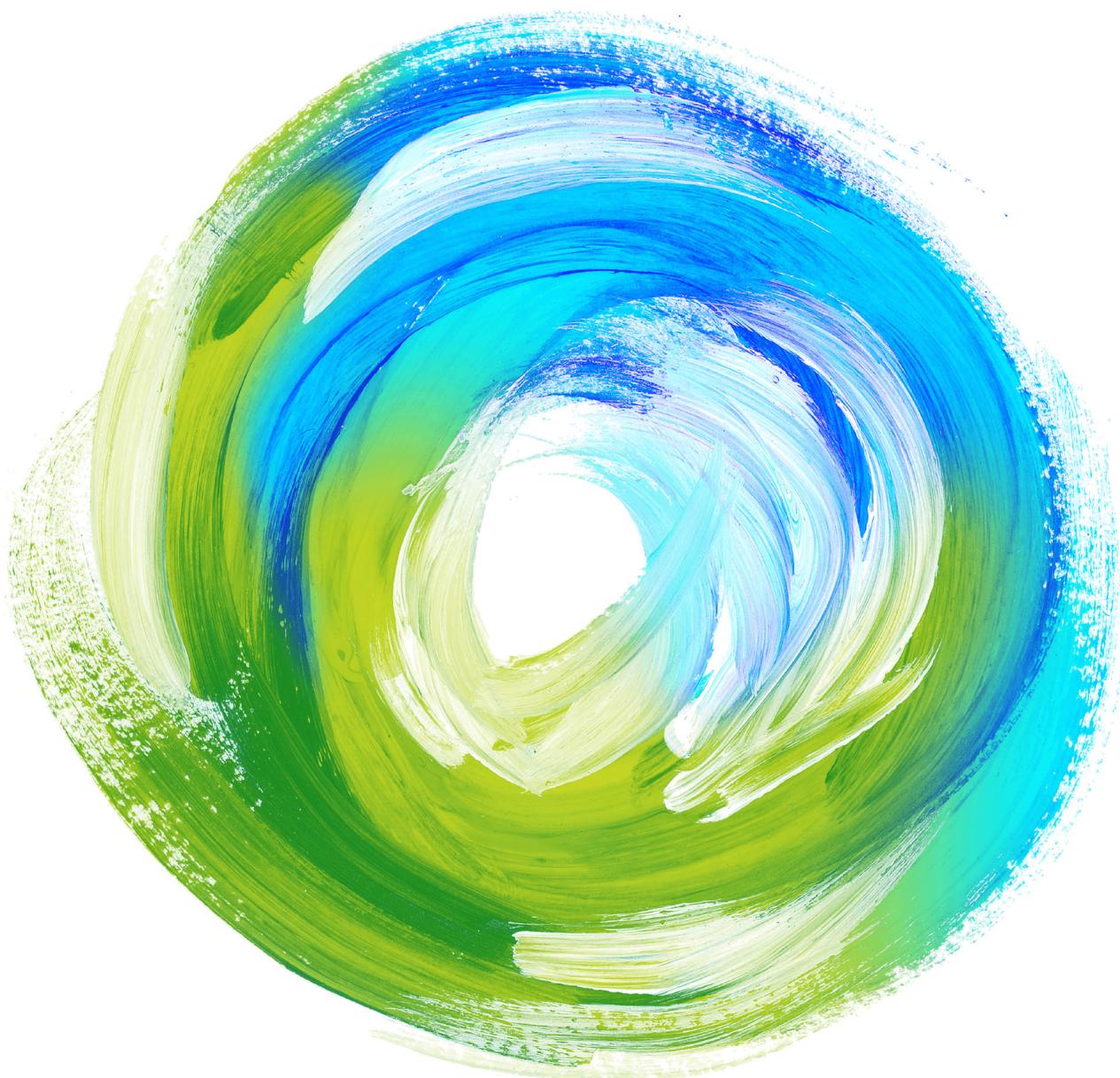


**Deloitte.**



**MICROSOFT CORP**

**Briefing Book**  
Sunday, September 10, 2023

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## Key information

# Microsoft Corporation

Redmond, Washington, United States

+4258828080 • [www.microsoft.com](http://www.microsoft.com)

Publicly Traded Company

<b>EMPLOYEES</b> 221000 (Total) 2695 (Here)	<b>SALES</b> 211.92B	<b>ADDRESS</b> 1 Microsoft Way Redmond, Washington, 98052-8300 United States
<b>D&amp;B LEGAL STATUS TYPE</b> Corporation	<b>FISCAL YEAR END</b> 06/30/2023	Latitude: 47.639763 Longitude: -122.12976
<b>CORPORATE LINKAGE</b> 1246 Companies	<b>REPORTING CURRENCY</b> USD	
<b>TRADED</b> NASDAQ:MSFT	<b>TOTAL ASSETS</b> 411.98B	
<b>INDUSTRY</b> North American Industry Classification System 2022	<b>MARKET VALUE</b> 2.48T	
<b>FORTUNE 1000 RANK</b> 13	<b>D-U-N-S NUMBER</b> 081466849	
	<b>CREDIT RATING</b> Low Risk	

## Company summary

Microsoft is one of the world's leading technology companies with products that include the Windows operating system, cross-device productivity and collaboration applications, and Azure cloud services. The company offers licensing and support for its wide portfolio of software products; designing, selling, and delivering devices (including PCs, tablets, gaming and entertainment consoles, other intelligent devices, and related accessories) and delivering relevant online advertising to a global audience. LinkedIn, its business-oriented social network, is used by millions to make connections. Microsoft's customers range from consumers and small businesses to the world's biggest companies and government agencies. Geographically, Microsoft's revenue is evenly split between the US and the other countries, and about 70% of its revenue comes from services and other. Microsoft was founded in 1975.

### Operations

The More Personal Computing segment offers Windows, including windows OEM licensing and other non-volume licensing of the Windows operating system; Windows commercial comprising volume licensing of the Windows operating system, windows cloud services, and other Windows commercial offerings; patent licensing; and windows Internet of Things; and devices, such as surface, HoloLens, and PC accessories. Additionally, this segment provides gaming, which includes Xbox hardware and content, and first- and third-party content; Xbox game pass and other subscriptions, cloud gaming, advertising, third-party disc royalties, and other cloud services; and search and news advertising, which includes Bing, Microsoft News and Edge, and third-party affiliates.

The Productivity and Business Processes segment offers office, exchange, SharePoint, Microsoft Teams, office 365 Security and Compliance, Microsoft viva, and Microsoft 365 copilot; and office consumer services, such as Microsoft 365 consumer subscriptions, Office licensed on-premises, and other office services. This segment also provides LinkedIn; and dynamics business solutions, including Dynamics 365, a set of intelligent, cloud-based applications across ERP, CRM, power apps, and power automate; and on-premises ERP and CRM applications.

The Intelligent Cloud segment provides server products and cloud services, such as azure and other cloud services; SQL and windows server, visual studio, system center, and related client access licenses, as well as nuance and GitHub; and enterprise services including enterprise support services, industry solutions, and nuance professional services.

The company develops and supports software, services, devices and solutions.

### Short company profile

Microsoft is one of the world's leading technology companies with products that include the Windows operating system, cross-device productivity and collaboration applications, and Azure cloud services. The company offers licensing and support for its wide portfolio of software products; designing, selling, and delivering devices (including PCs, tablets, gaming and entertainment consoles, other intelligent devices, and related accessories) and delivering relevant online advertising to a global audience. LinkedIn, its business-oriented social network, is used by millions to make connections. Microsoft's customers range from consumers and small businesses to the world's biggest companies and government agencies. Geographically, Microsoft's revenue is evenly split between the US and the other countries, and about 70% of its revenue comes from services and other. Microsoft was founded in 1975.

### Company operations summary

Microsoft operates three business segments: Intelligent Cloud, Productivity and Business Processes, and More Personal Computing.

The Intelligent Cloud segment, over 40% of revenue, consists of its public, private, and hybrid server products and cloud services headlined by the Azure cloud computing service. Other products and services include SQL Server, Windows Server, Visual Studio, System Center, and related Client Access Licenses (CALs), Nuance, and GitHub. Its enterprise services include enterprise support services, industry solutions (formerly Microsoft Consulting Services), and Nuance professional services.

The Productivity and Business Processes segment, about one-third of revenue, covers productivity, communication, and information products and services across devices and platforms. Among the products are Office Commercial (Office 365 (the cloud version), Exchange, SharePoint, Skype, and Microsoft 365 Consumer subscriptions, and the Dynamics ERP and CRM products. LinkedIn is part of the segment.

The More Personal Computing segment generates more than 25% of revenue by selling products and services for end users, developers, and IT managers across devices. Included are Windows operating system products; devices, including the Surface tablet, HoloLens, and PC accessories; gaming such as Xbox hardware and Xbox content and services; Xbox Game Pass; Xbox Cloud Gaming; and third-party disc royalties; and search and news advertising.

Overall, almost 40% of the revenue comes from Server products and cloud services, followed by Office products and cloud services with nearly 25%, and Windows with about 10%. The rest comes from gaming, LinkedIn, search and news advertising, enterprise services, devices, dynamics, and others.

### Geographic reach

Based in Redmond, Washington, Microsoft's sales are split between the US, which accounts for about 50% of revenue, and other countries, which provide the balance of revenue. The company owns and leases other facilities domestically and internationally, primarily for offices, data centers, and research and development. Its largest international properties are located in China, India, Ireland, Canada, France, Germany, Israel, Japan, the Netherlands, and the UK.

### Sales and marketing summary

Microsoft sells through multiple channels to a wide range of customers as well as conducting sales online and through OEMs, direct, distributors, and resellers, as well as retailers.

Customers include consumers, small and medium organizations, large global enterprises, public-sector institutions, internet service providers, application developers, and OEMs. The company's Advertising expense was \$904 million, \$1.5 billion, and \$1.5 billion in fiscal years 2023, 2022, and 2021, respectively.

### Financial performance summary

The company's revenue has been rising in the last five years. It has an overall increase of 68% between 2019 and 2023.

In 2023, the company had a total revenue of \$211.9 million, a 7% increase from the previous year's total revenue of \$198.3 million. This was primarily due to the higher volume of server products and cloud services sales for the year.

Net income in 2023 was \$73.4 million, a 1% decrease from the previous year's net income of \$72.7 million.

The company's cash at the end of 2023 was \$34.7 million. Operating activities generated \$87.6 million, while investing activities used \$43.9 million, mainly for common stock repurchased. Financing activities used another \$22.7 million, primarily for purchases of investments.

### Strategy summary

The company expects to continue making acquisitions and entering into joint ventures and strategic alliances as part of its long-term business strategy.

## Mergers and acquisitions summary

In early 2022, Microsoft agreed to acquire Activision Blizzard Inc., a leader in game development and interactive entertainment content publisher, for \$68.7 billion in an all-cash transaction. The acquisition will accelerate the growth in the company's gaming business across mobile, PC, console, and cloud gaming. In the first part of 2022, Microsoft acquired Nuance Communications, Inc. for \$18.8 billion, Nuance is a cloud and artificial intelligence (AI) software provider with healthcare and enterprise AI experience. The acquisition of Nuance enables the company to build on their industry-specific cloud offerings.

## Company historical background

Bill Gates and Paul Allen founded Microsoft (originally named Micro-soft) in 1975 after Gates dropped out of Harvard at age 19 to sell a version of the programming language BASIC. While Gates was at Harvard, the pair wrote the language for Altair, the first commercial microcomputer. The company was born in Albuquerque, New Mexico and grew by modifying BASIC for other computers.

Gates and Allen moved Microsoft to their native Seattle in 1979 and began developing software that let others write programs. The modern PC era dawned in 1980 when IBM chose Microsoft to write the operating system for its new machines. Although hesitant at first, Gates bought QDOS, short for "quick and dirty operating system," for \$50,000 from a Seattle programmer, renaming it the Microsoft Disk Operating System (MS-DOS).

Allen fell ill with Hodgkin's disease and left Microsoft in 1983. In the mid-1980s Microsoft introduced Windows, a graphics-based version of MS-DOS that borrowed from rival Apple's Macintosh system. The company went public in 1986, and Gates became the industry's first billionaire a year later. Microsoft introduced Windows NT in 1993 to compete with the UNIX operating system, popular on mainframes and large networks.

The early 1990s brought monopoly charges from inside and outside the industry. In 1995 antitrust concerns scuttled a \$1.5 billion acquisition of personal finance software maker Intuit.

## Industry

**NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022**  
513210 - Software Publishers

**D&B STANDARD INDUSTRY CODE**  
73729902 - Business oriented computer software

**NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022**  
513210 - Software Publishers

**D&B STANDARD INDUSTRY CODE**  
35770000 - Computer peripheral equipment, nec

**NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022**  
334118 - Computer Terminal and Other Computer Peripheral Equipment Manufacturing

**D&B STANDARD INDUSTRY CODE**  
73729905 - Operating systems computer software

**US STANDARD INDUSTRY CODE 1987 - 4 DIGIT**  
7372 - Prepackaged software services

**D&B STANDARD INDUSTRY CODE**  
73720000 - Prepackaged software

**D&B STANDARD MAJOR INDUSTRY CODE**  
I - Services

**NACE REVISION 2**  
5829 - Other software publishing

**US STANDARD INDUSTRY CODE 1987 - 4 DIGIT**  
3577 - Mfg computer peripheral equipment

**US STANDARD INDUSTRY CODE 1987 - 4 DIGIT**  
7371 - Custom computer programming

**NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022**  
513210 - Software Publishers

**US STANDARD INDUSTRY CODE 1987 - 4 DIGIT**  
7372 - Prepackaged software services

**D&B STANDARD INDUSTRY CODE**  
73710301 - Computer software development

**D&B STANDARD INDUSTRY CODE**  
73729901 - Application computer software

**D&B HOOVERS INDUSTRY CLASSIFICATION**  
173 - Software

**US STANDARD INDUSTRY CODE 1987 - 4 DIGIT**  
7372 - Prepackaged software services

**NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022**  
513210 - Software Publishers

**NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022**  
541511 - Custom Computer Programming Services

**US STANDARD INDUSTRY CODE 1987 - 4 DIGIT**  
7372 - Prepackaged software services

## Company identifiers

**D-U-N-S NUMBER**  
081466849

**COMMERCIAL AND GOVERNMENT ENTITY CODE**  
60128

**FEDERAL TAXPAYER IDENTIFICATION NUMBER (US)**

91-1144442

**BUSINESS REGISTRATION NUMBER (US)**

600413485

**US GENERAL SERVICES ADMINISTRATION UNIQUE ENTITY IDENTIFIER**  
FMVPEWNJGLM

## Corporate highlights

**TRADESTYLE**  
Microsoft

**YEAR FOUNDED**  
1975

## Contacts

<b>Satya Nadella</b> Chairman of the Board, Chief Executive Officer
--

<b>BRADFORD L SMITH</b> Vice Chairperson, President
--

<b>AMY E HOOD</b> Executive Vice President, Chief Financial Officer
--

<b>CHRISTOPHER C CAPOSSELA</b> Executive Vice President, Officer
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<b>KATHLEEN T HOGAN</b> Executive Vice President, Officer
--

<b>ALICE L JOLLA</b> Vice President, Officer
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## Top competitors

<b>Apple Inc.</b> D-U-N-S NUMBER - 060704780
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<b>Cisco Systems, Inc.</b> D-U-N-S NUMBER - 153804570
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<b>Meta Platforms, Inc.</b> D-U-N-S NUMBER - 196337864
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## C-suite and board members matrix

### C-suite

Name	Role	Start date	Years in role	Age	Gender	Relationship strength	Deloitte or competitor alumni
Satya Nadella	CEO (Chief Executive Officer)	06/16/2021	2.3	55	M	<div style="width: 20%; background-color: #2e7131;"></div>	–
Amy Hood	CFO (Chief Financial Officer)	05/08/2013	10.5	52	F	<div style="width: 80%; background-color: #2e7131;"></div>	–
Andrew Wilson	CIO (Chief Information Officer)	01/01/2020	3.7	56	M	<div style="width: 20%; background-color: #2e7131;"></div>	–

Source: BoardEx

### Extended C-suite

Name	Role	Start date	Years in role	Age	Gender	Relationship strength	Deloitte or competitor alumni
Alice Jolla	CAO (Chief Accounting Officer)	07/31/2020	3.2	57	F	<div style="width: 80%; background-color: #2e7131;"></div>	–
Kathleen Hogan	CHRO (Chief Human Resource Officer)	01/01/2021	2.7	58	F	<div style="width: 50%; background-color: #cccccc;"></div>	–
Bret Arsenault	CISO (Chief Information Security Officer)	01/01/2015	8.8	–	M	<div style="width: 20%; background-color: #2e7131;"></div>	–
Chris Capossela	CMO (Chief Marketing Officer)	03/03/2014	9.7	53	M	<div style="width: 50%; background-color: #cccccc;"></div>	–
Panos Panay	CMO (Chief Marketing Officer)	08/01/2021	2.1	51	M	<div style="width: 20%; background-color: #2e7131;"></div>	–
Sandra Lopez	CMO (Chief Marketing Officer)	–	–	–	F	<div style="width: 80%; background-color: #2e7131;"></div>	–
Frank Shaw	CMO (Chief Marketing Officer)	01/01/2023	0.7	–	M	<div style="width: 50%; background-color: #cccccc;"></div>	–
Brian Tuskan	CSecO (Chief Security Officer)	09/01/2018	5.1	55	M	<div style="width: 20%; background-color: #2e7131;"></div>	–
Bobby Yerramilli-Rao	CSO (Chief Strategy Officer)	01/01/2020	3.7	57	M	<div style="width: 50%; background-color: #cccccc;"></div>	–
Melanie Nakagawa	CSustO (Chief Sustainability Officer)	01/01/2023	0.7	–	F	<div style="width: 20%; background-color: #2e7131;"></div>	–
James Scott	CTO (Chief Technology Officer)	01/01/2019	4.8	51	M	<div style="width: 50%; background-color: #cccccc;"></div>	–

Source: BoardEx

## Board members

● Deloitte alumni   ● Competitor alumni   ● Deloitte board   ● Competitor board

Name	Role	Start date	Years on board	Committees	Age/Gender	Total boards
Reid Hoffman	Independent Director	03/14/2017	6.5	Social Responsibility Environment Public Affairs	56/M	21
Hugh Johnston	Independent Director	09/19/2017	6.0	Audit (Chair)	62/M	3
Teri List-Stoll	Independent Director	10/01/2014	8.9	Audit Governance Nomination	60/F	5
Satya Nadella	Chairman/CEO	06/16/2021	2.2	–	55/M	5
Sandra Peterson	Lead Independent Director	03/14/2023	0.5	Compensation Governance (Chair) Nomination (Chair)	64/F	9
Penny Pritzker	Independent Director	11/29/2017	5.8	Social Responsibility (Chair) Environment (Chair) Public Affairs (Chair)	64/F	6
Carlos Rodriguez	Independent Director	11/30/2021	1.8	Audit Compensation (Chair)	59/M	2
Charles Scharf	Independent Director	10/01/2014	8.9	Compensation Governance Nomination	58/M	4
John Stanton	Independent Director	07/30/2014	9.1	Audit Social Responsibility Environment Public Affairs	68/M	9
John Thompson	Independent Director	03/14/2023	0.5	Social Responsibility Environment Governance Nomination Public Affairs	74/M	14
Emma Walmsley	Independent Director	12/04/2019	3.8	Compensation Social Responsibility Environment Public Affairs	54/F	2
Padmasree Warrior	Independent Director	12/02/2015	7.8	Compensation	62/F	4

Source: BoardEx

## Deloitte relationships

### Top 10 Deloitte relationships

 <b>Mike Coleman</b> <a href="mailto:mcoleman@deloitte.com">mcoleman@deloitte.com</a> Vice President 1, Sales Executive Client & Market Growth Morristown  < 1m	 <b>Robert Bacon</b> <a href="mailto:rbacon@deloitte.com">rbacon@deloitte.com</a> Tax Partner Tax Seattle  < 1m
 <b>Lisa Schuder</b> <a href="mailto:lschuder@deloitte.com">lschuder@deloitte.com</a> Consulting Managing Director Consulting San Jose  < 1m	 <b>Brent Hunt</b> <a href="mailto:brehunt@deloitte.com">brehunt@deloitte.com</a> Advisory Senior Manager Risk & Financial Advisory Salt Lake City  < 1m
 <b>Jackie Meucci</b> <a href="mailto:jmeucci@deloitte.com">jmeucci@deloitte.com</a> Audit & Assurance Managing Director Audit & Assurance Seattle  < 1m	 <b>Mike Thompson</b> <a href="mailto:mikethompson@deloitte.com">mikethompson@deloitte.com</a> Audit & Assurance Partner Audit & Assurance Seattle  < 1m
 <b>Tom Hale</b> <a href="mailto:thale@deloitte.com">thale@deloitte.com</a> Vice President 1, Lead Sales Executive Client & Market Growth Dallas  < 1m	 <b>Nick Harris</b> <a href="mailto:nickharris2@deloitte.com">nickharris2@deloitte.com</a> Advisory Manager Risk & Financial Advisory Seattle  < 1m
 <b>Sarah Petri</b> <a href="mailto:spetri@deloitte.com">spetri@deloitte.com</a> DC Manager Consulting Rosslyn  < 1m	 <b>Brandon Brown</b> <a href="mailto:brandongbrown@deloitte.com">brandongbrown@deloitte.com</a> Advisory Managing Director Risk & Financial Advisory Salt Lake City  < 1m

### Top 5 PPMD relationships

 <b>Robert Bacon</b> <a href="mailto:rbacon@deloitte.com">rbacon@deloitte.com</a> Tax Partner Tax Seattle  < 1m	 <b>Lisa Schuder</b> <a href="mailto:lschuder@deloitte.com">lschuder@deloitte.com</a> Consulting Managing Director Consulting San Jose  < 1m
 <b>Jackie Meucci</b> <a href="mailto:jmeucci@deloitte.com">jmeucci@deloitte.com</a> Audit & Assurance Managing Director Audit & Assurance Seattle  < 1m	 <b>Mike Thompson</b> <a href="mailto:mikethompson@deloitte.com">mikethompson@deloitte.com</a> Audit & Assurance Partner Audit & Assurance Seattle  < 1m
 <b>Brandon Brown</b> <a href="mailto:brandongbrown@deloitte.com">brandongbrown@deloitte.com</a> Advisory Managing Director Risk & Financial Advisory Salt Lake City  < 1m	 <b>Mike Thompson</b> <a href="mailto:mikethompson@deloitte.com">mikethompson@deloitte.com</a> Audit & Assurance Partner Audit & Assurance Seattle  < 1m

See all relationships in IQ.

Source: Introhive

## Cross-board relationships

					Cross-board relationships			
Board member	Role	Start date	Years on board	Committees	Other current board positions	Committees	Current auditor	Auditor tenure
Carlos A Rodriguez	Independent Director	11/30/2021	1.8	Audit, Compensation	AUTOMATIC DATA PROCESSING	–	Deloitte	Since 1968
Charles (Charlie) W Scharf	Independent Director	10/01/2014	8.8	Compensation, Governance and Nominating	WELLS FARGO & CO	–	KPMG	Since 1931
					US DEPARTMENT OF THE TREASURY (Non-board role)	–	–	–
					WELLS FARGO BANK NA	–	–	–
Emma Natasha Walmsley	Independent Director	12/04/2019	3.7	Compensation, Environmental Social and Public Policy	GSK PLC (FKA GLAXOSMITHKLINE PLC)	–	Deloitte	Since 2017
Hugh Francis Johnston	Independent Director	09/19/2017	5.9	Audit (chair)	HCA HEALTHCARE INC	Audit and Compliance (chair), Finance and Investment	EY	Since 1994
					PEPSICO INC (Non-board role)	–	KPMG	Since 1990
John Wendell Thompson	Independent Director	03/14/2023	1.2	Environmental Social and Public Policy, Governance and Nominating	CONTRAST SECURITY INC (Non-board role)	–	–	–
					DIGITAL REASONING SYSTEMS INC (Non-board role)	–	–	–
					INXCEPTION CORP	–	–	–
					LIGHTSPEED VENTURE PARTNERS (Non-board role)	–	–	–
					LIQUID ROBOTICS INC (Non-board role)	–	–	–
					MOTIVE PARTNERS (Non-board role)	–	–	–
					PERNIXDATA INC (Non-board role)	–	–	–
					PHANTOM SECURITY INC (Non-board role)	–	–	–
					REVIVERMX INC	–	–	–
					RUBRIK INC	–	–	–
					SEISMIC SOFTWARE INC (SEISMIC)	–	–	–
John William Stanton	Independent Director	07/30/2014	9.1	Audit, Environmental Social and Public Policy	STORONE INC (Non-board role)	–	–	–
					THETA LAKE INC (Non-board role)	–	–	–
					TRILOGY INTERNATIONAL PARTNERS	Audit	Grant Thornton	Since 2016
					COSTCO WHOLESALE CORP	Compensation (chair)	KPMG	Since 2002
					FIRST AVENUE ENTERTAINMENT LLLP (FAE)	–	–	–
					SAGICOR FINANCIAL CO LTD (ALIGNVEST ACQUISITION II CORP PRIOR TO 12/2019) (Non-board role)	–	PWC	–
					SEATTLE MARINERS BASEBALL CLUB	–	–	–
					TRILOGY EQUITY PARTNERS LLC	–	–	–
					TRILOGY INTERNATIONAL PARTNERS LLC (TRILOGY INTERNATIONAL PARTNERS LLC PRIOR TO 05/2007)	–	–	–
					TWO DEGREES MOBILE LTD	–	–	–

Padmasree Y Warrior	Independent Director	12/02/2015	7.7	Compensation	SPOTIFY TECHNOLOGY SA	Audit	EY	Since 2015
					FABLE GROUP INC (Non-board role)	-	-	-
					KSTART (Non-board role)	-	-	-
Penny Sue Pritzker	Independent Director	11/29/2017	5.8	Environmental Social and Public Policy (chair)	FINIX PAYMENTS INC	-	-	-
					ICERTIS INC	-	-	-
					INSPIRED CAPITAL PARTNERS LLC (Non-board role)	-	-	-
					P33 CHICAGO	-	-	-
					PSP PARTNERS LLC	-	-	-
Reid Garrett Hoffman	Independent Director	03/14/2017	6.4	Environmental Social and Public Policy	AURORA INNOVATION INC	Nominating and Corporate Governance (chair)	PwC	Since 2023
					JOBY AVIATION INC	Nominating and Corporate Governance	Deloitte	Since 2021
					ALCHEMY INSIGHTS INC (Non-board role)	-	-	-
					AURORA OPERATIONS INC (AURORA INNOVATION OPCO INC PRIOR TO 04/2021)	-	-	-
					BLOCKSTREAM INC	-	-	-
					CODA PROJECT INC (CRYPTON PROJECT INC PRIOR TO 09/2017)	-	-	-
					CONVOY INC	-	-	-
					ENDEAVOR GLOBAL INC (ENDEAVOR INITIATIVE INC PRIOR TO 11/2004)	-	-	-
					ENTREPRENEUR FIRST INVESTMENT MANAGER LLP	-	-	-
					GLOBANT LLC (Non-board role)	-	-	-
					GOWALLA INC (Non-board role)	-	-	-
					GREYLOCK PARTNERS INC	-	-	-
					JUMP START TECHNOLOGY LLC	-	-	-
					NAUTO INC	-	-	-
					NEW CYCLE CAPITAL LLC (Non-board role)	-	-	-
					REINVENT CAPITAL LLC (Non-board role)	-	-	-
					STARTUP AMERICA PARTNERSHIP	-	-	-
					WEALTHFRONT CORP (WEALTHFRONT INC PRIOR TO 08/2018)	-	-	-
					WINSTER USA INC	-	-	-
					XAPO	-	-	-
Sandra (Sandi) Elizabeth Peterson	Lead Independent Director	03/14/2023	0.4	Compensation, Governance and Nominating	CLAYTON, DUBILIER & RICE, INC. (Non-board role)	-	-	-
					CYNOSURE INC (HOLOGIC INC)	-	-	-
					EVOLVE LEADERSHIP (Non-board role)	-	-	-
					HAKLUYT & CO LTD (HOLDINGHAM GROUP LTD PRIOR TO 06/2020) (Non-board role)	-	BDO	-
					HAKLUYT CYBER LTD (AGHOCO 1320 LTD PRIOR TO 10/2015) (Non-board role)	-	-	-
					M2GEN CORP (ASTER INSIGHTS)	-	-	-
					RUTBERG HOLDINGS LLC (Non-board role)	-	-	-
					VOLAstra THERAPEUTICS INC	-	-	-

Satya Narayana Nadella	Chairman/CEO	06/16/2021	2.2	-	STARBUCKS CORP	Nominating and Corporate Governance	Deloitte	Since 1987
					BILLIONBRAINS GARAGE VENTURES PVT LTD (GROWWW) (Non-board role)	-	-	-
					NIRVAHA INC (Non-board role)	-	-	-
					SINGAPORE ECONOMIC DEVELOPMENT BOARD (EDB) (Non-board role)	-	-	-
Teri L List-Stoll	Independent Director	10/01/2014	8.8	Audit, Governance and Nominating	DOUBLEVERIFY HOLDINGS INC	Audit (chair), Compensation, Nominating and Corporate Governance	Deloitte	Since 2019
					VISA INC	Audit and Risk , Compensation	KPMG	Since 2007
					DANAHER CORP	Audit, Compensation	EY	Since 2002
					DOUBLEVERIFY INC	-	-	-

Source: BoardEx

## Parent client team

5 parent client team members



**Mike Thompson**  
[mikethompson@deloitte.com](mailto:mikethompson@deloitte.com)  
LCSP | Rotation: 2024  
Audit & Assurance  
Seattle



**Christina Edwall**  
[cedwall@deloitte.com](mailto:cedwall@deloitte.com)  
LBP/POC Tax  
Tax  
San Jose



**Kevin Westcott**  
[kewestcott@deloitte.com](mailto:kewestcott@deloitte.com)  
National Industry Leader  
Consulting  
Los Angeles



**Paul Silvergate**  
[psilvergate@deloitte.com](mailto:psilvergate@deloitte.com)  
National Sector Leader  
Risk & Financial Advisory  
San Jose



**Christine Quan Yu**  
[cquan@deloitte.com](mailto:cquan@deloitte.com)  
EFA  
Finance & Administration  
New York

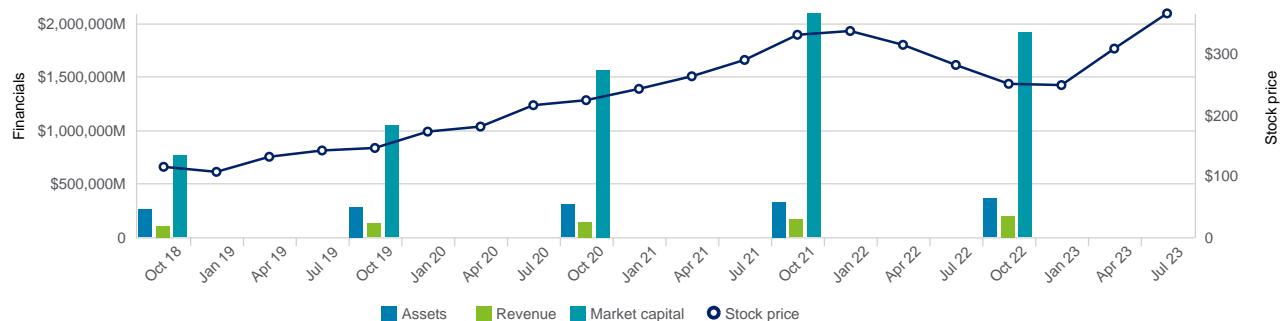
Source: Deloitte Master Data Repository



## Financials

## Financial snapshot

### Stock report chart



### Market data

Quote symbol:	MSFT	Currency:	USD	Stock price date:	07/31/2023
Exchange:	NASDAQ Global Select Market	Stock price:	\$366.78	Market value:	\$2,483,547.12M

Source: Refinitiv

### Earnings estimate

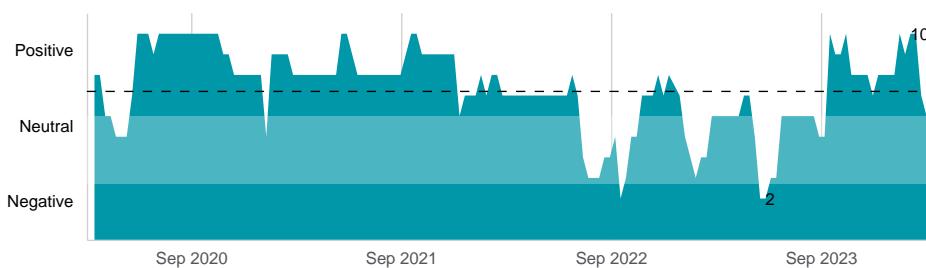
#### Earnings

6

#### Neutral outlook

Mixed earnings expectations and performance.

#### Earnings score trend



#### Earnings score average

Software & IT Services group	6.3
Software & IT Services sector	6.3
S&P 500 index	6.4
Mega market capital	7.1

#### Peer comparison

Peers	-6M	-3M	-1M	-1W	Current	1 year trend
CDNS	10	6	8	9	10	
TEAM	9	8	8	8	10	
TTD	9	9	9	9	10	
SNPS	9	9	8	9	9	
MSFT	6	8	9	7	6	

As of 09/03/2023

Source: Refinitiv

### Financial info

#### Company financials



#### Info

Market capital:	\$2,483,547.12M
Revenue (TTM):	\$211,915.00M
Earnings:	\$20,081.00M
Assets:	\$411,976.00M
Fiscal year end:	06/30
Financials date (Latest FY):	06/30/2023

Source: Audit Analytics, Refinitiv



## Corporate activity

## Disclosure report

### Disclosure controls over financial reporting - SOX 302 (last 5 years)

Auditor	Effective mgmt controls	Material weakness	Other deficiencies/controls	Period end date	Filing	Filing date	Reasons
Deloitte	Yes	No	No	06/30/2023	10-K	07/27/2023	–
Deloitte	Yes	No	No	06/30/2022	10-K	07/28/2022	–
Deloitte	Yes	No	No	06/30/2021	10-K	07/29/2021	–
Deloitte	Yes	No	No	06/30/2020	10-K	07/31/2020	–
Deloitte	Yes	No	No	06/30/2019	10-K	08/01/2019	–

### Internal controls over financial reporting - SOX 404 (last 5 years)

Auditor	Fiscal year	Signature date	Auditor agrees with mgmt?	Internal controls effective	Filing	Filing date	Reasons
Deloitte	2023	07/27/2023	Yes	Yes	10-K	07/27/2023	–
Deloitte	2022	07/28/2022	Yes	Yes	10-K	07/28/2022	–
Deloitte	2021	07/29/2021	Yes	Yes	10-K	07/29/2021	–
Deloitte	2020	07/30/2020	Yes	Yes	10-K	07/31/2020	–
Deloitte	2019	08/01/2019	Yes	Yes	10-K	08/01/2019	–

### Audit opinions (last 5 years, if available) i

Auditor	Fiscal Year	Going concern?	Opinion issues	Additional opinion	Integrated audit?	Critical audit matters (MR)	Filer status	Filing	Filing date	Signature date
Deloitte	2023	No	–	No	Yes	2	Large Accelerated Filer	10-K	07/27/2023	07/27/2023
Deloitte	2022	No	–	No	Yes	2	Large Accelerated Filer	10-K	07/28/2022	07/28/2022
Deloitte	2021	No	–	No	Yes	2	Large Accelerated Filer	10-K	07/29/2021	07/29/2021
Deloitte	2020	No	–	No	Yes	2	Large Accelerated Filer	10-K	07/31/2020	07/30/2020
Deloitte	2019	No	–	No	Yes	2	Large Accelerated Filer	10-K	08/01/2019	08/01/2019

### Form AP (last 5 years)

Engagement partner name	Audit firm	Audit report date
Sinwell, Stephen Charles	Deloitte	08/01/2019
Thompson, Michael Scott	Deloitte	07/27/2023
Thompson, Michael Scott	Deloitte	07/28/2022
Thompson, Michael Scott	Deloitte	07/29/2021
Thompson, Michael Scott	Deloitte	07/30/2020

### Impairments (last 5 years) F

Impairment type	Impairment amount (\$M)	Filing	Filing date
Accounts/loans receivable and investments - Accounts receivable, bad debt, etc.	(252,000,000)	10-K	07/27/2023
Accounts/loans receivable and investments - other	(20,000,000)	10-K	07/27/2023
Accounts/loans receivable and investments - Other-than-temporary impairment	(3,800,000,000)	10-K	07/28/2022
Accounts/loans receivable and investments - Accounts receivable, bad debt, etc.	(245,000,000)	10-K	07/28/2022
Accounts/loans receivable and investments - Other-than-temporary impairment	(3,300,000,000)	10-K	07/29/2021
Other long-lived assets, incl. capital leases, etc.	(347,000,000)	10-K	07/30/2020

### Mergers & Acquisitions (last 2 years)

Target	Acquirer	Close date	Transaction value (\$M)	Current auditor
Activision Blizzard, Inc.	MICROSOFT CORP	06/30/2023	68,700,000,000.00	Deloitte
Nuance Communications, Inc.	MICROSOFT CORP	03/04/2022	19,700,000,000.00	Deloitte

### Proxy fees increases greater than 30% (last 2 years)

Auditor	Proxy year	Audit fee percent increase (2 yr)	Audit + audit related total (\$M)	Audit fees (\$M)	Audit related fees (\$M)	Filing	Filing date
Deloitte	2022	2.12%	52.96	43.35	9.62	DEF 14A	10/27/2022
Deloitte	2021		52.79	42.30	10.49	DEF 14A	10/14/2021
Deloitte	2020		51.86	41.71	10.15	DEF 14A	10/19/2020

### Proxy fee increases greater than 20% (last 1 year)

Auditor	Proxy year	Audit fee percent increase (1 yr)	Audit + audit related total (\$M)	Audit fees (\$M)	Audit related fees (\$M)	Filing	Filing date
Deloitte	2022	0.32%	52.96	43.35	9.62	DEF 14A	10/27/2022
Deloitte	2021		52.79	42.30	10.49	DEF 14A	10/14/2021

### SEC comment letters (last 5 years)

Auditor	Letter topic	Correspondence	Letter date
Deloitte	Registration Statement Specific Comments (S-1, 2, 3, 4 etc.)	Company Response	03/02/2021
Deloitte	Securities Act Rules and Regulations	Company Response	03/02/2021
Deloitte	Registration Statement Specific Comments (S-1, 2, 3, 4 etc.)	SEC Letter	02/19/2021

"MR" = most recent data for selected proxy year

Source: Audit Analytics

## Key developments (last 6 months)

Date	Headline	Length
09/07/2023	<p><b>BRIEF-Microsoft Announces New Copilot Copyright Commitment For Customers</b></p> <p>Sept 7 (Reuters) - Microsoft Corp:</p> <ul style="list-style-type: none"> <li>• MICROSOFT ANNOUNCES NEW COPILOT COPYRIGHT COMMITMENT FOR CUSTOMERS Further company coverage:</li> </ul>	31 words
09/07/2023	<p><b>BRIEF-Heirloom And Microsoft Sign One Of The Largest Permanent Co2 Removal Deals To-Date</b></p> <p>Sept 7 (Reuters) - HEIRLOOM:</p> <ul style="list-style-type: none"> <li>• HEIRLOOM AND MICROSOFT SIGN ONE OF THE LARGEST PERMANENT CO2 REMOVAL DEALS TO-DATE</li> <li>• HEIRLOOM - MICROSOFT HAS SIGNED A LONG TERM CONTRACT TO PURCHASE UP TO 315,000 METRIC TONS OF CO2 REMOVAL OVER A MULTI-YEAR PERIOD FROM HEIRLOOM Source text for Eikon: Further company coverage:</li> </ul>	72 words
09/07/2023	<p><b>BRIEF-NobleAI Launches New AI-Powered Chemical and Materials Informatics Solutions on Microsoft's Azure Marketplace</b></p> <p>Sept 7 (Reuters) - Microsoft Corp:</p> <ul style="list-style-type: none"> <li>• NOBLEAI LAUNCHES NEW AI-POWERED CHEMICAL AND MATERIALS INFORMATICS SOLUTIONS ON MICROSOFT'S AZURE MARKETPLACE Source text for Eikon: Further company coverage:</li> </ul>	49 words
09/05/2023	<p><b>BRIEF-G42 And Microsoft Unlock New Opportunities For Digital Transformation With Joint Sovereign Cloud And Ai Offering</b></p> <p>Sept 5 (Reuters) - G42-</p> <ul style="list-style-type: none"> <li>• G42 AND MICROSOFT UNLOCK NEW OPPORTUNITIES FOR DIGITAL TRANSFORMATION WITH JOINT SOVEREIGN CLOUD AND AI OFFERING</li> <li>• G42 - CO, MICROSOFT ANNOUNCED MULTIFACETED PLAN TO MAKE AVAILABLE SOVEREIGN CLOUD OFFERINGS, EXPAND EXISTING DATA CENTER INFRASTRUCTURE IN UAE</li> <li>• G42-PARTNERSHIP TO ALSO SEE MICROSOFT EXPANDING ITS AZURE SERVICES FOOTPRINT IN UAE VIA KHAZNA DATA CENTERS, JOINT VENTURE COMPANY BETWEEN G42 AND E&amp;</li> </ul>	86 words
09/05/2023	<p><b>BRIEF-Cerence Names Accomplished Automotive Technology Executive Christian Mentz As Chief Revenue Officer</b></p> <p>Cerence Inc:</p> <ul style="list-style-type: none"> <li>• CERENCE NAMES ACCOMPLISHED AUTOMOTIVE TECHNOLOGY EXECUTIVE CHRISTIAN MENTZ AS CHIEF REVENUE OFFICER Source text for Eikon: Further company coverage:</li> </ul>	41 words
09/04/2023	<p><b>BRIEF-Apple And Microsoft Say Flagship Services Not Popular Enough To Be 'Gatekeepers' Under New EU Legislation Designed To Curb The Power Of Big Tech- Ft</b></p> <p>Sept 4 (Reuters) -</p> <ul style="list-style-type: none"> <li>• APPLE AND MICROSOFT SAY FLAGSHIP SERVICES NOT POPULAR ENOUGH TO BE 'GATEKEEPERS' UNDER NEW EU LEGISLATION DESIGNED TO CURB THE POWER OF BIG TECH- FT Source text ID: <a href="#">here</a>Further company coverage:</li> </ul>	65 words
08/31/2023	<p><b>BRIEF-Verint Open Ccaas Platform Achieves Microsoft Co-Sell Ready Status And Inclusion In The Microsoft Azure And Appsouce Marketplaces</b></p> <p>Aug 31 (Reuters) - Microsoft Corp:</p> <ul style="list-style-type: none"> <li>• VERINT OPEN CCAAS PLATFORM ACHIEVES MICROSOFT CO-SELL READY STATUS AND INCLUSION IN THE MICROSOFT AZURE AND APPSOURCE MARKETPLACES Source text for Eikon: Further company coverage:</li> </ul>	56 words
08/24/2023	<p><b>BRIEF-Syskit Mentioned In The 2023 Gartner Report Assessing External-Sharing Options In Microsoft 365</b></p> <p>Aug 24 (Reuters) - Microsoft Corp:</p> <ul style="list-style-type: none"> <li>• SYSKIT MENTIONED IN THE 2023 GARTNER® REPORT: ASSESSING EXTERNAL-SHARING OPTIONS IN MICROSOFT 365 Source text for Eikon: Further company coverage: (<a href="mailto:Reuters.Briefs@thomsonreuters.com">Reuters.Briefs@thomsonreuters.com</a>)</li> </ul>	52 words
08/23/2023	<p><b>BRIEF-Microsoft And Accenture Partner To Tackle Methane Emissions With Ai Technology</b></p> <p>Aug 23 (Reuters) - Microsoft Corp:</p> <ul style="list-style-type: none"> <li>• MICROSOFT- MICROSOFT AND ACCENTURE PARTNER TO TACKLE METHANE EMISSIONS WITH AI TECHNOLOGY Source text for Eikon: Further company coverage:</li> </ul>	41 words

08/22/2023	<b>BRIEF-Pure Storage Expands Strategic Partnership With Microsoft To Accelerate Enterprise Cloud Adoption</b>	56 words
	Aug 22 (Reuters) -	
	<ul style="list-style-type: none"> <li>• PURE STORAGE EXPANDS STRATEGIC PARTNERSHIP WITH MICROSOFT TO ACCELERATE ENTERPRISE CLOUD ADOPTION</li> <li>• PURE STORAGE INC - ANNOUNCED AN EXPANDED, MULTI-YEAR STRATEGIC PRODUCT AND GO-TO-MARKET PARTNERSHIP WITH MICROSOFT Source text for Eikon: Further company coverage:</li> </ul>	
08/22/2023	<b>BRIEF-CMA Opens New Phase 1 Investigation Into New, Restructured Deal By Microsoft To Buy Activision</b>	162 words
	Aug 22 (Reuters) - Competitions and Markets Authority (CMA):	
	<ul style="list-style-type: none"> <li>• CMA UPDATE: MICROSOFT / ACTIVISION</li> <li>• CMA UPDATE: MICROSOFT / ACTIVISION</li> <li>• UK'S CMA SAYS MICROSOFT SUBMITS NEW DEAL FOR REVIEW AFTER CMA CONFIRMS ORIGINAL DEAL IS BLOCKED</li> <li>• FINALISES DECISION TO BLOCK ORIGINAL MERGER AFTER REJECTING SUBMISSIONS BY MICROSOFT TO REVISIT ITS ORIGINAL DECISION;</li> <li>• OPENED A NEW PHASE 1 INVESTIGATION INTO A NEW, RESTRUCTURED DEAL BY MICROSOFT TO BUY ACTIVISION</li> <li>• UNDER NEW DEAL, MICROSOFT WILL NOT ACQUIRE CLOUD STREAMING RIGHTS TO ALL CURRENT AND FUTURE ACTIVISION GAMES RELEASED DURING NEXT 15 YEARS</li> <li>• MICROSOFT AND ACTIVISION HAVE AGREED A NEW, RESTRUCTURED DEAL, WHICH HAS BEEN SUBMITTED TO CMA TO REVIEW IN A NEW INVESTIGATION.</li> <li>• NEW INVESTIGATION WILL BE CARRIED OUT IN LINE WITH CMA'S USUAL PHASE 1 PROCESSES AND STATUTORY DEADLINE FOR A DECISION IS 18 OCTOBER 2023 Source text for Eikon: Further company coverage:</li> </ul>	
08/17/2023	<b>BRIEF-Microsoft Plans Ai Service With Databricks That Could Hurt OpenAI - The Information</b>	37 words
	Aug 17 (Reuters) -	
	<ul style="list-style-type: none"> <li>• MICROSOFT PLANS AI SERVICE WITH DATABRICKS THAT COULD HURT OPENAI - THE INFORMATION Source text: <a href="#">[here]</a> Further company coverage:</li> </ul>	
08/17/2023	<b>BRIEF-IBM Consulting Collaborates With Microsoft To Help Companies Accelerate Adoption Of Generative Ai</b>	47 words
	Aug 17 (Reuters) - International Business Machines Corp :	
	<ul style="list-style-type: none"> <li>• IBM CONSULTING COLLABORATES WITH MICROSOFT TO HELP COMPANIES ACCELERATE ADOPTION OF GENERATIVE AI Source text for Eikon: Further company coverage:</li> </ul>	
08/14/2023	<b>BRIEF-IAG Signs Agreement With Microsoft For Large-Scale Global Purchase Of Sustainable Aviation Fuel</b>	82 words
	Aug 14 (Reuters) - International Consolidated Airlines Group SA:	
	<ul style="list-style-type: none"> <li>• SIGNS AGREEMENT WITH MICROSOFT FOR THE LARGE-SCALE GLOBAL PURCHASE OF SUSTAINABLE AVIATION FUEL (SAF)</li> <li>• IAG'S PURCHASE OF 14,700 TONNES OF SUSTAINABLE AVIATION FUEL IS A JOINT AGREEMENT WITH MICROSOFT, ALIGNING WITH MICROSOFT'S GOAL TO REDUCE BUSINESS TRAVEL AND AIR FREIGHT CARBON EMISSIONS Source text: Further company coverage: (Gdansk Newsroom)</li> </ul>	
08/09/2023	<b>BRIEF-Illumio Simplifies Zero Trust Policy Enforcement With The General Availability Of Illumio For Microsoft Azure Firewall</b>	50 words
	Aug 9 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• ILLUMIO SIMPLIFIES ZERO TRUST POLICY ENFORCEMENT WITH THE GENERAL AVAILABILITY OF ILLUMIO FOR MICROSOFT AZURE FIREWALL Source text for Eikon: Further company coverage:</li> </ul>	
08/08/2023	<b>BRIEF-Loop Media Announces Strategic Alignment With Microsoft Advertising</b>	33 words
	Aug 8 (Reuters) - Loop Media Inc:	
	<ul style="list-style-type: none"> <li>• LOOP MEDIA ANNOUNCES STRATEGIC ALIGNMENT WITH MICROSOFT ADVERTISING Source text for Eikon: Further company coverage:</li> </ul>	
08/02/2023	<b>BRIEF-SoftBank Corp, Microsoft Japan - To Partner On AI Services In Japan</b>	34 words
	Aug 2 (Reuters) - SoftBank Corp, Microsoft Japan:	
	<ul style="list-style-type: none"> <li>• TO PARTNER ON AI SERVICES IN JAPAN</li> <li>• Source text Further company coverage:</li> </ul>	
08/01/2023	<b>BRIEF-Microsoft Appoints Puneet Chandok To Lead India Operations - Statement</b>	33 words
	Aug 1 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT APPOINTS PUNEET CHANDOK TO LEAD INDIA OPERATIONS - STATEMENT Further company coverage:</li> </ul>	

