



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

March 18, 2025

Ronald O. Mueller
Gibson, Dunn & Crutcher LLP

Re: Salesforce, Inc. (the "Company")
Incoming letter dated March 17, 2025

Dear Ronald O. Mueller:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by James McRitchie (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its February 3, 2025 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: James McRitchie

February 3, 2025

VIA ONLINE PORTAL SUBMISSION

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: *Salesforce, Inc.*
Stockholder Proposal of James McRitchie
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, Salesforce, Inc. (the “Company”), intends to omit from its proxy statement and form of proxy for its 2025 Annual Meeting of Stockholders (collectively, the “2025 Proxy Materials”) a stockholder proposal (the “Proposal”) and statement in support thereof (the “Supporting Statement”) submitted by James McRitchie (the “Proponent”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2025 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal states:

Resolved, shareholders of Salesforce, Inc. (“Salesforce” or “Company”) request the preparation of a report to shareholders, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Salesforce used for (a) direct or indirect lobbying or (b) grassroots lobbying communications. This would include the recipient and the amount of the payment for indirect lobbying through a trade association.
3. A description of management and Board decision-making processes and oversight for making payments described in section 2 above, as well as a description of actions taken by the Company when lobbying efforts of trade associations and social welfare groups, receiving Company payments, contradict the Company's public position.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation, and (c) encourages the communication recipient to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Salesforce is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state, and federal levels.

The report shall be presented to the Nominating and Governance Committee and posted on the company website.

The Supporting Statement asserts, "Full disclosure of [the Company's] lobbying activities and expenditures is needed to assess whether the [C]ompany's lobbying is consistent with its expressed goals and in shareholders' best interests." While it commends the Company's public policy reporting (which includes the Company's U.S. Political Engagement Report), the Supporting Statement also asserts that the "excellent Public Policy report should be expanded to provide disclosure of state lobbying expenditures" and that the Company's "report[ing] should be expanded to include a description of actions taken when third-party groups receiving Company payments contradict the Company's public position."

A copy of the Proposal and the Supporting Statement is attached to this letter as Exhibit A.

BASIS FOR EXCLUSION

For the reasons discussed below, the Proposal properly may be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal seeks to micromanage the Company.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because The Proposal Relates To The Company's Ordinary Business Operations And Seeks To Micromanage The Company.

A. Background On The Ordinary Business Standard.

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a stockholder proposal that relates to the company's "ordinary business" operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and identified two central considerations that underlie this policy. *Id.* The first of those considerations is that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." The second consideration concerns "the degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)).

With respect to the micromanagement prong of Rule 14a-8(i)(7), the 1998 Release further states that "[t]his consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific . . . methods for implementing complex policies." In Staff Legal Bulletin No. 14L (Nov. 3, 2021) ("SLB 14L"), the Staff stated that in considering arguments for exclusion based on micromanagement, the Staff "will focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management." The Staff stated that in assessing whether proposals are appropriate for stockholder action, it also would consider "references to well-established national or international frameworks when assessing proposals related to disclosure." *Id.* The Staff's approach "is consistent with the Commission's views on the ordinary business exclusion, which is designed to preserve management's discretion on ordinary business matters but not prevent shareholders from providing high-level direction on large strategic corporate matters." *Id.*

B. The Proposal Is Excludable Because It Seeks To Micromanage The Company.

The Staff has determined that proposals that seek to impermissibly micromanage a company "by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment" are excludable under

