equality](https://salesforce.com/equality).

### FY19 HIGHLIGHTS:

**40+**  
TEAMS

**25**  
EARTH DAY CELEBRATIONS

**20,000+**  
HOURS OF VOLUNTEER TIME

**7,500+**  
BADGES EARNED ON TRAILHEAD COMPLETING  
INTERNAL SUSTAINABILITY TRAINING<sup>3</sup>

**1,500+**  
BADGES EARNED ON TRAILHEAD COMPLETING  
EXTERNAL SUSTAINABILITY TRAINING

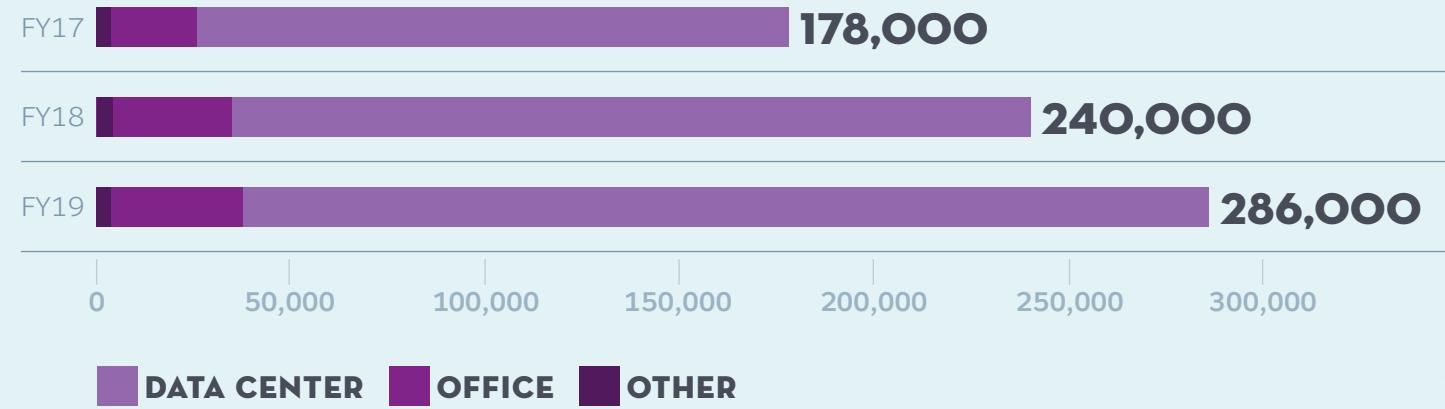


<sup>3</sup> Includes badges earned prior to FY19.

## Annual Emissions

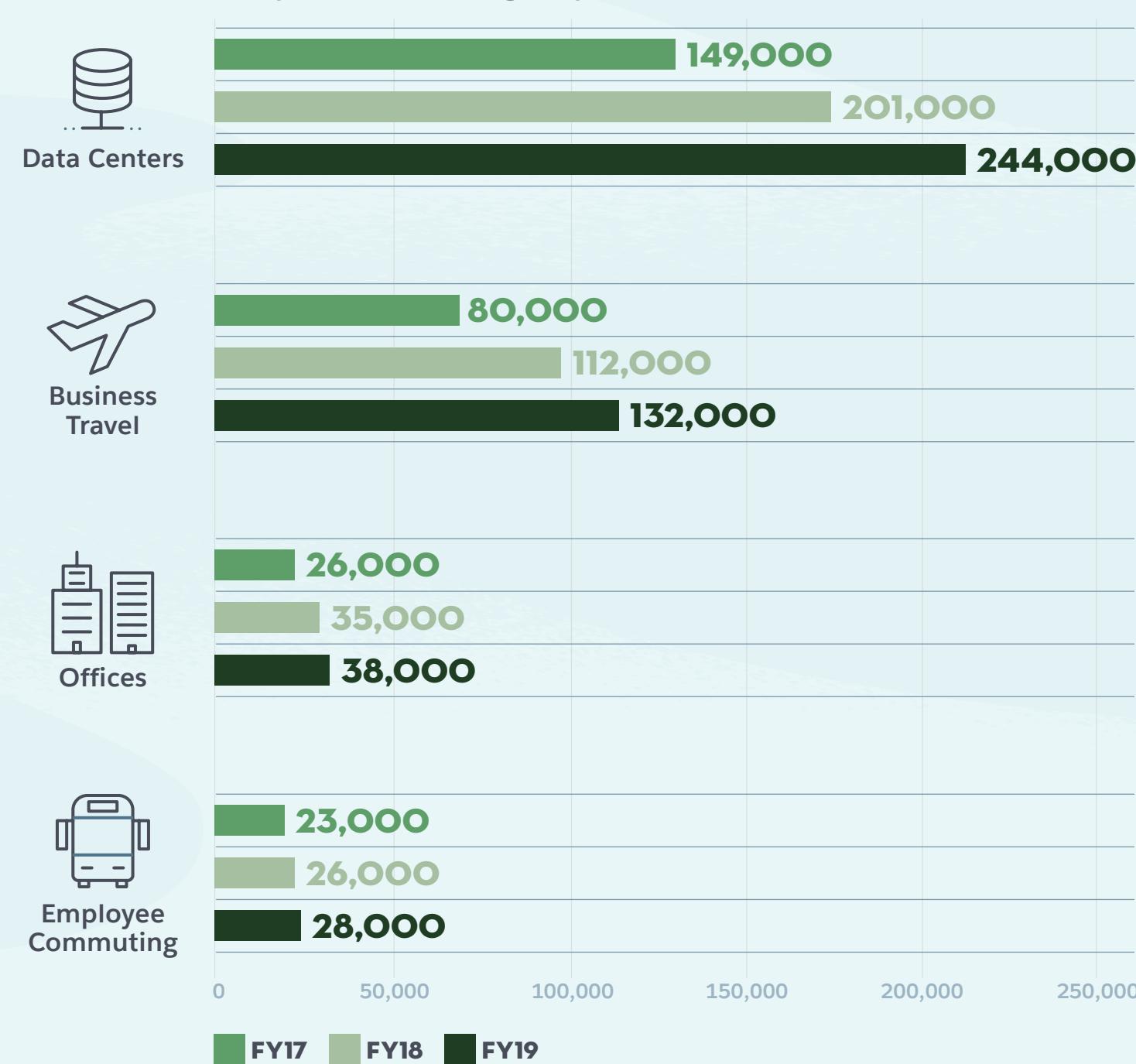
Salesforce works to avoid and reduce our emissions where possible. To achieve this, we are committed to measuring and transparently disclosing our annual emissions, indicated in the following charts. For more detail on our environmental footprint, see the [Report Details](#).

### 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 CO<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.

# Sustainable Real Estate

## Strategy

For Salesforce, real estate is much more than architecture and design. 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 Ohana, including our partners, customers, communities, and the environment around us. Salesforce is committed to taking a proactive approach to how we site, design, construct, operate, and maintain sustainable, high-performance workspaces that cultivate innovation, stewardship, health, and wellbeing for our Ohana.

## Siting for Sustainability

We infuse sustainability into the very beginning of Salesforce's real estate process by prioritizing green-certified base buildings and incorporating sustainability criteria as part of our initial site search. In FY19, we went one step further, establishing green lease language to ensure mutual sustainability benefit between building owner and tenant.

## Procurement and Design

The Salesforce design standard, called Ohana Design, promotes collaboration, fun, sustainability, and employee wellness. One way we achieve this standard is by working closely with our procurement team to ensure we are bringing sustainable design and healthy materials into all of our spaces through our supply chain. We use our buying power to push industry demand for higher-quality materials, increased innovation, and better overall design. From installing carpet made from recycled fishing nets, to using low-VOC paint, to piloting a new water-based, non-toxic finish on conference room tables, the choices we make might not always be that visible, but that's a good thing. It's a demonstration that sustainable building practices and healthy materials aren't a sacrifice, but a natural fit in the future of our built environment.



## SALESFORCE TOWER: OUR MOST SUSTAINABLE BUILDING TO DATE

Salesforce Tower San Francisco will be one of the most sustainable buildings globally. It beats the energy performance guidelines of San Francisco's green building code by more than 20% and is enrolled in SuperGreen – San Francisco's 100% renewable energy program. Additionally, the Tower will feature the [largest onsite water recycling system](#) in a commercial high-rise building in the United States (saving more than 7 million gallons of fresh water a year). The tower exemplifies our sustainable built environment program, including our focus on biophilic design, which means incorporating natural elements into our spaces – the Tower contains roughly 25,000 plants!

The interior design of Salesforce Tower officially catalyzed our healthy materials program in 2017. Salesforce included language in the procurement process that outlined our commitment to healthy spaces and required vendors to be transparent about what's in their products. The process helped us identify healthier, more sustainable alternatives to build out our spaces, ultimately leading to a healthier environment for our Ohana.



