



Value Chain Emissions: Salesforce Sustainability Exhibit & Green Code

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Business is the Greatest Platform for Change

We leverage the full power of Salesforce to:

- Accelerate our customers' sustainability journey with Net Zero Cloud and the #1 AI CRM
- Invest in a nature positive future
- Support the ecopreneur revolution
- Influence the energy transition to halve global emissions by 2030



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CORE VALUES

TRUST

CUSTOMER SUCCESS

INNOVATION

EQUALITY

SUSTAINABILITY



People and Planet Need Climate Action Now



Climate change and biodiversity loss have catastrophic implications for human life and nature, especially for the world's most vulnerable and disadvantaged



Lethal heat waves

By 2030, **400M people in India** alone will have a 15% chance every year of experiencing a lethal heat wave.



Severe drought in Europe, India, Australia

Southern Europe could spend more than **half the year in a state of drought** by 2050.



Loss of animal life

We've lost half of all animal life on earth in the last 40 years. Of the remaining half, **50% is in danger of extinction in 20 years.**



Shock to food systems

There is a 2-4x probable increase of a **significant shock** to worldwide grain production by 2050.



Irreparable destruction of ecosystems

Coral reefs would **cease to exist** as functioning ecosystems by 2100.



Global GDP loss

The world economy is set to **lose up to 18% GDP from climate change** if no action is taken.

Sustainability

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Bringing the full power of Salesforce to accelerate the world to net zero, lead the nature positive movement, and drive the energy transition to halve global emissions by 2030.



Net Zero

Net Zero Residual Emissions*

Salesforce has net zero residual emissions. Reduce Salesforce's value chain emissions by 50% by FY31.

Net Zero Solutions

Enable companies with Net Zero Cloud and Automate ESG.



Nature Positive

Reduce Nature Impacts

Measure, manage, and reduce our nature impacts & dependencies as a business.

Restoration at Scale

Lead on nature restoration at scale via 1t.org and \$100M Climate Justice Fund.

Accelerate Customer Success

Support customers in their nature positive journeys.



Ecopreneur Revolution

Catalytic Capital

Leveraging our purchasing, venture capital and philanthropic grants for ecopreneurs to scale innovative solutions.

UpLink

Created with the World Economic Forum to launch innovation challenges and invest in entrepreneurial projects.



Energy Transition

100% Renewable Energy**

Achieved for our global operations.

First Movers Coalition

Accelerating innovation to decarbonize hard-to-abate sectors, specifically sustainable aviation fuels (SAF) and Carbon Dioxide Removal (CDR).

Policy, Advocacy, & Ecosystem Engagement

*Net zero residual emissions means we purchase carbon credits equivalent to our residual scope 1,2, and 3 emissions on an annual basis.

**100% renewable energy means we procure renewable energy or claims to renewable energy that are equivalent to the electricity we use globally on an annual basis.

Salesforce is accelerating the net zero transition.

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We are reducing our emissions
50% by 2030

We're compensating residual emissions
with 100% renewable energy and
carbon credits today

We're accelerating our customers
with Net Zero Cloud

And empowering the global transition
through our influence and advocacy



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Our Climate Targets



Leading the Way and Pushing Corporate Climate Action Forward

Science Based Targets

Aligning on standards

Formal 3rd party validation (SBTi) designed for widespread adoption and alignment

More Work to Be Done*

Achieved Scope 1 & 2 SBTs early, working on Scope 3 engagement SBT

Net Zero Residual Now

How organizations act now

Offset all residual emissions while prioritizing reducing absolute emissions aligned with a 1.5°C trajectory

