



DIVISION OF  
CORPORATION FINANCE

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

March 12, 2025

Ronald O. Mueller  
Gibson, Dunn & Crutcher LLP

Re: Salesforce, Inc. (the "Company")  
Incoming letter dated March 11, 2025

Dear Ronald O. Mueller:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by the Vermont Pension Investment Commission (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 Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its February 3, 2025 request for a no-action letter from the Division.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: Maureen O'Brien  
Segal Marco Advisors

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 the Vermont Pension Investment Commission*  
*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 the Vermont Pension Investment Commission (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 request that the Board of Directors publicly disclose how criteria are used to increase or decrease the magnitude of the company's senior executive officer target compensation awards in addition to the use of peer group analysis. This report shall specify how much the target compensation award amounts varied from the company's peer group analysis, explain the specific rationale for such adjustments, be prepared at a reasonable cost, and omit information that is proprietary, privileged, or violative of contractual obligations.

The Supporting Statement explains that the "[P]roposal seeks additional information about how our [C]ompany determines the appropriate quantum or magnitude of senior executive compensation" and asserts that "executive compensation levels should be set according to the best interests of our [C]ompany and not driven solely by peer group benchmarks." While acknowledging that the Company does not rely exclusively on such benchmarks to set target compensation, the Supporting Statements asserts that "the Board should quantify how criteria in addition to peer group analysis determines the range of executive compensation target amounts or explain why it does not."

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

## BASES 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; and
- Rule 14a-(i)(10) because the Company has substantially implemented the Proposal.

## ANALYSIS

### **I. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because The Proposal 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.* 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.

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

The Proposal does not allow stockholders to provide "high-level direction on large strategic corporate matters," but instead seeks to impose a specific method for how the Company sets and reports on its executive compensation determinations, which would inappropriately limit the discretion of the Compensation Committee of the Company's Board of Directors (the "Compensation Committee") in designing and administering an executive compensation program that attracts and retains talent, aligns the interests of the Company's named executive officers with those of stockholders, and helps drive the Company's overall business strategy. Specifically, in requesting a report on "how criteria are used to increase or decrease the magnitude of the [C]ompany's senior executive officer target compensation awards" that includes (i) a discussion of "how much the target compensation award amounts varied from the

[C]ompany's peer group analysis," (ii) an explanation of "the specific rationale for such adjustments," and (iii) quantification of "how criteria in addition to peer group analysis determines the range of executive compensation target amounts," the Proposal effectively seeks to dictate a rigid approach to setting and reporting on executive compensation that would force the Compensation Committee to start by benchmarking compensation against a peer group analysis to set target compensation levels and then apply other factors in a quantitative manner to adjust those levels upwards or downwards. As a result, the Proposal seeks to micromanage the Company's actions and disclosures in a way that is fundamentally different from the Company's long-standing approach to determining executive compensation and reporting on those determinations.

The Company provides comprehensive disclosures regarding its executive compensation determinations each year in its proxy statement. In the 20-page Compensation Discussion and Analysis section ("CD&A") of the Company's Proxy Statement filed on May 16, 2024 (the "2024 Proxy Statement"),<sup>1</sup> the Company provides detailed disclosures on the Company's compensation program, including its compensation philosophy and practices, compensation-setting process and the role of the Compensation Committee and external advisors, compensation policies, and the impact of considerations such as stockholder engagement, tax and accounting, as well as the compensation elements for the named executive officers and their target and actual compensation. Importantly, consistent with Item 402(b)(1)(v) of Reg S-K, the CD&A discusses how the Compensation Committee determines the target amount of each element of compensation, including how it considers factors such as Company and individual performance, the executive's role and experience, internal compensation alignment, peer analysis, and broader market data.<sup>2</sup>

In terms of how it sets executive compensation, the Compensation Committee takes a holistic approach, applying its judgment to consider peer group analysis along with a number of other factors. As noted in the CD&A, the Company considers "[p]eer and market data [as] a helpful reference . . . to assess the competitiveness and appropriateness of our Executive Officer compensation program." However, contrary to the Proposal's suggestion that the Company simply "target[s] their executive compensation above median," the CD&A explains that "the Compensation Committee applies its own business judgment and experience to determine the individual compensation elements, the amount of each compensation element and total target compensation" of its named executive officers and that "target and actual total direct compensation of our NEOs, as well as individual compensation elements, may be within, below or above the market range for their positions."<sup>3</sup> Thus, peer group benchmarking is not used, as would be dictated by the Proposal, as the initial benchmark or reference point against which other factors are applied to increase or decrease target compensation, and instead peer group

---

<sup>1</sup> Available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/1108524/000119312524140549/d26900ddef14a.htm>.