## Construction and Certification

We build our workspaces to meet leading green building standards around the world, such as [LEED](#), [BREEAM](#), [Fitwel](#), and [Green Mark](#). We see the certification process as a helpful guide for real estate project accountability, transparency, and 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 for our Ohana.

**As of FY19, Salesforce has achieved or is pursuing green building certification for 65% of our office space.**

Salesforce has long been committed to certifying our marquee offices and headquarters to LEED Platinum standards and recently doubled down on these commitments. All new major Salesforce office spaces established after 2020 will align with LEED Platinum v4 standards, and pursue net zero carbon building certification by 2030.

## Ongoing Operations

We continuously improve our design standard by including energy management initiatives, such as real-time energy and water submetering, to deliver energy savings and provide insight into our energy usage. We also work on innovative pilot solutions such as battery storage and smart sensors to optimize our high-performance, sustainable buildings. San Francisco is home to our headquarters, and we fully support the city's ambitious Zero Waste 2020 requirements by rolling out our global centralized waste program and holding regular waste-sorting education and engagement programs.

## Leadership

We work with industry leaders and companies that are shifting the standards of our built environment to a new normal that prioritizes human and environmental health. We're proud to be founding partners of the Tech Regenerative Collaborative and the [USGBC Building Health Initiative](#). Additionally, we've signed on to important initiatives such as [Center for Environmental Health's \(CEH\) Purchase Pledge for Safer Furniture](#), leveraging our purchasing power to drive greater transparency and accountability.



## A FOCUS ON HEALTHY MATERIALS

Healthy materials help us improve the performance of our space, and most importantly, our material choices can make our employees happier and healthier. That's why we evaluate the health and environmental characteristics of the products that are entering our workspaces with our new internal score-based methodology. Salesforce created a healthy materials scoring tool to make informed, data-driven decisions on what types of products to procure based on four categories: materials health, carbon, environment, and social responsibility.



### Materials Health

- Ingredient disclosure
- Chemicals of concern



### Environment

- Product materials
  - Includes recycled, reclaimed or bio-based content, sustainable wood, etc.
- How it's produced



### Carbon

- Environmental impact reduction throughout the product's lifecycle
- Waste elimination
- Carbon footprint reduction



### Social Responsibility

- Manufacturers' social responsibility efforts within their company, community, and supply chain
- Risk to their own employees



# WORKFORCE DEVELOPMENT

# WORKFORCE DEVELOPMENT

## Salesforce Culture

At Salesforce, culture is our greatest competitive advantage – it engages our people, drives the creation of our innovative products, and ultimately helps our customers succeed.

**We believe culture is a business imperative with real ROI.**

We were founded as a values-based business, and our culture is centered around our four core values of trust, customer success, innovation, and equality. We use these values to guide our near and long-term strategies, and over the past 20 years they have helped us create meaningful stakeholder value. Our commitment to equality allows us to attract and retain the best global talent. Our relentless focus on innovation created the world's most complete CRM product portfolio. And our commitment to trust and customer success propelled us past \$13 billion in annual revenue faster than any other enterprise software company in history.

We are highly intentional about our culture. We prioritize it, we program it, we measure it, we innovate on it, and we hold ourselves accountable to it.



**Salesforce has been named a Best Workplace by Great Place to Work in:**

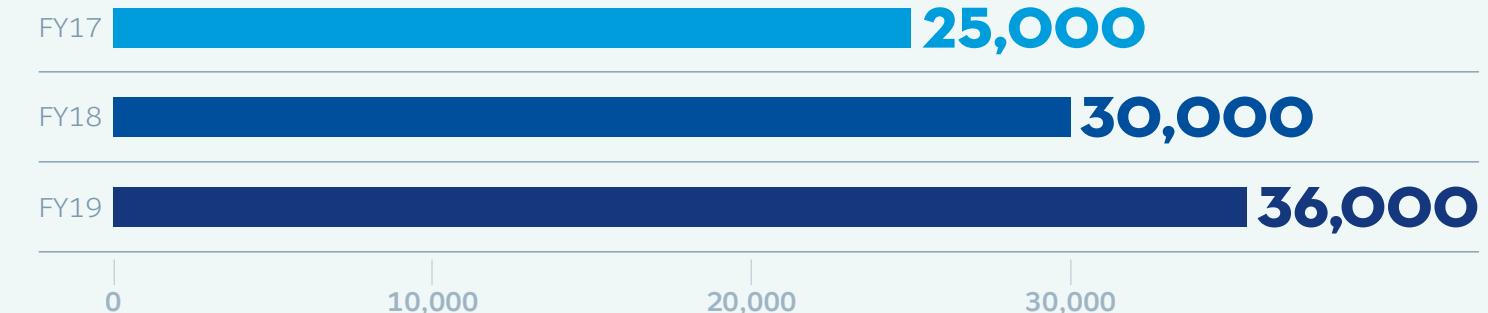
- Australia
- Ireland
- Canada
- The Netherlands
- France
- Singapore
- Germany
- The U.K.
- Japan
- India
- The U.S.



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

- Dublin
- Atlanta
- Chicago
- San Francisco

## Full-Time Employees



# 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 via [Trailhead](#), our interactive learning platform. Trailhead allows any employee – regardless of role or background – to embrace new technologies and learn in-demand skills for free and at their own pace. Our Trailhead library includes hundreds of modules spanning technical skills (like [Blockchain Basics](#)) to soft skills (like [Cultivate Equality at Work](#) and [Culture of Feedback](#)), with new content added regularly. In FY19, employees completed over 173,000 Trailhead modules specifically related to talent development.

With an eye on building the next generation of global leaders, Salesforce's Talent Development team also creates 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 what we call GREAT Leader Characteristics – Salesforce Smart, Get It Done, Win as a Team, Motivate and Champion, and Courageous Communicator – within a culture of transparent feedback. We work to inspire and enable our employees to be leaders in their respective roles, which means ensuring they grow at the same pace as the company by receiving timely feedback from peers, direct reports, and direct managers.

---

**At Salesforce, 93% of employees say their workplace is great.**

– 2018 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 minded leaders ready to take our business and Ohana 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 applying the leadership skills gained through the program.

**130**

EXECUTIVE PARTICIPANTS TO DATE

**115**

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.

**560+**

PARTICIPANTS TO DATE

**55**

HOURS OF STRUCTURED\* DEVELOPMENT PER PARTICIPANT



\*Each participant is expected to drive their own development beyond structured hours.

# Futureforce

## University Recruiting

Our [Futureforce University Recruiting](#) program is dedicated to attracting and cultivating next-generation talent.

In FY20, we have a goal to hire 18% of Salesforce's external workforce through Futureforce.

FY19 was a year of global growth; we welcomed our first Futureforce recruits in Singapore and Sydney, and saw an explosion of growth across all business lines in India. We also hit the ground in Latin and Central America, hiring computer science interns to train under our engineering team in Buenos Aires.

---

As innovators, disruptors, and global shapers – our recruits not only bring true trailblazing characteristics to our Ohana – they're ready to make an impact!

---



## PATHFINDER TRAINING PROGRAM

In 2018, we launched the Pathfinder Training Program, a program designed to train the next generation of Trailblazers. In partnership with Deloitte, Salesforce trained Ivy Tech Community College students and Indiana Veterans with the technical and business skills to earn their Salesforce certifications, propelling them into a career in the Salesforce ecosystem.

Some highlights from our pilot year:

**3,000.**

BADGES EARNED ON TRAILHEAD

**10,000.**

HOURS OF TRAINING COMPLETED  
BOTH IN-PERSON AND ONLINE

**63%**

OF PATHFINDERS ARE WOMEN AND  
PEOPLE OF COLOR

**17%**

OF PATHFINDERS ARE VETERANS

We plan to expand Pathfinder beyond Indiana in 2019.



“Through the Pathfinder program, Salesforce and Deloitte gave each of us the tools to build our future. It’s been an incredible journey learning new skills and business strategies, working with companies that truly care about their staff. I’m so thankful for everyone that helped create the Pathfinder program. It’s been an amazing, fulfilling experience, that unlocked a part of me I knew was there, but didn’t know how to access. Without Pathfinder, I’d still be wandering around searching for my place.”

– **Alec Sanderson**

Pathfinder Graduate  
Salesforce Administrator at Webroot

## Preparing a Future-Ready Workforce

With equality as one of our core values, we're committed to building a more diverse and inclusive workforce that mirrors the communities where we live and work. For the past 11 years, Salesforce.org has partnered with workforce development organizations that connect untapped talent to training and meaningful paid work experiences. Across the globe, nearly 600 young adults have joined the Salesforce Ohana from various internship and apprenticeship program partners. We know that these work experiences – and the networks they help young adults to build – are critical to establishing a strong professional foundation. We are grateful for the many contributions that our interns and apprentices have brought to Salesforce.



