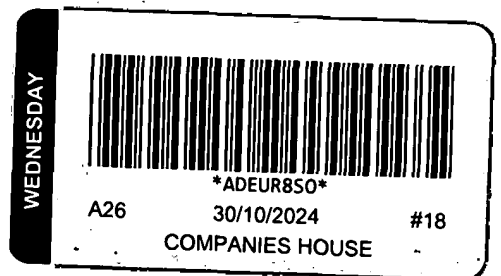


Registered number: 05094083



**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**



SALESFORCE UK LIMITED

COMPANY INFORMATION

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SALESFORCE UK LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2024**

The Directors, in preparing this strategic report, have complied with Section 414C of the Companies Act 2006.

The immediate parent company of Salesforce UK Limited (the "Company") is Salesforce.com Sàrl, a company incorporated in Switzerland. The ultimate controlling party and the parent undertaking of both the largest and the smallest groups of undertakings of which the Company is a member and for which group financial statements are drawn up is Salesforce, Inc. a company incorporated in the United States of America. The Company is a member of the Salesforce, Inc. group of companies (the "Group", "we", "us" or "our").

REVIEW OF THE BUSINESS

Salesforce, Inc. is a global leader in customer relationship management ("CRM") technology that brings companies and their customers together in the digital age. The Group provides Software as a Service (SaaS) and other consulting and support services.

The Company acts as a contracting party with third party customers in the UK, reselling the Group's solutions through its reseller agreement with another group entity, SFDC Ireland Limited. This involves the direct reselling of products and services, providing after-sales support including technical enquiries, compiling market information for the business activity performance and assistance in the adaptation of the products and services.

The Company also engages in ongoing research and development on behalf of SFDC Ireland Limited.

The Company's key financial and other performance indicators during the year were as follows:

	2024	2023	Variation
	£000	£000	%
Turnover	1,681,048	1,548,249	9 %
Total operating expenses	(1,655,141)	(1,527,061)	8 %
Operating profit	25,907	21,188	22 %
Profit before tax	51,978	29,831	74 %
Shareholder's funds	60,701	328,891	(82)%
Average number of employees	2,964	3,427	(14)%

On 7 December 2023 Salesforce.com France SAS distributed a dividend to the Company in the amount of €7,901,929. This is shown in the statement of comprehensive income, under line item Income from subsidiary.

On 20 December 2023, the Company declared dividends of £324,187,608 to its shareholder, Salesforce.com Sàrl (2023: £nil). The impact of this distribution is seen in the retained earnings line for the fiscal year.

The statement of comprehensive income for the year ended 31 January 2024 and the balance sheet as at that date are set out on pages 29 and 30 respectively.

Under UK Company Law (Section 417 – Companies Act 2006), the Company is required to give a description of the principal risks and uncertainties faced:

- The Company has policies in place to ensure that all customers demonstrate an appropriate payment history and satisfy credit worthiness procedures. The Company benefits from the Group's comprehensive credit insurance coverage.
- The Company aims to mitigate liquidity risk by managing cash generation via its operations and continuing support of the ultimate parent company, Salesforce, Inc..
- The Company manages its cash flow risk, where significant, by the use of derivatives and other financial instruments.
- The Company manages the risks associated with marketable securities through adoption of group policies.

SALESFORCE UK LIMITED**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024****PRINCIPAL RISKS AND UNCERTAINTIES (continued)**

The Group's overall performance depends in part on worldwide economic and geopolitical conditions. The United States and other key international economies have experienced significant economic and market downturns in the past, and are likely to experience cyclical downturns in the future which can result in falling demand for a variety of goods and services, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity and foreign exchange markets, inflation, bankruptcies and overall uncertainty with respect to the economy. In addition, geopolitical and domestic political developments, such as existing and potential trade wars and other events beyond our control, such as Russia's invasion of Ukraine, could materially adversely affect our future sales and operating results. Based on current assumptions related to the extent to which the geopolitical conditions will affect the business going forward, the Group expects its business in fiscal 2025 to continue to grow. All of these risks and conditions could materially adversely affect our future sales and operating results.

No liquidity constraints have been identified at the Group or Company level. Hence, the Company does not believe that there is any impact to the going concern assumption for the Company.

THE COMPANY AND THE ENVIRONMENT

The Company is committed to conducting its activities with due care and regard for the environment and to making continual improvements to achieve a high standard of environmental performance. The Company is committed to:

- Managing and reducing its greenhouse gas emissions and their contribution to climate change;
- Managing and reducing its water consumption and ensuring that all its wastewater is treated to the highest environmental standard; and
- Reducing quantities of waste produced and actively uses recyclable products.

STATEMENT ON ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS IN A BUSINESS RELATIONSHIP WITH COMPANY

Salesforce UK Limited (the "Company") is a wholly owned subsidiary of Salesforce, Inc., a publicly traded company based in the United States. References may be made to the Form 10-K filed by the Group with the Securities Exchange Commission on 8 March 2024 (referred to as the "Form 10-K"), as well as the fiscal 2024 Stakeholder Impact Report. Both are published and accessible on the Group's corporate website under the Investor Relations section.

The Group is a global leader in customer relationship management ("CRM") technology that brings companies and their customers together. Founded in 1999, we enable companies of every size and industry to take advantage of powerful technologies to connect to their customers through the power of data, AI, CRM, and trust.

The Group is committed to a core set of values: trust, customer success, innovation, equality and sustainability. Foremost among these is trust, which is the foundation for everything we do. Our customers trust our technology to deliver the highest levels of security, privacy, performance, compliance and availability at scale. Customer success is central to our business and we align the Company around our customers' needs to promote success and demonstrate value. We prioritise continuous innovation, allowing customers to access the latest technological advances to stay ahead in their industries. Equality is a fundamental principle of how we operate, valuing every individual's equality within the Company and communities, and fostering an inclusive culture. Finally, we recognise the climate crisis and are committed to sustainability and bold climate action, aiming for net zero emissions.

We believe that our values create value, and business should make the world better for all of our stakeholders, including stockholders, customers, employees, partners, the planet and the communities in which we serve. The Group is committed to giving back, closing the inequality gap and helping businesses grow sustainably. We acknowledge a broad responsibility to society, aspiring to create an ethical and humane technology framework that supports customer success and upholds human rights. We are committed to transparent environmental, social and governance disclosures and maintain programs supporting these initiatives.

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

As part of the Group, the Company is aligned with these values. The stakeholders of the Company generally mirror those of the Group and the Company's Board of Directors (the "Board") strives to thoughtfully consider these stakeholders in its decision-making process in line with Group policies and priorities.

The Board considers that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and items set out in s172 of the Companies Act 2006) during the year ended 31 January 2024 ("fiscal 2024").

The Board convenes board meetings on a quarterly cadence, and stakeholders from key business lines of the Company provide input into board papers, which are reviewed by the Directors in advance of the meetings. In order to supplement the Board's understanding of issues, risks and developments facing the Company, representatives/executives from the key functions of the business and advisors of the Company attend the board meetings to discuss such items and answer questions the Directors may have.

Details of the Company's engagement with the key stakeholder groups of the Company in the financial year are set out below:

Stakeholder	Engagement
<p>Workforce</p>	<p>The Group's core values (as detailed within the 2024 Stakeholder Impact Report) are the foundation of its culture, which is fundamental to, and a competitive advantage in, the Group's approach to managing its workforce. The Group believes its company culture fosters open dialogue, collaboration, recognition and a sense of belonging, all of which allow us to attract and retain the best talent, which is critical for its continued success.</p> <p>We believe our efforts in managing our workforce have been effective. Our focus on our workplace environment and a strong company culture has led to recognition of the Group across the globe, as evidenced by the following awards: Ethisphere's World's Most Ethical Companies (2024 and for the 15th time), Fortune World's Most Admired Companies (2024 and for the tenth year in a row), Fortune 100 Best Companies to Work For (2024 and for the 16th year in a row), Fortune World's Most Innovative Companies (2024, ranked #1 in culture and #5 overall), JUST Capital & CNBC America's Most JUST Companies (seven years in a row), a score of 100 on the Human Rights Campaign Corporate Equality Index, and a Great Place to Work in nine countries, including the UK (2024). The Group and the Company have a strong focus on employee engagement and maintaining ongoing communications and feedback between employees and leadership.</p> <p>Through the Company's quarterly board meetings, the Board is kept informed of results of employee engagement processes including Company town hall meetings, surveys, and other feedback forums.</p>

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Stakeholder	Engagement
<p>Workforce (continued)</p>	<p><i>Equality</i></p> <p>Equality is a core value at Salesforce. We live this value by fostering a more inclusive workplace and advancing greater equality in society. We remain focused on accelerating equality within our organisation, across the Salesforce ecosystem, and in our communities around the world.</p> <p>Our key equality initiatives include: Racial Equality and Justice Task Force, a diversity recruiting team dedicated to sourcing talent from Under Represented Minority (URM) communities, Warmline employee advocacy resource and Equality Mentorship and Sponsorship programs, investing in our future leaders, inclusive hiring and leadership trainings, equal pay for equal work, employee-led resource groups and a focus on accessibility in our products and workspaces.</p> <p>Our Global Employee Handbook, which has been adopted by the Company, includes policies related to Equal Opportunity Employment and a Harassment/Discrimination-Free Workplace. The handbook also provides various channels for raising concerns in our Reporting Concerns policy.</p> <p>We are an equal opportunity employer and maintain a policy of non-discrimination with all employees and applicants for employment.</p> <p>We believe in equality for all, and we believe we can lead the path to equality in part by creating a workplace that's diverse, inclusive, and free from discrimination.</p> <p>Any employee or potential employee will be assessed on the basis of merit, competence and qualifications – without regard to race, religion, colour, national origin, sex, sexual orientation, gender expression or identity, transgender status, age, disability, veteran or marital status, political viewpoint, or other classifications protected by law.</p> <p>This policy applies to current and prospective employees, no matter where they are in their Salesforce employment journey. It also applies to recruiting, hiring, job assignment, compensation, promotion, benefits, training, assessment of job performance, discipline, termination, and everything in between. Our recruiting, hiring, and promotion decisions are fair and based on merit. The same goes for compensation, benefits, promotions, transfers, reduction in workforce, recall, training, and education.</p> <p>One way in which we create a culture of community and inclusion is through our 13 employee-led Equality Groups within the Group. We encourage every employee at Salesforce to participate as allies to build empathy, learn, and stand up for their colleagues. As a result, one in two employees of the Group is in one or more Equality Groups. Each Equality Group is financially empowered to drive forward important community initiatives. In fiscal 2024, we implemented a new program to ensure that each of these groups has global executive sponsors and advisors for strategic guidance and mentorship.</p> <p>To align and accelerate our equality, diversity and inclusion initiatives, beginning in fiscal 2023, all executive vice presidents, presidents and executive officers have a component of their incentive compensation plans tied to ESG measures, including employee diversity measures.</p>

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Stakeholder	Engagement
<p>Workforce (continued)</p>	<p>In fiscal 2024, the Company joined the UK Government's Disability Confident Scheme to enhance how it recruits and retains disabled people and those with health conditions. Participation in this scheme provides member organisations with specialist support and guidance, including on how to actively attract applicants who are disabled or with health conditions and remove barriers from the recruitment process, support existing employees who acquire a disability or long-term condition to enable them to remain in work and ensure there are no barriers hindering career progression. Joining the scheme is part of our Office of Accessibilities' wider strategy to increase representation of people with disabilities within our workforce while elevating the experience of colleagues with disabilities at the Company. As part of the Company's commitment to the scheme, it recently launched a new UK accessibility career site to provide information about the support and resources available to employees with disabilities.</p> <p>The Company was also the headline sponsor for the Black Tech Achievement Awards UK 2024, held in London. The Black Tech Achievement Awards is set-up to celebrate and acknowledge Black role models and innovators within the technology sector and to help illuminate the pathways to greater Black representation of the community within the industry.</p> <p><i>Apprenticeships</i></p> <p>We believe that talent is equally distributed, but opportunity is not. We are committed to closing that gap so that our workforce is representative of the local communities in which we live and work. That's why a core focus of our workforce development strategy is preparing the next generation of leaders with access to opportunities, education and skills to succeed.</p> <p>The Company engages untapped talent through its apprenticeship programmes which provide pathways to early careers with the Company for those from backgrounds underrepresented in the tech sector and for those without university degrees. In partnership with training providers such as Ada: National College for Digital Skills and BMS Progress these apprenticeships provide paid work experience and on-the-job training. Apprentices join the Company for 18-36 months, gaining an accredited qualification while applying their learnings. These programmes enable young people to establish a strong professional foundation, develop specialised skills, build their networks, and grow their careers. At the same time, they enable the Company to develop entry-level talent and bring fresh perspectives to its teams, adding tremendous value to the Company. In fiscal 2024, the Company won Employer of the Year in the Digital and Tech Sector at the UK Multicultural Apprenticeship Awards.</p> <p><i>Benefits</i></p> <p>At Salesforce, we invest in the health and wellbeing of our employees, helping them feel happy and engaged in work and in life.</p> <p>We believe offering competitive compensation packages and robust benefits is an important factor in our ability to attract, retain and motivate our employees and to help enhance their everyday wellbeing. We use a combination of fixed and variable cash compensation for all employees and award equity compensation to certain employees in the form of stock options, restricted stock units and performance-based restricted stock units.</p>