Achieved

1.5°C Trajectory

What the world must do

Reduction goal (vs FY19):
↓50% by FY31, ↓90% by FY41

Without renewable energy, SAF, or carbon credits

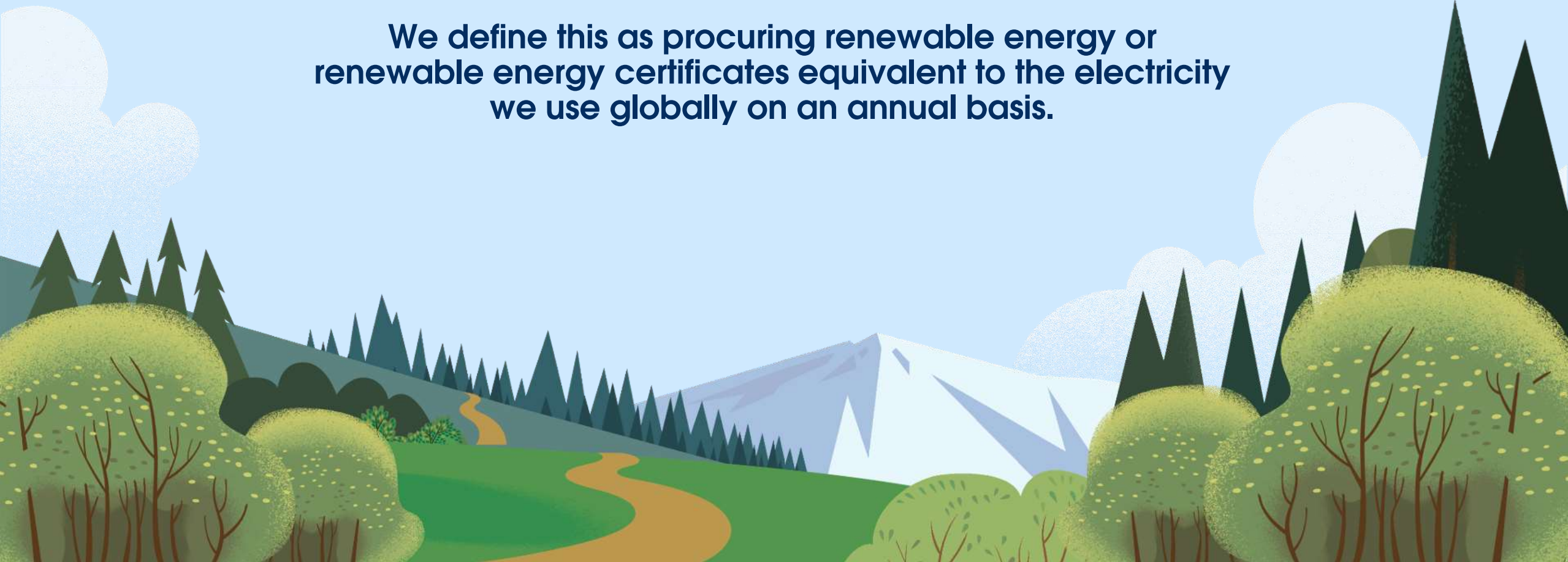
More Work to be Done

Target is tied to the world's progress, which is off track

*Science Based Targets will be refreshed this year

In 2021, Salesforce reached a major milestone by sourcing 100% renewable energy worldwide.

We define this as procuring renewable energy or renewable energy certificates equivalent to the electricity we use globally on an annual basis.



How to procure renewable energy

Started our journey with spot market unbundled RECs but quickly left them behind



	Impact (Additionality)	Replicability (for Salesforce)	Value (Financial)	Risk (\$ Uncertainty)	Logistics (Execution)
Spot Market Unbundled RECs	Red	Green	Yellow	Green	Green
PPAs	Green	Red	Green, Yellow	Green, Yellow	Yellow
VPPAs	Green	Green	Green, Yellow	Yellow	Yellow
Utility Green Pricing Program	Red	Green	Yellow	Green	Green
Utility Green Tariffs	Green	Red	Yellow	Green, Yellow	Green, Yellow
Onsite RE	Green	Red	Green	Green, Yellow	Yellow

Utility Green Tariffs



Framework for assessing available utility green tariffs

New Generation participation directly leads to an increased proportion of generation from renewable sources that would not have occurred otherwise

Replicable open to other customers, ideally of many sizes and types

No Negative Impacts on Non-Participants customers who are not participating in the renewable energy program are not negatively impacted by it (cost, etc...)

Fair and Transparent Pricing renewable energy is procured through a competitive and transparent selection process and pricing reflects the actual cost of renewable energy and reasonable program administration costs

Customer Claimed purchasers of renewable energy have the sole claim to its environmental attributes

Bundled energy and all associated environmental attributes are provided as a bundled service

Local the project is located within the same market or ideally within the same service territory

Flexible Contract Terms various options for term length



Salesforce's Challenges with Utility Green Tariffs

The reality of a changing, leased asset portfolio

Meter Control



Bill Transparency clear delineation of program costs that scale to a portion of a meter or annual volume.