<sup>2</sup> 2024 Proxy Statement at 48.

<sup>3</sup> *Id.* at 59.

compensation is just one of many factors considered subjectively when determining target compensation. In this regard, neither base salaries, target cash bonuses nor target equity award levels for the Company's named executive officers for fiscal 2024 were determined solely through peer group benchmarking. As noted in the CD&A:

- With respect to base salary and target cash bonus opportunities, “[b]efore setting fiscal 2024 base salaries and bonus opportunities, the Compensation Committee conducted a review of our executive compensation program. Based on this review, and to reflect fiscal 2023 performance, the Compensation Committee determined not to change any of the NEOs’ fiscal 2024 base salaries or target bonus opportunities.”<sup>4</sup>
- With respect to target equity award levels, “[a]fter considering the factors discussed above, particularly Company performance in fiscal 2023, the Compensation Committee made across-the-board reductions (compared to fiscal 2023 values) to the intended total target values of the fiscal 2024 annual long-term equity awards for such NEOs, other than as contractually required . . . .”<sup>5</sup>

The Proposal's request for granular details with respect to how target compensation levels vary from the levels suggested by the Company's peer group analysis, the rationale for the variance, and the quantitative impact of each other factor the Compensation Committee considers on an executive's compensation would effectively impose upon the Company a fundamentally different approach to compensation decision-making and reporting. In contrast to the Compensation Committee's holistic approach that considers a range of factors and balances their relative importance from year-to-year based on the best interests of the Company and its stockholders, the approach dictated by the Proposal would impose an undue focus on the peer group analysis, mandating that this be the starting point for determining target compensation levels, and then require arbitrary quantification of the impact each other factor considered by the Compensation Committee has in causing target compensation to deviate from the peer group analysis. In this regard, the Proposal addresses a complex, multifaceted issue by imposing a rigid and formulaic standard that differs from the approach the Company believes is best suited to determining and disclosing executive compensation, thereby impermissibly limiting the discretion of the Compensation Committee. The Proposal thus falls clearly within the scope of the 1998 Release by prescribing a specific method for implementing complex policies and, as phrased in SLB 14L, “inappropriately limits discretion of the board or management.”

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

---

<sup>4</sup> 2024 Proxy Statement at 48.

<sup>5</sup> *Id.* at 55.



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 has concurred with the exclusion based on micromanagement of proposals that, similar to the Proposal, seek to supplant the board's discretion on a matter of executive compensation. For example, in *AT&T Inc. (Gaglione)* (avail. Mar. 15, 2023), the Staff concurred with the exclusion of a proposal requesting the company's board adopt a policy of obtaining stockholder approval for any future agreements and corporate policies that could oblige the company to make payments or awards following the death of a senior executive. There, the company argued that the proposal inappropriately limited the discretion of the company's board in determining executive compensation benefits, going beyond "seeking detail or seeking to promote a timeframe," and instead imposed a singular method by which the company could approve payments or awards to certain executives in the event of their death. Like in *AT&T*, exclusion of the Proposal is consistent with a long line of precedents where the Staff has concurred that attempts to dictate specific features of executive compensation seek to micromanage a company to an extent inconsistent with the standards of Rule 14a-8(i)(7). See, e.g., *Rite Aid Corp.* (avail. Apr. 23, 2021, *recon. denied* May 10, 2021) (concurring with the exclusion of a proposal that requested the board adopt a policy that would prohibit equity compensation grants to senior executives when the company's common stock had a market price lower than the grant date market price of any prior equity compensation grants to such executives, where the company argued that the proposal prescribed specific limitations on the ability of its compensation committee "to make business judgments, without any flexibility or discretion," and restricted the compensation committee from "making any equity compensation grants to senior executives in certain instances without regard to circumstances and the committee's business judgment."); *Gilead Sciences, Inc.* (avail. Dec. 23, 2020) (concurring with the exclusion of a proposal recommending the company reduce its named executive officer pay ratios each year until they reached 20 to 1, where the company argued the terms of the proposal were prescriptive and would unduly limit the ability of management and the board to manage complex matters with a level of flexibility necessary to fulfill fiduciary duties to shareholders); *Comcast Corp.* (avail. Apr. 1, 2020) (concurring with the exclusion of a proposal reducing a company's CEO pay ratio by 25-50%); *JPMorgan Chase & Co.* (avail. Mar. 22, 2019) (concurring with the exclusion of a proposal that requested the board adopt a policy prohibiting the vesting of equity-based awards for senior executives who voluntarily resigned to enter government service); *AbbVie Inc.* (avail. Feb. 15, 2019) (concurring with the exclusion of a proposal requesting a policy to prohibit financial performance metric adjustments to exclude legal or compliance costs for the purposes of determining senior executive incentive compensation, noting that the proposal "would prohibit any adjustment of the broad categories of expenses covered by the [p]roposal without regard to specific circumstances or the possibility of reasonable exceptions"). Like these precedents, the Proposal would require the Company to