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Stakeholder	Engagement
<p>Workforce (continued)</p>	<p>Eligible employees are also able to participate in our Employee Stock Purchase Plan, which allows employees to purchase our stock at a 15 percent discount up to U.S. Internal Revenue Code limits. We also match up to \$5,000 of donations, per employee, to eligible non-profit organisations. We offer employees benefits that vary by country and are designed to meet or exceed local laws and to be competitive in the marketplace.</p> <p>At the heart of our holistic wellbeing program are "Benefits Essentials." Benefits Essentials are fundamental benefits available to all employees and their families' needs, including: healthcare; mental health support and resources; life and disability coverage; retirement; time off; guidance on unplugging and more. In addition, we provide a range of programs related to each of our wellbeing pillars, so we can support employees at every stage of their life journey.</p> <p><i>Training and development</i></p> <p>We drive high performance and business results by designing and executing employee-centred talent strategies, programs, and processes throughout the employee lifecycle. With an equitable lens, we enable employees to grow, develop, and achieve their best in a diverse and inclusive culture.</p> <p>We offer our employees various talent development programs to create a culture of continuous learning. Learning and development opportunities include Trailhead, our learning platform available for all employees, in-person and virtual classes, guides and workbooks and more. We also encourage our employees to seek personal and professional development opportunities with external organisations and offer yearly education reimbursement to employees who wish to continue job-related education from accredited institutions or organisations.</p> <p><i>Corporate governance structure</i></p> <p>The Company has maintained an average of 2,964 employees over fiscal 2024. In accordance with The Companies (Miscellaneous Reporting) Regulations 2018, the Company has adopted as its corporate governance code "The Wates Corporate Governance Principles for Large Private Companies". The Company's Corporate Governance Statement, setting out the Company's corporate governance controls, policies and procedures during fiscal 2024, is included in the Directors' Report.</p> <p><i>Human Rights</i></p> <p>At Salesforce, we are committed to respect human rights throughout our business and value chain, and we support the Universal Declaration of Human Rights as a global standard. We align with the United Nations Global Compact's principles-based approach to business. And we work with governments, industry peers, ecosystem partners, civil society groups, shareholders, and our customers to promote the realisation of human rights. Our functional leads and subject matter experts monitor and identify human rights risks, escalating them as needed.</p> <p>The Group uniquely has an Office of Ethical and Humane Use to guide on these matters. We also leverage external expertise through human rights professionals and our Ethical Use Advisory Council.</p> <p>Our global Code of Conduct ensures there are consequences, such as termination, for any violations.</p>

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Stakeholder	Engagement
<p>Workforce (continued)</p>	<p>It is important to have a diverse team and an inclusive workplace, and diversity of opinion, background, and culture makes us a more creative, innovative company. As previously stated, we do not base employment decisions like hiring, firing, and promoting on legally protected personal characteristics. In addition, we believe every human life has equal value and should be treated with dignity and respect.</p> <p>We only use voluntary labour. We do not use forced or involuntary labour of any type (e.g. forced, bonded, indentured or involuntary prison labour), or any form of human trafficking. This includes transporting, harbouring, recruiting, transferring or receiving any person by means of threat, force, coercion, abduction or fraud for the purpose of exploitation. We do not use child labour. "Child" is any person employed under the minimum age for employment in the relevant country. These guiding principles are outlined in the Group's Business Conduct Principles.</p> <p>The Company is also committed to ensuring that there is no slavery and human trafficking anywhere in the business or supply chain of the Company. The Company aligns its stance against modern slavery and human trafficking, and the Board annually reviews and approves a statement detailing the actions of the Company and the Group in accordance with the provisions of the Modern Slavery Act 2015.</p> <p>In fiscal 2024, we pledged at UNHCR's Global Refugee Forum to build on our Tent.org consortium commitment, doubling our efforts (since June 2023) to enhance refugee self-reliance, by providing the following by the end of 2026:</p> <ul style="list-style-type: none"> -Education and Skills Training: Partnering with companies and non-profits to offer 3,000 refugees access to education through Trailhead and technology curriculum. -Employment Opportunities: Collaborating with corporations and non-profits, to forge pathways for 1,000 refugees to access employment in technology-driven roles via our Talent Alliance. <p>Through our established network of partners, these initiatives will empower refugees, enrich communities, and contribute to a more inclusive and equitable world. We also continue to support our global communities in moments of crisis. In fiscal 2024, the Group raised more than USD \$2 million to help humanitarian non-profits' relief efforts for disasters like the Turkey-Syria earthquakes and the Maui wildfires.</p> <p><i>Anti-corruption</i></p> <p>Our Code of Conduct prohibits our Employees from offering, making, or accepting bribes, kickbacks, or other improper payments. Our Global Anti-Corruption Policy elaborates on that prohibition and provides detailed standards on the rules related to bribery outlined in the Code of Conduct and Employee Handbook. In addition to the Code of Conduct, all of our employees are required to comply with the U.S. Foreign Corrupt Practices Act, the United Kingdom's Bribery Act, and other relevant anti-bribery laws. While many of the requirements included in our Code of Conduct prohibit fraudulent behaviour, due to the nature of our business, the Group has no explicit policy related to money laundering.</p> <p>In addition to building ethics and inclusion into our products and internal processes, we have a responsibility to understand how our products are used and the direct impacts our technologies have in the world. Our Office of Ethical and Humane Use of technology strives to create ethical use policies that ensure the responsible use of our products and services and reflect our commitment to building trust with our customers and users.</p>

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Stakeholder	Engagement
<p>Customers</p>	<p>At Salesforce, trust is our #1 value, and nothing is more important than the success of our customers and the protection of their data. To make this possible, the Salesforce, Inc. Board of Directors' Cybersecurity and Privacy Committee oversees our technology practices, meeting regularly with our senior privacy, security, and ethical technology management. In January 2024, we welcomed Brad Arkin as our new Chief Trust Officer, to strengthen trust and security across Salesforce technology.</p> <p>The Group sells to businesses of all sizes and in almost every industry worldwide. We are committed to providing the most secure, compliant enterprise cloud on the market. To demonstrate our commitment to compliance with global data protection laws and standards, we maintain a comprehensive set of compliance certifications and attestations.</p> <p>Our robust privacy program meets the highest standards in the industry. As part of that program, we offer various transfer mechanisms to legalise the transfer of personal data around the globe. Helping our customers operate on a global scale is something we do every day. We continuously monitor the global privacy landscape and adapt our privacy program accordingly.</p> <p>In addition, all customers must comply with Acceptable Use and External-Facing Services Policy and any violations are considered a material breach of the Master Services Agreement or any other agreement governing the customer's use of the services.</p> <p>The Group does not sell any products or services that are intended to directly impact the health or safety of its customers and does not track its compliance with local regulations regarding such impacts.</p> <p>At Salesforce, trust is our #1 value. Nothing is more important than the success of our customers and the privacy of our customers' data. The Group has a robust privacy program that meets the highest standards in the industry and, as part of that program, we offer various transfer tools and frameworks to facilitate the free flow of personal data around the globe. In fiscal year 2024, the relevant entities in the Group certified to the Department of Commerce that we adhere to the Data Privacy Frameworks (EU-US, Swiss-US, and the 2023 UK Extension) with respect to such data. To learn more about, and view, our certification to the EU-U.S. Data Privacy Framework please see here: https://www.salesforce.com/content/dam/web/en_us/www/documents/legal/Privacy/data-privacy-framework-certification.pdf.</p> <p>The implementing strategy of the Company is guided by the policies of the Group and the Board is kept informed of the service provision by the Company through presentations provided from key parts of the business to the Board in the quarterly board meetings.</p> <p>As the Company provides services to other entities within the Group the customers of the Company also include other Group companies. All relationships with other Group companies are governed by intercompany agreements on arm's-length terms. All intercompany agreements are reviewed and approved by the Directors and the terms of the intercompany agreements are routinely reviewed to ensure that they are at arm's-length.</p>

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Stakeholder	Engagement
<p>Suppliers</p>	<p>Our suppliers are a critical part of our ecosystem.</p> <p>The Group outlines our global supply chain expectations in our Global Supplier Code of Conduct, which serves as a guide to ethical supplier conduct. We require all third-party suppliers of products or services that are paid directly by the Group to acknowledge our Supplier Code of Conduct. Should we become aware of any policy violations, we would consult with our Legal Department to ensure that appropriate measures are taken, which may include reporting this information to authorities and terminating our relationship with the supplier.</p> <p>The Board is focused on ensuring the Company treats suppliers fairly, and has received regular presentations on the payment practices of the Company and in particular the transparent implementation of the requirements of the Payment Practices Regulations 2017. The Company actively participates in industry associations to gain insight and research common best practices to optimise its processes, and reports this back to the Board.</p> <p><i>Supplier sustainability</i></p> <p>We work with companies that share our commitment to sustainability and are willing to engage with us to drive meaningful climate action. By setting ambitious expectations, engaging strategically with our suppliers, and elevating sustainability in our purchasing decisions, we can create a cascade of impact in our entire value chain and accelerate global progress to net zero.</p> <p>We aim to fully integrate sustainability into our procurement strategies, operations, and decision-making – from supplier selection to contracting, performance evaluation, and risk monitoring. For example, we have a formal framework for integrating sustainability into our supplier selection process, and sustainability is a key performance indicator in strategic supplier business reviews. The keystone in our Supplier Sustainability programs is the Salesforce Sustainability Exhibit, a set of contract provisions that introduce specific, binding climate obligations into our supplier agreements.</p> <p><i>Supplier diversity</i></p> <p>A culture based on equality includes our supply chain. We seek to actively identify, develop, and do business with diverse and small business suppliers as an essential component of our supply chain activities. We are committed to mentoring, promoting, and engaging with diverse businesses in our supply chain. We believe that diverse businesses create the greatest economic impact in our communities and offer innovative, high-quality, cost-effective solutions for us to better serve our customers.</p> <p>The Company has continued to increase its diverse spend within the UK. In fiscal year 2024, the Company grew diverse spend by 20%. The Company onboarded several new Women Owned Enterprises (WBE). In addition, the Company set expectations with our partner suppliers to utilise diverse suppliers within their own supply chain. The Supplier Diversity initiative is expanding globally, and the Company is an active partner with Minority Supplier Development UK.</p>

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Stakeholder	Engagement
<p>Environment and community</p>	<p><i>Environment</i></p> <p>Sustainability is a core company value at Salesforce. That means sustainability plays a crucial role in the decisions we make across the Company.</p> <p>Our sustainability vision is to leverage the full power of Salesforce to accelerate our customers' journey to net zero emissions with Net Zero Cloud, lead the nature positive movement through 1t.org, invest in the ecopreneur revolution, and drive the energy transition to halve global emissions by 2030.</p> <p>The Group supports science-based climate policies and decarbonisation actions intended to limit the global average temperature increase to 1.5°C above pre-industrial levels.</p> <p>In fiscal 2024, we maintained net zero residual emissions across our full value chain and we continued to procure electricity from renewable energy resources equivalent to 100 percent of the energy used globally.</p> <p>While we've made progress on our public commitments and continue to be a business leader in advocating for climate and nature, we, like the world, have much further to go.</p> <p>The Board discusses compliance with the UK Energy Savings Opportunity Scheme and the Company's obligations in relation to the same. The Board was advised during the quarterly meetings that the Company is fully compliant with the requirements for fiscal 2024.</p> <p>The Company is committed to addressing climate-related risks and opportunities in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework. In fiscal 2024, the Company became subject to the UK's TCFD-aligned requirements to report on climate-related risks and opportunities and has published a report in compliance with the same for the first time.</p> <p><i>Community</i></p> <p>From our inception, we have aspired to be a different kind of company. Our founders pioneered the 1-1-1 model, which commits 1% of our equity, technology, and our employees' time to building a more equitable and sustainable world. Through fiscal 2024, together with our Foundation, the Group has donated over \$700 million in grants, has had employees spend over 8.7 million hours volunteering, and has provided technology to over 56,000 non-profit and higher education customers.</p> <p>The Company and its employees have spent over 440,000 hours volunteering in their communities for the last two decades. The Company's partners include Business in the Community, Positive Youth Foundation and Movement to Work. In fiscal 2024, the Company's employees volunteered 39,183 hours, demonstrating its ongoing commitment to giving back to the community.</p>

