

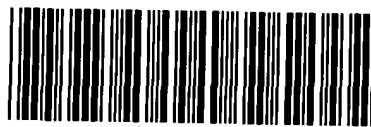
Registered number: 08507618

SFDC EMEA DATA CENTRE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

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SFDC EMEA DATA CENTRE LIMITED

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SFDC EMEA DATA CENTRE LIMITED

COMPANY INFORMATION

Directors	Darryl Yee Tony Stewart (appointed 15 August 2023) David Dempsey (resigned 31 July 2023)
Company Secretary	Abogado Nominees Ltd
Registered number	08507618
Registered office	Floor 26 Salesforce Tower 110 Bishopsgate London EC2N 4AY United Kingdom
Independent auditors	Ernst & Young Chartered Accountants The Atrium Maritana Gate Canada Street Waterford Ireland
Bankers	Deutsche Bank 6 Bishopsgate London EC2N 4DA United Kingdom
Solicitors	Baker & McKenzie London 100 New Bridge Street London EC4V 6JA United Kingdom

SFDC EMEA DATA CENTRE LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 January 2023**

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

REVIEW OF BUSINESS

Effective from 1 September 2014, SFDC EMEA Data Centre Limited ("the Company") derives its revenue from its Data Hosting Services Agreement in place with SFDC Ireland Limited, an Irish based company and part of the Salesforce, Inc. group (the "Group"). The Company invoices SFDC Ireland Limited for all operating expenses incurred in offering data hosting services.

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

	2023	2022	Variation
	£000	£000	%
Turnover	54,805	67,607	(19)%
Total operating expenses	(51,068)	(62,314)	(18)%
Operating profit	3,737	5,294	(29)%
Profit before taxation	2,656	4,025	(34)%
Shareholders' funds	16,000	13,706	17%
Average number of employees	9	9	—%

The statement of comprehensive income for the year ended 31 January 2023 and the balance sheet as at that date are set out on pages 20 and 21, respectively. The profit before taxation for the year amounted to £2,655,636 (2022 – £4,025,255). Operating profit has decreased from prior year due to an increase of expensed costs and maintenance of equipment and software and variable costs, partially offset by a decrease of depreciation of owned fixed assets and a decrease of finance leases amortization.

PRINCIPAL RISKS AND UNCERTAINTIES

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 aims to mitigate liquidity risk by managing cash generation via its operations and continuing support of the ultimate parent company, Salesforce, Inc.

THE COMPANY AND THE ENVIRONMENT

The Company is committed to conducting its activities with due care and regard for the environment and to continual improvement 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 and to managing and reducing its water consumption and ensuring that all its wastewater is treated to the highest environmental standards. The Company is committed to reducing quantities of waste produced and actively uses recyclable products.

SFDC EMEA DATA CENTRE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

SECR REPORTING

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 the SECR in the financial year ended 31 January 2023 were 6,695 tonnes (2022 - 6,092 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 factors for electricity. The Company's energy consumption reportable under SECR in the financial year ended 31 January 2023 was 33,974,251 kWh (2022 - 28,689,138 kWh).

The reporting periods are 1 February 2022 to 31 January 2023 for current financial year end and 1 February 2021 to 31 January 2022 for the comparative period.

SUMMARY DATA

Metric (Units)	2023	2022
Total energy consumption (kWh)	33,974,251	28,689,138
Scope 1 emissions (Metric tons of carbon dioxide equivalent (MTCO ₂ e))	0	0
Scope 2 location-based emissions (MTCO ₂ e)	6,695	6,092
Intensity ratio (scope 1 and 2 location-based emissions in MTCO ₂ e per million £ in revenue)	122.16	90.11
Scope 3 business travel emissions from rental cars and employee mileage reimbursement (MTCO ₂ e)	1	1

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 SFDC EMEA Data Centre Limited 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. SFDC EMEA Data Centre Limited was the only entity included in this report.

The global Salesforce fiscal year 2023 greenhouse gas emissions inventory which has been independently assured was used as a basis to prepare emissions for SFDC EMEA Data Centre Limited.

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.

The emissions in base year or prior years are subject to restatement or adjustment should a material change in total base year emissions be identified, including as a result of changes in calculation methodology or changes due to data accuracy and availability. This does not include organic growth and decline.

SFDC EMEA DATA CENTRE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

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:

- **Work From Anywhere** - For our real estate, deep decarbonization means driving down emissions from the creation and use of our buildings, spaces, materials, and the services that support them.
- **Infrastructure** - We deliver our customers a completely carbon neutral cloud by offsetting the emissions we cannot reduce through other operational sustainability initiatives via high quality carbon offset programs
- **Business Travel** - We build robust programs to change behavior, grow the market for Sustainable Aviation Fuel, electrify ground transportation, and optimize 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. As part of this process, we also encourage our suppliers to sign a Sustainability Exhibit as part of their engagements with us.