Non-Metered Accounts enabling tenants without meter to enroll and be billed directly for participation

Contract Length



Flexible or Shorter Contract Terms better accommodation or alignment with lease terms

Program Backstops offer customers an option to meet their contract obligations even if they vacate the site

Transferability



Transferability between locations within the utility service territory

Participation Thresholds



Customer Segments scalable program designed to meet a range of customer needs from a small office to large data center

Aggregation allow participants to aggregate load across multiple sites



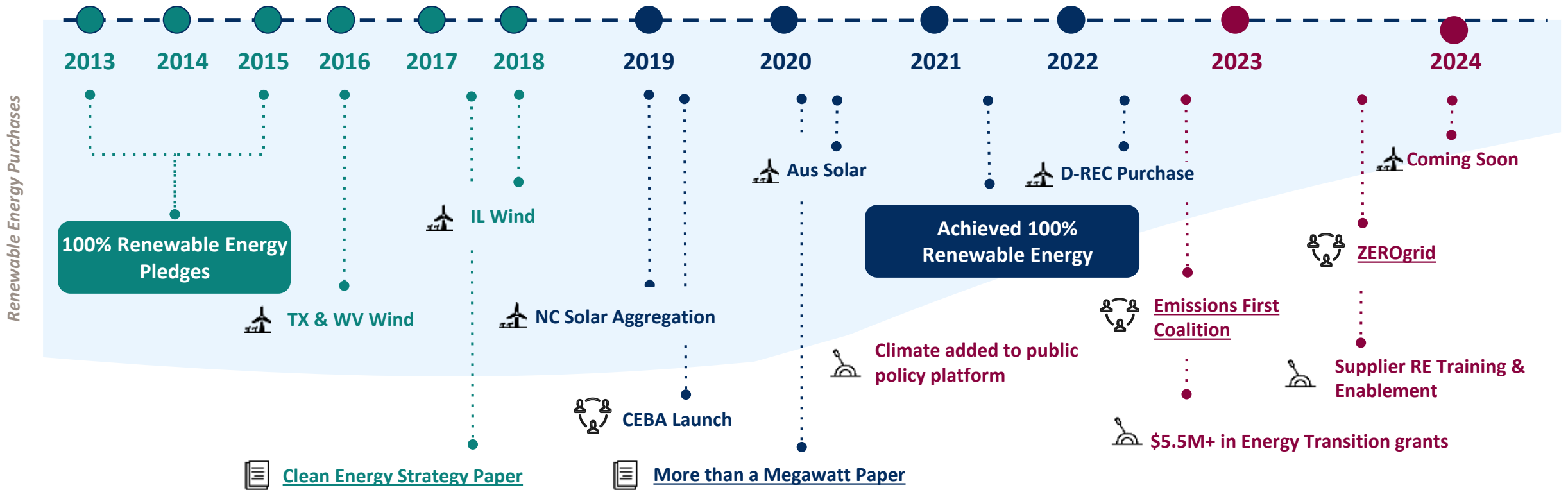
Our journey to 100% renewable energy & beyond



Reacting to Pressure
Purchasing renewable energy to match electricity use

Leading Purchasing for Impact
Scaling and leading on 100% renewable energy purchasing

Full Power of Salesforce
An integrated motion leveraging the full power of Salesforce to drive change



Supplier Sustainability



Our Approach to Supplier Sustainability

Creating a sustainable future, together with our suppliers



**REQUIRE
ACTION**

**ENABLE
SUCCESS**

**INCENTIVIZE
PROGRESS**

IMPACTFUL PROGRAMS THAT SCALE

Sustainability in Our Procurement Processes

Selecting Suppliers

- We **include and score sustainability questions** in our competitive bid process (RFPs)
- We **provide clear expectations** to ensure a smooth path forward with suppliers

Contracting

- The **Sustainability Exhibit** introduces binding climate-related contract provisions into our supplier agreements

