Securities and Exchange Commission
Vanessa Countryman, Secretary
100 F Street, NE
Washington, DC 20549
Reference: File Number S7-10-22 - The Enhancement and Standardization of Climate-Related Disclosures for Investors

June 15, 2022

Ladies and Gentlemen,

On behalf of Salesforce, Inc. ("Salesforce"/"we"), we appreciate the opportunity to share our views on the above referenced proposal and request for comment (the "Proposal"). We applaud the Securities and Exchange Commission ("SEC") for its ongoing efforts to evaluate and enhance its rules, with a goal of reporting consistent, comparable, and reliable information on climate change.

About Us:

Salesforce is a global leader in customer relationship management ("CRM") technology, 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, voice and artificial intelligence, to create a 360° view of their customers. We are a FORTUNE 500® Company and we are included in the Dow Jones Industrial Average and Dow Jones Sustainability Index.

At Salesforce, we view environmental, social and governance ("ESG") as being fundamental to our business strategy. We believe our corporate values of Trust, Customer Success, Innovation, Equality and Sustainability create more value for all of our stakeholders and are critical success factors in managing and growing our business.

As part of our commitment to climate disclosure and ESG more broadly, we began reporting ESG information in our Form 10-K five years ago.

In October 2021, we released our first Task Force on Climate-Related Financial Disclosures ("TCFD") report, an important component of our stockholder outreach program that highlights our governance, risk management, strategy and progress towards our goals with respect to climate risks and opportunities.

In April 2022, we published our Schedules of Selected Environmental, Equality and Social Value Metrics for our fiscal year ended January 31, 2022, which includes our greenhouse gas (GHG) emissions from our

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full value chain, including Scope 1, 2 and 3 emissions, all of which were prepared in accordance with the GHG Protocol and subject to a limited assurance third-party review by our independent auditors. We also released our annual Stakeholder Impact Report, which includes these externally reviewed metrics, and highlights our ESG programs based primarily on SASB and GRI reporting standards.

We have been publicly reporting our environmental targets and goals and progress towards those commitments for the last nine years. For example, in fiscal 2013 we made a commitment to reach 100% renewable energy across our operations by fiscal 2022, which we achieved this year. In fiscal 2022 we also achieved net zero residual GHG emissions across our full value chain, which we calculate as our total Scope 1, Scope 2 (market-based) and Scope 3 emissions less our avoidance and removal carbon credits. More recently, we established the goal to achieve near-zero absolute total GHG emissions (location-based for Scope 2) by 2040, 10 years sooner than most net zero targets. As a result of this experience, we believe we are in a strong position to provide experience-based and practical feedback in regards to the Proposal.

We have also found that our investors appreciate the consistency and predictiveness of when investor grade information will be available. As part of our annual reporting process, we release the Form 10-K, which includes qualitative disclosure of our ESG activities, several weeks after year-end, followed by our Stakeholder Impact Report approximately 45 days later, which includes our key ESG metrics, and then shortly thereafter our proxy statement, which includes select ESG highlights.

Comments:

We are pleased to provide the following comments for your consideration. Our comments address both the overall proposal and responses specific to Questions 115, 98, 106, 127, 135, 139, 5, 7, 59, 72, and 80, in that order. For your convenience, we have repeated the questions before each response.

We would be happy to assist the SEC Staff should you require clarification on our comments and are prepared to participate in any further discussions or consultations on this topic. We greatly appreciate your consideration in this matter.

Question: Section III General Request for Comments

Response: The Proposal by the SEC will help to increase the transparency, quality and accessibility of climate related disclosures and information. Leveraging existing frameworks and standards such as the TCFD and Greenhouse Gas Protocol (GHG Protocol) is the most effective way for registrants to provide consistent, comparable, and relevant information to investors.

The TCFD framework, including the disclosure of a company's governance structure, risk management, strategy and progress towards its goals in the context of climate risks and opportunities, is, in our opinion, the best framework for these disclosures based on its broad adoption globally. We found great value in issuing our first TCFD report in October of 2021, including the enhancement of our risk management process to consider environmental risks, the identification of specific climate-related risks and the identification of potential opportunities that may arise due to climate change.

We support the disclosure of a company's transition plan, if one exists, including relevant metrics and targets and the criteria used to measure progress and relevant assumptions, on that transition plan on an annual basis. We support the disclosure of the role that the carbon offsets or renewable energy credits (RECs) play in a company's overall strategy to reduce its net carbon emissions, as proposed, and disclosures regarding the types of those offsets and RECs. We also support the disclosure of scenario analyses if used by a company to assess the resilience of its business strategy to climate-related risks.