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% renewable energy. 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, 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.

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

SFDC EMEA Data Centre Limited (the "Company") is a wholly owned subsidiary of Salesforce, Inc. (the "Group," "we", "us" or "our"), 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 08 March 2023 (referred to as the "Form 10-K"), as well as the fiscal 2023 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 in the digital age. Founded in 1999, we enable companies of every size and industry to take advantage of powerful technologies, including cloud, mobile, social, blockchain and artificial intelligence, to connect to their customers in a whole new way and help them transform their businesses around the customer in this digital-first world.

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

SFDC EMEA DATA CENTRE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

deliver the highest levels of security, privacy, performance, compliance and availability at scale. Customer success is at the core of our business and we align the entire company around our customers' needs to ensure their success and prove our value. We believe in continuous innovation, enabling our customers to access the latest technology advances so 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 community. 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 believe the world is in a climate crisis and that sustainability, including bold climate action, is the only way forward. We're bringing the full power of our products to help organisations achieve net zero.

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.

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 2023 ("fiscal 2023").

The Board convenes board meetings on a quarterly regular 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.

SFDC EMEA DATA CENTRE LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023

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

Stakeholder	Engagement
Workforce	<p>The Group's core values 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 family, 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 acknowledgements: Fortune World's Most Admired Companies (2022 and for the eighth year in a row), Fortune 100 Best Companies to Work For (2022 and for the 13th year in a row), Human Rights Campaign Best Places to Work for LGBTQ Equality (2022) and Glassdoor Employees' Choice Best Place to Work in Canada, France, Germany, the United Kingdom and the United States (2022). 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 board meetings, the Board is kept informed of the results of employee engagement processes including Company town hall meetings, surveys, and other feedback forums. to support, and facilitate flexibility for our employees during that challenging time.</p> <p><i>Equality</i></p> <p>Equality is one of our core values. We aim to create a workplace that reflects the diverse communities we serve and empowers our employees. Our key equality initiatives include investing in our future leaders, inclusive hiring and leadership training, equal pay for equal work, employee-led resource groups and a focus on accessibility in our products and workspaces. The Group strives to continue to build a diverse and inclusive workplace that reflects society around the globe.</p> <p>One way we create a culture of community and inclusion within Salesforce is through our 13 Equality Groups. 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 and has an executive sponsor who supports and advocates for the community.</p> <p>We believe it is important to have a diverse team and that an inclusive workplace, and diversity of opinion, background, and culture makes us a more creative, innovative company. We do not base employment decisions like hiring, termination, and promotion on legally protected personal characteristics.</p> <p>To align and accelerate our equality, diversity and inclusion initiatives, beginning in fiscal 2023, all executive vice presidents, presidents and executive officers of the Group and the Company will have a component of their incentive compensation plans tied to Environmental, Social and Governance measures, including employee diversity measures.</p>

SFDC EMEA DATA CENTRE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

Stakeholder	Engagement
<p>Workforce</p>	<p><i>Benefits</i></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 restricted stock units and performance-based restricted stock units. 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 US\$5,000 (or local equivalent) of donations, per employee, to eligible nonprofit organisations.</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>Human Rights</i></p> <p>We honour the principles of internationally recognized human rights, and are committed to working with all stakeholders including governments, industry, civil society, shareholders, customers, and our employees to promote inalienable rights and avoid human rights abuses. We seek to improve our communities and our company through our own compliance efforts, our intentional innovation, and our dedication to advancing equity. The Group is a signatory to the United Nations Global Compact and we believe that business plays an essential role in respecting, upholding, and promoting human rights. We actively participate in the Tech Company Community of Practice (CoP), an initiative of the UN Human Rights B-Tech Project, to advance business respect for human rights in the technology industry. We are responsible for understanding how our products are used, and we are committed to creating a safe and inclusive platform for every individual.</p> <p>Our global Code of Conduct sets guiding principles based on our core values and ensures there are consequences, such as termination of employment, for any violations of this Code. The Group uniquely has an Office of Ethical and Humane Use to guide on these human rights matters and we also leverage external expertise through human rights professionals and our Ethical Use Advisory Council.</p>

SFDC EMEA DATA CENTRE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

Stakeholder	Engagement
<p>Workforce</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 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>As the crisis in Ukraine persists, we continue to support human rights efforts in the region. Together with our employees and partners, the Group donated more than \$7 million and 14,000 volunteer hours to provide critical aid, support refugees, and advance food security across Ukraine and bordering countries through organisations like World Central Kitchen, USA for UNHCR (the UN Refugee Agency), the International Committee of the Red Cross, and Blue Road Academy. We have also partnered with Flexport.org to send the equivalent of a planeload of supplies – including hospital beds, medical kits, and school supplies – to Eastern Europe. The Group has also provided more than \$10 million in philanthropic giving to refugee-serving organisations worldwide.</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.</p>