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Stakeholder	Engagement
<p>Environment and community (continued)</p>	<p>The Company and its ecosystem of customers and partners in the UK is expected to create 271,700 new jobs and £52 billion in new business revenues by 2026, according to research by IDC. Yet the emergence of generative AI serves as a powerful reminder of the digital skills crisis facing UK businesses.</p> <p>Salesforce has committed to investing in digital skills training. In Fiscal 2023, the Company announced a grant of over £1.1 million to support education programs in the UK, and is urging business and government to work together to establish a national online digital skills platform to show people where to access the training they need.</p> <p>The Company is also providing upskilling opportunities through Trailhead, our free online learning platform. To date, Trailhead has helped more than 5 million people build their skills and prepare for the future of work with AI. To date, Trailblazers in the UK have earned 2.3 million badges on Trailhead.</p> <p>In fiscal 2024, the Group and the Company provided \$36 million in education grants, supporting 46 organisations globally. These grants included funding to school districts and global education non-profits to provide access to STEM courses and career-aligned learning experiences. We supported integrative secondary school approaches, alternative post secondary experiences, and programs focused on networking and upskilling to create more equitable pathways into tech and green jobs.</p> <p>We also supported education organisations through our Catalyst Fund, which provides unrestricted capital to smaller and younger non-profits. In total, our education giving in fiscal year 2024 will impact more than 100,000 educators and nearly 7 million students and young people.</p> <p>In fiscal 2024, we launched the Salesforce Accelerator - AI for Impact to provide non-profit organisations with equitable access to trusted generative AI technologies. Leveraging our 1-1-1 model, we committed \$2 million in unrestricted grant funding, pro bono expertise, and technology donations in fiscal year 2024 to support six education and workforce development non-profits in developing innovative AI solutions on Salesforce to the world's most pressing challenges.</p> <p>The first cohort of accelerator participants are creating powerful AI tools to advance equity in education and workforce development. One of the participants is the Teacher Development Trust; a UK non-profit that reaches over 4,000 educators across the UK, helping teachers create expert schools where students succeed. The Teacher Development Trust is leveraging the accelerator to create immersive, AI-powered role-playing scenarios tailored for teachers and their coaches.</p> <p>The Group runs employability programs in the UK focusing on career exposure, networking, and skill-building for young adults from underserved backgrounds. Ranging from two weeks to 45 days, the programs aim to help young adults realise their potential, catalyse their career journey, and gain skills to make it through recruiting processes. One such program is Movement to Work, a two week virtual work experience program in collaboration with Catch 22 that supports young adults in developing skills, networks, and experience to kick-start their careers and reach their full potential. Participants are aged 18-30, come from backgrounds typically underrepresented in tech, and are not currently in education, employment, or training.</p>

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Stakeholder	Engagement
Environment and community (continued)	The Company also offers Approved Workforce Development programs and partnerships through Salesforce Talent Alliance, focused on getting people to work, and through that work is helping organisations realise the potential of digitisation.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD) STATEMENT

The Company is committed to addressing climate-related risks and opportunities in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework. The Company approach is guided by its ultimate parent, Salesforce, Inc., which provides strategic direction to all subsidiaries in the Group and fosters a strong commitment to sustainability and addressing climate-related initiatives. In FY24, we continued to operationalise our value of sustainability through our Climate Action Plan, holding ourselves accountable through public commitments.

Governance

The Salesforce Group ("Salesforce", the "Group", "we" or "our") has established a governance framework¹ to advance sustainability strategies, manage climate risks, and leverage climate opportunities across all levels of the organisation.

Our governance structure is designed to ensure effective oversight of strategic and operational risks, with Salesforce Inc.'s Board of Directors employing multiple levels of review. The Group has multiple standing committees with specifically identified climate-related areas of oversight. Our Nominating and Corporate Governance Committee periodically reviews our ESG initiatives and our Audit and Finance Committee oversees disclosures, including ESG disclosures. Our Compensation Committee oversees compensation matters for our employees and management, including variable pay tied to ESG performance.

At Salesforce, Sustainability is a core company value. Sustainability and climate considerations are deeply embedded within the organisational culture through our annual organisational alignment which includes our Vision, Values, Methods, Obstacles and Measures ("V2MOM") for each fiscal year. We embed sustainability throughout our business with ownership of sustainability goals by key executives, employee-led initiatives and cross-functional sustainability committees.

Risk management

The climate change risks arising from increasing frequency and severity of extreme weather events ("physical risks") and the risks arising from the transition to a low-carbon economy ("transition risks") are incorporated into our overall Group risk profile.

Salesforce's sustainability team conducts regular evaluations of climate-related risks and opportunities, including evaluating the potential impact of the physical and transition risks of climate change on the likelihood, magnitude and velocity of our key enterprise risks. Collaborating with the ERM team, they integrate climate-related risks into the broader risk assessment framework. This ensures that climate-related risks are considered both independently and in relation to other key business risks.

Oversight of our enterprise risk management and overall risk management practices are entrusted to Salesforce Inc.'s Board of Directors, the Group's Audit Committee, and an internal Enterprise Risk (ERM) Committee comprising Salesforce executives. Through periodic meetings, these entities review alterations to the enterprise risk profile and assess the actions taken by functional leaders to monitor, control, and mitigate significant exposures, including those relating to climate change.

¹ https://s23.q4cdn.com/574569502/files/doc_downloads/2021/10/Salesforce-TCFD-Report.pdf

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Strategy

The Group's sustainability vision is to leverage the full power of Salesforce to accelerate our customers' journey to net zero emissions with Net Zero Cloud, lead the nature positive movement through 1t.org, invest in the ecopreneur revolution, and drive the energy transition to halve global emissions by 2030 while reducing Salesforce's value chain emissions by 50% by FY31. The Group's integrated sustainability strategy can be found at salesforce.com/sustainability and in its Climate Action Plan and TCFD Report¹. We will continue to evolve our climate risk and opportunity assessment in-line with leading practice to inform our climate strategy at the Group and Company level.

In its approach to sustainability, the Salesforce Group has procured renewable energy and/or renewable energy certificates equivalent to the electricity used globally on an annual basis and has integrated sustainability across our business operations and services. We prioritise emissions reductions and compensate remaining emissions with carbon credits, primarily from nature-based solutions and technology. We undergo independent reviews of climate and sustainability metrics and have set ambitious targets aligned with the Science-Based Targets Initiative. We aim to extend our influence by engaging with stakeholders, advocating for climate policy principles and supporting suppliers in setting Science-Based Targets.

We believe every organisation has its own core competencies to drive climate action at scale. For Salesforce, it is putting technology into the hands of customers to help them accelerate their sustainability journeys, with Net Zero Cloud.

Our Nature Positive Strategy, rooted in people and climate justice, focuses on reducing our impact on nature, protecting and restoring nature at scale with 1t.org, and supporting customers on their net zero, nature positive journey.

In this transformative decade of the ecopreneur revolution, we actively support ecopreneurs — startups dedicated to solving climate challenges — through UpLink, a global innovation hub connecting 50,000+ innovators worldwide.

We're committed to accelerating a just global energy transition by moving away from fossil fuels to clean energy sources.

The sustainability strategy described above is informed and influenced by the climate risks and opportunities for our business. A climate scenario analysis, informed by the CMIP5 climate model, was conducted at the level of the Group and includes the operations of SFDC UK Ltd. This is presented in the group's TCFD Report, including those detailed in the table that follows:

Category	Classification	Opportunity / risk	Time horizon
Opportunity	Expand service offerings / leverage our technology for climate action	Empower our stakeholders to accelerate climate action by leveraging the Salesforce platform while enhancing credibility and brand value through partnerships for our technology.	Short term to long term
	Effective human capital management	Our sustainability initiatives have the potential to improve employee health, wellness, resilience, engagement, recruiting and retention.	Short term
	Enhanced reporting infrastructure	A meaningful and deliberate climate action strategy supported by a well-managed governance, risk management and reporting processes could allow us to better understand and manage our performance.	Short term to medium term

SALESFORCE UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

Category	Classification	Opportunity / risk	Time horizon
Transition risk	Policy and legal risk	Regulation and/or pricing of greenhouse gas ("GHG") emissions, energy and fuel cost and energy policy could increase expenses related to data centres, real estate operations, business travel and supplier pricing.	Medium term
	Reputational risk	Failing to take climate action, or being perceived to be failing to take climate action, may hurt our reputation.	Short term
Physical risk	Acute and chronic physical risks	Increased frequency and severity of extreme weather events or long-term changes in climate and weather patterns can affect the physical safety and security of our employees and our infrastructure for the delivery of our services.	Short term to long term

At present, given the characteristics of the Company in context of the broader Group, we do not believe there are material climate-related risks at the Company level.

Metrics and targets

Salesforce sets climate-related goals and tracks sustainability and climate-related metrics across our operations and our value chain at a Group level. Key climate-related metrics and a more detailed overview of the environmental metrics and carbon accounting methodology utilised can be found in the Metrics and Indicators section of the Group's annual Stakeholder Impact Report². This includes disclosure of the Group's greenhouse gas inventory, including scope 1, 2 and 3 emissions, energy consumption, and other environmental metrics. We use these metrics to manage performance against our goals and to inform our strategy. The Group's climate-related goals include, but are not limited to, achieving an absolute reduction goal of 50% comprehensive of scope 1, 2 and 3 emissions by 2030 and a commitment to achieving 100% renewable energy³ and net zero residual emissions⁴ annually. We publish climate-related metrics specific to the Company as required by SECR.

This report was approved by the Board on 24 October 2024 and signed on its behalf.

Signed by:

 80DACCF756BA43E...

Joachim Wettermark
 Director

¹ We identify climate-related opportunities that have the potential to impact our business over short (0–3 years), medium (4–6 years) and long-term (7 years and greater) time horizon.

² <https://a.sfdcstatic.com/assets/prod/documents/white-papers/salesforce-fy24-stakeholder-impact-report.pdf>

³ Procuring renewable energy and/or renewable energy certificates equivalent to the electricity we use globally on an annual basis.

⁴ Purchasing carbon credits equivalent to our residual market-based greenhouse emissions.

SALESFORCE UK LIMITED**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2024**

The Directors present their report and the financial statements for the year ended 31 January 2024.

RESULTS FOR THE YEAR, DIVIDEND AND STATE OF AFFAIRS

The statement of comprehensive income, balance sheet, statement of changes in equity and related notes for the year ended 31 January 2024 are set out on pages 29 to 61.

On 7 December 2023 Salesforce.com France SAS distributed a dividend to the Company in the amount of €7,901,929. This is shown in the statement of comprehensive income, under line item Income from subsidiary.

On 20 December 2023, the Company declared dividends of £324,187,608 to its shareholder, Salesforce.com Sàrl (2023: £nil). The impact of this distribution is seen in the retained earnings line for the fiscal year.

The Directors do not propose a dividend and therefore the profit after taxation for the year of £46,631,260 (2023: £14,063,790) is credited to reserves.

SIGNIFICANT EVENTS OF THE YEAR

In January 2023, Salesforce, Inc. announced a restructuring plan intended to reduce operating costs, improve operating margins, and continue advancing the Group's ongoing commitment to profitable growth. The plan included a reduction of the Company's current workforce by approximately 10 percent and select real estate exits and office space reductions. In January 2024 a further workforce reduction was announced impacting the Go-To-Market ("GTM") teams globally. This initiative includes a further reduction of the Company's workforce by less than 1 percent, impacting a number of global teams. The impact of both initiatives is reflected in FY24 accounts.