## 100+ YOUNG ADULTS PARTICIPATE IN SALESFORCE.ORG'S PROGRAMS FOR UNTAPPED TALENT

### Year Up

Year Up interns spend six months at Salesforce and joined us in the Bay Area, Atlanta, Boston, Chicago, and New York City.

They are young adults ages 18 to 24 who have completed six months of intensive technical and professional training through Year Up, which prepares them for a corporate internship and the opportunity to build their networks and their careers. Approximately 50% of Year Up interns continue working at Salesforce after their internships.



### Genesys Works

Genesys Works interns spend nine months at Salesforce in the Bay Area and Chicago.

They are high school seniors who complete intensive training during the summer before their senior year, and spend senior year of high school going to school half-time and working half-time. The internships are typically the students' first professional experience and help them explore careers before heading off to college.

### UK Salesforce.org Apprenticeship Program

We launched a new apprenticeship program in London in partnership with WhiteHat.

WhiteHat is an apprenticeship provider focused on ensuring diverse representation in apprenticeships. We are hosting our inaugural class of apprentices, all of whom are working across various Salesforce.org departments, including Customer Success, Marketing, Global Philanthropy & Engagement, and Employee Success.

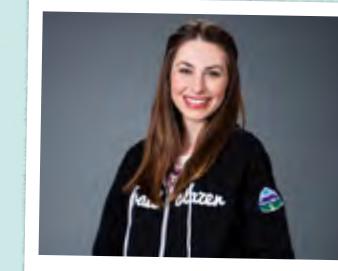
# Trailhead

Trailhead, Salesforce's online learning platform that is available to the public, empowers users to learn the skills needed to thrive in the Fourth Industrial Revolution. It is a free, gamified, online learning platform that empowers everyone to learn in-demand skills, earn resume-worthy credentials, and connect to opportunity from mentorship to employment. Over 1.2 million Trailblazers have earned more than 12 million badges on the platform.

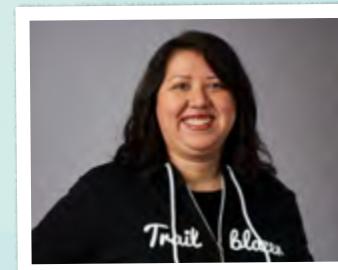
Salesforce's myTrailhead product allows customers to personalize Trailhead for their business with their brand and content to reinvent corporate learning and enablement. Salesforce is committed to workforce development and dedicated to training and hiring for the jobs of tomorrow. We believe in using Salesforce for good. One of the ways we do that is through our interactive learning platform, Trailhead.



## TRAILBLAZER HIGHLIGHTS



**Lauren Zolp**  
Salesforce Business Analyst,  
Ledgeview Partners



**Vanessa Villagomez**  
Salesforce Consultant,  
Accenture



**Aaron McGriff**  
Salesforce Business Systems Analyst,  
Masco Cabinetry

Lauren enlisted in the Air Force at the age of 18, and after serving as an Urdu Cryptologist Linguist, had a difficult time finding a job that required her linguistic skills once discharged. After being unemployed for three years, Lauren went from doing her first Trailhead module to becoming fully certified and employed as a Salesforce Admin in eight weeks, all while her newborn baby boy slept. She utilized Vetforce to help her power through training and is now a 3x Certified Salesforce Professional.

Vanessa is a cancer survivor who had to drop out of the University of Iowa for treatment when she found out she had late-stage cancer. After three years of treatment that impaired her hips, she made a miraculous recovery and is back in the workforce developing a strong career with a commitment to getting her undergraduate degree. Vanessa credits the Trailblazer Community for giving her a second chance and recognizes that the community helped her gain not only the right skills but also the confidence to pursue Salesforce career opportunities.

Aaron was unemployed with no direction until a family friend told him about Salesforce. He experienced an overwhelming amount of encouragement from fellow Trailhead users on Twitter and felt he was finally going in the right direction as he began earning badges on the platform. The connections he made on Twitter motivated him to attend community events, and he found himself at Midwest Dreaming, where he made invaluable connections.



# Supporting the Military Community

Salesforce is committed to empowering the military community to launch careers in the Salesforce ecosystem through our program, [Vetforce](#). Vetforce is the Salesforce military community that provides free job training and career support to current service members, veterans, and military spouses.

Now powered by the latest Salesforce technology, the Vetforce platform is equipped to train 35,000 veterans and military spouses. The new platform has 13 Salesforce Career learning journeys to support our community from the start of their careers as well as throughout their professional growth.

**TRAIN:** With curated training and free access to classes and certification exams. Vetforce trains veterans and military spouses to become Trailblazers.

**CONNECT:** Veterans and military spouses come together in an exclusive digital community as well as in person to collaborate.

**EMPLOY:** Vetforce members receive exclusive professional development and networking opportunities to enhance their career.

In FY19 we also launched a publicly available Trailhead trail, [Strengthen and Diversify Your Workforce with Military Veterans](#), with

four modules to evangelize the program and military hiring:

## MILITARY VETERAN RECRUITMENT STRATEGY:

Build a strategy and implement an action plan for hiring military veterans.

**MILITARY-FRIENDLY WORKPLACES:** Implement inclusive workplace policies for military veterans and reservists.

**VETFORCE:** Discover Vetforce and get started on the path to career and community.

**HIRING MILITARY SPOUSES:** Build an adaptive workforce with military spouses.

Earn the badge at [sfdc.co/vetforcetrail](https://sfdc.co/vetforcetrail).

Here are some of our successes so far:

**14,000+**  
MEMBERS SIGNED UP AND VERIFIED ON  
SALESFORCE.COM/VETERANS

**81,000+**  
TRAILHEAD BADGES EARNED

**1,180**  
SALESFORCE CERTIFICATIONS

**400**  
MEMBERS CURRENTLY WORKING  
IN THE SALESFORCE ECOSYSTEM



## SHELDON SIMMONS IS A VETFORCE TRAILBLAZER



Sheldon is a U.S. Navy veteran who served for eight years. His path to working as a consultant in the Salesforce ecosystem shows how individual tenacity combined with great training and a supportive network can change someone's life and career. Sheldon didn't know about Salesforce two years ago and had never worked in tech. He got his training through the nonprofit Merivis and made lots of sacrifices to attend class while working a full-time job.

His first job opportunity was with Salesforce Implementation Partner Cloud Co-op where he got hands-on experience and was able to put his first Salesforce Admin role on his resume. In just over a year, he is now four times certified, works as a consultant at PolSource, serves on the board of Merivis, was awarded a Golden Hoodie at the recent Dallas World Tour, and gives back to those just starting their Salesforce careers. Not only is his path inspiring but it's also something Vetforce is striving to replicate for others who are just earning their first badge.



## DRIVING WORKFORCE DEVELOPMENT: A LONG-STANDING PARTNERSHIP BETWEEN SALESFORCE AND THE ARC

Salesforce and The Arc San Francisco have partnered for 19 years in our San Francisco offices to serve people with developmental disabilities. The Arc San Francisco's mission is to transform the lives of adults with developmental disabilities by advancing lifelong learning, personal achievement, and independence. Salesforce not only employs Arc clients in our offices, but also has helped support the Arc at an organizational level. Here are highlights from the past 19 years of partnership:



- The first Arc SF placement was one of the first 50 employees of SFDC.
- Board Representation: There have been nine Salesforce employees and alumni on the board over the past 10 years.
- Salesforce team members were founding members of the business advisory council
- Investing in Inclusion: Over \$400,000 in corporate/matching grants and over \$425,000 in employee and alumni donations
- Delivered keynote as a member of the Honorary Committee at the 17th Annual Arc Breakfast. This event is a celebration highlighting the vital work of The Arc San Francisco and the friends and "angels" who support the mission.
- Currently, there are 18 full-time employees in San Francisco, six part-time employees in New York City, and two full-time employees in Indianapolis.

We're looking forward to expanding this partnership in Chicago and Seattle.





# EQUALITY FOR ALL

# EQUALITY

Equality is a core value at Salesforce. We work to drive equality within our own walls and beyond, across four pillars – equal rights, equal pay for equal work, equal access to education, and equal opportunities to succeed. We have established a number of programs to support these pillars including establishing an office of ethical and humane use of technology, making a human rights commitment, supporting employee resource groups that foster equality at work, and investing in companies outside of Salesforce that benefit both people and the planet.

All businesses have the opportunity to be a platform for change. At Salesforce we work with our employees, customers, partners, and communities to create a stronger company and a better and more equal world for all.

We are honored to be recognized by Fortune as one of the best workplaces for diversity, but we know there is much more work to be done.