SFDC EMEA DATA CENTRE LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023

Stakeholder	Engagement
Customers	<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 transfer personal data around the globe within the relevant legal frameworks. 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 fiscal 2023, we prepared for the launch of the Hyperforce EU Operating Zone offering, which ensures that Customer Data is stored and processed within the EU with 24/7 support delivered by EU-based personnel.</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 relevant agreement governing the customer's use of the services. 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>The privacy and security of customer data is a top priority for the Group. As part of this commitment, we strive to offer our customers the tools they need to meet their regulatory requirements. To that end, in fiscal 2023 we made an important update to our Data Processing Addendum ("DPA") incorporating the UK's international data transfer addendum to the European Commission's standard contractual clauses ("EU SCCs") for international data transfers ("UK addendum"). This update allows customers to use the EU SCCs for transfers of personal data from the UK to non-adequate countries. Following its departure from the European Union, the UK did not automatically benefit from the EU SCCs introduced by the European Commission in 2021. The UK addendum amends the EU SCCs to ensure that the mechanism works for UK data transfers, thus enabling the data owners to enjoy the same protections offered by the EU SCCs.</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>

SFDC EMEA DATA CENTRE LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023

Stakeholder	Engagement
Suppliers	<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><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. Salesforce is 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 Salesforce to better serve our customers</p>

SFDC EMEA DATA CENTRE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**


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 the world to net zero. We support the nature positive movement through 1t.org, invest in the ecopreneur revolution, drive the energy transition in partnership with our customers, while aiming to reduce the Group's value chain emissions by 50% by 2030. The Group supports science-based climate policies and decarbonization actions intended to limit the global average temperature increase to 1.5°C above pre-industrial levels.</p> <p>In fiscal 2023, 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>We're holding ourselves accountable through public commitments outlined in our Climate Action Plan. This includes reducing our emissions to achieve a just and equitable transition to a 1.5°C future. We actively engage policymakers, peers, partners, suppliers, and customers to accelerate our collective impact up and down value chains. We're committed to helping others with the tools we've built and the knowledge we've gained along the way.</p> <p>The Group and the Company work to integrate sustainability into all aspects of our operations. We value transparency and trust, and are committed to complying with all local environmental legislation. We have specific functions and goals concerning data centres, which include to:</p> <ul style="list-style-type: none"> • Work to promote market reform, improved access to renewable energy, and the proliferation of low-carbon energy sources • Design, build, maintain, and operate energy and resource efficient data centres • Consider our environmental impacts when siting data centres, including the use of water in sensitive regions • Make environmental requirements clear to infrastructure partners, consistent with the Corporate Colocation and Cloud Buyers' Principles • Maximise utilisation and efficiency of our hardware and software to minimise environmental impact • Aim to achieve zero-waste data centres in accordance with the Zero Waste International Alliance (90% landfill diversion from all data centre sites) <p><i>Community</i></p> <p>Since the beginning, we have aspired to be a different kind of company – from our subscription-based software model to our 1-1-1 philanthropic model, which puts community service at the centre of our culture. Our founders created the 1-1-1 model, which commits 1% of our equity, technology, and employees' time to build a more equitable and sustainable world. Through fiscal 2023, together with our Foundation, the Group has donated over \$614 million in grants, has had employees spend over 7.8 million hours volunteering, and has provided technology to over 50,000 nonprofit and higher education customers.</p>

SFDC EMEA DATA CENTRE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

Stakeholder	Engagement
<p>Environment and Community</p>	<p>We also celebrated giving over £1.1 million in grants throughout 2022. This included £600K being donated to Absolute Return on Kids and a further £520K for the Big Education Trust — two charities that do so much to give disadvantaged young people the chance to learn work and life skills.</p> <p>In fiscal 2023, the Group announced \$5 million in workforce development grants to seven organisations that widen opportunity and create pathways for people with nontraditional backgrounds to build successful careers in technology in the United States and the UK. This brings Salesforce's total philanthropic investment in workforce development to \$39 million to date. The Group's grant to Catch 22 will support scaling the Digital Leap program, which upskills and reskills unemployed and underemployed young people in London, Manchester, and North West England. Salesforce made a further grant during fiscal 2023 to the Diana Award which supports a mentoring program to young people in the UK to help develop their confidence in work-related skills, improve their overall wellbeing, and increase their social mobility.</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>

This report was approved by the board on 17 October 2023 and signed on its behalf.

