I. STATEMENT OF POLICY

This Charter specifies the scope of the responsibilities of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of salesforce.com, inc. (the “Company”) and the manner in which those responsibilities shall be performed, including its structure, processes and membership requirements.

The primary purpose of the Committee is to discharge the Board’s responsibilities relating to compensation and benefits of the Company’s “officers,” as such term is defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (hereinafter referred to as “executive officers”). In carrying out these responsibilities, the Committee shall review all components of executive officer compensation for consistency with the Committee’s compensation philosophy as in effect from time to time.

The Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement, in accordance with applicable rules and regulations.

II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be comprised of at least two directors, each of whom shall satisfy the independence requirements of the New York Stock Exchange. A director shall not serve as a member of the Committee if the Chief Executive Officer or another executive officer of the Company serves on the compensation committee of another company that employs that director as an executive officer. Directors serving on the Committee may not receive any fees, directly or indirectly, from the Company or its subsidiaries for their services as Committee members, other than director and committee fees.

The members shall be appointed initially by the Board and then subsequently by the Board on the recommendation of the Nominating and Corporate Governance Committee and shall serve until their successors are duly elected and qualified or their earlier resignation or removal. Any member of the Committee may be replaced by the Board acting either on its own initiative or on the recommendation of the Nominating and Corporate Governance Committee. Unless a chairman is elected by the Board, the members of the Committee may designate a chairman by the majority vote of the full Committee membership. The Committee may from time to time delegate duties or responsibilities to subcommittees or to one member of the Committee.
A majority of the members shall represent a quorum of the Committee, and, if a quorum is present, any action approved by at least a majority of the members present shall represent the valid action of the Committee. Any actions taken by the Committee during any period in which one or more members fail for any reason to meet the membership requirements set forth above shall be nonetheless duly authorized actions of the Committee for all corporate purposes.

III. MEETINGS

The Committee shall have the authority to obtain advice or assistance from consultants, legal counsel, accountants, or other advisors as appropriate, to perform its duties hereunder and to determine the terms, costs and fees for such engagements. Without limitation, the Committee shall have the sole authority to retain or terminate any consulting firm used to evaluate Chief Executive Officer or executive compensation, and to determine and approve the terms of engagement the fees and costs for such engagements. The fees and costs of any consultant or advisor engaged by the Committee to assist it in performing any duties hereunder shall be borne by the Company. The Committee shall consider the independence of such consultants or other advisors, as and to the extent required under applicable laws, regulations and listing standards, including, but not limited to, the factors enumerated in Section 10C-1 of the Securities and Exchange Act of 1934, as amended and the rules of the New York Stock Exchange. The Committee shall meet as often as it deems appropriate, but not less frequently than once each year to review the compensation of the executive officers of the Company, and otherwise perform its duties under this Charter.

The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Committee may also record its summaries of recommendations to the Board in written form, which will be incorporated as part of the minutes of the Board meeting at which those recommendations are presented.

IV. COMMITTEE AUTHORITY AND RESPONSIBILITIES

To fulfill its responsibilities and duties, the Committee shall:

1. Determine and approve all compensation for the Chief Executive Officer and all other executive officers of the Company, including incentive-based and equity-based compensation, as appropriate.

2. Review and approve annual performance objectives and goals relevant to compensation for the Chief Executive Officer and evaluate the performance of the Chief Executive Officer in light of these goals and objectives.

3. Consider, in determining the long-term incentive component of compensation for the Chief Executive Officer, the Company’s performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, the awards given to the Company’s Chief Executive Officer in past years and the awards given to the Company’s employees generally.

4. Develop, or review and approve, and oversee and administer incentive-based or equity-based compensation plans of the Company pursuant to the plan terms and the authority
delegated to the Committee by the Board, including approving all Company executive officer bonuses, awards and equity grants and the delegation of authority, as appropriate, to members of the Company’s management team with respect to incentive-based or equity-based compensation for all non-executive officer employees of the Company.

5. Approve and periodically review all employment, severance, or change-in-control agreements, special or supplemental benefits, or provisions including the same, applicable to executive officers.

6. Periodically review and advise the Board concerning both regional and industry-wide compensation practices and trends in order to assess the adequacy and competitiveness of the Company’s compensation programs for the Chief Executive Officer and other executive officers relative to comparable companies in the Company’s industry.

7. Prepare an annual report on executive compensation for inclusion in the Company’s proxy statement for the annual meeting of stockholders, in accordance with applicable rules and regulations.

8. Assess the results of the Company’s advisory stockholder vote on executive compensation and oversee the Company’s engagement efforts with stockholders on the subject of executive compensation.

9. Oversee the assessment of risks related to the Company’s compensation policies and programs applicable to officers and employees.

10. Periodically receive updates from the oversight committee for the Company’s 401(k) plan.

11. Perform such other activities consistent with this Charter, the Company’s Certificate of Incorporation and Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

12. Make reports to the Board regarding the foregoing, as appropriate.

13. Review and reassess the adequacy of this Charter as appropriate and recommend any proposed changes to the Board for approval.

14. Review and evaluate the Committee’s own performance on an annual basis.