07/31/2023	<b>BRIEF-Leidos Announces Strategic Collaboration Agreement With Microsoft</b>	65 words
	Leidos Holdings Inc:	
	<ul style="list-style-type: none"> <li>• LEIDOS ANNOUNCES STRATEGIC COLLABORATION AGREEMENT WITH MICROSOFT</li> <li>• LEIDOS HOLDINGS INC- COMPANIES PLEDGE COLLABORATION AIMED AT EXPEDITING DEVELOPMENT OF ADVANCED CLOUD TECHNOLOGY.</li> <li>• LEIDOS HOLDINGS- COLLABORATION AGREEMENT WITH MICROSOFT TO LEVERAGE EACH COMPANY'S STRENGTHS IN MARKET TO ACCELERATE AI TRANSFORMATION FOR CUSTOMERS Source text for Eikon: Further company coverage:</li> </ul>	
07/26/2023	<b>BRIEF-Nikkei Says Microsoft Will Supply Japan's Government With Chatgpt Generative Ai</b>	101 words
	July 26 (Reuters) - Nikkei:	
	<ul style="list-style-type: none"> <li>• MICROSOFT WILL SUPPLY JAPAN'S GOVERNMENT WITH TECHNOLOGY UNDERPINNING ITS CHATGPT GENERATIVE AI FOR USE IN CLERICAL WORK AND ANALYSIS</li> <li>• MEMBERS OF JAPAN'S LIBERAL DEMOCRATIC PARTY MEET THURSDAY TO FINALIZE ARRANGEMENT WITH MICROSOFT REPRESENTATIVES IN ATTENDANCE</li> <li>• JAPAN'S DIGITAL AGENCY INITIALLY PLANS TO SPEND JUST OVER \$2 MILLION TO USE TECHNOLOGY FOR 1 YEAR, MAKING IT AVAILABLE TO OTHER MINISTRIES</li> <li>• MICROSOFT WILL ENCOURAGE BUSINESSES TO USE CHAT GPT SERVICE FROM ITS BASES IN JAPAN Further company coverage:</li> </ul>	
07/26/2023	<b>BRIEF-Firstup Launches New Integrations With Microsoft 365 To Enhance Omnichannel Employee Experience</b>	43 words
	July 26 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• FIRSTUP LAUNCHES NEW INTEGRATIONS WITH MICROSOFT 365 TO ENHANCE OMNICHANNEL EMPLOYEE EXPERIENCE Source text for Eikon: Further company coverage:</li> </ul>	
07/26/2023	<b>BRIEF-Microsoft Deepens Relationship With Paypal To Offer Simple, Flexible Payment Options</b>	119 words
	July 26 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT DEEPENS RELATIONSHIP WITH PAYPAL TO OFFER SIMPLE, FLEXIBLE PAYMENT OPTIONS</li> <li>• MICROSOFT - CUSTOMERS IN U.S. WILL SOON HAVE OPTION TO PAY WITH VENMO IN MICROSOFT STORE</li> <li>• MICROSOFT - MICROSOFT'S INTEGRATION OF PAYPAL'S PAY LATER SOLUTION IN U.S., U.K., AUSTRALIA, GERMANY, FRANCE, SPAIN, AND ITALY</li> <li>• MICROSOFT- PAYPAL PAY LATER AND VENMO WILL PROVIDE SEVERAL ADDITIONAL BENEFITS TO MICROSOFT'S CUSTOMERS AND ITS BUSINESS</li> <li>• MICROSOFT- WITH PAYPAL PAY LATER, ELIGIBLE MICROSOFT CONSUMERS CAN PAY FOR THEIR PURCHASES EVENLY OVER COURSE OF WEEKS OR MONTHS IN FIXED AMOUNTS Source text for Eikon: Further company coverage:</li> </ul>	
07/25/2023	<b>BRIEF-Microsoft Sees Q1 Intelligent Cloud Revenue Of \$23.3 To \$23.6 Bln</b>	186 words
	July 25 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT - SEES Q1 INTELLIGENT CLOUD REVENUE OF \$23.3 TO \$23.6 BILLION</li> <li>• MICROSOFT SEES FY24 COST OF REVENUE GROWTH RATES EXPECTED TO BE HIGHER THAN IN FY23</li> <li>• MICROSOFT - SEES Q1 PRODUCTIVITY AND BUSINESS PROCESSES REVENUE OF \$18.0 TO \$18.3 BILLION</li> <li>• MICROSOFT SEES FY24 CAPITAL EXPENDITURES EXPECTED TO INCREASE SEQUENTIALLY EACH QUARTER THROUGH THE YEAR</li> <li>• MICROSOFT - SEES Q1 MORE PERSONAL COMPUTING REVENUE OF \$12.5 TO \$12.9 BILLION</li> <li>• MICROSOFT SEES FY24 FOREIGN CURRENCY IMPACT INCREASE TO TOTAL REVENUE GROWTH OF APPROXIMATELY 1 POINT</li> <li>• MICROSOFT - SEES Q1 COST OF REVENUE COGS OF \$16.6 TO \$16.8 BILLION</li> <li>• MICROSOFT SEES FY24 OPERATING EXPENSES GROWTH RATES EXPECTED TO REMAIN LOW</li> <li>• MICROSOFT - SEES Q1 OPERATING EXPENSES EXPENSES OF \$13.5 TO \$13.6 BILLION</li> <li>• MICROSOFT SEES FY24 OPERATING MARGINS EXPECTED TO REMAIN FLAT YEAR-OVER-YEAR</li> <li>• MICROSOFT - SEES Q1 FOREIGN CURRENCY IMPACT TO INCREASE TO TOTAL REVENUE GROWTH OF ABOUT 1 POINT, WITH 1 POINT IN INTELLIGENT CLOUD Further company coverage:</li> </ul>	
07/24/2023	<b>BRIEF-Birlasoft Collaborates With Microsoft</b>	42 words
	July 24 (Reuters) - Birlasoft Ltd:	
	<ul style="list-style-type: none"> <li>• BIRLASOFT COLLABORATES WITH MICROSOFT</li> <li>• BIRLASOFT COLLABORATES WITH MICROSOFT TO ESTABLISH GENERATIVE AI CENTRE OF EXCELLENCE, DRIVING VALUE CREATION AND INNOVATION Source text for Eikon: Further company coverage:</li> </ul>	
07/20/2023	<b>BRIEF-AvePoint Expands Microsoft Relationship with Microsoft 365 Backup</b>	39 words
	July 20 (Reuters) - AvePoint Inc:	
	<ul style="list-style-type: none"> <li>• AVEPOINT EXPANDS 20-YEAR MICROSOFT RELATIONSHIP WITH MICROSOFT 365 BACKUP, ENHANCING DATA RESILIENCY SUITE Source text for Eikon: Further company coverage:</li> </ul>	

07/19/2023	<b>BRIEF-Activision CEO Bobby Kotick On Microsoft Deal Says Will End Up Seeing Reasonable Resolution From UK CMA - CNBC Interview</b>	63 words
	July 19 (Reuters) -	
	<ul style="list-style-type: none"> <li>• ACTIVISION CEO BOBBY KOTICK ON MICROSOFT DEAL SAYS WILL END UP SEEING REASONABLE RESOLUTION FROM UK CMA - CNBC INTERVIEW</li> <li>• ACTIVISION CEO BOBBY KOTICK ON MICROSOFT DEAL SAYS 98% OF CO'S SHAREHOLDERS VOTED FOR THE TRANSACTION</li> </ul>	
07/19/2023	<b>BRIEF-Microsoft To Offer Some Cybersecurity Tools For Free After Suspected China Hack -WSJ</b>	49 words
	July 19 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT TO OFFER SOME CYBERSECURITY TOOLS FOR FREE AFTER SUSPECTED CHINA HACK -WSJ</li> </ul> <p>Source text for Eikon: Further company coverage: (Reporting by Paul Grant)</p>	
07/19/2023	<b>BRIEF-Activision Blizzard Says On July 18, 2023, Co And Microsoft Entered Into A Letter Agreement</b>	215 words
	July 19 (Reuters) - Activision Blizzard Inc:	
	<ul style="list-style-type: none"> <li>• ACTIVISION BLIZZARD INC - ON JULY 18, 2023, CO AND MICROSOFT ENTERED INTO A LETTER AGREEMENT</li> <li>• ACTIVISION BLIZZARD INC - MICROSOFT WILL CONTINUE TO USE ITS BEST EFFORTS TO CONSUMMATE THE MERGER</li> <li>• ACTIVISION - FROM OCTOBER 18, MICROSOFT &amp; AFFILIATES SHALL PAY CO 100% OF ALL PROCEEDS OR OTHER PAYMENTS FOR GAMES OF COMPANY AND ITS AFFILIATES</li> <li>• ACTIVISION - MICRSOFT, CO WAIVED ANY RIGHT TO TERMINATE MERGER OTHER THAN PURSUANT TO MUTUAL AGREEMENT OR IF MERGER IS NOT CONSUMMATED PRIOR TO 11:59 P.M. PT ON OCT 18</li> <li>• ACTIVISION BLIZZARD- MICROSOFT MAY SEEK TO PURSUE AGREEMENT WITH COMPETITION AND MARKETS AUTHORITY OF UNITED KINGDOM TO HOLD SEPARATE CO OR CERTAIN ASSETS OF CO</li> <li>• ACTIVISION - CO WAIVED ANY RIGHT TO PARENT TERMINATION FEE DURING WAIVER PERIOD</li> <li>• ACTIVISION BLIZZARD: TERMS OF AGREEMENT INCLUDE INCREASE IN TERMINATION FEE PAYABLE TO CO TO \$4.5 BILLION IF TRANSACTION IS TERMINATED AFTER SEPT 15</li> <li>• ACTIVISION BLIZZARD- AFTER WAIVER PERIOD MICROSOFT TERMINATION FEE, IF PAYABLE UNDER MERGER AGREEMENT AFTER AUGUST 29 SHALL BE INCREASED TO \$3.5 BILLION</li> <li>• ACTIVISION BLIZZARD- MICROSOFT, ANCHORAGE WAIVED ANY RIGHT TO NOT PAY FIRST \$3 BILLION OF MICROSOFT'S TERMINATION FEE</li> </ul> <p>Further company coverage:</p>	
07/18/2023	<b>BRIEF-Mongodb Expands Global Collaboration With Microsoft</b>	44 words
	July 18 (Reuters) - MongoDB Inc:	
	<ul style="list-style-type: none"> <li>• MONGODB EXPANDS GLOBAL COLLABORATION WITH MICROSOFT</li> <li>• MONGODB INC - STRATEGIC PARTNERSHIP ACCELERATES WORKLOAD MIGRATIONS TO MONGODB ATLAS ON MICROSOFT AZURE</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
07/18/2023	<b>BRIEF-Recording Insights Now Available As A Transactable App In The Microsoft Azure Marketplace</b>	45 words
	July 18 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• RECORDING INSIGHTS NOW AVAILABLE AS A TRANSACTIONAL APP IN THE MICROSOFT AZURE MARKETPLACE</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
07/18/2023	<b>BRIEF-Teladoc Health Expands Collaboration In AI With Microsoft To Address Healthcare Workforce Crisis</b>	64 words
	July 18 (Reuters) - Teladoc Health Inc:	
	<ul style="list-style-type: none"> <li>• TELADOC HEALTH EXPANDS COLLABORATION IN AI WITH MICROSOFT TO ADDRESS HEALTHCARE WORKFORCE CRISIS</li> <li>• TELADOC HEALTH- COLLABORATION TO ADD MICROSOFT AZURE OPENAI SERVICE, AZURE COGNITIVE SERVICES, NUANCE DRAGON AMBIENT INTO TELADOC HEALTH SOLO PLATFORM</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
07/16/2023	<b>BRIEF-Xbox's Phil Spencer Says Microsoft And Playstation Have Signed Agreement To Keep Call Of Duty On Playstation - Tweet</b>	56 words
	July 16 (Reuters) -	
	<ul style="list-style-type: none"> <li>• XBOX'S PHIL SPENCER SAYS PLEASED TO ANNOUNCE THAT MICROSOFT AND PLAYSTATION HAVE SIGNED AGREEMENT TO KEEP CALL OF DUTY ON PLAYSTATION - TWEET</li> </ul> <p>Source text: <a href="#">[here]</a> Further company coverage:</p>	
07/12/2023	<b>BRIEF-Sophos Launches Managed Detection And Response For Microsoft Defender</b>	47 words
	July 12 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• SOPHOS LAUNCHES MANAGED DETECTION AND RESPONSE (MDR) FOR MICROSOFT DEFENDER TO PROVIDE A CRITICAL LAYER OF SECURITY ACROSS MICROSOFT ENVIRONMENTS</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	

07/11/2023	<b>BRIEF-KPMG And Microsoft Enter Agreement For AI Investments</b>	59 words
	July 11 (Reuters) - Microsoft:	
	<ul style="list-style-type: none"> <li>• KPMG AND MICROSOFT ENTER LANDMARK AGREEMENT TO PUT AI AT THE FOREFRONT OF PROFESSIONAL SERVICES</li> <li>• MICROSOFT: COLLABORATION INCLUDES A KPMG MULTIBILLION DOLLAR COMMITMENT IN MICROSOFT CLOUD AND AI SERVICES OVER NEXT 5 YEARS Source text for Eikon: Further company coverage:</li> </ul>	
07/11/2023	<b>BRIEF-Microsoft Has Offered To Make Small Divestiture To Meet Objections Of UK CMA On Activision Deal- CNBC</b>	44 words
	July 11 (Reuters) -	
	<ul style="list-style-type: none"> <li>• MICROSOFT HAS OFFERED TO MAKE SMALL DIVESTITURE TO MEET OBJECTIONS OF UK CMA ON ACTIVISION DEAL- CNBC</li> </ul>	
07/04/2023	<b>BRIEF-Link Mobility Advances Partnerships With Meta And Microsoft</b>	36 words
	July 4 (Reuters) - Link Mobility Group Holding ASA :	
06/29/2023	<b>BRIEF-Inflection Ai Announces \$1.3 Billion Of Funding Led By Current Investors, Microsoft, And Nvidia</b>	77 words
	June 29 (Reuters) - INFLECTION AI:	
	<ul style="list-style-type: none"> <li>• INFLECTION AI ANNOUNCES \$1.3 BILLION OF FUNDING LED BY CURRENT INVESTORS, MICROSOFT, AND NVIDIA</li> <li>• INFLECTION AI: FUNDING LED BY MICROSOFT, REID HOFFMAN, BILL GATES, ERIC SCHMIDT, AND NEW INVESTOR NVIDIA</li> <li>• INFLECTION AI: NEW FUNDING BRINGS TOTAL RAISED BY COMPANY TO \$1.525 BILLION Source text for Eikon: Further company coverage:</li> </ul>	
06/29/2023	<b>BRIEF-Moody'S And Microsoft Develop Research And Collaboration Solutions Powered By Generative AI</b>	70 words
	June 29 (Reuters) - Moody's Corp:	
	<ul style="list-style-type: none"> <li>• MOODY'S AND MICROSOFT DEVELOP ENHANCED RISK, DATA, ANALYTICS, RESEARCH AND COLLABORATION SOLUTIONS POWERED BY GENERATIVE AI</li> <li>• MICROSOFT: PARTNERSHIP FOR SOLUTIONS BUILT ON MICROSOFT AZURE OPENAI SERVICE, MICROSOFT FABRIC, AND MICROSOFT TEAMS AND MOODY'S PROPRIETARY DATA Source text for Eikon: Further company coverage:</li> </ul>	
06/29/2023	<b>BRIEF-Constellation Signs Hourly Carbon-Free Energy Matching Agreement With Microsoft</b>	70 words
	June 29 (Reuters) - Constellation Energy Corp:	
	<ul style="list-style-type: none"> <li>• CONSTELLATION SIGNS HOURLY CARBON-FREE ENERGY MATCHING AGREEMENT WITH MICROSOFT TO SUPPORT A CLEAN-POWERED DATA CENTER</li> <li>• CONSTELLATION ENERGY - UNDER AGREEMENT, ONE OF MICROSOFT'S DATA CENTERS IN BOYDTON TO RECEIVE UP TO 35% IN ENVIRONMENTAL ATTRIBUTES FROM NUCLEAR POWER Source text for Eikon: Further company coverage:</li> </ul>	
06/29/2023	<b>BRIEF-11 bit studios Signs Deal With Microsoft Regarding Game Pass</b>	88 words
	June 29 (Reuters) - 11 bit studios SA:	
	<ul style="list-style-type: none"> <li>• SAID ON WEDNESDAY THAT IT HAS SIGNED A DEAL WITH MICROSOFT CORPORATION REGARDING MAKING SELECTED GAMES OF COMPANY AVAILABLE IN GAME PASS PROGRAMME RUN BY MICROSOFT</li> <li>• PURSUANT TO THE DEAL, THE RIGHTS TO THE GAMES WILL REMAIN WITH THE COMPANY</li> <li>• THE LIST OF GAMES COVERED BY THE DEAL WILL BE ANNOUNCED AT A LATER DATE</li> <li>• Source text for Eikon: Further company coverage: (Gdansk Newsroom)</li> </ul>	
06/27/2023	<b>BRIEF-Gardaworld Launches Global Communication Platform In Collaboration With Microsoft</b>	48 words
	June 27 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• GARDAWORLD LAUNCHES GLOBAL COMMUNICATION PLATFORM IN COLLABORATION WITH MICROSOFT</li> <li>• GARDAWORLD SECURITY CORPORATION: LAUNCHES GLOBAL COMMUNICATION PLATFORM IN COLLABORATION WITH MICROSOFT Source text for Eikon: Further company coverage:</li> </ul>	
06/27/2023	<b>BRIEF-Nowvertical Announces New Partnership Program With Microsoft And Azure Openai For Secured, Enterprise AI Deployments</b>	42 words
	June 27 (Reuters) - Microsoft Corp:	
06/26/2023	<b>BRIEF-Snowflake Expands Partnership With Microsoft</b>	44 words
	June 26 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• SNOWFLAKE EXPANDS PARTNERSHIP WITH MICROSOFT TO BRING LARGE-SCALE GENERATIVE AI MODELS AND INCREASED MACHINE LEARNING CAPABILITIES TO THE DATA CLOUD Source text for Eikon: Further company coverage:</li> </ul>	

06/22/2023	<b>BRIEF-Amazon cloud CEO says AI to transform Alexa into more personalized aide -Bloomberg Summit</b>	132 words
	June 22 (Reuters) - Microsoft Corp and Amazon.com Inc:	
	<ul style="list-style-type: none"> <li>• OPENAI CEO SAM ALTMAN SAYS GLOBAL REGULATION CAN MAKE AI SAFE - BLOOMBERG TECHNOLOGY SUMMIT</li> <li>• OPENAI CEO SAYS NO ONE PERSON SHOULD BE TRUSTED ON AI TECHNOLOGY INCLUDING HIMSELF - BLOOMBERG SUMMIT</li> <li>• AMAZON CLOUD CEO SAYS COMPANY IN PROCESS OF EXTERNALIZING ITS AI KNOWN AS LARGE LANGUAGE MODELS LATER THIS YEAR - BLOOMBERG SUMMIT</li> <li>• AMAZON CLOUD CEO SAYS GENERATIVE AI WILL BE SIGNIFICANT TAILWIND FOR ITS BUSINESS - BLOOMBERG SUMMIT</li> <li>• AMAZON CLOUD CEO SAYS RAPID AI IMPROVEMENTS WILL TRANSFORM ITS ALEXA SERVICE INTO MORE PERSONALIZED AIDE - BLOOMBERG SUMMIT Source text for Eikon: Further company coverage: [MSFT.O, AMZN.O] (Reporting By Greg Bensinger and Jeffrey Dastin)</li> </ul>	
06/22/2023	<b>BRIEF-Canadian Tire Corporation And Microsoft Partner To Advance Retail Innovation In Canada</b>	60 words
	June 22 (Reuters) - Canadian Tire Corporation Ltd :	
	<ul style="list-style-type: none"> <li>• CANADIAN TIRE CORPORATION AND MICROSOFT PARTNER TO ADVANCE RETAIL INNOVATION IN CANADA</li> <li>• CANADIAN TIRE CORPORATION LTD: FLAGSHIP STRATEGIC RETAIL PARTNERSHIP OF 7 YEARS WITH MICROSOFT Source text for Eikon: Further company coverage: (Reuters.Briefs@thomsonreuters.com)</li> </ul>	
06/22/2023	<b>BRIEF-Cerence Inc Prices Offering Of \$190 Mln 1.50% Convertible Senior Notes Due 2028</b>	46 words
	June 22 (Reuters) - Cerence Inc:	
	<ul style="list-style-type: none"> <li>• CERENCE INC. PRICES OFFERING OF \$190 MILLION 1.50% CONVERTIBLE SENIOR NOTES DUE 2028 Source text for Eikon: Further company coverage:</li> </ul>	
06/21/2023	<b>BRIEF-Applied Optoelectronics Enters Into Supply Agreement With Microsoft Corp</b>	56 words
	June 21 (Reuters) - Applied Optoelectronics Inc :	
	<ul style="list-style-type: none"> <li>• APPLIED OPTOELECTRONICS INC - ENTERED INTO A SUPPLY AGREEMENT WITH MICROSOFT CORPORATION</li> <li>• APPLIED OPTOELECTRONICS-POST AGREEMENT CO TO PROVIDE CERTAIN DESIGN SERVICES &amp; ASSEMBLY SERVICES OF GOODS IN ACCORDANCE WITH MICROSOFT'S SPECIFICATIONS ( <a href="#">Source</a>) Further company coverage:</li> </ul>	
06/21/2023	<b>BRIEF-Cerence Inc Announces Proposed Offering Of \$190 Mln Convertible Senior Notes Due 2028</b>	44 words
	June 21 (Reuters) - Cerence Inc:	
	<ul style="list-style-type: none"> <li>• CERENCE INC. ANNOUNCES PROPOSED OFFERING OF \$190 MILLION CONVERTIBLE SENIOR NOTES DUE 2028 Source text for Eikon: Further company coverage:</li> </ul>	
06/20/2023	<b>BRIEF-Teleperformance Launches TP GenAI Through Partnership With Microsoft</b>	69 words
	June 20 (Reuters) - Teleperformance SE:	
	<ul style="list-style-type: none"> <li>• TELEPERFORMANCE EXPANDS MICROSOFT PARTNERSHIP TO LAUNCH TP GENAI, A GENERATIVE AI PLATFORM TO MAKE ENTERPRISES MORE EFFICIENT AND HUMAN-CENTRIC</li> <li>• SIGNED A MULTI-YEAR, US\$185 MLN AZURE CLOUD COMMITMENT WITH MICROSOFT TO DELIVER COMPREHENSIVE MICROSOFT CLOUD INFRASTRUCTURE SOLUTIONS TO CLIENTS Source text for Eikon: Further company coverage: (Gdansk Newsroom)</li> </ul>	
06/15/2023	<b>BRIEF-HCLTech And Microsoft Expand Partnership for Adoption Of Generative AI With Microsoft's Azure OpenAI Service</b>	53 words
	June 15 (Reuters) - HCL Technologies Ltd:	
	<ul style="list-style-type: none"> <li>• HCLTECH - HCLTECH AND MICROSOFT EXPAND COLLABORATION</li> <li>• HCLTECH - PARTNERSHIP FOR ADOPTION OF GENERATIVE AI WITH MICROSOFT'S AZURE OPENAI SERVICE Source text for Eikon: Further company coverage:</li> </ul>	
06/14/2023	<b>BRIEF-PCF Group Signs Development And Publishing Deal With Microsoft Corporation</b>	70 words
	June 14 (Reuters) - PCF Group SA:	
	<ul style="list-style-type: none"> <li>• SIGNS DEVELOPMENT AND PUBLISHING AGREEMENT WITH MICROSOFT CORPORATION</li> <li>• DEAL FOR PRODUCTION AND DELIVERY OF GAME FROM AAA SEGMENT UNDER CODENAME PROJECT MAVERICK</li> <li>• TOTAL BUDGET FOR PRODUCTION OF GAME IS BETWEEN 30 AND 50 MILLION USD</li> <li>• MICROSOFT CORPORATION TO ACT AS PUBLISHER Source text for Eikon: Further company coverage: (Gdansk Newsroom)</li> </ul>	

06/14/2023	<b>BRIEF-Microsoft Announces Quarterly Dividend Of \$0.68 Per Share</b>	43 words
	June 13 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT ANNOUNCES QUARTERLY DIVIDEND</li> <li>• MICROSOFT - BOARD DECLARED A QUARTERLY DIVIDEND OF \$0.68 PER SHARE</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
06/12/2023	<b>BRIEF-U.S. Justice Department Says Microsoft Agrees To Pay \$20 Million Civil Penalty For Alleged Violations Of Children's Privacy Laws</b>	57 words
	June 12 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• U.S. JUSTICE DEPARTMENT SAYS MICROSOFT AGREES TO PAY \$20 MILLION CIVIL PENALTY FOR ALLEGED VIOLATIONS OF CHILDREN'S PRIVACY LAW</li> </ul> <p>Further company coverage: (Reporting by Rami Ayyub)</p>	
06/07/2023	<b>BRIEF-Microsoft Announces OpenAI Service For Government</b>	100 words
	June 7 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT - UNLOCK NEW INSIGHTS WITH AZURE OPENAI SERVICE FOR GOVERNMENT</li> <li>• MICROSOFT- LATEST OF TOOLS, GENERATIVE AI CAPABILITIES THROUGH MICROSOFT AZURE OPENAI SERVICE, CAN HELP GOVERNMENT AGENCIES IMPROVE EFFICIENCY</li> <li>• MICROSOFT - DEVELOPED NEW ARCHITECTURE THAT ENABLES GOVERNMENT AGENCIES TO ACCESS LARGE LANGUAGE MODELS IN THE COMMERCIAL ENVIRONMENT FROM AZURE GOVERNMENT</li> <li>• MICROSOFT- AZURE GOVERNMENT CUSTOMERS HAVE OPPORTUNITY TO USE MICROSOFT AZURE OPENAI SERVICE THROUGH PURPOSE-BUILT, AI-OPTIMIZED INFRASTRUCTURE</li> <li>• MICROSOFT- ACCESS TO THE AZURE OPENAI SERVICE IS AVAILABLE THROUGH THE AZURE GOVERNMENT ENVIRONMENT</li> </ul> <p>Further company coverage:</p>	
06/06/2023	<b>BRIEF-Microstrategy Builds Multi-Year Partnership With Microsoft To Expand Availability Of Co's Products Powered By Microsoft Azure</b>	57 words
	June 6 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSTRATEGY - ANNOUNCED NEW MULTI-YEAR PARTNERSHIP WITH MICROSOFT THAT WILL EXPAND AVAILABILITY OF CO'S PRODUCTS POWERED BY MICROSOFT AZURE</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
06/01/2023	<b>BRIEF-Microsoft Says Sees Charge Of About \$425 Mln In Q4 From IDPC Investigation</b>	70 words
	June 1 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT - SEES A CHARGE OF ABOUT \$425 MILLION IN Q4 OF FISCAL YEAR 2023 FROM IDPC INVESTIGATION ON LINKEDIN'S TARGETED ADVERTISING PRACTICES</li> <li>• MICROSOFT - INTENDS TO DISPUTE THE LEGAL BASIS FOR, AND THE AMOUNT OF, THE PROPOSED FINE</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
05/26/2023	<b>BRIEF-Microsoft Renews Alliance With Nueva Pescanova To Advance Crops Digitisation</b>	103 words
	May 26 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• SAID ON THURSDAY IT RENEWED ALLIANCE WITH NUEVA PESCANOVA INITIATED IN 2021 TO CONTINUE ADVANCING IN DIGITISATION OF CROPS THROUGH USE OF ARTIFICIAL INTELLIGENCE, INTERNET OF THINGS AND BIG DATA TECHNOLOGIES</li> <li>• PARTNERSHIP UNTIL 2024 IS AIMED AT, AMONG OTHERS, IMPROVING EFFICIENCY AND SUSTAINABILITY OF CROPS</li> <li>• BOTH COMPANIES COMMITTED TO BUILDING FOUNDATIONS OF GROUP'S DIGITAL FACTORY MODEL FOR THIS YEAR, WITH AIM OF DEVELOPING FIRST PROJECT AT ITS PLANT IN ECUADOR IN 2024</li> <li>• <a href="#">Source text</a>: Further company coverage: (Gdansk Newsroom)</li> </ul>	
05/25/2023	<b>BRIEF-Sonata Software Says Co To Partner With Microsoft For Launch Of Microsoft Fabric</b>	41 words
	May 25 (Reuters) - Sonata Software Ltd:	
	<ul style="list-style-type: none"> <li>• CO TO PARTNER WITH MICROSOFT FOR LAUNCH OF MICROSOFT FABRIC</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
05/24/2023	<b>BRIEF-Contact Energy Signs 10-Year Renewable Energy Agreement With Microsoft</b>	61 words
	May 25 (Reuters) - Contact Energy Ltd:	
	<ul style="list-style-type: none"> <li>• SIGNS 10-YEAR RENEWABLE ENERGY AGREEMENT WITH MICROSOFT ON NEW GEOTHERMAL POWER STATION AT TE HUKA</li> <li>• ARRANGEMENT WILL SEE CO PROVIDE MICROSOFT WITH ALL RENEWABLE ENERGY ATTRIBUTES GENERATED BY 51.4MW TE HUKA UNIT 3 POWER STATION</li> </ul> <p>Further company coverage:</p>	

05/24/2023	<b>BRIEF-Microsoft Says China-Backed Volt Typhoon Attacked U.S. Infrastructure - Blog</b>	85 words
	May 24 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT-UNCOVERED MALICIOUS ACTIVITY FOCUSED ON NETWORK SYSTEM DISCOVERY AIMED AT CRITICAL INFRASTRUCTURE ORGANIZATIONS IN THE UNITED STATES</li> <li>• MICROSOFT SAYS INVESTIGATION FOUND CHINA BASED VOLT TYPHOON TARGETS US CRITICAL INFRASTRUCTURE WITH LIVING-OFF-THE-LAND TECHNIQUES - BLOG</li> <li>• MICROSOFT SAYS OBSERVED VOLT TYPHOON DISCOVERING SYSTEM INFORMATION, FILE SYSTEM TYPES; DRIVE NAMES, SIZE, FREE SPACE; RUNNING PROCESSES; OPEN NETWORKS <a href="#">Source text</a>: Further company coverage:</li> </ul>	
05/24/2023	<b>BRIEF-Microsoft Will On Wednesday Lodge Formal Appeal Against British Regulators' Decision To Block Its \$75 Bn Takeover Of Activision Blizzard-Sky News</b>	59 words
	May 24 (Reuters) -	
	<ul style="list-style-type: none"> <li>• MICROSOFT WILL ON WEDNESDAY LODGE A FORMAL APPEAL AGAINST BRITISH REGULATORS' DECISION TO BLOCK ITS \$75BN TAKEOVER OF ACTIVISION BLIZZARD-SKY NEWS <a href="#">Source text</a>: Further company coverage:</li> </ul>	
05/23/2023	<b>BRIEF-Nvidia says Integrating Nvidia Ai Enterprise Software Into Microsoft'S Azure Machine Learning</b>	55 words
	May 23 (Reuters) - NVIDIA:	
	<ul style="list-style-type: none"> <li>• NVIDIA: INTEGRATING NVIDIA AI ENTERPRISE SOFTWARE INTO MICROSOFT'S AZURE MACHINE LEARNING</li> <li>• NVIDIA: NVIDIA OMNIVERSE CLOUD PLATFORM AS SERVICE NOW AVAILABLE ON MICROSOFT AZURE AS PRIVATE OFFER FOR ENTERPRISES Further company coverage:</li> </ul>	
05/23/2023	<b>BRIEF-Thomson Reuters Working With Microsoft's Generative AI Technology, Microsoft 365 Copilot</b>	69 words
	May 23 (Reuters) - Thomson Reuters Corp :	
	<ul style="list-style-type: none"> <li>• THOMSON REUTERS CORP - THOMSON REUTERS PLUGIN WITH MICROSOFT 365 COPILOT HELPS UNLOCK VALUE OF GENERATIVE AI FOR LEGAL PROFESSIONALS</li> <li>• THOMSON REUTERS: WORKING WITH MICROSOFT, CO HAS DEVELOPED CONTRACT DRAFTING SOLUTION, POWERED BY ITS LEGAL PRODUCTS &amp; CONTENT, AND COPILOT FOR WORD <a href="#">Source text</a> for Eikon: Further company coverage:</li> </ul>	
05/23/2023	<b>BRIEF-Sapiens Joins Forces With Microsoft To Leverage Generative AI For Insurers</b>	61 words
	May 23 (Reuters) - Sapiens International Corporation NV :	
	<ul style="list-style-type: none"> <li>• SAPIENS JOINS FORCES WITH MICROSOFT TO LEVERAGE GENERATIVE AI FOR INSURERS</li> <li>• SAPIENS INTERNATIONAL CORPORATION NV - WILL INTEGRATE MICROSOFT AZURE OPENAI, AZURE POWER VIRTUAL AGENTS TO PROVIDE GENERATIVE AI SOLUTIONS <a href="#">Source text</a> for Eikon: Further company coverage:</li> </ul>	
05/19/2023	<b>BRIEF-Samsung Electronics Won't Be Swapping Out Default Search Engine On Its Smartphones From Google To Microsoft's Bing Any Time Soon-WSJ</b>	78 words
	May 19 (Reuters) -	
	<ul style="list-style-type: none"> <li>• SAMSUNG ELECTRONICS WON'T BE SWAPPING OUT DEFAULT SEARCH ENGINE ON ITS SMARTPHONES FROM GOOGLE TO MICROSOFT'S BING ANY TIME SOON-WSJ</li> <li>• SAMSUNG ELECTRONICS SUSPENDS INTERNAL REVIEW THAT CONTEMPLATED CHANGING ITS SMARTPHONES' DEFAULT SEARCH ENGINE FROM GOOGLE TO MICROSOFT'S BING-WSJ <a href="#">Source text</a>: Further company coverage:</li> </ul>	

05/18/2023

**BRIEF-Twitter Sends Letter To Microsoft**

238 words

May 18 (Reuters) - Twitter:

- TWITTER SENDS LETTER TO MICROSOFT
- TWITTER - BY REGISTERING AND USING EIGHT TWITTER API APPS, MICROSOFT AGREED TO COMPLY WITH TWITTER'S DEVELOPER AGREEMENT AND POLICY
- TWITTER, IN LETTER: MICROSOFT APPEARS TO HAVE USED THE TWITTER API FOR "UNAUTHORIZED" USES AND PURPOSES
- TWITTER: UP UNTIL LAST MONTH, WHEN MICROSOFT DECLINED TO PAY DISCOUNTED RATE FOR TWITTER'S APIs & CONTENT, IT OPERATED EIGHT SEPARATE TWITTER API APPS
- TWITTER: REVIEW OF MICROSOFT'S ACTIVITY ON ITS APPS SHOWS IT MAY HAVE BEEN IN VIOLATION OF PROVISIONS OF TWITTER DEVELOPER AGREEMENT FOR EXTENDED TIME
- TWITTER: DESPITE LIMITATIONS, MICROSOFT APPS ACCESSED TWITTER'S APIs OVER 780 MILLION TIMES AND RETRIEVED OVER 26 BILLION TWEETS IN 2022 ALONE
- TWITTER - HEREBY REQUESTS COMPLIANCE AUDIT PURSUANT TO TERMS OF AGREEMENT FOR EACH OF THE EIGHT MICROSOFT APPS THROUGH APRIL 2023
- TWITTER: REQUESTS IDENTIFICATION OF ALL TWITTER CONTENT CURRENTLY IN MICROSOFT'S POSSESSION OR CONTROL
- TWITTER - REQUESTS RECORDS DESCRIBING ALL USES OF THE TWITTER APIs FOR EACH MICROSOFT APP
- TWITTER: REQUESTS RECORDS DESCRIBING ALL TWITTER CONTENT RETAINED BY MICROSOFT THROUGH USE OF TWITTER APIs
- TWITTER, IN LETTER: ASKS MICROSOFT TO PROVIDE DATE CERTAIN BY WHICH IT WILL PROVIDE REQUESTED INFORMATION, AND, IN ANY EVENT, NO LATER THAN JUNE 7
- TWITTER: REQUESTS RECORDS ON MANNER AND FORMAT IN WHICH TWITTER CONTENT RETAINED BY MICROSOFT THROUGH TWITTER APIs WAS STORED, USED Further company coverage:

05/18/2023

**BRIEF-Microsoft Heard From A Law Firm Representing Twitter With Some Questions About Our Previous Use Of The Free Twitter API**

65 words

Microsoft Corp:

- MICROSOFT: HEARD FROM A LAW FIRM REPRESENTING TWITTER WITH SOME QUESTIONS ABOUT OUR PREVIOUS USE OF THE FREE TWITTER API
- MICROSOFT - LOOK FORWARD TO CONTINUING OUR LONG TERM PARTNERSHIP WITH TWITTER Source text for Eikon: Further company coverage:

05/15/2023

**BRIEF-Third Point LLC Cuts Share Stake In Microsoft Corp, Takes In Salesforce**

106 words

May 15 (Reuters) - THIRD POINT LLC:

- THIRD POINT LLC CUTS SHARE STAKE IN MICROSOFT CORP BY 11% TO 1.05 MILLION SHARES
- THIRD POINT LLC TAKES SHARE STAKE OF 800,000 SHARES IN SALESFORCE INC
- THIRD POINT LLC TAKES SHARE STAKE OF 2.1 MILLION SHARES IN VISTRA CORP
- THIRD POINT LLC - CHANGE IN HOLDINGS ARE AS OF MARCH 31, 2023 AND COMPARED WITH THE PREVIOUS QUARTER ENDED AS OF DECEMBER 31, 2022 SOURCE FOR QUARTER ENDED MARCH 31, 2023: [here](#) SOURCE FOR QUARTER ENDED DECEMBER 31, 2022: <https://bit.ly/3IDX9QI>

05/15/2023

**BRIEF-Microsoft Announcing A Suite Of New Ai Solutions And Improvements To Microsoft Cloud For Nonprofit**

67 words

May 15 (Reuters) - Microsoft Corp:

- MICROSOFT: ANNOUNCING A SUITE OF NEW AI SOLUTIONS AND IMPROVEMENTS TO MICROSOFT CLOUD FOR NONPROFIT
- MICROSOFT: AI SUITE DESIGNED TO TRANSFORM NONPROFIT INDUSTRY AND HOW FUNDRAISERS ENGAGE WITH DONORS, MANAGE CAMPAIGNS AND OPTIMIZE OPERATIONS Source text for Eikon: Further company coverage:

05/15/2023

**BRIEF-SAP And Microsoft Collaborate On Joint Generative AI Offerings To Help Customers Address The Talent Gap**

112 words

May 15 (Reuters) - Sap Se:

- SAP AND MICROSOFT COLLABORATE ON JOINT GENERATIVE AI OFFERINGS TO HELP CUSTOMERS ADDRESS THE TALENT GAP
- SAP AND MICROSOFT COLLABORATE ON JOINT GENERATIVE AI OFFERINGS
- OMPIANIES WILL COLLABORATE ON INTEGRATING SAP® SUCCESSFACTORS® SOLUTIONS WITH MICROSOFT 365 COPILOT AND COPILOT IN VIVA LEARNING, AS WELL AS MICROSOFT'S AZURE OPENAI SERVICE TO ACCESS POWERFUL LANGUAGE MODELS THAT ANALYZE AND GENERATE NATURAL LANGUAGE
- INTEGRATIONS WILL ENABLE NEW EXPERIENCES DESIGNED TO IMPROVE HOW ORGANIZATIONS ATTRACT, RETAIN AND SKILL THEIR PEOPLE Source text for Eikon: Further company coverage:

05/10/2023

**BRIEF-Microsoft Says Will Not Be Providing Salary Increases For Our Full-Time Salaried Employees This Year**

45 words

May 10 (Reuters) - Microsoft Corp:

- WILL NOT BE PROVIDING SALARY INCREASES FOR OUR FULL-TIME SALARIED EMPLOYEES THIS YEAR Further company coverage:

05/09/2023	<b>BRIEF-Informatica Expands Its Collaboration With Microsoft</b>	44 words
	May 9 (Reuters) - Informatica Inc:	
	<ul style="list-style-type: none"> <li>INFORMATICA EXPANDS ITS COLLABORATION WITH MICROSOFT, ANNOUNCES PLANNED INTELLIGENT DATA MANAGEMENT CLOUD AS A MICROSOFT AZURE NATIVE ISV SERVICE Source text for Eikon: Further company coverage:</li> </ul>	
05/09/2023	<b>BRIEF-Cerence Announces Second Quarter Fiscal Year 2023 Results</b>	127 words
	May 9 (Reuters) - Cerence Inc:	
	<ul style="list-style-type: none"> <li>CERENCE ANNOUNCES SECOND QUARTER FISCAL YEAR 2023 RESULTS</li> <li>SEES FISCAL QUARTER ENDING JUNE 30, 2023 TO BE IN RANGE OF \$58 MILLION TO \$62 MILLION</li> <li>SEES FISCAL QUARTER ENDING JUNE 30, 2023 ADJUSTED EBITDA TO BE IN RANGE OF APPROXIMATELY (\$5) MILLION TO (\$1) MILLION</li> <li>SEES FULL FISCAL YEAR ENDING SEPTEMBER 30, 2023, REVENUE TO BE IN RANGE OF \$280 MILLION TO \$290 MILLION</li> <li>FY ADJUSTED EBITDA IS EXPECTED TO BE IN RANGE OF APPROXIMATELY \$27 MILLION TO \$34 MILLION</li> <li>Q2 GAAP NET LOSS PER SHARE - DILUTED \$(0.65)</li> <li>Q2 NON-GAAP NET LOSS PER SHARE - DILUTED \$(0.04) Source text for Eikon: Further company coverage:</li> </ul>	
05/09/2023	<b>BRIEF-Microsoft Says Issue With Accessing Some Microsoft 365 Services And Features For Users Within The United Kingdom Is Resolved - Tweet</b>	58 words
	May 9 (Reuters) -	
	<ul style="list-style-type: none"> <li>MICROSOFT SAYS ISSUE WITH ACCESSING SOME MICROSOFT 365 SERVICES AND FEATURES FOR USERS WITHIN THE UNITED KINGDOM IS RESOLVED - TWEET Source text for Eikon: [ID: <a href="#">here</a>] Further company coverage:</li> </ul>	
05/09/2023	<b>BRIEF-Microsoft Investigates Issue With Accessing Some Microsoft 365 Services, Features For Users Within UK</b>	49 words
	May 9 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>MICROSOFT SAYS INVESTIGATING AN ISSUE WITH ACCESSING SOME MICROSOFT 365 SERVICES AND FEATURES FOR USERS WITHIN THE UNITED KINGDOM <a href="#">Source text</a>: Further company coverage:</li> </ul>	
05/04/2023	<b>BRIEF-Microsoft Says Opening Up Bing To More People And Eliminating The Waitlist For Trial</b>	81 words
	May 4 (Reuters) - Microsoft Corp:	
05/02/2023	<b>BRIEF-Cerence Appoints Iqbal Arshad As Chief Technology Officer</b>	41 words
	May 2 (Reuters) - Cerence Inc:	
	<ul style="list-style-type: none"> <li>CERENCE APPOINTS IQBAL ARSHAD, AN ACCOMPLISHED TECH INDUSTRY INNOVATOR, AS CHIEF TECHNOLOGY OFFICER Source text for Eikon: Further company coverage:</li> </ul>	
05/02/2023	<b>BRIEF-Aion Enters Collaboration With Microsoft Norway</b>	57 words
	May 2 (Reuters) - Aker Biomarine ASA:	
	<ul style="list-style-type: none"> <li>AION ENTERS INTO COLLABORATION WITH MICROSOFT NORWAY TO SCALE PLASTIC CIRCULARITY</li> <li>MOU WITH MICROSOFT TO PURSUE JOINT INNOVATION AND EXPLORE CO-SELL OPPORTUNITIES WITHIN DIGITAL TRACEABILITY OF CIRCULAR PLASTIC PRODUCTS Source text for Eikon: Further company coverage: (Gdansk Newsroom)</li> </ul>	
04/26/2023	<b>BRIEF-The Odp Corporation Expands Collaboration With Microsoft To Leverage The Power Of Ai Technology From Microsoft Azure Openai Service</b>	75 words
	ODP Corp:	
	<ul style="list-style-type: none"> <li>THE ODP CORPORATION EXPANDS COLLABORATION WITH MICROSOFT TO LEVERAGE THE POWER OF AI TECHNOLOGY FROM MICROSOFT AZURE OPENAI SERVICE</li> <li>ODP CORP- ODP IS HARNESSING POWER OF MICROSOFT AZURE OPENAI, INCLUDING CHATGPT HOSTED SECURELY ON AZURE, TO FURTHER IMPROVE CUSTOMER EXPERIENCE Source text for Eikon: Further company coverage:</li> </ul>	
04/26/2023	<b>BRIEF-Activision On CMA's Decision On Microsoft Deal Says Will Work With Microsoft To Reverse On Appeal</b>	75 words
	April 26 (Reuters) - Activision Blizzard Inc:	
	<ul style="list-style-type: none"> <li>ACTIVISION BLIZZARD ON CMA'S DECISION ON MICROSOFT/ ACTIVISION DEAL SAYS "WE WILL WORK AGGRESSIVELY WITH MICROSOFT TO REVERSE THIS ON APPEAL"</li> <li>ACTIVISION BLIZZARD ON CMA'S DECISION ON MICROSOFT/ ACTIVISION DEAL SAYS WILL REASSESS GROWTH PLANS FOR UK Source text for Eikon: Further company coverage:</li> </ul>	

04/25/2023	<b>BRIEF-Microsoft Says Sees Q4 Intelligent Cloud Revenue Of \$23.6 Billion To \$23.9 Billion</b>	144 words
	April 25 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT - SEES Q4 PRODUCTIVITY AND BUSINESS PROCESSES REVENUE OF \$17.9 BILLION TO \$18.2 BILLION</li> <li>• MICROSOFT - SEES Q4 COST OF REVENUE COGS OF \$16.8 TO \$17.0 BILLION</li> <li>• MICROSOFT - SEES Q4 INTELLIGENT CLOUD REVENUE OF \$23.6 BILLION TO \$23.9 BILLION</li> <li>• MICROSOFT - SEES Q4 OPERATING EXPENSES OF \$15.1 TO \$15.2 BILLION</li> <li>• MICROSOFT - SEES Q4 MORE PERSONAL COMPUTING REVENUE OF \$13.35 BILLION TO \$13.75 BILLION</li> <li>• MICROSOFT - SEES DECREASE TO TOTAL REVENUE GROWTH OF ABOUT 2 POINTS IN Q4 DUE TO FOREIGN CURRENCY IMPACT</li> <li>• MICROSOFT - SEES Q4 AZURE AND OTHER CLOUD SERVICES REVENUE GROWTH OF 26% TO 27% IN CONSTANT CURRENCY IN INTELLIGENT CLOUD SEGMENT</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
04/25/2023	<b>BRIEF-Microsoft Reports Quarterly Revenue In More Personal Computing Was \$13.3 Billion And Decreased 9%</b>	72 words
	April 25 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT - QTRLY REVENUE IN PRODUCTIVITY AND BUSINESS PROCESSES WAS \$17.5 BILLION AND INCREASED 11%</li> <li>• MICROSOFT - QTRLY REVENUE IN INTELLIGENT CLOUD WAS \$22.1 BILLION AND INCREASED 16%</li> <li>• MICROSOFT - QTRLY REVENUE IN MORE PERSONAL COMPUTING WAS \$13.3 BILLION AND DECREASED 9%</li> </ul> <p>Further company coverage:</p>	
04/24/2023	<b>BRIEF-Microsoft Says Moving Forward Will Infuse Generative AI Capability Into Consumer And Commercial Offerings</b>	44 words
	April 24 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT- MOVING FORWARD, WE WILL INFUSE GENERATIVE AI CAPABILITY INTO OUR CONSUMER AND COMMERCIAL OFFERINGS</li> </ul> <p>Further company coverage:</p>	
04/20/2023	<b>BRIEF-Bloomberg Offers Data Access On Cloud With Microsoft Azure</b>	38 words
	April 20 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• BLOOMBERG OFFERS DATA ACCESS ON CLOUD WITH MICROSOFT AZURE</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
04/18/2023	<b>BRIEF-Jamf Expands Collaboration With Microsoft And Joins The Microsoft Intelligent Security Association (MISA)</b>	46 words
	April 18 (Reuters) - Jamf Holding Corp:	
	<ul style="list-style-type: none"> <li>• JAMF EXPANDS COLLABORATION WITH MICROSOFT AND JOINS THE MICROSOFT INTELLIGENT SECURITY ASSOCIATION (MISA)</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
04/17/2023	<b>BRIEF-Cadence Extends Collaboration With TSMC And Microsoft To Advance Giga-Scale Physical Verification In The Cloud</b>	78 words
	April 17 (Reuters) - Cadence Design Systems Inc :	
	<ul style="list-style-type: none"> <li>• CADENCE EXTENDS COLLABORATION WITH TSMC AND MICROSOFT TO ADVANCE GIGA-SCALE PHYSICAL VERIFICATION IN THE CLOUD</li> <li>• CADENCE EXTENDS COLLABORATION WITH TSMC AND MICROSOFT TO ADVANCE GIGA-SCALE PHYSICAL VERIFICATION IN THE CLOUD</li> <li>• CADENCE DESIGN SYSTEMS INC - EXPANDED COLLABORATION WITH TSMC AND MICROSOFT</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
04/17/2023	<b>BRIEF-Microsoft And Epic Expand Strategic Collaboration With Integration Of Azure OpenAI Service</b>	43 words
	April 17 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• MICROSOFT AND EPIC EXPAND STRATEGIC COLLABORATION WITH INTEGRATION OF AZURE OPENAI SERVICE</li> </ul> <p>Source text for Eikon: Further company coverage:</p>	
04/17/2023	<b>BRIEF-Paris-headquartered company Smart Immune gets \$5 mln investment from Bill &amp; Melinda Gates Foundation</b>	135 words
	April 17 (Reuters) - Microsoft Corp:	
	<ul style="list-style-type: none"> <li>• FRENCH COMPANY SMART IMMUNE SAS SAYS IT HAS GOT A \$5 MILLION EQUITY INVESTMENT FROM BILL &amp; MELINDA GATES FOUNDATION</li> <li>• FRENCH COMPANY SMART IMMUNE: THIS NEW INVESTMENT WILL HELP ACCELERATE DEVELOPMENT OF PROTCELL, A PROPRIETARY T-CELL THERAPY PLATFORM TO TREAT CANCER AND INFECTIOUS DISEASE.</li> <li>• SMART IMMUNE: INVESTMENT FROM GATES FOUNDATION WILL HELP ADVANCE A NEW PHASE I/II CLINICAL TRIAL IN ADULT ACUTE LEUKEMIA PATIENTS OF SMART IMMUNE'S LEAD ASSET, SMART 101</li> <li>• Smart Immune's partners include Memorial Sloan Kettering Cancer Center in New York and Greater Paris University Hospitals (AP-HP). The company is headquartered in Paris, France.</li> </ul> <p>Source text for Eikon: Further company coverage:</p> <p>(Reporting by Sudip Kar-Gupta)</p>	