DocuSigned by:

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 Daryl Yee
 Director

SFDC EMEA DATA CENTRE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2023**

The Directors present their annual report and the audited financial statements of SFDC EMEA Data Centre Limited (the "Company") for the year ended 31 January 2023.

RESULTS FOR THE YEAR, DIVIDEND AND STATEMENT OF AFFAIRS

The statement of comprehensive income, balance sheet and related notes for the year ended 31 January 2023 are set out on pages 20 to 39.

The Directors do not propose a dividend and therefore the profit after taxation for the year of £2,074,293 (2022 - £3,986,803) is credited to reserves.

FUTURE DEVELOPMENTS

The Company intends to continue operating in the areas of Data Hosting Services with SFDC Ireland Limited. There are no further future developments that require comment.

GOING CONCERN

On the basis of current financial projections, available funds and the letter of support provided by Salesforce, Inc., the Directors are satisfied that the Company has adequate resources to continue in operation for the foreseeable future.

The Company has net current liabilities on the balance sheet. Nevertheless, it has the support from the ultimate parent company, Salesforce, Inc., for the twelve months period ended from the date of approval of the financial statements and, as a consequence, the Directors believe that the Company is well placed to manage its business risks successfully and therefore consider it appropriate to prepare the financial statements on the going concern basis.

DIRECTORS OF THE COMPANY

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

Darryl Yee
David Dempsey (resigned 31 July 2023)
Tony Stewart (appointed 15 August 2023)

SFDC EMEA DATA CENTRE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

POLITICAL AND CHARITABLE CONTRIBUTIONS

The Company made no contribution to political parties during the year. Charitable contributions amounted to £NIL (2022 - £NIL).

RESEARCH AND DEVELOPMENT

The Company did not undertake any R&D activity in the current or prior fiscal year.

POST BALANCE SHEET EVENTS

There are no events occurring after the balance sheet that require disclosure, or adjustment to the financial statements of the Company.

FINANCIAL INSTRUMENTS

Our results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates.

The Company aims to mitigate liquidity risk by managing cash generation via its operations and the continuing support of the ultimate parent company Salesforce, Inc.

DISCLOSURE OF INFORMATION TO AUDITORS

Having made the requisite enquiries, so far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and the Directors have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's 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 reappointment 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.

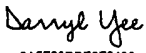
SFDC EMEA DATA CENTRE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

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

Section 172(1) statement in the strategic report in pages 2 to 12 details out the Company's engagement with the key stakeholder groups of the Company and summarizes that the Company's Board of Directors (the "Board") have acted in good faith to promote the success of the Company for the benefit of its members as a whole during the year ended 31 January 2023.

This report was approved by the board on 17 October 2023 and signed on its behalf.

DocuSigned by:

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Darryl Yee
Director

SFDC EMEA DATA CENTRE LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2023**

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 UK Accounting Standards 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 17 October 2023 and signed on its behalf.

DocuSigned by:

Darryl Yee
8A5F8DD8E8F6408...
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SFDC EMEA DATA CENTRE LIMITED

Opinion

We have audited the financial statements of SFDC EMEA Data Centre Limited for the year ended 31 January 2023 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 23, including a summary of significant accounting policies. 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 2023 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.

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 of 12 months from when the financial statements are authorised for issue.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SFDC EMEA DATA CENTRE LIMITED (continued)

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 16, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SFDC EMEA DATA CENTRE LIMITED (continued)

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 (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 anti-bribery and corruption.
- We understood how SFDC EMEA Data Centre 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 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 risk of management override.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved 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.

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.



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

Date: 23 October 2023

SFDC EMEA DATA CENTRE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDING 31 JANUARY 2023**

	Note	2023 £	2022 £
Turnover	4	54,805,218	67,607,356
Distribution costs		(50,351,413)	(48,688,152)
Administrative expenses		<u>(716,831)</u>	<u>(13,625,630)</u>
OPERATING PROFIT	6	3,736,974	5,293,574
Interest receivable and similar income	9	3,148	—
Interest payable and similar charges	10	(1,084,486)	(1,268,319)
PROFIT BEFORE TAX		<u>2,655,636</u>	<u>4,025,255</u>
Tax charge on profit on ordinary activities	11	(581,343)	(38,452)
PROFIT FOR THE FINANCIAL YEAR		2,074,293	3,986,803
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,074,293</u>	<u>3,986,803</u>

The notes on pages 23 to 39 form part of these financial statements.