On 20 March 2023, the Company took over the UK contracts from Slack Technologies Limited and will continue to deliver the related services under these contracts, as well as acting as a reseller for the Slack products and services going forward. Hence, all rights and obligations under these contracts were transferred to the Company. The Company compensated Slack Technologies Limited for the billed unearned revenue and costs to obtain the contract (for the deferred commissions portion). Both are amortised over the remaining contract term.

FUTURE DEVELOPMENTS

The Company will continue to support the growth of the Group in the UK market and continue to directly resell products and services, provide after-sales support including technical enquiries, compile market information for the business activity performance and assist in the adaptation of the products and services in the local market.

GOING CONCERN

On the basis of current financial projections, available funds and facilities and the related safeguards the Company has put in place, the Directors are satisfied that the Company has adequate resources to continue in operation for the foreseeable future and therefore consider it appropriate to prepare the financial statements on the going concern basis.

DIRECTORS

The Directors of the Company who served during the year and up to the date of signing the financial statements were:

- Lesa McDonagh
- Joachim Wettermark

SALESFORCE UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

POLITICAL AND CHARITABLE CONTRIBUTIONS

The Company made no contribution to political parties during the year. Charitable contributions amounted to £3,082,498 (2023 - £3,616,129).

RESEARCH AND DEVELOPMENT

The Company engages in ongoing research and development ("R&D") on behalf of SFDC Ireland Limited. The R&D expenses amounted to £8,347,198 (2023- £6,739,466).

POST BALANCE SHEET EVENTS

There are no material events affecting the Company since the year end requiring disclosure.

FINANCIAL INSTRUMENTS

Our results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates. We seek to minimise the impact of certain foreign currency fluctuations by hedging certain balance sheet exposures with foreign currency forward contracts. Any gain or loss from settling these contracts is offset by the loss or gain derived from the underlying balance sheet exposures. In accordance with our policy, the hedging contracts we enter into have maturities of less than three months. Additionally, by policy, we do not enter into any hedging contracts for trading or speculative purposes.

The Company aims to mitigate liquidity risk by managing cash generation via its operations.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, (as defined by Section 418 of the Companies Act 2006) being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors, each Director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

REAPPOINTMENT OF AUDITORS

Ernst & Young, Chartered Accountants, have expressed their willingness to continue in office as auditor and in accordance with Section 485 of the Companies Act 2006, a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

DISABLED EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

EMPLOYEE CONSULTATION

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests. The Company, through its ultimate parent, Salesforce, Inc., operates a number of share option plans (the "Option Plans"). Some employees are entitled to a grant of options or other share awards once they commence employment. Employees are also entitled to participate in a stock purchase plan.

SALESFORCE UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

This report covers UK operations only as required by The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018; the latter commonly referred to as Streamlined Energy & Carbon Reporting ("SECR") for non-quoted large companies.

The Company's Scope 1 and Scope 2 greenhouse gas emissions, reportable under SECR in the financial year ended 31 January 2024 ("FY24") were 576 tonnes CO₂e (fiscal year 2023("FY23") - 1,159 tonnes CO₂e) under the 'location-based' reporting methodology. Location-based reporting does not take into account the electricity supply contracts a company has and instead uses a national carbon emissions factor for electricity. The Company's energy consumption reportable under SECR in the financial year ended 31 January 2024 was 2,662,770 kilowatt-hours ("kWh") (2023 - 5,964,178 kWh).

Summary data

Metric (Units)	FY24	FY23
Total Energy Consumption (kWh)	2,662,770	5,964,178
Scope 1 Emissions (Metric tons of carbon dioxide equivalent (MTCO ₂ e)) ¹	—	—
Scope 2 Location-based Emissions (MTCO ₂ e)	576	1,159
Intensity Ratio (Scope 1 and 2 location-based emissions in MTCO ₂ e per million £ in revenue)	0.338	0.749
Scope 3 business travel emissions from rental cars and employee mileage reimbursement (MTCO ₂ e)	298	433

¹ For both fiscal years, our scope 1 emissions were zero in the UK. All operations do not have any stationary or mobile combustion of fuels.

Boundaries, methodology and exclusions

The operational control approach was used for the greenhouse gas inventory boundary defined by the Greenhouse Gas Protocol. Under this approach, all direct emissions (scope 1 and 2) from operations and assets that the Company has operational control over have been included. We define operational control as having the authority to introduce and implement operational policies over an asset or a location. Salesforce UK Limited was the only entity included in this report as all other subsidiaries operating in the UK are not under operational control or influence from the Company.

The global Salesforce fiscal year 2024 greenhouse gas emissions inventory which has been independently assured by a third-party auditor was used as a basis to prepare emissions for the Company.

The emissions factors used to calculate the global Salesforce greenhouse gas emissions include the U.S. Environmental Protection Agency (EPA) Emissions & Generation Resource Integrated Database (eGRID), EPA GHG emission factors hub, United Kingdom Department of Food & Rural Affairs (DEFRA) conversion factors, International Energy Agency emission factors, and AIB European residual mixes.

SALESFORCE UK LIMITED**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024****Energy efficiency initiatives**

Core to the Group's climate action journey is the continued reduction of our absolute emissions.

To identify the most impactful opportunities to lower our carbon footprint, we looked across our entire business, including our scope 1, 2 and 3 emissions, as defined by the Greenhouse Gas Protocol, and identified select categories to focus our reduction strategies. These categories include:

- **Global campus** - Our vision is to have the world's most sustainable Global Campus model, which includes decarbonising our real estate, employee commute, and home offices. In FY24, we continued on our office decarbonisation journey by studying opportunities for energy efficiency and electrification in the long-term plan for our real estate portfolio. We developed tools that aligned incentives, prioritised these opportunities, and publicised resources to help others along their journey.
- **Infrastructure** - Salesforce products run on cloud infrastructure, including leased data centre space in shared "colocation" facilities and Hyperforce, our public cloud platform central to our core business, this category comprises most of our emissions. To reduce emissions, we focus on increasing operational efficiency while collaborating with our public cloud suppliers to optimise our deployment.
- **Business travel** - We build robust programs to change behaviour, grow the market for Sustainable Aviation Fuel, electrify ground transportation, and optimise travel booking technology and reporting to enable responsible travel choices.
- **Supplier enablement** - We've committed that suppliers representing 60 percent of our scope 3 greenhouse gas emissions will set their own science-based targets by fiscal 2025, and we are invested in supporting our suppliers in achieving their targets. To help accelerate global action at the rate the planet needs and achieve our sustainability goals, we work to include specific climate obligations, such as setting Science-Based Targets, in our supplier contracts with our Sustainability Exhibit. We aim to fully integrate sustainability into our procurement strategies, operations, and decision-making. To accelerate action, we connected executive compensation to the successful implementation of the Sustainability Exhibit.

Some emissions can't be avoided or reduced in the near term. That's why we invest in a portfolio that compensates for remaining scope 1, 2, and 3 emissions with high-quality carbon credits, transitioning to removals only credits over time. This portfolio contains high-impact projects that aim to improve people's lives, deliver environmental impact, and reduce or remove carbon today.

In addition, a critical step in our sustainability journey is supporting the world's transition to clean and renewable sources. In FY22, we achieved 100 percent renewable energy and have maintained that in for FY23 and FY24. While achieving 100 percent renewable energy is an important milestone for us, our ultimate goal is to have clean and renewable energy directly supplying our operations 24 hours a day and 7 days a week. To that end, we've been working to speed up the global transition to clean and renewable sources of electricity so that one day renewable energy will be able to power the world around the clock. Additional information on the group sustainability strategy can be found through our Climate Action Plan at https://www.salesforce.com/content/dam/web/en_us/www/assets/pdf/reports/salesforce-climate-action-plan.pdf.

SALESFORCE UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

CORPORATE GOVERNANCE STATEMENT

This statement sets out the Company's corporate governance controls, policies and procedures as required by The Companies (Miscellaneous Reporting) Regulations 2018. During the fiscal year ended 31 January 2024 ("Fiscal 2024"), the Company has adopted as its corporate governance code The Wates Corporate Governance Principles for Large Private Companies (the "Wates Principles").

Summary of Wates Principles

1. **Purpose and leadership:** an effective board develops and promotes the purpose of the Company and ensures its values, strategy and culture align with that purpose.
2. **Board composition:** an effective chair and a balance of skills, backgrounds, experience and knowledge.
3. **Director responsibilities:** directors should have a clear understanding of their accountability and responsibilities.
4. **Opportunity and risk:** a board should promote the long-term sustainable success of the Company by identifying opportunities to create and preserve value and mitigate risk.
5. **Remuneration:** executive remuneration should align with the long-term sustainable success of the Company.
6. **Stakeholder relationships and engagement:** stakeholder relationships should align with the Company's purpose and the board should seek meaningful engagement with stakeholders, and have regard to their views when making decisions.

Set out below is an explanation of how the Company has applied the Wates Principles during fiscal 2024.

Principle	Application
<p>Principle 1 - Purpose and leadership</p>	<p>The Group is a global leader in customer relationship management technology ("CRM") that brings companies and their customers together in the digital age (the "Purpose").</p> <p>In addition, the Company is committed to a core set of values: trust, customer success, innovation, equality and sustainability (the "Core Values") which are communicated and applied by the Company and across the wider Group on an ongoing basis.</p> <p>Foremost among these values is trust, which is the foundation for everything we do. Our customers trust our technology to deliver the highest levels of security, privacy, performance, compliance and availability at scale. We are dedicated to transparency, deep listening and delivering on our commitments. Customer success is at the core of our business and we align our entire company around our customers' needs to ensure their success and prove our value. We guide our customers to help their own customers succeed in this ever-changing business environment. We believe in continuous innovation, enabling our customers to access the latest technological advances so that they can innovate, build and stay ahead in their industries. Equality is a core tenet of how we run our business. We value the equality of every individual at our company and in our communities. We believe that creating a diverse workplace that reflects the communities we serve and fostering an inclusive culture where everyone feels seen, heard and valued makes us a better company. Finally, we lead boldly to address the climate crisis and believe that sustainability is the only way to preserve the wellbeing of our planet and most vulnerable communities. We are bringing the full power of Salesforce to help organisations achieve net zero emissions</p>

SALESFORCE UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Principle	Application
<p>Principle 1 - Purpose and leadership (continued)</p>	<p>We believe that our values create value, and the business of business is to make the world a better place for all of our stakeholders, including stockholders, customers, employees, partners, the planet and the communities in which we work and live. The Group is committed to giving back to our communities, closing the inequality gap and helping businesses grow while protecting the environment for future generations. We believe we have a broad responsibility to society, and we aspire to create a framework for the ethical and humane use of technology that not only drives the success of our customers, but also upholds the basic human rights of every individual. We are committed to transparent environmental, social and governance disclosures and maintaining programs that support the success of these initiatives.</p> <p>The board of directors of the Company (the "Board") promote the Purpose and Core Values through the development of the Company's long and short term business strategy which is informed by the Group's multiple-year financial and business planning. This process by the Board ensures that the Company's values, strategy and culture align with the Purpose.</p> <p>Some examples of how the Company applies the Core Values and Purpose can be found in the s. 172 statement in the Strategic Report at pages 2 -12, including how the Company promotes equality through hiring and training practices, and sustainability through supplier selection, contracting, performance evaluation, and risk monitoring.</p> <p>The Company adheres to the Group's Code of Conduct, and its guiding principles which aim to embody the Core Values and protect against misconduct and unethical practices within the Group. The Company also complies with the Group's Global Environment Policy, further ensuring alignment with the Core Values, with a particular focus on sustainability, trust and customer success. These policies apply to all employees across the Group. The Purpose and Core Values are conveyed to employees throughout the organisation through recurring Company employee updates and global communications, including regular All Hands presentations and internal Slack announcements, as well as through compulsory annual training on Trailhead for all employees.</p>
<p>Principle 2 - Board composition</p>	<p>The size and composition of the Board is reflective of the Company's belief that effective decision-making facilitates the successful business of the Company and its stakeholders. The Board believes that its current size and composition provides an effective balance of skills, background and experience to allow each director to oversee the success of the Company.</p> <p>The Board is composed of two directors. One director is the Executive Vice President and Treasurer of the Group and the other is a Go-to-Market Finance Vice President within the Group. The directors work together to prioritise effective collaboration and strong communication between themselves and key stakeholders within the Company.</p>