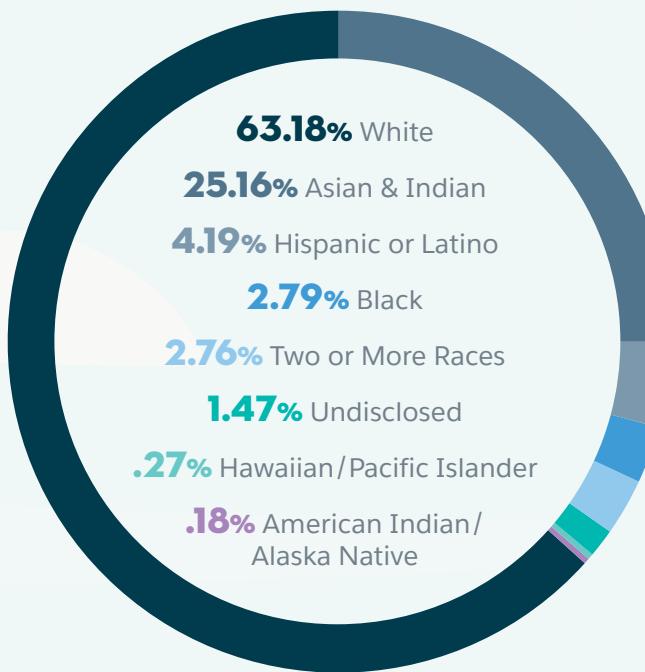
Here are a few steps we are taking to advance equality:

- Adopting inclusive business practices: Inclusive Hiring and Inclusive Leadership Trailhead modules for our managers
- Building the diverse workforce of the future: Donated more than \$15.5 million in grants to local Bay Area schools
- Elevating underrepresented voices: Hosted first-ever racial equality summit, Representation Matters, to inspire, empower, and elevate the tech industry's most underrepresented talent

As part of our ongoing work to promote equality in employee pay, opportunity, and advancement, since FY17 Salesforce has conducted an internal salary assessment. The methodology analyzed the employee population based on objective factors that determine pay such as job function, level, and location. The assessment grouped employees in comparable roles, and analyzed salaries and

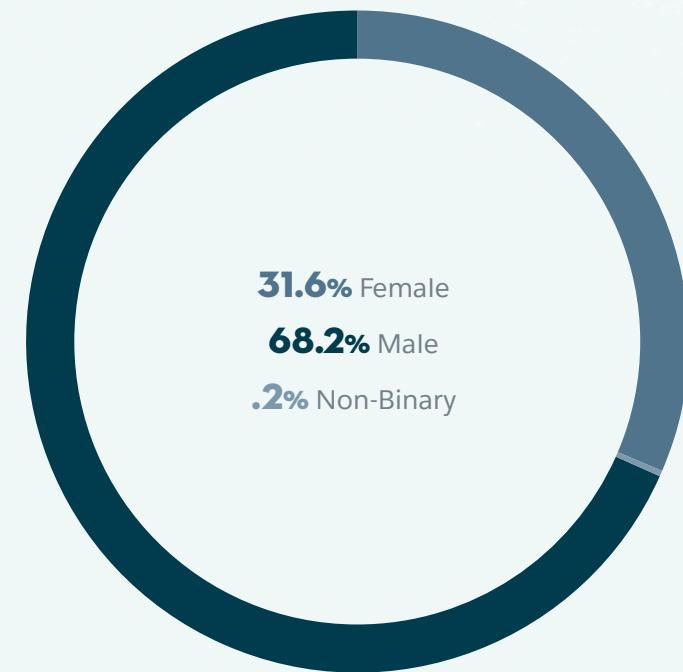
bonuses of those groups to determine whether there were unexplained differences between women and men, as well as race and ethnicity, in the U.S. If there were, we made adjustments as needed to eliminate statistically significant gender-associated differences in pay. The path to equality is an ongoing journey, and we will continue to monitor and review compensation regularly.

## U.S. Employees by Ethnicity



Data as of 2018

## Global Employees by Gender



# Office of Ethical and Humane Use of Technology

We recognize the transformative power of the technologies we create and their role in being a force for good around the world. That's why we strive to develop and use our products in an ethical manner that upholds the basic human rights of every individual. Core to this effort is the establishment of the first-ever Office of Ethical and Humane Use of Technology. The office merges law, policy, and ethics to develop and implement a strategic framework for the ethical and humane use of technology across Salesforce. There are three key steps to our approach:

- Engaging Stakeholders
- Engaging Experts
- Generating Insights

## Ethical Use Advisory Council

We are not alone – our entire industry is grappling with the human and societal impacts of modern technologies. Together, the issues we face are significant, and we know we can't tackle them alone. That is why we've convened some of the top experts in ethics, technology, and corporate trust to guide us on our journey. The Advisory Council to the Office of Ethical and Humane Use of Technology is composed of a diverse group of front-line and executive employees – as well as academics, industry experts, and society leaders from Harvard, Carnegie Mellon, Cornell Tech, and more.

## Commitment to Human Rights

Although governments will always play a primary role in determining and protecting basic human rights in their jurisdiction, the private sector must also lead in this area by upholding and promoting human rights. Salesforce is committed to working

with governments, industry, consumers, civil society, and our customers to promote human rights. In FY19, we published our [Commitment to Human Rights](#).

You can read more about our Office of Ethical and Humane Use at [salesforce.com/company/ethical-and-humane-use](#).



Paula Goldman joins Salesforce as Chief Ethical and Humane Use Officer

"We know that technology is not inherently good or bad; it's what we do with it that matters. And that's why we're making the ethical and humane use of technology a strategic focus at Salesforce."

– **Marc Benioff**

Chairman and Co-CEO,  
Salesforce



## ETHICAL AI AND AI FOR GOOD

We want to make artificial intelligence (AI) accessible to everyone, not just data scientists, because we believe that democratizing AI can improve the state of the world. How we develop technology, including AI, is guided by our core values. They also guide the resources we create to empower our customers to implement AI safely, accurately, and ethically.

Salesforce participates in a variety of organizations and human rights advocacy groups to further the safe and ethical use of AI. We partner with universities and nonprofits to develop AI methods that contribute to environmental and humanitarian causes and to innovation in healthcare. Finally, we give back to the AI community by publishing our research advancements in peer-reviewed forums, by awarding AI research grants to universities, and by sharing our best practices for ethical AI on [einstein.ai/ethics](#) with our customers.

# Ohana 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 Ohana Groups. Salesforce supports 12 Ohana Groups to provide a community for underrepresented groups and their allies, offer professional development and mentoring opportunities, and empower employees to be responsive equality leaders in their community.

We also have an executive sponsor program for our Ohana Groups, through which our leaders partner with individual Ohana Groups to help elevate the voices within each community, champion their initiatives, and speak up on their behalf when needed.

**We are fostering a culture of allies where every employee asks, listens, shows up, and speaks up for one another. This has resulted in nearly half of our employees being an Ohana Group member.**

In FY19, the Office of Equality convened all Ohana Group leaders for the first Global Ohana Summit to empower, inspire, and invest in our Global Ohana leaders and allies through FY19. The summit was a three-part training, development, and recognition program across the globe that aimed to empower our next generation of leaders at Salesforce.

Salesforce has 12 official Ohana Groups: Abilityforce, Asiapacforce, BOLDforce, Earthforce, Faithforce, Latinoforce, Outforce, Women's Network, Southasiaforce, Vetforce, and our newest – WINDforce (Worldwide Indigenous Network of Diversity) and Genforce.

Read about all of our Ohana Groups at [salesforce.com/equality](http://salesforce.com/equality).



Ohana Group leaders from around the world gathered at the first-ever Ohana Summit in San Francisco.



## Investing for Impact

At Salesforce, we put the wellbeing of our people and planet first.

**We want to ensure that this technology revolution serves humanity to its fullest potential and benefits all citizens, not just a chosen few.**

We are in the position to lead the way for the next evolution of this movement and made major strides in 2018 with the maturation of the Salesforce Impact Fund, a \$50 million Salesforce Ventures fund. The fund invests in mission-driven enterprise technology companies in education, sustainability, diversity and inclusion, and enabling technology for the social sector. The fund seeks investments with demonstrable social or environmental impact, market returns, opportunities to grow the Salesforce ecosystem, and drive customer success.

In the past year we accelerated our investments and continued to prove out our thesis that the Salesforce Impact Fund is uniquely positioned to catalyze the growth of companies that are building products and solutions to benefit society. We supported three of our existing portfolio companies with follow-on investments and invested in seven new companies across our four focus areas. We worked closely with our portfolio companies to provide valuable resources to support their growth and enable opportunities within the Salesforce ecosystem.