SFDC EMEA DATA CENTRE LIMITED

BALANCE SHEET
AS AT 31 JANUARY 2023

	Note	2023 £	2022 £
NON-CURRENT ASSETS			
Property, plant and equipment	12	8,410,268	5,504,637
Right-of-use assets	13	59,282,376	27,269,484
		<u>67,692,644</u>	<u>32,774,121</u>
CURRENT ASSETS			
Debtors	14	21,238,603	50,439,329
		<u>21,238,603</u>	<u>50,439,329</u>
Creditors: amounts falling due within one year	15	(27,960,050)	(56,911,228)
NET CURRENT LIABILITIES		<u>(6,721,447)</u>	<u>(6,471,899)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		60,971,197	26,302,222
Creditors - amounts falling due after more than one year	16	(44,971,691)	(12,596,355)
NET ASSETS		<u>15,999,506</u>	<u>13,705,867</u>
CAPITAL AND RESERVES			
Called-up share capital	17	1	1
Other reserves	19	1,120,773	901,427
Retained earnings	19	14,878,732	12,804,439
		<u>15,999,506</u>	<u>13,705,867</u>

The notes on pages 23 to 39 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

 BASF90DBE8F6408...
 Darryl Yee
 Director

Date: 17 October 2023

SFDC EMEA DATA CENTRE LIMITED

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

	Called-up share capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
At 1 February 2022	1	901,427	12,804,439	13,705,867
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	—	—	2,074,293	2,074,293
Capital contribution for equity settled share based payments	—	219,346	—	219,346
Balance at 31 January 2023	1	1,120,773	14,878,732	15,999,506

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2022**

	Called-up share capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
At 1 February 2021	1	638,002	8,817,636	9,455,639
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	—	—	3,986,803	3,986,803
Capital contribution for equity settled share based payments	—	263,425	—	263,425
Balance at 31 January 2022	1	901,427	12,804,439	13,705,867

The notes on pages 23 to 39 form part of these financial statements.

SFDC EMEA DATA CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

1. GENERAL PRESENTATION

SFDC EMEA Data Centre 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 nature of the Company's operations and its principal activities are set out in the review of business on page 2.

The financial statements of SFDC EMEA Data Centre Limited ("the Company") for the year ended 31 January 2023 were authorised for issue by the board of Directors on 17 October 2023 and the balance sheet was signed on the board's behalf by Darryl Yee. The Company is a private company limited by share capital incorporated and domiciled in the United Kingdom.

2. ACCOUNTING POLICIES

The principal 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 and the amounts disclosed in the financial statements are not rounded off, except where otherwise indicated .

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. Copies of its consolidated financial statements may be obtained from Salesforce, Inc., 415 Mission Street, San Francisco, CA 94105, United States of America.

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.

SFDC EMEA DATA CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023****2. ACCOUNTING POLICIES (continued)****2.1 Basis of accounting continued)**

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

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in 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
- the requirements of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.
- The requirements of paragraph 52 and 58 of IFRS 16 Leases.

Where required, equivalent disclosures are included in the consolidated financial statements of the Group in which the entity is consolidated, Salesforce, Inc.. The Group accounts of Salesforce, Inc. are available to the public and can be obtained as set out in note 23.

2.2 New Standards, amendments and IFRIC interpretations

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 January 2023 that have a material impact on the Company's Financial Statements.

2.3 Going Concern

On the basis of current financial projections, available funds and the letter of support provided by the ultimate parent company, Salesforce, Inc., the Directors are satisfied that the Company has adequate resources to continue in operation for the foreseeable future.

The Company has net current liabilities on the balance sheet. Nevertheless, it has the support from Salesforce, Inc. for the twelve months period ended from the date of approval of the financial statements and, as a consequence, the Directors believe that the Company is well placed to manage its business risks successfully and therefore consider it appropriate to prepare the financial statements on the going concern basis.

SFDC EMEA DATA CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023****2. ACCOUNTING POLICIES (continued)****2.4 Tangible fixed assets**

All tangible fixed assets are recognised initially at cost and thereafter carried at cost less depreciation and impairment charged subsequent to the date of the revaluation.

Depreciation is provided on all property, plant and equipment, other than land, on a straight-line basis over its expected useful life as follows:

Leasehold improvements	- The shorter of economic useful life (10 years) or lease term
Fixtures & fittings	- 5 years
Computer hardware	- 3 - 4 years
Office equipment	- 5 years
Right of use asset	- The shorter of the lease term or the useful life of the underlying asset

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. Impairment losses are recognised in the profit and loss account as incurred.

An item of tangible fixed assets is derecognised 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 Foreign currency translation

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

Transactions and balances

Transactions in foreign currencies are initially recorded in the Company's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to administrative expenses in the statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for data hosting service agreements supplied, stated net of value added taxes. The Company recognises revenue rateably over the contract term. The Company typically invoices its customers quarterly. As all trade is with group companies, there are no fixed date of payment of invoices and intercompany debtors are repayable on demand.