Rule 14a-8(i)(7), regardless of whether the proposal addresses a significant social policy. 1998 Release. The Staff has repeatedly confirmed that the micromanagement basis of exclusion also applies to proposals that call for a study or report and, therefore, a proposal that seeks an intricately detailed study or report may be excluded on micromanagement grounds. In assessing whether a proposal micromanages by seeking to impose specific methods for implementing complex policies, the Staff evaluates not just the wording of the proposal but also the action called for by the proposal and the manner in which the action called for under a proposal would affect a company's activities and management discretion. See *The Coca-Cola Co.* (avail. Feb. 16, 2022) and *Deere & Co.* (avail. Jan. 3, 2022) (each of which involved a broadly phrased request but required detailed and intrusive actions to implement). See also *Phillips 66* (avail. Mar. 20, 2023) (concurring with the exclusion of a proposal requesting an audited report describing the undiscounted expected value to settle obligations for the company's asset retirement obligations with indeterminate settlement dates, where the no-action request described the extent to which preparation of the report would probe deeply into complex matters); *Valero Energy Corporation* (avail. Mar. 20, 2023) (same).

Notably, the Staff recently concurred that two substantially similar proposals submitted to *Air Products and Chemicals, Inc.* (avail. Nov. 29, 2024) and *HP Inc.* (avail. Jan. 21, 2025) could be excluded pursuant to Rule 14a-8(i)(7) on micromanagement grounds. Here, the Proposal is substantially similar to the proposals in *Air Products* and *HP* but seeks even more intricate detail and probes too deeply into matters of a complex nature, and accordingly, the same analysis as in *Air Products* and *HP* should apply in the instant case.

Further, as noted in the *Air Products* no-action request, the Staff has also granted relief on micromanagement grounds with respect to numerous proposals requiring reporting of information that is significantly less complex than the report demanded by the Proposal. See, e.g., *Delta Air Lines, Inc.* (avail. Apr. 24, 2024) (concurring with the exclusion of a proposal requiring a report regarding "union suppression expenditures," including internal and external expenses); *Paramount Global (National Center for Public Policy Research)* (avail. Apr. 19, 2024) (concurring with the exclusion of a proposal requesting disclosure of the recipients of corporate charitable contributions of \$5,000 or more); *Walmart Inc. (Green Century Capital Management)* (avail. Apr. 18, 2024) (concurring with the exclusion of a proposal requiring a breakdown of greenhouse gas emissions for different categories of products in a manner inconsistent with existing reporting frameworks); *Amazon.com, Inc.* (avail. Apr. 1, 2024) (concurring with the exclusion of a proposal calling for a detailed living wage report); *Amazon.com, Inc.* (avail. Apr. 7, 2023) (concurring with the exclusion of a proposal requesting the company measure and disclose scope 3 greenhouse gas emissions from the company's full value chain).

Like the proposals in *Air Products* and *HP*, the Proposal seeks to micromanage the Company by prescribing what information the Company discloses regarding its lobbying activity. In the words of SLB 14L, the Proposal goes beyond "providing high-level direction on large strategic corporate matters" and instead seeks a level of granularity that "inappropriately limits discretion of the board or management."

The Company's U.S. Political Engagement Report (the "Political Engagement Report") is a detailed report of the Company's corporate political spending, which is updated twice yearly and published on the Company's website.¹ The Political Engagement Report addresses the Company's lobbying activities, including listing its policy priorities and setting forth links for obtaining copies of its quarterly federal lobbying activity reports filed with the U.S. Senate and the U.S. House of Representatives, describes its engagement with trade associations and social welfare organizations, and reports that the Nominating and Corporate Governance Committee of its Board of Directors (the "Board") reviews the Company's policy on political expenditures and payments to trade associations and other tax-exempt organizations that may be used for political purposes. In addition, the Political Engagement Report includes more than 70 pages of historical data on its political contributions, contributions to social welfare groups, and membership status with non-U.S. trade associations, with detailed information on the amounts contributed in recent years (either by amount or by range of amounts) and amounts paid to U.S. trade associations that were used for lobbying or other non-deductible purposes. As a result of these disclosures, the Company recently earned a "Trendsetter" designation² in the *CPA-Zicklin Index of Corporate Political Disclosure and Accountability* (the "CPA-Zicklin Index"), which ranks companies' policies and practices on political disclosure and accountability.