SALESFORCE UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Principle	Application
<p>Principle 2 - Board composition (continued)</p>	<p>The Board has a range of expertise and skill, primarily focused in finance and business. The criteria for appointment focuses on relevant expertise and business experience, and also considers the Group's policy on equality alongside government initiatives and prevailing industry practice; in particular the Board maintains its gender balance by having both a male and female director. These considerations were fundamental to the selection and appointment of the Board's newest director during fiscal 2023, following an internal approval process. The composition of the Board remains balanced and appropriate to meet the strategic needs of the Company.</p>
<p>Principle 3 - Directors' responsibilities</p>	<p>The Board executes its leadership responsibilities with reference to the Group's framework and approach to governance. The Board considers material matters and approves key decisions while delegating day-to-day responsibilities to appropriate stakeholders. The Board maintains oversight of the Company's activities through detailed reports and analyses from those stakeholders, including data on financial performance, key metrics and other industry indicators, workforce data and the results of significant business initiatives. This robust system ensures that transparency, reliability and integrity remain at the forefront of the Board's governance practices.</p> <p>The Board holds meetings on a quarterly cadence and at other times as needed. In advance of each board meeting, the directors determine relevant agenda items in collaboration with key legal, business, tax and finance stakeholders within the Company and the Group. The directors require periodic updates on material items and developments, which they receive both during and outside of the regular board meetings.</p> <p>The Group's Global Governance team supports the Board through the preparation of the meeting agendas and corresponding materials, ensuring the timely delivery of these materials to the Board in advance of each meeting. Presenters and those contributing to board materials are required to set forth the details of each agenda item including a robust analysis of each matter, the anticipated impact on the Company and on its the UK operations, the anticipated impact on stakeholders, and an evaluation of the expected future developments. Any specific action or decision required from the Board is set out for consideration.</p> <p>The Board periodically delegates certain activities and responsibilities to key stakeholders by way of written powers of attorney. The Company and the Group maintain policies to ensure that any such delegation is appropriately managed and regulated.</p>

SALESFORCE UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Principle	Application
<p>Principle 4 - Opportunity and risk</p>	<p>The Company has a well-developed system for identifying opportunities to promote the long-term sustainable success of the business, as well as internal committees and control processes to identify, manage and mitigate risk. The Principal Risks and Uncertainties section of the Strategic Report details specific examples from fiscal 2024 on page 1 and 2.</p> <p>The Board regularly considers material risk issues that may impact the Company, its Purpose, culture, and stakeholders, and takes action where appropriate. The Board ensures regular oversight over the Company's product offerings by reviewing and approving its customer and pricing strategy.</p> <p>As part of the Company's approach to monitoring and managing its financial and non-financial risks, the Company leverages the work and resources of the Group's global enterprise risk management ("ERM") process. The Group maintains an ERM process that includes consultations with a wide array of cross-functional internal stakeholders and external benchmarking and follows a clearly-defined process to identify and assess risks. The Company and the Group also initiates task forces within the EMEA region which are composed of various stakeholders within the Group in order to develop strategies to mitigate specific risks that are identified as impacting the Group, Company and stakeholders thereof.</p> <p>Each year the Group produces a comprehensive Stakeholder Impact Report ("SIR") so that its key stakeholders can stay informed and track its progress against key Environmental Social Governance ("ESG") related goals and targets. This report is informed by regular ESG materiality assessments, which identify key topics that are most important to its stakeholders and to the Group's success as a business. The SIR promotes corporate transparency and serves as a foundation for the Company's own approach to ESG reporting.</p> <p>The Group has a Global Advisory Board informing strategic decisions of the Company; further information on the role of this body can be found in the TCFD statement in the Strategic Report at pages 12-14.</p>

SALESFORCE UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Principle	Application
<p>Principle 5 - Remuneration</p>	<p>Remuneration policies are determined at Group level and the Group's Equal Pay policy is applied globally, including by the Company.</p> <p>The salaries and bonuses of the Company's workforce are reviewed on an annual basis to ensure everyone is paid equally for equal work, to close any unexplained gaps, and to ensure that the Company's workforce is paid fairly. These pay gap assessments are provided to the Board, which set out the Company's approach to pay and focus on achieving a more regulated and transparent approach to remuneration. The Company also publishes a Gender Pay Gap Report on an annual basis based on criteria set by the UK government. The Group and Company are committed to delivering the Group's Equal Pay policy and prioritise equal pay and advocate for pay fairness.</p> <p>Further information on the Company's relationships and engagement with its workforce can be found in the s. 172 statement in the Strategic Report at page 2 - 12.</p> <p>Further details on remuneration can be found at note 10 and 11 of the financial statements.</p>
<p>Principle 6 – Stakeholders relationship and engagement</p>	<p>Further information on the Company's relationships and engagement with its key stakeholders can be found in the s. 172 statement in the Strategic Report at pages 2 - 12.</p>

STATEMENT ON ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS IN A BUSINESS RELATIONSHIP WITH COMPANY

The Section 172(1) statement in the strategic report summarises how the Directors have had regard to the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regards including on the principal decisions taken by the Company during the financial year.

This report was approved by the Board on 24 October 2024 and signed on its behalf.

Signed by:


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Joachim Wettermark
Director

SALESFORCE UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024**

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework' have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Board on 24 October 2024 and signed on its behalf.

Signed by:



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Joachim Wettermark
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALESFORCE UK LIMITED

Opinion

We have audited the financial statements of Salesforce UK Limited ("the Company") for the year ended 31 January 2024 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 26, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 January 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- We confirmed, through management enquiry, our understanding of management's going concern assessment process. We also engaged with management early to ensure all key risks and factors were considered in their assessment.
- We obtained management's going concern assessment which assesses current profitability and the projections of the Company. Management's assessment includes forecasts and sensitivity analysis, covering up to 31 October 2025.
- We considered the appropriateness of the methods used to calculate the forecast and determined through inspection and testing of the methodology and calculations that the methods utilized were appropriate to be able to make an assessment for the Company.
- We read the Company's going concern disclosures included in the financial statements in order to assess whether the disclosures were appropriate and in conformity with the reporting standards.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALESFORCE UK LIMITED (continued)

Conclusions relating to going concern (continued)

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period up to 31 October 2025.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALESFORCE UK LIMITED (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 24, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the Companies Act 2006 and the reporting framework (UK Adopted International Accounting Standards, FRS 101) and the relevant direct and indirect tax legislation in the UK. In addition, the Company should also comply with laws and regulations relating to its operations, including health and safety, employees, data protection, and corruption practices.
- We understood how Salesforce UK Limited is complying with those frameworks by making enquiries of management. To understand how the Company determines and implements its policies and procedures in these areas and corroborated this by inspecting supporting documentation. We inspected correspondence with the relevant authorities. We inspected board minutes to identify non-compliance with laws and regulations, and we inspected significant agreements impacting the Company in the financial year.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the management override. Where the risk is considered higher, we performed audit procedures to address the fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures included journals identified by specific risk criteria.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALESFORCE UK LIMITED (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, which appears to read 'Ronan Clinton', is located above the printed name.

Ronan Clinton (Senior Statutory Auditor)
for and on behalf of Ernst & Young Chartered Accountants, Statutory Auditor
Waterford, Ireland

Date: 29 October 2024

SALESFORCE UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2024

	Note	2024 £	2023 £
Turnover	4	1,681,048,233	1,548,249,244
Gross profit		<u>1,681,048,233</u>	<u>1,548,249,244</u>
Distribution costs		(776,381,490)	(813,941,967)
Administrative expenses		(878,716,990)	(713,082,725)
Other expenses		(42,682)	(36,802)
Operating profit	5	<u>25,907,071</u>	<u>21,187,750</u>
Income from subsidiary		6,769,815	—
Profit on ordinary activities before interest and taxation		<u>32,676,886</u>	<u>21,187,750</u>
Interest receivable and similar income	8	20,595,490	10,258,337
Interest payable and similar charges	9	(1,294,528)	(1,614,825)
Profit on ordinary activities before income tax		<u>51,977,848</u>	<u>29,831,262</u>
Tax on profit on ordinary activities	12	(5,346,588)	(15,767,472)
Profit for the financial year		<u>46,631,260</u>	<u>14,063,790</u>
Fair value movement on current asset investments	22	—	(89,789)
Total comprehensive income for the year		<u><u>46,631,260</u></u>	<u><u>13,974,001</u></u>

The Notes on pages 32 to 61 form part of these financial statements.

SALESFORCE UK LIMITED
REGISTERED NUMBER: 05094083

BALANCE SHEET
AS AT 31 JANUARY 2024

	Note	2024 £	2023 £
Non current assets			
Property, plant and equipment	13	18,785,237	24,245,961
Right-of-use assets	14	47,167,881	60,442,035
Investments	15	3,990,016	95,492
Goodwill	16	10,114,707	10,114,707
		<u>80,057,841</u>	<u>94,898,195</u>
Current assets			
Debtors: amounts falling due after more than one year	17	184,130,934	171,284,282
Debtors: amounts falling due within one year	17	1,015,853,760	1,310,532,228
Current asset investments	20	2,436,779	5,277,017
Cash and cash equivalents		241,508	355,163
		<u>1,202,662,981</u>	<u>1,487,448,690</u>
Creditors: amounts falling due within one year	18	<u>(1,174,924,425)</u>	<u>(1,188,965,408)</u>
Net current assets		<u>27,738,556</u>	<u>298,483,282</u>
Total assets less current liabilities		<u>107,796,397</u>	<u>393,381,477</u>
Creditors: amounts falling due after more than one year	19	<u>(47,095,078)</u>	<u>(64,490,676)</u>
Net assets		<u>60,701,319</u>	<u>328,890,801</u>
Capital and reserves			
Called-up share capital	21	1	1
Retained earnings	22	60,701,318	328,890,800
Shareholders' funds		<u>60,701,319</u>	<u>328,890,801</u>

The financial statements of Salesforce UK Limited were approved and authorised for issue by the Board and were signed on its behalf on 24 October 2024.

Signed by:



80DACC756BA43E...

Joachim Wettermark
 Director

SALESFORCE UK LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2024

	Called-up share capital	Fair value reserve	Retained Earnings	Total shareholders' funds
	£	£	£	£
At 1 February 2023	1	—	328,890,800	328,890,801
Comprehensive income for the year				
Profit for the year	—	—	46,631,260	46,631,260
Total comprehensive income for the year	—	—	46,631,260	46,631,260
Dividends paid	—	—	(324,187,608)	(324,187,608)
Share based payments transactions (Note 24)	—	—	9,366,866	9,366,866
Balance at 31 January 2024	1	—	60,701,318	60,701,319

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2023

	Called-up share capital	Fair value reserve	Retained Earnings	Total shareholders' funds
	£	£	£	£
At 1 February 2022	1	89,789	317,780,559	317,870,349
Comprehensive income for the year				
Profit for the year	—	—	14,063,790	14,063,790
Other comprehensive income (Note 22)	—	(89,789)	—	(89,789)
Total comprehensive income for the year	—	(89,789)	14,063,790	13,974,001
Share based payments transactions (Note 24)	—	—	(2,953,549)	(2,953,549)
Balance at 31 January 2023	1	—	328,890,800	328,890,801

The Notes on pages 32 to 61 form part of these financial statements.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****1. General presentation**

Salesforce UK Limited ("the Company") is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on the Company information page.

The Company acts as a contracting party with third party customers in the UK, reselling the Group's solutions through its reseller agreement with another group entity, SFDC Ireland Limited. This involves the direct reselling of products and services, providing after-sales support including technical enquiries, compiling market information for the business activity performance and assistance in the adaptation of the products and services.

The financial statements of the Company for the year ended 31 January 2024 were authorised for issue by the board of Directors ("the Board") on 24 October 2024 and the balance sheet was signed on the Board's behalf by Joachim Wettermark. The Company is a private company limited by share capital incorporated and domiciled in the United Kingdom.

2. Accounting policies

The material accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

The Company's financial statements are presented in Sterling. The amounts disclosed are not rounded off, except where otherwise indicated.

2.1 Basis of accounting

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 ("FRS 100") issued by the Financial Reporting Council. These financial statements including the comparative figures were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework ("FRS 101") as issued by the Financial Reporting Council and in accordance with Companies Act 2006.