SFDC EMEA DATA CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023****2. ACCOUNTING POLICIES (continued)****2.7 Leases**

The Company leases various properties and office equipment. Rental contracts are typically made for fixed periods of 1 to 15 years for properties and 3 years for tech. equipment 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 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 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.

Under IFRS 16, at lease commencement, the lease payments (which determine the lease liability) 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, 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

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.

SFDC EMEA DATA CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023****2. ACCOUNTING POLICIES (continued)****2.7 Leases (continued)**

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".

2.8 Pensions and other post employment benefits

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.

2.9 Income taxes

Current tax, including UK corporation tax and foreign tax, is provided at the amounts 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, except to the extent that the deferred tax liability arises from an 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 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.

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.

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 enforcement 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 relates 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.

2.10 Share based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date when the relevant employees become fully entitled to the award. Fair value is determined by the Directors using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions other than conditions linked to the price of the shares of the Company (market conditions). Any other conditions which are required to be met in order for an employee to become fully entitled to an award are considered to be non-vesting conditions. Like market performance conditions, non-vesting conditions are taken into account in determining the grant date fair value.

SFDC EMEA DATA CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023****2. ACCOUNTING POLICIES (continued)****2.10 Share based payments (continued)**

No expense is recognised for awards that do not ultimately vest, except awards where vesting is conditional upon a market vesting condition or a non-vesting conditions, which are treated as vesting irrespective of whether or not the market vesting condition is satisfied, provided that all other non-market vesting conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated to represent the extent to which the vesting period has expired and also to reflect management's best estimate of the achievement or otherwise of non-market conditions. The movement in cumulative expenses since the previous balance sheet date is recognised in the statement of comprehensive income with a corresponding entry in equity.

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

When an equity-settled award is cancelled (including when a non-vesting condition within the control of the entity or employee is not met), it is treated as if it had vested on the date of cancellation and any cost not yet recognised in the statement of comprehensive income for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the statement of comprehensive income.

2.11 Accounting for Prepaid Assets

Prepaid assets are amortized and charged to expense in the period in which the goods are received or over the period for which the services are rendered. For prepaid services, expense is recognized on a straight-line basis beginning with the month the service term begin.

SFDC EMEA DATA CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

The preparation of financial statements requires management to make judgments, 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.

IAS 1.122 requires disclosures of the significant judgments that affect the amounts recognized in the financial statements. This does not mean that every accounting judgment should be disclosed. However, disclosure would be appropriate in cases where the accounting outcome is materially different dependent on the judgment taken. The following judgments (apart from those involving estimates) have had the most significant effect on amounts recognized in the financial statements:

Taxation

Management judgment is required to determine the amount of deferred tax assets that can be recognized, 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 contained in Note 11.

4. TURNOVER

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

The company has no cost of sales, as a result revenue is equal to gross profit.

5. FINANCIAL INSTRUMENTS

The Company has no financial assets or financial liabilities measured at fair value through profit and loss.

6. OPERATING PROFIT BEFORE TAXATION

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

	2023	2022
	£	£
Depreciation of tangible fixed assets		
-owned by the Company	3,007,162	6,621,018
-held under leases	16,703,326	18,898,072
Expense relating to variable lease payments	8,428,475	2,950,920
Total cash outflow for leases	18,772,166	28,014,404
Expense relating to short-term leases	6,853,281	10,902,491
Loss on disposal of fixed assets	—	67,374
Foreign currency (gain) / loss	(157,413)	352,095
Staff costs (note 8)	1,400,576	1,197,088

SFDC EMEA DATA CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

7. AUDITORS' REMUNERATION

The Company paid the following amounts to its auditors in respect of the audit of the financial statements. There were no non-audit services provided by the Company's statutory auditor during the fiscal year.

	2023	2022
	£	£
Fees for the audit of the Company	<u>53,631</u>	<u>44,839</u>

8. STAFF COSTS AND DIRECTORS' REMUNERATION**A. STAFF COSTS**

	2023	2022
	£	£
Wages and salaries	974,956	832,242
Social security costs	108,841	102,233
Other pension costs (note 20)	69,401	63,347
Share based payments (note 18)	247,378	199,266
	<u>1,400,576</u>	<u>1,197,088</u>

Total expense of share based payments of £247,378 (2022: £199,266) arises from transactions accounted for as equity-settled share based payment transactions (Note 18).

Other pension costs pertain to the Company's defined contribution scheme cost charged to operating profit (Note 20).

B. DIRECTOR'S REMUNERATION

No Director has received emoluments during the financial year (2022 - £NIL).