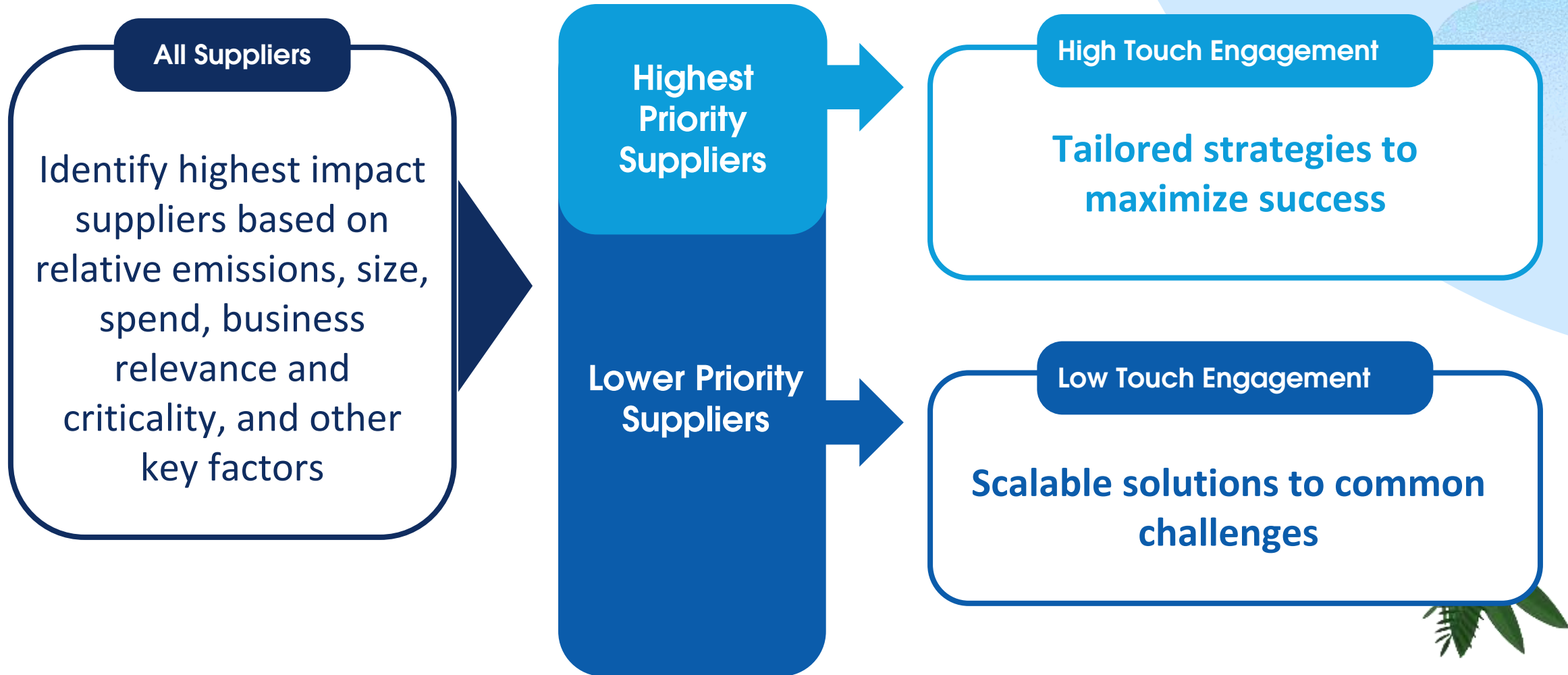
Working Together

- We **evaluate supplier performance** in business reviews
- Our **enablement resources** support suppliers' progress
- Third-party tools and custom surveys help us **measure progress**

Engaging Business Partners

- We aim to create tools, policies, and processes that enable employees to make **informed purchasing decisions** that support our sustainability goals

