

Salesforce's Data Transfer Mechanisms FAQ

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At Salesforce, trust is our #1 value. Nothing is more important than the success of our customers and the privacy of our customers' data. We have a robust privacy program that meets the highest standards in the industry and, as part of that program, we offer various transfer mechanisms to legalize the transfer of personal data around the globe. These include:

(i) <u>Binding Corporate Rules</u> for processors; (ii) Standard Contractual Clauses; and (iii) APEC Privacy Recognition for Processors.

If you have questions specifically relating to our <u>data processing addendum</u> ("**DPA**"), please see our DPA FAQ.

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GENERAL — TRANSFER MECHANISMS

a. What is a transfer mechanism?

Salesforce offers its services globally, and use of our services involves transfers of personal data. For example, customers can log in to our services and manage their data from anywhere in the world.

Under certain global privacy laws, including those of Europe, personal data cannot be transferred to other destinations unless (i) the importing country has been deemed adequate (see "What is adequacy?" below), or (ii) the data exporter has appropriate safeguards in place to ensure that the personal data transferred is subject to an adequate level of data protection.

b. How does Salesforce legalize, and also help its customers legalize, transfers of personal data outside of Europe?

In Europe, the "appropriate safeguards" that permit cross-border data transfers include the following transfer mechanisms:

- Binding Corporate Rules for processors ("BCRs"): these are company-specific, group-wide data protection policies approved by data protection authorities to facilitate international transfers of personal data from Europe to organisations that are located in third countries that have not been deemed adequate by the relevant regulators. For more information, see "What are BCRs?" below.
- Standard Contractual Clauses ("SCCs"): legal contracts entered into between contracting parties who are transferring personal data to third countries. The most recent set of SCCs are those pursuant to Regulation 2016/679 and were released in 2021 ("2021 SCCs"). For more information, see "What are the Standard Contractual Clauses?" below.

Salesforce is in the unique position of being able to offer these transfer mechanisms to its customers, each of which is, by itself, sufficient to legalize transfers of personal data outside of

Europe. Salesforce has both the BCRs and the 2021 SCCs incorporated into its Data Processing Addendum ("**DPA**").

For further information:

- Salesforce's BCRs can be found here.
- A full copy of the 2021 SCCs is available here.
- A copy of the Salesforce DPA can be found here.

ADEQUACY

a. What is adequacy?

Various global privacy authorities have the power to determine whether a country outside of its respective jurisdiction has an adequate level of data protection. The effect of an adequacy decision is that personal data can be transferred from the jurisdiction in question to the adequate jurisdiction without any further transfer mechanism being necessary.

BCRs

a. What are BCRs?

BCRs are company-specific, group-wide data protection policies approved by data protection authorities to facilitate international transfers of European personal data to countries that have not otherwise been deemed adequate. Obtaining BCRs requires intensive consultation with data protection authorities, who approve them based on strict privacy principles.

Salesforce was the first top 10 software company in the world to achieve approval for its processor BCRs. BCRs are seen as the "gold standard" of transfer mechanisms because of the rigorous approval process.

Salesforce has extended the protections offered by its BCRs to Switzerland. Customers established in Switzerland that process personal data in accordance with Swiss local laws, will benefit from the undertakings that Salesforce makes in the BCRs.

b. Who approved Salesforce's BCRs?

Salesforce received approval for its BCRs from European data protection authorities in November 2015. The French data protection authority, known as the CNIL, served as Salesforce's lead authority, and the Dutch and Bavarian data protection authorities served as co-lead authorities. In accordance with requirements established by European data protection authorities as part of the former Article 29 Working Party (now the European Data Protection Board under the GDPR), EU data protection authorities as well as the data protection authorities of Iceland, Liechtenstein, and Norway, were part of the approval process.

c. To which services do the Salesforce BCRs apply?

To check which services the BCRs apply to please see Appendix A to the BCRs available here.

SUB-PROCESSORS

a. Do the BCRs apply to third-party sub-processors?

The BCRs apply only to transfers to and within the Salesforce group. Salesforce therefore relies on SCCs to transfer personal data to third-party sub-processors that are located in third countries. However, the BCRs do contain certain commitments about Salesforce's use of sub-processors, including an obligation to execute a data processing agreement with third-party sub-processors.

b. Does Salesforce have back-to-back agreements with third-party sub-processors?

Yes, Salesforce has data processing agreements in place with its third-party sub-processors. In addition, Salesforce is obliged under both the BCRs and SCCs to ensure that, in respect of personal data transferred to third countries, the obligations set out in the SCCs are likewise put in place with sub-processors.

STANDARD CONTRACTUAL CLAUSES

a. What are the Standard Contractual Clauses?

The Standard Contractual Clauses are legal contracts entered into between contracting parties who are transferring European personal data internationally. The original controller to processor Standard Contractual Clauses were drafted and approved by the European Commission in 2010. In June 2021, the European Commission published the 2021 SCCs.

A copy of the 2021 SCCs is available <u>here</u> and you can also find additional information on the 2021 SCCs on the official website of the European Commission.

b. To which services do the 2021 SCCs apply?

The 2021 SCCs apply to all services provided by Salesforce.

c. How does Salesforce legalize transfers from the UK post-Brexit?

The Salesforce DPA incorporates the international data transfer addendum to the European Commission's standard contractual clauses for international data transfers ("**UK addendum**") to legalize transfers of UK personal data to non-adequate countries using the 2021 SCCs. The UK addendum is incorporated by reference and is available here.

EU-US DATA PRIVACY FRAMEWORK AND CORRESPONDING EXECUTIVE ORDER

a. What is the EU-US Data Privacy Framework?

The EU-US Data Privacy Framework ("EU-US DPF") reflects an agreement between the European Commission and the United States executive branch. Under the EU-US DPF, President Biden issued the Executive Order on Enhancing Safeguards for United States Signals Intelligence Activities ("Executive Order"), which provides additional safeguards and redress for European individuals whose personal data is potentially affected by US surveillance activities. Specifically, it provides binding safeguards that limit access to data collected by US surveillance activities, establishes an independent and impartial redress mechanism, and enhances US oversight of surveillance intelligence.

b. What is the practical effect of the EU-US DPF and Executive Order?

The EU-US DPF and corresponding Executive Order have two important effects. First, the European Commission is expected to determine that the EU-US DPF, supported by the Executive Order, will provide an adequate mechanism to transfer personal data. This will provide Salesforce customers with a third transfer mechanism for European personal data, along with our BCR and SCCs.

Second, because the Executive Order is effective immediately, companies can now rely on it when assessing the protections in place for personal data transferred from the EU to the US.

OTHER

a. What is APEC Privacy Recognition for Processors?

The Asia-Pacific Economic Cooperation (APEC) is a regional economic forum established in 1989, aimed at increasing prosperity for the region by promoting balanced, inclusive, sustainable, innovative and secure growth and accelerating regional economic integration. As part of this Cooperation, the APEC Privacy Framework was adopted. The framework sets out a series of non-binding principles and implementation guidelines to ensure continued trade and economic growth and, in particular, the free flow of data.

Salesforce has obtained APEC Privacy Recognition for Processors ("PRP") certification. This certification demonstrates that Salesforce effectively implemented the level of protections set out by the APEC PRP framework and, in effect, means that customers can use Salesforce to transfer customer personal data in accordance with the rules set forth in the APEC Privacy Framework (i.e., it operates as a "transfer mechanism" in certain APEC jurisdictions). More information can be found here.

b. What if I have additional questions?

Please reach out to your dedicated Account Executive who will be able to help with any follow up questions that you may have.