The financial statements have been prepared on the historical cost basis, except where otherwise indicated. The principal accounting policies adopted are set out below.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

1. the requirements of paragraphs 45(b) and 4156-52 of IFRS 2 Share based Payments*;
2. the requirements of IFRS 7 Financial Instruments: Disclosures*;
3. the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement*;
4. the requirement in paragraph 38 of IAS 1 Presentation of financial statements to present comparative information in respect of:
 - a. (i) paragraph 79(a)(iv) of IAS 1;
 - b. (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - c. (iii) paragraph 118(e) of IAS 38 Intangible Assets;
5. the requirement of paragraphs 10(d), 10(f), 111 and 134-136 of IAS 1 Presentation of financial statements;
6. the requirements of IAS 7 Statement of Cash Flows;
7. the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
8. exemption from the requirements of the second sentence of paragraph 110 and paragraph 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from contracts with customers;
9. the requirements of paragraph 52 and 58 of IFRS 16 Leases;

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.1 Basis of accounting (continued)**

10. the requirements of paragraph 130(f)(ii), 134(d) to 134(f) and 135(e) of IAS 36 Impairment of Assets;

11. the requirements in paragraph 17 and 18a of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

*Equivalent disclosures are provided in the consolidated financial statements of Salesforce, Inc.

These financial statements present information about the Company as an individual undertaking and not about its group. The Company has taken advantage of the exemption under Section 399 of the Companies Act 2006 not to prepare group financial statements as its ultimate parent undertaking prepares consolidated financial statements. Details in respect of this ultimate parent undertaking are set out in note 25. Consequently, these financial statements deal with the results and state of affairs of the Company as a single entity.

The Company is included in the consolidated financial statements of its ultimate parent, Salesforce, Inc., which are publicly available.

2.2 New standards, amendments and IFRIC interpretations**International tax reform – pillar two model rules**

The Pillar Two Global Anti-Base Erosion rules issued by the Organisation for Economic Co-Operation and Development ("OECD"), a global policy forum, introduced a global minimum tax of 15% which would apply to multinational groups with consolidated financial statement revenue in excess of EUR 750million. The majority of OECD member jurisdictions have agreed in principle to adopt these provisions and numerous jurisdictions, including jurisdictions where the Company operates, have enacted these rules for the financial year beginning 1 February 2024.

Disclosure of accounting policies - amendments to IAS 1 and IFRS practice statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the company's financial statements.

Deferred tax related to assets and liabilities arising from a single transaction – amendments to IAS 12

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the company's financial statements.

Definition of accounting estimates - amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.2 New standards, amendments and IFRIC interpretations (continued)**

They also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the company's financial statements.

2.3 Going concern

On the basis of current financial projections, available funds and facilities and the related safeguards the Company has put in place, the Directors are satisfied that the Company has adequate resources to continue in operation for the foreseeable future and therefore consider it appropriate to prepare the financial statements on the going concern basis.

2.4 Tangible fixed assets

All tangible fixed assets are recognised initially at cost and thereafter carried at cost less accumulated depreciation and impairment. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended, until the date which the asset becomes available for use.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Leasehold improvements - Shorter of 10 years or the lease term
- Fixtures & fittings - 5 years
- Computer hardware - 3 - 5 years
- Computer software - 3 - 5 years
- Right-of-use assets - Shorter of the lease term or the underlying asset's useful life

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount.

Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

During the annual review, the useful life of computer hardware and software was assessed to be 60 months. This is accounted for prospectively.

Impairment losses are recognised in the statement of comprehensive income as incurred.

An item of tangible fixed assets is unrecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the statement of comprehensive income in the period of derecognition.

2.5 Investments

Investments in subsidiaries are held at cost less accumulated impairment losses. Management performs an impairment assessment of the carrying value when indicators exist and based on the subsidiaries performance and financial position. Gains and losses on remeasurement are recognised in the statement of comprehensive income.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.6 Goodwill**

Goodwill is an intangible asset, and represents the surplus of the cost of acquisition over the fair value of net assets of the subsidiary acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Annually goodwill is tested for impairment at the level of the cash generating unit ("CGU") to which it belongs. The Company operates as a single CGU for the purposes of goodwill impairment testing. The impairment test is performed by comparing the recoverable amount of the CGU, being the Company as a whole, with its carrying amount. The recoverable amount is determined based on the higher of the CGU's value in use and its fair value less costs of disposal. An impairment loss recognised for goodwill cannot be reversed in a subsequent period.

2.7 Impairment of non-financial assets

The Company evaluates non-financial assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable, or at least annually at each reporting date. This includes but is not limited to significant adverse changes in business climate, market conditions or other events that indicate an asset's carrying amount may not be recoverable.

If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the statement of comprehensive income immediately. Non-financial assets (excluding goodwill) that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.8 Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- When the deferred tax liability arises from the initial recognition of goodwill or
- An asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.8 Taxation (continued)**

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it is related to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise, income tax is recognised in the income statement.

2.9 Revenue recognition

The Company derives its revenues from the following sources:

- Subscription revenues, which are comprised of subscription fees from customers accessing Salesforce, Inc.'s enterprise cloud computing services ("the SaaS Services") and from customers paying for additional support beyond the standard support that is included in the basic subscription fees;
- Consulting and professional services such as process mapping, project management, implementation services and other revenue. "Other revenue" consists primarily of training;
- License revenue which is recognised up front as the Company provides the right of use to the customer; and
- The provision of services to related parties under cost plus arrangements.

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for the services supplied, stated net of value added taxes. The Company recognises revenue when performance obligations have been satisfied and for the Company this is when the services have transferred to the customer and the customer has control of these.

The Company determines the amount of revenue to be recognised through the application of the following steps:

- Identification of the contract, or contracts with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract;
- Recognition of revenue when or as the Company satisfies the performance obligations.

The Company's subscription service arrangements are non-cancelable and do not contain refund-type provisions. The Company generally invoices customers annually. Typical payment terms is within 30 days of invoice.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.9 Revenue recognition (continued)****Subscription and support revenues**

Subscription and support revenues are recognised ratably over the contract term beginning on the commencement date of each contract, which is the date the SaaS Services are made available to the customer.

Professional services and other revenues

The Company's professional services contracts are on a time and material basis or fixed price basis. When these services are not combined with subscription revenues as a single unit of accounting, as discussed above, these revenues are recognised as the services are rendered for time and material contracts, and when the milestones are achieved and accepted by the customer for fixed price contracts. Training revenues are recognised as the services are performed.

Multiple deliverable arrangements

The Company enters into arrangements with multiple deliverables that generally include multiple subscriptions, premium support and professional services.

A performance obligation is a promise in a contract with a customer to transfer products or services that are distinct. Determining whether products and services are distinct performance obligations that should be accounted for separately or combined as one unit of accounting may require significant judgment. Cloud Services and software licenses are distinct as such offerings are often sold separately. In determining whether professional services are distinct, we consider the following factors for each professional services agreement:

- Availability of services from other vendors.
- The nature of professional services.
- The timing of when the professional services contract was signed in comparison to the subscription start date.
- The contractual dependence of the service on the customer's satisfaction with the professional services work.

To date, we have concluded that all of the professional services included in contracts with multiple performance obligations are distinct.

The Company allocates the transaction price to each performance obligation on a relative standalone selling price ("SSP") basis. The SSP is the price at which it would sell a promised product or service separately to a customer.

License revenue

License revenue is recognised up front as the Company provides the right of use to the customer.

Related party services revenue

The Company invoices related parties for services provided under the applicable intercompany agreements in arrears on a quarterly basis. Revenue is recognised in the period to which it refers and is not deferred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

2. Accounting policies (continued)**2.9 Revenue recognition (continued)****Contract balances***Contract assets*

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Cost to obtain a contract

Deferred commissions are the incremental costs that are directly associated with non-cancellable subscription contracts with customers and consist of sales commissions paid to the direct sales force of the Company or related entities. These costs are deferred and amortised over the non-cancellable terms of the related customer contracts.

2.10 Pension

The Company provides pension arrangements to the majority of employees through a defined contribution scheme.

The amount charged to the statement of comprehensive income in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments on the balance sheet.

2.11 Foreign currency

The Company's financial statements are presented in Sterling, which is also the Company's functional currency.

Transactions in currencies other than the functional currency are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in the statement of comprehensive income in the period in which they arise.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.12 Leases**

The Company leases various properties. Rental contracts are typically made for fixed periods of 1 to 15 years but may have extension options.

The Company assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgment about whether it depends on a specific asset, whether the Company obtains substantially all the economic benefits from the use of that asset, and whether the Company has the right to direct the use of the asset.

The Company recognises right-of-use assets and lease liabilities at the lease commencement dates, except for: short term leases of 12 months or less; leases with a remaining lease term of less than 12 months at transition date; and low value asset leases which are expensed in the statement of comprehensive income on a straight-line basis over the lease term.

Contracts may contain both lease and non-lease components. However, for leases of properties for which the Company is a lessee and for which it has major leases, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease.

If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

At lease commencement, the lease payments consist of all of the following payments relating to the use of the underlying asset during the lease term:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate), initially measured using the index or rate at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, or a change in the lease term, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs;
- Restoration costs;
- The amount of the initial measurement of lease liability.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.12 Leases (continued)**

The right-of-use asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The right-of-use asset is subject to testing for impairment if there is an indicator for impairment, as for owned assets.

Right-of-use assets are included in the heading "Right-of-use assets" and the lease liabilities in the headings "Creditors amounts falling due within one year" and "Creditors amounts falling due after more than one year".

2.13 Finance costs

As explained below, where financial liabilities are measured at amortised cost using the effective interest method, interest expense is recognised on an effective yield basis in the statement of comprehensive income within finance costs.

2.14 Financial instruments**Initial recognition**

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

i) Financial assets

Financial assets at fair value through profit or loss or at fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the group considers this classification to be more relevant.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the group's business model is achieved both by collecting contractual cash flows and selling financial assets.

Financial assets at amortised cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows, and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.14 Financial instruments (continued)***Financial assets at fair value through profit or loss*

The following financial assets are classified at fair value through profit or loss (FVPL):

- Debt investments that do not qualify for measurement at either amortised cost or FVOCI
- Equity investments that are held for trading, and
- Equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

ii) Financial liabilities

The basic financial liabilities of the entity are trade and other creditors, amounts owed to group undertakings, and bank overdrafts.

Trade and other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liabilities are:

- contingent consideration that may be paid by an acquirer as part of a business combination
- held for trading

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are

- contingent consideration of an acquirer in a business combination,
- held for trading, or
- designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.14 Financial instruments (continued)****iv) Impairment of financial assets**

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs.

Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic Environment.

v) Derecognition of financial assets and liabilities

Financial assets are derecognised when

- the contractual rights to the cash flows from the asset expire or are settled, or
- substantially all the risks and rewards of the ownership of the asset are transferred to another party, or
- control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.15 Share based payments**

The Group maintains the following stock plans the 2013 Equity Incentive Plan and the 2014 Inducement Equity Incentive Plan ("2014 Inducement Plan"). Under these plans, the Group is authorised to issue restricted stock units ("RSUs"), performance-based restricted stock units ("PSUs"), restricted stock awards ("RSAs") and stock options. In addition, the Group maintains an Amended and Restated 2004 Employee Stock Purchase Plan ("ESPP" or "2004 Employee Stock Purchase Plan") which allows employees to purchase CRM's stock at a discount.

Stock Options

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them.

Stock-based compensation expense is measured based on grant date at fair value using the Black-Scholes option pricing model for stock options and the grant date closing stock price for restricted stock awards. The Company recognises stock-based compensation expense related to stock options and restricted stock awards using the ratable method, net of estimated forfeitures, over the requisite service period of the awards, which is generally the vesting term of four years. The estimated forfeiture rate applied is based on historical forfeiture rates.

Restricted Stock Units

Stock-based compensation expense related to the Company's Amended and Restated 2004 Employee Stock Purchase Plan ("ESPP" or "2004 Employee Stock Purchase Plan") is measured based on grant date at fair value using the Black-Scholes option pricing model. The Company recognises stock-based compensation expense related to shares issued pursuant to the 2004 Employee Stock Purchase Plan on a straight-line basis over the offering period, which is 12 months. The ESPP allows employees to purchase shares of the Company's common stock at a 15 percent discount from the lower of the Company's stock price on (i) the first day of the offering period or on (ii) the last day of the purchase period and also allows employees to reduce their percentage election once during a six-month purchase period (December 15 and June 15 of each fiscal year), but not increase that election until the next one-year offering period. The ESPP also includes a reset provision for the purchase price if the stock price on the purchase date is less than the stock price on the offering date.