Strategizing Supplier Engagement

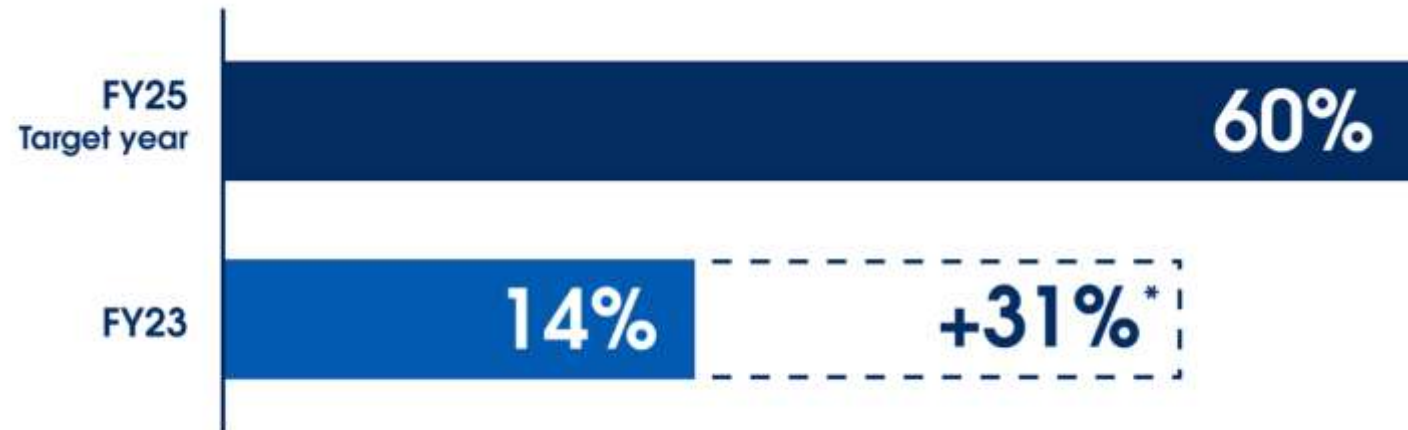


Science-Based Targets (SBTs) Provide a North Star

A framework for each company to chart their own path to reduce GHG emissions in line with a 1

OUR COMMITMENT

By the end of 2024, suppliers representing 60% of our applicable emissions will set their own SBTs



*Commitments to set SBTs

Corporate Climate Action Requires Supply Chain Engagement

Corporate supply chain emissions are

11.4x

higher than operational emissions on average

[Source: CDP Global Supply Chain Report 2020](#)

By **strategically engaging** with our suppliers and by **prioritizing sustainability** in our purchasing decisions, we can **amplify our impact in our value chain** and accelerate global progress to net zero.

Our Supplier Sustainability Expectations



By setting ambitious expectations for ourselves and our suppliers, and by working together to achieve them, we can accelerate our progress and our impact



Set a science-based climate target



Reduce emissions in line with a 1.5°C future and disclose related data annually



Share a third-party sustainability scorecard annually



Demonstrate collaboration & transparency



Agree to sustainability provisions in Salesforce contract

Sustainability Resources and Support for Suppliers



Supplier Sustainability Resource Library

Net Zero Toolkit for Suppliers

Free Clean Energy Buyers Association (CEBA) Trial Membership

Free EcoVadis Assessment Credit



Recorded Renewable Energy Procurement Webinar Series

Sustainability Office Hours



Symbols indicate resources intended for our small-to-medium enterprise (<1,000 employees) and diverse-owned suppliers



Enablement Highlight

Salesforce's Net Zero Toolkit

The Net Zero Toolkit provides companies with practical guidance for getting started on their journey to net zero.

Starting Your Climate Action Journey

Discover how climate action can deliver value for your company and explore key milestones on the journey to net zero.

[EXPLORE THE MODULE >](#)

Intro to Greenhouse Gas Accounting

Get to know the basics of how to develop a greenhouse gas (GHG) inventory to measure corporate emissions.

[EXPLORE THE MODULE >](#)

Intro to Net Zero Targets

Learn how your company can set meaningful climate targets to reduce GHG emissions.

[EXPLORE THE MODULE >](#)

Working Toward Net Zero

Learn how to reduce and compensate for your company's emissions and how to help catalyze global climate action.

[EXPLORE THE MODULE >](#)

Supplier Sustainability Resource Library

Explore our curated list of resources that may be helpful to your company as it advances on its net zero journey.

[EXPLORE THE MODULE >](#)

Sustainability Accelerator for Smaller Suppliers



Overview

Salesforce provided a cohort of our small- and medium-sized suppliers with training and support designed to accelerate their net zero journey.