change how it determines executive compensation by replacing the Compensation Committee's existing holistic approach to setting target levels with a process dictated by the Proposal.

Moreover, the Proposal micromanages the Company through the extent of detailed disclosure it would require. The Staff has recently concurred in the exclusion of proposals that requested the creation of a highly detailed report disclosing significant and extensive information. For example, in *Air Products and Chemicals, Inc.* (avail. Nov. 29, 2024) and *HP Inc.* (avail. Jan. 21, 2025), the Staff concurred with exclusion on micromanagement grounds of two proposals that requested a highly prescriptive and detailed report requiring dozens of distinct categories of information to be assembled and published regarding policies, procedures, and payments related to the respective company's direct and indirect lobbying and grassroots lobbying communications. Each company noted that the prescriptive nature of the respective proposal sought to micromanage the manner in which the company reported on its lobbying activities, by requiring complex and unduly burdensome actions to implement and requesting intricate disclosures that "[were] not required by the Commission and [did] not follow any established framework for reporting lobbying activities." Similarly, in *The Home Depot, Inc. (Jessica Wrobel)* (avail. Mar. 21, 2024), the Staff concurred with the exclusion of a proposal that asked the company to prepare a highly detailed Living Wage Report, including the number of workers paid less than a living wage broken down into specified categories, by how much the aggregate compensation paid to workers in each category falls short of the aggregate amount they would be paid if they received a living wage, and the living wage benchmark or methodology used for such disclosures. The company argued that the proposal would limit management's discretion in how it publicly addressed the value of the compensation and benefits its workers receive by dictating an unusual and highly prescriptive format and requesting granular details without reference to an established framework. See also *Amazon.com, Inc.* (avail. Apr. 1, 2024) (same).

As with the requested reports in *Air Products*, *HP*, and *Home Depot*, the Proposal requires the creation of a highly detailed report that would include extensive information regarding the Company's executive compensation practices at a level of granularity that probes too deeply into matters of a complex nature. Specifically, the Proposal requests a report on "how criteria are used to increase or decrease the magnitude of the [C]ompany's senior executive officer target compensation awards" and should include (i) a discussion of "how much the target compensation award amounts varied from the [C]ompany's peer group analysis," (ii) an explanation of "the specific rationale for such adjustments," and (iii) quantification of "how criteria in addition to peer group analysis determines the range of executive compensation target amounts or explain why it does not." The highly prescriptive and detailed report requested by the Proposal would require the Company to disclose extensive information about every factor it considers when setting each element of executive compensation for each executive. For example, for purposes of determining an executive's base salary, the CD&A notes that the Compensation Committee considers the following factors:

- a review of broader market survey data;



- the overall compensation that each executive may potentially receive during employment with the Company;
- Company and individual performance;
- the role, responsibility, and experience of each executive;
- the level, scope, and objectives of each executive's position; and
- internal compensation alignment.<sup>6</sup>

Thus, with respect to the Company's determination of base salary, which is only one element of the Company's broader executive compensation program, the Proposal would require the Company to disclose, with respect to each of the above factors, "how [the factor is] used to increase or decrease the magnitude of" base salary in relation to the peer group data, quantify such adjustments and explain "the specific rationale for such adjustments." This process would need to be repeated for each element of executive compensation, including each executive's annual performance-based cash bonus and grant of long-term equity incentives (including stock options, restricted stock units, and performance-based restricted stock units). As disclosed in the Company's CD&A, the Compensation Committee considers more than 25 unique factors when evaluating an executive's compensation. A chart detailing the numerous factors the Compensation Committee considers with respect to each element of compensation is set forth in Annex A. The report requested by the Proposal would require the analysis described above for each factor with respect to each compensation element, on an executive-by-executive basis.