Notwithstanding these disclosures, the Proposal seeks to micromanage the Company with respect to how it reports on its lobbying activity, requesting a highly prescriptive and detailed report that requires additional extensive information to be assembled and published. In particular, the Proposal requests an annual report on the Company's lobbying activities and payments, which is to cover three broad categories of information, each of which covers a wide range of detailed information that, based on the definitions in the Proposal, "include[s]" activities at the local, state, and federal levels.

- The first category of information to be reported on is the Company's "policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications."
- The second category of information to be reported on encompasses all payments used for direct or indirect lobbying or grassroots lobbying communications, including "the amount of the payment for indirect lobbying through a trade association," regardless of how small the amount paid to each recipient was. The Proposal defines "indirect lobbying" as "lobbying engaged in by a trade association or other organization of which [the Company] is a member" and "grassroots lobbying communications" as any "communication directed to the general public" that satisfies a three-pronged test. The Proposal's definitions of both "direct and indirect lobbying" and "grassroots lobbying communications" would include all the foregoing information at the local, state and

¹ Available at https://www.salesforce.com/content/dam/web/en_us/www/documents/legal/no-index/2024-political-engagement-report.pdf.

² The CPA-Zicklin Index defines "Trendsetters" as "[c]ompanies that receive a score of 90 or above indicating robust disclosure and oversight." In 2024, Salesforce scored 94.3 on the CPA-Zicklin Index.

federal levels. The Proposal also demands that the Company expand its reporting to provide additional “disclosure of state lobbying expenditures.”

- The third category of information is a discussion of management and the Board “decision-making process” and “oversight” for payments covered by the second category. The Proposal also demands that the Company expand its reporting to describe “when lobbying efforts of trade associations and social welfare groups, receiving Company payments, contradict the Company’s public position.”

Finally, the Proposal dictates the manner in which the report would be reviewed by the Board and disclosed to the public every year. While worded differently, the Proposal calls for the same information as the proposals in *Air Products* and *HP*. For example, although the *Air Products* and *HP* proposals specifically requested reporting with respect to the company’s membership in and payments to any tax-exempt organization that writes or endorses model legislation, the Proposal’s language is broad enough to encompass payments made to such organizations, given that the Proposal defines “indirect lobbying” as “lobbying engaged in by a trade association or *other* organization of which [the Company] is a member” (emphasis added). Moreover, the Proposal adds an additional element requiring the report to describe any action taken by the Company when any “lobbying efforts” of any trade association or social welfare group to which the Company makes payments contradict the Company’s public position. This additional informational request on its own would require extensive efforts by the Company to implement procedures to identify and track every lobbying effort conducted by a covered organization (of which there were more than 60 in 2024) and to assess whether such effort “contradicts” one of the Company’s public policy positions.

The highly prescriptive nature of the Proposal requiring additional extensive and detailed information, just like that of the proposals in *Air Products* and *HP*, would micromanage the manner in which the Company tracks, discloses, and oversees its lobbying initiatives. For example, the Proposal’s definition of “grassroots lobbying communications” may differ from the standard applied by the Company under the laws of various states or in non-U.S. jurisdictions where it must report its lobbying activity. In addition, the Proposal would require the Company to annually collect and report a significant amount of information from third parties with respect to their activities. In doing so, the Proposal would require the Company to alter how it tracks, reports, and oversees its involvement with trade associations, social welfare groups, and nonprofits that may be involved in lobbying activities. For example, the Company has varied its reporting on indirect lobbying through trade associations over time, initially determining that it would be appropriate to disclose the financial ranges for membership dues of U.S. trade associations in 2020 and subsequently determining to provide additional information regarding amounts used for non-deductible expenses in 2024. However, by seeking mandatory disclosure of the amount of all such payments that these organizations use for lobbying purposes, the Proposal would not permit the Company to vary its reporting over time based on the best interests of the Company and its stockholders. In this regard, the Proposal supplants management’s judgment and seeks to dictate how the Company oversees and manages its dealings with such organizations.