We agree that disclosure of Scope 1, 2 and 3 GHG emissions is necessary to understand the short and long-term risks associated with climate change. As a result, we support the disclosure of GHG emissions, including the disclosure of a company's Scope 1 and 2 emissions and Scope 3 emissions, when material, in CO_2e for the current and prior years. When providing these emissions, we believe clear disclosure of the estimates, boundaries, methodology and critical assumptions should be disclosed, including any changes from prior years. Providing this level of transparency is critical to understanding a company's emissions as discussed in further detail below.

In addition, we agree that Scope 1, 2 and 3 emissions should be disclosed separately, including Scope 1 and Scope 2 (utilizing both location-based and market-based methodologies), and the 15 categories within Scope 3 (to the extent material to total Scope 3 emissions). Emissions should be disclosed gross of carbon credits and, additionally, we believe companies should disclose their gross carbon emissions less RECs and avoidance and removal carbon credits to arrive at a net residual emissions value. We also support the requirement to calculate emissions intensity, including the suggested intensity metric of metric tons of CO_2e per unit of total revenue, to help in comparability across industries and companies. Finally, we note that a third party review by a licensed or accredited firm with minimum standards is essential for reliable GHG emissions reporting (including Scope 3, not just Scope 1 and 2) as discussed in further detail below.

In regards to the other considerations in the Proposal, we agree that all relevant climate-related metrics and disclosures should be included in one designated location consistent across all issuers such as the proposed Climate Related Disclosures. Having this information in one location will help create consistency and comparability among issuer reporting.

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It is essential that the SEC provide a safe harbor from liability for these new metrics. Such a safe harbor will give companies a chance to build out their reporting processes and procedures and encourage companies to provide a robust level of disclosure consistent with the SEC's goals, rather than providing the minimum level of required disclosure out of fear of liability for new and evolving metrics and disclosures. A stronger safe harbor also will encourage vendors to be cooperative in supplying data that companies need to measure their Scope 3 emissions.

Finally, we support alignment with the International Sustainability Standards Board ("ISSB") and other international climate standards that are based on the efforts of TCFD. Aligning with the ISSB and the TCFD will reduce the cost for preparers in having to comply with multiple, vastly different standards for the same or similar types of information; especially for multinational companies.

Question 115. Should we require a registrant to use a particular methodology for determining its GHG emission metrics? If so, should the required methodology be pursuant to the GHG Protocol's Corporate Accounting and Reporting Standard and related standards and guidance? Should we base our climate disclosure rules on certain concepts developed by the GHG Protocol without requiring a registrant to follow the GHG Protocol in all respects, as proposed?

Response: We agree with the proposed Reasonable Alternative #3 described in the Economic Analysis to "require specific external protocol for GHG emissions disclosure."

To maintain consistent and comparable climate-related information, we believe the SEC should establish a mandatory standard for reporting of GHG emissions. Furthermore, we believe that the GHG Protocol should be the required standard given it has become the most widely used global greenhouse gas accounting standard.

We have calculated our GHG emissions based on the GHG Protocol for the past nine years and have found it provides a comprehensive approach to measure and report our emissions. The standard provides clear guidance on how to calculate GHG emissions, make required disclosures and establish organizational and operational boundaries. Mandating a single standard is critical to achieving comparability, especially with regards to the methodologies pertaining to the measurement of Scope 3 emissions.

We also agree with the GHG Protocol guidance for establishing organizational boundaries, including with respect to the treatment of acquisitions. For example, when calculating our GHG emissions, we exclude emissions from acquired entities in the year of the acquisition. If the SEC requires a registrant to determine its organizational boundaries using the same scope that is used in its consolidated financial statements, as proposed, the SEC should provide relief for the reporting of emissions from acquisitions

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in the year of the acquisition. This scope exception would be akin to the current one-year exemption from Sarbanes-Oxley and internal controls over financial reporting for recently acquired entities.

Finally, the SEC should ensure the GHG Protocol has an appropriate governing body or process established that allows for updates over time based on feedback from registrants, investors, and other stakeholders. Alternatively, in areas for which the GHG Protocol lacks guidance, such as certain Scope 3 categories, the SEC should allow companies to use other standards to supplement their GHG Protocol disclosures, such as the Partnership for Carbon Accounting Financials ("PCAF").