Moreover, the Proposal would require this analysis even if the impact of any given factor on the "increase or decrease" of the executive's compensation is immaterial, as the report does not provide a *de minimis* threshold nor any materiality qualifier. In this regard, the Proposal goes beyond, and is inconsistent with, the well-established disclosure standards promulgated by the Commission in Item 402 of Regulation S-K. Specifically, Item 402(b)(1) of Regulation S-K provides that a company's discussion and analysis of compensation "shall explain all *material* elements of the [Company]'s compensation of the named executive officers" (emphasis added), and Item 402(b)(2)(ix) of Regulation S-K requires disclosure of "[t]he factors considered in decisions to increase or decrease compensation *materially*" (emphases added).

Importantly, 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., *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. 7, 2023, *recon. denied* Apr. 20, 2023) (concurring with the

---

<sup>6</sup> 2024 Proxy Statement at 48.

exclusion of a proposal requesting the company measure and disclose scope 3 greenhouse gas emissions from the company's full value chain).

In summary, like in *AT&T*, *Air Products*, *Home Depot*, and the other precedents cited above, the Proposal seeks to micromanage the Company by effectively prescribing a specific process for how the Compensation Committee sets target compensation levels and seeking a highly detailed report with granular details that are not required to be disclosed under the Commission's rules. In the words of SLB 14L, the Proposal goes beyond "providing high-level direction on large strategic corporate matters" and "inappropriately limits discretion of the board or management" in analyzing, reporting on, and overseeing complex matters as to the design and implementation of the Company's executive compensation programs. Accordingly, the Proposal should be excluded under Rule 14a-8(i)(7) because it seeks to micromanage the Company with respect to its executive compensation decision-making and related disclosures.

## **II. The Proposal May Be Excluded Under Rule 14a-8(i)(10) Because The Company Has Substantially Implemented The Proposal.**

### *A. The Substantial Implementation Standard.*

Rule 14a-8(i)(10) permits a company to exclude a stockholder proposal from its proxy materials if the company has "substantially implemented" the proposal. The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." Exchange Act Release No. 12598 (July 7, 1976) ("1976 Release"). Originally, the Staff narrowly interpreted this predecessor rule and concurred with the exclusion of a proposal only when proposals were "'fully' effected" by the company. See Exchange Act Release No. 19135 (Oct. 14, 1982). By 1983, the Commission recognized that the "previous formalistic application of [the Rule] defeated its purpose" because proponents were successfully avoiding exclusion by submitting proposals that differed from existing company policy in minor respects. Exchange Act Release No. 20091, at § II.E.6. (Aug. 16, 1983) ("1983 Release"). Therefore, in the 1983 Release, the Commission adopted a revised interpretation of the rule to permit the omission of proposals that had been "substantially implemented," and the Commission codified this revised interpretation in 1998 Release, at n.30.

Applying this standard, when a company can demonstrate that it already has taken actions to address the underlying concerns and essential objectives of a stockholder proposal, the Staff has concurred that the stockholder proposal has been "substantially implemented" and may be excluded as moot. The Staff has noted that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Walgreen Co.* (avail. Sept. 26, 2013); *Texaco, Inc. (Recon.)* (avail. Mar. 28, 1991).