In FY19 we also announced the launch of an impact investing alliance with Lumina Foundation and Robin Hood Foundation dedicated to investing in for-profit education and workforce development companies whose products, services, and technologies not only produce a positive financial return, but also have the potential to alleviate or eliminate poverty. The members of this alliance will share information, knowledge, and deal flow around relevant investment opportunities, committing to an initial \$15 million in co-investments to companies that are building products and solutions to benefit society.



## NAVIGATE 2018: WOMEN IN ENTERPRISE TECHNOLOGY SUMMIT

In February 2018, nearly 300 prominent women and allies from across the enterprise technology space gathered in New York City to hear from powerful women leaders at the inaugural [Navigate 2018: Women in Enterprise Technology Summit](#), hosted by [Salesforce Ventures](#) and [Work-Bench](#). Participants included New York City Deputy Mayor Alicia Glen, Salesforce's EVP and GM of Salesforce Mobile, Leyla Seka, Fortune's Polina Marinova, and others who shared how they've helped build iconic companies, navigated their careers, and their thoughts on the future of enterprise tech.



We are proud of the growing portfolio, its impact on all our stakeholders, and its potential for the future. Here are key milestones that our 16 portfolio companies achieved in 2018:



**65%**

OF FOUNDERS OR CEOs ARE WOMEN OR MINORITIES



**\$105M**

REVENUE GENERATED



**\$183M**

ADDITIONAL INVESTMENT CAPITAL RAISED



**981**

NET NEW JOBS CREATED AT PORTFOLIO COMPANIES



**800,000+**

STUDENTS SERVED, 30% OF WHOM ARE LOW INCOME



**5,000+**

METRIC TONS OF CO2 REDUCED



**492,000+**

INDIVIDUALS RECEIVED ACCESS TO NEW FINANCIAL SERVICES



**\$7.7B**

IN DONATIONS AND GRANTS UNLOCKED



## GUILD EDUCATION JOINED THE SALESFORCE IMPACT FUND IN 2018

Guild Education partners with leading employers to offer education as a company benefit to support their front-line employees who have yet to earn a college degree. Through Guild's employer partners, more than 3 million adults are able to access an affordable degree at an accredited nonprofit university.

In 2018, Guild announced groundbreaking partnerships with both Walmart and The Walt Disney Company to offer no or low-cost degrees to their employees. These programs give millions of working adults a debt-free way to reach their educational and professional goals, enabling them to gain the skills they need to succeed in the future of work and help close the skills gap.





# PHILANTHROPY

# PHILANTHROPY

## Salesforce.org

Salesforce was built with the commitment to give back to the communities it serves and pioneered the 1-1-1 model of integrated corporate philanthropy, which dedicates 1% of Salesforce's equity, 1% of employee time, and 1% of product to communities around the world. Born out of the 1-1-1 model, Salesforce.org is a nonprofit social enterprise built around the belief that every change-maker creating a better world should have the tools and technology to make this happen.

Technology is the most powerful equalizer of our time, providing access to data, knowledge, and – above all – connections. Salesforce.org puts our technology in the hands of nonprofits, educators, and philanthropic organizations so they can connect with others and do more good.

Our philanthropic and employee investments work with schools and nonprofit partners to remove barriers to learning and increase access to opportunities, and we are committed to creating a global workforce that is more equitable, skilled, diverse, and prepared for tomorrow.

We are a separate but integral part of the Salesforce Ohana. As a result, we have provided 40,000+ nonprofits, educational institutions, and philanthropic organizations with our technology, donated \$260 million in grants, and contributed more than 3.8 million hours of employee volunteering.

Salesforce.org is committed to measuring the community outcomes across our three portfolios: Technology for Social Change, Investments in Future Ready Leaders, and Community Engagement. In FY19, we published our first [Salesforce.org Social Impact Report](#).

Read more at [salesforce.org](#).

### FY19 EMPLOYEE VOLUNTEERING:

**1.1M+**  
VOLUNTEER HOURS

**22K+**  
ORGANIZATIONS BENEFITED

**100+**  
COUNTRIES IMPACTED



## PHILANTHROPY CLOUD



### Salesforce.org Philanthropy Cloud Is Leading with Purpose

With Salesforce.org Philanthropy Cloud, we are ushering in a new era of giving. Today's employees are more socially conscious and engaged than ever before with their local communities and with the world at large. That's why Salesforce.org and United Way partnered to create a platform that connects employees with the causes they care about most, turning them into citizen philanthropists.

#### Connecting Citizen & Corporate Philanthropy at Scale:

- Employee Giving & Volunteering
- Matching Gifts & Grants
- Impact Reporting
- Consumer Engagement

Philanthropy Cloud is built on the belief that doing good is good for business.

Learn more about [Philanthropy Cloud](#).



# Company Giving

## Salesforce and Salesforce.org invested more than \$60M in FY19 back into communities where we live and work.

Salesforce is committed to giving back to the communities where we live and work, with a large focus on education, workforce development, and combating homelessness. This is a commitment focused on equality – increasing access to opportunities at every step because we live in a world where equal access is not guaranteed.

We believe in investing in youth from the classroom to the boardroom, and all the milestones along the way. There is a widening youth-opportunity gap. On one side, there are 71 million employable youths who are out of school and out of work globally. On the other side, U.S. Bureau of Labor Statistics predicts that in 2020 there will be 1.4 million more software development jobs than applicants who can fill them. This is most importantly for us a social imperative, but it is also an economic necessity.

We take a holistic approach to a young person's career pathway and ask a simple question to guide our granting: Do today's youth have access to quality education? We take this investment one step further by leveraging our technology and our skills to grow impact.

Our philanthropic investments work with schools and nonprofit partners to level the playing field for youth to be better equipped with what they need to succeed. The world we envision will see more young girls enrolled in computer science and more minority youths represented in technology careers.

### We believe equality starts with education.

By investing in STEM academics, educator support, college and career readiness, and whole child programs, we are equipping youth with relevant educational experiences. And we don't stop there. We believe in supporting young people in their career pathway through on-the-job training, mentorship/internship programs, and demand-driven skills, building a savvy workforce for tomorrow's jobs.

By bridging the youth-opportunity gap, Salesforce.org is committed to creating a global workforce that is more equitable, more skilled, diverse, and prepared for tomorrow. When youth are in

school, excited to learn, thriving, employable, and opportunity-ready, they blaze a trail toward a brighter future.

### Here are just a few of the ways we worked to bridge the youth-opportunity gap in FY19:

#### Education

- **\$2M for Educator Support:** In FY19, New Leaders and Salesforce.org announced a \$2 million partnership to advance the organizations' shared commitment to ensuring that all young people have the opportunity to attend a school today that prepares them to thrive tomorrow, wherever their studies and aspirations take them. The grant – the largest-ever commitment to an education nonprofit by Salesforce.org – will support New Leaders' evidence-based leadership development programs, with a special focus on building highly effective leaders for schools in the communities where Salesforce employees live and work.
- **\$15M in Bay Area Education:** In FY19, Salesforce.org donated \$15.5 million in grants to San Francisco Unified School District (SFUSD) and Oakland Unified School District (OUSD) to support district efforts to expand access to computer science, accelerate student math achievement, close equity gaps, and foster innovation in middle schools.

#### Workforce

- **\$1M in Grants for the U.K.'s Next Generation Workforce:** In FY19, Salesforce.org announced \$1 million in grants to School 21 and Ada to train the U.K.'s educators and equip young people with the skills that will help them thrive in the 21st century. The grants to School 21 and Ada, \$500,000 each, will be used to support new programs at both institutions as they nurture the talent and leadership skills needed for the jobs of the future.
- **\$1M Workforce Ready Investment in Germany:** In FY19, Salesforce.org donated \$1 million to support digital education and workforce development initiatives in Germany that support newcomers and refugees. Benefiting programs include [CodeDoor.org](#), [Joblinge](#), [ReDI Digital School of Integration](#), and [SchlaU Schule](#).

#### Youth and Family Homelessness

- **\$2M to Combat Family and Youth Homelessness in the Bay Area:** [Salesforce.org](#) donated \$500,000 each to Hamilton Families and Larkin Street Youth Services. [Salesforce.org](#) also granted \$1 million to the San Francisco Marin Food Bank, which supports food assistance for 210,000 people annually.

## Impact at Dreamforce

Salesforce's annual user conference, Dreamforce, is an opportunity for Salesforce and Salesforce.org to showcase our values, raise awareness for a number of Salesforce initiatives, and leverage our entire Ohana to make a positive impact on the community.