If adopted, the Proposal would delve into and impact the complex and detailed considerations that bear on the Company's tracking, reporting, and oversight of lobbying activities in a way that goes far beyond "providing high-level direction on large strategic corporate matters" and instead seeks granular details that are not required by the Commission, do not follow applicable legal frameworks for reporting lobbying activities, and are significantly more detailed than the disclosures provided by the Company's peers.

As with the proposals in *Air Products* and *HP*, the Proposal would be unduly burdensome to implement by requiring the Company to provide granular disclosure of prescribed lobbying activities every year without regard to their relevance to the Company's operations, or even with respect to their significance to the Company's overall government relations activities, and without regard to how the Company has chosen to structure its oversight of such activities. For example, the Company would need to track every lobbying effort by each recipient organization, assess each of those lobbying activities for consistency with the Company's own public policy positions, and then identify and describe any action taken that might be viewed as having been related to any such contradiction, without any regard to the financial significance or relevance of such information. In addition, the Proposal ignores the fact that lobbying activities, as well as decisions to make payments to other organizations that are or may be engaged in lobbying activities, are highly complex and based on a range of considerations related to the day-to-day operations of the business. The Proposal does not rely upon "well-established national or international frameworks" for reporting, but instead differs from the standards for disclosure under the Lobbying Disclosure Act and similar state and foreign requirements, pursuant to which the Company already files publicly accessible reports as prescribed by law. The Proposal even mandates the annual governance process through which the Board would oversee this reporting, as the Proposal would dictate that the report be provided to the Nominating and Corporate Governance Committee, regardless of the Board oversight structure the Company determines is appropriate from time to time.

In short, the Proposal, like the proposal in *Air Products* and *HP*, seeks to micromanage the Company by probing too deeply into matters of a complex nature in seeking disclosure of the intricate details of the manner in which the Company reports on lobbying activities, without providing the Company with any discretion to choose the form, substance, or manner of its disclosure. The Proposal does not "preserve management's discretion on ordinary business matters" and does not seek to provide "high-level direction on large strategic corporate matters." Furthermore, the Proposal seeks to interject stockholders into the complex decision-making process of how best to support the execution of the Company's projects and engage with community, regulatory, and legislative stakeholders on such matters and "inappropriately limits discretion of the [B]oard or management" in tracking, reporting on, and overseeing these matters. Accordingly, the Proposal should be excluded under Rule 14a-8(i)(7) because it seeks to micromanage the Company with respect to its lobbying activities and related disclosures.

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposal from its 2025 Proxy Materials, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671.

Sincerely,



Ronald O. Mueller

Enclosures

cc: Scott Siamas, Salesforce, Inc.
John Chevedden
James McRitchie

GIBSON DUNN

EXHIBIT A

[CRM: Rule 14a-8 Proposal, December XX, 2024]

[This line and any line above it – *Not* for publication. *Proposal number to be assigned by Company.]

ITEM 4* — Lobbying Disclosure



Resolved, shareholders of Salesforce, Inc. ("Salesforce " or "Company") request the preparation of a report to shareholders, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Salesforce used for (a) direct or indirect lobbying or (b) grassroots lobbying communications. This would include the recipient and the amount of the payment for indirect lobbying through a trade association.
3. A description of management and Board decision-making processes and oversight for making payments described in section 2 above, as well as a description of actions taken by the Company when lobbying efforts of trade associations and social welfare groups, receiving Company payments, contradict the Company's public position.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation, and (c) encourages the communication recipient to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Salesforce is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state, and federal levels.

The report shall be presented to the Nominating and Governance Committee and posted on the company website.

Supporting Statement

Full disclosure of Salesforce lobbying activities and expenditures is needed to assess whether the company's lobbying is consistent with its expressed goals and in shareholders' best interests. Salesforce spent \$8.7 Million from 2021 – 2024 on federal lobbying and Open Secrets listed them as in the top 198 out of 9,025 companies lobbying. That amount does not include state lobbying, where Salesforce also lobbies, but disclosure is uneven or absent.