At the same time, a company need not implement a proposal in exactly the same manner set forth by the proponent. In *General Motors Corp.* (avail. Mar. 4, 1996), the company observed that the Staff had not required that a company implement the action requested in a proposal exactly in all details but had been willing to issue no-action letters under the predecessor of Rule 14a-8(i)(10) in situations where the “essential objective” of the proposal had been satisfied. The company further argued, “[i]f the mootness requirement [under the predecessor rule] were applied too strictly, the intention of [the rule]—permitting exclusion of ‘substantially implemented’ proposals—could be evaded merely by including some element in the proposal that differs from the registrant’s policy or practice.” Therefore, if a company has satisfactorily addressed both the proposal’s underlying concerns and its “essential objective,” the proposal will be deemed “substantially implemented” and, therefore, may be excluded. See, e.g., *Quest Diagnostics, Inc.* (avail. Mar. 17, 2016); *Exelon Corp.* (avail. Feb. 26, 2010); *Anheuser-Busch Companies, Inc.* (avail. Jan. 17, 2007); *ConAgra Foods, Inc.* (avail. July 3, 2006); *Johnson & Johnson* (avail. Feb. 17, 2006); *Talbots* (avail. Apr. 5, 2002); *Masco Corp.* (avail. Mar. 29, 1999); *The Gap, Inc.* (avail. Mar. 8, 1996). This is consistent with recent statements from the Commission. In Exchange Act Release No. 95267 (July 13, 2022), the Commission proposed to amend Rule 14a-8(i)(10) to provide that proposals would be excludable if a company has already implemented the “essential elements” of the proposal. While the Commission has not adopted that proposed amendment, it is notable that the Commission stated that even under the proposed standard, “a proposal need not be rendered entirely moot, or be fully implemented in exactly the way a proponent desires, in order to be excluded . . . if the differences between the proposal and the company’s actions are not essential to the proposal.”

*B. The Company’s Existing Disclosures In The 2024 Proxy Statement Substantially Implement The Proposal.*

To the extent that the Proposal is requesting disclosure of how the Company sets target executive compensation and, more specifically, the impact of “peer group analysis” on such decisions, the Company already provides extensive disclosure in the CD&A addressing the disclosures requested by the Proposal.<sup>7</sup> In this regard, pages 58 to 59 of the CD&A in the 2024 Proxy statement describe in great detail the role of each of the Compensation Committee, committee advisors, executive officers, and *peer companies* in the compensation-setting process. Specifically, with respect to “peer group analysis,” the CD&A provides the following:

---

<sup>7</sup> The penultimate sentence of the Supporting Statement says, “[w]e believe that the Board should quantify how criteria in addition to peer group analysis determines the range of executive compensation target amounts or explain why it does not.” The phrase “explain why it does not” is ambiguous and could refer either to explaining why the Compensation Committee does not quantify how criteria in addition to peer group analysis are used to determine target amounts, or to explaining why the CD&A does not address the use of criteria to determine target amounts. Regardless of the reading, the CD&A substantially implements the Proposal by explaining how the Compensation Committee takes peer group analyses into account through a process that does not allow for quantification of other criteria.

The Compensation Committee regularly reviews the appropriateness of the compensation peer group used by the compensation consultant to generate competitive pay data for the Compensation Committee's review in connection with Executive Officer compensation decisions. The compensation consultant regularly analyzes our group of peer companies based on various financial and other measures, such as industry, revenue, market capitalization, number of employees and growth history and potential, as well as competition for executive officers.<sup>8</sup>

In addition, the CD&A also explains how the Compensation Committee utilizes comparative market data to inform its compensation setting decisions:

Peer and market data is a helpful reference for the Compensation Committee to assess the competitiveness and appropriateness of our Executive Officer compensation program within our industry sector and the broader business community. Ultimately, the Compensation Committee applies its own business judgment and experience to determine the individual compensation elements, the amount of each compensation element and total target compensation. Depending upon Company and individual performance, as well as the various other factors discussed in this Compensation Discussion and Analysis, target and actual total direct compensation of our NEOs, as well as individual compensation elements, may be within, below or above the market range for their positions.

In addition, as part of its Executive Officer compensation planning process, the Compensation Committee reviewed aggregated survey data, which provided additional context regarding executive compensation practices in the marketplace, drawn from a Radford Custom Compensation Survey. The Compensation Committee also periodically reviews compensation data from certain other companies in the market for the executive talent for whom we compete.<sup>9</sup>

The CD&A also includes extensive disclosure as to how the Compensation Committee considered "peer group analysis" in its executive compensation decisions for fiscal year 2024 and 2025. For example, with respect to:

---

<sup>8</sup> 2024 Proxy Statement at 58.

<sup>9</sup> *Id.* at 59.