**16**  
YEARS OF CELEBRATION

**171,000**  
REGISTERED ATTENDEES

**83**  
COUNTRIES REPRESENTED

**10**  
MILLION ONLINE VIEWERS



### DREAMFORCE'S INAUGURAL FUTURE EXECUTIVE SUMMIT

At Salesforce, we know that talent is everywhere but opportunity is not. The inaugural Future Executive Summit provided 400 eager young professionals from local nonprofit workforce development partners the opportunity to attend Dreamforce, an experience that helped them build professional networks and skills essential for the careers of today and tomorrow.

#### Philanthropy

Every year, through a program called "Dreamforce Gives," Salesforce chooses initiatives to support and encourages thousands of Dreamforce attendees to donate and engage.

**\$1M**

DONATED TO LARKIN STREET YOUTH SERVICES AND HAMILTON FAMILIES FOR THEIR EFFORTS TO END HOMELESSNESS IN THE BAY AREA

**\$10M**

RAISED FOR UCSF BENIOFF CHILDREN'S HOSPITALS

#### Workforce Development

Dreamforce is an opportunity for us to share our vision for the jobs of tomorrow. We were able to highlight our Future Ready and veterans initiatives through engaging content and meaningful activities.

**250+**

STUDENTS PARTICIPATED IN SUSTAINABLE DEVELOPMENT GOAL-FOCUSED CODING AND MAKERS ACTIVITIES

**400+**

YOUNG ADULTS FROM 13 WORKFORCE DEVELOPMENT PARTNERS AT THE FUTURE EXECUTIVE SUMMIT

**46**

VETFORCE MEMBERS WERE SPONSORED TO ATTEND THE CONFERENCE; 30% OF COHORT JOB SEEKERS RECEIVED A JOB OFFER AT DREAMFORCE

#### Climate Action

We brought our values to life by sourcing responsibly, conserving resources, reducing waste, and inspiring our attendees to do the same.

**10M+**

GALLONS OF WATER CONSERVED BY ELIMINATING BEEF FROM MENU

**100%**

OF EMPLOYEE TRAVEL, ONSITE EMISSIONS, AND WATER USAGE OFFSET

**1st**

EVER CLIMATE SUMMIT FEATURED ENVIRONMENTAL TRAILBLAZERS LIKE AL GORE, SYLVIA EARLE, ADRIAN GRENIER, AND MORE



## Pledge 1%

Salesforce is a Pledge 1% founder, member, and champion.

We are active in creating a movement of businesses that integrate social impact into their company DNA. Following the 1-1-1 model that Salesforce pioneered, Pledge 1% encourages companies to dedicate 1% time, 1% product, 1% profit, and/or 1% equity to improve the world. Since its launch, thousands of companies have joined Pledge 1% to make their communities a key stakeholder in their businesses.

Pledge 1% celebrated its fourth birthday in November 2018, with Chief Executive Amy Lesnick ringing the Nasdaq bell on Giving Tuesday to honor the member companies that have gone public and celebrate the incredible new milestone of 8,500 companies. This fiscal year, four member companies that set aside 1% of equity pre-IPO went public, igniting tens of millions of new dollars for philanthropic funding. In addition, approximately 5,000 new companies took the pledge this fiscal year.

Join the Pledge 1% movement at [pledge1percent.org](http://pledge1percent.org).

**8,500+**  
COMPANIES

**100**  
COUNTRIES

**\$1 BILLION**  
IN DONATED VOLUNTEER HOURS, PRODUCT  
LICENSES, PRO BONO RESOURCES, AND  
PHILANTHROPIC FUNDING

**150%**  
YOY GROWTH



## DOCUSIGN IS A SOCIAL IMPACT TRAILBLAZER

DocuSign is a social impact Trailblazer. Since its founding in 2003, DocuSign has helped hundreds of millions of users around the world connect and automate how they prepare, sign, act on, and manage agreements, all while reducing their environmental impact. DocuSign is a Pledge 1% champion that committed to philanthropy at an early stage by pledging 1% of equity, employee time, and product pre-IPO in 2015.

This January, DocuSign reached an exciting milestone in its Pledge 1% journey with the launch of DocuSign for Forests – a broad commitment to protect the world's forests. DocuSign invites new and existing customers to improve their environmental and paper-use practices by taking a pledge at [docusign.com/forests](http://docusign.com/forests) and by moving more of their paper-based processes onto DocuSign. In return, the company will donate an additional 1% of the expanded revenue from those customers to forest-protection causes, on top of \$1.5 million already committed by the company and the DocuSign IMPACT Foundation. DocuSign has also embedded a calculator into its core eSignature product to showcase how people are reducing waste and positively impacting the environment.





# REPORT DETAILS

## ESG METRICS AND DESCRIPTORS

We enhance the trust of our stakeholders by transparently disclosing our environment, social, and governance (ESG) policies and metrics. We consider and refer to recommendations in the following voluntary reporting frameworks as part of this effort:

- The [Financial Stability Board Task Force on Climate-related Financial Disclosures](#) (TCFD)
- The [Global Reporting Initiative](#) (GRI) Standards
- The [Sustainability Accounting Standards Board](#) (SASB) Sustainability Accounting Standard for the Technology and Communications Sector, Software & IT Services industry (Version 2018-10)

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.

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 the Report Details 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 2019 filed with the SEC on March 8, 2019.



## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Company Overview</b>					
Organization name	Salesforce				<b>GRI 102-1</b>
Total revenue (in millions)	\$13,282	\$10,540 <sup>1</sup>	\$8,437 <sup>1</sup>		<b>GRI 102-7, 201-1</b>
Geographic revenue split:					
Americas	71%	72%	74%		
EMEA	19%	18%	16%		
APAC	10%	10%	10%		
Primary brands, products, services	<a href="#">Product List</a>				<b>GRI 102-2</b>
Location of headquarters	San Francisco				<b>GRI 102-3</b>
Countries of operations	<a href="#">Global Locations</a>				<b>GRI 102-4</b>
Markets served	<a href="#">Salesforce Form 10K</a>				<b>GRI 102-6</b>
Association memberships	<a href="http://salesforce.com/company/public-policy/">salesforce.com/company/public-policy/</a>				<b>GRI 102-13</b>
Key stakeholders	Customers, partners, employees, communities, shareholders				<b>GRI 102-40</b>
Reporting period	February 1, 2018–January 31, 2019				<b>GRI 102-50</b>
Report cycle	Annual				<b>GRI 102-52</b>
Report contact	cr@salesforce.com				<b>GRI 102-53</b>

<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.

## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Governance</b>					
<b>Governance Structure</b>					
Governance structure			<a href="#">Corporate Governance Guidelines</a>		GRI 102-18
Audit Committee Practices			<a href="#">Audit and Finance Committee Charter</a>		GRI 102-18
Board Compensation Practices			<a href="#">Compensation Committee Charter</a>		GRI 102-35, 102-36
Board Nominating Practices			<a href="#">Nominating and Corporate Governance Committee Charter</a>		GRI 102-24
Total Executive and Non-Executive Board Members	13	12	12		GRI 102-22
Board Average Tenure	9 years	8 years	8 years		GRI 102-22
Independent Board Members	77%	83%	82%		GRI 102-22
Board Gender and Ethnic Diversity	38.5%	42%	36%		GRI 102-22, 405-1
Nominating and Governance Committee periodically reviews the Company's environmental, social, and governance initiatives	Yes	No	No		GRI 102-29
Board committee dedicated to privacy and ethical use of technology	Yes	No	No		
Board Remuneration Disclosure			<a href="#">Salesforce FY19 Proxy Statement</a>		GRI 102-35
CEO compensation linked to total shareholder return (TSR)	Yes	Yes	Yes		GRI 102-36
Code of Conduct			<a href="#">Code of Conduct</a>		GRI 102-16
% of employees who read and acknowledged the Code of Conduct	100%	100%	100%		GRI 102-16
<b>Trust and Security</b>					
System performance and security			<a href="#">trust.salesforce.com</a>		
Commitment to customer privacy			<a href="#">Privacy Policies</a>		GRI 418-1
Compliance Certifications and Attestations			<a href="#">Compliance website</a>		TC-SI-220a.1

## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Governance, continued</b>					
<b>Public Policy</b>					
Public policy practices		<a href="#">Public Policy</a>			GRI 415-1
Political engagement		<a href="#">Political Contributions</a>			GRI 415-1
<b>Social</b>					
<b>Diversity Indicators</b>					
Global employees	35,995	29,401	25,178	GRI 102-7	
Commitment to Equality		<a href="#">Equality Practices</a>			GRI 405-2
Employees by Gender				GRI 102-8	TC-SI-330a.3
Female	31.60%	30.90%	31.00%		
Male	68.20%	68.69%	68.79%		
Non-binary	0.20%	0.41%	0.21%		
Employees by Gender (VP+)					TC-SI-330a.3
Female	22.30%	20.90%	20.90%		
Male	77.50%	78.87%	79.10%		
Non-binary	0.20%	0.23%	0.00%		
Employees by Gender (Tech)					TC-SI-330a.3
Female	22.00%	21.40%	21.50%		
Male	77.70%	78.35%	78.40%		
Non-binary	0.30%	0.25%	0.10%		

## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Social, continued</b>					
<b>Diversity Indicators, continued</b>					
Employees by Gender (Non-tech)					TC-SI-330a.3
Female	39.40%	38.92%	39.00%		
Male	60.10%	60.54%	60.70%		
Non-binary	0.50%	0.54%	0.30%		
Employees by Ethnicity (U.S. Only)				GRI 405-1	TC-SI-330a.3
White	63.18%	64.70%	64.02%		
Asian & Indian	25.16%	23.87%	24.84%		
Hispanic or Latinx	4.19%	3.90%	4.05%		
Black	2.79%	2.53%	2.61%		
Two or more races	2.76%	2.56%	2.58%		
Undisclosed	1.47%	1.98%	1.42%		
Hawaiian/Pacific Islander	0.27%	0.31%	0.31%		
American Indian/Alaska Native	0.18%	0.15%	0.17%		

## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Social, continued</b>					
<b>Equal Pay</b>					
Completed thorough global equal-pay assessment <sup>2</sup>	Yes	Yes	Yes		GRI 405-2
% of employees globally requiring pay adjustments	5%	6%	11%		
% of employees covered by an independent trade union or collective bargaining agreements	0	0	0		GRI 102-41
<b>Talent Development</b>					
Programs for upgrading employee skills	<u>Workforce Development Practices</u>				GRI 404-2
Employees appraised via management by objectives	100%	100%	100%		GRI 404-3
Open positions filled by internal candidates	22%	20%	16%		
Employee engagement <sup>3</sup>	96%	96%	96%		TC-SI-330a.2
Employee satisfaction <sup>4</sup>	90%	88%	86%		

<sup>2</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.

<sup>3</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>4</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.'

## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Social, continued</b>					
<b>Community Engagement</b>					
Community engagement		<a href="https://www.salesforce.org">Salesforce.org</a>			
Ventures Investment			<a href="https://www.salesforce.org/impact-investment-fund">Impact Investment Fund</a>		
Employee volunteering hours	3,800,000 <sup>5</sup>				
Donations to charitable organizations (in partnership with Salesforce.org)	\$260,000,000 <sup>5</sup>				
Nonprofit & higher education organizations offered services for free or at a discount (in partnership with Salesforce.org)	40,000 <sup>5</sup>				
<b>Human Rights</b>					
Human rights commitment		<a href="https://www.salesforce.com/company/human-rights/">salesforce.com/company/human-rights/</a>		GRI 412-1	
Commitment to responsible sourcing		<a href="https://www.salesforce.com/company/legal/supplier/">salesforce.com/company/legal/supplier/</a>		GRI 103-3	
Commitment to supplier diversity		<a href="https://www.salesforce.com/company/diversity/">Supplier Diversity Policy</a>		GRI 414-1	
Supplier code of conduct		<a href="https://www.salesforce.com/company/global-supplier-code-of-conduct/">Global Supplier Code of Conduct</a>		GRI 414-1	
Health and safety policy		<a href="https://www.salesforce.com/company/health-safety-program/">Health &amp; Safety Program</a>		GRI 403-1	
<b>Ethical Use of Technology</b>					
Strategy for ethical use of technology		<a href="https://www.salesforce.com/company/ethical-and-humane-use/">salesforce.com/company/ethical-and-humane-use/</a>		GRI 102-16	

<sup>5</sup> To date as of January 31, 2019

## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Environmental</b>					
<b>Strategy and Management</b>					
Environmental policy			<a href="https://salesforce.com/global-environmental-policy">salesforce.com/global-environmental-policy</a>		
Environmental benefits of Salesforce products			<a href="https://Salesforce Form 10-K">Salesforce Form 10-K</a>		
Renewable energy goal established	Yes	Yes	Yes		GRI 302-4
Net-zero emissions goal achieved	Yes	Yes	No		
Frequency and time horizon for identifying, and assessing climate-related risks	Every six months or more frequently				GRI 201-2
Risk types evaluated	Current regulation, emerging regulation, technology, legal, market, reputation, acute physical, chronic physical, upstream, downstream				GRI 102-15
Process(es) for managing climate-related risks and opportunities	<a href="https://Reporting Scope and Methodology">Reporting Scope and Methodology</a>				GRI 201-2
Climate change risks and opportunities	<a href="https://Salesforce Form 10-K">Salesforce Form 10-K</a>				GRI 201-2
Description of identified risks and opportunities	<a href="https://Reporting Scope and Methodology">Reporting Scope and Methodology</a>				GRI 102-15
Explanation of how climate-related issues are integrated into your business objectives and strategy	<a href="https://Salesforce Form 10-K">Salesforce Form 10-K</a>				GRI 201-2
Climate-related scenario analysis	Performed informal 2-degree scenario analysis and national input				GRI 201-2
Discussion of the integration of environmental considerations into strategic planning for data center needs	<a href="https://salesforce.com/company/sustainability/operations/">salesforce.com/company/sustainability/operations/</a>				TC-SI-130a.3
Emissions reductions initiatives	<a href="https://salesforce.com/sustainability">salesforce.com/sustainability</a>				GRI 305-5
Engagement with supply chain on climate related issues	Yes	Yes	Yes		GRI 308-1
<b>Water</b>					
Total water withdrawn globally (Million gallons) <sup>6</sup>	195	-	-		GRI 303-3
<b>Sustainable Built Environment</b>					
Percentage of space achieved or pursuing green building certification	65%	64%	51%		

<sup>6</sup> As of fiscal year ended January 31, 2019. FY19 was the first year we published this data externally, we therefore do not publish FY18 or FY17 metrics.

## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Environmental, continued</b>					
<b>Net Zero Greenhouse Gas Emissions and Carbon Neutral Cloud</b>					
Scope 1 and 2 Market-Based Emissions	163,000 <sup>♦</sup>	143,000	138,000	GRI 305-1, 305-2	
Percentage Offset	100%	100%	23%	GRI 305-1, 305-2	
Scope 3 Carbon Neutral Cloud-Related Emissions <sup>7,8</sup>	181,000 <sup>♦</sup>	236,000	-	GRI 305-3	
Percentage Offset <sup>7,8</sup>	100%	100%	-	GRI 305-3	
<b>Platform Performance</b>					
Average power usage effectiveness (PUE)	1.40	1.41	1.45 <sup>9</sup>	GRI 302-3	
Average carbon usage effectiveness (CUE)	0.61	0.63	0.71 <sup>9</sup>	GRI 305-4	
<b>Greenhouse Gas Emissions<sup>10</sup></b>					
<b>Emissions by Scope [MTCO2e]</b>					
Scope 1 Emissions	5,000 <sup>♦</sup>	4,000	4,000	GRI 305-1	
Scope 2 Emissions <sup>11</sup>	281,000 <sup>♦</sup>	236,000	174,000	GRI 305-2	
Business Travel and Employee Commuting Scope 3 emissions	156,000	134,000	99,000	GRI 305-3	
<b>Emissions by Source [MTCO2e]</b>					
Data Centers <sup>11</sup>	244,000	201,000	149,000	GRI 305-2	
Business Travel	132,000	112,000	80,000	GRI 305-3	
Offices <sup>11</sup>	38,000	35,000	26,000	GRI 305-1, 305-2	
Employee Commuting	28,000	26,000	23,000	GRI 305-3	

<sup>7</sup> For a detailed inventory of categories included in our carbon neutral cloud calculation, please refer to pages 58–61 for Ernst & Young LLP's Independent Accountants' Review Report.

<sup>8</sup> We launched our carbon neutral cloud program in FY18, using a new methodology to calculate Scope 3 carbon neutral cloud related emissions. We therefore do not publish FY17 metrics.

<sup>9</sup> Represents core platform only.

<sup>10</sup> In FY19 Salesforce business expanded resulting in an increase of gross global emissions.

<sup>11</sup> Calculated using location-based methodology.

<sup>♦</sup>Reviewed by Ernst & Young LLP. Please refer to pages 58–61 for its Independent Accountants' Review Report.

## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Environmental, continued</b>					
<b>Energy</b>					
100% Renewable Energy Commitment Progress <sup>12</sup>	55%♦	50%	35%	GRI 302-4	
Total electricity consumption [MWh]	628,000	514,000	371,000	GRI 302-1	TC-SI-130a.1
Office electricity as a % of total energy consumption	12%	13%	16%	GRI 302-1, 305-2	
Data center electricity as a % of total energy consumption	88%	87%	84%	GRI 302-2	
Electricity Mix Location-Based Methodology (all facilities) <sup>13</sup>				GRI 302-1	TC-SI-130a.1
Clean and renewable	10%	10%	-		
Hydro	5%	6%	-		
Coal	28%	29%	-		
Natural gas	32%	32%	-		
Nuclear	22%	21%	-		
Other fossil fuels	3%	2%	-		
Electricity Mix Location-Based Methodology (data centers)					
Clean and renewable <sup>14</sup>	9%	13%	13%		
Hydro <sup>14</sup>	4%	-	-		
Coal	28%	29%	33%		
Natural gas	32%	32%	29%		
Nuclear	24%	22%	24%		
Other fossil fuels	3%	2%	1%		

<sup>12</sup> Calculated using a market-based methodology.

<sup>13</sup> FY18 was the first year we published this data externally. We therefore do not publish FY17 metrics.

<sup>14</sup> In FY17 & FY18, Hydro was included in our clean and renewable percentage. In FY19 we have separated it out for a more detailed breakdown.

♦ Reviewed by Ernst & Young LLP. Please refer to pages 58–61 for its Independent Accountants' Review Report.

## ESG METRICS AND DESCRIPTORS

Description	FY19	FY18	FY17	GRI	SASB
<b>Environmental, continued</b>					
<b>Energy</b>					
Electricity Mix Market-Based Methodology (all facilities) <sup>15</sup>					
Grid-mix remainder	45%	50%	-		
Indirect large offsite purchases	37%	40%	-		
Utility renewable energy tariffs	3%	6%	-		
Supplier-provided renewable energy	13%	0%	-		
Grid-mix renewable energy content	2%	4%	-		

<sup>15</sup> FY18 was the first year we published this data externally. We therefore do not publish FY17 metrics.

## ESG METRICS AND DESCRIPTORS

City	Location-Based Emissions (MTCO <sub>2</sub> e)	Market-Based Emissions (MTCO <sub>2</sub> e)	Electricity Use (kWh)	GRI
<b>Environmental, continued</b>				
<b>By City<sup>16</sup></b>				
Chandler, AZ	57,000	1,000 <sup>17</sup>	118,744,000	GRI 305-2
Chicago, IL	52,000	52,000	90,325,000	
Dallas, TX	30,000	0 <sup>18</sup>	63,807,000	
Ashburn, VA	25,000	7,000 <sup>19</sup>	66,707,000	
Frankfurt, Germany	15,000	25,000	33,783,000	
Sterling, VA	13,000	0 <sup>20</sup>	35,482,000	
San Francisco, CA	13,000	3,000 <sup>21</sup>	40,699,000	
Indianapolis, IN	12,000	12,000	20,109,000	
Hyderabad, India	9,000	9,000	12,280,000	
Tokyo, Japan	9,000	9,000	15,942,000	
Atlanta, GA	9,000	9,000	17,362,000	
Kobe, Japan	8,000	8,000	13,802,000	
London, United Kingdom	4,000	1,000 <sup>22</sup>	11,998,000	

<sup>16</sup> Locations included in data table represent over 90% of Salesforce's Scope 1 & 2 location-based emissions.

<sup>17</sup> Market-based emissions reduced using renewable energy credits (RECs) generated by Texas wind projects procured through virtual power purchase agreements.

<sup>18</sup> Market-based emissions reduced through data center vendor's renewable energy procurement.

<sup>19</sup> Market-based emissions reduced using renewable energy credits (RECs) generated by Texas wind projects procured through virtual power purchase agreements as well as data center vendor's renewable energy procurement.

<sup>20</sup> Market-based emissions reduced using renewable energy credits (RECs) generated by Texas wind projects procured through virtual power purchase agreements.

<sup>21</sup> Market-based emissions reduced through participation in CleanPower SF's 100% renewable energy tariff as well as using renewable energy credits (RECs) generated by Texas wind projects procured through virtual power purchase agreements.

<sup>22</sup> Market-based emissions reduced through data center vendor's renewable energy procurement.

# INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To 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, 2019, 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, 2019, in order for it to be in accordance with the Criteria

*Ernst & Young LLP*

March 6, 2019  
San Francisco, California



## SCHEDULE OF SELECT SUSTAINABILITY METRICS FOR THE FISCAL YEAR<sup>1</sup> ENDED JANUARY 31, 2019

Metrics <sup>2</sup>	Reported Value	Unit	Criteria
Greenhouse gas (GHG) emissions – Scope 1 <sup>3</sup>	5,000	Metric tonnes carbon dioxide equivalent (“t 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>4,5</sup>	281,000	t CO <sub>2</sub> e	WRI WBCSD GHG Protocol Scope 2 Guidance
GHG emissions – Scope 2, Market-based method (“MBM”) <sup>4,5</sup>	158,000	t 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>6,7,8</sup> • Managed hosting <sup>9</sup> • Energy production and transportation • Emissions associated with end user device operation <sup>10</sup> • Transport of Data Center maintenance engineers	181,000	t CO <sub>2</sub> e	CarbonNeutral Protocol, CarbonNeutral Entity Certification – Data Centers <sup>11</sup> Information and Communication Technology (“ICT”) Sector Guidance ‘Built on the GHG Protocol’ Product Life Cycle Accounting and Reporting Standard <sup>12</sup> , specifically Chapter 4: Guide for assessing GHG emissions of Cloud Computing and Data Center Services

<sup>1</sup> The Company's fiscal year ends on January 31. References to fiscal 2019, for example, refer to the fiscal year ending January 31, 2019.

<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. Where possible, based on Salesforce's reporting timeline and requirements, Salesforce uses the most up to date emission factors available at the time.

<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 company shuttle.

<sup>4</sup> Scope 2 emissions capture office and data center energy consumption as well as fugitive emissions.

<sup>5</sup> For the office facilities where actual data cannot be obtained, energy use for electricity, steam, diesel, fuel oil, natural gas, and refrigerants are extrapolated using Salesforce's square footage data and energy intensity factors internally developed based on fiscal 2018 data. For office facilities in the Northeast, Midwest, and Western U.S. where an internally developed intensity factor is not available, natural gas energy use is extrapolated for using intensity factors supplied by 2012 Commercial Buildings Energy Consumption Survey (“CBECS”) report from the U.S. Energy Information Administration (“EIA”). For office facilities in the U.S. using the CBECS intensity factor, Salesforce adds 15% square footage to capture otherwise unaccounted for common areas. Material emissions for consumption of diesel, fuel oil, and natural gas for data center facilities that are new to the Salesforce Portfolio in the fiscal 2019 are extrapolated and included in the current year calculation.

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

<sup>7</sup> Calculated using vendor-provided LCA non-use phase emission factors.

<sup>8</sup> In instances where actual server data cannot be obtained, electricity consumption is used to estimate the number of servers.

<sup>9</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>10</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 has been used based on publicly-available information for a laptop, which Salesforce deems as a reputable proxy for laptop power usage.

<sup>11</sup> CarbonNeutral Protocol <https://www.carbonneutral.com/how/carbonneutral-protocol>

<sup>12</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<sup>1</sup> ENDED JANUARY 31, 2019

Metrics	Reported Value	Unit	Criteria
Percentage of total global electricity procured from renewable resources	55	%	<p>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>13</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.</p> <p>Renewable energy resources are defined in accordance with RE100<sup>14</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.</p>

<sup>13</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>14</sup> Renewable energy resources are defined in accordance with RE100, excluding electricity produced from water.

## SCHEDULE OF SELECT SUSTAINABILITY METRICS FOR THE FISCAL YEAR<sup>1</sup> ENDED JANUARY 31, 2019

Adjusted “Net Zero” GHG Emissions For the fiscal year ended January 31, 2019 (tCO <sub>2</sub> e)		Adjusted “Carbon Neutral Cloud” For the fiscal year ended January 31, 2019 (tCO <sub>2</sub> e)	
Scope 1 GHG Emissions	5,000	Scope 1 GHG Emissions	5,000
Scope 2 GHG Emissions (MBM)	158,000	Scope 2 GHG Emissions (MBM)	158,000
Total	163,000	Scope 3 GHG Emissions <sup>15</sup>	181,000
Less: Carbon Credits	(163,000)	Total	344,000
	0	Less: Carbon Credits applied to Scope 1 and Scope 2 <sup>16</sup>	(163,000)
		Less: Carbon Credits applied to Scope 3	(181,000)
			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. Some carbon credits may be purchased and retired after the year ended January 31, 2019.

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. Some carbon credits may be purchased and retired after the fiscal year ended January 31, 2019. 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>15</sup> Limited to Scope 3 GHG emissions identified in the table above.

<sup>16</sup> Because of Salesforce’s Net Zero GHG Emissions commitment they have offset additional sources of Scope 1 and Scope 2 emissions beyond the scope of the Carbon Neutral Cloud boundary defined in the CarbonNeutral Protocol.



salesforce