



SALESFORCE SUSTAINABILITY, 2023

Salesforce Nature Positive Strategy

Our commitment to a net zero, nature positive future rooted in people and climate justice

The Health of Business and Nature Are Connected

Nature enables all aspects of our society, wellbeing, and economy. Natural ecosystems and biodiversity are in free fall – threatening over 1 million of the world's 8 million plant and animal species. We, humans, are also a critical part of nature. We need to restore nature so that we can continue to benefit from the critical ecosystems that support our communities and livelihoods, and allow us to mitigate and adapt to climate change.

change. The health and resilience of business and nature are directly connected. Our economy is dependent on nature, which provides services worth an estimated \$125 trillion per year globally. Building businesses fit for the future which take into consideration the systemic changes required by society to thrive requires business to reset its relationship with nature.

The world's governments agreed on a new <u>Global Biodiversity</u> <u>Framework</u> in December 2022. This United Nations treaty outlines bold commitments to halt and reverse nature loss, including the commitment to protect 30% of the planet by 2030, while simultaneously protecting Indigenous rights and ratcheting up private sector support for nature. Importantly, it requires businesses to assess and disclose their impacts, risks, and dependencies on nature.

Integrating nature into business decision-making goes beyond managing risks and costs. The nature positive movement is also about value creation and bringing the full power and ingenuity of the private sector to drive solutions for climate and nature. The transition to a nature positive economy presents substantial opportunities to develop new products, services, and technologies and to work with our employees, customers, communities, and partners in new and better ways.

Salesforce's Nature Positive Strategy is an evolving strategy to articulate our company's relationship with nature and how we plan to play our part in realizing our commitment to a net zero, nature positive future rooted in people and climate justice.

\$8.1 trillion USD

required between now and 2050 to successfully tackle the interlinked climate, biodiversity, and land degradation crises.

UNEP 2021

Every dollar invested in restoration can create up to 30 dollars in economic benefit.

UNEP 2022

395M jobs could be created by implementing nature positive policies and could generate more than \$10 trillion USD in new annual business value by 2030.

World Economic Forum 2020





Climate and Nature Are Interdependent and Require an Integrated Approach

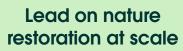
At the heart of our Nature Positive Strategy is the understanding that nature and climate are interdependent and that we can't address one without the other. Our strategy supports and accelerates our <u>Climate Action Plan</u> and the net zero commitments we've made as a business. We have intentionally centered people, livelihoods, and the need for greater climate justice in our strategy. This is because humanity is part of nature. Efforts to protect and restore nature must support people, livelihoods, and Indigenous peoples and local communities. We welcome the opportunity to share learnings and collaborate with our customers, partners, peers, and the broader nature positive community as we strive toward a nature positive future, together.

Salesforce Nature Positive Strategy

Salesforce is committed to a net zero, nature positive future rooted in people and climate justice.

Salesforce is publishing our Nature Positive Strategy to share our vision and the set of actions we're taking to contribute toward a net zero, nature positive future rooted in people and climate justice.

Salesforce's Nature Positive Strategy is comprised of three mutually reinforcing areas of action:



Lead on nature restoration at scale to achieve climate and nature goals and support people and livelihoods.

1t.org

Reduce our nature impacts

Reduce our nature impacts and dependencies as a business.

Accelerate customer success and the nature positive movement

Accelerate customer success and the nature positive movement through our products, services, and capabilities as a leading technology and software provider.

Our Goals and Investments

Measure, manage, and develop a plan to reduce our nature impacts and dependencies.

Target Year: 2025

1 million tons of high-quality blue carbon credits purchased. Target Year: 2025

Support and mobilize the conservation, restoration, and growth of 100 million trees. Target Year: 2030

\$100 million distributed through the Ecosystem Restoration & Climate Justice Fund.

Target Year: 2031

Lead on nature restoration at scale

Reduce our nature impacts

Accelerate customer success and the nature positive movement

The Key Components of Our Strategy

The nature crisis demands urgent action which is why we're delivering against these three areas of action in our nature strategy simultaneously. We are focusing our efforts on where we are both uniquely positioned to have the greatest impact and the areas where action is most urgently needed. Our strategy builds on and supports our <u>Climate</u> <u>Action Plan</u> given the interconnectedness of nature and climate. Together, these plans support Salesforce's business resilience this decade and beyond.

1. Reduce our nature impacts.

We will measure, manage, and reduce our nature impacts and dependencies.

