



**BE IT RESOLVED:** Shareholders request that Salesforce.com, Inc. (“Salesforce”) report to shareholders on the effectiveness of the Company's diversity, equity, and inclusion efforts. The reporting should be done at reasonable expense, exclude proprietary information, and address outcomes, using quantitative metrics for retention and promotion of employees, including data by gender, race, and ethnicity.

**SUPPORTING STATEMENT:** Quantitative data is sought so that investors can assess, understand, and compare the effectiveness of companies’ diversity, equity, and inclusion programs and apply this analysis to investors’ portfolio management and securities’ selection process.

**WHEREAS:** Studies have pointed to the corporate benefits of a diverse workforce, including:

- Companies with the strongest racial and ethnic diversity are 35 percent more likely to have financial returns above industry medians.
- Companies in the [top quartile for gender diversity](#) are 21 percent more likely to outperform on profitability and 27 percent more likely to have superior value creation.
- [A study of the S&P 500 found](#) that the most diverse companies had an average annual five year stock return 5.8 percent higher than the least-diverse companies.

Promotion rates show how well diverse talent is nurtured at a company. Unfortunately, women and non-White employees experience “a broken rung” in their careers. For every 100 men who are promoted, only 86 women are promoted. [Non-White women are particularly impacted](#), comprising 17 percent of the entry-level workforce and only 4 percent of executives. Employees with the potential for advancement have a [higher retention rate](#).

[Morgan Stanley has found](#) that: “Employee retention that is above industry peer averages can indicate the presence of competitive advantage. This advantage may lead to higher levels of future profitability than past financial performance would indicate.” Companies with [high employee satisfaction](#) have also been linked to annualized outperformance of over two percent.

[Salesforce has acknowledged](#) that: “Creating a culture of Equality isn’t just the right thing to do; it’s also the smart thing. It empowers us to innovate, build deeper



connections with our customers, and ultimately become a better company.” [It also states](#) that its senior leaders “receive monthly overall and VP+ scorecards, detailing headcount, hiring, attrition, and promotion data by Gender (Global) and Race (U.S).” However, while Salesforce shares hiring data, it has not shared attrition and promotion data by gender, race, or ethnicity. The company’s public reporting does not allow investors to determine the effectiveness of its human capital management programs.

Between September 2020 and September 2021, the number of S&P 100 companies releasing recruitment rate data by gender, race, and ethnicity increased by 234 percent; companies releasing retention rate data increased by 79 percent; and companies releasing promotion rate data increased by 379 percent.

Other technology companies release or have committed to release more data on the retention and promotion effectiveness of their human capital management programs than Salesforce does. These include: Intel, Microsoft, NVIDIA, Splunk and Twilio.