Questions 98, 106 and 127. Should we require a registrant to disclose its Scope 3 emissions for the fiscal year if material, as proposed? Should we require a registrant that is required to disclose its Scope 3 emissions to describe the data sources used to calculate the Scope 3 emissions, as proposed? Should we require the proposed description to include the use of: (i) emissions reported by parties in the registrant's value chain, and whether such reports were verified or unverified; (ii) data concerning specific activities, as reported by parties in the registrant's value chain; and (iii) data derived from economic studies, published databases, government statistics, industry associations, or other third-party sources outside of a registrant's value chain, including industry averages of emissions, activities, or economic data, as proposed? Are there other sources of data for Scope 3 emissions the use of which we should specifically require to be disclosed? Should we require a registrant to disclose any material change to the methodology or assumptions underlying its GHG emissions disclosure from the previous year, as proposed? In these cases, should we require a registrant to apply certain accounting standards or principles, such as FASB ASC Topic 250, as guidance regarding when retrospective disclosure should be required?

Response: The Commission should require the disclosure of Scope 3 emissions when material and provide clear guidance on data sources, emission factors, use of third party data and value chain sources and methodology for calculating GHG metrics to ensure transparency, consistency and comparability. Any changes to methodology or assumptions from the prior year should be disclosed.

We agree that disclosure of Scope 3 emissions, when material, based on an evaluation of both quantitative and qualitative factors, is critical to assessing a company's total emissions. We agree with the SEC's commentary that registrants, when assessing materiality, should consider whether Scope 3 emissions make up a relatively significant portion of their overall GHG emissions. We also believe that the materiality analysis should consider qualitative factors such as transition risk. For example, our Purchased Goods and Services (Scope 3, Category 1) emissions are our largest category of Scope 3 emissions making up 76% of our Scope 3 emissions and 59% of our total absolute emissions in fiscal 2022. We believe that an investor may find this information material quantitatively due to its

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magnitude, as well as material qualitatively due to the transition risk of establishing a price on carbon and a potential resulting increase to the costs associated with these purchased goods and services.

Scope 3 calculations can vary significantly depending on the methodology applied, type of emission factors used and assumptions made for global operations. For example we have calculated our Scope 3 emissions for the past 4 years using an environmentally-extended input output ("EEIO") spend-based approach and regularly review emissions quantification methodologies to improve accuracy. In fiscal 2022 we revised our methodology for calculating emissions associated with our Leasehold Improvements (Scope 3, Category 2) based on a life cycle assessment ("LCA") factor rather than a spend-based emission factor, which reduced our current and prior period emissions for this category. This change to improve our methodology resulted in a more accurate calculation of these emissions and a decrease of approximately 8% to our previously calculated prior year Scope 3 emissions. Therefore, we agree with the SEC's proposal to require clear disclosures regarding the data sources, methodology, and the assumptions underlying, and the reasons for using, specific estimates used to calculate Scope 3 emissions.

Based on our experience, we also agree that the Commission should provide guidance on disclosure requirements for updates, refinements or changes to a company's policies, including impact to previously reported periods. Specifically, we agree that if a registrant uses a different set of emission factors, or develops a more direct method of measuring GHG emissions, which results in a material change to the GHG emissions produced from the previous year, it would be required to report that change. We also agree that leveraging ASC 250 is appropriate. Specifically, companies should report any material change through retrospective application to all prior periods including a table to illustrate previously reported numbers, effect of the change and the adjusted balances reflecting the new approach. Companies should not be required to file an amended filing for such changes.

Question 135: Should we require accelerated filers and large accelerated filers to obtain an attestation report covering other aspects of their climate-related disclosures beyond Scope 1 and 2 emissions? For example, should we also require the attestation of GHG intensity metrics, or of Scope 3 emissions, if disclosed?

Response: The SEC should require an attestation report of Scope 1, 2 and 3 emissions to ensure reliable and comparable information.

In fiscal 2022, our Scope 3 emissions were 77% of our total absolute emissions, making it our biggest contributor to our total GHG emissions. These emissions, along with our Scope 1 and 2 emissions, were included in the scope of a limited assurance review by our independent auditors. Calculating our Scope 3 emissions required the highest level of judgment and the most estimates and assumptions, as compared

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to calculating our Scope 1 and 2 emissions and represented the area for which a limited assurance review provided the most value to ensure the reliability and reasonableness of the calculations.

Accordingly, we believe excluding material Scope 3 emissions from an attestation report, including the disclosure requirements such as the application of methodologies, emission factors used and other estimates, would limit the usefulness and comparability of the information disclosed and covered by the report.