Even though our direct impacts on nature are not as substantial compared to sectors with value chains directly dependent on natural resources, we recognize that it's critical to understand the scope of our impacts and dependencies. We are committed to understanding, managing, and developing a plan to reduce our impacts and dependencies on nature across our business, including data centers, offices, value chain, people, and products. To do this we are conducting assessments within the business and are part of the Task Force on Nature-related Financial Disclosures (TNFD)'s pilot phase ahead of its launch later this year. We also supported Business for Nature's campaign in 2022 calling for large businesses and financial institutions to assess and disclose their risks, impacts, and dependencies on biodiversity by 2030, which was successfully included in the Global Biodiversity Framework.

2. Lead on nature restoration at scale.

We are making innovative investments and forging partnerships to catalyze the protection and restoration of nature at scale.

Our strategic investments and partnerships work to protect and restore nature, support communities, and deliver our Climate Action Plan and net zero commitments.

We are focusing our efforts on forest ecosystems through our commitment to 1t.org, which we co-founded to help protect and restore 1 trillion trees by 2030; on supporting innovations that restore ecosystems while also strengthening livelihoods and communities through our \$100 million Ecosystem Restoration & Climate Justice Fund; on oceans through our goal to purchase 1 million tons of high-quality blue carbon credits by the end of 2025; and on nature at large through our investments in nature-based solutions as part of our commitment to net zero residual emissions. We always strive to purchase high-quality carbon credits.

For Salesforce, high quality means not just high integrity climate benefits, but also the many co-benefits that nature is primed to deliver, such as supporting livelihoods, climate mitigation and adaptation, and other ecosystem services. That's why we already have and will continue to prioritize purchasing predominantly carbon credits from nature-based solutions.

3. Accelerate customer success and the nature positive movement.

Our superpower is our ability to support our hundreds of thousands of customers on their net zero, nature positive journey.

We are already working with our customers as they transition to a net zero future by enabling them to manage and track their net zero commitments and participate in the carbon market through Salesforce's Net Zero Cloud and Net Zero Marketplace. Given our vast range of customers, we see the opportunity to support them on their nature positive journey by providing them with the tools they need to identify, manage, and report on their nature-related risks, impacts, and dependencies.

Together we can drive collective impact to halt and reverse nature loss, ensuring that the nature positive movement grows with integrity, transparency, and action. To do that, we will also need policy shifts and wider societal alignment on the value of nature. Salesforce is proud to have published our Nature Policy Priorities and Ocean-Climate Policy Priorities, and to be a key supporter of the United Nations Framework **Convention on Climate Change** (UNFCCC) Local Communities and Indigenous Peoples Platform. We will continue to accelerate the ecopreneur revolution by supporting innovations that scale climate and nature solutions through partners like UpLink, Echoing Green, and Elemental Excelerator to connect

ecopreneurs to resources, professional expertise, and investment capital.

What Is Nature Positive?

Nature positive is a collective journey to halt and reverse nature loss.

Nature positive is the term used to describe a world where nature – species and ecosystems – is being restored and is regenerating rather than declining. The <u>International Union for</u> <u>Conservation of Nature</u> calls out that "nature positive" is essential, yet not fully defined and proposes the following working definition:

"A nature positive future means that we, as a global society, halt and reverse the loss of nature ... to put both living and nonliving nature measurably on the path to recovery."

In short, a nature positive future is a world in balance, where the cycles that sustain life are robust, leading to healthy ecosystems and, by extension, healthy and thriving humans and business.

Unlike net zero for climate, nature positive is not currently a defined target or metric that a single business can "achieve." The nature positive movement calls on businesses to contribute toward this global goal by managing and reducing their impacts and dependencies on nature and actively advancing nature protection and restoration through operations, influence, products, and services. As climate and nature are interdependent, it makes sense for business to have an integrated net zero and nature positive strategy that reinforces both climate and nature action.

2030

2050

2100

Today

Critical Inflection Point



Method and Approach

How we developed our Nature Positive Strategy.

We have been on our sustainability journey for more than a decade, which has included work to support nature. It is what led us to invest in nature-based solutions, stand up 1t.org in partnership with the World Economic Forum (WEF) and develop our ocean sustainability program. While these actions were a great start we recognized the need to build a cohesive Nature Positive Strategy integrated with our Climate Action Plan. Together, they deliver on our vision of a net zero, nature positive future rooted in people and climate justice.

1. Evaluation and our nature impact assessment.

Our first step was to conduct peer benchmarking and review the wide array of guidance for corporates that are trying to make sense of "nature positive" for business, such as guidance from the Science Based Targets Network (SBTN) and the Task Force on Nature-related Financial Disclosures (TNFD). Simultaneously, we evaluated our existing efforts to identify gaps or opportunities to more explicitly support a nature positive future.