04/12/2023	<b>BRIEF-Linkedin Partners With Clear To Enhance Digital Safety &amp; Trust</b>	51 words
	April 12 (Reuters) - Microsoft Corp:	
	• LINKEDIN PARTNERS WITH CLEAR TO ENHANCE DIGITAL SAFETY & TRUST BY PROVIDING FREE IDENTITY VERIFICATION TO NEARLY 200 MILLION U.S. LINKEDIN USERS Source text for Eikon: Further company coverage:	
04/12/2023	<b>BRIEF-Siemens, Microsoft Drive Industrial Productivity With Generative AI</b>	36 words
	April 12 (Reuters) - Microsoft Corp:	
	• SIEMENS AND MICROSOFT DRIVE INDUSTRIAL PRODUCTIVITY WITH GENERATIVE ARTIFICIAL INTELLIGENCE Source text for Eikon: Further company coverage:	
04/06/2023	<b>BRIEF-Microsoft's Digital Crimes Unit, Fortra &amp; Health-ISAC Taking Technical &amp; Legal Action To Disrupt Cracked, Legacy Copies Of Cobalt Strike</b>	75 words
	April 6 (Reuters) - Microsoft Corp:	
	• MICROSOFT - MICROSOFT'S DIGITAL CRIMES UNIT, FORTRA & HEALTH-ISAC TAKING TECHNICAL & LEGAL ACTION TO DISRUPT CRACKED, LEGACY COPIES OF COBALT STRIKE	
	• MICROSOFT - MICROSOFT'S DIGITAL CRIMES UNIT, FORTRA & HEALTH-ISAC TAKING TECHNICAL & LEGAL ACTION TO DISRUPT ABUSED MICROSOFT SOFTWARE Further company coverage:	
04/06/2023	<b>BRIEF-Cognizant And Microsoft Collaborate To Bring Microsoft Cloud-Based Technology Solutions To The Healthcare Market</b>	68 words
	April 6 (Reuters) - Cognizant Technology Solutions Corp :	
	• COGNIZANT AND MICROSOFT COLLABORATE TO BRING MICROSOFT CLOUD-BASED TECHNOLOGY SOLUTIONS TO THE HEALTHCARE MARKET	
	• COGNIZANT - WILL WORK TOGETHER TO BUILD INTEGRATION ROADMAP BETWEEN CO'S TRIZETTO HEALTHCARE PRODUCTS WITH MICROSOFT CLOUD FOR HEALTHCARE Source text for Eikon: Further company coverage:	
04/06/2023	<b>BRIEF-CMA Provides Update on Microsoft/Activision Deal Probe</b>	76 words
	April 6 (Reuters) - Competition and Markets Authority (CMA):	
	• CMA-MICROSOFT AGREES WITH CMA CONCLUSION ACTIVISION MERGER WILL NOT RESULT IN LESSENING OF COMPETITION FOR SUPPLY OF CONSOLE GAMING SERVICES IN UK	
	• CMA- MICROSOFT CALLS ON CMA TO RE-ASSESS CURRENT EVIDENCE AVAILABLE TO IT RELATING TO MICROSOFT'S INCENTIVES IN RELATION TO CLOUD GAME STREAMING Source text for Eikon: Further company coverage:	
04/05/2023	<b>BRIEF-Palantir And Microsoft Expand Cloud Partnership To Public Sector</b>	36 words
	April 5 (Reuters) - Microsoft Corp:	
	• PALANTIR AND MICROSOFT EXPAND CLOUD PARTNERSHIP TO PUBLIC SECTOR Source text for Eikon: Further company coverage:	
03/24/2023	<b>BRIEF-UK's CMA Says Narrows Scope Of Concerns In Microsoft - Activision Merger Review</b>	134 words
	March 24 (Reuters) - UK's Competition and Markets Authority:	
	• UK'S CMA- PROVISIONALLY CONCLUDED MICROSOFT/ACTIVISION MERGER WILL NOT RESULT IN SUBSTANTIAL LESSENING OF COMPETITION IN CONSOLE GAMING IN UK	
	• UK'S CMA- NEW EVIDENCE PROVIDED RELATES TO MICROSOFT'S FINANCIAL INCENTIVES TO MAKE ACTIVISION'S GAMES, INCLUDING COD, EXCLUSIVE TO ITS OWN CONSOLES.	
	• UK'S CMA SAYS INVESTIGATION CONTINUES ON MICROSOFT-ACTIVISION DEAL, WITH FINAL REPORT STILL DUE BY 26 APRIL 2023	
	• CMA SAYS NARROWS SCOPE OF CONCERN IN MICROSOFT - ACTIVISION REVIEW	
	• COMPETITION AND MKTS - CMA UPDATE: MICROSOFT/ACTIVISION	
	• UK'S CMA- NEW EVIDENCE PROVIDED RELATES TO MICROSOFT'S FINANCIAL INCENTIVES TO MAKE ACTIVISION'S GAMES, INCLUDING COD, EXCLUSIVE TO ITS OWN CONSOLES. Further company coverage:	
03/21/2023	<b>BRIEF-Nvidia And Microsoft To Bring The Industrial Metaverse And Ai To Hundreds Of Millions Of Enterprise Users Via Azure Cloud</b>	110 words
	March 21 (Reuters) - NVIDIA Corp:	
	• NVIDIA AND MICROSOFT TO BRING THE INDUSTRIAL METAVERSE AND AI TO HUNDREDS OF MILLIONS OF ENTERPRISE USERS VIA AZURE CLOUD	
	• NVIDIA CORP - MICROSOFT AZURE WILL HOST TWO NEW CLOUD OFFERINGS FROM NVIDIA: NVIDIA OMNIVERSE CLOUD AND NVIDIA DGX CLOUD	
	• NVIDIA CORP- DEAL WITH MICROSOFT TO PROVIDE MICROSOFT ENTERPRISE USERS WITH ACCESS TO INDUSTRIAL METAVERSE & AI SUPERCOMPUTING RESOURCES VIA CLOUD	
	• NVIDIA CORP - DGX CLOUD WILL BE AVAILABLE RUNNING IN AZURE BEGINNING NEXT QUARTER Source text for Eikon: Further company coverage:	

03/21/2023

**BRIEF-Microsoft Brings Bing Image Creator To Bing & Edge Preview**

204 words

March 21 (Reuters) - Microsoft Corp:

- MICROSOFT - BRINGING BING IMAGE CREATOR, NEW AI-POWERED VISUAL STORIES & UPDATED KNOWLEDGE CARDS TO NEW BING AND EDGE PREVIEW
- MICROSOFT - BING IMAGE CREATOR ALLOWS USER TO CREATE IMAGE SIMPLY BY USING WORDS TO DESCRIBE PICTURE USER WANTS TO SEE
- MICROSOFT: FOR THOSE IN BING PREVIEW, BING IMAGE CREATOR WILL BE FULLY INTEGRATED INTO BING CHAT EXPERIENCE, ROLLING OUT INITIALLY IN CREATIVE MODE
- MICROSOFT: BING IMAGE CREATOR PREVIEW WILL ALSO BE AVAILABLE IN MICROSOFT EDGE - BLOG
- MICROSOFT - MAKING STORIES AND KNOWLEDGE CARDS 2.0 AVAILABLE TO ALL BING USERS
- MICROSOFT: HAVE PUT CONTROLS IN PLACE THAT AIM TO LIMIT THE GENERATION OF HARMFUL OR UNSAFE IMAGES FROM BING IMAGE CREATOR
- MICROSOFT - NEW CHAT EXPERIENCE LAUNCHED LAST MONTH ON AI-POWERED BING, MICROSOFT EDGE HAS SEEN MORE THAN 100 MILLION CHATS TO DATE
- MICROSOFT: WE ALSO MAKE IT CLEAR THAT IMAGE CREATOR'S IMAGES ARE GENERATED BY AI, INCLUDE A MODIFIED BING ICON IN BOTTOM LEFT CORNER OF EACH IMAGE
- MICROSOFT: ROLLING OUT BING IMAGE CREATOR IN A PHASED APPROACH BY FLIGHTING WITH A SET OF PREVIEW USERS BEFORE EXPANDING MORE BROADLY Further company coverage:

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03/20/2023

**BRIEF-Nuance And Microsoft Announce The First Fully Ai-Automated Clinical Documentation Application For Healthcare**

62 words

March 20 (Reuters) - Microsoft Corp:

- NUANCE AND MICROSOFT ANNOUNCE THE FIRST FULLY AI-AUTOMATED CLINICAL DOCUMENTATION APPLICATION FOR HEALTHCARE
- MICROSOFT & NUANCE ANNOUNCE DRAGON AMBIENT EXPERIENCE (DAX) EXPRESS, A FULLY AUTOMATED CLINICAL DOCUMENTATION APPLICATION, COMBINING AI WITH GPT-4 Further company coverage:

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03/20/2023

**BRIEF-Syneos Health Collaborates With Microsoft To Accelerate AI Across The Clinical To Commercial Continuum**

62 words

March 20 (Reuters) - Syneos Health Inc:

- SYNEOS HEALTH COLLABORATES WITH MICROSOFT TO ACCELERATE AI ACROSS THE CLINICAL TO COMMERCIAL CONTINUUM
- SYNEOS HEALTH INC - MULTI-YEAR AGREEMENT INCLUDES COLLABORATION WITH MICROSOFT RESEARCH AND LEVERAGES DEVELOPMENTS FROM OPENAI Source text for Eikon: Further company coverage:

---

03/14/2023

**BRIEF-Microsoft Announces New Lead Independent Director And Quarterly Dividend**

97 words

March 14 (Reuters) - Microsoft Corp:

- MICROSOFT ANNOUNCES NEW LEAD INDEPENDENT DIRECTOR AND QUARTERLY DIVIDEND
- MICROSOFT - APPOINTMENT OF SANDRA E. (SANDI) PETERSON, OPERATING PARTNER AT CLAYTON, DUBILIER & RICE, AS LEAD INDEPENDENT DIRECTOR
- MICROSOFT - MICROSOFT ALSO ANNOUNCED ITS BOARD OF DIRECTORS DECLARED A QUARTERLY DIVIDEND OF \$0.68 PER SHARE
- MICROSOFT - ALSO ANNOUNCED ITS BOARD OF DIRECTORS DECLARED A QUARTERLY DIVIDEND OF \$0.68 PER SHARE
- MICROSOFT - INDEPENDENT DIRECTORS REELECTED SATYA NADELLA TO ROLE OF CHAIRMAN Source text for Eikon: Further company coverage:

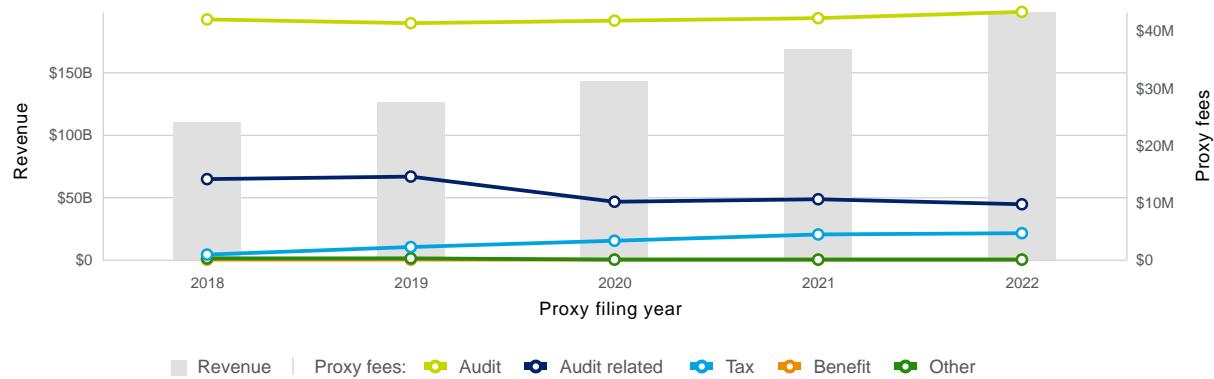


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Source: Factiva

## Proxy fees

5 year trends



Year	Revenue (\$M)	Audit fees (\$M)	Audit related fees (\$M)		Tax (\$M)	Benefits (\$M)	Other fees (\$M)	Total fees (\$M)	Auditor
2022	198,270.00	43.35	9.62	4.55	0.00	0.01	57.52	Deloitte	
2021	168,088.00	42.30	10.49	4.31	0.00	0.04	57.14	Deloitte	
2020	143,015.00	41.71	10.15	3.38	0.00	0.05	55.29	Deloitte	
2019	125,843.00	41.44	14.45	2.24	0.00	0.15	58.28	Deloitte	
2018	110,360.00	42.02	13.99	0.96	0.00	0.29	57.26	Deloitte	

Source: Audit Analytics

## Peer comparison

### MICROSOFT CORP

Companies below are the closest peers to the subject company based on industry and revenue size



Audit firm: █ Deloitte █ KPMG █ EY █ Other

Company name	Ticker symbol	Proxy year	Audit fees (\$M)	Total fees (\$M)	Revenue (\$M)	Assets (\$M)	Market capital (\$M)	Auditor
MICROSOFT CORPORATION	MSFT	2022	43.35	57.52	198,270.00	364,840.00	1,918,222.47	Deloitte
TD SYNNEX CORPORATION	SNX	2022	7.16	7.50	62,343.81	29,734.00	9,697.42	KPMG
ACCENTURE PLC	ACN	2022	24.21	27.68	61,594.31	47,263.39	188,675.96	KPMG
ORACLE CORPORATION	ORCL	2022	23.91	32.23	42,440.00	109,297.00	195,149.00	EY
SAP SE	SAP	2022	14.75	25.29	32,946.00	77,014.00	127,899.57	BDO
SALESFORCE.COM, INC.	CRM	2023	21.14	32.53	31,352.00	98,849.00	174,640.01	EY

Source: Audit Analytics



# Perspectives

# GOVERNANCE METRICS REPORT

## MICROSOFT CORPORATION (MSFT)

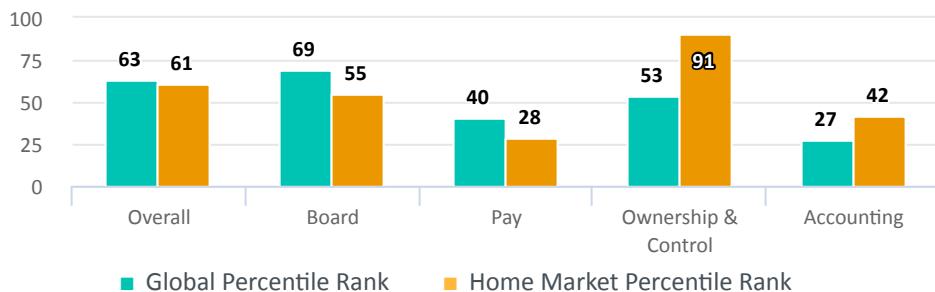
**Governance Score** **6.7** / 10

Industry: Software & Services  
Market Cap: 2,478,197,689,473 USD

Incorporated: Home Market: US (WA)  
United States

Last Data Update: Sep 07, 2023  
Last Score Change: Sep 07, 2023

### GOVERNANCE THEMES AND RANKINGS



### SUMMARY

MICROSOFT falls into the average scoring range for all the companies we assess relative to global peers and reflects a relatively low level of governance risk in most areas.

### KEY AREAS OF CONCERN\*

#### Board Effectiveness

Flagged metric: Overboarded Non-Exec Directors

(-0.50)

#### Pay Figures

Flagged metric: CEO Pay Total Realized

(-0.40)

Flagged metric: CEO Pay Total Awarded

#### Severance & Change of Control

Flagged metric: Golden Parachutes

(-0.40)

Flagged metric: Severance Vesting

### SCORING DEDUCTIONS

### OWNERSHIP OVERVIEW

Capital Structure	Single Equity Class
Ownership Classification	Widely Held
<b>Top Shareholders:</b>	
There is no principal shareholder at this firm	

### KEY DATES

Financial Year End	June 30
Annual Filing Date	Oct 27, 2022
AGM Date	Dec 13, 2022

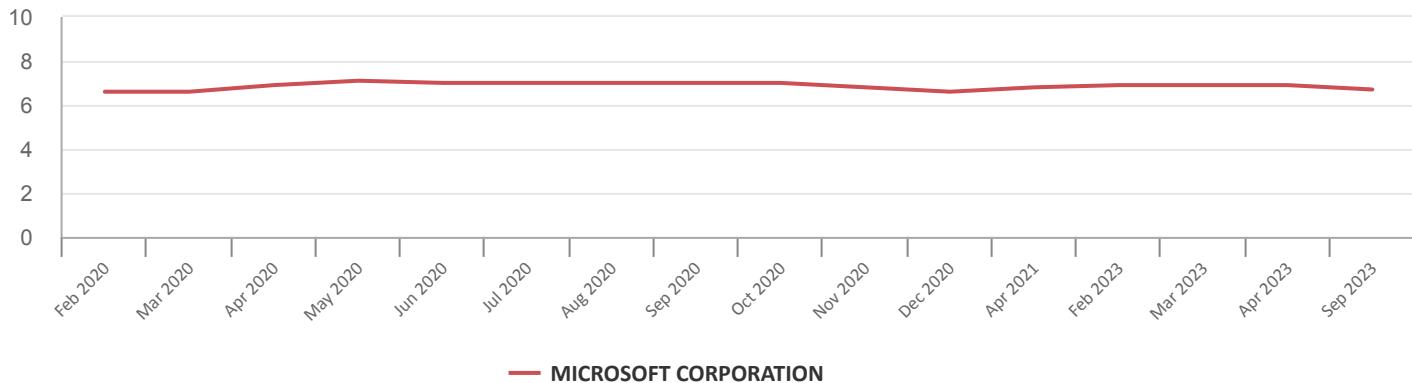
### WEBSITE

<https://www.microsoft.com/en-us>

\*Key areas of concern include flagged key metrics within the three sub-issues that represent the largest scoring deductions. Please review the full report to see the complete set of flagged key metrics.

\*Notice: A member of the MSCI Board of Directors or an MSCI named executive officer is a board member or otherwise affiliated with the company that is the subject of this report.

### CORPORATE GOVERNANCE SCORE HISTORY



## CHANGES TO FLAGGED KEY METRICS (SINCE MAY 2022)

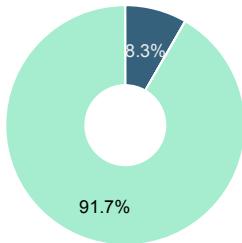
Key Metric	Key Metric Change	Date	Score Change*	Change Notes
CEO Pay Total Realized	Flag Added	Sep 07, 2023	-0.20	
CEO Pay Total Awarded	Flag Added	Aug 03, 2023	-0.20	
Long-Term Pay Performance Versus Peers	Flag Removed	May 15, 2023	0.20	
Significant Vote Against Pay Practices	Flag Added	Dec 23, 2022	-0.10	AGM voting results updated
Long-Term Pay Performance Versus Peers	Flag Added	Nov 23, 2022	-0.20	
CEO Pay Total Realized	Flag Removed	Nov 23, 2022	0.20	
CEO Pay Total Awarded	Flag Removed	Nov 23, 2022		
CEO Pay Total Awarded	Flag Added	Oct 27, 2022	-0.20	
Expense Recognition	Flag Removed	Jun 12, 2022	0.22	Methodology enhancements
Overboarded Non-Exec Directors	Flag Added	Jun 09, 2022	-0.50	
Overboarded Audit Committee Members	Flag Added	Jun 09, 2022	-0.10	

## BOARD OVERVIEW

## Board Type: Unitary Board

## Board of Directors

Chair	Satya Nadella	Since: Jun 16, 2021
CEO	Satya Nadella	Since: Feb 04, 2014
Lead Director	Sandra (Sandi) Peterson	Since: Mar 14, 2023



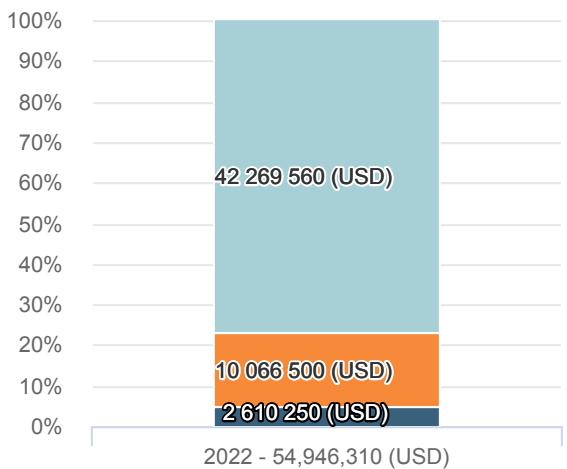
## Executive Leadership

CFO	Amy Hood	Since: May 08, 2013
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■Executive   ■Links to Management   ■Independent of Management

## PAY OVERVIEW

## Highest Paid Executive - Satya Nadella



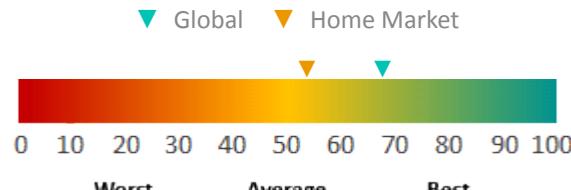
## BOARD

The policies and practices of the MICROSOFT board fall within the average scoring range relative to global peers. We have flagged this board for potential concerns regarding some non-executives may have too many other public board commitments.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
7.9	69th (Average)	55th (Average)

### KEY METRICS SCORING

#### Deduction



#### AUDIT OVERSIGHT

FLAG Audit Committee Industry Expert	-0.10
FLAG Overboarded Audit Committee Members	-0.10

#### BOARD EFFECTIVENESS

FLAG Overboarded Non-Exec Directors	-0.50
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#### BOARD INDEPENDENCE

#### BOARD LEADERSHIP

FLAG Combined CEO/Chair	-0.20
FLAG Independent Chair	-0.10

#### BOARD SKILLS & DIVERSITY

FLAG Risk Management Expertise	-0.20
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## LEADERSHIP

### CHIEF EXECUTIVE OFFICER

History	CEO Since	Until	Name	Gender	Age
Current	Feb 2014		Satya Nadella	M	55

### CHIEF FINANCIAL OFFICER

History	CFO Since	Until	Name	Gender	Age
Current	May 2013		Amy Hood	F	51

### CHAIR

History	Chair Since	Until	Name	Gender	Age
Current	Jun 2021		Satya Nadella	M	55
Former	Feb 2014	Jun 2021	John Thompson	M	73

**BOARD OF DIRECTORS**

The MICROSOFT board currently has an independent majority, which enables it to more effectively fulfill its critical function of overseeing management on behalf of shareholders. The company has failed to split the roles of CEO and chairman, which may limit the board's independence from current management interests. Split CEO and chairman roles are characteristic of 68% of companies in this market.

**Number of Board Meetings: 9****Non-executives meet in absence of Executives: Yes**

Name	M/F	Age	Tenure (Years)	Boards	Independent of Mgmt	Independent of Other Interests	Management Link/Designation Reason	Nationality
Carlos Rodriguez <span style="color: green;">\$</span>	M	59	1	2	Yes	Yes		Mexico
Charles (Charlie) Scharf <span style="color: green;">\$</span>	M	58	8	2	Yes	Yes		United States of America
Emma Walmsley	F	53	3	2	Yes	Yes		United Kingdom
Hugh Johnston <span style="color: green;">\$</span>	M	61	5	2	Yes	Yes		United States of America
John Stanton	M	68	9	3	Yes	Yes		United States of America
John Thompson <span style="color: blue;">I</span> <span style="color: green;">\$</span>	M	73	11	1	Yes	Yes		United States of America
Padmasree Warrior <span style="color: blue;">I</span>	F	63	7	1	Yes	Yes		India
Penny Pritzker <span style="color: green;">\$</span>	F	64	5	1	Yes	Yes		United States of America
Reid Hoffman <span style="color: green;">\$</span>	M	55	6	3	Yes	Yes		United States of America
Sandra (Sandi) Peterson <span style="color: brown;">LD</span> <span style="color: green;">\$</span>	F	64	7	1	Yes	Yes		United States of America
<b>Satya Nadella</b> <span style="color: blue;">CEO COB I</span>	<b>M</b>	<b>55</b>	<b>9</b>	<b>2</b>	<b>No</b>	<b>Yes</b>	<b>Executive</b>	<b>India</b>
Teri List-Stoll <span style="color: green;">\$</span>	F	60	8	4	Yes	Yes		United States of America
	<b>F</b>	<b># &gt;= 70</b>	<b># &gt;= 15 yrs</b>	<b># &gt;= 4</b>				
<b>Total (of 12)</b>	5	1	0	1	11	12		
<b>Percentage</b>	41.7%	8.3%	0%	8.3%	91.7%	100%		

Note: Board count includes the membership of this board.

\$ - Financial Expert (8) I - Industry Expert (3) CEO - Chief Executive Officer cob - Chair of the Board  
LD - Lead Director

**BOARD EFFECTIVENESS**

We note that 24% of companies in United States are flagged for overboarded directors.

**Nomination Committee - Number Of Meetings: 6**

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	Independent of Other Interests	Committee Status
Charles (Charlie) Scharf <span style="color: green;">\$</span>	M	58	8	Yes	Yes	Member
John Thompson <span style="color: blue;">I</span> <span style="color: green;">\$</span>	M	73	11	Yes	Yes	Member
Sandra (Sandi) Peterson <span style="color: green;">\$</span>	F	64	7	Yes	Yes	Chair
Teri List-Stoll <span style="color: green;">\$</span>	F	60	8	Yes	Yes	Member

\$ - Financial Expert (4) I - Industry Expert

**BOARD SKILLS & DIVERSITY**

A board with one or more active CEOs and overboarded directors may not be able to provide effective oversight of management. Their other roles may limit the time and attention required to fulfill their fiduciary duties.

**AUDIT OVERSIGHT****Audit Committee - Number Of Meetings: 9**

The MICROSOFT board of directors includes a fully independent audit committee and at least one member of that committee meets our standards for financial expertise.

Name	M/F	Age	Board Tenure (Years)	Boards	Independent of Mgmt	Independent of Other Interests	Committee Status
Carlos Rodriguez <span style="color: green;">\$</span>	M	59	1	2	Yes	Yes	Member
Hugh Johnston <span style="color: green;">\$</span>	M	61	5	2	Yes	Yes	Chair
John Stanton	M	68	9	3	Yes	Yes	Member
Teri List-Stoll <span style="color: green;">\$</span>	F	60	8	4	Yes	Yes	Member

\$ - Financial Expert (3)

## PAY OVERSIGHT

### Pay Committee - Number Of Meetings: 5

The MICROSOFT board includes an independent pay committee, which is considered best practice for oversight of executive pay according to international corporate governance standards.

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	of Other Interests	CEO Role?	Committee Status
Carlos Rodriguez 	M	59	1	Yes	Yes	Former	Chair
Charles (Charlie) Scharf 	M	58	8	Yes	Yes	Active	Member
Emma Walmsley	F	53	3	Yes	Yes	Active	Member
Padmasree Warrior 	F	63	7	Yes	Yes		Member
Sandra (Sandi) Peterson 	F	64	7	Yes	Yes		Member

 - Financial Expert (3)  - Industry Expert

## CONTROVERSIES & EVENTS

No major relevant controversies have been uncovered.

## PAY

Executive pay practices at MICROSOFT fall into the average scoring range relative to global peers. Areas of particular concern include excessive severance provisions, early vesting provisions in share based awards which offer a poor alignment with shareholder interests and significant votes against pay practices.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
5.0	40th (Average)	28th (Average)

### KEY METRICS SCORING



#### PAY FIGURES

	Deduction
CEO Pay Total Realized	-0.20
CEO Pay Total Awarded	-0.20

#### PAY PERFORMANCE ALIGNMENT

	Deduction
CEO Equity Changes	-0.20
Significant Vote Against Pay Practices	-0.10

#### SEVERANCE & CHANGE OF CONTROL

	Deduction
Golden Parachutes	-0.30
Severance Vesting	-0.10

### PAY FIGURES

#### EXECUTIVE PAY - 2022

Executive	Title	Tenure (Years)	Total Awarded Pay (USD)	Total Realized Pay (USD)
Amy Hood <span style="color: #0070C0;">I</span> <span style="color: #00A050;">\$</span>	CFO	10	26,319,581	45,733,125
Bradford (Brad) Smith <span style="color: #0070C0;">I</span>	Executive		23,408,739	38,726,701
Christopher (Chris) Young <span style="color: #0070C0;">I</span>	Executive		11,720,458	13,420,817
Judson B. Althoff <span style="color: #0070C0;">I</span>	Executive		18,848,998	32,524,013
Satya Nadella <span style="color: #0070C0;">I</span>	Chair & CEO	9	54,946,310	98,591,001

\$ - Financial Expert I - Industry Expert (5)

## CEO PAY DETAILS - Satya Nadella

Pay Awarded	2022
<b>Fixed Pay</b>	
Salary	2,500,000 USD
Fees	0 USD
Pension	0 USD
Perks & Other Pay	110,250 USD
<b>Variable Pay</b>	
<i>Short-term incentives</i>	
Annual Bonus	0 USD
Other Non-equity Incentive Plan	10,066,500 USD
<i>Long-term incentives</i>	
Grant date value of Stock Options	0 USD
Grant date value of Stock Awards	42,269,560 USD
<b>Total Awarded Pay</b>	<b>54,946,310 USD</b>

Pay Realized	
<b>Fixed Pay</b>	
Salary	2,500,000 USD
Fees	0 USD
Pension	0 USD
Perks & Other Pay	110,250 USD
<b>Variable Pay</b>	
<i>Short-term incentives</i>	
Annual Bonus	0 USD
Other Non-equity Incentive Plan	10,066,500 USD
<i>Long-term incentives</i>	
Options Exercised	0 USD
Stock Awards Vested	85,914,251 USD
<b>Total Realized Pay</b>	<b>98,591,001 USD</b>

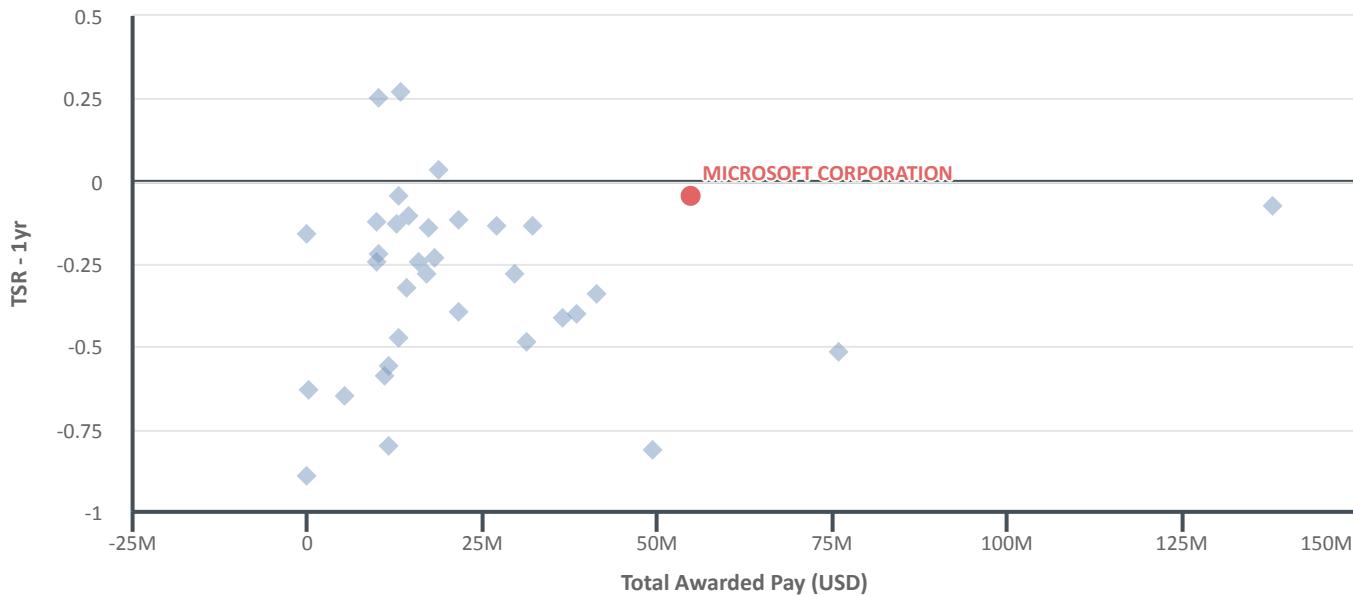
## PAY PEER GROUP

## LARGE CAP - DEVELOPED AMERICAS - SOFTWARE (35 COMPANIES)

Company	Home Market	Market Cap (USD m)	Pay Year	1 Yr TSR	Total CEO Annual Pay (USD)	CEO Name	CEO Since
MICROSOFT CORPORATION	United States	2,405,015	2022	-0.04%	12,676,750	Nadella	Feb 2014
SERVICENOW, INC.	United States	120,177	2022	-0.40%	11,199,117	McDermott	Nov 2019
ORACLE CORPORATION	United States	306,684	2022	-0.07%	8,917,032	Catz	Sep 2014
PALANTIR TECHNOLOGIES INC.	United States	29,764	2022	-0.65%	5,492,603	Karp	Jan 2003
SALESFORCE, INC.	United States	201,384	2023	-0.28%	5,268,730	Benioff	Nov 2001
BENTLEY SYSTEMS, INCORPORATED	United States	14,176	2022	-0.23%	4,626,568	Bentley	Aug 2000
ADOBE INC.	United States	256,711	2022	-0.49%	4,437,938	Narayen	Dec 2007
Open Text Corporation	Canada	11,203	2022	-0.24%	3,816,947	Barrenechea	Jan 2012
PALO ALTO NETWORKS, INC.	United States	72,763	2022	0.25%	3,403,129	Arora	Jun 2018
ROPER TECHNOLOGIES, INC.	United States	52,029	2022	-0.12%	3,365,160	Hunn	Aug 2018
INTUIT INC.	United States	118,566	2022	-0.13%	3,310,000	Goodarzi	Jan 2019
WORKDAY, INC.	United States	58,874	2023	-0.28%	3,212,585	Bhusri	May 2014
CROWDSTRIKE HOLDINGS, INC.	United States	36,688	2023	-0.41%	3,146,344	Kurtz	Nov 2011
SYNOPSYS, INC.	United States	67,258	2022	-0.12%	3,141,050	de Geus	Jan 1994
ANSYS, INC.	United States	27,423	2022	-0.40%	2,957,007	Gopal	Jan 2017
VMWARE, INC.	United States	71,736	2023	-0.05%	2,802,012	Raghuram	Jun 2021
PTC INC.	United States	15,704	2022	-0.13%	2,536,282	Heppelmann	Oct 2010
CADENCE DESIGN SYSTEMS, INC.	United States	65,197	2022	-0.14%	2,117,881	Devgan	Dec 2021
GEN DIGITAL INC.	United States	11,034	2022	0.27%	2,080,374	Pilette	Nov 2019
FAIR ISAAC CORPORATION	United States	19,396	2022	0.04%	1,971,770	Lansing	Jan 2012
FORTINET, INC.	United States	48,078	2022	-0.32%	1,774,341	Xie	Oct 2000
ZOOM VIDEO COMMUNICATIONS, INC.	United States	19,724	2023	-0.51%	1,648,525	Yuan	Jun 2011
MANHATTAN ASSOCIATES, INC.	United States	12,535	2022	-0.22%	1,628,729	Capel	Jan 2013
DYNATRACE, INC.	United States	14,134	2023	-0.10%	1,329,081	McConnell	Dec 2021
.....							
APPLOVIN CORPORATION	United States	10,935	2022	-0.89%	104,355	Foroughi	Dec 2011
Samsara Inc	United States	14,149	2023	-0.25%	101,243	Biswas	Feb 2015
HUBSPOT, INC.	United States	26,548	2022	-0.56%	27,287	Rangan	Sep 2021
ZSCALER, INC.	United States	21,031	2022	-0.34%	23,660	Chaudhry	Sep 2007
Constellation Software Inc.	Canada	45,032	2022	-0.16%	0	Leonard	Jan 1995

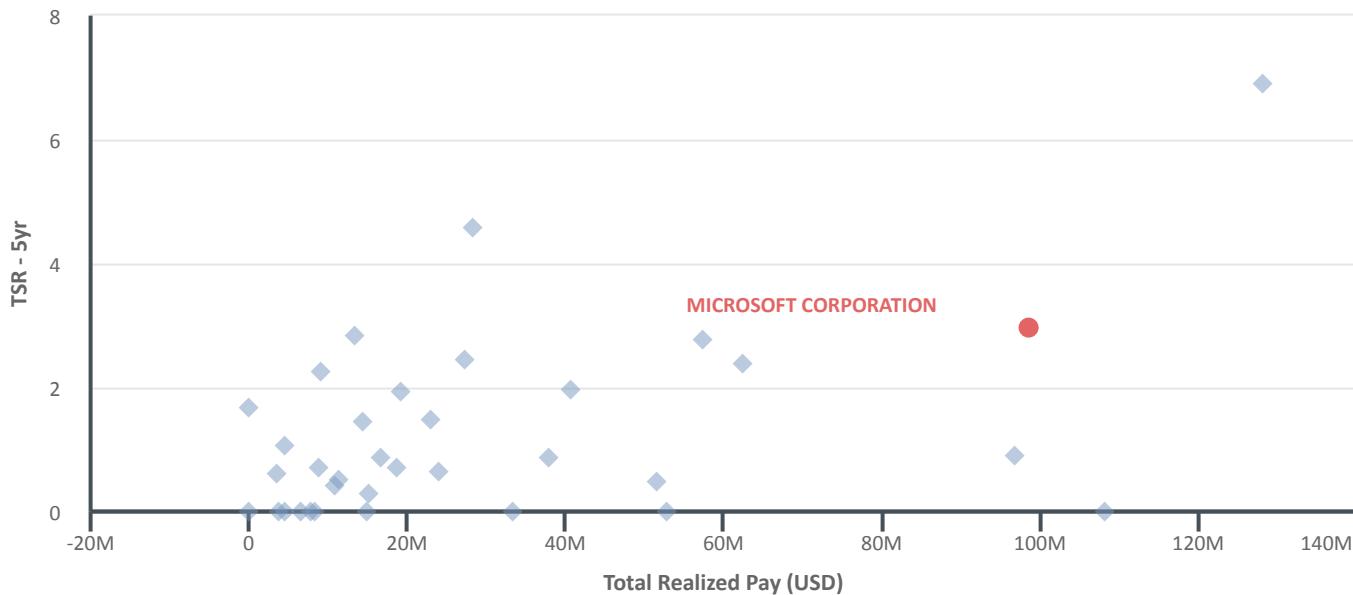
*Due to the large size of this peer group, only a subset of companies is displayed in this table.*

### CEO TOTAL AWARDED PAY VERSUS PAY PEER GROUP



*Pay Peers (◆) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.*

### CEO TOTAL REALIZED PAY VERSUS PAY PEER GROUP



*Pay Peers (◆) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.*

## PAY PERFORMANCE ALIGNMENT

### CEO & EXECUTIVE EQUITY

CEO equity policy as a multiple of salary: **15.0**

# MICROSOFT CORPORATION (MSFT)

PAY

SOFTWARE & SERVICES | US |

Robust Stock Ownership Policy:-

Satya Nadella:-15x base salary

Executive	Tenure (Years)	Shares Held	YoY % Change	Shareholding As % of Salary
Amy Hood <span style="color: green;">\$</span>	10	442,902		
Bradford (Brad) Smith <span style="color: blue;">I</span>		565,332		
Christopher (Chris) Young <span style="color: blue;">I</span>		112,790		
Judson B. Althoff <span style="color: blue;">I</span>		174,191		
Satya Nadella <span style="color: blue;">I</span>	9	802,814	-52.02%	8247.47%

\$ - Financial Expert I - Industry Expert (5)

## CLAWBACK & MALUS

Clawback or malus provisions are in place.

Clawback Type:

Performance Based

## SEVERANCE & CHANGE OF CONTROL

CEO	Annual Pay (USD)	Potential Cash Severance - Involuntary (USD)	Potential Cash Severance - Change of Control (USD)	Multiple of Annual Pay – Involuntary	Multiple of Annual Pay – Change of Control
Satya Nadella <span style="color: blue;">I</span>	12,676,750 USD	79,833,484 USD		6.30 times	0.00 times

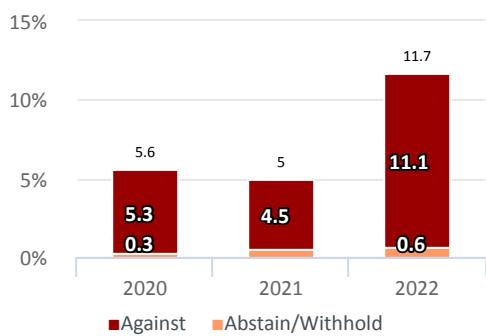
I - Industry Expert

## LATEST PAY VOTES

Year	Vote Type	Votes For %	Votes Against %	Abstain %
2022	Advisory Vote on Executive Compensation	88.3%	11.1%	0.6%

## Vote Results History

### Say on Pay Vote



**EQUITY PLAN DILUTION**

	2022	2021	2020
Shares Outstanding	7,457,891,872	7,514,891,248	7,567,652,935
Equity Reserved	5.2%	5.9%	6.7%
Shares granted/awarded (in year)	0.7%	0.5%	0.7%

**NON-EXECUTIVE DIRECTOR PAY****NON-EXECUTIVE EQUITY**

Director	Tenure (Years)	Shares Held
Carlos Rodriguez <span style="color: green;">\$</span>	1	1,004
Charles (Charlie) Scharf <span style="color: green;">\$</span>	8	43,191
Emma Walmsley	3	9,124
Hugh Johnston <span style="color: green;">\$</span>	5	6,623
John Stanton	9	83,922
John Thompson <span style="color: blue;">!</span> <span style="color: green;">\$</span>	11	95,998
Padmasree Warrior <span style="color: blue;">!</span>	7	16,843
Penny Pritzker <span style="color: green;">\$</span>	5	22,080
Reid Hoffman <span style="color: green;">\$</span>	6	28,789
Sandra (Sandi) Peterson <span style="color: green;">\$</span>	7	26,640
Teri List-Stoll <span style="color: green;">\$</span>	8	24,469

\$ - Financial Expert (8) ! - Industry Expert (2)

## NON-EXECUTIVE PAY TABLES

Director	Tenure (Years)	Cash Fees	Other Comp	Stock Award	Total Pay	Total Pay (USD)
Carlos Rodriguez <span style="color: green;">\$</span>	1	69,524 USD	0 USD	117,500 USD	187,024 USD	187,024
Charles (Charlie) Scharf <span style="color: green;">\$</span>	8	125,000 USD	0 USD	217,500 USD	342,500 USD	342,500
Emma Walmsley	3	125,000 USD	12,363 USD	217,500 USD	354,863 USD	354,863
Hugh Johnston <span style="color: green;">\$</span>	5	170,000 USD	15,000 USD	217,500 USD	402,500 USD	402,500
John Stanton	9	140,000 USD	15,000 USD	217,500 USD	372,500 USD	372,500
John Thompson <span style="color: green;">\$</span> <span style="color: blue;">I</span>	11	125,000 USD	15,000 USD	304,565 USD	444,565 USD	444,565
Padmasree Warrior <span style="color: blue;">I</span>	7	125,000 USD	0 USD	217,500 USD	342,500 USD	342,500
Penny Pritzker <span style="color: green;">\$</span>	5	145,000 USD	15,000 USD	217,500 USD	377,500 USD	377,500
Reid Hoffman <span style="color: green;">\$</span>	6	125,000 USD	0 USD	217,500 USD	342,500 USD	342,500
Sandra (Sandi) Peterson <span style="color: green;">\$</span>	7	150,000 USD	15,000 USD	217,500 USD	382,500 USD	382,500
Teri List-Stoll <span style="color: green;">\$</span>	8	140,000 USD	15,000 USD	217,500 USD	372,500 USD	372,500

\$ - Financial Expert (8) I - Industry Expert (2)

## CONTROVERSIES &amp; EVENTS

No major relevant controversies have been uncovered.

## OWNERSHIP & CONTROL

The company's ownership structure and shareholder rights at MICROSOFT fall within the average scoring relative to global peers.

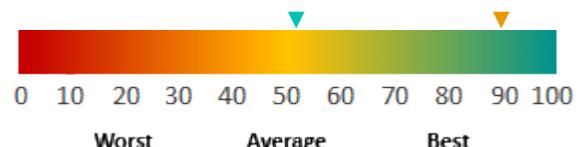
0-10 Score	Global Percentile Rank	Home Market Percentile Rank
7.2	53rd (Average)	91st (Above Average)

### KEY METRICS SCORING

Deduction	
<b>DIRECTOR ELECTIONS</b>	
🚩 Majority Voting	-0.20
<b>OWNERSHIP STRUCTURE</b>	
🚩 Dispersed Ownership Concerns	-0.20
<b>SHAREHOLDER RIGHTS</b>	
🚩 Bylaws Amendments	-0.10
🚩 Shareholder Rights to Convene Meeting	-0.10
<b>TAKEOVER PROVISIONS</b>	
🚩 Business Combination Provision	-0.10
🚩 Fair Bid Treatment Provisions	-0.10

### OWNERSHIP & CONTROL PERFORMANCE VS.

▼ Global ▼ Home Market



### CORPORATE STRUCTURE

Public Company

### CAPITAL STRUCTURE

Capital Type	Votes Per Share	Shares Outstanding
Common Stock	1.0	7,456,502,484

### OWNERSHIP STRUCTURE

#### OWNERSHIP CATEGORIES

- Widely Held

#### NOTABLE SHAREHOLDERS

There is no principal shareholder at this firm  
5%+ shareholders - Aggregate Voting Power

15.1%

The company does not have a special capital structure, thus one vote right is afforded per common share. This principle of 'one share one vote' helps align economic and voting power and ensures that no class of shareholders has more voting power than economic exposure.

**TAKEOVER PROVISIONS**

Fair Price Provision	Mandatory Bid Provision	Mandatory Bid Ownership Threshold
Yes	No	

State of Incorporation	Business Combination Provision
Washington	Yes

% of Votes to Approve a Merger
51%

**GOVERNING DOCUMENTS****MAJORITY REQUIREMENTS**

	Bylaws	Charter
Default percentage of votes required to amend a provision	51%	51%

The shareholders may amend or repeal these Bylaws, or adopt new bylaws, even though the Bylaws also may be amended or repealed, or new bylaws also may be adopted, by the Board, by action taken in the manner provided by the WBCA and the Articles of Incorporation.

Bylaws

State Law Mandate of Washington.

**SHAREHOLDER RIGHTS**

There may be governance risks for investors in relation to shareholder rights and management-controlled takeover defense mechanisms at MICROSOFT including:

- The board's ability to amend the company's bylaws without shareholder approval
- business combination provisions that fail to include protections of shareholder interests
- Limits on the right of shareholders to convene a special or emergency general meeting
- Limits on the right of shareholders to take action by written consent

**SHAREHOLDER MEETINGS & RESOLUTIONS**

	Call Special Meeting	Requisition a Resolution at AGM	Act by Written Consent
Percentage of shares required	15%		100%

**RESTRICTIONS ON LEGAL ACTION BY SHAREHOLDERS**

No exclusive forum provision has been identified.

**SAY ON PAY**

We note that shareholder votes on executive pay are mandatory in this market, affording shareholders the ability to review and approve executive pay practices at this company.

**DIRECTOR ELECTIONS****BOARD RE-ELECTION PROVISIONS**

Board Re-election Provisions	
Board Re-election Frequency (Years)	1
% of Board subject to re-election	100%

**DIRECTOR ELECTION STANDARD**

The company has not adopted a binding majority director election standard (with immediate resignation if the director does not receive a majority of the votes cast), which may limit shareholders' ability to hold members of the board accountable in uncontested elections.