Question 139: Should we require accelerated filers and large accelerated filers to initially include attestation reports reflecting attestation engagements at a limited assurance level, eventually increasing to a reasonable assurance level, as proposed? What level of assurance should apply to the proposed GHG emissions disclosure, if any, and when should that level apply? Should we provide a one fiscal year transition period between the GHG emissions disclosure compliance date and when limited assurance would be required for accelerated filers and large accelerated filers, as proposed?

Response: We agree with the proposed Reasonable Alternative #11 described in the Economic Analysis to "require limited, not reasonable, assurance for large accelerated filers and/or accelerated filers and/or other filers."

Based on our experience, it is more critical to have all GHG emissions (Scope 1, 2 and 3) subject to a limited assurance review than it is to have just Scope 1 and 2 emissions subject to the higher reasonable assurance review. We believe the incremental effort to achieve reasonable assurance of GHG emissions would create unnecessary costs to companies with minimal incremental benefit to investors.

Our Scope 1, 2 and 3 emissions have been subject to limited assurance review and we have experienced various benefits from this review process. However, based on our experience with the limited assurance review and discussions with our independent auditors, we anticipate a significant incremental investment in our processes, systems and personnel would be required to achieve reasonable assurance. These expected costs include, but are not limited to, incremental headcount or consulting fees to enhance documentation over our processes and controls surrounding the calculations and disclosures, incremental investments in systems to track and monitor GHG emission data points, including headcount to implement and maintain such systems, and incremental costs to the third-party reviewer to complete a reasonable assurance review. Based on our initial estimates, the incremental cost to us to expand the scope of our assurance review from limited assurance to reasonable assurance could range from $1 to 3 million in the first year of adoption (including both internal and external costs).

We believe that a limited assurance review for GHG emissions strikes the appropriate balance between supporting reliable and reasonable reporting while minimizing unnecessary costs to companies and investors.

Questions 5 and 7. Should we require a registrant to present the climate-related disclosure in an appropriately captioned, separate part of the registration statement or annual report, as proposed? Should this disclosure instead be presented as part of the registrant's MD&A? Should we permit a registrant to provide certain of the proposed climate-related disclosures in Commission filings other than the annual report or registration statement? For example, should we permit a registrant to provide information about board and management oversight of climate-related risks in its proxy statement?

Response: Climate-Related Disclosures should be in an appropriately captioned section in a filing other than the annual report, at least initially, such as a Form 8-K or Form SD. To report within the 10-K timeline, significant incremental resources or investments will be required.

By including all climate-related disclosures, other than those mandated by Regulation S-X as discussed below, in one appropriately captioned section, the SEC will ensure consistent, comparable and decision useful information in the same location across all industries and filers. However, imposing a requirement to file these disclosures with a registrant's Form 10-K would be detrimental to investors due to the impacts to the Form 10-K that we anticipate, including (1) a delay in the Form 10-K filing, and (2) less accurate or complete GHG emissions information in order to meet the Form 10-K deadline. Moreover, since the proposed new Regulation S-K disclosure requirements are separate from the rest of Regulation S-K, are required only on an annual basis, and are subject to being updated for any material changes in quarterly reports on Form 10-Qs, there will not be a significant difference whether the information is provided later in the year than when the Form 10-K is filed.

Specifically, our Scope 1, 2, and 3 emissions are based, in part, on financial information from our accounting systems and records and information provided by vendors. As we must wait for the accounting close process to conclude in order to generate the necessary financial information, and then we must make the required calculations and have those reviewed and attested, we expect additional time will be needed to report these new disclosures. We currently file our Form 10-K within 40 days after year-end. However, based on our current reporting and review processes, we anticipate having to delay our Form 10-K filing in order to be able to include the proposed climate-related information in the same timeframe, which we believe would be to the detriment of our investors who generally seek and benefit from earlier-provided disclosures.

In addition, a requirement to file these new disclosures as part of the Form 10-K would also likely limit our ability to leverage vendor-specific details when calculating Scope 3 emissions as time is needed by

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our vendors to complete their calculations. As discussed above, vendor-specific emissions data provides a more accurate estimate of Scope 3 emissions when compared to applying the EEIO spend-based approach or other methodologies. The Form 10-K timeline would limit our ability to obtain emissions data from our vendors and our ability to provide emissions data to our customers within their required timeframes. As a result, we expect our GHG emissions, as well as our customers' GHG emissions, to be less precise or accurate if required to be reported with Form 10-K.