We conducted an initial nature impact assessment in line with TNFD's beta framework to give us a better understanding of our risks, opportunities, impacts, and dependencies. The assessment – which included a high-level value chain analysis, nature-specific materiality assessment, and a deep dive on priority sites within our direct operations revealed that our most material risks, opportunities, impacts, and dependencies fall within our upstream and downstream value chain.

We assessed the materiality of an issue by determining both the degree to which Salesforce and our value chain activities impact the state of nature, as well as the degree to which our nature-related impacts and dependencies pose risks and opportunities influencing Salesforce financially, operationally, and reputationally. We have since been able to use this information to inform both the development and implementation of our strategy

2. Stakeholder engagement.

We engaged both internal and external stakeholders through focus groups, customer convenings, and interviews to identify the unique levers or actions that Salesforce can take. When we developed our Climate Action Plan, we had identified three fundamental questions that all businesses must ask themselves as they design their respective plans: 1) What we do and why? (our products and services, mission); 2) How do we do it? (our operating mode and value chain); and 3) Who do we influence? (our employees, customers, society). We posed these questions again to understand our unique set of core competencies, products or services, and realms of influence with respect to nature.

3. Building the strategy and how it will continue to evolve.

To ensure we developed an ambitious strategy, we took insights from stakeholder interviews and current guidance on transformative nature positive actions for business and overlaid that information with where we already are or could be having a significant impact.

The strategy is a concise summary of the coordinated actions Salesforce will take along our value chain and beyond to play our part in halting and reversing nature loss. In sum, this is a reflection of how we're bringing together and building on Salesforce's existing efforts to help drive a wider societal effort and transformation toward a nature positive economy.

The tools to assess

nature-related risks, impacts, dependencies, and opportunities continue to evolve and will become clearer and more practical over time. In the meantime, business shouldn't wait. We need ambition and immediate action today. Salesforce is excited to contribute to the evolution of the nature positive movement, and to support the development of frameworks and standards so that business can set appropriate and ambitious strategies to contribute toward a nature positive future.

Our Nature Positive Strategy in action

Four case studies illustrate our transformative actions so far.

Salesforce has been taking action to protect, restore, and regenerate nature and thus contribute to and accelerate a nature positive future for many years. By bringing this work under our holistic Nature Positive Strategy, we hope to inspire others and accelerate nature restoration at scale in the years ahead.



Accelerating the trillion trees movement with 1t.org.

Forests are one of the most important carbon sinks that we have. That said, reforestation is not a magic solution nor is it a substitute for reducing fossil fuel use. That is why Salesforce is a founding partner of <u>1t.org</u>, which is driving systems change by mobilizing the private sector, facilitating multi-stakeholder partnerships in key regions, and supporting innovation and ecopreneurship on the ground. To date, over 80 companies have pledged to conserve, restore, and grow more than 7 billion trees in over 65 countries. Salesforce has pledged to support and mobilize the conservation, restoration, and growth of 100 million trees by 2030, and this year added new partners and projects, funding a cumulative total of 45 million trees to date. This year, Salesforce funded new people-focused projects including supporting trees in urban Texas, at a refugee camp in Uganda, and at 10 schools in Gurgaon, India.

Advancing ocean action through blue carbon.

There is no net zero, nature positive future without a healthy ocean. Investing in blue carbon projects and credits will help protect coastal and marine ecosystems such as mangrove forests, seagrass meadows, and salt marshes. These ecosystems store vast amounts of carbon, safeguard biodiversity, and provide food security, livelihoods, and resilience for coastal communities. We set a goal to purchase 1 million tons of high-quality blue carbon credits, equivalent to more than \$10 million by 2025. To support high integrity in the development of the blue carbon market, we and a global coalition of ocean leaders co-sponsored the development of the High-Quality Blue Carbon Principles and <u>Guidance</u> – a framework to optimize outcomes from blue carbon for people, biodiversity, and the climate.

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Leveraging technology to support our hundreds of thousands of customers.

Customer success and sustainability are core values for Salesforce. We recognize that nature will be a topic of material concern and business opportunity for many of our customers and are already supporting them with products, such as Net Zero Cloud and Automate ESG Reporting. Already, our technology is being used by our Salesforce Accelerator for Nature cohort which was designed to provide nonprofits with the flexible, risk-tolerant capital and the tools they need to expand important climate-related work and give them technology and pro-bono support to pursue big ideas, test new solutions, and scale successful climate programs faster. One cohort member, Global Forest Generation (GFG), restores forest ecosystems across vast landscapes and through the Accelerator, GFG will build a program management, governance, and reporting system for Indigenous and locally led restoration efforts across the high Andes.

Advocacy for a nature positive future.