- fiscal year 2024 base salary and target cash bonus:
  - “a market review of the base salaries paid to executives in our compensation peer group, as well as broader market survey data”; and
  - “the Compensation Committee considered market data, compensation peer group data, internal compensation alignment, and other relevant data and information provided by its compensation consultant”<sup>10</sup>;
- long-term equity incentives: “the Compensation Committee considers peer company data and competitive positioning, each NEO’s individual performance, and stockholder feedback”;<sup>11</sup>
- long-term equity award decisions for fiscal year 2024 generally: “[w]hen making its annual compensation decisions, the Compensation Committee reviews Company and individual performance over the prior year, as well as a comprehensive analysis of our executive compensation program using comparative market and peer group data to evaluate the long-term incentives and target total direct compensation of our NEOs”;<sup>12</sup>
- fiscal year 2024 equity awards for the Company’s Chief Executive Officer (the “CEO”):
  - “the Compensation Committee considered the value of the initial fiscal 2024 long-term equity award, market and peer company data provided by its independent compensation consultant, and the comparative market positioning of [the CEO]’s pay”;
  - “this second equity award brought [the CEO]’s total fiscal 2024 equity compensation to a level between the 50th and 75th percentile of CEO equity awards at peer companies”; and
  - “the Compensation Committee considered the relatively low value of the initial fiscal year 2024 equity award for [the CEO], which was positioned at a level significantly below the 25th percentile of peer company CEO equity pay”;<sup>13</sup>
- new-hire compensation for the Company’s Chief Legal Officer (the “CLO”):
  - “[a]fter reviewing comparative market data, peer data, internal pay structures, and additional information regarding [the CLO’s] compensation program at his previous

---

<sup>10</sup> 2024 Proxy Statement at 48.

<sup>11</sup> *Id.* at 52.

<sup>12</sup> *Id.* at 54.

<sup>13</sup> *Id.*

- employer, the Compensation Committee approved the following new hire compensation package for [the CLO]”; and
- “[t]he Compensation Committee considered market and peer compensation paid to similarly situated executives at his level and caliber”;<sup>14</sup> and
  - fiscal 2025 compensation decisions:
    - “[i]n March 2024, as part of its regular annual compensation review, the Compensation Committee evaluated market and peer data, overall compensation, internal compensation alignment, and Company and individual performance over fiscal 2024”; and
    - “[i]n making its decisions, the Compensation Committee evaluated market and peer data and the factors described above and endeavored to deliver market-competitive fiscal 2025 long-term equity incentive opportunities that were generally set between the 50th and 75th percentiles of peer company pay levels.”<sup>15</sup>

When a company has already acted favorably with respect to a request set forth in a stockholder proposal, Rule 14a-8(i)(10) does not require the company and its stockholders to reconsider the issue. The Staff has on numerous occasions concurred with the exclusion of proposals that pertained to executive compensation when a company’s actions compared favorably to the actions requested in the proposal. For example, in *Amazon.com, Inc. (Sisters of the Order of St. Dominic of Grand Rapids)* (avail. Mar. 27, 2020) (“*Amazon 2020*”), the Staff concurred with the exclusion of a proposal asking that the board’s compensation committee “prepare a report assessing the feasibility of integrating sustainability metrics . . . into performance measures or vesting conditions that may apply to senior executives under the [c]ompany’s compensation plans or arrangements.” The company cited to its proxy statement disclosures from the previous year, which explained why the company’s compensation committee was of the view that imposing performance conditions on the company’s stock awards, while feasible, was neither necessary nor appropriate. The report satisfied the essential objective of the proposal by reporting on the committee’s assessment of the topic specified in the proposal, and the Staff concurred that the proposal had been substantially implemented. See also *eBay Inc.* (avail. Mar. 6, 2018) (concurring with the exclusion of a proposal requesting disclosure of “the company’s executive compensation information with executives’ actual income” with the Staff noting “that the company’s public disclosures [in its proxy statement] compare favorably with the guidelines of the [p]roposal and that the [c]ompany has, therefore, substantially implemented the [p]roposal”); *Applied Materials, Inc.* (avail. Jan. 17, 2018) (concurring with the exclusion of a proposal requesting the company to “improve the method to disclose the [c]ompany’s executive compensation information with their actual compensation” for the same reasons as *eBay*); *Wal-Mart Stores, Inc.* (avail. Mar. 25, 2015) (concurring with the

---

<sup>14</sup> 2024 Proxy Statement at 56.