Director Election Rules	
Vote Standard	<b>Majority &amp; Resignation Policy</b>
Immediate Binding Resignation	<b>No</b>

The Board expects that each of the nominees will be available for election, but if any of them is unable to serve at the time the election occurs, the proxy will be voted for the election of another nominee designated by our Board. A nominee who does not receive a majority of the votes cast will not be elected. Except as explained in the next paragraph, an incumbent director who is not elected because he or she does not receive a majority vote will continue to serve as a holdover director until the earliest of: (a) 90 days after the date on which the election inspector determines the voting results as to that director, (b) the date on which the Board of Directors appoints an individual to fill the office held by that director, or (c) the date of that director's resignation.

**PROXY ACCESS**

A proxy access provision is in place.

Proxy Access Terms	
Ownership Duration (Years)	3
Ownership Threshold (% of shares)	3%
Min/Max % of Board Seats	20%
Min/Max Number of Board Seats	2

## ACCOUNTING

Based on the company's disclosures and other public information, accounting and financial reporting practices at MICROSOFT appear to be generally appropriate and effective relative to global peers. We have flagged this company for potential concerns regarding the length of tenure of the external audit firm.

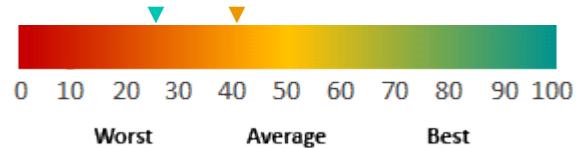
0-10 Score	Global Percentile Rank	Home Market Percentile Rank
8.8	27 <sup>th</sup> (Average)	42 <sup>nd</sup> (Average)

### KEY METRICS SCORING

Deduction		
<b>AUDITOR INDEPENDENCE</b>		
 Auditor Tenure	-0.20	

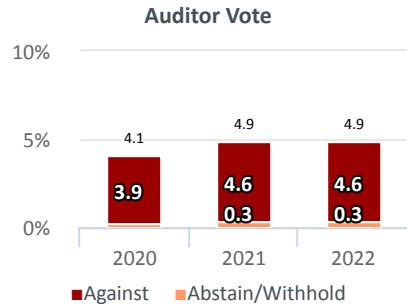
### ACCOUNTING PERFORMANCE VS.

▼ Global ▼ Home Market



### EXTERNAL AUDITORS

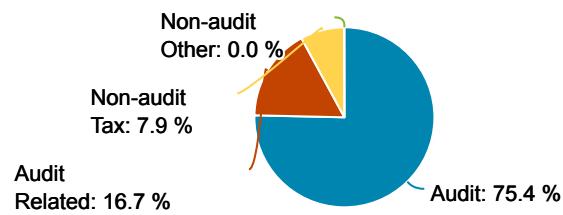
Type	Since	Firm	Most Recent Fiscal Year End Signed Off	Auditor Vote
Primary	1983	Deloitte & Touche LLP	2022	



### AUDITOR FEES

Fees paid to: Deloitte & Touche LLP (Primary)

Fee	Jun 30, 2022 (USD)	Jun 30, 2021 (USD)	Jun 30, 2020 (USD)
Audit	43,345,000	42,300,000	41,710,000
Audit Related	9,617,000	10,491,000	10,150,000
<b>Total Audit + Audit Related</b>	<b>52,962,000</b>	<b>52,791,000</b>	<b>51,860,000</b>
Tax Compliance/Advice	4,545,000	4,312,000	3,377,000
Other Non-audit Services	10,000	37,000	54,000
<b>Total Non-audit Fees</b>	<b>4,555,000</b>	<b>4,349,000</b>	<b>3,431,000</b>
<b>Total Fees</b>	<b>57,517,000</b>	<b>57,140,000</b>	<b>55,291,000</b>



**AUDITOR'S REPORT**

	Jun 30, 2022	Jun 30, 2021	Jun 30, 2020
Report Disclosed	Yes	Yes	Yes
Opinion	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion
Emphasis of Matter	No	No	No

**CONTROVERSIES & EVENTS**

No major relevant controversies have been uncovered.

## APPENDIX

## DIRECTOR VOTES

Proxy Year	Name	Votes For %	Votes Against %	Votes Abstained / Withheld %
2022	Hoffman,Reid	99.22%	0.64%	0.14%
2022	Johnston,Hugh	97.09%	2.78%	0.14%
2022	List-Stoll,Teri	97.99%	1.88%	0.13%
2022	Nadella,Satya	94.41%	5.16%	0.43%
2022	Peterson,Sandra	97.81%	2.06%	0.13%
2022	Pritzker,Penny	99.49%	0.38%	0.13%
2022	Rodriguez,Carlos	99.40%	0.46%	0.14%
2022	Scharf,Charles	98.49%	1.38%	0.14%
2022	Stanton,John	99.36%	0.50%	0.14%
2022	Thompson,John	98.05%	1.22%	0.74%
2022	Walmsley,Emma	98.53%	1.34%	0.13%
2022	Warrior,Padmasree	98.51%	1.35%	0.13%
2021	Hoffman,Reid	99.29%	0.58%	0.13%
2021	Johnston,Hugh	97.51%	2.36%	0.13%
2021	List-Stoll,Teri	98.77%	1.11%	0.13%
2021	Nadella,Satya	94.21%	5.25%	0.54%
2021	Peterson,Sandra	98.76%	1.11%	0.13%
2021	Pritzker,Penny	99.53%	0.32%	0.16%
2021	Rodriguez,Carlos	99.65%	0.21%	0.14%
2021	Scharf,Charles	98.97%	0.89%	0.14%
2021	Stanton,John	99.61%	0.25%	0.14%
2021	Thompson,John	91.27%	8.61%	0.13%
2021	Walmsley,Emma	99.30%	0.58%	0.13%
2021	Warrior,Padmasree	99.35%	0.52%	0.13%
2020	Hoffman,Reid	99.36%	0.48%	0.16%
2020	Johnston,Hugh	99.46%	0.38%	0.16%
2020	List-Stoll,Teri	99.15%	0.65%	0.20%
2020	Nadella,Satya	99.77%	0.11%	0.13%
2020	Peterson,Sandra	98.74%	1.11%	0.15%
2020	Pritzker,Penny	99.60%	0.20%	0.19%
2020	Scharf,Charles	98.94%	0.89%	0.16%
2020	Stanton,John	99.69%	0.14%	0.16%
2020	Thompson,John	98.95%	0.89%	0.16%

Proxy Year	Name	Votes For %	Votes Against %	Votes Abstained / Withheld %
2020	Walmsley,Emma	99.58%	0.27%	0.15%
2020	Warrior,Padmasree	99.58%	0.26%	0.16%
2019	Hoffman,Reid	95.37%	0.09%	4.54%
2019	Johnston,Hugh	95.31%	0.15%	4.54%
2019	List-Stoll,Teri	94.16%	1.25%	4.59%
2019	Nadella,Satya	95.40%	0.08%	4.51%
2019	Peterson,Sandra	93.64%	1.81%	4.54%
2019	Pritzker,Penny	95.25%	0.17%	4.58%
2019	Scharf,Charles	93.89%	1.56%	4.55%
2019	Stanton,John	95.32%	0.13%	4.55%
2019	Thompson,John	94.61%	0.84%	4.55%
2019	Walmsley,Emma	95.35%	0.11%	4.54%
2019	Warrior,Padmasree	94.61%	0.84%	4.55%
2018	Hoffman,Reid	99.76%	0.10%	0.14%
2018	Johnston,Hugh	99.75%	0.10%	0.14%
2018	List-Stoll,Teri	99.68%	0.14%	0.18%
2018	Nadella,Satya	99.78%	0.10%	0.12%
2018	Peterson,Sandra	99.74%	0.13%	0.13%
2018	Pritzker,Penny	99.68%	0.19%	0.14%
2018	Scharf,Charles	99.58%	0.28%	0.14%
2018	Stanton,John	99.55%	0.31%	0.14%
2018	Thompson,John	99.66%	0.20%	0.14%
2018	Warrior,Padmasree	99.62%	0.19%	0.19%
2017	Hoffman,Reid	99.81%	0.10%	0.09%
2017	Johnston,Hugh	99.78%	0.11%	0.10%
2017	List-Stoll,Teri	99.77%	0.13%	0.10%
2017	Nadella,Satya	99.82%	0.10%	0.08%
2017	Peterson,Sandra	99.75%	0.16%	0.09%
2017	Pritzker,Penny	99.63%	0.28%	0.10%
2017	Scharf,Charles	99.68%	0.21%	0.10%
2017	Stanton,John	99.56%	0.34%	0.10%
2017	Thompson,John	99.79%	0.12%	0.09%
2017	Warrior,Padmasree	99.73%	0.17%	0.10%
2016	List-Stoll,Teri	99.80%	0.11%	0.09%

Proxy Year	Name	Votes For %	Votes Against %	Votes Abstained / Withheld %
2016	Nadella,Satya	99.69%	0.24%	0.08%
2016	Peterson,Sandra	99.81%	0.10%	0.09%
2016	Scharf,Charles	99.45%	0.46%	0.09%
2016	Stanton,John	99.34%	0.57%	0.09%
2016	Thompson,John	99.76%	0.15%	0.08%
2016	Warrior,Padmasree	99.46%	0.45%	0.09%
2015	List-Stoll,Teri	99%	0.41%	0.53%
2015	Nadella,Satya	98%	0.83%	0.28%
2015	Peterson,Sandra	99%	0.50%	0.31%
2015	Scharf,Charles	99%	0.38%	0.32%
2015	Stanton,John	94%	5.10%	0.38%
2015	Thompson,John	76%	22.96%	0.32%
2015	Warrior,Padmasree	79%	20.48%	0.33%

**SHAREHOLDER/MANAGEMENT PROPOSALS****MANAGEMENT PROPOSALS**

Proxy Year	Proposal	Proposal Summary	Outcome	Votes For	Votes Against	Abstain/Withheld%
2022	Advisory Vote on Executive Compensation	Advisory Vote to Approve Named Executive Officer Compensation	Approved	88.3%	11.1%	0.6%
2022	Auditor Ratification	Ratification of Appointment of Independent Auditor for Fisal Year 2023	Approved	95.1%	4.6%	0.3%
2021	Auditor Ratification	Ratification of Appointment of Independent Auditor for Fisal Year 2022	Approved	95.1%	4.6%	0.3%
2021	Advisory Vote on Executive Compensation	Advisory Vote to Approve Named Executive Officer Compensation	Approved	94.9%	4.5%	0.5%
2021	ESOP, ESPP or Pension Fund	Approval of Employee Stock Purchase Plan	Approved	99.5%	0.3%	0.2%
2020	Advisory Vote on Executive Compensation	Advisory Vote to Approve Named Executive Officer Compensation	Approved	94.4%	5.3%	0.3%
2020	Auditor Ratification	Ratification of Appointment of Independent Auditor	Approved	95.9%	3.9%	0.2%

\*For Management Proposals at AGM's held more than three years ago, please refer to the Screener tool on ESG Manager.

## SHAREHOLDER PROPOSALS

Proxy Year	Proposal	Proposal Summary	Proposal Proponent	Outcome	Votes For	Votes Against	Abstain/Withheld%
2022	Other	Shareholder Proposal: Cost/Benefit Analysis of Diversity and Inclusion	Ridgeline Research	Defeated	1.3%	98%	0.8%
2022	Other	Shareholder Proposal: Report on Hiring of Persons with Arrest or Incarceration Records	NorthStar Asset Management, Inc	Defeated	10.8%	88%	1.2%
2022	Environmental - Climate Change, Renewable Energy and GHG Emissions	Shareholder Proposal: Report on Investment of Retirement Funds in Companies Contributing to Climate Change	You Sow and co-filers	Defeated	10.7%	85%	4.2%
2022	Human Rights	Shareholder Proposal: Report on Government Use of Microsoft Technology	Boston Common Asset Management	Defeated	20.2%	78.8%	1%
2022	Other	Shareholder Proposal: Report on Development of Products for Military	Harrington Investments, Inc.	Defeated	10.4%	88%	1.7%
2022	Tax-Related Issues	Shareholder Proposal: Report on Tax Transparency	AkademikerPension and co-filers	Defeated	22.8%	76.6%	0.6%
2021	Employment Discrimination	Shareholder Proposal: Report on median pay gaps across race and gender	Arjuna Capital and a co-filer	Defeated	39.5%	59.2%	1.3%
2021	Human Rights	Shareholder Proposal: Report on effectiveness of workplace sexual harassment policies	Arjuna Capital	Approved	77.3%	21.8%	0.9%
2021	Human Rights	Shareholder Proposal: Prohibition on sales of facial recognition technology to all government entities	Harrington Investments, Inc.	Defeated	45.7%	53.3%	1%
2021	Employment Discrimination	Shareholder Proposal: Report on implementation of the Fair Chance Business Pledge	NorthStar Asset Management, Inc	Defeated	13.7%	85%	1.3%
2021	Environmental - Lobbying, Public Relations and Legal Expenditures	Shareholder Proposal: Report on how lobbying activities align with Company policies	The Congregation of the Sisters of St. Joseph of Peace and a number of co-filers	Defeated	37.9%	61.7%	0.5%
2020	Board Elections - Shareholder Nominations	Shareholder Proposal Concerning Report on Employee Representation on Board of Directors	NorthStar Asset Management, Inc.	Defeated	5.1%	94.4%	0.4%

\*For Shareholder Proposals at AGMs held more than three years ago, please refer to the Screener tool on ESG Manager.

## WASHINGTON



### CURRENCY: UNITED STATES DOLLAR (USD)

In the United States, most governance principles are governed by state laws that are not uniform or nationally enforced. However, the majority of states have adopted the Model Business Corporation Act (MBCA) as the basis of their own laws by modifying some of the provisions of the MBCA. The MBCA is a body of laws designed to regulate corporate affairs uniformly across different states. It is the basis for business corporation statutes in 32 states and the District of Columbia and is the source of many provisions in the general corporation statutes of other states. Further, the Securities and Exchange Commission (SEC) regulates certain governance related matters on a federal level.

The majority of large U.S. businesses are listed on either the New York Stock Exchange (NYSE) or the Nasdaq Stock Market (Nasdaq), and therefore are subject to their listing rules. The U.S. has not adopted a national corporate governance code.

Washington Business Corporation Act is based on the Model Act and is the main legislative framework for corporate governance in the state of Washington.

Companies adopt a unitary board structure in the U.S. The NYSE and Nasdaq listing rules require the majority of directors to be independent. The SEC rules require public companies to disclose and explain their chair-CEO structure and whether one or two people hold the roles. If the roles are combined, the company must further disclose whether it has a lead independent director and specify their role within the company leadership.

Unless stated otherwise in the articles of association, directors may appoint inspectors in advance of any shareholder meeting to determine the number of shares outstanding, voting rights, shares represented at the meeting, existence of a quorum, authenticity and validity of proxies, and take all other actions with regards to the annual shareholders' meeting.

Related party transactions (RPTs) are valid if the transaction was conducted on reasonable and fair terms when it was approved, and the RPT is approved in good faith by the majority of independent directors. If the number of independent directors is less than a quorum, then it must be approved by shareholders.

The board of directors may fix director and officer pay, although most companies delegate the responsibility for defining executive pay to independent directors, usually upon the recommendation of the pay or nominating/governance committee. Officers are executive directors that are responsible for the daily management of the company.

The Dodd-Frank Act requires listed companies to hold an advisory vote every three years on "say on pay" policies, as well as disclose additional information regarding "golden parachute" arrangements linked to merger transactions.

Listed companies must annually disclose the pay of directors and officers, including stock and option awards. Disclosure must be made in a tabular format, along with a descriptive summary of the information in the table. Companies listed on Nasdaq must also disclose pay arrangements between directors or nominees and third parties.

The U.S. market is known for having widely dispersed ownership, but founder-led companies are common. There are multiple share classes with unequal voting rights and voting right limits.

Shareholders with at least 10% voting rights can request to convene a general meeting.

A notice of the meeting, specifying the date, time, place and purpose must be given no less than seven days and no more than 60 days in advance. Special meeting of shareholders may be convened by shareholders owning at least 10% of shares. Typically, each share is entitled to one vote and fractional shares are entitled to proportionate votes. Shareholders do not have preemptive rights unless specifically provided in the bylaws or articles. Dissenting shareholders are entitled to appraisal rights.

Unless otherwise stipulated in the articles, a corporation is not obligated to offer shareholders any shares, option rights or securities when issuing them.

There are no mandatory takeover bid provisions in the U.S.

There are many provisions in the Federal Sarbanes-Oxley Act that govern the audit process. A public company's annual financial statements must be audited by a registered, independent auditing firm. Listed companies prepare two annual reports, one for SEC (Form 10-K) and one for their shareholders. The reports to shareholders, as required by SEC, must contain certified financial statements of two-year audited balance sheets, and three-year audited statement of income and cash flows. Directors and officers of the corporation must also be identified. Interim financial statements are not audited, only reviewed by the company's auditors. If an auditor has not reviewed the interim financial report, it must be accompanied with a notice indicating the interim financial report has not been reviewed by an auditor. Audit firm rotation is not required but lead audit partners must be rotated every five years.

## KEY METRIC &amp; SCORE CHANGES

## ALL KEY METRIC &amp; SCORE CHANGES (SINCE MAY 2022)

Key Metric	Key Metric Change	Date	Score Change*	Change Notes
CEO Pay Total Realized	Flag Added	Sep 07, 2023	-0.20	
CEO Pay Total Awarded	Flag Added	Aug 03, 2023	-0.20	
Long-Term Pay Performance Versus Peers	Flag Removed	May 15, 2023	0.20	
Significant Vote Against Pay Practices	Flag Added	Dec 23, 2022	-0.10	AGM voting results updated
Long-Term Pay Performance Versus Peers	Flag Added	Nov 23, 2022	-0.20	
CEO Pay Total Realized	Flag Removed	Nov 23, 2022	0.20	
CEO Pay Total Awarded	Flag Removed	Nov 23, 2022		
CEO Pay Total Awarded	Flag Added	Oct 27, 2022	-0.20	
Revenue Recognition	Score Change	Jun 12, 2022	0.04	Methodology enhancements
Expense Recognition	Flag Removed	Jun 12, 2022	0.22	Methodology enhancements
Asset-Liability Valuation	Score Change	Jun 12, 2022	0.23	Methodology enhancements
Overboarded Non-Exec Directors	Flag Added	Jun 09, 2022	-0.50	
Overboarded Audit Committee Members	Flag Added	Jun 09, 2022	-0.10	

## DIRECTOR PROFILES

## CARLOS RODRIGUEZ

**Age:** 59  
**Gender:** M  
**Nationality:** Mexico

**Financial:** Yes  
**Risk:** No  
**Industry:** Software & Services - IT Services, Commercial & Professional Services - Professional Services

## BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. Carlos A. Rodriguez, Independent, Experience: Automatic Data Processing, Inc. (1999-present) (human capital management solutions provider) • President, Chief Executive Officer, and Director (2011-present) • President, Chief Operating Officer, and Director (2011) • Various positions of increasing authority (1999-2011) Vincam Group, Inc. (1996-1999) (acquired by Automatic Data Processing, Inc. in 1999) • Senior Vice President Finance and Chief Financial Officer (1997-1999) • Vice President, Mergers & Acquisitions (1996-1997) • Vice President, Operations (1996) Microsoft committees: • Appointment will be made after election Other public company directorships: • Automatic Data Processing, Inc.

AUTOMATIC DATA PROCESSING, INC. - Executive, Board Member, Chairman Source Date: 11/09/2022

Carlos A. Rodriguez, Director since: 2011, Management President and Chief Executive Officer of Automatic Data Processing, Inc. Mr. Rodriguez is president and chief executive officer of the company. He served as president and chief operating officer of the company before he was appointed to his current position in November 2011. Having started his career at the company in 1999, Mr. Rodriguez previously served as president of several key businesses, including National Accounts Services, Employer Services International, Small Business Solutions, and Professional Employer Organization, giving him deep institutional knowledge across the company's business. Mr. Rodriguez was also a director of Hubbell Inc., a manufacturer of electrical and electronic products, from 2009 to 2016. Key Skills & Qualifications In addition to broad managerial, operational and strategic planning expertise, Mr. Rodriguez brings a wealth of business acumen and leadership experience to our board of directors, including a deep knowledge of the HCM industry and unique understanding of our business, coupled with a proven track record of integrity, achievement and strategic vision.

## CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	1	Nov 30, 2021		Yes	Yes	
AUTOMATIC DATA PROCESSING, INC.	Executive, Board Member, Chairman	11	Nov 08, 2011		No	Yes	

## BOARD COMMITTEES

Company	Committee Type	Position
MICROSOFT CORPORATION	Audit	Member
MICROSOFT CORPORATION	Pay	Chair

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
AUTOMATIC DATA PROCESSING, INC.	2022	99.4%	0.6%
MICROSOFT CORPORATION	2022	99.4%	0.6%

## EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
AUTOMATIC DATA PROCESSING, INC.	Chair	11	2021	5,367,470	16,985,259	18,808,780	110,739

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	1	2022	69,524	187,024	1,004

**CHARLES (CHARLIE) SCHARF**

**Age:** 58  
**Gender:** M  
**Nationality:** United States of America

**Financial:** Yes  
**Risk:** No  
**Industry:** Banks - Banks, Software & Services - IT Services

**BIOGRAPHICAL INFORMATION**

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. Charles W. Scharf CEO and President, Wells Fargo & Company Charles Scharf is chief executive officer and president, and a member of the board of directors of Wells Fargo & Company. A financial services veteran with 24 years of experience in leadership roles in the banking and payments industries, Scharf served as chief executive officer of The Bank of New York Mellon from 2017 to 2019 and the chairman of its board from 2018 to 2019. He also was chief executive officer and a director of Visa Inc. from 2012 to 2016. Previously, Scharf was a managing director of One Equity Partners at JPMorgan Chase & Co. and chief executive officer of Retail Financial Services at JPMorgan Chase. He also was chief executive officer of the retail division of Bank One Corp., chief financial officer of Bank One Corp., chief financial officer of the Global Corporate and Investment Bank division of Citigroup, and chief financial officer of Salomon Smith Barney and its predecessor company. Scharf holds a bachelor's degree from Johns Hopkins University and an MBA from New York University. Scharf joined the Microsoft board as an independent director in October 2014.

WELLS FARGO & COMPANY - Executive, Board Member, CEO Source Date: 03/15/2023

Charles Scharf has served as our Company's President and CEO, and as a director, since October 2019. He served as CEO of The Bank of New York Mellon Corporation (American investment banking services holding company), New York, New York, from July 2017, and as chairman from January 2018, to September 2019. Mr. Scharf was the CEO and a director of Visa Inc., San Francisco, California, from November 2012 to December 2016. Prior to joining Visa, he served in several senior positions at JPMorgan and Citigroup and their predecessors. Mr. Scharf was formerly a director of The Bank of New York Mellon Corporation and Visa

**CORPORATE BOARDS**

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
WELLS FARGO & COMPANY	Executive, Board Member, CEO	3	Sep 26, 2019		No	Yes	
The Bank of New York Mellon Corporation	Executive		Jul 17, 2017	Sep 26, 2019	No	Yes	
MICROSOFT CORPORATION	Board Member	8	Oct 01, 2014		Yes	Yes	
VISA INC.	Executive		Nov 01, 2012	Dec 01, 2016	No	Yes	

**BOARD COMMITTEES**

Company	Committee Type	Position
MICROSOFT CORPORATION	Pay	Member
MICROSOFT CORPORATION	Corporate Governance	Member
MICROSOFT CORPORATION	Nomination	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	98.5%	1.5%
WELLS FARGO & COMPANY	2023	97%	3%

## EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
WELLS FARGO & COMPANY	CEO	3	2022	8,008,351	24,642,526	17,652,070	421,928

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	8	2022	125,000	342,500	43,191

## EMMA WALMSLEY

**Age:** 53  
**Gender:** F  
**Nationality:** United Kingdom

**Financial:** No  
**Risk:** No  
**Industry:** Pharmaceuticals, Biotechnology & Life Sciences - Pharmaceuticals, Household & Personal Products - Personal Care Products

## BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Ms. Emma Walmsley CEO, GlaxoSmithKline Emma Walmsley has been GSK CEO and a member of the board of directors since April 2017. Prior to this, Walmsley was the CEO of GSK Consumer Healthcare, a Joint Venture between GSK and Novartis, from its creation in 2015, and has been a member of GSK's Corporate Executive Team since 2011. She joined GSK in 2010, with responsibility for Consumer Healthcare, Europe. Prior to joining GSK, Walmsley worked with L'Oreal for 17 years where she held a variety of marketing and general management roles in Paris, London and New York. From 2007 she was based in Shanghai as General Manager, Consumer Products for L'Oreal China. Walmsley co-chairs the Consumer, Retail and Life Sciences Council, a business advisory group for the UK Government. She was a Non-Executive Director of Diageo plc in 2016. Walmsley holds an MA in Classics and Modern Languages from Oxford University. Walmsley was appointed Dame Commander of the British Empire for services to the pharmaceutical industry and business in 2020. Walmsley joined the Microsoft board as an independent director in December 2019.

GSK PLC - Executive, Board Member, CEO Source Date: 03/09/2023

Emma, prior to her appointment as GSK's CEO, was the CEO of GSK Consumer Healthcare, a Joint Venture between GSK and Novartis, from its creation in March 2015. Emma joined GSK in 2010 from L'Oreal, having worked for 17 years in a variety of roles in Paris, London, New York and Shanghai. Emma was previously a Non-Executive Director of Diageo plc. Emma holds an MA in Classics and Modern Languages from Oxford University. External appointments Independent director, Microsoft, Inc

## CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	3	Dec 04, 2019		Yes	Yes	
GSK PLC	Executive, Board Member, CEO	6	Jan 01, 2017		No	Yes	

## BOARD COMMITTEES

Company	Committee Type	Position
MICROSOFT CORPORATION	Pay	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
GSK PLC	2023	99.5%	0.5%
MICROSOFT CORPORATION	2022	98.5%	1.5%

## EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
GSK PLC	CEO	6	2022	5,758,282	14,419,162	10,168,310	1,503,484

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	3	2022	125,000	354,863	9,124

**HUGH JOHNSTON**

**Age:** 61  
**Gender:** M  
**Nationality:** United States of America

**Financial:** Yes  
**Risk:** No  
**Industry:** Food, Beverage & Tobacco - Beverages, Pharmaceuticals, Biotechnology & Life Sciences - Biotechnology

**BIOGRAPHICAL INFORMATION**

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. Hugh Johnston Vice Chairman and Chief Financial Officer, PepsiCo Hugh Johnston is vice chairman and chief financial officer of PepsiCo, a global food and beverage company that maintains a product portfolio of 22 brands. Johnston joined PepsiCo in 1987 and has served in a variety of senior leadership positions, including executive vice president of global operations, president of Pepsi-Cola North America, senior vice president of transformation, senior vice president and chief financial officer, and senior vice president of mergers and acquisitions. Johnston serves on the board of directors of HCA Healthcare and is active with a number of NGO and academic organizations. Johnston holds a bachelor of science from Syracuse University and an MBA from the University of Chicago. Johnston joined the Microsoft board as an independent director in September 2017.

Pepsico, Inc. - Executive, CFO Source Date: 03/21/2023

Hugh F. Johnston, Vice Chairman and Chief Financial Officer Hugh Johnston is Vice Chairman and Chief Financial Officer of PepsiCo. PepsiCo products are enjoyed by consumers more than one billion times a day in more than 200 countries and territories around the world. PepsiCo generated \$70 billion in net revenue in 2020, driven by a complementary beverage and convenient foods portfolio that includes Lays, Doritos, Cheetos, Gatorade, Pepsi-Cola, Mountain Dew, Quaker, and SodaStream. PepsiCo's product portfolio includes a wide range of enjoyable foods and beverages, including many iconic brands that generate more than \$1 billion each in estimated annual retail sales. Hugh assumed the role of Chief Financial Officer in 2010, and is responsible for providing strategic financial leadership for PepsiCo, including ensuring the company's strategy creates shareholder value, communicating the company's strategies and performance to investors, and implementing a capital structure, financial processes and controls to support the company's growth and return on investment goals. In addition, Hugh's portfolio has included a variety of responsibilities, including leadership of PepsiCo's information technology function since 2015, the company's global e-commerce business from 2015 to 2019 and the Quaker Foods North America division from 2014 to 2016. In these roles, Hugh has focused on addressing global trends that are reshaping the food and beverage industry, including health and wellness, the rise of the digitally connected consumer and the emergence of e-commerce as a new distribution channel. Hugh joined PepsiCo in 1987, and has served in a variety of positions, including Executive Vice President, Global Operations, PepsiCo; President, Pepsi-Cola North America; Senior Vice President, Transformation, PepsiCo; Senior Vice President and Chief Financial Officer, PepsiCo Beverages and Foods; and Senior Vice President, Mergers and Acquisitions, PepsiCo. Hugh is active with a number of corporate, NGO and academic organizations, and currently serves as a member of the board and chair of the audit committee of Microsoft Corporation. Other organizations in which Hugh serves include: a director for the Peterson Institute for International Economics, the leading global economic think tank; the University of Chicago's Booth School CFO Forum Advisory Board; Syracuse University's Whitman School of Management Advisory Council. Additionally, he is a member of the Federal Reserve Bank of New York Second District Advisory Council and the CNBC Global CFO Council. Previously, he served as a director of AOL, Inc., where he chaired the audit and finance committee, and a director of Twitter, Inc., where he served as a member of the audit committee. Hugh holds a B.S. from Syracuse University and an M.B.A. from the University of Chicago. Hugh is based in Purchase, N.Y.

HCA HEALTHCARE, INC. - Board Member Source Date: 03/10/2023

Hugh F. Johnston, age 61, has served as Vice Chairman of PepsiCo, Inc. since 2015 and Executive Vice President and Chief Financial Officer since 2010. Mr. Johnston currently also serves as a member of the board and chair of the audit committee of Microsoft Corporation. Mr. Johnston is active with several corporate, NGO and academic organizations, including the University of Chicago's Booth School CFO Forum Advisory Board, Syracuse University's Whitman School of Management Advisory Council, and the Peterson Institute for International Economics. In addition, he is a member of the Federal Reserve Bank of New York Advisory Council. Among other qualifications, Mr. Johnston was selected a director in light of his extensive experience as an executive officer of a large public company and service as a director of other firms, including public companies. This experience will continue to be beneficial in providing financial and general business expertise to the Board of Directors.

## CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
HCA HEALTHCARE, INC.	Board Member	1	Sep 01, 2021		Yes	Yes	
MICROSOFT CORPORATION	Board Member	5	Sep 19, 2017		Yes	Yes	

## BOARD COMMITTEES

Company	Committee Type	Position
HCA HEALTHCARE, INC.	Audit	Chair
MICROSOFT CORPORATION	Audit	Chair

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
HCA HEALTHCARE, INC.	2023	98.2%	1.8%
MICROSOFT CORPORATION	2022	97.1%	2.9%

## EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
Pepsico, Inc.	CFO		2022	8,775,232	13,395,304	13,842,310	65,360

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
HCA HEALTHCARE, INC.	Non-Executive	1	2022	142,500	332,371	1,367
MICROSOFT CORPORATION	Non-Executive	5	2022	170,000	402,500	6,623

**JOHN STANTON**

**Age:** 68  
**Gender:** M  
**Nationality:** United States of America

**Financial:** No  
**Risk:** No  
**Industry:** Telecommunication Services - Wireless  
 Telecommunication Services, Technology  
 Hardware & Equipment - Communications  
 Equipment

**BIOGRAPHICAL INFORMATION**

COLUMBIA SPORTSWEAR COMPANY - Source Date: 04/21/2016

John W. Stanton (age 60) has served on the Board of Directors since 1997. Mr. Stanton is currently engaged in private investment activities, including Trilogy Equity Partners, which invests in wireless-related companies, and Trilogy International Partners, which operates wireless systems internationally, and Trilogy Search Partners. Mr. Stanton served as Chairman and Chief Executive Officer of Western Wireless Corporation and its predecessor companies from 1992 until shortly after its acquisition by ALLTEL Corporation in 2005. From 1994 to 2002, Mr. Stanton also served as Chairman and Chief Executive Officer of VoiceStream Wireless Corporation. Mr. Stanton served as acting Chief Executive Officer of Clearwire Corporation (Nasdaq: CLWR) during 2011 and as Chairman of the board of directors from 2011 until Clearwire's acquisition by Sprint Nextel Corporation in July 2013. Mr. Stanton previously served on the board of directors of Hutchison Telecommunications International Limited and the board of directors of Thrive by Five and as a trustee for Whitman College. Mr. Stanton currently serves as Chairman of Year Up of Puget Sound, and serves on the boards of Microsoft Corporation (Nasdaq: MSFT), Costco (Nasdaq: COST), the Seattle Foundation and Aven Foundation. Mr. Stanton's executive and entrepreneurial experiences provide Columbia with insights into global operations, strategic planning, mergers and acquisitions and financial matters.

Costco Wholesale Corporation, Source Date: 12/18/2015

John W. Stanton has been a director of the Company since October 29, 2015. He is the Chairman of Trilogy International Partners, Inc., which operates wireless systems internationally, and Trilogy Equity Partners, which invests in wireless-related companies. Mr. Stanton founded and served as Chairman and Chief Executive Officer of Western Wireless Corporation, a wireless telecommunications company, from 1992 until shortly after its acquisition by ALLTEL Corporation in 2005. He was Chairman and a director of T-Mobile USA, formerly VoiceStream Wireless Corporation, a mobile telecommunications company, from 1994 to 2004, and was Chief Executive Officer from 1998 to 2003. Mr. Stanton was a director of Clearwire Corp. from 2008 to 2013, Chairman between 2011 and 2013, and interim Chief Executive Officer during 2011. He is currently a director of Microsoft Corporation, and Columbia Sportswear Company. Mr. Stanton's qualifications to serve on the Board include his extensive background as a chief executive officer and director of public and private companies and his insights into global operations, strategic planning and financial matters.

Microsoft Corporation, Source Date: 10/19/2015

Mr. Stanton founded Trilogy International Partners, Inc., a wireless operator in Central and South America and New Zealand, and Trilogy Equity Partners, a private equity fund that invests in early-stage growth opportunities in the wireless ecosystem in 2005, and currently serves as Chairman of both enterprises. He was a director of Clearwire Corp. from 2008 to 2013 and Chairman between 2011 to 2013. He also served as Clearwire's Interim Chief Executive Officer during 2011. Mr. Stanton founded and served as Chairman and Chief Executive Officer of Western Wireless Corporation, a wireless telecommunications company, from 1992 until shortly after its acquisition by ALLTEL Corporation in 2005. Mr. Stanton was Chairman and a director of T-Mobile USA, formerly VoiceStream Wireless Corporation, a mobile telecommunications company, from 1994 to 2004 and was Chief Executive Officer from 1998 to 2003.

**Qualifications**

Mr. Stanton is a recognized pioneer in the wireless telecommunications industry. His leadership of four of the top wireless operators in the United States over the past three decades positions him to contribute significantly to the development of our mobile-first and cloud-first

strategies. His experience developing and operating wireless networks in established and developing markets worldwide will assist our efforts to grow our worldwide mobile devices and services footprint as we integrate the Nokia acquisition. Mr. Stanton's extensive background as a chief executive officer and director of public and private companies will lend valuable perspective and judgment to the Board's deliberations. His record of accomplishment in multiple business endeavors demonstrates his acumen across the spectrum of strategic planning and financial matters.

#### Microsoft Committees

- Compensation (Chair)
- Regulatory and Public Policy

#### Other Public Company Directorships

- Columbia Sportswear Company

#### Former Public Company Directorships Held in the Past Five Years

- Clearwire Corp.

Columbia Sportswear Company, Source Date: 4/8/2015

John W. Stanton (age 58) has served on the Board of Directors since 1997. Mr. Stanton is currently engaged in private investment activities, including Trilogy Equity Partners, which invests in wireless-related companies, and Trilogy International Partners, which operates wireless systems internationally. Mr. Stanton served as Chairman and Chief Executive Officer of Western Wireless Corporation and its predecessor companies from 1992 until shortly after its acquisition by ALLTEL Corporation in 2005. From 1994 to 2002, Mr. Stanton also served as Chairman and Chief Executive Officer of VoiceStream Wireless Corporation. Mr. Stanton served as acting Chief Executive Officer of Clearwire Corporation (Nasdaq: CLWR) during 2011 and as Chairman of the Board of Directors from 2011 until Clearwire's acquisition by Sprint Nextel Corporation in July 2013. Mr. Stanton previously served on the Board of Directors of Hutchison Telecommunications International Limited and the Board of Directors of Thrive by Five. Mr. Stanton currently serves as a Trustee for Whitman College, Chairman of Year Up of Puget Sound, and serves on the boards of Seattle Foundation and Aven Foundation. Mr. Stanton's executive and entrepreneurial experiences provide Columbia with insights into global operations, strategic planning, mergers and acquisitions and financial matters.

#### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TRILOGY INTERNATIONAL PARTNERS LLC	Board Member, Chairman	6	Feb 07, 2017		No	No	
COSTCO WHOLESALE CORPORATION	Board Member	7	Oct 29, 2015		Yes	Yes	
MICROSOFT CORPORATION	Board Member	9	Jul 30, 2014		Yes	Yes	

#### BOARD COMMITTEES

Company	Committee Type	Position
COSTCO WHOLESALE CORPORATION	Pay	Chair
MICROSOFT CORPORATION	Audit	Member
TRILOGY INTERNATIONAL PARTNERS LLC	Pay	Member
TRILOGY INTERNATIONAL PARTNERS LLC	Corporate Governance	Member
TRILOGY INTERNATIONAL PARTNERS LLC	Nomination	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
COSTCO WHOLESALE CORPORATION	2023	98.6%	1.4%
MICROSOFT CORPORATION	2022	99.4%	0.6%
TRILOGY INTERNATIONAL PARTNERS LLC	2021	99.2%	0.8%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
COSTCO WHOLESALE CORPORATION	Non-Executive	7	2022	38,000	304,369	22,993
MICROSOFT CORPORATION	Non-Executive	9	2022	140,000	372,500	83,922

## JOHN THOMPSON

**Age:** 73  
**Gender:** M  
**Nationality:** United States of America

**Financial:** Yes  
**Risk:** No  
**Industry:** Software & Services - Software, Financial Services - Capital Markets

## BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. John W. Thompson Lead Independent Director. John W. Thompson joined the Microsoft board in February 2012, and is the lead independent director. Thompson brings over 40 years of experience in the technology industry. Most recently, he served as chief executive officer and director of Virtual Instruments. Before this, he was the chairman and chief executive officer of Symantec for 10 years, during which time he helped transform the company into a leader in security, storage and systems management solutions. Thompson also held several leadership positions during his 28 years at IBM in the areas of sales, marketing and software development, and he also served as general manager of IBM Americas. In 2018, he became a partner at Lightspeed Venture Partners. Thompson serves on the board of directors for Illumina. He is an active investor and advisor in early-stage technology companies in the Silicon Valley. Thompson holds a bachelor's degree in business administration from Florida A&M University, and a master's degree in management science from MIT's Sloan School of Management. In 2008, he received an honorary doctorate degree from the University of Notre Dame, Mendoza College of Business, and in 2014 he received an honorary doctorate degree from Florida A&M University.

## CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	11	Feb 17, 2012		Yes	Yes	

## BOARD COMMITTEES

Company	Committee Type	Position
MICROSOFT CORPORATION	Corporate Governance	Member
MICROSOFT CORPORATION	Nomination	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
ILLUMINA, INC.	2023	34.4%	65.6%
MICROSOFT CORPORATION	2022	98.1%	2%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
ILLUMINA, INC.	Non-Executive		2022	165,000	465,078	10,162
MICROSOFT CORPORATION	Non-Executive	11	2022	125,000	444,565	95,998

**PADMASREE WARRIOR**

**Age:** 63  
**Gender:** F  
**Nationality:** India

**Financial:** No  
**Risk:** No  
**Industry:** Software & Services - Software, Automobiles & Components - Automobiles

**BIOGRAPHICAL INFORMATION**

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Ms. Padmasree Warrior Founder, President and CEO, Fable Group Inc. Padmasree Warrior is the founder, president and CEO and of Fable Group Inc. The vision for Fable is to bring the world of stories to everyone. Fable's mission is to deliver the world's best social experiences with exceptional stories in service of mental wellness. Previously, Warrior served as chief development officer of NIO Inc. and CEO of NIO USA Inc. through 2018. From 2008 to 2012, Warrior was chief technology officer and co-led the engineering organization at Cisco Systems. She later served as chief technology and strategy officer for Cisco, and then as a strategic advisor until 2015. Before Cisco, Warrior served in various executive roles at Motorola Inc., a mobile device and telecommunications company, most recently as executive vice president and chief technology officer from 2003 to 2007. Warrior serves on the board of directors for Spotify Technology S.A. Warrior holds a B.S. in chemical engineering from the Indian Institute of Technology in New Delhi and an M.S. in chemical engineering from Cornell University. Warrior joined the Microsoft board as an independent director in December 2015.

**CORPORATE BOARDS**

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	7	Dec 02, 2015		Yes	Yes	

**BOARD COMMITTEES**

Company	Committee Type	Position
MICROSOFT CORPORATION	Pay	Member

**VOTING RESULTS**

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	98.5%	1.5%

**DIRECTOR PAY (all values USD)**

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	7	2022	125,000	342,500	16,843

**PENNY PRITZKER**

**Age:** 64  
**Gender:** F  
**Nationality:** United States of America

**Financial:** Yes  
**Risk:** No  
**Industry:** Financial Services - Capital Markets

**BIOGRAPHICAL INFORMATION**

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Ms. Penny Pritzker Founder and Chairman, PSP Partners Penny Pritzker is an entrepreneur, civic leader and philanthropist with more than 30 years of experience as a business builder and entrepreneur in numerous industries. Pritzker is the founder and chairman of PSP Partners and its affiliates Pritzker Realty Group, PSP Capital and PSP Growth. From June 2013 through January 2017, she served as U.S. Secretary of Commerce. Pritzker was a core member of President Obama's economic team and served as the country's chief commercial advocate, leading the administration's trade and investment promotion efforts. During her tenure, she developed the agency's first comprehensive digital and data agenda, chaired the Presidential Ambassadors for Global Entrepreneurship (PAGE) program, and served as the administration's point person on manufacturing. Pritzker and her husband, Dr. Bryan Traubert, co-founded the Pritzker Traubert Foundation, a private philanthropic foundation that works to foster increased economic opportunity for Chicago's families. Pritzker earned a bachelor of arts in economics from Harvard University and a juris doctor and an MBA from Stanford University. Pritzker joined the Microsoft board as an independent director in November 2017.

**CORPORATE BOARDS**

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	5	Nov 29, 2017		Yes	Yes	

**VOTING RESULTS**

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	99.5%	0.5%

**DIRECTOR PAY (all values USD)**

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	5	2022	145,000	377,500	22,080

**REID HOFFMAN**

**Age:** 55  
**Gender:** M  
**Nationality:** United States of America

**Financial:** Yes  
**Risk:** No  
**Industry:** Software & Services - Internet Software & Services, Financial Services - Capital Markets

**BIOGRAPHICAL INFORMATION**

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. Reid Hoffman General Partner, Greylock Partners Reid Hoffman is an accomplished entrepreneur, executive and investor, and has played an integral role in building many of today's leading consumer technology businesses. In 2003 Hoffman co-founded LinkedIn, the world's largest professional networking service. In 2009 Hoffman joined Greylock Partners, where he focuses on building products that can reach hundreds of millions of participants and businesses that have network effects. In 2019 Hoffman joined Reinvent Capital and serves as Advisory Partner. Hoffman serves on the board of directors for Joby Aviation. He also serves on the boards of several private companies and non-for-profits. Hoffman holds a master's degree in philosophy from Oxford University, where he was a Marshall Scholar, and a bachelor's degree with distinction in symbolic systems from Stanford University. Hoffman joined the Microsoft board as an independent director in March 2017.

Joby Aviation Inc - Board Member Source Date: 04/06/2023

Mr. Hoffman is a co-founding member of Reinvent Capital. He co-founded LinkedIn, served as its founding Chief Executive Officer, and served as its Executive Chairman until the company's acquisition by Microsoft for \$26.2 billion. Early in his career, he was Chief Operating Officer and Executive Vice President and served on the founding board of directors of PayPal. Mr. Hoffman is a Partner at Greylock (joining Greylock in 2009), a leading Silicon Valley venture capital firm, where he focuses on investing in technology products that can reach hundreds of millions of people. He also serves on Microsoft's board of directors and Joby Aviation's board of directors and as a director or observer for a number of private companies including Apollo Fusion, Blockstream, Coda, Convoy, Entrepreneur First, Nauto, Neeva, and Xapo. He was previously Co-Lead Director of each of RTP and RTPZ before such entities completed their respective initial business combinations. Additionally, Mr. Hoffman also serves on ten not-for-profit boards, including OpenAI, Kiva, Endeavor, CZI Biohub, Berggruen Institute, Research Bridge Partners, Lever for Change, New America, Do Something, and Opportunity @ Work. Mr. Hoffman also serves on the Visiting Committee of the MIT Media Lab. Over the years, Mr. Hoffman has made early investments in over 100 technology companies, including companies such as Facebook, Ironport, and Zynga. He is the co-author of Blitzscaling: The Lightning-Fast Path to Building Massively Valuable Companies and two New York Times best-selling books: The Start-up of You and The Alliance. He also hosts the podcast Masters of Scale. Mr. Hoffman earned a master's degree in philosophy from Oxford University, where he was a Marshall Scholar, and a bachelor's degree with distinction in symbolic systems from Stanford University. Mr. Hoffman has an honorary doctorate from Babson College and an honorary fellowship from Wolfson College, Oxford University. Mr. Hoffman has received a number of awards, including the Salute to Greatness from the Martin Luther King Center.

Joby Aviation Inc - Board Member Source Date: 04/26/2023

Reid Hoffman has served as a member of our board of directors since August 2021. Mr. Hoffman has also served as RTP's Co-Lead Director since September 2020. He also is a co-founding member of Reinvent Capital. Mr. Hoffman is a highly accomplished entrepreneur and investor. He co-founded LinkedIn, served as its founding Chief Executive Officer, and served as its Executive Chairman until the company's acquisition by Microsoft for \$26.2 billion. Early in his career, he was Chief Operating Officer and Executive Vice President and served on the founding Board of Directors of PayPal. Mr. Hoffman is a Partner at Greylock (joining Greylock in 2009), a leading Silicon Valley venture capital firm, where he focuses on investing in technology products that can reach hundreds of millions of people. Mr. Hoffman currently serves on the board of directors and is a member of the environmental, social, and public policy committee of Microsoft and the board of directors of Aurora Innovation. He is also a director or observer for a number of private companies including Blockstream, Coda, Convoy, Entrepreneur First, Nauto and Neeva. Additionally, Mr. Hoffman also serves on multiple not-for-profit boards, including Kiva, Endeavor, CZI Biohub, Berggruen Institute, Research Bridge Partners, Lever for Change, New America and Opportunity @ Work. Mr. Hoffman also serves on the Visiting Committee of the MIT Media Lab. Over the years, Mr. Hoffman has made early investments in over 100 technology companies, including companies such as Facebook, Ironport, and Zynga. He is the co-author of Blitzscaling: The Lightning-Fast Path to Building Massively Valuable Companies and two New York Times best-selling books: The Start-up of You and The Alliance. He also hosts the podcast Masters of Scale. Mr. Hoffman earned a master's degree in philosophy from Oxford University, where he was a Marshall Scholar, and a bachelor's

degree with distinction in symbolic systems from Stanford University. Mr. Hoffman has an honorary doctorate from Babson College and an honorary fellowship from Wolfson College, Oxford University. Mr. Hoffman has received a number of awards, including the Salute to Greatness from the Martin Luther King Center. We believe that Mr. Hoffman's depth of expertise and network connectivity across diverse areas of the technology industry including: marketplaces, social networks, ecommerce, payments, artificial intelligence, autonomous vehicle technology, and transportation & logistics make him well qualified to serve as a member of our board of directors.

## CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
Joby Aviation Inc	Board Member	2	Aug 01, 2021		Yes	Yes	
Aurora Innovation Inc	Board Member	5	Jan 01, 2018		Yes	Yes	
MICROSOFT CORPORATION	Board Member	6	Mar 14, 2017		Yes	Yes	

## BOARD COMMITTEES

Company	Committee Type	Position
Aurora Innovation Inc	Corporate Governance	Chair
Aurora Innovation Inc	Nomination	Chair
Joby Aviation Inc	Corporate Governance	Member
Joby Aviation Inc	Nomination	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	99.2%	0.8%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
Aurora Innovation Inc	Non-Executive	5	2022	70,000	269,250	9,232,524
Joby Aviation Inc	Non-Executive	2	2022	0	307,190	30,707,480
MICROSOFT CORPORATION	Non-Executive	6	2022	125,000	342,500	28,789

**SANDRA (SANDI) PETERSON**

**Age:** 64  
**Gender:** F  
**Nationality:** United States of America

**Financial:** Yes  
**Risk:** No  
**Industry:** Health Care Equipment & Services - Health Care Providers & Services, Materials - Chemicals

**BIOGRAPHICAL INFORMATION**

MICROSOFT CORPORATION - Board Member, Lead Director Source Date: 10/27/2022

Ms. Sandra E. Peterson Operating Partner, Clayton, Dubilier & Rice Sandra (Sandi) E. Peterson is an operating partner at Clayton, Dubilier & Rice, a private investment firm. She works closely with the firm's investment team and corporate leaders to source and evaluate transactions as well as support portfolio company management teams as they execute their value creation plans. Previously, Peterson served as group worldwide chairman for Johnson & Johnson, where her portfolio included medical devices, consumer, global operating infrastructure, technology, supply chain and key strategic initiatives. Peterson had an extensive global career in healthcare, life sciences, consumer goods and consulting. From 2005 through 2012 she was chairman and CEO of Bayer CropScience AG in Germany and CEO of Bayer Medical Devices. Prior to that she worked for Medco Health Solutions Inc., formerly Merck-Medco, from 1999 to 2004. Peterson serves on the board of directors for Covertus and Zymergen. Peterson holds a B.A. from Cornell University and an M.P.A. from Princeton University. Peterson joined the Microsoft board as an independent director in December 2015.