We advocate for the critical policies that address how we protect, restore and enhance the world's natural ecosystems in a manner that will build community resilience and promote a more just and equitable world. That's why Salesforce launched our <u>Nature Policy Priorities</u> and <u>Ocean-Climate Policy Priorities</u> to guide our advocacy work and support others in the space. In advance of COP15, we joined <u>Business for</u> <u>Nature</u> and other leading companies in successfully calling on world leaders to require organizations to assess and disclose nature-related dependencies by the end of the decade.



Lessons Learned

The time for business to align its strategy and operations with a nature positive future has never been clearer or more urgent. Salesforce is excited to continue to support the nature positive movement, bringing along the private sector to support actions that drive toward a net zero, nature positive future.

What we learned.

For businesses starting to develop their nature positive strategy, here are five of our learnings and takeaways from developing our own Nature Positive Strategy:

1. Building on our climate approach led to an integrated net zero and nature positive strategy that allows our work to reinforce each priority and work toward shared goals.

2. Methodologies and metrics will improve, but starting to assess our impacts on nature has proved essential and will continue to build business resilience, reduce costs, and minimize risks. 3. To understand the full spectrum of opportunities, we had to think beyond our direct impacts to include not just our products and services, but also our influence and customer relationships.

4. Collaboration will lead to impact at scale and enable cost-effective, high-quality work that brings others along.

5. Investing in high-quality nature-based solutions has substantial returns for business and society, and we must remain focused on building integrity into decision-making.

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The power and ingenuity of the private sector will be critical in addressing the nature crisis.

Dr. Jane Goodall, DBE Founder of the Jane Goodall Institute and UN Messenger of Peace



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Our strategy is not static. We're excited to evolve our work in collaboration with our stakeholders, customers, and the broader nature positive movement as it grows and as the policy landscape evolves. If you have feedback on our strategy or ideas for how Salesforce can accelerate the nature positive movement, contact us at sustainability@salesforce.com.

Inspiration from our own journey.

We hope that our strategy and the resources we have already created and shared about our climate and nature journey can help inspire your own work:

Salesforce's <u>Climate Action Plan</u> is our strategy for a net zero future, and strongly informed our Nature Positive Strategy by identifying areas where we had outsized opportunity for impact.

Our <u>Nature Policy Priorities</u> guide advocacy and policy engagement on issues that help protect the world's natural ecosystems and build community resilience for a more just and equitable world. The priorities build on and support Salesforce's <u>Global</u> <u>Climate Policy Priorities</u>.

Our <u>Carbon Credit Journey</u> details our perspective on the role of carbon credits, and the opportunity to support nature-based solutions, including guidance for high-integrity nature-based solutions.

The <u>High-Ouality Blue Carbon</u> <u>Principles and Guidance</u> which we co-sponsored offers a shared vision for the scaling of the blue carbon market toward optimizing outcomes for people, nature, and climate.

Accelerating nature positive through collaboration.

We need to see more finance channeled toward nature-based solutions and the ecopreneurs addressing both the climate and nature crises. And we will only make progress if we collaborate, share lessons, and join together to implement action. Join us in supporting impact at scale:

Join 1t.org in accelerating the trillion tree movement with integrity. 1t.org provides a global learning platform where we can all improve our approach to forest ecosystem conservation and restoration, with benefits for people, nature, and climate. The <u>1t.org</u> Corporate Alliance offers a space for businesses to exchange knowledge on priority topics with corporate peers and sector experts, learn about standards and tools for socially and ecologically responsible actions, find high-quality projects for investments, and engage in partnerships to support 1t.org's priority regions.

Buying quality carbon credits is hard, but it shouldn't be. We're trying to make it simpler. That's why in 2021 we helped create the Business Alliance for Scaling Climate Solutions (BASCS), which aims to gather and disseminate information and opportunities for and from peers, practitioners, and experts, including sharing best practices, funding opportunities, and using research and insights to scale and improve climate solutions, including via carbon credits.

Support the growing ecopreneur revolution and scaling climate and nature solutions. We need to spark an ecopreneur revolution to inspire, enable, and foster new ideas and technologies to generate the change we cannot yet achieve, and ensure those ideas are supported and invested in during the early stages. Submit an innovative nature-based solution to conserve our forests and restore our landscapes via <u>UpLink</u>, or support a nature-focused UpLink Challenge.

We need policies that address how we protect, restore, and enhance the world's natural ecosystems. We work with Business for Nature and other groups to advocate for policies in line with our <u>Nature Policy</u> <u>Priorities</u>.



Join us in advancing a net zero, nature positive future. Get started at

salesforce.com/sustainability.