Salesforce commendably states its public policy advocacy is guided by its commitment to equality and Sustainability. Salesforce already publishes a substantial Public Policy report. *That excellent Public Policy report should be expanded to provide disclosure of state lobbying expenditures.*

Companies can give unlimited amounts to third-party groups that spend millions on lobbying and undisclosed grassroots activity.¹ Salesforce does a good job of disclosing categories of individual payments to trade associations and social welfare groups such as the Business Roundtable and US Chamber of Commerce, which together spent over \$89 million on federal lobbying for 2023.

However, reputational damage stemming from misalignments with third-party groups could harm shareholder value. Salesforce is a real leader in addressing climate change, but the Business Roundtable filed an amicus brief opposing the Securities and Exchange Commission climate risk disclosure rules,² and the Chamber opposed the Paris Climate Accord.

Our Company produces an exceptional Sustainability report. *To address reputational risks, the Sustainability report should be expanded to include a description of actions taken when third-party groups receiving Company payments contradict the Company's public position.*

**Enhance Shareholder Reputation and Value, Vote FOR
Lobbying Disclosure – Proposal [4*]**

Except for footnotes, this line and any line below are not for publication.
Number 4* to be assigned by the Company

The above graphic is intended to be published with the rule 14a-8 proposal. It would be the same size as the largest management graphic (or highlighted management text) used in conjunction with a management proposal or opposition to a Rule 14a-8 shareholder proposal in the proxy.

The proponent is willing to discuss mutual elimination of both shareholder graphic and any management graphic in the proxy regarding this specific proposal. Reference SEC Staff Legal Bulletin No. 14I (CF) [16].

Companies should not minimize or otherwise diminish the appearance of a shareholder's graphic. For example, if the Company includes its own graphics in its proxy statement, it should give similar prominence to a shareholder's graphics. If a company's proxy statement appears in black and white, however, the shareholder proposal and accompanying graphics may also appear in black and white.

Notes: This proposal is believed to conform with Staff Legal Bulletin No. [14B](#) (CF), September 15, 2004, including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(i)(3) in the following circumstances:

- the Company objects to factual assertions because they are not supported;
- the Company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;

¹ <https://theintercept.com/2019/08/06/business-group-spending-on-lobbying-in-washington-is-at-least-double-whats-publicly-reported/>.

² <https://www.eenews.net/articles/investors-question-business-roundtables-climate-rule-battle/>.

■ James McRitchie

- the Company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the Company, its directors, or its officers; and/or
- the Company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

It is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also Sun Microsystems, Inc. (July 21, 2005)

I also take this opportunity to remind you of the SEC's guidance and my request that you acknowledge receipt of this shareholder proposal submission. SLB 14L Section F, <https://www.sec.gov/corpfin/staff-legal-bulletin-14l-shareholder-proposals>, Staff "encourages both companies and shareholder proponents to acknowledge receipt of emails when requested."

March 17, 2025

VIA ONLINE PORTAL SUBMISSION

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: *Salesforce, Inc.*
Stockholder Proposal of James McRitchie
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

In a letter dated February 3, 2025 (the “No-Action Request”), we requested that the staff of the Division of Corporation Finance concur that our client, Salesforce, Inc. (the “Company”), could exclude from its proxy statement and form of proxy for its 2025 Annual Meeting of Stockholders a stockholder proposal (the “Proposal”) and statement in support thereof submitted by James McRitchie (the “Proponent”). The Proponent, whom we have copied on this submission, has withdrawn the Proposal. In reliance thereon, we hereby withdraw the No-Action Request.

Please do not hesitate to call me at (202) 955-8671 if you have any questions.

Sincerely,



Ronald O. Mueller

Enclosure

cc: Scott Siamas, Salesforce, Inc.
James McRitchie