**CORPORATE BOARDS**

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member, Lead Director	7	Dec 02, 2015		Yes	Yes	

**BOARD COMMITTEES**

Company	Committee Type	Position
MICROSOFT CORPORATION	Pay	Member
MICROSOFT CORPORATION	Corporate Governance	Chair
MICROSOFT CORPORATION	Nomination	Chair

**VOTING RESULTS**

Company	Year	For %	Against, Withheld and / or Abstained %
COVETRUS, INC.	2022	99.6%	0.4%
MICROSOFT CORPORATION	2022	97.8%	2.2%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
COVETRUS, INC.	Non-Executive		2021	71,076	296,076	15,946
MICROSOFT CORPORATION	Lead Director	7	2022	150,000	382,500	26,640

**SATYA NADELLA**

**Age:** 55  
**Gender:** M  
**Nationality:** India

**Financial:** No  
**Risk:** No  
**Industry:** Software & Services - Software

**BIOGRAPHICAL INFORMATION**

MICROSOFT CORPORATION - Executive, Board Member, Chairman, CEO Source Date: 10/27/2022

Mr. Satya Nadella is Chairman and Chief Executive Officer of Microsoft. Before being named CEO in February 2014, Nadella held leadership roles in both enterprise and consumer businesses across the company. Joining Microsoft in 1992, he quickly became known as a leader who could span a breadth of technologies and businesses to transform some of Microsoft's biggest product offerings. Most recently, Nadella was executive vice president of Microsoft's Cloud and Enterprise group. In this role he led the transformation to the cloud infrastructure and services business, which outperformed the market and took share from competition. Previously, Nadella led R&D for the Online Services Division and was vice president of the Microsoft Business Division. Before joining Microsoft, Nadella was a member of the technology staff at Sun Microsystems. Originally from Hyderabad, India, Nadella lives in Bellevue, Washington. He earned a bachelor's degree in electrical engineering from Mangalore University, a master's degree in computer science from the University of Wisconsin – Milwaukee and a master's degree in business administration from the University of Chicago. Nadella serves on the board of trustees to Fred Hutchinson Cancer Research Center and his alma mater the University of Chicago, as well as the Starbucks board of directors.

STARBUCKS CORPORATION - Board Member Source Date: 01/27/2023

SATYA NADELLA has been a Starbucks director since March 2017. Nadella has served as Chief Executive Officer and a member of the Board of Directors of Microsoft Corporation, a global technology provider, since February 2014. He has held various leadership positions at Microsoft Corporation since joining in 1992, and most recently, Nadella was executive vice president of Microsoft Corporation's Cloud and Enterprise group. In this role, he led the transformation to the cloud infrastructure and services business. Previously, Nadella led research and development for the Online Services Division and was vice president of the Microsoft Business Division. Before joining Microsoft Corporation, Nadella was a member of the technology staff at Sun Microsystems. Nadella currently serves on the University of Chicago Board of Trustees, and previously served on the Board of Trustees of Fred Hutchinson Cancer Research Center. Nadella brings to the board of directors global business leadership experience, extensive experience in the technology industry, and an understanding of how technology will be used and experienced around the world, in addition to deep expertise in allocating capital and optimizing productivity. He also provides the board with invaluable insights as Starbucks continues its focus on innovative ways to use technology to elevate its brand and grow its business. His experience in leading a multinational, complex enterprise, aligning teams, motivating employees, addressing corporate and environmental responsibility, developing human capital and talent, fostering a robust culture, and his strategic and operational expertise have facilitated important contributions to board discussions and oversight. Nadella also brings insight and knowledge in international operations and distribution gained from his service as Chief Executive Officer and other senior leadership positions at one of the world's largest public technology companies.

**CORPORATE BOARDS**

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
STARBUCKS CORPORATION	Board Member	6	Mar 22, 2017		No	Yes	
MICROSOFT CORPORATION	Executive, Board Member, Chairman, CEO	9	Feb 04, 2014		No	Yes	

## BOARD COMMITTEES

Company	Committee Type	Position
STARBUCKS CORPORATION	Corporate Governance	Member
STARBUCKS CORPORATION	Nomination	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	94.4%	5.6%
STARBUCKS CORPORATION	2023	95.5%	4.5%

## EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
MICROSOFT CORPORATION	CEO,Chair	9	2022	12,676,750	54,946,310	98,591,001	802,814

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
STARBUCKS CORPORATION	Non-Executive	6	2022		309,956	20,744

**TERI LIST-STOLL**

**Age:** 60  
**Gender:** F  
**Nationality:** United States of America

**Financial:** Yes  
**Risk:** No  
**Industry:** Consumer Discretionary Distribution & Retail - Specialty Retail, Food, Beverage & Tobacco - Food Products

**BIOGRAPHICAL INFORMATION**

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Ms. Teri List Former Executive Vice President and Chief Financial Officer, Gap Inc. Teri List served as executive vice president and chief financial officer at Gap, Inc., where she oversaw the finance, real estate and information technology organizations, as well as interim oversight of supply chain. List also served as the executive vice president and chief financial officer of Dick's Sporting Goods Inc., where she oversaw the finance and legal organization. Before this, she served as executive vice president and chief financial officer at Kraft Foods Group. As CFO of Kraft, she led the finance, information services and business process excellence organizations. From 1994 to 2013, List was with Procter & Gamble, progressing to senior vice president and treasurer. Before this she spent over nine years at Deloitte & Touche LLP, where she provided financial counsel to large multinational companies. During this time, she also participated in a two-year fellowship with the Financial Accounting Standards Board (FASB). List serves on the board of directors of Danaher Corp., DoubleVerify Holdings and Oscar Health. List holds a bachelor's degree in accounting from Northern Michigan University and is a certified public accountant. List joined the Microsoft board as an independent director in October 2014.

VISA INC. - Board Member Source Date: 12/01/2022

Teri L. List was executive vice president and chief financial officer of Gap Inc., a global clothing retailer, until her retirement in June 2020. Prior to joining Gap, she served as executive vice president and chief financial officer of Dick's Sporting Goods, Inc. and Kraft Foods Group, Inc. Prior to those roles, Ms. List served in various positions of increasing responsibility in the accounting and finance organization of The Procter & Gamble Company, most recently as senior vice president and treasurer. Prior to joining Procter & Gamble, she was employed by the accounting firm of Deloitte & Touche LLP for almost ten years. Ms. List serves on the boards of directors of Danaher Corporation, DoubleVerify Holdings, Inc., and Microsoft Corporation. She previously served on the board of directors of Oscar Health, Inc. until April 2022. Ms. List holds a bachelor's degree in accounting from Northern Michigan University and is a certified public accountant.

DANAHER CORPORATION - Board Member Source Date: 03/29/2023

Ms. List served as Executive Vice President and Chief Financial Officer of Gap Inc., a global clothing retailer, from January 2017 until March 2020. Prior to joining Gap, she served as Executive Vice President and Chief Financial Officer of Dick's Sporting Goods, Inc., a sporting goods retailer, from August 2015 to August 2016, and with Kraft Foods Group, Inc., a food and beverage company, as Advisor from March 2015 to May 2015, as Executive Vice President and Chief Financial Officer from December 2013 to February 2015 and as Senior Vice President of Finance from September 2013 to December 2013. From 1994 to September 2013, Ms. List served in a series of progressively more responsible positions in the accounting and finance organization of The Procter & Gamble Company, a consumer goods company, most recently as Senior Vice President and Treasurer. Prior to joining Procter & Gamble, Ms. List was employed by the accounting firm of Deloitte & Touche for almost ten years. Within the past five years, Ms. List served on the board of directors of Oscar Health, Inc. Ms. List's experience dealing with complex finance and accounting matters for Gap, Dick's, Kraft and Procter & Gamble have given her an appreciation for and understanding of the similarly complex finance and accounting matters that Danaher faces. In addition, through her leadership roles with large, global companies she has insight into the business practices that are critical to the success of a large, growing public company such as Danaher. Given Ms. List's extensive experience as a Chief Financial Officer, her proficiency in accounting, her knowledge of and dedication to Danaher and her retirement from full-time employment our Board has determined that Ms. List's simultaneous service on the audit committee of more than three public companies does not impair her ability to effectively serve on our Audit Committee. In 2022, Ms. List attended all of the meetings of the Board and of the committees on which she served.

DoubleVerify Holdings Inc - Board Member Source Date: 04/25/2022

Teri L. List has served as a director of the Company since May 2020. Ms. List served as Executive Vice President and Chief Financial Officer at Gap from January 2017 to March 2020. Prior to that, Ms. List held management positions at Dick's Sporting Goods, Kraft Foods Group and Procter & Gamble and spent over nine years at Deloitte & Touche LLP. Ms. List currently serves on the boards and audit committees of Microsoft, Danaher Corporation and Visa Inc. Ms. List received a Bachelor of Arts in Accounting from Northern Michigan University. Ms. List was selected to serve on the Board due to her extensive experience in corporate finance, technology and strategic planning in large, global companies, as well as her experience as a director of various public companies.

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
VISA INC.	Board Member	1	Apr 11, 2022		Yes	Yes	
DoubleVerify Holdings Inc	Board Member	3	May 01, 2020		Yes	Yes	
MICROSOFT CORPORATION	Board Member	8	Oct 01, 2014		Yes	Yes	
DANAHER CORPORATION	Board Member	11	Sep 13, 2011		Yes	Yes	

### BOARD COMMITTEES

Company	Committee Type	Position
DANAHER CORPORATION	Audit	Member
DANAHER CORPORATION	Pay	Member
DANAHER CORPORATION	Risk	Member
DoubleVerify Holdings Inc	Audit	Chair
DoubleVerify Holdings Inc	Pay	Member
DoubleVerify Holdings Inc	Corporate Governance	Member
DoubleVerify Holdings Inc	Nomination	Member
DoubleVerify Holdings Inc	Risk	Chair
MICROSOFT CORPORATION	Audit	Member
MICROSOFT CORPORATION	Corporate Governance	Member
MICROSOFT CORPORATION	Nomination	Member
VISA INC.	Audit	Member
VISA INC.	Pay	Member
VISA INC.	Risk	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
DANAHER CORPORATION	2023	71.8%	28.2%
MICROSOFT CORPORATION	2022	98%	2%
VISA INC.	2023	98.8%	1.2%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
DANAHER CORPORATION	Non-Executive	11	2022	125,000	308,308	6,687
DoubleVerify Holdings Inc	Non-Executive	3	2021	67,500	267,500	45,439
MICROSOFT CORPORATION	Non-Executive	8	2022	140,000	372,500	24,469
OSCAR HEALTH, INC.	Non-Executive		2022	25,577	25,577	0
VISA INC.	Non-Executive	1	2022	36,250	223,718	881

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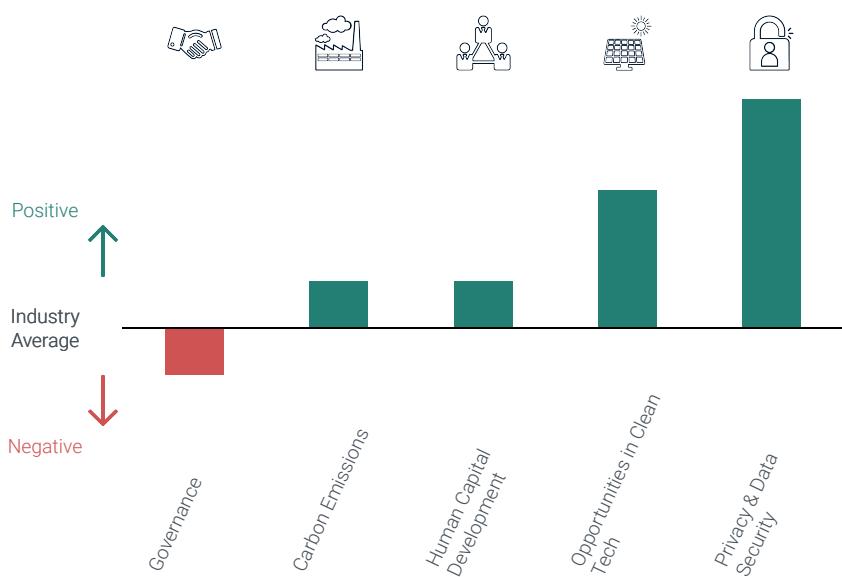
# MICROSOFT CORPORATION (MSFT)

Software & Services | US

Despite workforce restructuring plans, human capital development remains strong

## Score attribution by key issue

This chart highlights the company's positioning relative to the industry average for each Key Issue that contributed to its ESG Rating as of September 08, 2023.



## Last ESG Rating action

Rating action date: February 22, 2023

Microsoft's rating is unchanged at 'AAA'.

Microsoft announced plans to lay off 10,000 employees in FY 2023 to sharpen focus on cloud and AI driven opportunities. While the layoffs reflect a broader industry trend and dent the company's overall ESG score, Microsoft leads peers in human capital management with strong skill development and employee wellbeing programs including financial assistance for education, flexible work schedules, and elderly and childcare discount. In FY 2021, it expanded stock award eligibility for all employees.

- Microsoft's corporate governance is average, relative to global and home market peers. While the board is independent of management and other interests, the presence of a combined CEO-chair may impede board independence. Further, excessive severance and early vesting provisions may not help align executive pay with shareholder interests. In 2022, the CEO pay ratio (to median Microsoft employee) improved to 289-to-1 from 282-to-1 in 2021. Dissent votes to executive pay increased to 11.1% at AGM 2022 from 4.5% a year ago. CEO, Mr. Satya Nadella's compensation reached USD 55 million (while it is below USD 25 million for most peers) though 95% of it was tied to company performance.
- Microsoft develops IT security systems based on privacy by design principles—an industry best practice—backed by external audits and security certifications. However, global operations and evolving workstyles may pose threats to cybersecurity. The company continues to face allegations that security flaws in its systems led to data breaches for customers.

Analysts: Akanksha Kumar, Reshma Pillai

**MSCI**  
ESG RATINGS

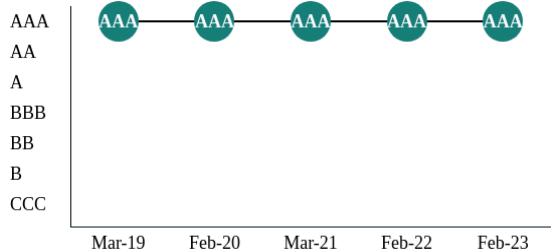


CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023

LAST REPORT UPDATE: September 08, 2023

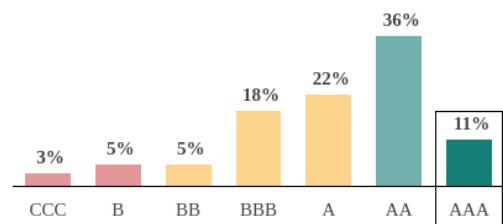
## ESG Rating history



ESG Rating history shows five most recent rating actions

## ESG Rating distribution

Universe: MSCI ACWI Index constituents, Software & Services, n=113



## Key scores

	Weight	Score (0-10)
Industry-Adjusted Score (Last Updated: February 22, 2023)		9.3
Weighted-Average Key Issue Score (Last updated: September 08, 2023)		6.2
Environmental Pillar Score	16%	8.4
Social Pillar Score	47%	6.3
Governance Pillar Score	37%	5.3

## Report table of contents

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What is an ESG Rating? MSCI ESG Ratings aim to measure a company's resilience to long-term ESG risks. Companies are scored on an industry-relative AAA-CCC scale across the most relevant Key Issues based on a company's business model.

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## ESG Rating scorecard

As of September 08, 2023

KEY ISSUE	WEIGHT	INDUSTRY AVERAGE	SCORE (0-10)	CHANGE	EXPLANATION
<b>Weighted-Average Key Issue Score</b>		<b>5.2</b>	<b>6.2</b>		
<b>&gt; ENVIRONMENT</b>	<b>16%</b>	<b>6.3</b>	<b>8.4</b>	<b>▲0.1</b>	<ul style="list-style-type: none"> <li>Significant revenues from clean tech product lines relative to peers</li> </ul>
<u>Opportunities in Clean Tech</u>	11%	4.5	7.6	▲0.1	<ul style="list-style-type: none"> <li>Strong management practices to address carbon emissions relative to peers, including targets to reduce carbon emissions</li> </ul>
<b>&gt; SOCIAL</b>	<b>47%</b>	<b>5.0</b>	<b>6.3</b>		
<u>Human Capital Development</u>	26%	3.4	3.8		<ul style="list-style-type: none"> <li>Involved in moderate <u>controversies</u></li> <li>Comprehensive employee engagement initiatives relative to peers, including regular performance appraisals and feedback processes</li> </ul>
<u>Privacy &amp; Data Security</u>	21%	6.8	9.3		<ul style="list-style-type: none"> <li>Involved in moderate <u>controversies</u></li> <li>Evidence of extensive data protection processes, including certification to external information security management standards and robust compliance programs (e.g.. system audits and employee trainings)</li> </ul>
<b>&gt; GOVERNANCE</b>	<b>37%</b>	<b>5.4</b>	<b>5.3</b>	<b>▼0.1</b>	
<u>Corporate Governance</u>		6.0	6.7	▼0.2	<ul style="list-style-type: none"> <li>The company falls into the average scoring range relative to global peers, reflecting relatively few areas of concern.</li> </ul>
<u>Corporate Behavior</u>		6.3	4.5		<ul style="list-style-type: none"> <li>Involved in moderate <u>controversies</u></li> <li>Substantial operations in regions where data indicates moderate to high levels of perceived corruption</li> </ul>

\* denotes company-specific Key Issue

This table shows the Key Issue scores and weights contributing to the company's ESG Rating and any changes to those scores since the last ESG Rating action. The range of possible scores is 0-10, where 10 is best and 0 is worst.

## Rating model details

Microsoft was rated based on a standard version of the Software & Services Industry ESG Rating Model.

MODEL VERSION: 4.1.1

Represents the MSCI ESG Ratings model version used to assess the company. Please refer to the "ESG Ratings Methodology" document for more details on the model versions.

## Company Data Feedback response

Data feedback in last 12 months? \_\_\_\_\_ No

Date of last feedback \_\_\_\_\_ Mar 2021

This section only captures inputs provided by companies through our online issuer portal that may have an impact on the weighted Key Issues for the company

## Key documents used for updates, as of September 08, 2023

Company Filing	Fiscal Year	Filing Release Date	Incorporated in data and scores	Incorporated in ESG Rating
AR Filing	FY-2022	29 Jul. 2022	Partially Incorporated	22 Feb. 2023
CSR Filing	FY-2022	25 Oct. 2022	Pending	Pending
AR Filing	FY-2021	29 Jul. 2021	Partially Incorporated	23 Feb. 2022
CSR Filing	FY-2021	03 Mar. 2022	Fully Incorporated	22 Feb. 2023

Key document types reflected here include Annual Reports (AR), CSR, Sustainability or ESG reports. Partially Incorporated = some but not all of the underlying data and related scores reflect the latest filing; Pending = Not yet incorporated; Fully Incorporated = All relevant data from filing has been incorporated into the underlying data and scores. Updates related to Carbon data are not included here. Please refer to "Recent developments affecting ESG scores" for more information.



## Recent developments affecting ESG scores

This table shows the last 10 score changes\* and rating actions that have occurred in the past 12 months.

Date ▲	Type	Score (0-10)	Change	Explanation
	Current Weighted-Average Key Issue Score	6.2		
Sep 08, 2023	Data Update: Corporate Governance		▼0.1	Flags Added: CEO Pay Total Realized
Feb 22, 2023	ESG Rating action	6.3	▼0.2	Microsoft's rating is unchanged at 'AAA'.
Feb 22, 2023	Data Update: Controversies			Controversy case(s) upgraded or archived
Dec 23, 2022	Data Update: Corporate Governance		▼0.1	Flags Added: CEO Pay Total Awarded, Long-Term Pay Performance Versus Peers, Significant Vote Against Pay Practices Flags Removed: CEO Pay Total Awarded, CEO Pay Total Realized
Aug 02, 2022	Data Update: Carbon		▲0.1	Increase in performance score, management score
Jun 13, 2022	Methodology Update: ESG Ratings	6.5	▲0.1	Methodology Enhancements: scores recalculated to reflect enhancements to the ESG Ratings model.
Jun 10, 2022	Data Update: Corporate Governance		▼0.2	Flags Added: Overboarded Audit Committee Members, Overboarded Non-Exec Directors
Jun 03, 2022	Data Update: Corporate Governance		▲0.1	Governance Score changed based on the listed Key Metric(s): Asset-Liability Valuation
Feb 23, 2022	ESG Rating action	6.5	▲0.1	Microsoft's rating is unchanged at 'AAA'.
Feb 23, 2022	Data Update: Controversies			Controversy case(s) upgraded or archived

This table outlines the latest changes to specific data points that have occurred, the trigger for change (e.g. issuer feedback, data update or methodology enhancements) and the overall impact on the company's Weighted Average Key Issue Score.

[View additional recent developments affecting the ESG score](#)

## Most recent controversies

Last update	Headline	Assessment	Type
Jun-23	<a href="#">Customers complained of alleged service disruption in certain software applications</a>	Minor	Product Safety & Quality
May-23	<a href="#">Washington, U.S.: Dismissal of proposed class action filed by three former employees over alleged mismanagement of 401(k) plan</a>	Minor	Labor Management Relations

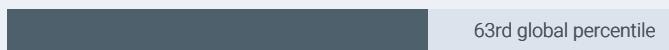
This table shows the most recently updated controversies facing the company. Controversies are considered alongside other factors when assessing a company and may or may not impact the company's ESG Rating. For further details, See [Controversies Detail section](#) in full ESG Rating report appendix.



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

## Corporate governance summary



### Board of directors

Board type: Unitary Board



### Board diversity



### Ownership summary

Capital structure	Single Equity Class	Top shareholders
Ownership classification	Widely Held	There is no principal shareholder at this firm

### CEO

Name: Satya Nadella	Total realized pay*: USD 98,591,001.00
Tenure: 9 Years	Total summary pay*: USD 54,946,310.00

\*CEO pay figures are sourced from listed company annual reports and proxy filings. When a new CEO is named the pay figures for the previous CEO will be displayed until this information has been updated for the new CEO

## Peer benchmarking

	Carbon Emissions	Opportunities in Clean Tech	Human Capital Development	Privacy & Data Security	Corporate Governance	Corporate Behaviour	Rating & Trend
MICROSOFT CORPORATION	● ● ●	● ● ● ●	● ● ●	● ● ● ●	● ● ●	●	AAA ▲ ▲
ITOCHU Techno-Solutions Corporation	● ● ● ●	● ● ● ●	● ● ● ●	●	● ● ● ●	● ● ● ●	AA ▲
TIS Inc.	● ● ● ●	● ● ● ●	● ● ● ●	● ●	● ●	● ●	AA ▲
MPHASIS LIMITED	● ● ● ●	● ●	● ●	●	● ●	● ● ● ●	BBB ▲ ▲
Elm Company SJSC	●	●	● ●	●	● ●	●	B ▲ ▲
iSoftStone Information Technology Group Co Ltd	● ● ●	● ● ●	● ●	●	●	●	B

QUARTILE KEY : Bottom Quartile ● Top Quartile ● ● ● ●

RATING TREND KEY : Maintain ▲ ▲ Upgrade ▲▲ Upgrade by two or more notches ▲▲▲ Downgrade ▼▼ Downgrade by two or more notches ▼▼▼

The five industry peers are companies in the Software & Services ESG Rating Industry, as of September 08, 2023, selected based on similarities in four attributes (ESG Key Issue weights, industry classification, region, and size), sorted by ESG Rating (best to worst).



## Analyst insights

### EU's antitrust law brings bundling practices back into the spotlight

August 11, 2023  
Yoon Young Chung

Microsoft's current business practices of bundling its videoconferencing application 'Teams' to the company's Office products now faces scrutiny from EU regulator on an antitrust front. Microsoft may need to adapt its current business practices in the event that regulators raise antitrust concerns over its business activities, which could lead to impacts such as a loss of revenue, unanticipated remediation costs, or litigation expenses.

On July 27, 2023, the European Commission (EC) announced that it had opened a formal investigation to assess whether Microsoft may have breached EU competition rules bundling its Teams app to its software suites for businesses Office 365 and Microsoft 365. According to the EC, Microsoft may be abusing and defending its market position in productivity software by restricting competition in the region or giving Teams an unfair distribution advantage by not giving customers a choice on whether or not to include access to that product when they subscribe to their productivity suites. The EC also said that the company may have limited the inter-operationality between the company's Office products and competing offerings.

Microsoft is one of only seven companies (so far) that meet the size and user-number criteria to qualify as a "gatekeeper" under the EU's newly introduced antitrust law, the Digital Markets Act (DMA).<sup>\*</sup> The law's provisions of inter-operationality and side-loading may push large operating system providers such as Microsoft, Alphabet, and Apple, to open up their "walled garden" ecosystem and to ensure their platforms (products) support competitive practices.<sup>\*\*</sup> The DMA also wants to mitigate the risk that gatekeepers abuse their dominant positions to place competing services and end-users at a disadvantage. In July 2020, its smaller competitor, Slack, first raised concerns over Microsoft on the antitrust front, alleging that Microsoft illegally tied Teams to its productivity suites. <sup>\*\*\*</sup>

We estimate Microsoft's European revenue for FY 2021 represents 11 % of its global revenue. Microsoft was last subjected to an EU antitrust probe in 2009 for bundling the Internet Explorer browser with the Windows operating system; in respond to the EU's antitrust probe, the company said that it would adapt its business practice by offering users a choice of web browsers. <sup>\*\*\*\*</sup>

<sup>\*</sup> According to the announcement of the European Commission made on July 4, 2023, the first 7 potential gatekeepers under the EU DMA included Alphabet, Amazon, Apple, ByteDance, Meta, Microsoft, and Samsung.

<sup>\*\*</sup> Gabriela de la Serna and Andrew Yong. "The digital markets act: Levelling the playing field for digital platforms." MSCI ESG Research, January 2023

<sup>\*\*\*</sup> According to the Article 102 of the Treaty on the Functioning of the European Union (TFEU), the EU's competition rules prohibit the abuse of a dominant position that may affect trade within the EU. In July 2023, its smaller German competitor, alfaview, also filed a similar complaint to the EC for the Microsoft's bundling of Teams into its Office products.

<sup>\*\*\*\*</sup> The EU raised concerns that Microsoft abused its dominant position with the bundling business practice in 2009. However, despite the company's publicly announced commitments to change the business practice, the Commission imposed a EUR 561 million fine on the company for failing to comply with its commitments to offer users a choice of browsers in 2013.

### Generative AI technologies could face increased costs to comply with fast-evolving regulatory landscape

May 24, 2023  
Yoon Young Chung

Companies promoting generative artificial intelligence (AI)-based tools are navigating a growing regulatory thicket, particularly in Europe. Italy, Germany, France, Spain, and Canada have launched investigations into the OpenAI chatbot ChatGPT's privacy practices and its compliance with regional data protection regulations. Tech companies investing heavily in generative AI technology, including Microsoft and Alphabet, face a fast-evolving regulatory landscape, which could lead to compliance costs or constrain market access.

In March 2023, the Italian Data Protection Authority (DPA) Italian regulator found OpenAI, the tool's Microsoft-backed creator, in violation of the EU's General Data Protection



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
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Regulation (GDPR); it said that the entity did not notify users of its data collection practices, did not have a legal basis for processing personal data, and did not prevent minors under 13 years old from using the service. A month later, the Italian regulator lifted its ban on ChatGPT, stating that OpenAI had implemented most of its demands over data privacy concerns and met EU GDPR requirements. OpenAI had 20 days to comply or would have faced a fine of up to EUR 20 million (4% of the total global annual turnover). It is worth noting that OpenAI made those changes only to its services based in the European Economic Area and the UK, specifically, not globally.\*

In addition to these questions specific to data privacy and GDPR, lawmakers and regulators in the EU, UK, Australia and the U.S. are discussing how to regulate AI more generally. China has banned ChatGPT.

\* Privacy Policy by OpenAI, updated April 27, 2023. We also note that the policy of protecting children under the age 13 is globally applied, according to the current privacy policy, as of May 22, 2023.

## Microsoft's acquisition of Activision Blizzard continues to face regulatory headwinds

February 01, 2023  
Helen Marlow

Microsoft Corporation's acquisition of video game producer, Activision Blizzard, is subject to antitrust lawsuits across major jurisdictions. The Activision Blizzard deal would be Microsoft's largest acquisition to date, valued at USD 68.7 bn (as of January 2023).\* According to our assessment, Microsoft's corporate behavior performance (including business ethics and anti-competition practices) was below average compared to its Software & Services industry peers (n=137, as of January 27, 2023) within the MSCI ACWI index. Out of 16 ongoing anticompetitive controversies in the Software & Services industry, two are related to Microsoft - one involves an EU investigation on alleged anticompetitive violation of Microsoft Teams (Oct 2021) and another is a Federal Trade Commission (FTC) review of past acquisitions (Feb 2020). Microsoft may be more likely to face regulatory penalties or enforcement actions on the back of growing antitrust investigations.

In December 2022, the FTC sued to block Microsoft's acquisition of Activision Blizzard over concerns that the deal would harm competitors, such as Sony, as it could restrict Sony PlayStation's access to Activision Blizzard's gaming titles, including the popular game "Call of Duty". FTC also argued that the deal could further impact pricing and stifle innovation. In response, Microsoft argued that it explicitly stated that it did not intend to restrict access to Call of Duty to other gaming consoles and that the purpose of the acquisition was to give the company an entry point into mobile gaming, one of the fastest growing segments in the video game industry - one Microsoft currently does not have access to.\* Further to this, a federal lawsuit was filed in January 2023 by ten videogame players based in California, New Mexico and New Jersey suing Microsoft over the Activision Blizzard deal on anti-competitive grounds. \*\*\*

\*Federal Trade Commission, January 4, 2023

†Federal Trade Commission, February 11, 2020

\*\*\* Bloomberg Law, December 20, 2022

## Climate innovator still faces Scope 3 emission reduction challenges

November 03, 2022  
Yoon Young Chung

Microsoft has a bold decarbonization plan compared to global industry peers, which includes a Scope 3 emissions reduction goal. Two points stood out in its approach to addressing its greenhouse gas (GHG) emissions: driving emissions disclosures of its suppliers and investing in technology-enabled carbon removal. Nevertheless, the company faces a challenge in reducing its emissions while demand for its products and services continues to grow, as shown in results from FY2021.

Microsoft made a change in 2020 to its Supplier Code of Conduct by requiring disclosures of GHG emissions. 87% of its in-scope suppliers reported their emissions to CDP as of July 2021.\* As noted previously (Nov. 19, 2021), "big tech" companies such as Microsoft, Meta, Alphabet, and others have relatively low emissions compared to large companies in other sectors; they can expand their climate impact by driving changes along their supply chain. The company also expanded its own Scope 3 disclosures in April 2022.



Meanwhile, Microsoft has focused on investing in carbon removal technology to meet its “carbon negative” goal. We estimate that Microsoft would need to remove 5.62 million CO<sub>2</sub>e by 2030 to achieve its stated climate goal of reducing its Scope 3 emissions by half by 2030 (from a 2020 baseline). So far, the company has contracted a total of 1.5 million metric tons of carbon removal.<sup>\*\*</sup> It also separately invested USD 1 billion in its Climate Innovation Fund to invest in carbon removal and carbon marketplace innovation.

Nevertheless, Microsoft faces challenges in reducing its Scope 3 emissions, which currently account for 98% of its total GHG emissions (as of FY 2021). Construction of new data centers to meet the growing demand for its cloud services, and increased sales and usage of its consumer devices like the Xbox, led Scope 3 emissions to increase by 23% in FY2021 vs. FY2020, from 11.24 Mt up to 13.79 Mt. Since 2020, one of the company’s overall climate goals has been to remove more emissions than it emits each year across all scopes by 2030 – in other words, to be completely ‘carbon negative’ in the next seven years.

\* “Microsoft Corporation CDP Climate Change Questionnaire 2022”, CDP Worldwide

\*\* “Microsoft carbon removal,” March 2022

## USD8.8 billion of share repurchases in Q1 2022 continues buyback momentum

May 05, 2022  
Andrew Young

The U.S. big tech companies – Alphabet, Apple, Meta and Microsoft\* – had another bumper quarter of buybacks, following a bumper year in 2021 and 2020 before that. The arguments against these buybacks appear to hold little water.

The common criticisms of stock repurchases include the argument that the cash could be better reinvested elsewhere, perhaps to the benefit of other company stakeholders besides shareholders. Following this argument, forgoing investment elsewhere is argued as an exercise in short-termism and misaligned incentives for its executives. The practice has also been subject to criticism by politicians, including the U.S. President, Joe Biden, over concerns of lining the pockets of wealthy investors, especially during the COVID-19 pandemic lockdowns.

All four companies have arguably too much cash on their balance sheets providing a debt-free opportunity to buy back shares. This cash comes from organic growth of their desirable products and services, diluting arguments of price gouging that impact, for example, pharmaceutical giants. Research & Development spending across the group has remained at consistent, and substantial levels in recent years (Microsoft spent USD20.7 billion on R&D in 2021). And, antitrust scrutiny might have taken large-scale acquisitions off the table.

There might be an argument for the fair treatment of workers – for example, the class of tech ‘permatemps’, which might typically enjoy lower job security and benefits. However, unlike gig platforms, there is not really a question of living wages or fair pay – thus limiting these concerns.

The argument that might carry the most water, given the high-level political engagement on the topic of buybacks is tax. There is not a legal argument to restrict tax avoidance practices, but there is an ethical one, and thus a reputational risk exposure. Our data showed a large gap between the statutory rates in Microsoft’s operating markets and its effective tax rate. But it was the only one of the four companies not to have faced any recent tax-related controversies.

\*Excluding Amazon, which has not followed a substantial buyback program like these peers

## Huge acquisition comes with some baggage

January 25, 2022  
Andrew Young

Microsoft’s acquisition of Activision Blizzard (ATVI) will be the largest tech sector acquisition in history. It will undoubtedly improve Microsoft’s position in the gaming market and in emerging markets for virtual environments (metaverses). But Microsoft shouldn’t underestimate the soft components of the deal, like the integration of a large and culturally different workforce.



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Academic literature\* frequently cites cultural differences as a barrier to successful integrations. Concerns may be raised for the ATVI acquisition given the widespread scrutiny of the work culture established in the gaming industry. Project-oriented work means developers face frequent layoff rounds resulting in performance pressure and pervasive job insecurity. Moreover, the industry including ATVI, has and continues to face gender discrimination and sexual harassment allegations. Indeed, allegations against ATVI escalated to the point where a shareholder group exerted pressure on long-serving CEO Bobby Kotick to resign for failing to address sexual misconduct issues within the company. ATVI eventually paid a settlement to the US Equal Employment Opportunity Commission (EEOC) in November 2021 and committed to spending USD250 million to hire more women employees and adopted a zero-tolerance harassment policy.

Inadequate female representation in the workforce and setting the tone-at-the-top may be at the heart of these issues in the company and the industry. Our research showed that, as of December 31, 2021, female representation in the gaming industry (31%) was below the MSCI ACWI Index and the Tech, Media, Telecoms (TMT) sector averages (36% and 34% respectively). Our research also showed that gender representation has fallen since 2017 (for the 7 of 27 companies reporting the metric over the period). For their part, ATVI reported 24% female representation across its workforce in 2021 (and 20% at the board level). Microsoft's own workforce female representation at 31% suggests the issue may be proving difficult to reform and an issue that Microsoft will need to deal with head on.

\*e.g. Günter K. Stahl, Andreas Voigt, (2008) "Do Cultural Differences Matter in Mergers and Acquisitions? A Tentative Model and Examination". Organization Science 19(1):160-176.

## ► A race to the bottom on carbon emissions?

November 19, 2021  
Andrew Young

The businesses of Alphabet, Apple, Amazon, Meta (Facebook) and Microsoft, or collectively the US 'big tech' companies, generally have low carbon emissions footprints. But given their outsized role in the global economy and the lives of billions of consumers, the group may have important role to play in supporting a transition to low carbon economy:

Increased competition amongst the group, such as in the cloud infrastructure market, may not only be good for innovation but also enable an arms race of climate action, as the competitors looks to build favor with their customers (and shareholder and other stakeholders) yearning for leadership on the issue. Their actions may also have a multiplier effect by forcing their suppliers to get in line with their targets in order to keep winning contracts.

As of November 2021, we estimated that all companies, except for Amazon, appeared aligned with the IPCC's 2 degree warming scenario.\* However this is broadly by virtue of the nature of their businesses. There remains substantial scope for a leader to emerge, as we found limitations in all of their climate commitments:

Microsoft had arguably the most ambitious climate change target of the group: It's emission reduction ambitions include Scope 3 emissions and are supported by robust on-the-ground programs like an internal carbon tax (incl. Scope 3 emissions) to encourage its business divisions to address their footprints. However, in these plans and programs, Microsoft acknowledges only its upstream footprint, not the footprints associated with the use and end-of-life use of its products, like its laptops, tablets and gaming consoles. We assessed that the company's target covers 16% of its total footprint.

\*Based on our Implied Temperature Rise methodology, which estimates the 2100 temperature rise based on a GHG emissions budget over/undershoot approach. We estimated Microsoft to be aligned with a 1.58 degree warming scenario, based on available data.

## ► Regulators increasingly circling facial recognition products

May 17, 2021  
Andrew Young

San Francisco became the first US city to ban the use of facial recognition (FR) technology by law enforcement in 2019. Since then, Microsoft has continued to develop and market its FR technologies to its Azure cloud clients but restricts the products use by law



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enforcement, citing concerns over human rights and the lack of regulatory framework covering the use of the technology.

FR was an already established USD3.4 billion market in 2019, and some analysts expect the market to double in the coming years.\* But the market opportunity appears increasingly fraught with ethical and legal pitfalls: Amazon, Facebook and Alphabet have all faced distinct controversies regarding their FR products.

Regulatory scrutiny in the US has followed the public unease with the pervasive use of the FR technology in typical US fashion with a patchwork of authorities supervising its use. Following the bans by several cities in the US, landmark legislations like California's Consumer Privacy Act (CCPA) has developed the regulatory environment: it allows for the collection of biometric data, but gives rights to individuals to have their data deleted or opt of its collection and processing. Similar laws in further US states are expected to follow the framework established by the CCPA.

Probably the most complex market is the European Union where regulators defined FR as a high risk application of Artificial Intelligence that would require certification and human oversight.\*\* To achieve certification, products would need to comply with the region's privacy regulation, the EU General Data Protection Regulation (GDPR) which sets a high bar for developers on themes of legitimacy, data security, accountability and ethics, and may limit the use cases in the region.

\*Grand View Research, March 2020

\*\*European Commission White Paper on Artificial Intelligence, February 2020, and Convention 108: Consultative Committee: Guidelines on Facial Recognition, January 28, 2021

## Solarwinds hack: A warning to all enterprise software companies

January 14, 2021  
Andrew Young

Solarwinds, an enterprise network management software company, faced a malicious and sophisticated cyberattack between March and June 2020. Hackers were able to penetrate the networks of some of Solarwinds clients, including Microsoft. The malicious third-party hack, which reportedly reached the networks of up to 40 Microsoft clients, might therefore come as a warning to Microsoft but also its software industry peers that no company is invulnerable to a data breach.

Solarwind's cybersecurity provider, FireEye, believed that the attack to be state-sponsored and that the ultimate target to be US government agencies. The perpetrator sought to gain access to Solarwinds' clients' networks (including government agencies and companies such as Microsoft) via a vulnerability in their network management product, Orion.

Our 2020 assessment of Microsoft's privacy and data security management practices was best-in-class. Microsoft's strong commitments to customer/client/user privacy are supported by a robust cybersecurity control environment that includes board-level oversight and information security management systems (ISMS) subject to external audit oversight. Notably the company's suppliers (such as Solarwinds) are required to abide by the company's data security requirements. This supply chain control is publicly reported by only 24 of 144 companies (17%) in the MSCI ACWI ESG Ratings Software & Services industry.

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



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## ESG Rating drill down

Description	As of prior rating action date: Feb 23, 2022		As of last rating action date: Feb 22, 2023		As of last report update date: Sep 08, 2023		Difference	
	Score	Weight	Score	Weight	Score	Weight	Score	Weight
<b>ESG Rating Letter Grade</b>	<b>AAA</b>		<b>AAA</b>		<b>AAA</b>		-	-
<b>Industry Adjusted Score</b>	<b>9.8</b>		<b>9.3</b>		<b>9.3</b>		-	-
Industry Minimum Score	2.4		2.5		2.5		-	-
Industry Maximum Score	6.6		6.6		6.7		0.1	-
<b>Weighted Average Key Issue Score</b>	<b>6.5</b>		<b>6.3</b>		<b>6.2</b>		<b>-0.1</b>	-
<b>Environmental Pillar Score</b>	<b>8.1</b>	<b>16.0%</b>	<b>8.3</b>	<b>16.0%</b>	<b>8.4</b>	<b>16.0%</b>	<b>0.1</b>	-
<b>Carbon Emissions Key Issue Score</b>	<b>9.3</b>	<b>5.0%</b>	<b>10.0</b>	<b>5.0%</b>	<b>10.0</b>	<b>5.0%</b>	-	-
Exposure Score	2.5		2.5		2.6		0.1	-
Business Segment Exposure Score	2.1		2.1		2.2		0.1	-
Geographic Exposure Score	6.9		6.9		6.9		-	-
Management Score	4.8		6.5		6.5		-	-
Management Score - Excluding Controversies	4.8		6.5		6.5		-	-
Practices Score	7.3		7.3		7.3		-	-
Performance Score	0.0		5.0		5.0		-	-
<b>Opportunities in Clean Tech Key Issue Score</b>	<b>7.5</b>	<b>11.0%</b>	<b>7.5</b>	<b>11.0%</b>	<b>7.6</b>	<b>11.0%</b>	<b>0.1</b>	-
Exposure Score	4.5		4.5		4.6		0.1	-
Business Segment Exposure Score	4.5		4.5		4.6		0.1	-
Management Score	8.5		8.5		8.5		-	-
Management Score - Excluding Controversies	8.5		8.5		8.5		-	-
Practices Score	8.5		8.5		8.5		-	-
Performance Score	8.5		8.5		8.5		-	-
Controversy Deduction	0.0		0.0		0.0		-	-
<b>Social Pillar Score</b>	<b>6.9</b>	<b>47.0%</b>	<b>6.3</b>	<b>47.0%</b>	<b>6.3</b>	<b>47.0%</b>	-	-
<b>Human Capital Development Key Issue Score</b>	<b>4.8</b>	<b>26.0%</b>	<b>3.8</b>	<b>26.0%</b>	<b>3.8</b>	<b>26.0%</b>	-	-
Exposure Score	9.0		10.0		10.0		-	-
Business Segment Exposure Score	8.0		8.0		8.0		0.1	-
Company-Specific Exposure Score	1.0		2.0		2.0		-	-
Management Score	6.8		6.8		6.8		-	-
Management Score - Excluding Controversies	7.6		7.6		7.6		-	-
Practices Score	8.1		8.1		8.1		-	-
Performance Score	6.5		6.5		6.5		-	-
Controversy Deduction	-0.8		-0.8		-0.8		-	-
<b>Privacy &amp; Data Security Key Issue Score</b>	<b>9.4</b>	<b>21.0%</b>	<b>9.3</b>	<b>21.0%</b>	<b>9.3</b>	<b>21.0%</b>	-	-
Exposure Score	6.3		6.4		6.4		-	-
Business Segment Exposure Score	4.9		4.9		4.9		-	-
Geographic Exposure Score	7.8		8.1		8.1		-	-
Management Score	8.7		8.7		8.7		-	-
Management Score - Excluding Controversies	10.0		10.0		10.0		-	-
Practices Score	10.0		10.0		10.0		-	-

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



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RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

Description	As of prior rating action date: Feb 23, 2022		As of last rating action date: Feb 22, 2023		As of last report update date: Sep 08, 2023		Difference	
	Score	Weight	Score	Weight	Score	Weight	Score	Weight
Controversy Deduction	-1.3		-1.3		-1.3		-	
<b>Governance Pillar Score*</b>	<b>5.5</b>	<b>37.0%</b>	<b>5.4</b>	<b>37.0%</b>	<b>5.3</b>	<b>37.0%</b>	<b>-0.1</b>	<b>-</b>
<b>Governance Pillar Deductions**</b>	<b>-4.5</b>		<b>-4.6</b>		<b>-4.7</b>		<b>-0.1</b>	<b>-</b>
Corporate Governance Deductions	-2.4		-2.4		-2.6		-0.2	
Board	-0.6		-0.9		-0.9		-	
Pay	-0.8		-0.7		-0.9		-0.2	
Ownership & Control	-0.6		-0.6		-0.6		-	
Accounting	-0.4		-0.2		-0.2		-	
<b>Corporate Behavior Deductions</b>	<b>-2.1</b>		<b>-2.1</b>		<b>-2.1</b>		<b>-</b>	<b>-</b>
Business Ethics	-2.1		-2.1		-2.1		-	
Tax Transparency	0.0		0.0		0.0		-	

\*\*Beginning November 2020, the Environmental Pillar Score and Social Pillar Score are calculated based on the weighted average of underlying Key Issue Scores, while the Governance Pillar Score is calculated based on 10 minus the sum of Corporate Governance and Corporate Behavior deductions. In the ESG Rating drill-down, deductions are scaled to indicate impact on the overall Governance Pillar Score. In subsequent sections of the report, deductions are scaled to show impact on the Corporate Behavior and Corporate Governance Theme Scores.



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## Overflow table: Recent developments affecting ESG scores

Date ▲	Type	Score (0-10)	Change	Explanation
	Current Weighted-Average Key Issue Score	6.2		
Sep 08, 2023	Data Update: Corporate Governance		▼0.1	Flags Added: CEO Pay Total Realized
Feb 22, 2023	ESG Rating action	6.3	▼0.2	Microsoft's rating is unchanged at 'AAA'.
Feb 22, 2023	Data Update: Controversies			Controversy case(s) upgraded or archived
Dec 23, 2022	Data Update: Corporate Governance		▼0.1	Flags Added: CEO Pay Total Awarded, Long-Term Pay Performance Versus Peers, Significant Vote Against Pay Practices Flags Removed: CEO Pay Total Awarded, CEO Pay Total Realized
Aug 02, 2022	Data Update: Carbon		▲0.1	Increase in performance score, management score
Jun 13, 2022	Methodology Update: ESG Ratings	6.5	▲0.1	Methodology Enhancements: scores recalculated to reflect enhancements to the ESG Ratings model.
Jun 10, 2022	Data Update: Corporate Governance		▼0.2	Flags Added: Overboarded Audit Committee Members, Overboarded Non-Exec Directors
Jun 03, 2022	Data Update: Corporate Governance		▲0.1	Governance Score changed based on the listed Key Metric(s): Asset-Liability Valuation
Feb 23, 2022	ESG Rating action	6.5	▲0.1	Microsoft's rating is unchanged at 'AAA'.
Feb 23, 2022	Data Update: Controversies			Controversy case(s) upgraded or archived
Feb 23, 2022	Data Update: Corporate Governance			Flags Added: Expense Recognition Flags Removed: CEO Pay Total Fixed, Pay Linked to Sustainability Governance Score changed based on the listed Key Metric(s): Asset-Liability Valuation, Expense Recognition, Revenue Recognition
Nov 19, 2021	Data Update: Corporate Governance		▲0.1	Flags Added: CEO Pay Total Awarded Flags Removed: Asset-Liability Valuation, CEO Pay Total Awarded, CEO Pay Total Fixed
Aug 10, 2021	Data Update: Corporate Governance		▼0.1	Flags Added: Independent Chair, Combined CEO/Chair
Mar 12, 2021	ESG Rating action	6.2		Microsoft's rating is unchanged at 'AAA'.
Mar 08, 2021	Data Update: Exposure		▲0.1	Change in exposure score for the following Key Issue(s): Corporate Behavior,
Dec 25, 2020	Data Update: Corporate Governance		▲0.1	Flags Removed: Significant Vote Against Pay Practices
Nov 05, 2020	Methodology Update: ESG Ratings	6.0	▼1.2	Methodology Enhancements: scores recalculated to reflect enhancements to the ESG Ratings model.

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
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Oct 14, 2020	Data Update: Controversies	▼0.2	Severe controversy case(s): (1) United States: Early agreement of USD 3 million with OFCCP over alleged racial discrimination in hiring practices that affected 1,229 applicants
Aug 19, 2020	Data Update: Controversies	▲0.1	Minor controversy case(s): (1) US Regulatory Investigations over Alleged Bribery of Hungary Officials Through Sales of Word and Excel Software; Approximately USD 25 Million in Penalty Settled
Aug 12, 2020	Data Update: Controversies	▼0.2	Moderate controversy case(s): (1) Ontario, Canada: Lawsuit over allegations of unfair termination of stock awards upon dismissal without cause
Jun 16, 2020	Data Update: Governance	▼0.1	Flags Added: Long-Term Pay Performance Versus Peers
Jun 15, 2020	Data Update: Controversies	▲0.2	Minor controversy case(s): (1) GitHub: Unauthorized access of employees' internal project files detected; no reports of compromised sensitive information
Apr 24, 2020	Data Update: Governance	▲0.1	Flags Removed: Long-Term Pay Performance Versus Peers
Mar 20, 2020	Data Update: Governance	▲0.1	Flags Removed: Leadership Concerns
Feb 26, 2020	ESG Rating action	7.2	Microsoft's rating is unchanged at 'AAA'.
Jan 17, 2020	Data Update: Governance	▼0.1	Flags Added: Long-Term Pay Performance Versus Peers
Mar 05, 2019	ESG Rating action	7.2	Microsoft's rating is unchanged at 'AAA'.