<sup>15</sup> *Id.* at 59.



exclusion of a proposal requesting inclusion of “employee engagement” as a metric in determining senior executives’ incentive compensation where, as disclosed in the proxy statement, the company already provided that each executive officer’s compensation under its annual incentive plan could be reduced by up to 15% based on the extent to which he or she contributed to a specific employee engagement criteria); *General Electric Co.* (avail. Jan. 23, 2010) (concurring with the exclusion of a proposal requesting that the board explore with certain executive officers the renunciation of certain stock option grants, when the company’s board substantially implemented the proposal by discussing the request in the proposal with the specified executives, who declined to renounce the awards). Similarly, the Staff has also concluded that stockholder proposals requesting environmental, social, or governance issues may be excluded when the company has provided information about the issues in other public disclosures. For example, in *Exelon Corp.* (avail. Feb. 26, 2010) a proposal requested that the company’s board of directors prepare a report including disclosure of the company’s policies and procedures for political contributions (both direct and indirect) made with corporate funds, and the company’s “[m]onetary and non-monetary contributions to political candidates, political parties, political committee and other political entities . . . .” The company issued a report and also highlighted the portions of its existing Corporate Political Contributions Guidelines that were responsive to the proposal’s requests. The Staff concurred that the proposal could be excluded because the company substantially implemented the proposal. *See also PPG Industries Inc. (Congregation of the Sisters of St. Joseph of Peace)* (avail. Jan. 16, 2020) (concurring with the exclusion of a proposal requesting a board report on the company’s process for implementing human rights commitments where, although not set forth in a report prepared or affirmed by the board, the company already provided information on the implementation of its human rights commitments across several of its public disclosures); *The Wendy’s Company* (avail. Apr. 10, 2019) (concurring with the exclusion of a proposal requesting a board report on the company’s process for identifying and analyzing potential and actual human rights risks of operations and supply chain where, although not set forth in a report prepared or affirmed by the board, the company already had a code of conduct for suppliers, a code of business conduct and ethics, and other policies and public disclosures concerning supply chain practices and other human rights issues that achieved the proposal’s essential objective).

As with *Amazon 2020*, *eBay*, *Applied Materials*, and the other precedents cited above, the Company has already substantially implemented the Proposal through its existing disclosures in the 2024 Proxy Statement. In this regard, the essential objective of the Proposal is for the Company to provide information regarding its executive compensation program, including how the Company sets target executive compensation and the extent to which “peer group analysis” and other criteria impact those decisions. As demonstrated above, the CD&A of the 2024 Proxy compares favorably to the Proposal because it directly addresses the disclosures requested by the Proponent. As a result, the Proposal may be excluded from the 2025 Proxy Materials under Rule 14a-8(i)(10).

## 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](mailto: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.  
Maureen O'Brien, Segal Marco Advisors

## Annex A

### **Factors Considered by the Compensation Committee in Setting Target Compensation Levels**

<b>Compensation Element</b>	<b>Factors Considered in Addition to Peer Group Data</b>
Base Salary	<ul style="list-style-type: none"> <li>• Broader market data</li> <li>• Overall compensation the executive can earn from the Company</li> <li>• Company performance</li> <li>• Individual performance</li> <li>• The role, responsibility and experience of the executive</li> <li>• The level, scope and objectives of the executive's position</li> <li>• Internal compensation alignment</li> </ul>
Annual Performance Bonus	<ul style="list-style-type: none"> <li>• Broader market data</li> <li>• Overall compensation the executive can earn from the Company</li> <li>• Company performance</li> <li>• Individual performance</li> <li>• The role, responsibility and experience of the executive</li> <li>• The level, scope and objectives of the executive's position</li> <li>• Internal compensation alignment</li> </ul>
Long-Term Equity Incentives	<ul style="list-style-type: none"> <li>• Broader market data</li> <li>• Appropriateness of various equity vehicles (PRSUs, stock options, RSUs)</li> <li>• Overall program costs (such as stockholder dilution and compensation expense)</li> <li>• Competitive positioning</li> <li>• Company performance</li> <li>• Individual performance</li> </ul>