Outcomes

Participants agreed the Accelerator helped prepare them to:

- Strategize and implement emissions reduction activities
- Set science-based targets
- Engage with stakeholders on sustainability



“Using the practical tools and training provided by Salesforce’s Sustainability Accelerator, we’re now thinking more strategically about how sustainability can add value to both our business operations and client engagements.”

Amy Garber, President, Visions Management

The Bigger Picture

We’re applying the insights gained through this deep engagement to creating strategies that work at scale to enable businesses to succeed on their sustainability journey.

Executive Pay is Tied to the Exhibit

Driving accountability and ensuring top-down buy-in

- Salesforce has tied a portion of executive leaders' annual variable pay to 4 ESG metrics including **increasing spend with suppliers who have signed the Sustainability Exhibit.**

News & Insights

Driving Greater Accountability with New ESG Measures

FEBRUARY 10, 2022

[Lori Castillo Martinez](#)

CHIEF EQUALITY
OFFICER

[Suzanne DiBianca](#)

EVP & CHIEF IMPACT
OFFICER



Part of what makes Salesforce an amazing company is our belief that business is the greatest platform for change. Our commitment to equality and sustainability helps us be a better company – and foster more inclusive, equitable, and resilient communities.

Integrating Supplier Actual Data



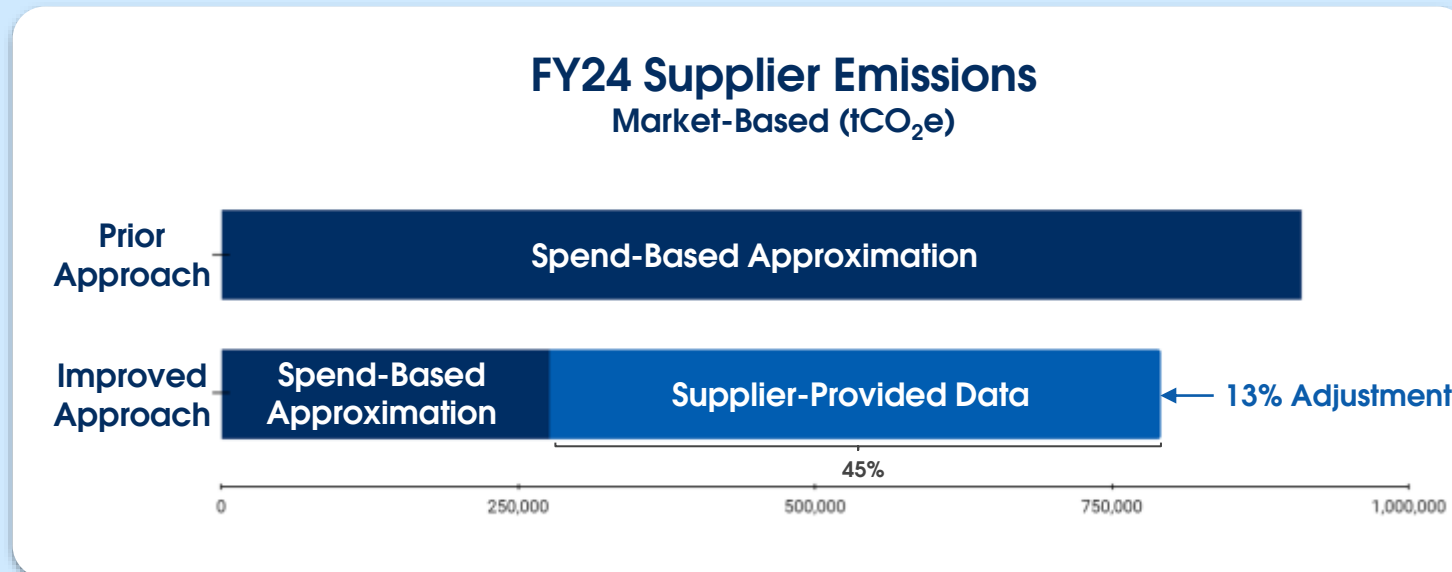
In FY24 we moved from using approximated data (spend x industry average factor) to actual, supplier-provided data

< 5 companies have successfully implemented

Methodology received EY approval (2.5+ yrs of effort)

Collected actual data from 90 suppliers

Actual data represented 45% of scope 3 emissions



Check out our white paper on methodology!