## Corporate Governance



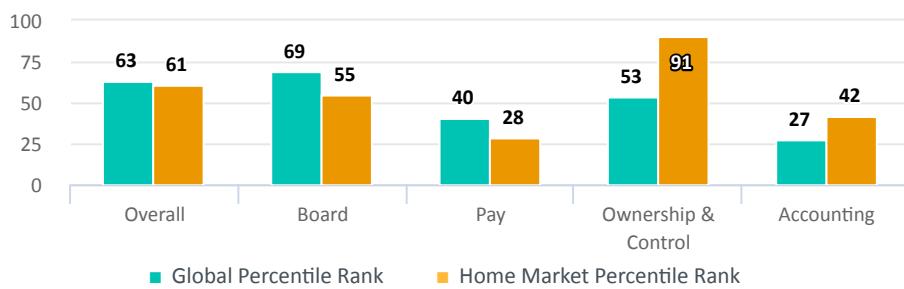
Market Cap: 2,473,219,747,779 USD

Home Market: United States

Score	Change (since rating)	Quartile	Last score change date
6.7	▼ -0.2	•••	Sep 07, 2023

Last Data Update: Sep 07, 2023

### GOVERNANCE THEMES AND RANKINGS



### SUMMARY

MICROSOFT falls into the average scoring range for all the companies we assess relative to global peers and reflects a relatively low level of governance risk in most areas.

### KEY AREAS OF CONCERN\*

#### Board Effectiveness

Flag: Overboarded Non-Exec Directors

#### Pay Figures

Flag: CEO Pay Total Realized

Flag: CEO Pay Total Awarded

#### Severance & Change of Control

Flag: Golden Parachutes

Flag: Severance Vesting

### SCORING DEDUCTIONS

(-0.50)

(-0.40)

(-0.40)

### KEY DATES

Financial Year End	June 30
Annual Filing Date	Oct 27, 2022
AGM Date	Dec 13, 2022

### WEBSITE

<https://www.microsoft.com/en-us>

\*Key areas of concern include flagged key metrics within the three sub-issues that represent the largest scoring deductions. Please review the full report to see the complete set of flagged key metrics.

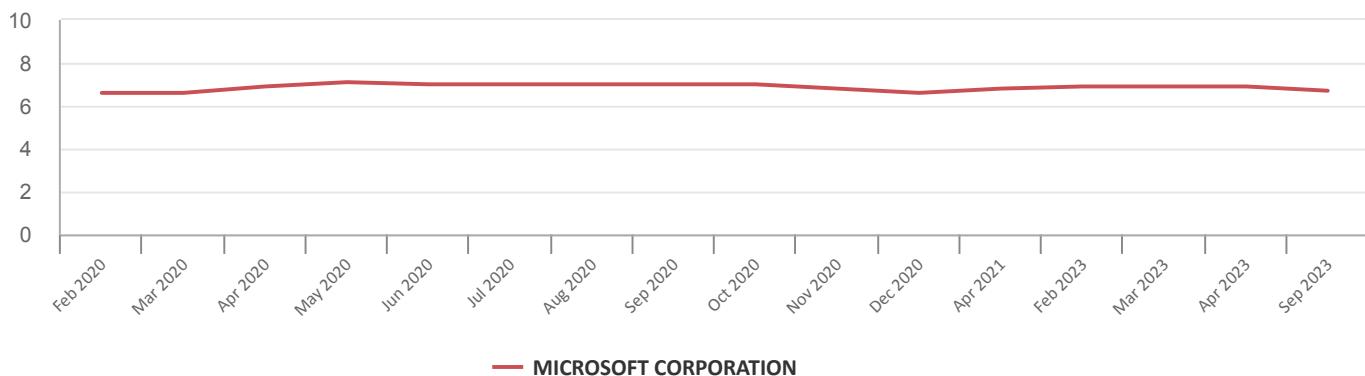
**Notice:** A member of the MSCI Board of Directors or an MSCI named executive officer is a board member or otherwise affiliated with the company that is the subject of this report.



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## CORPORATE GOVERNANCE SCORE HISTORY



## CHANGES TO FLAGGED KEY METRICS (SINCE MAY 2022)

Key Metric	Key Metric Change	Date	Score Change*	Change Notes
CEO Pay Total Realized	Flag Added	Sep 07, 2023	-0.20	
CEO Pay Total Awarded	Flag Added	Aug 03, 2023	-0.20	
Long-Term Pay Performance Versus Peers	Flag Removed	May 15, 2023	0.20	
Significant Vote Against Pay Practices	Flag Added	Dec 23, 2022	-0.10	AGM voting results updated
Long-Term Pay Performance Versus Peers	Flag Added	Nov 23, 2022	-0.20	
CEO Pay Total Realized	Flag Removed	Nov 23, 2022	0.20	
CEO Pay Total Awarded	Flag Removed	Nov 23, 2022		
CEO Pay Total Awarded	Flag Added	Oct 27, 2022	-0.20	
Expense Recognition	Flag Removed	Jun 12, 2022	0.22	Methodology enhancements
Overboarded Non-Exec Directors	Flag Added	Jun 09, 2022	-0.50	
Overboarded Audit Committee Members	Flag Added	Jun 09, 2022	-0.10	

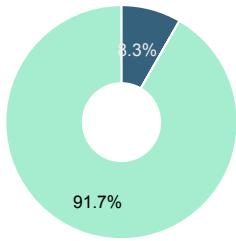


## BOARD OVERVIEW

Board Type: Unitary Board

### Board of Directors

Chair	Satya Nadella	Since: Jun 16, 2021
CEO	Satya Nadella	Since: Feb 04, 2014
Lead Director	Sandra (Sandi) Peterson	Since: Mar 14, 2023



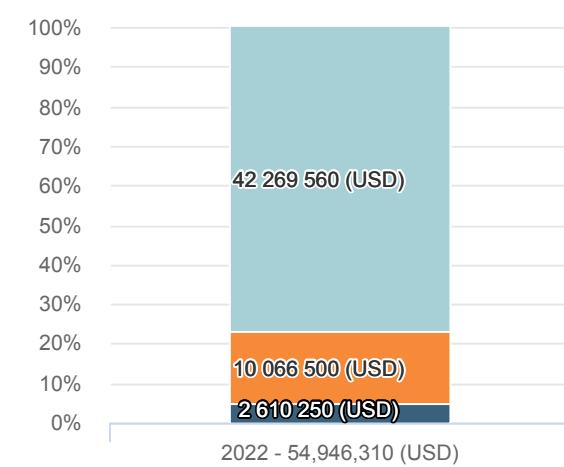
### Executive Leadership

CFO	Amy Hood	Since: May 08, 2013
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■Executive    ■Links to Management    ■Independent of Management

## PAY OVERVIEW

### Highest Paid Executive - Satya Nadella



■ Long Term Incentives Awarded    42,269,560 (USD)  
■ Short Term Incentives Awarded                                      10,066,500 (USD)  
■ Fixed Pay    2,610,250 (USD)



## BOARD

The policies and practices of the MICROSOFT board fall within the average scoring range relative to global peers. We have flagged this board for potential concerns regarding some non-executives may have too many other public board commitments.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
7.9	69th (Average)	55th (Average)

### KEY METRICS SCORING

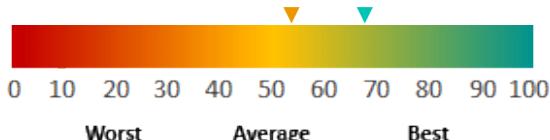
#### Deduction

#### AUDIT OVERSIGHT

红旗 Audit Committee Industry Expert	-0.10
红旗 Overboarded Audit Committee Members	-0.10

#### BOARD PERFORMANCE VS.

▼ Global ▼ Home Market



#### BOARD EFFECTIVENESS

红旗 Overboarded Non-Exec Directors	-0.50
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#### BOARD INDEPENDENCE

红旗 Combined CEO/Chair	-0.20
红旗 Independent Chair	-0.10

#### BOARD SKILLS & DIVERSITY

红旗 Risk Management Expertise	-0.20
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### LEADERSHIP

#### CHIEF EXECUTIVE OFFICER

History	CEO Since	Until	Name	Gender	Age
Current	Feb 2014		Satya Nadella	M	55

#### CHIEF FINANCIAL OFFICER

History	CFO Since	Until	Name	Gender	Age
Current	May 2013		Amy Hood	F	51

#### CHAIR

History	Chair Since	Until	Name	Gender	Age
Current	Jun 2021		Satya Nadella	M	55
Former	Feb 2014	Jun 2021	John Thompson	M	73



## BOARD OF DIRECTORS

The MICROSOFT board currently has an independent majority, which enables it to more effectively fulfill its critical function of overseeing management on behalf of shareholders. The company has failed to split the roles of CEO and chairman, which may limit the board's independence from current management interests. Split CEO and chairman roles are characteristic of 68% of companies in this market.

**Number of Board Meetings: 9**

**Non-executives meet in absence of Executives: Yes**

Name	M/F	Age	Tenure (Years)	Boards	Independent of Mgmt	Management Link/Designation Reason	Nationality
Carlos Rodriguez <span style="background-color: #00A; color: white;">\$</span>	M	59	1	2	Yes	Yes	Mexico
Charles (Charlie) Scharf <span style="background-color: #00A; color: white;">\$</span>	M	58	8	2	Yes	Yes	United States of America
Emma Walmsley	F	53	3	2	Yes	Yes	United Kingdom
Hugh Johnston <span style="background-color: #00A; color: white;">\$</span>	M	61	5	2	Yes	Yes	United States of America
John Stanton	M	68	9	3	Yes	Yes	United States of America
John Thompson <span style="background-color: #00A; color: white;">I \$</span>	M	73	11	1	Yes	Yes	United States of America
Padmasree Warrior <span style="background-color: #00A; color: white;">I</span>	F	63	7	1	Yes	Yes	India
Penny Pritzker <span style="background-color: #00A; color: white;">\$</span>	F	64	5	1	Yes	Yes	United States of America
Reid Hoffman <span style="background-color: #00A; color: white;">\$</span>	M	55	6	3	Yes	Yes	United States of America
Sandra (Sandi) Peterson <span style="background-color: #D9C; color: black;">LD \$</span>	F	64	7	1	Yes	Yes	United States of America
<b>Satya Nadella</b> <span style="background-color: #D9C; color: black;">CEO COB I</span>	<b>M</b>	<b>55</b>	<b>9</b>	<b>2</b>	<b>No</b>	<b>Yes</b>	<b>Executive</b>
Teri List-Stoll <span style="background-color: #00A; color: white;">\$</span>	F	60	8	4	Yes	Yes	United States of America
	F	# >= 70	# >= 15 yrs	# >= 4			
<b>Total (of 12)</b>	5	1	0	1	11	12	
<b>Percentage</b>	41.7%	8.3%	0%	8.3%	91.7%	100%	

Note: Board count includes the membership of this board.

\$ - Financial Expert (8) I - Industry Expert (3) CEO - Chief Executive Officer COB - Chair of the Board  
LD - Lead Director

## BOARD EFFECTIVENESS

We note that 24% of companies in United States are flagged for overboarded directors.

# MICROSOFT CORPORATION (MSFT)

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## Nomination Committee - Number Of Meetings: 6

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	Independent of Other Interests	Committee Status
Charles (Charlie) Scharf <span style="background-color: green; color: white; padding: 2px;">\$</span>	M	58	8	Yes	Yes	Member
John Thompson <span style="background-color: blue; color: white; padding: 2px;">I</span> <span style="background-color: green; color: white; padding: 2px;">\$</span>	M	73	11	Yes	Yes	Member
Sandra (Sandi) Peterson <span style="background-color: green; color: white; padding: 2px;">\$</span>	F	64	7	Yes	Yes	Chair
Teri List-Stoll <span style="background-color: green; color: white; padding: 2px;">\$</span>	F	60	8	Yes	Yes	Member

\$ - Financial Expert (4) I - Industry Expert

## BOARD SKILLS & DIVERSITY

A board with one or more active CEOs and overboarded directors may not be able to provide effective oversight of management. Their other roles may limit the time and attention required to fulfill their fiduciary duties.

## AUDIT OVERSIGHT

### Audit Committee - Number Of Meetings: 9

The MICROSOFT board of directors includes a fully independent audit committee and at least one member of that committee meets our standards for financial expertise.

Name	M/F	Age	Board Tenure (Years)	Boards	Independent of Mgmt	Independent of Other Interests	Committee Status
Carlos Rodriguez <span style="background-color: green; color: white; padding: 2px;">\$</span>	M	59	1	2	Yes	Yes	Member
Hugh Johnston <span style="background-color: green; color: white; padding: 2px;">\$</span>	M	61	5	2	Yes	Yes	Chair
John Stanton	M	68	9	3	Yes	Yes	Member
Teri List-Stoll <span style="background-color: green; color: white; padding: 2px;">\$</span>	F	60	8	4	Yes	Yes	Member

\$ - Financial Expert (3)



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## PAY OVERSIGHT

### Pay Committee - Number Of Meetings: 5

The MICROSOFT board includes an independent pay committee, which is considered best practice for oversight of executive pay according to international corporate governance standards.

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	of Other Interests	CEO Role?	Committee Status
Carlos Rodriguez <span style="color: green;">\$</span>	M	59	1	Yes	Yes	Former	Chair
Charles (Charlie) Scharf <span style="color: green;">\$</span>	M	58	8	Yes	Yes	Active	Member
Emma Walmsley	F	53	3	Yes	Yes	Active	Member
Padmasree Warrior <span style="color: blue;">I</span>	F	63	7	Yes	Yes		Member
Sandra (Sandi) Peterson <span style="color: green;">\$</span>	F	64	7	Yes	Yes		Member

\$ - Financial Expert (3) I - Industry Expert

## CONTROVERSIES & EVENTS

No major relevant controversies have been uncovered.



## PAY

Executive pay practices at MICROSOFT fall into the average scoring range relative to global peers. Areas of particular concern include excessive severance provisions, early vesting provisions in share based awards which offer a poor alignment with shareholder interests and significant votes against pay practices.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
5.0	40th (Average)	28th (Average)

### KEY METRICS SCORING

Deduction	
<b>PAY FIGURES</b>	
CEO Pay Total Realized	-0.20
CEO Pay Total Awarded	-0.20
<b>PAY PERFORMANCE ALIGNMENT</b>	
CEO Equity Changes	-0.20
Significant Vote Against Pay Practices	-0.10
<b>SEVERANCE &amp; CHANGE OF CONTROL</b>	
Golden Parachutes	-0.30
Severance Vesting	-0.10

### PAY FIGURES

#### EXECUTIVE PAY - 2022

Executive	Title	Tenure (Years)	Total Awarded Pay (USD)	Total Realized Pay (USD)
Amy Hood <span style="color: green;">\$</span>	CFO	10	26,319,581	45,733,125
Bradford (Brad) Smith <span style="color: blue;">I</span>	Executive		23,408,739	38,726,701
Christopher (Chris) Young <span style="color: blue;">I</span>	Executive		11,720,458	13,420,817
Judson B. Althoff <span style="color: blue;">I</span>	Executive		18,848,998	32,524,013
Satya Nadella <span style="color: blue;">I</span>	Chair & CEO	9	54,946,310	98,591,001

\$ - Financial Expert I - Industry Expert (5)

# MICROSOFT CORPORATION (MSFT)

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## CEO PAY DETAILS - Satya Nadella

Pay Awarded		2022
<b>Fixed Pay</b>		
Salary		2,500,000 USD
Fees		0 USD
Pension		0 USD
Perks & Other Pay		110,250 USD
<b>Variable Pay</b>		
<i>Short-term incentives</i>		
Annual Bonus		0 USD
Other Non-equity Incentive Plan		10,066,500 USD
<i>Long-term incentives</i>		
Grant date value of Stock Options		0 USD
Grant date value of Stock Awards		42,269,560 USD
<b>Total Awarded Pay</b>		<b>54,946,310 USD</b>

Pay Realized		
<b>Fixed Pay</b>		
Salary		2,500,000 USD
Fees		0 USD
Pension		0 USD
Perks & Other Pay		110,250 USD
<b>Variable Pay</b>		
<i>Short-term incentives</i>		
Annual Bonus		0 USD
Other Non-equity Incentive Plan		10,066,500 USD
<i>Long-term incentives</i>		
Options Exercised		0 USD
Stock Awards Vested		85,914,251 USD
<b>Total Realized Pay</b>		<b>98,591,001 USD</b>

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## PAY PEER GROUP

### LARGE CAP - DEVELOPED AMERICAS - SOFTWARE (35 COMPANIES)

Company	Home Market	Market Cap (USD m)	Pay Year	1 Yr TSR	Total CEO Annual Pay (USD)	CEO Name	CEO Since
MICROSOFT CORPORATION	United States	2,405,015	2022	-0.04%	12,676,750	Nadella	Feb 2014
SERVICENOW, INC.	United States	120,177	2022	-0.40%	11,199,117	McDermott	Nov 2019
ORACLE CORPORATION	United States	306,684	2022	-0.07%	8,917,032	Catz	Sep 2014
PALANTIR TECHNOLOGIES INC.	United States	29,764	2022	-0.65%	5,492,603	Karp	Jan 2003
SALESFORCE, INC.	United States	201,384	2023	-0.28%	5,268,730	Benioff	Nov 2001
BENTLEY SYSTEMS, INCORPORATED	United States	14,176	2022	-0.23%	4,626,568	Bentley	Aug 2000
ADOBE INC.	United States	256,711	2022	-0.49%	4,437,938	Narayen	Dec 2007
Open Text Corporation	Canada	11,203	2023	0.14%	3,469,175	Barrenechea	Jan 2012
PALO ALTO NETWORKS, INC.	United States	72,763	2022	0.25%	3,403,129	Arora	Jun 2018
ROPER TECHNOLOGIES, INC.	United States	52,029	2022	-0.12%	3,365,160	Hunn	Aug 2018
INTUIT INC.	United States	118,566	2022	-0.13%	3,310,000	Goodarzi	Jan 2019
WORKDAY, INC.	United States	58,874	2023	-0.28%	3,212,585	Bhusri	May 2014
CROWDSTRIKE HOLDINGS, INC.	United States	36,688	2023	-0.41%	3,146,344	Kurtz	Nov 2011
SYNOPSYS, INC.	United States	67,258	2022	-0.12%	3,141,050	de Geus	Jan 1994
ANSYS, INC.	United States	27,423	2022	-0.40%	2,957,007	Gopal	Jan 2017
VMWARE, INC.	United States	71,736	2023	-0.05%	2,802,012	Raghuram	Jun 2021
PTC INC.	United States	15,704	2022	-0.13%	2,536,282	Heppelmann	Oct 2010
CADENCE DESIGN SYSTEMS, INC.	United States	65,197	2022	-0.14%	2,117,881	Devgan	Dec 2021
FAIR ISAAC CORPORATION	United States	19,396	2022	0.04%	1,971,770	Lansing	Jan 2012
GEN DIGITAL INC.	United States	11,034	2023	-0.34%	1,955,154	Pilette	Nov 2019
FORTINET, INC.	United States	48,078	2022	-0.32%	1,774,341	Xie	Oct 2000
ZOOM VIDEO COMMUNICATIONS, INC.	United States	19,724	2023	-0.51%	1,648,525	Yuan	Jun 2011
MANHATTAN ASSOCIATES, INC.	United States	12,535	2022	-0.22%	1,628,729	Capel	Jan 2013
DYNATRACE, INC.	United States	14,134	2023	-0.10%	1,329,081	McConnell	Dec 2021
.....							
APPLOVIN CORPORATION	United States	10,935	2022	-0.89%	104,355	Foroughi	Dec 2011
Samsara Inc	United States	14,149	2023	-0.25%	101,243	Biswas	Feb 2015
HUBSPOT, INC.	United States	26,548	2022	-0.56%	27,287	Rangan	Sep 2021
ZSCALER, INC.	United States	21,031	2022	-0.34%	23,660	Chaudhry	Sep 2007
Constellation Software Inc.	Canada	45,032	2022	-0.16%	0	Leonard	Jan 1995

Due to the large size of this peer group, only a subset of companies is displayed in this table.

# MICROSOFT CORPORATION (MSFT)

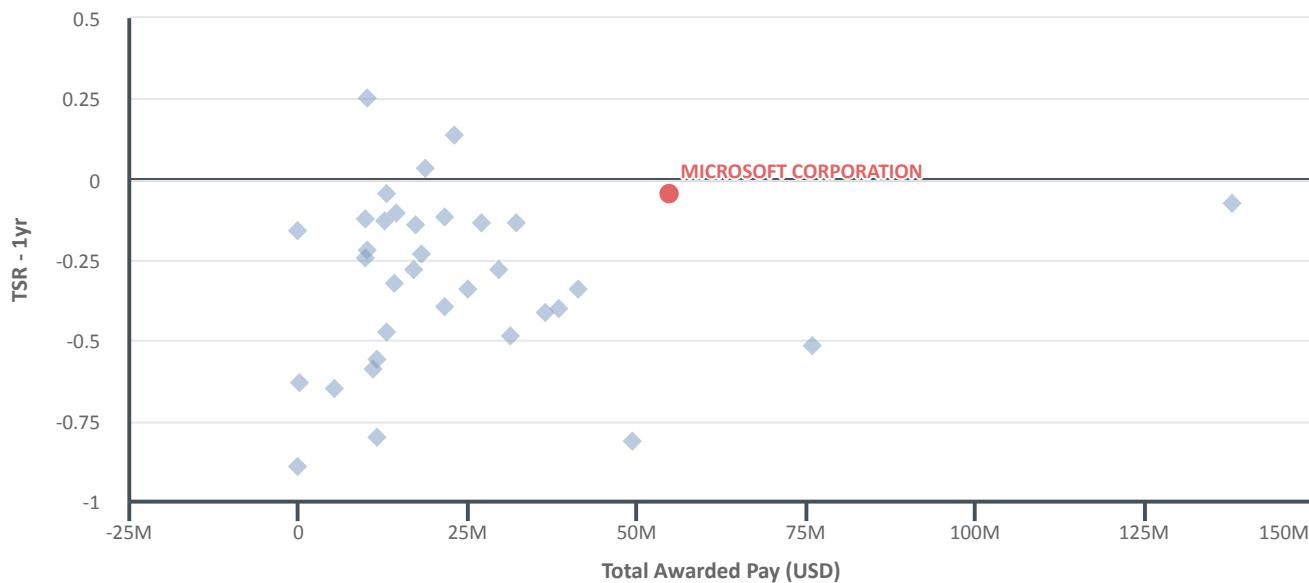
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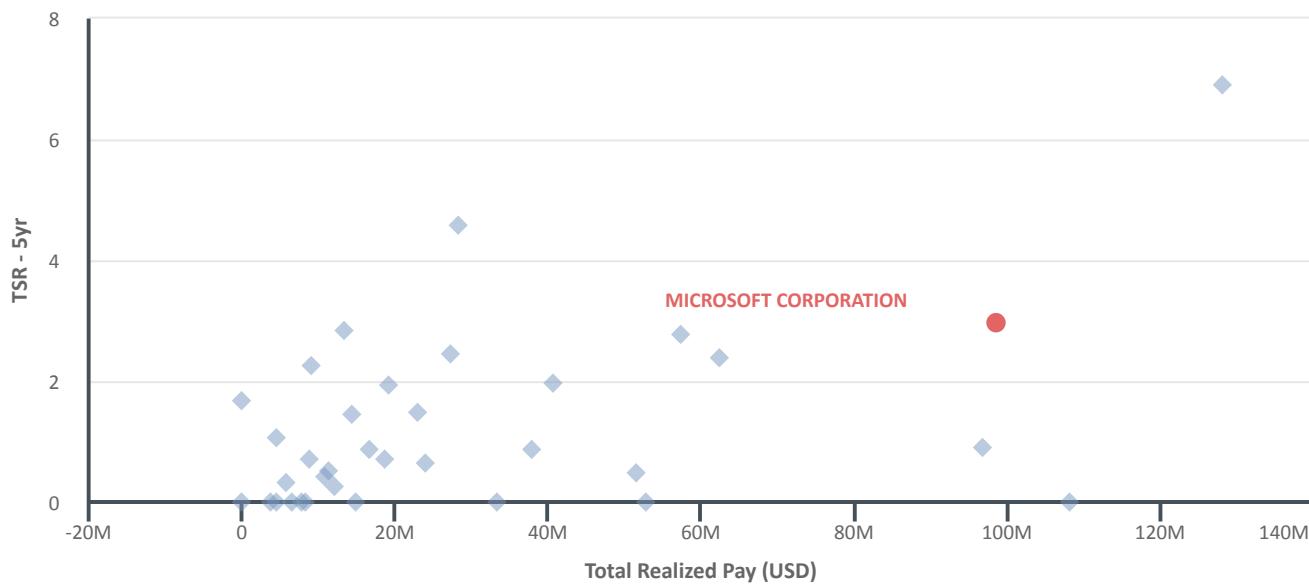
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## CEO TOTAL AWARDED PAY VERSUS PAY PEER GROUP



Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.

## CEO TOTAL REALIZED PAY VERSUS PAY PEER GROUP



Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.

## PAY PERFORMANCE ALIGNMENT

### CEO & EXECUTIVE EQUITY

CEO equity policy as a multiple of salary:

**15.0**

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Robust Stock Ownership Policy:-

Satya Nadella:-15x base salary

Executive	Tenure (Years)	Shares Held	YoY % Change	Shareholding As % of Salary
Amy Hood <span style="color: green;">\$</span>	10	442,902		
Bradford (Brad) Smith <span style="color: blue;">I</span>		565,332		
Christopher (Chris) Young <span style="color: blue;">I</span>		112,790		
Judson B. Althoff <span style="color: blue;">I</span>		174,191		
Satya Nadella <span style="color: blue;">I</span>	9	802,814	-52.02%	8247.47%

\$ - Financial Expert I - Industry Expert (5)

## CLAWBACK & MALUS

Clawback or malus provisions are in place.

Clawback Type:

Performance Based

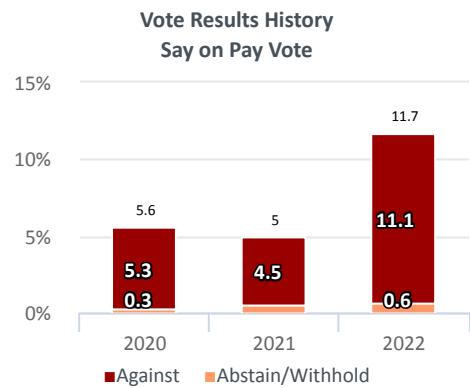
## SEVERANCE & CHANGE OF CONTROL

CEO	Annual Pay (USD)	Potential Cash Severance - Involuntary (USD)	Potential Cash Severance - Change of Control (USD)	Multiple of Annual Pay – Involuntary	Multiple of Annual Pay – Change of Control
Satya Nadella <span style="color: blue;">I</span>	12,676,750 USD	79,833,484 USD		6.30 times	0.00 times

I - Industry Expert

## LATEST PAY VOTES

Year	Vote Type	Votes For %	Votes Against %	Abstain %
2022	Advisory Vote on Executive Compensation	88.3%	11.1%	0.6%





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## EQUITY PLAN DILUTION

	2022	2021	2020
Shares Outstanding	7,457,891,872	7,514,891,248	7,567,652,935
Equity Reserved	5.2%	5.9%	6.7%
Shares granted/awarded (in year)	0.7%	0.5%	0.7%

## NON-EXECUTIVE DIRECTOR PAY

### NON-EXECUTIVE EQUITY

Director	Tenure (Years)	Shares Held
Carlos Rodriguez <span style="color: green;">\$</span>	1	1,004
Charles (Charlie) Scharf <span style="color: green;">\$</span>	8	43,191
Emma Walmsley	3	9,124
Hugh Johnston <span style="color: green;">\$</span>	5	6,623
John Stanton	9	83,922
John Thompson <span style="color: blue;">!\$</span>	11	95,998
Padmasree Warrior <span style="color: blue;">!</span>	7	16,843
Penny Pritzker <span style="color: green;">\$</span>	5	22,080
Reid Hoffman <span style="color: green;">\$</span>	6	28,789
Sandra (Sandi) Peterson <span style="color: green;">\$</span>	7	26,640
Teri List-Stoll <span style="color: green;">\$</span>	8	24,469

\$ - Financial Expert (8) ! - Industry Expert (2)

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## NON-EXECUTIVE PAY TABLES

Director	Tenure (Years)	Cash Fees	Other Comp	Stock Award	Total Pay	Total Pay (USD)
Carlos Rodriguez <span style="color: green;">\$</span>	1	69,524 USD	0 USD	117,500 USD	187,024 USD	187,024
Charles (Charlie) Scharf <span style="color: green;">\$</span>	8	125,000 USD	0 USD	217,500 USD	342,500 USD	342,500
Emma Walmsley	3	125,000 USD	12,363 USD	217,500 USD	354,863 USD	354,863
Hugh Johnston <span style="color: green;">\$</span>	5	170,000 USD	15,000 USD	217,500 USD	402,500 USD	402,500
John Stanton	9	140,000 USD	15,000 USD	217,500 USD	372,500 USD	372,500
John Thompson <span style="color: blue;">I</span> <span style="color: green;">\$</span>	11	125,000 USD	15,000 USD	304,565 USD	444,565 USD	444,565
Padmasree Warrior <span style="color: blue;">I</span>	7	125,000 USD	0 USD	217,500 USD	342,500 USD	342,500
Penny Pritzker <span style="color: green;">\$</span>	5	145,000 USD	15,000 USD	217,500 USD	377,500 USD	377,500
Reid Hoffman <span style="color: green;">\$</span>	6	125,000 USD	0 USD	217,500 USD	342,500 USD	342,500
Sandra (Sandi) Peterson <span style="color: green;">\$</span>	7	150,000 USD	15,000 USD	217,500 USD	382,500 USD	382,500
Teri List-Stoll <span style="color: green;">\$</span>	8	140,000 USD	15,000 USD	217,500 USD	372,500 USD	372,500

\$ - Financial Expert (8) I - Industry Expert (2)

## CONTROVERSIES & EVENTS

No major relevant controversies have been uncovered.



## OWNERSHIP & CONTROL

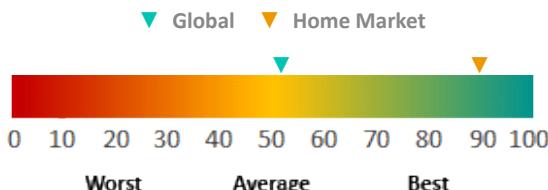
The company's ownership structure and shareholder rights at MICROSOFT fall within the average scoring relative to global peers.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
7.2	53rd (Average)	91st (Above Average)

### KEY METRICS SCORING

	Deduction
<b>DIRECTOR ELECTIONS</b>	
红旗 Majority Voting	-0.20
<b>OWNERSHIP STRUCTURE</b>	
红旗 Dispersed Ownership Concerns	-0.20
<b>SHAREHOLDER RIGHTS</b>	
红旗 Bylaws Amendments	-0.10
红旗 Shareholder Rights to Convene Meeting	-0.10
<b>TAKEOVER PROVISIONS</b>	
红旗 Business Combination Provision	-0.10
红旗 Fair Bid Treatment Provisions	-0.10

### OWNERSHIP & CONTROL PERFORMANCE VS.



## CORPORATE STRUCTURE

Public Company

## CAPITAL STRUCTURE

Capital Type	Votes Per Share	Shares Outstanding
Common Stock	1.0	7,456,502,484

## OWNERSHIP STRUCTURE

### OWNERSHIP CATEGORIES

- Widely Held

### NOTABLE SHAREHOLDERS

There is no principal shareholder at this firm  
5%+ shareholders - Aggregate Voting Power

**15.1%**

The company does not have a special capital structure, thus one vote right is afforded per common share. This principle of 'one share one vote' helps align economic and voting power and ensures that no class of shareholders has more voting power than economic exposure.

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## TAKEOVER PROVISIONS

Fair Price Provision	Mandatory Bid Provision	Mandatory Bid Ownership Threshold
Yes	No	
State of Incorporation	Business Combination Provision	
Washington	Yes	
% of Votes to Approve a Merger		
51%		

## GOVERNING DOCUMENTS

### MAJORITY REQUIREMENTS

	Bylaws	Charter
Default percentage of votes required to amend a provision	51%	51%

The shareholders may amend or repeal these Bylaws, or adopt new bylaws, even though the Bylaws also may be amended or repealed, or new bylaws also may be adopted, by the Board, by action taken in the manner provided by the WBCA and the Articles of Incorporation.

Bylaws

State Law Mandate of Washington.

## SHAREHOLDER RIGHTS

There may be governance risks for investors in relation to shareholder rights and management-controlled takeover defense mechanisms at MICROSOFT including:

- The board's ability to amend the company's bylaws without shareholder approval
- business combination provisions that fail to include protections of shareholder interests
- Limits on the right of shareholders to convene a special or emergency general meeting
- Limits on the right of shareholders to take action by written consent

## SHAREHOLDER MEETINGS & RESOLUTIONS

	Call Special Meeting	Requisition a Resolution at AGM	Act by Written Consent
Percentage of shares required	15%		100%

## RESTRICTIONS ON LEGAL ACTION BY SHAREHOLDERS

No exclusive forum provision has been identified.



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## SAY ON PAY

We note that shareholder votes on executive pay are mandatory in this market, affording shareholders the ability to review and approve executive pay practices at this company.

## DIRECTOR ELECTIONS

### BOARD RE-ELECTION PROVISIONS

Board Re-election Provisions	
Board Re-election Frequency (Years)	1
% of Board subject to re-election	100%

### DIRECTOR ELECTION STANDARD

The company has not adopted a binding majority director election standard (with immediate resignation if the director does not receive a majority of the votes cast), which may limit shareholders' ability to hold members of the board accountable in uncontested elections.

Director Election Rules	
Vote Standard	<b>Majority &amp; Resignation Policy</b>
Immediate Binding Resignation	No

The Board expects that each of the nominees will be available for election, but if any of them is unable to serve at the time the election occurs, the proxy will be voted for the election of another nominee designated by our Board. A nominee who does not receive a majority of the votes cast will not be elected. Except as explained in the next paragraph, an incumbent director who is not elected because he or she does not receive a majority vote will continue to serve as a holdover director until the earliest of: (a) 90 days after the date on which the election inspector determines the voting results as to that director, (b) the date on which the Board of Directors appoints an individual to fill the office held by that director, or (c) the date of that director's resignation.

## PROXY ACCESS

A proxy access provision is in place.

Proxy Access Terms	
Ownership Duration (Years)	3
Ownership Threshold (% of shares)	3%
Min/Max % of Board Seats	20%
Min/Max Number of Board Seats	2

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## ACCOUNTING

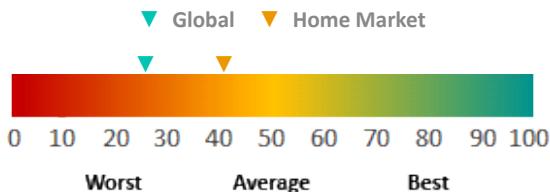
Based on the company's disclosures and other public information, accounting and financial reporting practices at MICROSOFT appear to be generally appropriate and effective relative to global peers. We have flagged this company for potential concerns regarding the length of tenure of the external audit firm.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
8.8	27th (Average)	42nd (Average)

## KEY METRICS SCORING

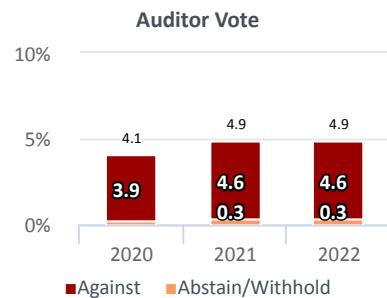
Deduction		
<b>AUDITOR INDEPENDENCE</b>		
🚩 Auditor Tenure	-0.20	

## ACCOUNTING PERFORMANCE VS.



## EXTERNAL AUDITORS

Type	Since	Firm	Most Recent Fiscal Year End Signed Off
Primary	1983	Deloitte & Touche LLP	2022



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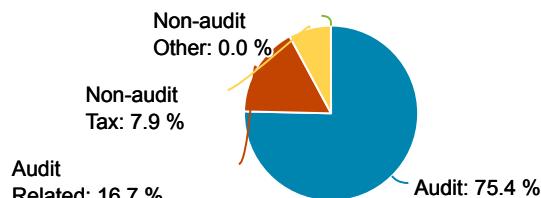
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## AUDITOR FEES

Fees paid to: Deloitte & Touche LLP (Primary)

Fee	Jun 30, 2022 (USD)	Jun 30, 2021 (USD)	Jun 30, 2020 (USD)
Audit	43,345,000	42,300,000	41,710,000
Audit Related	9,617,000	10,491,000	10,150,000
<b>Total Audit + Audit Related</b>	<b>52,962,000</b>	<b>52,791,000</b>	<b>51,860,000</b>
Tax Compliance/Advice	4,545,000	4,312,000	3,377,000
Other Non-audit Services	10,000	37,000	54,000
<b>Total Non-audit Fees</b>	<b>4,555,000</b>	<b>4,349,000</b>	<b>3,431,000</b>
<b>Total Fees</b>	<b>57,517,000</b>	<b>57,140,000</b>	<b>55,291,000</b>



## AUDITOR'S REPORT

	Jun 30, 2022	Jun 30, 2021	Jun 30, 2020
Report Disclosed	Yes	Yes	Yes
Opinion	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion
Emphasis of Matter	No	No	No

## CONTROVERSIES & EVENTS

No major relevant controversies have been uncovered.

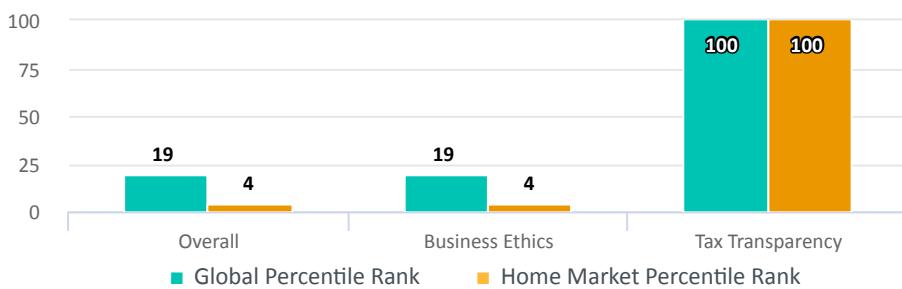


## Corporate Behavior



0-10 Score	Change (since rating)	Quartile	Last score change date
4.5	0.0	•	Jan 21, 2022

### CORPORATE BEHAVIOR THEME AND KEY ISSUE RANKINGS



### KEY AREAS OF CONCERN\*

#### Business Ethics Policies & Practices

Employee Training on Ethical Standards

### SCORING DEDUCTIONS

(-0.70)

#### Business Ethics Risk & Controversies

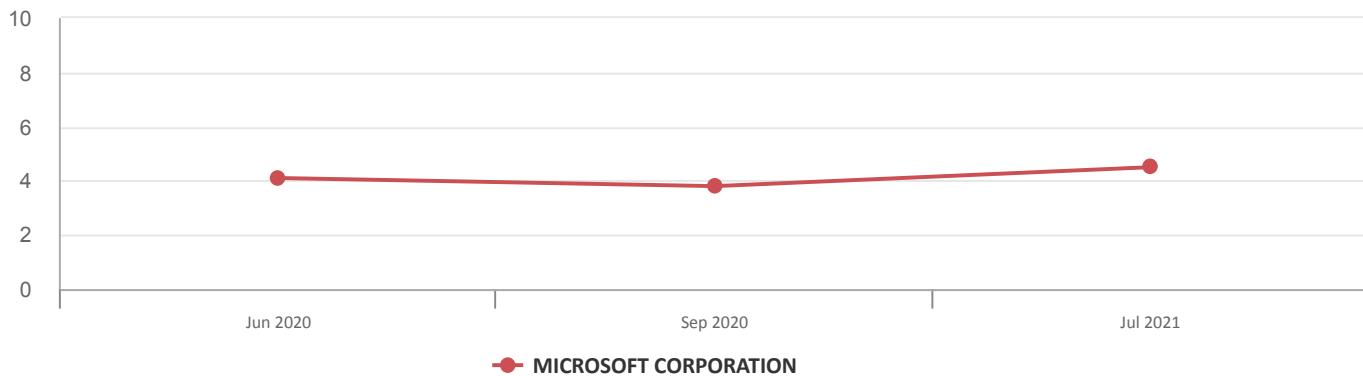
Corruption Risk Exposure & Controversies

Business Ethics Controversies

(-4.80)

\*Key areas of concern include flagged key metrics that represent the largest scoring deductions. Please review the full report to see a complete set of flagged key metrics.

### CORPORATE BEHAVIOR SCORE HISTORY





## BUSINESS ETHICS

### KEY METRICS SCORING

	Deduction
<b>BUSINESS ETHICS POLICIES &amp; PRACTICES</b>	<b>-0.70</b>
Employee Training on Ethical Standards	-0.70
<b>BUSINESS ETHICS RISK &amp; CONTROVERSIES</b>	<b>-4.80</b>
Corruption Risk Exposure & Controversies	-1.20
Business Ethics Controversies	-3.60

Note: Business Ethics Policies & Practices deductions as well as Business Ethics Risk & Controversies are capped at a maximum of -7.0. Cumulative deductions are capped at 10.

0-10 Score	Change (since rating)	Global Percentile Rank	Home Market Percentile Rank
4.4	0.0	19th (Below Average)	4th (Worst In Class)

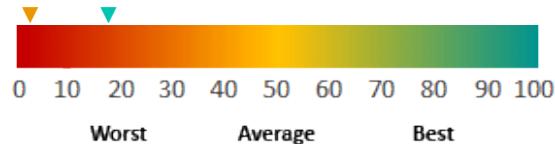
### METHODOLOGY NOTE

Companies are evaluated on their oversight and management of business ethics issues such as fraud, executive misconduct, corrupt practices, money laundering, or anti-trust violations.

\*[ For symbols and terms used in this report, refer to the Glossary section at the end of the report ]

### BUSINESS ETHICS VS.

▼ Global    ▼ Home Market



## BUSINESS ETHICS POLICIES & PRACTICES

Indicators	Company Practice	Best Practice	Deduction
Oversight for Ethics Issues	C-suite or Executive committee	Board-level committee or C-suite or Executive committee	0.00
Bribery and Anti-Corruption Policy	Detailed formal policy on bribery and anti-corruption	Detailed formal policy on bribery and anti-corruption	0.00
Regular Audits of Ethical Standards	Audits of all operations at least once every three years	Audits of all operations at least once every three years	0.00
Whistleblower Protection	Policy provides whistleblowers with protection from retaliation	Policy provides whistleblowers with protection from retaliation	0.00
Employee Training on Ethical Standards	Programs covering all permanent employees (excluding part-time and contractors)	Programs covering all employees (including part-time) and contractors	-0.70
Anti-Corruption Policy for Suppliers	NA	All suppliers are required to have anti-corruption policies and programs to verify compliance	0.00
Policies Related to Anti-Money Laundering	NA	Policy and implementation strategy articulated	0.00

\*Business Ethics Policies & Practices deductions are capped at a maximum of -7.0.



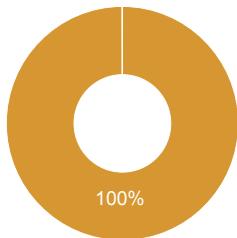
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## CORRUPTION RISK EXPOSURE

**Exposure to:** Regulatory risks or lost market access due to corruption scandals or political and social instability  
**Business Types:** Percentage of operations in business segments perceived most likely to pay or receive bribes

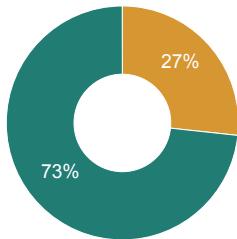
■ High Risk ■ Medium Risk ■ Low Risk



- No exposure to high risk segments
- Consumer software, Cloud computing services, Enterprise software, Interactive Media and Search, Integrated systems design, Interactive Home Entertainment, Electronic Computers
- No exposure to low risk segments

*Source: Bribe Payers Index (Transparency International); State Capture Index (Transparency International); Refinitiv; MSCI ESG Research; company disclosures*

**Business Locations:** Percentage of operations in countries with high/moderate/low level of corruption and political instability, violence or terrorism



- No operations in markets with high risks
- other countries
- Ireland, USA

*Source: Corruption Perceptions Index (Transparency International); World Governance Indicators (World Bank); Refinitiv; MSCI ESG Research; company disclosures*

## CORRUPTION RISK EXPOSURE SCORING DEDUCTION KEY

% of operations in medium and high risk geographies	% of operations in high risk business segments	>=20% government ownership	<20% government ownership	No evidence of government ownership
20% or more	50% or more	-4.00	-2.60	-2.00
	Less than 50%	-1.20	-1.20	-1.20
Less than 20%	50% or more	-0.60	-0.60	-0.60
	Less than 50%	0.00	0.00	0.00

\*The Corruption Risk and Controversies Deduction is based on the maximum of deductions from the corruption risk exposure and corruption controversies category listed below

## BUSINESS ETHICS CONTROVERSIES

### Controversy Cases

Category	Assessment	Headline	Status	Last Updated	Deduction
Business Ethics & Fraud	Moderate	Spain: CNMC investigation over alleged failure to disclose the provisions of 'Skype Out' services to the public	Ongoing	May 2020	-1.8
Anticompetitive Practices	Moderate	EU, Teams: European Commission launched antitrust investigation	Ongoing	October 2021	-1.8
Corruption	Moderate	China: Allegations of suppliers employing ethnic minorities through labor-transfer programs	Ongoing	February 2022	-1.2

# MICROSOFT CORPORATION (MSFT)

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*\*The maximum deductions from the Anticompetitive Practices and Business Ethics & Fraud categories are summed to arrive at the overall Business Ethics Controversies deduction, which is capped at a maximum of -7.0.*



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## TAX TRANSPARENCY

### TAX GAP ASSESSMENT

#### Indicators

##### Tax Gap

Estimated Effective Tax Rate	14.1%
Estimated Corporate Income Tax Rate	26.2%
Estimated Tax Gap	(12.1%)
Tax Gap Assessment	High Gap

##### Revenue

Foreign Revenue	49.5%
-----------------	-------

##### Confidence

Confidence Level of Estimation	Medium
--------------------------------	--------

##### Involvement in Controversies

	NO
--	----

0-10 score	Change (since rating)	Global Percentile Rank	Home Market Percentile Rank
10.0	▲ 1.0	100th (Best In Class)	100th (Best In Class)

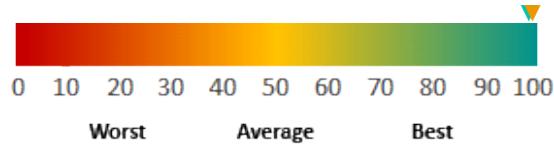
#### METHODOLOGY NOTE

Companies are evaluated on their estimated corporate tax gap (i.e. gap between estimated effective tax rate and estimated corporate income tax rate) and their involvement in tax-related controversies.

\*[ For symbols and terms used in this report, refer to the Glossary section at the end of the report ]

#### TAX TRANSPARENCY VS.

▼ Global ▼ Home Market



## TAX CONTROVERSIES

### Controversy Cases

Category	Assessment	Headline	Status	Last Updated	Deduction
Tax Transparency	--	No ongoing controversies.	--	--	--

### TAX CONTROVERSIES SCORING DEDUCTION KEY

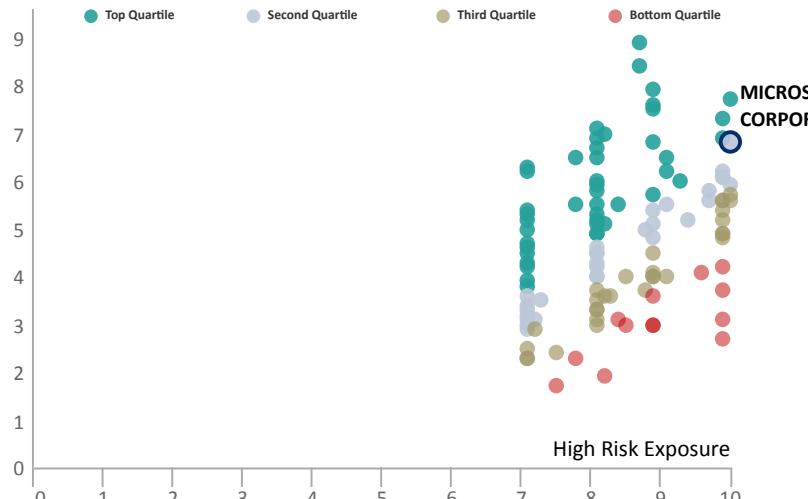
Involvement in tax controversies	Estimated tax gap	Tax gap assessment	Deduction
Yes	Below 5%	Low	-0.80
	5-10%	Moderate	-1.40
	Above 10%	High	-2.00
No	Below 5%	Low	0.00
	5-10%	Moderate	0.00
	Above 10%	High	0.00

*Tax related controversies are not considered for companies in Real Estate Management services or Mortgage REITs industries. Tax gap assessment is effectively low for companies with less than 5% of total revenue categorized as foreign.*



## Human Capital Development

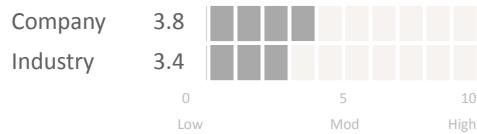
Strong Risk Management



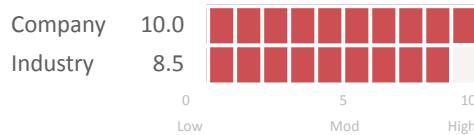
### KEY ISSUE SCORE DISTRIBUTION \*



### KEY ISSUE ASSESSMENT

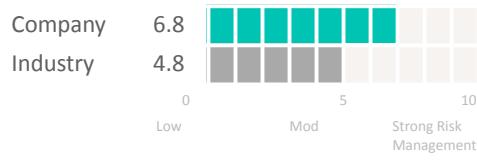


### RISK EXPOSURE ASSESSMENT



### Drivers of Risk Exposure

### RISK MANAGEMENT ASSESSMENT



### Drivers of Risk Management

### Business Types



### Practices Score



### Performance Score



### TOP 5 INDUSTRY LEADERS

Fujitsu Limited	7.2
NEC Corporation	6.7
CHECK POINT SOFTWARE TECHNOLOGIES LTD.	6.2
WORKDAY, INC.	6.1
DASSAULT SYSTEMES SE	6.0

### BOTTOM 5 INDUSTRY LAGGARDS

Sangfor Technologies Inc.	1.1
SNOWFLAKE INC.	0.8
Constellation Software Inc.	0.7
LTIMindtree Ltd	0.2
GDS HOLDINGS LIMITED	0.0

### METHODOLOGY NOTE

Companies are evaluated on their workforce talent requirements and their ability to attract, retain, and develop a highly skilled workforce.