Stock-based compensation expense related to performance share grants, which are awarded to executive officers and other members of senior management and vest, if at all, based on the Company's performance over a three-year period relative to the Nasdaq 100. Performance share grants are measured based on grant date at fair value using a Monte Carlo simulation model and expensed using the ratable method, net of estimated forfeitures, over the service period of the awards, which is generally the vesting term of three years. The Company, at times, grants unvested restricted shares to employee stockholders of certain acquired companies in lieu of cash consideration. These awards are generally subject to continued post-acquisition employment. Therefore, the Company accounts for them as post-acquisition stock-based compensation expenses. The Company recognises stock-based compensation expense equal to the grant date fair value of the restricted stock awards, based on the closing stock price on grant date, on a straight-line basis over the requisite service period of the awards, which is generally four years.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****2. Accounting policies (continued)****2.16 Dividend distribution**

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company shareholders.

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgments have had the most significant effect on amounts recognised in the financial statements:

Impairment of trade receivables

When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivables, the ageing profile of receivables and historical experience. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. See note 17 for the net carrying amount of the receivables.

Taxation

Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are disclosed in note 12.

Performance obligations

The Company enters into contracts with customers that may include promises to transfer multiple Cloud Services, software licenses, premium support and professional services. Determining whether products and services are distinct performance obligations that should be accounted for separately or combined as one unit of accounting may require significant judgment.

Cloud Services and software licenses are distinct as such offerings are often sold separately. In determining whether professional services are distinct, we consider the following factors for each professional services agreement: availability of the services from other vendors, the nature of the professional services, the timing of when the professional services contract was signed in comparison to the subscription start date and the contractual dependence of the service on the customer's satisfaction with the professional services work.

The Company allocates the transaction price to each performance obligation on a relative standalone selling price ("SSP") basis. The SSP is the price at which we would sell a promised product or service separately to a customer. Judgment is required to determine the SSP for each distinct performance obligation. The Company determines SSP by considering the overall pricing objectives and market conditions. Significant pricing practices taken into consideration include the Company's discounting practices, the size and volume of transactions, the customer demographic, the geographic area where services are sold, price lists, the go-to-market strategy, historical sales and contract prices. As the go-to-market strategies evolve, the Company may modify its pricing practices in the future, which could result in changes to SSP. In certain cases, it is able to establish SSP based on observable prices of products or services sold separately in comparable circumstances to similar customers.

SALESFORCE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

3. Judgements and key sources of estimation uncertainty (continued)

The Company use a single amount to estimate SSP when it has observable prices. If SSP is not directly observable, for example when pricing is highly variable, it uses a range of SSP. The Company determines the SSP range using information that may include market conditions or other observable inputs. The Company typically has more than one SSP for individual products and services due to the stratification of those products and services by customer size and geography.

Share based compensation

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. The models used for estimating fair value for share-based payment transactions are outlined in accounting policy 2.15.

4. Turnover

An analysis of the Company's turnover is as follows:

	2024	2023
	£	£
SaaS subscription services	1,195,259,718	1,063,620,928
Professional consulting and other services	356,674,310	333,320,235
License revenue	116,636,341	90,394,131
Related party services	12,477,864	60,913,950
	<u>1,681,048,233</u>	<u>1,548,249,244</u>

The Company's primary source of revenue is subscription revenue related to the sale of SFDC Ireland Limited services to third party customers and other related services. In addition, the Company continues to provide services to other related parties.

Turnover by geographical segment has not been disclosed in accordance with part 3 paragraph 68 of Statutory Instruments 2008 no.410.

Assets and liabilities related to contracts with customers

The Company has recognised the following assets and liabilities related to contracts with customers:

	2024	2023
	£	£
Trade receivables (see Note 17)	683,298,866	654,998,076
Contract assets (see Note 17)	38,287,738	31,644,227
Contract liabilities (see Notes 18,19)	<u>859,703,388</u>	<u>807,719,188</u>

SALESFORCE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

4. Turnover (continued)*(i) Revenue recognised in relation to contract liabilities*

The following table shows how much of the revenue recognised in the current reporting period related to carried-forward contract liabilities

	2024	2023
	£	£
Amounts included in contract liabilities at the beginning of the year (see notes 18, 19)	<u>807,719,188</u>	<u>729,912,087</u>

(ii) Assets recognised from costs to fulfil a contract

In addition to the contract balances disclosed above, the Company has also recognised an asset in relation to costs to fulfil long term contracts.

	2024	2023
	£	£
Asset recognised from costs incurred to fulfil a contract at 31 January	257,737,847	248,371,151
Amortisation and impairment loss recognised as cost of providing services during the period	<u>107,809,929</u>	<u>119,789,341</u>

5. Operating profit

The operating profit is stated after charging/(crediting):

	2024	2023
	£	£
Staff costs (see note 10)	710,671,822	735,785,068
Amortisation and impairment loss recognised as cost of providing services during the period	107,809,929	119,789,341
Depreciation of tangible fixed assets (see notes 13,14)	16,811,884	20,979,377
Expense relating to variable lease payments not included in lease liabilities	14,011,740	9,559,128
R&D expense	8,347,198	6,739,466
Foreign exchange loss / (gain)	6,658,374	(1,928,647)
Impairment of contract assets	17,935	2,314
Impairment of right-of-use assets	—	4,237,901

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**6. Financial instruments**

The Company has the following assets measured at fair value through profit or loss or at fair value through other comprehensive income:

	2024	2023
	£	£
Derivative financial assets	<u>2,436,779</u>	<u>5,277,017</u>

The Company has the following financial liabilities measured at fair value through profit or loss:

	2024	2023
	£	£
Derivative financial liabilities	<u>673,809</u>	<u>1,636,024</u>

7. Auditor's remuneration

Fees payable to auditor for the statutory audit of the Company's financial statements were £149,521 (2023 - £140,435). There were no non-audit services provided by the Company's statutory auditor during the fiscal year.

8. Interest receivable and similar income

	2024	2023
	£	£
Interest receivable from group companies	19,497,571	7,752,033
Other interest	1,097,919	2,506,304
	<u>20,595,490</u>	<u>10,258,337</u>

9. Interest payable and similar expenses

	2024	2023
	£	£
Interest payable on lease liabilities	1,217,815	1,565,702
Bank interest payable	76,713	49,123
	<u>1,294,528</u>	<u>1,614,825</u>

SALESFORCE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

10. Staff costs

	2024	2023
	£	£
Wages and salaries	532,119,058	534,455,453
Social security costs	88,172,784	88,393,390
Other pension costs	24,037,822	24,575,991
Share-based payments (Note 24)	66,342,158	88,360,234
	<u>710,671,822</u>	<u>735,785,068</u>

The average monthly number of employees during the year was as follows:

	2024	2023
	No.	No.
Management	1	1
Administration	1,054	1,148
Sales	1,909	2,278
	<u>2,964</u>	<u>3,427</u>

11. Directors' remuneration and transactions

The Directors' remuneration is borne by other group entities (2023: same).

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

12. Taxation

(a) Taxation on profit

	2024	2023
	£	£
Corporation tax		
Current tax on profits for the year	8,059,568	13,097,657
Adjustments in respect of previous periods	913,571	251
Foreign tax relief/other relief	—	(201,125)
Total current tax	<u>8,973,139</u>	<u>12,896,783</u>
Deferred tax		
Current year	(3,408,484)	2,286,401
Adjustments in respect of prior periods	(80,499)	(137,734)
Effect of changes in tax rates	(137,568)	722,022
Total deferred tax	<u>(3,626,551)</u>	<u>2,870,689</u>
Taxation on profit	<u>5,346,588</u>	<u>15,767,472</u>

(b) Tax included within equity

	2024	2023
	£	£
Current tax	2,561,112	991,595
Deferred tax current year charge	6,805,754	(5,193,864)
Total tax included in equity	<u>9,366,866</u>	<u>(4,202,269)</u>

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

12. Taxation (continued)

(c) Reconciliation of the tax charge

The tax expense in the statement of comprehensive income for the year is the standard rate of corporation tax in the UK of 24.03% (2023 - 19%). The differences are reconciled below:

	2024	2023
	£	£
Profit before tax	<u>51,977,848</u>	<u>29,831,262</u>
<i>Tax rate</i>	24.03%	19%
Profit multiplied by standard rate of corporation tax in the UK of 24.03% (2023 - 19%)	12,490,348	5,667,940
Effects of:		
Expenses not deductible for tax purposes	1,150,809	2,003,224
Effects of group relief/other relief	—	(929,002)
Adjustments to tax charge in respect of prior periods	833,072	(137,483)
Exempt amounts	—	246,512
Share options	(7,329,463)	8,589,015
Tax rate changes	(137,568)	722,022
Foreign tax relief/other relief	—	(201,126)
Income not taxable	(1,660,608)	(193,630)
Rounding	(2)	—
Total tax expense	<u>5,346,588</u>	<u>15,767,472</u>

(d) Factors that may affect future tax charges

An increase to the main UK corporation tax rate from 19% to 25% from 1 April 2023 was announced in the March 2021 budget and was substantively enacted on 24 May 2021. Deferred tax is therefore provided at 25% in the 2024 accounts.

(e) Pillar two - income taxes

The Company has evaluated the impact of these rules and currently believes they will not have any material impact on financial results for the year ended 31 January 2024. We will continue to monitor and refine our assessment as further guidance is made available.

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

12. Taxation (continued)

Deferred taxation

The Company expects to have continued taxable profits in the year ended 31 January 2024 and future periods. On this basis, a deferred tax asset has been recognised in the financial statements for the current period. To the extent that the future tax deduction associated with share based payments exceeds the cumulative book expense for outstanding unvested, unreleased and/or unexercised share options and awards, the related deferred tax asset has been recognised in the statement of changes in equity.

The deferred tax included in the Company's balance sheet is as follows:

	2024	2023
	£	£
Deferred taxation		
At beginning of year	19,037,298	27,101,854
Charged to profit or loss	3,546,052	(3,008,424)
Prior year adjustment	80,499	137,732
Charged to equity	6,805,754	(5,193,864)
At end of year	29,469,603	19,037,298

The deferred tax asset is made up as follows:

	2024	2023
	£	£
Book depreciation in excess of capital allowances	262,244	(295,081)
Other temporary differences	451,460	505,291
Share based payments	28,476,076	18,094,721
Losses	279,823	732,367
	29,469,603	19,037,298

Pillar two - deferred taxes

It is unclear if the Pillar Two model rules create additional temporary differences, whether to remeasure deferred taxes for the Pillar Two model rules and which tax rate to use to measure deferred taxes. In response to this uncertainty, on 23 May 2023 and 27 June 2023, respectively, the IASB and AASB issued amendments to IAS 12 'Income taxes' introducing a mandatory temporary exception to the requirements of IAS 12 under which a company does not recognise or disclose information about deferred tax assets and liabilities related to the proposed OECD/G20 BEPS Pillar Two model rules. The Company applied the temporary exception with respect to the year ended 31 January 2024.

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

13. Property, plant and equipment

	Leasehold improvements £	Fixtures and furniture £	Computer hardware £	Software £	Total £
Cost					
At 31 January 2023	42,742,710	5,106,258	19,276,994	38,369	67,164,331
Additions	289,837	73,927	2,003,473	38,923	2,406,160
Disposals	(3,488,487)	—	(2,491,646)	(1,179)	(5,981,312)
At 31 January 2024	<u>39,544,060</u>	<u>5,180,185</u>	<u>18,788,821</u>	<u>76,113</u>	<u>63,589,179</u>
Depreciation					
At 31 January 2023	23,643,344	4,461,865	14,775,603	37,558	42,918,370
Charge for the year	4,339,352	461,214	1,847,903	7,690	6,656,159
Disposals	(2,677,426)	(77,514)	(2,014,615)	(1,032)	(4,770,587)
At 31 January 2024	<u>25,305,270</u>	<u>4,845,565</u>	<u>14,608,891</u>	<u>44,216</u>	<u>44,803,942</u>
Net book value					
At 31 January 2024	<u>14,238,790</u>	<u>334,620</u>	<u>4,179,930</u>	<u>31,897</u>	<u>18,785,237</u>
At 31 January 2023	<u>19,099,366</u>	<u>644,393</u>	<u>4,501,391</u>	<u>811</u>	<u>24,245,961</u>

Asset retirement obligations (ARO) are included in the leasehold improvements for which the cost at 31 January 2024 amounts to Nil (2023 - £600,532).