C. AVERAGE NUMBER OF EMPLOYEES

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

	2023	2022
	No.	No.
Engineering	<u>9</u>	<u>9</u>
	<u>9</u>	<u>9</u>

SFDC EMEA DATA CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

9. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£	£
Other interest receivable	3,148	—
	<u>3,148</u>	<u>—</u>

10. INTEREST PAYABLE AND SIMILAR CHARGES

	2023	2022
	£	£
Bank interest payable	1,093	1,762
Intercompany interest payable	331,044	648,262
Interest payable on lease liabilities	752,349	618,295
	<u>1,084,486</u>	<u>1,268,319</u>

SFDC EMEA DATA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

11. TAXATION

(A) TAX CHARGED IN THE STATEMENT OF COMPREHENSIVE INCOME:

	2023	2022
	£	£
CORPORATION TAX		
Tax charge on profit on ordinary activities	2,909	969,364
Adjustments in respect of previous periods	(53,338)	(29,437)
TOTAL CURRENT TAX	(50,429)	939,927
DEFERRED TAX		
Current year	497,794	(274,678)
Adjustment in respect of prior periods	(23,221)	(36,213)
Effect of changes in tax rates	157,199	(590,584)
TOTAL DEFERRED TAX	631,772	(901,475)
TAXATION ON PROFIT	581,343	38,452

(B) TAX INCLUDED WITHIN EQUITY

	2023	2022
	£	£
Corporation tax	(2,909)	(33,216)
Deferred tax current year charge/(credit)	—	(30,943)
Deferred tax prior year	30,943	—
Total tax included in equity	28,034	(64,159)

SFDC EMEA DATA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**(C) RECONCILIATION OF TOTAL TAX CHARGE FOR THE YEAR**

The tax assessed for the year is the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are reconciled below:

	2023	2022
	£	£
Profit before tax	<u>2,655,636</u>	<u>4,025,255</u>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2022- 19%)	504,571	764,798
Effects of:		
Adjustment in respect of prior years	(76,559)	(65,650)
Expenses not deductible for tax purposes	287	1,810
Permanent element of capital allowances	(189,888)	(110,393)
Tax rate changes	157,199	(590,584)
Effects of group relief / other reliefs	184,036	—
Share options	1,696	38,472
Roundings	1	(1)
TOTAL TAX CHARGE/(CREDIT) FOR THE YEAR	<u><u>581,343</u></u>	<u><u>38,452</u></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 2023 accounts.

(E) DEFERRED TAXATION

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

	2023	2022
	£	£
At beginning of year	(2,491,707)	(1,559,290)
Charged to the profit and loss	654,992	(865,261)
Adjustment in respect of prior years	7,722	(36,213)
Charged to equity	—	(30,943)
AT END OF YEAR	<u><u>(1,828,993)</u></u>	<u><u>(2,491,707)</u></u>

The provision for deferred taxation is made up as follows:

	2023	2022
	£	£
Property, plant and equipment	(1,771,215)	(2,448,628)
Employee benefits	(57,778)	(43,079)
	<u><u>(1,828,993)</u></u>	<u><u>(2,491,707)</u></u>

SFDC EMEA DATA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023 (continued)

12. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	Fixtures & furniture	Computer Hardware	Assets under construction	Total
	£	£	£	£	£
COST					
At 1 February 2022	4,710,222	566,310	28,001,430	—	33,277,962
Additions	48,325	—	2,919,011	2,945,457	5,912,793
Disposals	—	—	(5,785,912)	—	(5,785,912)
Transfer between accounts	—	—	26,829	(26,829)	—
At 31 January 2023	<u>4,758,547</u>	<u>566,310</u>	<u>25,161,358</u>	<u>2,918,628</u>	<u>33,404,843</u>
DEPRECIATION					
At 1 February 2022	3,354,051	547,396	23,871,878	—	27,773,325
Charge for the year	719,708	10,088	2,277,366	—	3,007,162
Disposals	—	—	(5,785,912)	—	(5,785,912)
At 31 January 2023	<u>4,073,759</u>	<u>557,484</u>	<u>20,363,332</u>	<u>—</u>	<u>24,994,575</u>
NET BOOK VALUE					
At 31 January 2023	<u>684,788</u>	<u>8,826</u>	<u>4,798,026</u>	<u>2,918,628</u>	<u>8,410,268</u>
At 31 January 2022	<u>1,356,171</u>	<u>18,914</u>	<u>4,129,552</u>	<u>—</u>	<u>5,504,637</u>

SFDC EMEA DATA CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

13. RIGHT OF USE ASSETS

	Land and buildings £	Computer Hardware £	Total £
COST			
At 1 February 2022	36,607,556	45,209,840	81,817,396
Additions	37,763,920	10,952,298	48,716,218
Disposals		(17,215,500)	(17,215,500)
At 31 January 2023	74,371,476	38,946,638	113,318,114
DEPRECIATION			
At 1 February 2022	22,120,571	32,427,341	54,547,912
Charge for the year	9,454,487	7,248,839	16,703,326
Disposals		(17,215,500)	(17,215,500)
At 31 January 2023	31,575,058	22,460,680	54,035,738
NET BOOK VALUE			
At 31 January 2023	42,796,418	16,485,958	59,282,376
<i>At 31 January 2022</i>	<i>14,486,985</i>	<i>12,782,499</i>	<i>27,269,484</i>

The total cash outflow for leases in 2023 amounted to £ 18,772,166 (2022- £28,014,404).