\* [ For symbols and terms used in this report, refer to the Glossary section at the end of the report ]

# MICROSOFT CORPORATION (MSFT)

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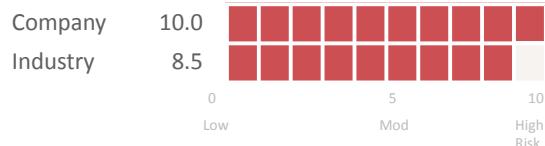
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## EXPOSURE

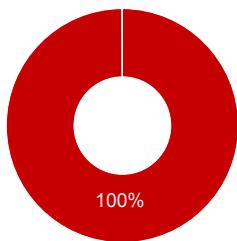
### RISK EXPOSURE ASSESSMENT



#### Key Drivers of Risk Exposure

**Exposure to:** Risk of increased turnover and associated costs of rehiring, loss of intellectual and human capital through attrition, reduced ability to attract talent

**Business Types :** Percentage of operations in business segments with high/moderate/low levels of employee qualification needs and compensation per employee



- Consumer software, Cloud computing services, Enterprise software, Interactive Media and Search, Integrated systems design, Interactive Home Entertainment, Electronic Computers
- No exposure to medium risk segments
- No exposure to low risk segments

*Source: Employment Projections, US Bureau of Labor Statistics; Occupational Employment and Wage Statistics, US Bureau of Labor Statistics; Refinitiv; MSCI ESG Research; company disclosures*

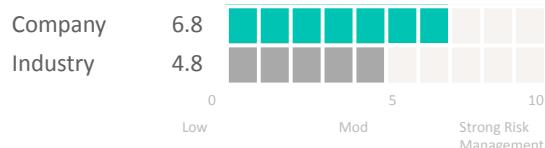
#### Layoffs and Restructuring Events

Major merger or acquisition in the last three years (affecting large proportion of staff): Yes

Major layoffs in the last three years (affecting 10% of staff or over 1,000 employees): Yes

## MANAGEMENT

### RISK MANAGEMENT ASSESSMENT



# MICROSOFT CORPORATION (MSFT)

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Description	Company Practice	Best Practice	Practices Score <sup>2</sup>			
<b>Practices</b>						
Scope of support for degree programs and certifications	General statements on training and development	Programs covering all employees (including part-time and contractors)	-	LOW	MID	TOP
<b>Strategy</b>						
Extent of grievance reporting or escalation procedures	Company offers internal employee council / committee but grievance procedures unknown	Formal grievance escalation/reporting (confidential)	-	LOW	MID	TOP
Engagement surveys to monitor employee satisfaction	Surveys conducted annually	Surveys conducted annually	-	LOW	MID	TOP
<b>Talent pipeline development strategy</b>						
Formal talent pipeline development strategy (forecasts hiring needs, actively develops new pools of talent)	Yes	Yes	-	LOW	TOP	
Graduate traineeship/apprenticeship program	Yes	Yes	-	LOW	TOP	
Partners with educational institutions to develop or deliver joint training programs for staff	Not Disclosed	Yes	-	LOW	TOP	
<b>Programs &amp; Initiatives</b>						
Scope of employee stock ownership plan (ESOP) or employee stock purchase plan (ESPP)	Sector-leading number of employees eligible for ESOP and/or ESPP	Sector-leading number of employees eligible for ESOP and/or ESPP	-	LOW	MID	TOP
Non-salary benefits and work/life balance	Benefits cover selected employees	Benefits cover all employees	-	LOW	MID	TOP
Regular performance appraisals and feedback processes	Sector leading programs	Sector leading programs	-	LOW	MID	TOP
Job-specific development training programs	Yes	Sector leading programs	-	LOW	MID	TOP
Evidence of managerial/ leadership development training	Comprehensive succession planning & development programs at multiple levels	Comprehensive succession planning & development programs at multiple levels	-	LOW	MID	TOP

## Training

Year (YYYY)	Percentage of employees receiving training	Annual training hours per employee
2022		14.00
2021		18.00

# MICROSOFT CORPORATION (MSFT)

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Year (YYYY)	Percentage of employees receiving training	Annual training hours per employee
2020		
2019		
2018		
2017		
2016		
2015		26.00
2014		30.40
2012		33.60
2011		22.40

## Performance

External recognition as employer of choice (last three years)  
External recognition - details

Recognized as top employer on credible external list  
09/15/2022

<https://www.comparably.com/companies/microsoft/awards>

Comparably:- Best Global Culture 2022

2022 - Glassdoor - Best place to work

2021 - Glassdoor - Best place to work

2021 - Forbes - THE WORLD'S BEST EMPLOYERS 2020 LIST

2020-

Glassdoor - Best place to work

[https://www.glassdoor.com/Award/Best-Places-to-Work-LST\\_KQ0,19.htm](https://www.glassdoor.com/Award/Best-Places-to-Work-LST_KQ0,19.htm)

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2019

Forbes

<https://www.forbes.com/companies/>



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[microsoft/?list=world-best-employers/#6b9cb1a473f7](https://microsoft/?list=world-best-employers/#6b9cb1a473f7)

Glassdoor

[https://www.glassdoor.com/Award/Best-Places-to-Work-LST\\_KQ0,19.htm](https://www.glassdoor.com/Award/Best-Places-to-Work-LST_KQ0,19.htm)

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2018:

Website Accessed on 18 Feb 2019  
[https://www.glassdoor.com/Award/Best-Places-to-Work-2018-LST\\_KQ0,24.htm](https://www.glassdoor.com/Award/Best-Places-to-Work-2018-LST_KQ0,24.htm)

2017&2018 Best Places to work

2017

- Ranked #33 Canada's Best Employers and #109 America's Best Employers on Forbes Lists 2016
- Ranked #37 by Glassdoor's Best Places to Work 2016
- Ranked #7 on Fortune magazine's 2016 Great Place to Work
- Named Best Employer in Singapore 2015

2016

- Ranked #86 on Fortune magazine's 2014 list of 100 Best Companies to Work For
- Received the Global Randstad Award for 2015 as the most attractive employers among thousands of companies

## Workforce Diversity

Year (YYYY)	Annual employee turnover	Profit per employee (USD '000)	Percentage of women in executive management	Details
2021		338.51	28.60%	
2020		271.66	33.30%	10/7/2020 Profit = 44,281 Mn USD

# MICROSOFT CORPORATION (MSFT)

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Year (YYYY)	Annual employee turnover	Profit per employee (USD '000)	Percentage of women in executive management	Details
				10 K 2020 pg 55/118  Employee =163,000  PPE =271662.5766871166 =271.66 USD 000`
2019		272.50	42.90%	3 out of 15 senior leaders are women
2018		126.49	42.90%	3 out of 15 senior leaders are women
2017			42.90%	2 out of 14 senior leaders are women
2016			42.90%	3 out of 15 senior leaders are women
2015				3 out of 12 senior leaders are women
2014		172		4 out of 16 Microsoft Senior Leaders are women. The percentage of Microsoft senior executive women and minorities from 22% in 2013 to 27% in 2014.

## CONTROVERSIES

All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. The Microsoft has been flagged for involvement in controversial events or alleged misconduct.

### Controversy Cases

Assessment	Headline	Status	Last Updated
Moderate	Washington, United States: Putative class action over alleged gender harassment and discrimination in pay and promotions	Ongoing	November 2021
Moderate	United States: OFCCP inquiry on diversity hiring commitment as potential unlawful discrimination	Ongoing	December 2020
Minor	Washington, U.S.: Dismissal of proposed class action filed by three former employees over alleged mismanagement of 401(k) plan	Concluded	May 2023

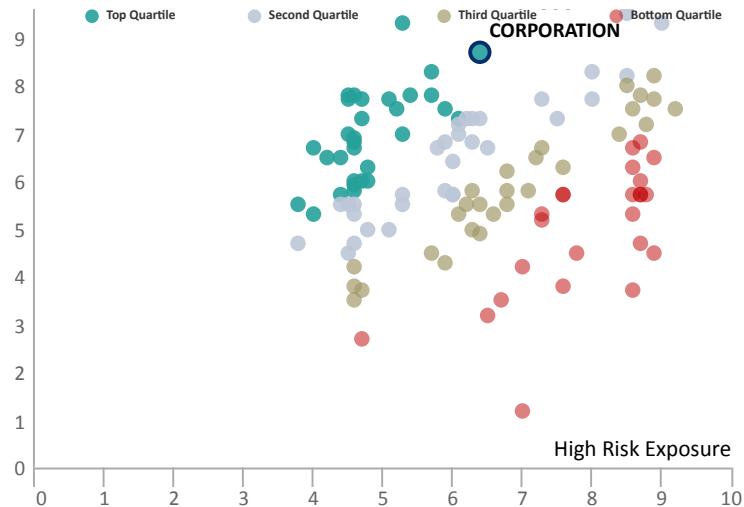


## Privacy & Data Security

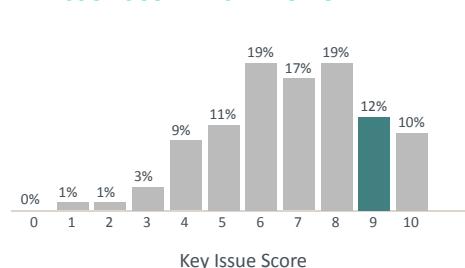


Score	Change (since rating)	Quartile	Weight	Last score change date
9.3	0.0	••••	21.0%	Jun 13, 2022

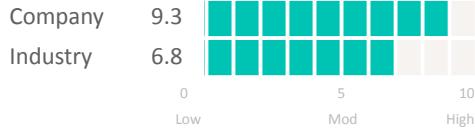
Strong Risk Management



### KEY ISSUE SCORE DISTRIBUTION \*



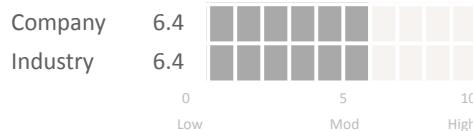
### KEY ISSUE ASSESSMENT



### TOP 5 INDUSTRY LEADERS

ATLASSIAN CORPORATION	10.0
KINGDEE INTERNATIONAL SOFTWARE GROUP COMPANY LIMITED	10.0
MONGODB, INC.	10.0
ORACLE CORPORATION	10.0
TEMENOS AG	10.0

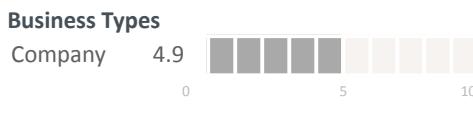
### RISK EXPOSURE ASSESSMENT



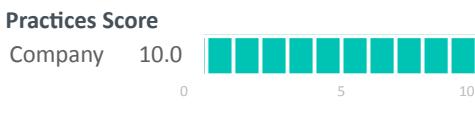
### RISK MANAGEMENT ASSESSMENT



### Drivers of Risk Exposure



### Drivers of Risk Management



### Business Types



### Practices Score



### Business Locations



### Controversy Deduction



### BOTTOM 5 INDUSTRY LAGGARDS

Sangfor Technologies Inc.	3.2
EPAM SYSTEMS, INC.	3.0
CETC Cyberspace Security Technology Co.,Ltd.	2.6
iSoftStone Information Technology Group Co Ltd	2.1
Shanghai Baosight Software Co., Ltd.	1.2

### METHODOLOGY NOTE

Companies are evaluated on the amount of personal data they collect, their exposure to evolving or increasing privacy regulations, their vulnerability to potential data breaches, and their systems for protecting personal data.

# MICROSOFT CORPORATION (MSFT)

MSCI  
ESG RATINGS



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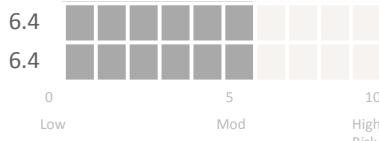
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\* [ For symbols and terms used in this report, refer to the Glossary section at the end of the report ]

## EXPOSURE

### RISK EXPOSURE ASSESSMENT

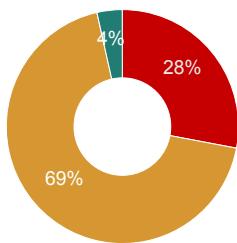
Company Industry



#### Key Drivers of Risk Exposure

**Exposure to:** Risk of compliance cost increase or reputational damage from data breaches or controversial use of personal data

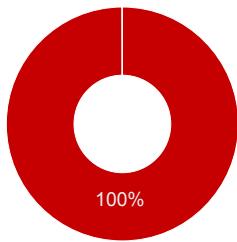
**Business Types:** Percentage of revenue derived from business segments that · require collection and/or handling of sensitive personal data · have witnessed high cost and frequency of data breaches



- Consumer software, Interactive Media and Search
- Cloud computing services, Enterprise software, Integrated systems design, Interactive Home Entertainment
- Electronic Computers

*Source: Cost of Data Breach Report (Ponemon Institute); Data Breach Investigations Report (Verizon); Refinitiv; MSCI ESG Research; company disclosures*

**Business Locations:** Percentage of operations in countries with strengthening or evolving data and privacy regulations, with high cost of data breaches



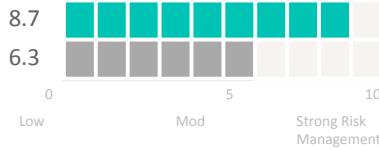
- USA, other countries
- No operations in markets with medium risks
- No operations in markets with low risks

*Source: Cost of Data Breach Report (Ponemon Institute); Refinitiv; MSCI ESG Research; company disclosures*

## MANAGEMENT

### RISK MANAGEMENT ASSESSMENT

Company Industry





Description	Company Practice	Best Practice	Practices Score <sup>2</sup>
<b>Practices - Operations</b>			
Scope of company's publicly available data protection policy	Policy governs all relevant business lines/subsidiaries	Policy governs all relevant business lines/subsidiaries	- LOW MID TOP
Rights provided to individuals regarding the control of their data	Right of access, rectification and deletion of individuals' data	Right of access, rectification and deletion of individuals' data	- LOW MID TOP
Data Breach/ Incident Response Plan	Both proactive and reactive measures are in place	Both proactive and reactive measures are in place	- LOW MID TOP
Information Security Policies and Systems audit frequency	External independent audits are conducted at least once every two years	External independent audits are conducted at least once every two years	- LOW MID TOP
Company's executive body responsible for: Privacy and Data security	Board-level committee	Board-level committee	- LOW MID TOP
Evidence of access control and protection of personal/sensitive data	Access control and encryption/de-identification techniques are in place	Access control and encryption/de-identification techniques are in place	- LOW MID TOP
Practices and consent requirements around handling of personal data by third parties	Opt-out for providing personal data to third parties for purposes other than completing transactions/services	Company does not rent, sell, or provide personal data to third parties for purposes other than completing transactions/services	- LOW MID TOP
Minimizes data collection and retention	The company commits to deleting data after a defined amount of time	The company commits to deleting data after a defined amount of time and does not collect personal data from third parties (except when required by law)	- LOW MID TOP
<b>Practices - Supply Chain</b>			
Extent of data protection and/or privacy programs covering suppliers and business partners	Yes - they are required to have data protection policies or abide by the company's policy	Yes - inspections are conducted to verify their compliance	- LOW MID TOP
<b>Practices - Employees</b>			
Scope of employee training on data security and/or privacy-related risks & procedures	Training is provided to all permanent employees	Training is provided to all employees, including contractors	- LOW MID TOP
<b>Practices - Certification</b>			
Scope of certification to widely recognized standards (e.g. ISO 27001,	Most (over 80%) owned operations are certified to widely accepted standards	Most (over 80%) owned operations are certified to widely accepted standards	- LOW MID TOP

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TRUSTe, Privacy Mark, SSAE16 soc2 standards)

## Data Security Investments

Year	Investment			Details (e.g. type of investments, technology adopted, etc.)
	Investment in Data Security (in USD mn)	Total Sales (in USD mn)	in Data Security / Total Revenue	
2016	1,000	85,320	1.17%	U.S. software firm Microsoft Corp (MSFT.O) will continue to invest over \$1 billion annually on cyber security research and development in the coming years, a senior executive said. This amount does not include acquisitions Microsoft may make in the sector, Bharat Shah, Microsoft vice president of security, told Reuters on the sidelines of the firm's BlueHat cyber security conference in Tel Aviv. In addition to its internal security investments, Microsoft has bought three security firms, all in Israel, in a little over two years: enterprise security startup Aorato, cloud security firm Adallom, and Secure Islands, whose data and file protection technology has been integrated into cloud service Azure Information Protection.
2015	1,000	93,580	1.07%	Microsoft's \$1 billion in security spending this year includes Microsoft's "organic" investments, Microsoft's Arsenault says, as well as recent acquisitions. To date, Microsoft has purchased three security firms over the past year including behavioral learning and Active Directory security firm Aorato, cloud security firm Adallom, and most recently, data and file protection firm Secure Islands.

## CONTROVERSIES

All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. The Microsoft has been flagged for involvement in controversial events or alleged misconduct.

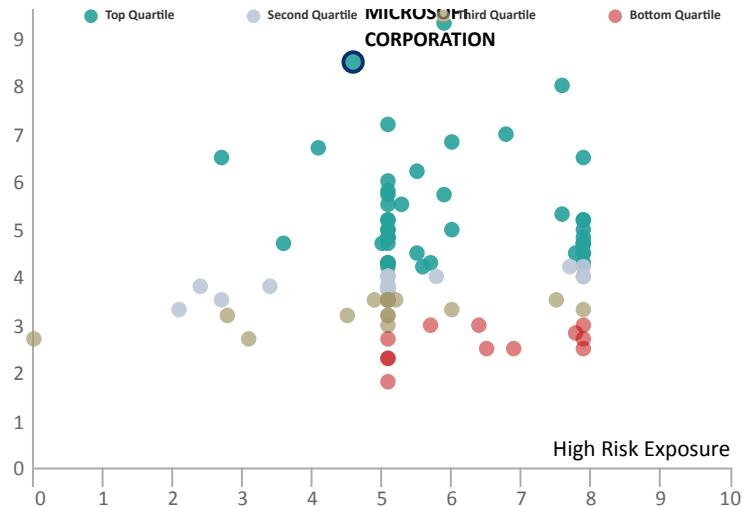
### Controversy Cases

Assessment	Headline	Status	Last Updated
Moderate	UK: Allegations of Power Apps misconfiguration resulting in breach of private data of 38 million users	Ongoing	August 2021
Moderate	United States: Reports of compromised Office 365, Azure AD accounts related to suspected foreign state-sponsored cyberattack	Ongoing	August 2021
Moderate	Reports of series of cyberattacks of Microsoft Exchange servers impacting multiple organizations worldwide related to suspected state-backed hack	Ongoing	August 2021
Moderate	European Union: Investigation into potential violation of EU data protection laws related to Microsoft Office 365	Ongoing	July 2021



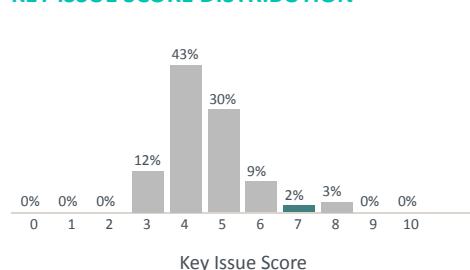
## Opportunities in Clean Tech

Strong Risk Management

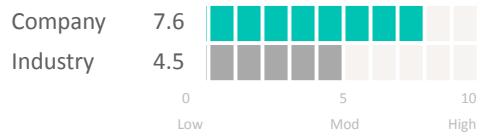


Score	Change (since rating)	Quartile	Weight	Last score change date
7.6	▲ 0.1	••••	11.0%	Aug 02, 2023

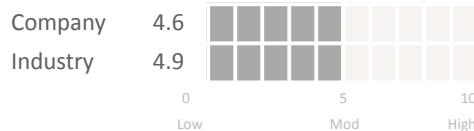
### KEY ISSUE SCORE DISTRIBUTION \*



### KEY ISSUE ASSESSMENT

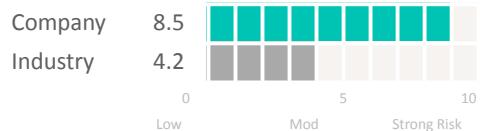


### RISK EXPOSURE ASSESSMENT



### Drivers of Risk Exposure

### RISK MANAGEMENT ASSESSMENT



### Drivers of Risk Management

### Business Types



### Practices Score



### Performance Score



### TOP 5 INDUSTRY LEADERS

INTERNATIONAL BUSINESS MACHINES CORPORATION	8.4
Fujitsu Limited	7.6
MICROSOFT CORPORATION	7.6
DHC Software Co., Ltd	6.7
ORACLE CORPORATION	6.7

### BOTTOM 5 INDUSTRY LAGGARDS

Bechtle AG	2.9
Beijing E-hualu Information Technology Co., Ltd	2.9
TYLER TECHNOLOGIES, INC.	2.9
Arabian Internet and Communications Services Co CSJC	2.8
MONGODB, INC.	2.6

### METHODOLOGY NOTE

Companies are evaluated on their clean tech innovation capacity, strategic development initiatives, and revenue generated from clean technologies.

\* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]

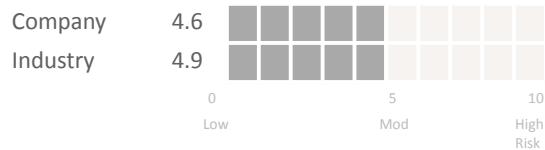


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## EXPOSURE

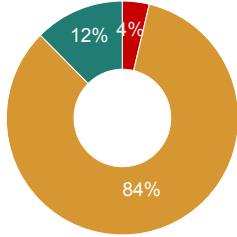
### RISK EXPOSURE ASSESSMENT



#### Key Drivers of Risk Exposure

**Exposure to:** Opportunity for business growth from capturing demand changes and enjoying early mover advantage or regulatory incentives

**Business Types :** Percentage of operations in business segments with high growth potential in clean tech markets

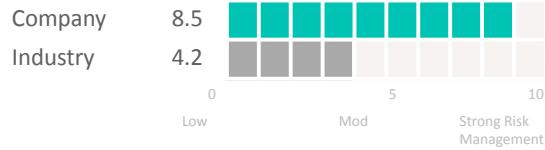


- Integrated systems design
- Cloud computing services, Enterprise software, Interactive Media and Search, Interactive Home Entertainment, Electronic Computers
- Consumer software

*Source: MSCI ESG Research; Refinitiv; company disclosures*

## MANAGEMENT

### RISK MANAGEMENT ASSESSMENT



# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



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Description	Company Practice	Best Practice	Practices Score <sup>2</sup>
<b>Strategy</b>			
Strategic focus on clean technology development	Cleantech innovation is the core strategy	Cleantech innovation is the core strategy	- LOW MID TOP
Targets to increase investment in clean tech	Yes	Yes	- LOW TOP

## Programs & Initiatives

Number of patent families	69,000
---------------------------	--------

## R&D Expense

Year	R&D (USD million)	R&D / Sales ratio
2023	27,195	
2022	24,512	12.36%
2021	20,716	12.32%
2020	19,269	13.47%
2019	16,876	13.41%
2018	14,726	13.34%
2017	12,292	13.67%
2016	11,988	14.05%
2015	12,046	12.87%
2014	11,381	13.11%
2013	10,411	13.37%
2012	9,811	13.31%
2011	9,043	12.93%
2010	8,714	14.06%
2009	9,010	15.42%
2008	8,164	13.51%

## Performance

Score: nature of involvement in clean tech activities	10.00
---	-------

## Power Management

Involvement in developing of smart grid	Non-core involvement (revenues <20%)
Involvement in developing energy solutions for household products	Non-core involvement (revenues <20%)

## Industrial Operations & Automation

Involvement in developing or distributing optimization technologies & systems	Pure play (revenues >50%)
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## Air Quality

Involvement in developing or distributing environmental information technology

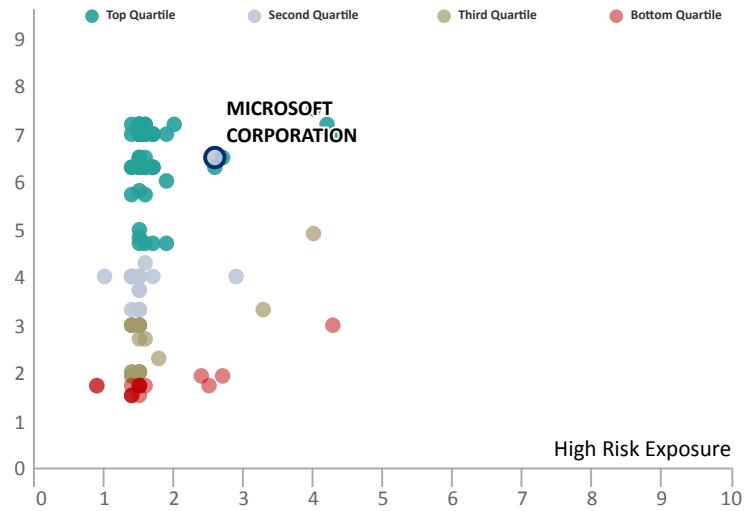
Non-core involvement (revenues <20%)



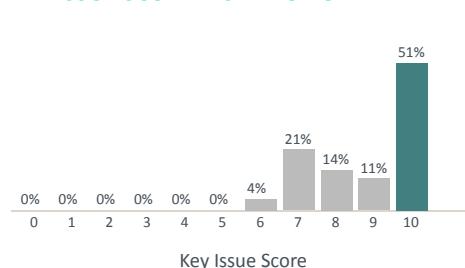
## Carbon Emissions

Score	Change (since rating)	Quartile	Weight	Last score change date
10.0	0.0	•••	5.0%	Feb 22, 2023

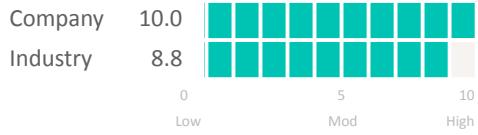
Strong Risk Management



KEY ISSUE SCORE DISTRIBUTION \*



### KEY ISSUE ASSESSMENT

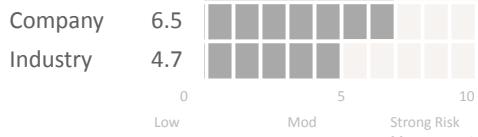


### RISK EXPOSURE ASSESSMENT



### Drivers of Risk Exposure

### RISK MANAGEMENT ASSESSMENT



### Drivers of Risk Management

### Business Types



### Practices Score



### Business Locations



### Performance Score



### TOP 5 INDUSTRY LEADERS

ACCENTURE PUBLIC LIMITED COMPANY	10.0
ADOBE INC.	10.0
AKAMAI TECHNOLOGIES, INC.	10.0
ANSYS, INC.	10.0
ATLASSIAN CORPORATION	10.0

### BOTTOM 5 INDUSTRY LAGGARDS

Sangfor Technologies Inc.	6.5
Thunder Software Technology Co Ltd	6.5
Beijing E-hualu Information Technology Co., Ltd	6.2
PALANTIR TECHNOLOGIES INC.	6.2
SNOWFLAKE INC.	5.7

### METHODOLOGY NOTE

Companies are evaluated on the carbon intensity of their operations and their efforts to manage climate-related risks and opportunities.

\* [ For symbols and terms used in this report, refer to the Glossary section at the end of the report ]

# MICROSOFT CORPORATION (MSFT)

MSCI  
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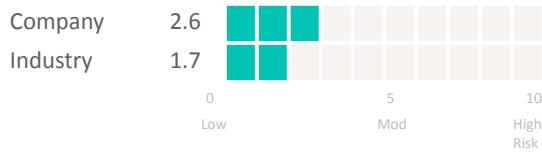


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## EXPOSURE

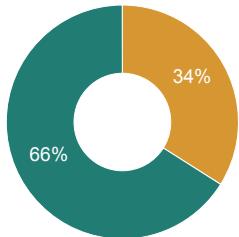
### RISK EXPOSURE ASSESSMENT



#### Key Drivers of Risk Exposure

**Exposure to:** Risks of having to pay increased compliance costs tied to carbon emissions regulations

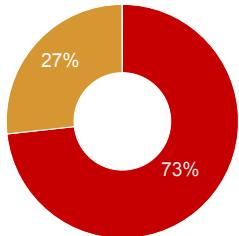
**Business Types :** Percentage of operations in business segments with high/moderate/low carbon intensity



- No exposure to high risk segments
- Cloud computing services
- Consumer software, Enterprise software, Interactive Media and Search, Integrated systems design, Interactive Home Entertainment, Electronic Computers

*Source: IERS' Comprehensive Environmental Data Archive (CEDA); Air Emissions Accounts (Eurostat); Refinitiv; MSCI ESG Research; company disclosures*

**Business Locations :** Percentage of operations in countries with strengthening or pending carbon emissions regulation

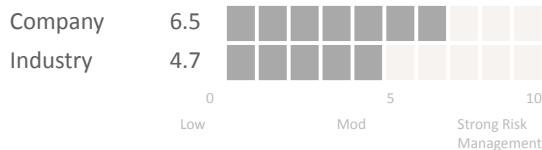


- Ireland, USA
- other countries
- No operations in markets with low risks

*Source: MSCI ESG Research; Refinitiv; company disclosures*

## MANAGEMENT

### RISK MANAGEMENT ASSESSMENT





Description	Company Practice	Best Practice	Practices Score <sup>2</sup>
<b>Targets</b>			
Aggressiveness of the company's reduction target in the context of its current performance	Company sets GHG reduction targets	Aggressive target with a low base	- LOW MID TOP
Demonstrated track record of achieving its carbon reduction targets	On pace to achieve current reduction target	Previously set & met targets	- LOW MID TOP

## Carbon Improvement Targets

Baseline Year	Target Year	Target Description	Target Reduction (%)
	2030	SBTi approved, aligned with global warming limit of 1.5 degrees. Scope 2 Category	0.00%
	2030	Net Zero Target by 2030	100.00%
	2050	Net Zero by 2050.	100.00%
	2025	Reduce scope 1 and 2 emissions to near zero by 2025	100.00%
	2030	Reduce scope 3 emissions by 55% by 2030	55.00%
2020	2030	Reducing absolute Scope 3 upstream and downstream by 50% by 2030 against a 2020 baseline	50.00%
2020	2030	Carbon Negative by 2030	100.00%
2020	2025	To achieve 100% of renewable energy source(s) only by 2025 compared to 2020 levels.	
2020	2021	Reduce Scope 1, 2, and Scope 3 business travel by 100% by 2021 compared to 2020	100.00%
2020	2030	Reducing absolute Scope 1, 2 and, Scope 3 upstream and downstream by 50% by 2030 against a 2020 baseline	50.00%
2019	2020	Reduce Scope 1 and 2 and Scope 3 upstream business air travel only by 100% by 2020 from 2019 base year	100.00%
2018	2019	Reduce ghg emissions Scope 1, 2 (market-based) and 3 (upstream business air travel only) by 100 by 2019 compare to 2018	100.00%
2017	2030	Microsoft also commits to reduce scope 3 GHG emissions intensity per unit of revenue 30% by 2030 from a 2017 base year	30.00%
2017	2018	Reduce ghg emissions Scope 1, 2 (market-based) and 3 (upstream business air travel only) by 100 by 2018 compare to 2017	100.00%
2017	2030	Reduce scope 3 GHG emissions intensity per unit of revenue 30% by 2030 from a 2017 base year	30.00%
2016	2017	Reduce ghg emissions Scope 1, 2 (market-based) and 3 (upstream business air travel only) by 100 by 2017 compare to 2016	100.00%
2016	2023	Achieve 70% renewable energy source by 2023 from 2016 base year	
2015	2015	100% renewable electricity by 2015 from 2015 base year	
2015	2025	100% renewable electricity by 2025 from 2015 base year	
2014	2030	Achieve 100% renewable energy source by 2030 from 2014 base year	
2014	2015	Reduce Scope 1 and 2 and Scope 3 upstream business air travel only by 100% by 2015 from 2014 base year	100.00%



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Baseline Year	Target Year	Target Description	Target Reduction (%)
2014	2030	To achieve 100% of renewable energy source(s) only by 2030 compared to 2014 levels.	
2013	2036	Reduce ghg emissions Scope 1 and 2 (market-based) by 50% by 2036 compared to 2013	50.00%
2013	2030	Reduce Scope 1 and 2 (market-based) by 75% by 2030 compared to 2013	75.00%
2013	2020	Reduce ghg emissions Scope 1 and 2 (market-based) by 25% by 2020 compared to 2013	25.00%
2013	2045	Reduce Scope 1 and 2 (market-based) by 75% by 2045 compared to 2013	75.00%
2013	2016	Reduce Scope 1 and 2 and 3 upstream business air travel only emissions by 100% by 2016 from 2013 base year	100.00%
2013	2030	Reduce ghg emissions Scope 1+2 (market-based).	75.00%
2013	2045	Reduce ghg emissions Scope 1+2 (market-based) - extension	75.00%
2013	2030	Reducing absolute Scope 1 and 2 emissions by 75% by 2030 against a 2013 baseline	75.00%
2013	2045	Reducing absolute Scope 1 and 2 emissions by 75% by 2045 against a 2013 baseline	75.00%
2007	2012	Reduce Scope 1, 2, and 3 tCO2e per unit revenue by 30% by 2012 compared to 2007	30.00%

## Mitigation

Strength of Greenhouse Gas Mitigation 7.00  
Strategy (0-10 Score, 0=worst, 10=best)

## Programs or actions to reduce the emissions intensity of core operations

Use of cleaner sources of energy	Some efforts	Aggressive efforts	-	LOW	MID	TOP
Energy consumption management and operational efficiency enhancements	Some efforts	Aggressive efforts	-	LOW	MID	TOP
CDP disclosure	Yes	Yes	-	LOW		TOP
Other initiatives (e.g. carbon offsets)	Some efforts	Aggressive efforts	-	LOW	MID	TOP

## Performance

Carbon Emissions Performance Relative to Peers (0-10 Score, 0=worst, 10=best) 5.00

## GHG Emissions - metric tons CO2e

Year	Scope 1 Disclosed	Scope 1 Estimate Key	Scope 2 Disclosed	Scope 2 Estimate Key	Scope 1+2 Disclosed	Scope 3 (upstream)	Scope 3 (downstream)	Scope 3 (undefined)	Scope 1 Estimated	Scope 2 Estimated	Scope 1+2 Estimated	Scope 1+2 Estimate Key	GHG Emissions Details
2022	139,413.0	Reported	6,381,250.0	Reported	6,520,663.0	11,885,000.0	5,196,000.0					Reported	
2021	123,704.0	Reported	5,010,667.0	Reported	5,134,371.0	10,301,601.0	4,047,600.0					Reported	
2020	118,100.0	Reported	4,328,916.0	Reported	4,447,016.0	8,635,856.0	3,076,800.0					Reported	
2019	113,412.0	Reported	3,556,553.0	Reported	3,669,965.0	7,318,757.0	4,003,770.0					Reported	
2018	90,723.0	Reported	3,000,523.0	Reported	3,091,246.0	12,858,830.0	4,975,690.0					Reported	
2017	97,639.0	Reported	2,692,709.0	Reported	2,790,348.0	15,063,560.0	6,190,700.0					Reported	
2016	88,486.0	Reported	2,060,534.0	Reported	2,149,020.0	11,018,555.0	12,103,749.0					Reported	
2015	90,568.0	Reported	1,637,429.0	Reported	1,727,997.0	8,984,417.0	14,202,644.0					Reported	

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



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Year	Scope 1 Disclosed	Scope 1 Estimate Key	Scope 2 Disclosed	Scope 2 Estimate Key	Scope 1+2 Disclosed	Scope 3 (upstream)	Scope 3 (downstream)	Scope 3 (undefined)	Scope 1 Estimated	Scope 2 Estimated	Scope 1+2 Estimated	Scope 1+2 Estimate Key	GHG Emissions Details
2014	85,188.0	Reported	1,521,370.0	Reported	1,606,558.0	8,681,539.0	2,820.0					Reported	
2013	39,665.0	Reported	1,277,364.0	Reported	1,317,029.0	7,686,839.0	4,000.0					Reported	
2012	48,516.0	Reported	1,207,419.0	Reported	1,255,935.0	5,580,111.0	4,432.0					Reported	
2011	40,848.0	Reported	1,186,492.0	Reported	1,227,340.0	377,384.0						Reported	
2010	47,383.0	Reported	1,144,271.0	Reported	1,191,654.0	38,638.0	2,637.0					Reported	
2009	41,649.0	Reported	1,035,385.0	Reported	1,077,034.0	289,194.0						Reported	
2008	46,066.0	Reported	799,859.0	Reported	845,925.0	291,888.0						Reported	

## GHG Emissions Intensity - metric tons CO2e / USD million sales

Year	GHG Intensity	GHG Intensity Details	GHG Intensity - Reported	GHG Intensity - Reported Details
2022	32.90		32.90	mtCO2e/Revenue M\$
2021	30.50		30.50	mtCO2e/Revenue M\$
2020	31.10		31.10	mtCO2e/Revenue M\$
2019	29.20		29.20	mtCO2e/Revenue M\$
2018	28.00		27.60	mtCO2e/Revenue M\$
2017	31.00		29.00	mtCO2e/Revenue M\$
2016	25.20		25.20	mtCO23/M\$ (Scope 1 + Scope 2: Location-based)
2015	18.50		18.50	mtCO23/M\$ (Scope 1 + Scope 2: Location-based)
2014	18.50		20.00	mtCO23/M\$ (Scope 1 + Scope 2: Location-based)
2013	16.90		17.40	mtCO2e/M\$
2012	17.00		17.80	mtCO2e/M\$
2011	17.50		16.70	mtCO2e/M\$
2010	19.20			
2009	18.40			
2008	14.00			

## Energy Consumption

Year	Total energy consumption (reported)	Total energy consumption (MWh)	Energy intensity (reported)	Reported intensity details	Total energy consumption intensity	Energy consumption details
2022	18,644,872	18,644,872	92.00	MWh/Revenue M\$	94.04	Total Energy Consumption (Natural gas, Crude oil/diesel, LPG/propane/jet fuel, Gasoline, Electricity, heating, cooling, and steam)
2021	14,133,987	14,133,987	81.00	MWh/Revenue M\$	84.09	Total Energy Consumption (Natural gas, Crude oil/diesel, LPG/propane/jet fuel, Gasoline, Electricity, heating, cooling, and steam)
2020	11,283,502	11,283,502	75.00	MWh/Revenue M\$	78.90	Total Energy Consumption (Natural gas, Crude oil/diesel, LPG/propane/jet fuel, Gasoline, Electricity, heating, cooling, and steam)
2019	9,227,991	9,227,991			73.33	Total energy consumption
2018	7,955,318	7,955,318			72.09	Total energy consumption

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



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Year	Total energy consumption (reported)	Total energy consumption (MWh)	Energy intensity (reported)	Reported intensity details	Total energy consumption intensity	Energy consumption details
2017	6,718,944	6,718,944			74.70	electricity, heat, steam, or cooling
2016	5,187,178	5,187,178			60.80	Electricity + Fuel
2015	4,194,696	4,194,696			44.82	Electricity + Fuel
2014	3,865,590	3,865,590			44.52	Electricity + Fuel
2013	2,898,299	2,898,299	39.10	MWh/ M\$	37.23	energy consumption includes fuel, electricity, heat, steam and cooling in MWh; average PUE:1.4
2012	2,803,335	2,803,335	40.50	MWh/ M\$	38.03	energy consumption includes fuel, electricity, heat, steam and cooling in MWh; average PUE:1.4
2011	2,607,254	2,607,254	36.20	MWh/ M\$	37.27	energy consumption includes fuel, electricity, heat, steam and cooling in MWh; average PUE:1.4
2010	2,618,703	2,618,703			42.24	energy consumption includes fuel, electricity, heat, steam and cooling in MWh; average PUE:1.6
2009	2,284,698	2,284,698			39.10	energy consumption includes fuel, electricity, heat, steam and cooling in MWh



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## APPENDIX

### CONTENTS

ADDITIONAL ESG ISSUES

CONTROVERSIES DETAIL

ADDITIONAL CORPORATE GOVERNANCE CONTENT

KEY METRIC & SCORE CHANGES

CEO PAY CHARTS

DIRECTOR VOTES

SHAREHOLDER/MANAGEMENT PROPOSALS

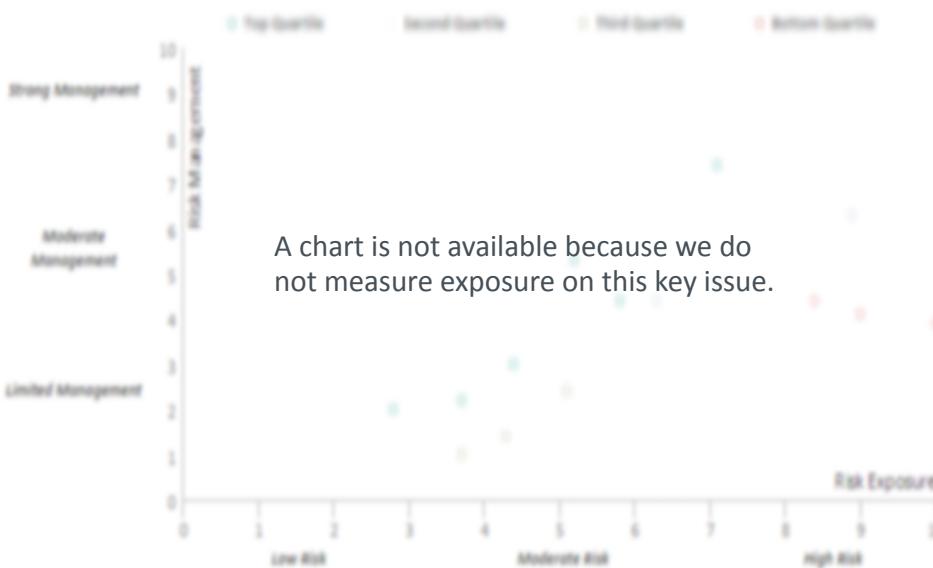
GOVERNANCE STANDARDS

DIRECTOR PROFILES



## Anticompetitive Practices

Score	Change (since rating)	Quartile	Weight	Last score change date
3.7	0.0	N/A		Mar 23, 2021



### KEY ISSUE ASSESSMENT

Company	3.7	■■■■■
Industry	n/a	■■■■■
		0 Low      5 Mod      10 High

### RISK MANAGEMENT ASSESSMENT

Company	3.7	■■■■■
Industry	n/a	■■■■■
		0 Low      5 Mod      10 Strong Risk Management

### Drivers of Risk Management

Controversy Deduction	-1.3	■■■■■
Company	-1.3	■■■■■
		-5.0 -2.5 0

### TOP 5 INDUSTRY LEADERS

ADOBE INC.	5.0
AKAMAI TECHNOLOGIES, INC.	5.0
ANSYS, INC.	5.0
ASPEN TECHNOLOGY, INC.	5.0
ATLASSIAN CORPORATION	5.0

### BOTTOM 5 INDUSTRY LAGGARDS

iFLYTEK CO., LTD	5.0
iSoftStone Information Technology Group Co Ltd	5.0
ACCENTURE PUBLIC LIMITED COMPANY	4.2
OTSUKA CORPORATION	4.2
MICROSOFT CORPORATION	3.7

### METHODOLOGY NOTE

This issue evaluates the extent to which companies may face regulatory risks relating to anti-competitive practices. Companies successfully avoiding incident score "5", while companies that have faced controversies in the last three years score lower, based on the severity and type of controversy. This Key Issue is discontinued effective November 2020.

\*[ For symbols and terms used in this report, refer to the Glossary section at the end of the report ]

# MICROSOFT CORPORATION (MSFT)

MSCI  
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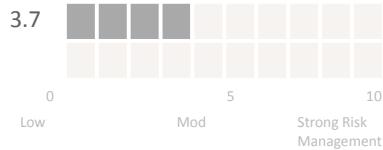
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## MANAGEMENT

### RISK MANAGEMENT ASSESSMENT

Company Industry



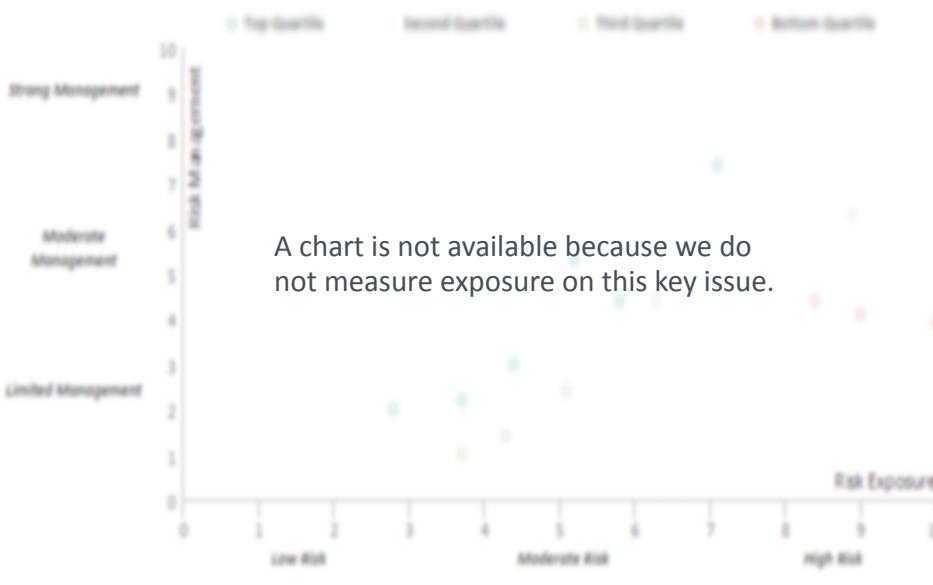
## Controversy Cases

Assessment	Headline	Status	Last Updated
Moderate	EU, Teams: European Commission launched antitrust investigation	Ongoing	October 2021



## Business Ethics & Fraud

Score	Change (since rating)	Quartile	Weight	Last score change date
3.7	0.0	N/A		Jun 15, 2020



### KEY ISSUE ASSESSMENT

Company	3.7	■■■■■
Industry	n/a	■■■■■
		0 Low Mod 5 10 High

### RISK MANAGEMENT ASSESSMENT

Company	3.7	■■■■■
Industry	n/a	■■■■■
		0 Low Mod 5 10 Strong Risk Management

### Drivers of Risk Management

Controversy Deduction	-1.3	■■■■■
Company	-1.3	■■■■■
		-5.0 -2.5 0

### TOP 5 INDUSTRY LEADERS

ACCENTURE PUBLIC LIMITED COMPANY	5.0
ADOBE INC.	5.0
AKAMAI TECHNOLOGIES, INC.	5.0
ANSYS, INC.	5.0
ASPEN TECHNOLOGY, INC.	5.0

### BOTTOM 5 INDUSTRY LAGGARDS

GEN DIGITAL INC.	3.7
INFOSYS LIMITED	3.7
LEIDOS HOLDINGS, INC.	3.7
MICROSOFT CORPORATION	3.7
iFLYTEK CO.,LTD	2.0

### METHODOLOGY NOTE

This issue evaluates the extent to which companies may face regulatory or legal risks or loss of investor confidence due to ethics issues such as fraud, executive misconduct, or insider trading. Companies successfully avoiding incident score "5", while companies that have faced controversies in the last three years score lower, based on the severity and type of controversy. This Key Issue is discontinued effective November 2020.