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

14. Right-of-use assets

	Buildings £
Cost	
At 31 January 2023	109,071,784
Additions	2,388,600
Remeasurements	(5,507,029)
Disposals	(4,411,231)
At 31 January 2024	<u>101,542,124</u>
Depreciation	
At 31 January 2023	48,629,749
Depreciation charge for the year	10,155,725
Disposals	(4,411,231)
At 31 January 2024	<u>54,374,243</u>
Net book value	
At 31 January 2024	<u>47,167,881</u>
At 31 January 2023	<u>60,442,035</u>

The total cash outflow for leases in 2024 amounted to £16,596,909 (2023 - £16,009,369).

SALESFORCE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

15. Investments

	Shares in group companies
	£
Cost	
At 1 February 2023	95,492
Additions	4,209,179
At 31 January 2024	<u>4,304,671</u>
Impairment	
At 1 February 2023	—
At 31 January 2024	(314,655)
Net book value	
At 31 January 2024	<u>3,990,016</u>
<i>At 31 January 2023</i>	<u>95,492</u>

On the 15 December 2023, Datorama Technologies Limited sold its shares in Datorama UK Limited to Salesforce UK Limited in exchange for cash £4,209,179. The impairment of £314,655 represents a decrease in net asset value of the investment which management has recorded this during the financial year.

The Company holds issued ordinary shares in each of the following companies:

Name	Country of incorporation	Class of shares	Holding %		Nature of business	Registered Address
			2024	2023		
Salesforce.com France SAS	France	Ordinary	10.81 %	10.81 %	Reseller of salesforce products	3 rue Octave Gréard 75007 Paris France
Datorama UK Ltd	UK	Ordinary	100%	—%	Dormant	55 Station Road Beaconsfield Buckinghamshire HP9 1QL UK

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

16. Goodwill

On 25 August 2021, Slack Technologies Ireland Limited sold its shares held in Slack UK Limited to Salesforce UK Limited for an amount of £18,936,635. Subsequently, on 1 October 2021, the Company entered into a business transfer agreement with Slack UK Limited. This transferred assets and liabilities to the Company and was settled in cash for an amount of £8,821,928. After this business transfer agreement, the services previously provided by Slack UK Limited were taken over by the Company. The difference between the price paid for the shares and the cash received by Slack UK Limited for the business transfer agreement was assigned to goodwill for an amount of £10,114,707. This represents the know-how of the personnel of Slack UK Limited and the expected synergies with the Salesforce Group.

There was no impairment identified during the annual impairment test of the goodwill balance.

17. Debtors

	2024	2023
	£	£
Due after more than one year		
Contract costs - Long term	150,310,208	149,855,701
Deferred taxation (Note 12)	29,469,603	19,037,298
Contract assets - Long term	3,541,463	2,391,283
Prepayments - Long term	809,660	—
	<u>184,130,934</u>	<u>171,284,282</u>
	2024	2023
	£	£
Due within one year		
Trade receivables	683,298,866	654,998,076
Amounts owed by group undertakings (interest free)*	44,855,575	8,552,577
Amounts owed by group undertakings (interest bearing)**	118,313,942	514,811,190
Contract assets	34,746,275	29,252,944
Other debtors	79,767	2,337,957
Prepayments - Short term	5,830,152	2,064,034
Contract costs - Short term	107,427,639	98,515,450
Corporation tax	21,301,544	—
	<u>1,015,853,760</u>	<u>1,310,532,228</u>

*Amounts owed by group undertakings are unsecured, interest free and are repayable on demand.

**Amounts owed by group undertakings are unsecured, interest bearing at a variable rate and are repayable on demand. The calculation of the interest is based upon interest rates which are reset monthly. The applicable rate is composed by a Base Rate of GBP (SONIA) – 1 Month with a floor of 0 plus a spread of -0.14% - 0.32%.

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

18. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	265,747	8,587,240
Amounts owed to group undertakings	4,726,359	61,125,646
Other taxation and social security	81,348,603	63,942,671
Defined contribution pension scheme accrual	3,343,337	3,630,829
Accruals	220,063,694	230,871,144
Contract liabilities	853,153,177	801,114,973
Derivative liabilities (Note 6)	673,809	1,636,024
Lease liabilities	11,349,699	14,930,461
Corporation tax	—	3,126,420
	<u>1,174,924,425</u>	<u>1,188,965,408</u>

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand.

19. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Amounts falling due after more than one year and less than five years:		
Contract liabilities	6,550,211	6,604,215
Lease liabilities	36,178,746	45,002,851
	<u>42,728,957</u>	<u>51,607,066</u>
Amounts falling due after more than five years:		
Lease liabilities	4,366,121	12,883,610
	<u>47,095,078</u>	<u>64,490,676</u>

20. Current asset investments

	2024	2023
	£	£
Short term investments		
Derivative financial assets	2,436,779	5,277,017
	<u>2,436,779</u>	<u>5,277,017</u>

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**21. Called-up share capital**

CALLED-UP SHARE CAPITAL	2024	2023
	£	£
Shares classified as equity		
Authorised		
1,000- (2023 - 1,000) Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1- (2023 - 1) Ordinary share of £1	<u>1</u>	<u>1</u>

22. Other reserves*Fair value reserve*

The fair value reserve represents the aggregate of the cumulative unrealised gains and losses on current asset investments.

Retained earnings

The profit and loss account represent the profits and losses retained in the current and prior periods.

The movement in cumulative expense in relation to share based payments since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity, see Note 24 for further information on share based payments.

23. Retirement benefit schemes

The Group operates a defined contribution pension scheme in which the majority of employees participate. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge represents contributions payable by the Company to the scheme and amounted to £24,037,822 (2023 - £24,575,991). Total employer and employee contributions outstanding at year-end amounted to £3,343,337 (2023 - £3,630,829) payable by the Company (Note 18).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

24. Share based payments

The Group maintains the following stock plans: the 2013 Equity Incentive Plan and the 2014 Inducement Equity Incentive Plan ("2014 Inducement Plan"). Under these plans, the Company is authorised to issue restricted stock units ("RSUs"), performance-based restricted stock units ("PSUs"), restricted stock awards ("RSAs"), and stock options. In addition, the Company maintains an Amended and Restated 2004 Employee Stock Purchase Plan ("ESPP" or "2004 Employee Stock Purchase Plan") which allows employees to purchase CRM stock at a discount.

Stock options, RSUs and RSAs

Stock-based expense is measured based on grant date at fair value using the Black-Scholes option pricing model for stock options and the grant date closing stock price for restricted stock units and restricted stock awards (collectively restricted stock awards).

For options, the Company estimated the future stock price volatility considering both its observed option-implied volatilities and its historical volatility calculations. Management believes this is the best estimate of the expected volatility over the expected life of its stock options and stock purchase rights.

Options issued have terms of seven years and the estimated life for the stock options was based on an analysis of historical exercise activity. The risk-free interest rate is based on the rate for a U.S. government security with the same estimated life at the time of the option grant and the stock purchase rights. The Group does not anticipate paying any cash dividends in the foreseeable future and therefore uses an expected dividend yield of zero in the option pricing model.

Calculating the fair value of employee stock options requires estimates and significant judgment. The Company uses the Black-Scholes pricing model to estimate the fair value of equity plan. The fair value of the equities are estimated on the date of the grant using the Black-Scholes pricing model, and is not remeasured as a result of subsequent stock price fluctuations.

Assumptions used in the Black Scholes valuation model were as:

	2024	2023
Volatility	NA	39.80%
Expected life (years)	NA	3.49
Forfeiture rate	NA	10.31%
Risk-free interest rate (based on Bloomberg as at 31 January, 2023)	NA	3.79%

No stock options were granted in 2024.

The fair value of each stock option grant was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions and fair value per share:

	Weighted average share price on date of release (USD) 2024	Number 2024	Weighted average share price on date of release (USD) 2023	Number 2023
Stock option				
Released	\$156.6926	244,981	\$81.4563	35,488
Closing balance	—	273,341	—	634,105

SALESFORCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**24. Share based payments (continued)**

The range of exercise prices for options outstanding at the end of the year was \$4.73 - 248.28 (2023: \$3.38 - 252.80). The weighted average recognition period for the remaining stock options is 1.95 years (2023 - 2.73 years).

	Weighted average share price on date of release (USD) 2024	Number 2024	Weighted average share price on date of release (USD) 2023	Number 2023
RSU				
Released	\$203.3188	388,558	\$190.8551	402,423
Closing balance	—	830,612	—	926,965

The weighted average recognition period for the remaining RSUs is 2.66 years (2023 - 2.65 years).

The Company recognises stock-based expense related to stock options and restricted stock awards on a graded basis, over the requisite service period of the awards, which is generally the vesting term of four years. Stock-based expense is reduced by an estimated forfeiture rate based on historical forfeiture rates.

Performance Share Unit (PSU)

The Company grants performance-based restricted stock unit awards to certain employees. The performance-based restricted stock unit awards are subject to vesting based on a market-based condition and a service-based condition. At the end of the three-year service period, based on CRM's share price performance, these performance-based restricted stock units will vest in a percentage of the target number of shares between 0 and 200 percent, depending on the extent the performance condition is achieved. The Company used a Monte Carlo simulation model to estimate the fair value of the PSUs on the grant date.

Assumptions used in the Monte Carlo simulation model were as follows:

	2024	2023
Valuation date stock price	\$192.55	\$218.21
Simulation term (years)	0.82 - 3.82	3
Expected volatilities	38% - 39.42%	37.49%
Risk-free rate	3.59% - 4.68%	2.37 %

Stock-based expense is recognised on a straight-line basis, net of estimated forfeitures, over the service period of the awards, which is generally the vesting term of three years.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

24. Share based payments (continued)

	Weighted average share price on date of release (USD) 2024	Number 2024	Weighted average share price on date of release (USD) 2023	Number 2023
PSUs				
Released	—	—	—	—
Closing balance	—	41,636	—	9,548

For the remaining PSUs at year end the market price on release date is yet to be established. The weighted average recognition period for the remaining PSUs is 1.55 years (2023 - 1.98 years).

ESPP

The ESPP allows employees to purchase shares of the CRM's common stock at a 15 percent discount from the lower of the CRM stock price on (i) the first day of the offering period or on (ii) the last day of the purchase period and also allows employees to reduce their percentage election once during a six-month purchase period (December 15 and June 15 of each fiscal year), but not increase that election until the next one-year offering period. The ESPP also includes a reset provision for the purchase price if the stock price on the purchase date is less than the stock price on the offering date.

Stock-based expense related to the 2004 Employee Stock Purchase Plan is measured based on grant date at fair value using the Black-Scholes option pricing model. The Company recognises stock-based expense related to shares issued pursuant to the 2004 Employee Stock Purchase Plan on a straight-line basis over the offering period, which is 12 months.

	Weighted average share price on date of release (USD) 2024	Weighted average share price on date of release (USD) 2023
ESPP		
Exercised	\$112.5880	\$123.9113

The expense recognised for share-based payments in respect of employee services received during the year to 31 January 2024, is £66,342,158 (2023 - £88,360,234). An amount of Nil (2023 - £1,248,721) relating to stock-based expense has been booked in equities. The weighted average recognition period for the outstanding balance is 0.48 years (2023 - 0.24 years).

The exercise price disclosures are given in US Dollars (US\$) as this is the currency in which the options are exercisable and the underlying stocks are quoted.

SALESFORCE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024****24. Share based payments (continued)**

Share types	Number of shares outstanding 31 Jan, 2023	Awarded / Granted	Released / Exercised	Forfeited / Expired	Number of shares outstanding 31 Jan, 2024
Stock options	634,105	—	(244,981)	(115,783)	273,341
RSU	926,965	499,709	(388,558)	(207,504)	830,612
PSU	9,548	34,807	—	(2,719)	41,636
ESPP	—	—	(197,261)	—	—

25. Controlling party

The Company's immediate parent Company is Salesforce.com Sàrl, a Company incorporated in Switzerland.

The ultimate controlling party and the parent undertaking of both the largest and the smallest group of undertakings of which the Company is a member and for which group financial statements are drawn up is Salesforce, Inc. a Company incorporated in the United States of America. Copies of its consolidated financial statements may be obtained from Salesforce, Inc., salesforce Tower, 415 Mission Street 3rd Floor, San Francisco CA 94105, United States of America or at the following website: <http://investor.salesforce.com>.

26. Post balance sheet events

There are no material events affecting the Company since the year end requiring disclosure.