Green Code & AI



Green Code Initiative

1. **Design & UX:** Designers can reduce energy use while providing a better user experience by making sustainability a design requirement and building a faster experience with fewer steps in data flow.
2. **Architecture:** Choosing the right architectural pattern and deployment model for software development can lead to cost savings and reduce environmental impact.
3. **Development:** Sustainable code is key. Developing software code that uses less energy can lead to significant emissions reductions, particularly when deployed at scale.
4. **Operations:** By locating capacity in the right regions and scheduling workloads during high renewable energy periods, companies can reduce their carbon emissions

75%

Of technologists want to be involved w/ sustainability but don't know how

Sustainability Guide for Salesforce Technology[®]

VERSION 1

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14%

Spend reduction in yearly public cloud infrastructure

Engaging our Customers in a New Way

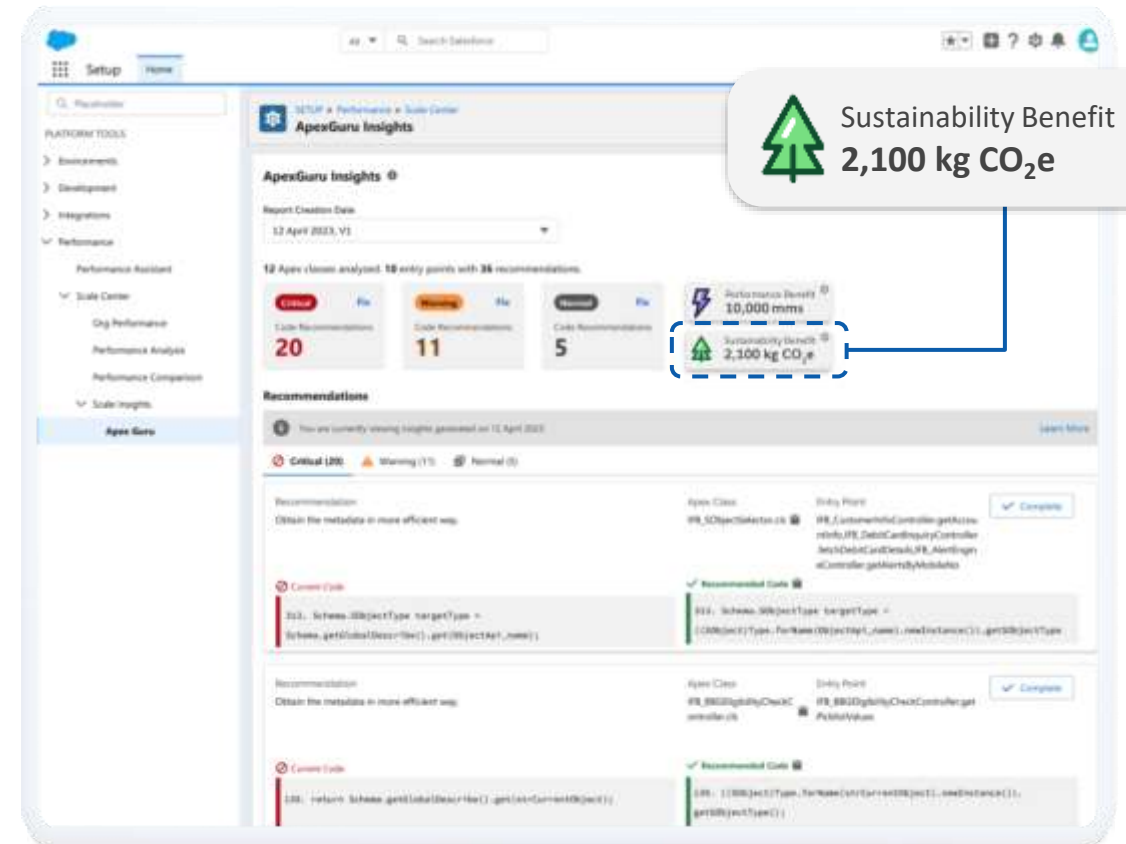


Reducing Carbon and Cost

Collection of General Best Practices



AI-Driven Org-Specific Recommendations





Thank you