We note that the SEC has proposed two options to assist companies with the Form 10-K timeframe: the use of estimates for the last quarter or the use of a different 12-month time period. We believe that the use of actual Q4 results provided in a later filing will create a more meaningful and accurate measure than either of the other options. For example, our business travel emissions, which comprise 16% of our total Scope 3 emissions in pre-pandemic years, can vary significantly depending on the timing of company-wide events, such as our annual Dreamforce conference, and the seasonal nature of our business, which may make it difficult to accurately estimate Q4 results. In addition, alignment of the reporting period to a company's fiscal year ensures consistent year over year calculations.

If required to include the new disclosures in the Form 10-K we believe a longer transition period will be required to allow issuers time to build out their processes, disclosures, controls and systems in order to align with the new requirements and to provide timely emission reporting to their customers. However, we also believe that it is critical that this information is made available without significant further delay; therefore, we propose that during the transition period for reporting within the Form 10-K (or as an exhibit thereto), all proposed climate-related disclosures should be filed in either a Form 8-K, Form SD or a new specified filing to be filed no later than 90 days after year-end. This interim separate filing approach will ensure the information is made publicly available within a reasonable time frame while allowing issuers and reviewers time to prepare for the more accelerated timeline to include the information as part of the Form 10-K report.

Questions 59, 72 and 80. Should we require registrants to disclose the financial impact metrics, as proposed? Should we require registrants to disclose the expenditure metrics, as proposed? Are the proposed terms and examples used in the expenditure metrics helpful for understanding the types of disclosures that would be required?

Response: The current proposal of a 1% absolute value threshold for financial impact metrics creates a significant cost to the preparer and is inconsistent with the current definition of materiality used when preparing financial statements. Additional clarity is also needed for defining a climate-related expenditure.

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We anticipate significant incremental costs will be incurred to create processes and controls to aggregate and quantify the impact of any potential climate related financial statement metrics that would require disclosure. Specifically, we anticipate extensive additional processes would be required, including new systems, controls and personnel to comply with the current proposal. In our view the costs associated with these incremental efforts will not improve the information provided to our investors. The proposed rule states that the definition of materiality used by a registrant should be consistent with the Supreme Court's definition; that is, a matter is material if there is "a substantial likelihood that a reasonable investor would consider it important when determining whether to buy or sell securities or how to vote." We believe establishing a quantitative threshold is inconsistent with this guidance.

In addition, based on our assessment, we likely would not be able to effectively implement the 1% absolute threshold requirement on February 1, 2023, the first date of our fiscal 2024. Similar to the adoption of previous accounting standards such as ASC 606 and ASC 842, if the 1% threshold is to be implemented we believe the SEC would need to provide a longer transition period to allow companies time to fully understand the new rules, document the required internal policies, create processes and controls and implement new systems, as necessary.

Finally, before we could effectively implement appropriate procedures and controls to produce the required disclosures, additional clarification would be required around what constitutes "expenditures incurred for climate-related transition activities related to research and development of new technologies, purchase of assets, infrastructure, or products that are intended to reduce GHG emissions, increase energy efficiency, offset emissions (purchase of energy credits), or improve other resource efficiency". In our business we may incur expenditures that are core to our values and business but may also be characterized as helping to maintain or mitigate our GHG emissions or climate-related risks or are investments in GHG related activities. For example, we consider sustainability as part of our major real estate expansions and reductions. Our operations strategy prioritizes green building certifications as part of our real estate process and pursues innovative pilot solutions such as battery storage to operate high-performance, sustainable buildings. We infuse sustainability into the very beginning of our real estate process by incorporating sustainability criteria as part of initial site search, prioritizing green-certified buildings and negotiating green lease terms for new and existing buildings. In addition, as a technology company, the solutions we offer to our customers have the greatest potential to drive climate action on a global scale. We have launched Salesforce Net Zero Cloud, a greenhouse gas accounting tool to help our customers analyze their emissions and take measurable climate action. We have incurred and will continue to incur costs associated with the development, delivery and support of this offering. Clarity is required to determine if these expenditures would be subject to the proposed

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quantification and disclosure requirements, as we would not view these types of activities as incurred to reduce GHG emissions or climate-related risks, although they could incidentally have that effect.

Concluding Remarks:

Thank you for your attention in this matter and for the opportunity to respond. If you have any further comments or questions, please direct them to my attention.

Very truly yours,

/s/ AMY WEAVER

Amy Weaver
President and Chief Financial Officer, Salesforce, inc.

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