Compensation Element	Factors Considered in Addition to Peer Group Data
	<ul style="list-style-type: none"> <li>• Stockholder feedback</li> <li>• Management input</li> <li>• Feedback from compensation consultants</li> <li>• Overall level of difficulty to obtain target level</li> <li>• Overall level of performance required to obtain target level</li> <li>• The value of prior awards granted or outstanding</li> <li>• Financial performance</li> <li>• Internal compensation alignment</li> <li>• Prior employment agreement obligations</li> </ul>
Sign on Bonus	<ul style="list-style-type: none"> <li>• Value of forfeited compensation</li> </ul>
Security Perquisites	<ul style="list-style-type: none"> <li>• Stockholder feedback</li> <li>• Security risk profiles</li> <li>• Input from security consultant</li> <li>• External security environment</li> <li>• Size, location and activities of the Company</li> <li>• Company's prominence</li> <li>• Executive's prominence</li> <li>• Overall public visibility and accessibility of executive</li> <li>• Company or executive association with controversial topics</li> <li>• Trends in overall security climate</li> </ul>

EXHIBIT A

RESOLVED: Shareholders request that the Board of Directors publicly disclose how criteria are used to increase or decrease the magnitude of the company's senior executive officer target compensation awards in addition to the use of peer group analysis. This report shall specify how much the target compensation award amounts varied from the company's peer group analysis, explain the specific rationale for such adjustments, be prepared at a reasonable cost, and omit information that is proprietary, privileged, or violative of contractual obligations.

#### SUPPORTING STATEMENT:

We believe that accountable and transparent executive compensation practices are fundamental to the long-term success of our company. In our view, senior executive compensation decision making consists of two separate considerations: 1) the performance metrics attached to desired outcomes that are used to earn variable awards, and 2) the quantum or magnitude of pay that will be received upon achieving the performance metrics. This proposal seeks additional information about how our company determines the appropriate quantum or magnitude of senior executive compensation.

Like at many companies, our company has used peer group benchmarks to set its senior executives' compensation target awards. Salesforce set its most recent target compensation level for the CEO between the 50<sup>th</sup> and 75<sup>th</sup> percentile of the compensation peer group. Peer groups can be problematic when companies target their executive compensation above median.<sup>1</sup> Peer groups may include larger and more successful aspirational peers where executive compensation is higher.<sup>2</sup> Also, there is academic evidence that compensation consultants have favored including their own clients with higher levels of pay in the construction of peer groups.<sup>3</sup>

Even where our company's peer group construction is reasonable, flaws in the peer group methodologies used by our company's peers can also lead to executive pay inflation. In our view, executive compensation levels should be set according to the best interests of our company and not be driven solely by peer group benchmarks. The Company appears to agree. It lists other criteria it considers when setting target compensation levels in the 2024 proxy statement including: individual performance and internal compensation alignment. What shareholders cannot know without additional reporting is how any of these considerations impact quantum.

We believe that the Board should quantify how criteria in addition to peer group analysis determines the range of executive compensation target amounts or explain why it does not.

We urge you to vote FOR this proposal.

---

<sup>1</sup> Charles Elson and Craig Ferrere, "Executive Superstars, Peer Groups and Overcompensation," Journal of Corporation Law, Spring 2013, <https://weinberg.udel.edu/executive-superstars-peer-groups-and-overcompensation/>; Steven Clifford, "How Companies Actually Decide What to Pay CEOs," The Atlantic, June 14, 2017, <https://www.theatlantic.com/business/archive/2017/06/how-companies-decide-ceo-pay/530127/>.

<sup>2</sup> Ryan Ball et. al., "Does it pay to 'Be Like Mike'? Aspirational Peer Firms and Relative Performance Evaluation," Review of Accounting Studies, August 2020, <https://doi.org/10.1007/s11142-020-09540-1>; Michael Faulkender and Jun Yang, "Inside the Black Box: The Role and Composition of Compensation Peer Groups," Journal of Financial Economics, 2010, <https://host.kelley.iu.edu/jy4/paper2.pdf>.

<sup>3</sup> Iftexhar Hasan et. al., "Compensation Consultants and CEO Pay Peer Groups," May 2024, <https://ssrn.com/abstract=4815645>.



March 11, 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 the Vermont Pension Investment Commission*  
*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 the Vermont Pension Investment Commission (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.  
Maureen O'Brien, Segal Marco Advisors  
Katie Green, Vermont Pension Investment Commission