14. DEBTORS

	2023 £	2022 £
DUE AFTER MORE THAN ONE YEAR		
Prepayments	3,395,892	1,531,854
Deferred Tax (note 11)	1,825,197	1,590,232
	5,221,089	3,122,086
DUE WITHIN ONE YEAR		
Amounts owed by group undertakings	7,677,492	41,725,989
Prepayments	3,800,634	1,779,242
Corporation Tax	1,969,208	912,721
VAT receivable	2,566,383	1,997,816
Deferred Tax (note 11)	3,797	901,475
	16,017,514	47,317,243

The carrying amount of debtors approximates their fair value and are not interest bearing, except group undertakings.

Amounts owed by group undertakings are unsecured, interest bearing, have no fixed date of repayment 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 LIBOR – 1 Month with a floor of 0 plus a spread of 0.14%.

SFDC EMEA DATA CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

15. CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	6,404,908	2,744,305
Amounts owed to group undertakings	972,746	37,222,731
Other creditors	126,785	122,044
Accruals	5,050,041	1,935,630
Lease liabilities	15,405,570	14,886,518
	<u>27,960,050</u>	<u>56,911,228</u>

The carrying amount of trade and other payables approximates their fair value and is not interest bearing.

16. CREDITORS: Amounts falling due after more than one year

	2023	2022
	£	£
Lease liabilities	44,373,625	12,596,355
Rent liabilities	598,066	—
	<u>44,971,691</u>	<u>12,596,355</u>

17. SHARE CAPITAL

	2023	2022
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
1 - Ordinary share of £1	<u>1</u>	<u>1</u>

SFDC EMEA DATA CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

18. 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 authorized to issue restricted stock units ("RSUs"), performance-based restricted stock units ("PSUs") and restricted stock awards ("RSAs"). 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's stock at a discount.

RSUs and RSAs

Stock-based expense is measured based on the grant date closing stock price for restricted stock units and restricted stock awards (collectively restricted stock awards).

	Weighted average share price on date of release (USD) 2023	Number 2023	Weighted average share price on date of release (USD) 2022	Number 2022
RSU				
Released	<u>175.6738036</u>	<u>1,212</u>	<u>246.5083868</u>	<u>1,903</u>
Closing balance		<u>3,130</u>		<u>2,233</u>

For the remaining RSUs at period end the market price on release date is yet to be established. The weighted average recognition period for the remaining RSUs is 2.61 years (2022 - 2.21 years).

The Company recognizes stock-based expense related to 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.

Employee Stock Purchase Plan (ESPP)

An 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 recognizes 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.

SFDC EMEA DATA CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

	Weighted average share price on date of release (USD) 2023	Weighted average share price on date of release (USD) 2022
ESPP		
Exercised	124.31	185.99

The expense recognised for share based payments in respect of employee services received during the year to 31 January 2023, is £247,378 (2022 - £199,266). An amount of £99,875 (2022- £76,108) relating to stock-based expense has been booked in equities. The weighted average recognition period for the outstanding balance is 0.24 years (2022- 0.58 years)

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

Share types	Number of shares outstanding 31 Jan, 2022	Awarded / Granted	Released / Exercised	Forfeited / Expired	Number of shares outstanding 31 Jan, 2023
RSU	2,233	2,109	(1,212)	—	3,130
ESPP	—	—	(492)	—	—

SFDC EMEA DATA CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

19. RESERVES

Other reserves represents capital contributions for equity-settled share based payments.

The retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

20. PENSION COMMITMENTS

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 £69,401 (2022- £63,347). Contributions outstanding at year-end amounted to £15,184 (2022 - £12,060) payable by the Company.

21. RELATED PARTY TRANSACTIONS

The Company has availed of the exemption under IAS 24 "related party disclosures" from disclosing transactions with group undertakings.

22. POST BALANCE SHEET EVENTS

There are no events occurring after the balance sheet that require disclosure, or adjustment to the financial statements of the Company.

23. CONTROLLING PARTY

The Company's immediate parent company is SFDC International Holdings B.V., a company incorporated in Netherlands.

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 in Salesforce, Inc., a company incorporated in the United States of America. Copies of its consolidated financial statements may be obtained from Salesforce, Inc., 415 Mission Street, San Francisco, CA 94105, United States of America.