\*[ For symbols and terms used in this report, refer to the Glossary section at the end of the report ]

# MICROSOFT CORPORATION (MSFT)

MSCI  
ESG RATINGS

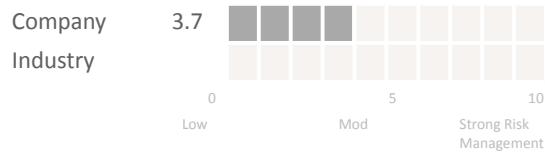


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## MANAGEMENT

### RISK MANAGEMENT ASSESSMENT



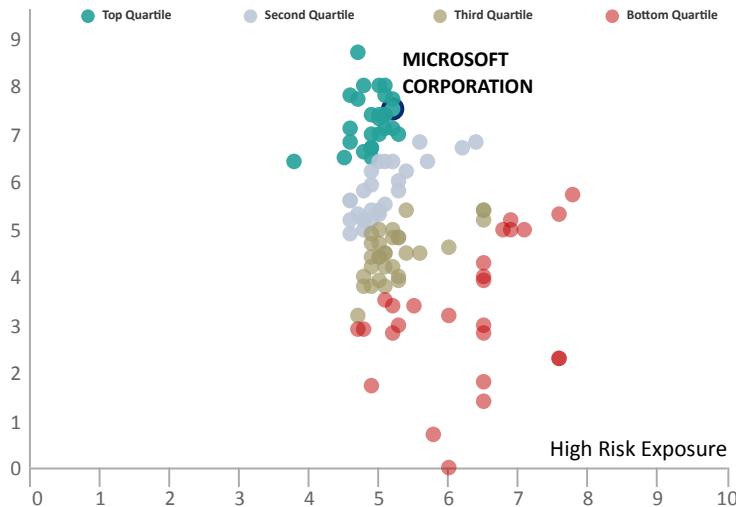
### Controversy Cases

Assessment	Headline	Status	Last Updated
Moderate	Spain: CNMC investigation over alleged failure to disclose the provisions of 'Skype Out' services to the public	Ongoing	June 2020



## Corruption & Instability

Strong Risk Management



This issue does not present significant risks or opportunities to the company and with the assigned weight of 0% does not contribute to the overall ESG rating for the company.

MSCI ESG Research provides additional scores on a select set of ESG Issues for all companies on the MSCI ACWI Index and MSCI ACWI IMI Index. Every company on the index receives scores for the following ESG Issues, regardless of whether they contribute to the overall Company ESG Rating.

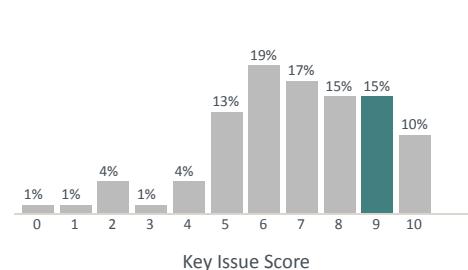
The additional key issue scores and data available by index are as follows:

- MSCI ACWI: Water Stress, Labor Management, Privacy and Data Security
- MSCI ACWI IMI: Carbon Emissions, Human Capital Development and Tax Transparency

We continue to provide data and scores for the discontinued Key Issues under the ESG Rating model for the MSCI ACWI Index: Corruption & Instability, Business Ethics & Fraud, Anticompetitive Practices.

Score	Change (since rating)	Quartile	Weight	Last score change date
9.3	0.0	••••	0.0%	Jan 21, 2022

### KEY ISSUE SCORE DISTRIBUTION\*



### TOP 5 INDUSTRY LEADERS

Bechtle AG	10.0
Fujitsu Limited	10.0
ITOCHU Techno-Solutions Corporation	10.0
Open Text Corporation	10.0
VMWARE, INC.	10.0

### BOTTOM 5 INDUSTRY LAGGARDS

Elm Company SJSC	1.9
CETC Cyberspace Security Technology Co.,Ltd.	1.7
CHINA NATIONAL SOFTWARE & SERVICE COMPANY LIMITED	1.7
Thunder Software Technology Co Ltd	1.0
Beijing E-hualu Information Technology Co., Ltd	0.1

### METHODOLOGY NOTE

This issue evaluates the extent to which companies may face regulatory risks or lost market access due to corruption scandals or political and social instability. Scores are based on reliance on government contracts



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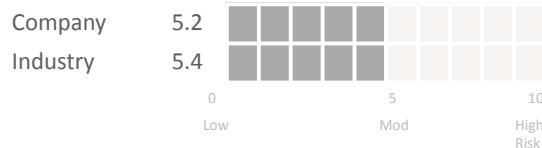
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and operations in regions facing political instability or high perceived corruption levels; anti-bribery policies, programs, and transparency; and controversies. This Key Issue is discontinued effective November 2020.

\*[ For symbols and terms used in this report, refer to the Glossary section at the end of the report ]

## EXPOSURE

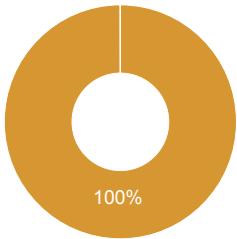
### RISK EXPOSURE ASSESSMENT



#### Key Drivers of Risk Exposure

**Exposure to:** Regulatory risks or lost market access due to corruption scandals or political and social instability

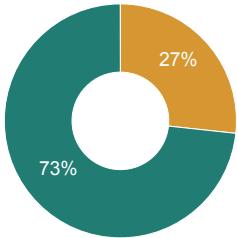
**Business Types :** Percentage of operations in business segments perceived most likely to pay or receive bribes



- No exposure to high risk segments
- Consumer software, Cloud computing services, Enterprise software, Interactive Media and Search, Integrated systems design, Interactive Home Entertainment, Electronic Computers
- No exposure to low risk segments

*Source: Bribe Payers Index (Transparency International); State Capture Index (Transparency International); Refinitiv; MSCI ESG Research; company disclosures*

**Business Locations :** Percentage of operations in countries with high/moderate/low level of corruption and political instability, violence or terrorism



- No operations in markets with high risks
- other countries
- Ireland, USA

*Source: Corruption Perceptions Index (Transparency International); World Governance Indicators (World Bank); Refinitiv; MSCI ESG Research; company disclosures*

#### Additional Drivers of Exposure

Company is reliant on the government sectors for a major proportion: **Not Disclosed**

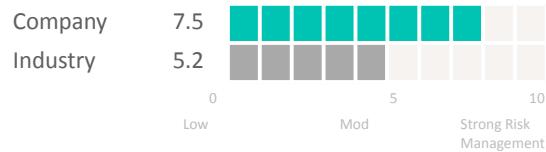


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## MANAGEMENT

### RISK MANAGEMENT ASSESSMENT





Description	Company Practice	Best Practice	Practices Score <sup>2</sup>
<b>Policies &amp; Commitments</b>			
Executive body responsible for managing business ethics and corruption issues	C-suite or Executive committee	Board-level committee	-   LOW   MID   TOP
Company's bribery and anti-corruption policy	Detailed formal policy on bribery and anti-corruption	Detailed formal policy on bribery and anti-corruption	-   LOW   MID   TOP
Scope of anti-corruption policy for suppliers	All suppliers are required to have anti-corruption policies	All suppliers are required to have anti-corruption policies and programs to verify compliance	-   LOW   MID   TOP
Business ethics policy covers facilitation payments	Policy prohibits facilitation payments	Policy prohibits facilitation payments	-   LOW   MID   TOP
Business ethics policy covers subsidiaries	Policy covers all subsidiaries	Policy covers all subsidiaries	-   LOW   MID   TOP

## Commitment to external standards for ethics / anti-corruption

List of commitments to ethics and anti-corruption mandates

UNGC

EICC

The human rights-related disclosures are based on the UN Guiding Principles on Business and Human Rights Reporting Framework (RAFI). In addition, this report serves as the Microsoft annual Communication on Progress (COP) under the United Nations (UN) Global Compact. The following table describes the location of content relevant to each of the ten UN Global Compact principles.

United Nations Guiding Principles on Business and Human Rights,

United States Foreign Corrupt Practices Act ,

Electronic Industry

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Citizenship Coalition's (EICC's)						
World Economic Forum's Partnering Against Corruption Initiative (PACI)	Yes	Yes	-	LOW		TOP
Transparency International's Business Principles for Countering Bribery	Not Disclosed	Yes	-	LOW		TOP
Extractive Industry Transparency Initiative (EITI) Principles	Not Disclosed	Yes	-	LOW		TOP
Leading industry-specific anti-corruption standards	Not Disclosed	Yes	-	LOW		TOP
Membership in other external anti-corruption initiatives	Not Disclosed	Yes	-	LOW		TOP

## Programs & Structures

Scope of employee training on ethical standards	Programs covering all permanent employees (excluding part-time and contractors)	Programs covering all employees (including part-time) and contractors	-	LOW	MID	TOP
Internal assurance of compliance with ethical standards	Yes	Yes	-	LOW		TOP
External assurance of compliance with ethical standards	Yes	Yes	-	LOW		TOP
Provision of whistleblower protection	Policy provides whistleblowers with protection from retaliation	Policy provides whistleblowers with protection from retaliation	-	LOW	MID	TOP
Due diligence and monitoring of third-party intermediaries / agents with respect to corruption	Formal processes for screening and monitoring agents	Formal processes for screening and monitoring agents	-	LOW	MID	TOP
Disclosure of government contracts value	Not Disclosed	Yes	-	LOW		TOP
Disclosure of facilitation payments value	Not Disclosed	Yes	-	LOW		TOP
Disclosure of taxes/royalties paid to governments	Yes	Yes	-	LOW		TOP

## Human Rights - Policies and Programs

List of commitments to external mandates to protect human rights	UNGC	Founding signatory to Global Network Initiative Principles; UN Global Compact, International
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## Covenant on Civil and Political Rights

Policy on civil liberties and freedom of speech Policy articulated Policy articulated - LOW MID TOP

Commitment to external standards to protect human rights Yes Yes - LOW TOP

## CONTROVERSIES

All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. The Microsoft has been flagged for involvement in controversial events or alleged misconduct.

### Controversy Cases

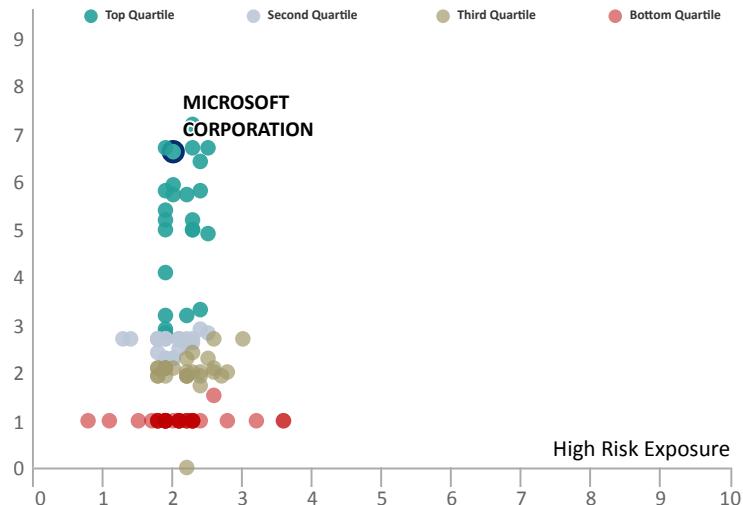
Assessment	Headline	Status	Last Updated
Moderate	<a href="#">China: Allegations of suppliers employing ethnic minorities through labor-transfer programs</a>	Ongoing	February 2022



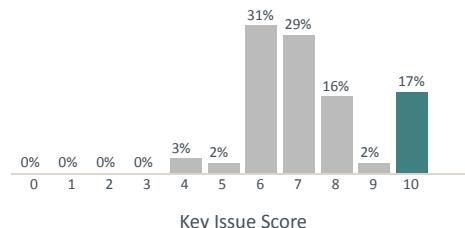
## Water Stress

Score	Change (since rating)	Quartile	Weight	Last score change date
10.0	0.0	••••	0.0%	Aug 10, 2020

### Strong Risk Management



### KEY ISSUE SCORE DISTRIBUTION\*



### TOP 5 INDUSTRY LEADERS

ADOBE INC.	10.0
AUTODESK, INC.	10.0
COGNIZANT TECHNOLOGY SOLUTIONS CORPORATION	10.0
DASSAULT SYSTEMES SE	10.0
EQUINIX, INC.	10.0

### BOTTOM 5 INDUSTRY LAGGARDS

WIX.COM LTD	5.2
Shanghai Baosight Software Co., Ltd.	4.8
Arabian Internet and Communications Services Co CSJC	4.4
Beijing E-hualu Information Technology Co., Ltd	4.4
Elm Company SJSC	4.4

### METHODOLOGY NOTE

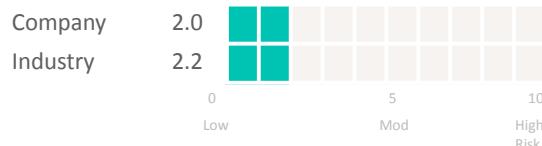
Companies are evaluated on the water intensity of their operations, levels of water stress in their areas of operation and their efforts to manage water-related risks and opportunities.



\*[ For symbols and terms used in this report, refer to the Glossary section at the end of the report ]

## EXPOSURE

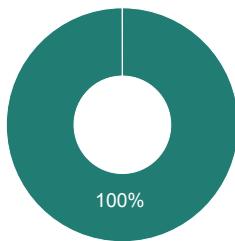
### RISK EXPOSURE ASSESSMENT



#### Key Drivers of Risk Exposure

**Exposure to:** Risk of increased cost of input, disputes around access rights to key resources or operational disruptions to production processes requiring water as a critical input

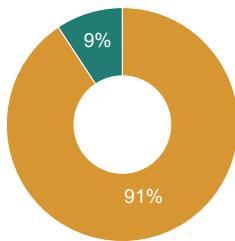
**Business Types :** Percentage of operations in business segments with high/moderate/low water intensity



- No exposure to high risk segments
- No exposure to medium risk segments
- Consumer software, Cloud computing services, Enterprise software, Interactive Media and Search, Integrated systems design, Interactive Home Entertainment, Electronic Computers

*Source: IERS' Comprehensive Environmental Data Archive (CEDA); MSCI ESG Research; Refinitiv; company disclosures*

**Business Locations :** Percentage of operations in countries or regions with high/moderate/low percent of territory affected by oversubscription to water resources

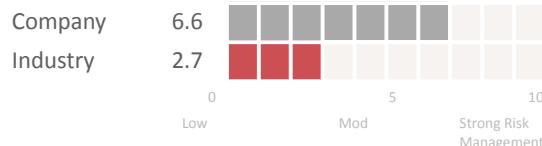


- No operations in markets with high risks
- USA, other countries
- Ireland

*Source: WRI Aqueduct; Refinitiv; MSCI ESG Research; company disclosures*

## MANAGEMENT

### RISK MANAGEMENT ASSESSMENT



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Description	Company Practice	Best Practice	Practices Score <sup>2</sup>
<b>Governance and Strategy</b>			
Implementation of Water Efficient Production Processes	7.00		
Percentage of water consumption from alternative water sources (i.e. grey water, rainwater, sewage)	18.97%		
Evidence of Using Alternative Water Sources	Yes	Yes	- LOW TOP

## Executive body responsible for water management strategy and performance:

CEO is responsible for water management strategy and performance	Yes	Yes	- LOW TOP
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## Performance

Water Intensity Relative to Peers (0-10 Score, 0=worst, 10=best)	5.00
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## Water Withdrawal Performance

Year	Freshwater Withdrawal (m3)	Freshwater Withdrawal Intensity (m3/ USD million sales)
2022		
2021	7,657,000	45.55
2020	7,189,980	50.27
2019	7,698,990	61.18
2018	6,907,860	62.59
2017	5,161,000	57.38
2016	4,674,140	54.78
2015	2,995,350	32.01
2014	4,294,321	49.45
2013	2,380,104	30.57
2012	2,753,857	37.35
2011	2,108,640	30.14
2010	1,954,200	31.52

## Water Consumption Performance

Year	Freshwater Consumption (m3)	Freshwater Consumption Intensity (m3/ USD million sales)	Details
2022			
2021			
2020			



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Year	Freshwater Consumption (m3)	Freshwater Consumption Intensity (m3/ USD million sales)	Details
2019			
2018			
2017			
2016			
2015			
2014			
2013			

## CONTROVERSIES

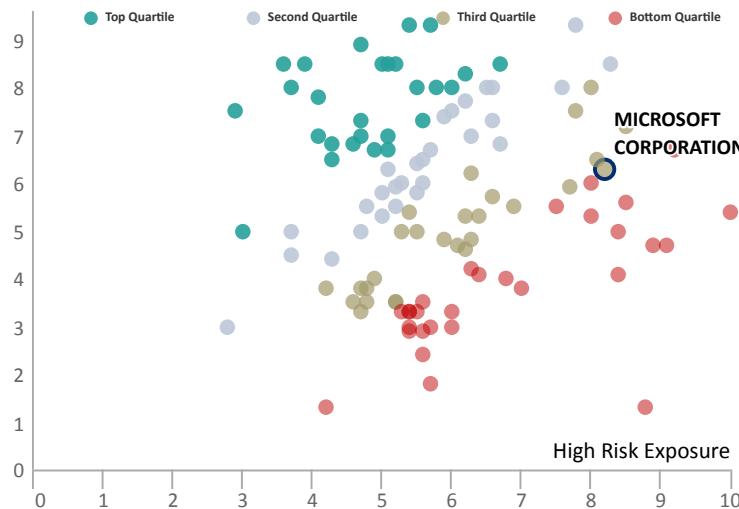
All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. There is no evidence of the Microsoft's current involvement in prominent controversial events or alleged misconduct.



## Labor Management

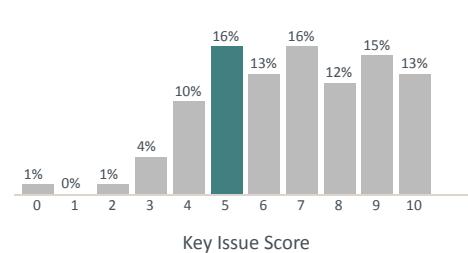


Strong Risk Management



Score	Change (since rating)	Quartile	Weight	Last score change date
5.1	▲ 0.1	••	0.0%	Aug 02, 2023

### KEY ISSUE SCORE DISTRIBUTION\*



### TOP 5 INDUSTRY LEADERS

ASPEN TECHNOLOGY, INC.	10.0
Arabian Internet and Communications Services Co CSJC	10.0
DIGITAL REALTY TRUST, INC.	10.0
EQUINIX, INC.	10.0
GODADDY INC.	10.0

### BOTTOM 5 INDUSTRY LAGGARDS

HCL TECHNOLOGIES LIMITED	2.8
COGNIZANT TECHNOLOGY SOLUTIONS CORPORATION	2.7
CAPGEMINI SE	2.6
TATA CONSULTANCY SERVICES LIMITED	2.4
Constellation Software Inc.	0.0

### METHODOLOGY NOTE

Companies are evaluated on the complexity of their workforce (size, labor intensity, and regions of operation), employee relations, strength of worker protections, and employee engagement efforts.



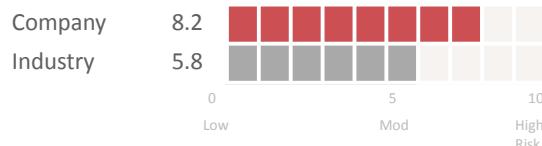
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## EXPOSURE

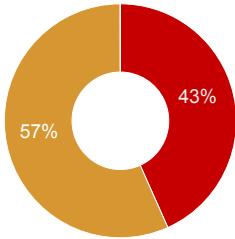
### RISK EXPOSURE ASSESSMENT



#### Key Drivers of Risk Exposure

**Exposure to:** Risk of workflow disruptions due to labor unrest, or reduced productivity due to poor job satisfaction

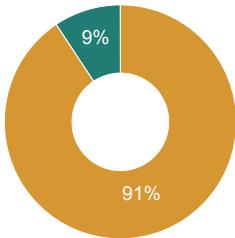
**Business Types :** Percentage of operations in business segments with high/moderate/low labor intensities, as measured by average sales per employee of industries



- Consumer software, Enterprise software, Interactive Home Entertainment
- Cloud computing services, Interactive Media and Search, Integrated systems design, Electronic Computers
- No exposure to low risk segments

*Source: MSCI ESG Research; Refinitiv; company disclosures*

**Business Locations :** Percentage of operations in countries with high/moderate/low likelihood of labor unrest (based on historic precedent)



- No operations in markets with high risks
- USA, other countries
- Ireland

*Source: International Labour Organization; Refinitiv; MSCI ESG Research; company disclosures*

#### Layoffs Events

Major Layoffs:

No

#### Size and Composition of Workforce

Number of employees:

181,000

# MICROSOFT CORPORATION (MSFT)

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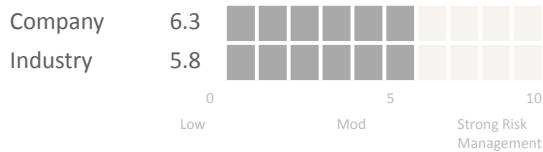


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## MANAGEMENT

### RISK MANAGEMENT ASSESSMENT



Description	Company Practice	Best Practice	Practices Score <sup>2</sup>
<b>Strategy</b>			
Evidence of collective agreements	Yes	Yes	
Employee stock ownership plan (ESOP) or employee stock purchase plan (ESPP)	Sector-leading number of employees eligible for ESOP and/or ESPP	Sector-leading number of employees eligible for ESOP and/or ESPP	
Non-compensation benefits including pension and retirement	Benefits cover selected employees	Benefits cover all employees	

## Performance

External recognition as employer of choice (last three years)	Yes, one award in the last year
Company witnessed strikes / lock-outs in the last three years	No

### External recognition - details

Year	Awarding authority name	Title of the Award
2022	Glassdoor	Best Places To Work 2022
2022	forbes	Canada's Best Employers For Diversity
2022	forbes	America's Best Employers For Diversity
2022	forbes	America's Best Employers For New Grads
2022	forbes	Canada's Best Employers
2022	FORBES	America's Best Employers By State
2022	forbes	The World's Best Employers
2022	FORBES	America's Best Employers For Women
2022	forbes	America's Best Large Employers
2022	forbes	BEST EMPLOYERS FOR VETERANS
2021	Glassdoor	Best Places to Work 2021
2020	Glassdoor	Best place to work
2020	Forbes	THE WORLD'S BEST EMPLOYERS 2020 LIST
2019	Forbes	World's Best Employers 2019
2019	Forbes	America's Best Employers 2019
2019	Glassdoor	Best place to work
2019	Forbes	America's Best Employers By State 2019

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Year	Awarding authority name	Title of the Award
2018	Glassdoor	Best Places to work
2017	Glassdoor	Best Places to work
2014	Fortune	100 Best Companies to Work For
2013	Fortune	100 Best Companies to Work For

## Employee turnover

Year	Annual employee turnover (%)	Details
2022		
2021		
2020		
2019		
2018		
2017		

## Employee Productivity

Year	Profit per employee (USD '000)
2021	338
2020	271
2019	272
2018	126

## CONTROVERSIES

All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. The Microsoft has been flagged for involvement in controversial events or alleged misconduct.

### Controversy Cases

Assessment	Headline	Status	Last Updated
Moderate	Washington, United States: Putative class action over alleged gender harassment and discrimination in pay and promotions	Ongoing	November 2021
Moderate	United States: OFCCP inquiry on diversity hiring commitment as potential unlawful discrimination	Ongoing	December 2020
Minor	Washington, U.S.: Dismissal of proposed class action filed by three former employees over alleged mismanagement of 401(k) plan	Concluded	May 2023



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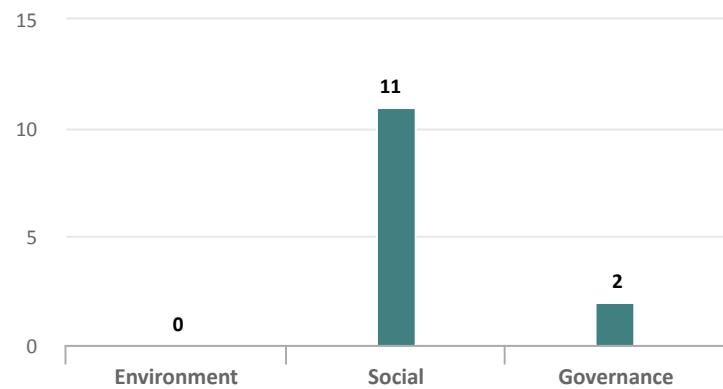
## CONTROVERSIES DETAIL

Here you will find the narratives for all controversies relevant to the ESG Ratings issues covered for the company in addition to those controversies that do not map to the ESG Ratings issues.

### CONTROVERSY CARD

	MOST SEVERE CONTROVERSY	CONTROVERSY COUNT
<b>Environment</b>		
Carbon Emissions	None	0
Water Stress	None	0
Opportunities in Clean Tech	None	0
<b>Social</b>		
Labor Management	Moderate	3
Human Capital Development	Moderate	3
Privacy & Data Security	Moderate	4
<b>Governance</b>		
Corruption & Instability	Moderate	1
Business Ethics & Fraud	Moderate	1
Anticompetitive Practices	Moderate	1
Corporate Governance	None	0
Corporate Behavior	Moderate	3

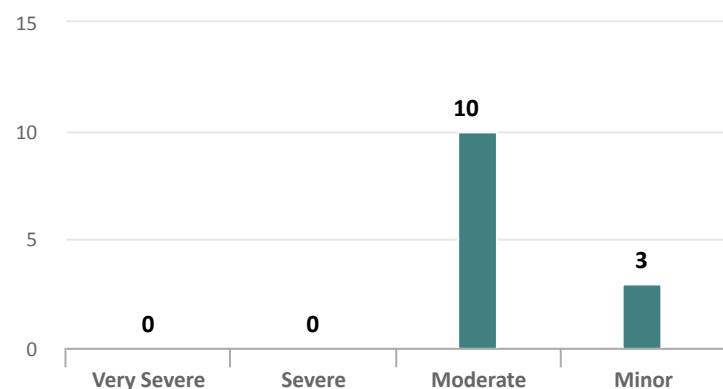
### NUMBER OF CONTROVERSIES BY PILLAR



### CONTROVERSIES

- **Very Severe:** Indicates an action by a company that results in a very large impact on society and/or the environment.
- **Severe:** Indicates an action by a company that results in a large impact on society and/or the environment.
- **Moderate:** Indicates an action by a company that results in a moderate impact on society and/or the environment.
- **Minor:** Indicates an action by a company that results in a low impact on society and/or the environment.
- **None:** There is no evidence that a company is involved in any controversy.

### NUMBER OF CONTROVERSIES BY ASSESSMENT





## SOCIAL CONTROVERSIES

### Moderate Controversies

**Date:** February 2022

**Assessment:** Moderate

**Status:** Ongoing

#### China: Allegations of suppliers employing ethnic minorities through labor-transfer programs

In March 2020, Australian Strategic Policy Institute (ASPI) reported that Microsoft Corporation's suppliers such as O-Film Technology Co Ltd, a compact camera modules and touchscreen manufacturer, and Foxconn Technology, an electronics manufacturer, allegedly employed Uyghurs and other ethnic minorities as part of the Chinese government's labor transfer programs. Dongguan Yidong Electronic Co. Ltd also mentioned its end customers include Microsoft. Dongguan's subsidiary Hubei Yihong Precision Manufacturing reportedly also employed Uyghur workers.

According to various reports, since 2017, more than one million Uyghurs, Kazakhs and other ethnic minorities have been detained in 're-education camps'. The camps were reportedly being monitored by cameras, guarded by armed police and walled with barbed wires. In addition, the reports cited allegations that the Uyghurs were forced to carry out manual labor in the camps for various production supply chains that provide raw materials allegedly sourced by a number of manufacturing and retail companies globally. Reports also alleged the use of coercion and incentives in the placement of Uyghur workers across the country through labor transfer programs.

UPDATES: 03 Feb 2022: The Moral Cost of Doing Business in China. (Victims of Communism Memorial Foundation)

02 Feb 2022: The Moral Cost of Doing Business in China. (The Wall Street Journal)

25 Nov 2020: Company Communication. (Microsoft Corporation)

01 Mar 2020: Uyghurs for Sale: 'Re-education', forced labour and surveillance beyond Xinjiang. (Australian Strategic Policy Institute)

**Source:** 03 Feb 2022 (Victims of Communism Memorial Foundation)

**Date:** October 2021

**Assessment:** Moderate

**Status:** Ongoing

#### Washington, United States: Putative class action over alleged gender harassment and discrimination in pay and promotions

Microsoft faced a putative class action over allegations of gender and compensation discrimination in the pay and promotion policies. In March 2018, court filings disclosed that a total of 238 female employees of Microsoft filed internal complaints of sexual harassment, gender discrimination, retaliation and pregnancy discrimination from 2010 to 2016. The class action filed by three employees in 2015 planned to seek class certification.

The company stated that based on its internal investigation, only one complaint was found to have merit. Moreover, the company disclosed that 20 employees were terminated after internal investigations into allegations of sexual harassment.

UPDATES: 12 Oct 2021: Leaked Microsoft email chain shows women sharing stories of gender discrimination at the company: 'Women are all paid equally until the women who aren't prove it'. (BUSINESS INSIDER)

24 Feb 2020: No new information available.

10 Feb 2020: Dozens of female Microsoft employees claim they deal with shocking behavior at work: requests to sit on a coworker's lap, being called a 'b\*tch' (MSFT). (BUSINESS INSIDER US)

26 Dec 2019: Ninth Circuit Rejects Class Certification of Gender Bias Claims Against Microsoft. (The Recorder)

05 Nov 2019: Microsoft women greeted by sceptical court in unequal-pay case. (The Star)

01 Aug 2019: 10-K, 2019. (SEC Filing)

24 Apr 2019: 10-Q, 2019. (SEC Filing)

17 Apr 2019: Microsoft Pay-Equity Case Raises Contentious Issues. (Society for Human Resource Management)

04 Apr 2019: Microsoft Employees Confront Microsoft CEO About Sexism, Harassment at Company. (VARIETY)

30 Jan 2019: 10-Q, 2018. (SEC Filing)

24 Sep 2018: Microsoft Women Can Challenge Class Order in Bias Case: 9th Cir. (Big Law Business)

13 Sep 2018: No new information available.

23 Aug 2018: No new information available.

29 Jun 2018: Judge throws out class action petition in Microsoft lawsuit. (Redmond Reporter)

25 Jun 2018: Moussoiris v. Microsoft Corp. (Washington Western District Court)

25 Jun 2018: Judge blocks effort to expand Microsoft gender-bias case to thousands of women. (Seattle Times)

16 Mar 2018: Microsoft says 20 fired for harassment last year. (Seattle Times)

15 Mar 2018: Microsoft: 1 gender complaint has merit. (Orlando Sentinel)

15 Mar 2018: USA: Female employees to sue Microsoft over alleged gender discrimination & sexual harassment. (Business & Human Rights Resource Centre (Main))

02 Mar 2018: No new information available.

05 Jan 2018: Microsoft argues against class action in gender-bias lawsuit. (The Seattle Times)

**Source:** 12 Oct 2021 (BUSINESS INSIDER)



**Date:** October 2021  
**Assessment:** Moderate  
**Status:** Ongoing

#### EU, Teams: European Commission launched antitrust investigation

In October 2021, antitrust regulators of the European Commission launched an investigation into alleged anticompetitive violation of Microsoft Corporation in relation to its Teams application between 2016 and 2021. The authority suspected that Microsoft abused its market position by improperly bundling Teams application into the company's popular Office software suite. Before the regulatory probe, a similar complaint was filed by a rival company Slack.

UPDATES: 12 Oct 2021: EU opens Microsoft Teams probe following Slack complaint. (IT PRO UK)

**Source:** 12 Oct 2021 (IT PRO UK)

**Date:** August 2021  
**Assessment:** Moderate  
**Status:** Ongoing

#### UK: Allegations of Power Apps misconfiguration resulting in breach of private data of 38 million users

In August 2021, Microsoft Corporation reportedly experienced a data breach that impacted 38 million users of the company's Power Apps platform. The breach resulted in unauthorized access and use of contact information, COVID-19 contact tracing and vaccination appointments, employee IDs, and millions of names and email addresses of users due to an issue with the default permissions settings in the Power Apps platform.

UPDATES: 24 Aug 2021: Microsoft Power Apps Data Leak Impacts 38 Million People. (SILICON.CO.UK)

**Source:** 24 Aug 2021 (SILICON.CO.UK)

**Date:** August 2021

**Assessment:** Moderate  
**Status:** Ongoing

#### Reports of series of cyberattacks of Microsoft Exchange servers impacting multiple organizations worldwide related to suspected state-backed hack

In March 2021, Microsoft Corporation reported a series of cyberattacks through its Exchange email servers, impacting approximately 30,000 organizations in the United States, including police departments, hospitals, local governments, and, banks, while 40 organizations were impacted in Russia. Microsoft revealed that hackers utilized unknown security flaws in its Exchange servers to steal data from businesses and government institutions. As for Germany, approximately 60,000 computer systems were reportedly exposed to the attack. Moreover, the European Banking Authority (EBA), a regulatory agency of the European Union, announced that it was also hit by the series of attacks.

Microsoft reported that hundreds of thousands of users' data could be potentially compromised globally.

UPDATES: 03 Aug 2021: Chinese hackers targeted telecoms firms in Southeast Asia, report says. (South China Morning Post)

28 Jul 2021: Hackers hit computer maker Acer with \$50mn ransomware attack. (IANS)

31 Mar 2021: CISA Releases Supplemental Direction on Emergency Directive for Microsoft Exchange Server Vulnerabilities. (US Cybersecurity & Infrastructure Security Agency)

15 Mar 2021: Attacks on firms using Microsoft email servers tripled in 72 hrs. (IANS-ENGLISH)

12 Mar 2021: Ransom-seeking hackers are taking advantage of Microsoft flaw: expert. (Channel NewsAsia)

11 Mar 2021: Exchange email hack: Hundreds of UK firms compromised. (BBC)

11 Mar 2021: Up to 60,000 computer systems exposed in Germany to Microsoft flaw - BSI. (THE HINDU)

08 Mar 2021: European Banking Authority hit by global Microsoft hack. (TELEGRAPH)

08 Mar 2021: About 40 companies in Russia attacked using Microsoft software vulnerabilities. (ITAR-TASS)

08 Mar 2021: Microsoft Email Server Flaws Exploited To Hack At Least 30,000 US Organizations. (BRUDIRECT)

08 Mar 2021: More than 20,000 US organisations compromised through Microsoft flaw. (CYPRUS MAIL)

06 Mar 2020: Microsoft hack: White House warns of 'active threat' of email attack. (BBC)

**Source:** 03 Aug 2021 (South China Morning Post)

**Date:** July 2021

**Assessment:** Moderate  
**Status:** Ongoing

#### LinkedIn, Kazakhstan: Regulator suspended access to networking platform over alleged failure to remove gambling ads and fake accounts

In July 2021, Reuters reported that the Ministry of Information and Social Development of Kazakhstan has blocked access to the online professional networking platform by a Microsoft subsidiary, LinkedIn, in the country with about 720,000 users. The Ministry said that LinkedIn failed to remove illegal online casino advertisements and fake accounts and would restore access once the platform addresses the issues. Reuters also reported that LinkedIn was investigating the regulator's concerns and that it has policies against gambling advertisements and fake profiles.

UPDATES: 27 Jul 2021: Kazakhstan blocks LinkedIn over alleged fake accounts, gambling ads. (Reuters)

**Source:** 27 Jul 2021 (Reuters)

**Date:** June 2021

**Assessment:** Moderate  
**Status:** Ongoing

#### United States: Reports of compromised Office 365, Azure AD accounts related to suspected foreign state-sponsored cyberattack

In December 2020, multiple U.S. federal and state government agencies were reportedly attacked by a suspected cyber espionage campaign by foreign state-sponsored actors. The supply chain attack was allegedly carried out through a data breach of SolarWinds Corp's network management platform called Orion where malware was inserted in the software updates of its Orion platform in March and June 2020. Reuters and CRN reports have indicated that the SolarWinds hack compromised Microsoft products such as Office 365



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and Azure Active Directory accounts that had allegedly allowed hackers to spy on emails of the U.S. Treasury and Commerce departments. Microsoft confirmed it detected the malicious SolarWinds binaries in its environment which it has isolated and removed. It also announced it found no evidence the hackers were able to access its production services or customer data and no indication the Microsoft systems were used to further the attacks. Microsoft has identified and is working with more than 40 of its customers impacted by the SolarWinds breach.

Hackers have also allegedly viewed Microsoft's source code which according to Microsoft is not tied to 'elevation of risk' as the company does not rely on the secrecy of codes or knowledge of the codes. The access did not have permission to modify the codes.

In May 2021, Microsoft announced that it was investigating phishing attacks targeting 3,000 customer email accounts which was said to be carried out by the same threat actor behind the SolarWinds attack. The phishing attacks was said to have followed after the actor gained access to an email marketing service account. In June 2021, Microsoft said that most of the attacks have been unsuccessful and it was only aware of three entities that have been compromised.

UPDATES: 25 Jun 2021: New Nobelium activity. (Microsoft Security Response Center)

25 Jun 2021: Microsoft says new breach discovered in probe of suspected SolarWinds hackers. (Reuters)

27 May 2021: Another Nobelium Cyberattack. (Microsoft Corporation)

24 Apr 2021: SolarWinds hacking campaign puts Microsoft in the hot seat. (The Associated Press)

11 Mar 2021: At least 10 hacking groups using Microsoft software flaw: researchers. (Reuters)

08 Mar 2021: Microsoft hack: Biden launches emergency taskforce to address cyber-attack. (The Guardian)

23 Feb 2021: SolarWinds, Microsoft, FireEye, CrowdStrike defend actions in major hack - U.S. Senate hearing. (Reuters)

31 Dec 2020: Microsoft says hackers viewed its source code. (CNN Business) Microsoft said that it does not rely on the secrecy of source code for the security of its products.

31 Dec 2020: Microsoft Internal Solarigate Investigation Update. (Microsoft)

21 Dec 2020: Top Treasury Email Accounts Exposed In SolarWinds Hack: Report. (CRN)

18 Dec 2020: Exclusive: Microsoft breached in suspected Russian hack using SolarWinds -sources. (Reuters)

18 Dec 2020: Microsoft says it identified 40+ victims of the SolarWinds hack. (ZDNet)

17 Dec 2020: A moment of reckoning: the need for a strong and global cybersecurity response. (Microsoft)

15 Dec 2020: Microsoft and industry partners seize key domain used in SolarWinds hack. (ZDNet)

15 Dec 2020: Microsoft's Role In SolarWinds Breach Comes Under Scrutiny. (CRN)

14 Dec 2020: Suspected Russian hackers spied on U.S. Treasury emails - sources. (Reuters)

**Source:** 25 Jun 2021 (Microsoft Security Response Center); 25 Jun 2021 (Reuters)

**Date:** May 2021

**Assessment:** Moderate

**Status:** Ongoing

#### European Union: Investigation into potential violation of EU data protection laws related to Microsoft Office 365

In May 2021, Reuters reported that the European Data Protection Supervisor (EDPS) has launched an investigation against the company's potential violation of EU data protection laws related to the European Commission's usage of Microsoft Office 365. The EDPS disclosed the investigation would mainly focus on concerns in relation to the transfer of personal data to the United States. Microsoft stated it would fully comply with the regulator to immediately address any concerns regarding the data violation allegations.

UPDATES: 27 May 2021: EU bodies' use of Amazon, Microsoft cloud services faces privacy probes. (Reuters)

**Source:** 27 May 2021 (Reuters)

**Date:** November 2020

**Assessment:** Moderate

**Status:** Ongoing

#### United States: OFCCP inquiry on diversity hiring commitment as potential unlawful discrimination

In October 2020, Microsoft Corporation (Microsoft) disclosed that the United States Department of Labor Office of Federal Contract Compliance Programs (OFCCP) contacted the company regarding its diversity commitments and the potential unlawful discrimination on the basis of race.

Microsoft Corporation earlier announced that as part of its commitment to boost internal diversity within the company, it intends to double the number of African-American managers, contributors, and senior leaders by 2025.

UPDATES: 25 Nov 2020: Company Communication. (Microsoft Corporation)

07 Oct 2020: Microsoft probed over aim to double black staff numbers. (BBC)

06 Oct 2020: Microsoft denies U.S. suggestion its diversity plan illegally discriminates by race. (REUTERS UK)

06 Oct 2020: Responding to the OFCCP on our June diversity commitments. (Microsoft Corporation)

**Source:** 25 Nov 2020 (Microsoft Corporation)

#### Minor Controversies

**Date:** June 2023

**Assessment:** Minor

**Status:** Ongoing

#### Customers complained of alleged service disruption in certain software applications

UPDATES: 05 Jun 2023: Microsoft Outlook and Hotmail are down on Monday (5). (MSN BRASIL)

**Source:** 05 Jun 2023 (MSN BRASIL)



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Date: May 2023

Assessment: Minor  
Status: Concluded

## Washington, U.S.: Dismissal of proposed class action filed by three former employees over alleged mismanagement of 401(k) plan

UPDATES: 18 May 2023: United States: Dismissal Streak Continues In BlackRock Target Date Fund Litigation - Proskauer Rose LLP. (MONDAQ)

Source: 18 May 2023 (MONDAQ)

## GOVERNANCE CONTROVERSIES

### Moderate Controversies

Date: May 2020

Assessment: Moderate  
Status: Ongoing

#### Spain: CNMC investigation over alleged failure to disclose the provisions of 'Skype Out' services to the public

In May 2020, the Spanish Communications regulator, National Commission on Markets and Competition (CNMC) launched an investigation against Microsoft Ireland over its alleged failure to disclose the proper provisions of its 'Skype Out' service, which allows a consumer to make calls to standard phone lines to the public, violating Spain's General Telecommunications Law. The regulator ordered Microsoft to register its 'Skype Out' services in Spain's Registry of Operators.

UPDATES: 28 May 2020: 'Spain launches 'Skype Out' probe, tells Microsoft to register as telco'. (DMEUROPE)

Source: 28 May 2020 (DMEUROPE)

### Minor Controversies

Date: May 2021

Assessment: Minor  
Status: Concluded

#### Internal investigation into allegation of former chairman and CEO's improper relationship with a female employee in 2000

UPDATES: 18 May 2021: Bill Gates left Microsoft amid affair investigation. (BBC)

17 May 2021: Microsoft investigated Gates before he left board, according to report. (Boston Globe)

16 May 2021: Bill Gates Left Microsoft Board Amid Probe Into Prior Relationship With Staffer. (The Wall Street Journal)

Source: 18 May 2021 (BBC)



## KEY METRIC & SCORE CHANGES

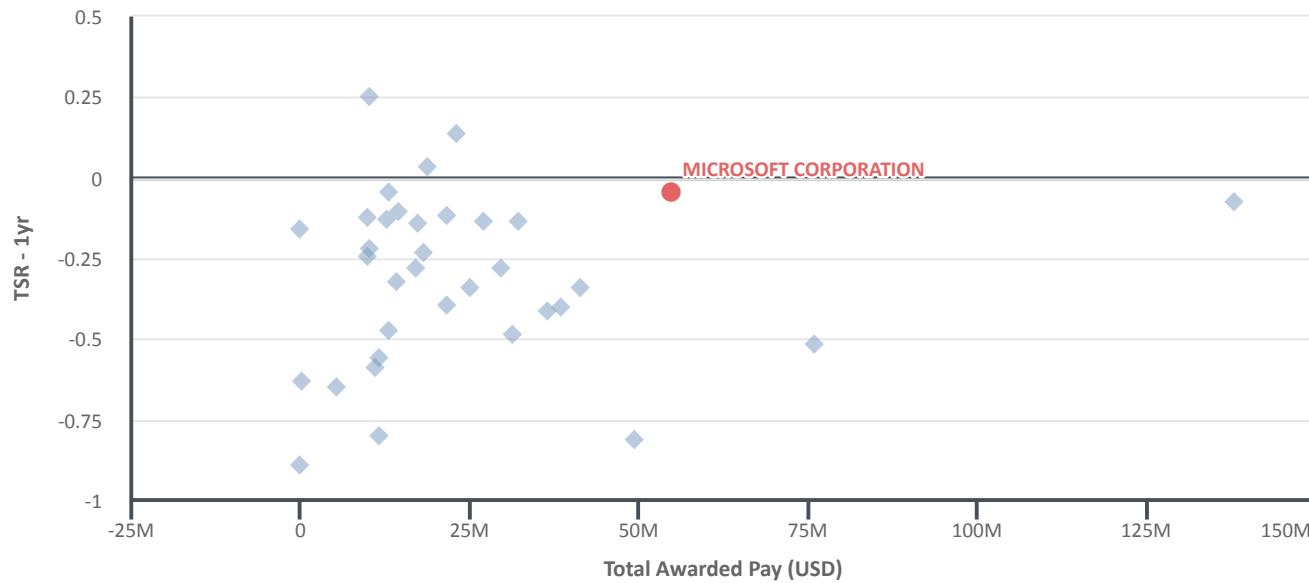
### ALL KEY METRIC & SCORE CHANGES (SINCE MAY 2022)

Key Metric	Key Metric Change	Date	Score Change*	Change Notes
CEO Pay Total Realized	Flag Added	Sep 07, 2023	-0.20	
CEO Pay Total Awarded	Flag Added	Aug 03, 2023	-0.20	
Long-Term Pay Performance Versus Peers	Flag Removed	May 15, 2023	0.20	
Significant Vote Against Pay Practices	Flag Added	Dec 23, 2022	-0.10	AGM voting results updated
Long-Term Pay Performance Versus Peers	Flag Added	Nov 23, 2022	-0.20	
CEO Pay Total Realized	Flag Removed	Nov 23, 2022	0.20	
CEO Pay Total Awarded	Flag Removed	Nov 23, 2022		
CEO Pay Total Awarded	Flag Added	Oct 27, 2022	-0.20	
Revenue Recognition	Score Change	Jun 12, 2022	0.04	Methodology enhancements
Expense Recognition	Flag Removed	Jun 12, 2022	0.22	Methodology enhancements
Asset-Liability Valuation	Score Change	Jun 12, 2022	0.23	Methodology enhancements
Overboarded Non-Exec Directors	Flag Added	Jun 09, 2022	-0.50	
Overboarded Audit Committee Members	Flag Added	Jun 09, 2022	-0.10	

## CEO PAY CHARTS

*Due to the large size of this peer group, only a subset of companies is displayed in this table.*

### CEO TOTAL AWARDED PAY VERSUS PAY PEER GROUP



*Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.*

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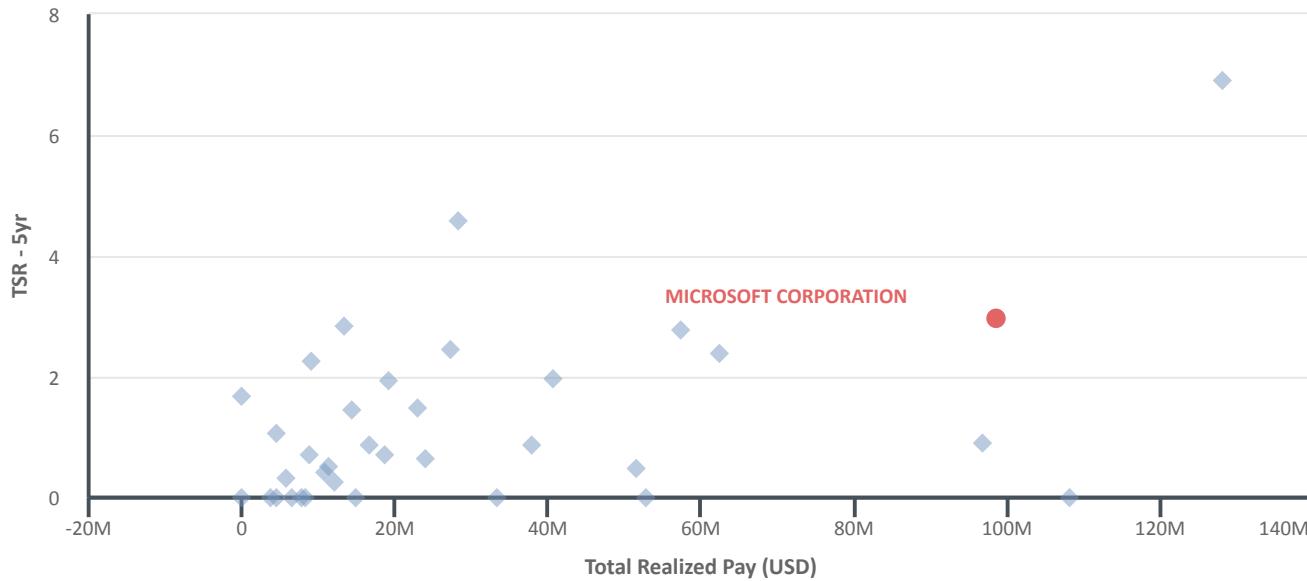
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## CEO TOTAL REALIZED PAY VERSUS PAY PEER GROUP



Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.

## DIRECTOR VOTES

Proxy Year	Name	Age	Tenure	Votes For	Votes Against, Withheld and / or Abstained
2022	Carlos Rodriguez	59	1	99.4%	0.6%
2022	Charles (Charlie) Scharf	58	8	98.5%	1.5%
2022	Emma Walmsley	53	3	98.5%	1.5%
2022	Hugh Johnston	61	5	97.1%	2.9%
2022	John Stanton	68	9	99.4%	0.6%
2022	John Thompson	73	11	98.1%	2%
2022	Padmasree Warrior	63	7	98.5%	1.5%
2022	Penny Pritzker	64	5	99.5%	0.5%
2022	Reid Hoffman	55	6	99.2%	0.8%
2022	Sandra (Sandi) Peterson	64	7	97.8%	2.2%
2022	Satya Nadella	55	9	94.4%	5.6%
2022	Teri List-Stoll	60	8	98%	2%



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## SHAREHOLDER/MANAGEMENT PROPOSALS

### MANAGEMENT PROPOSALS

Proxy Year	Proposal	Proposal Summary	Outcome	Votes For	Votes Against	Abstain/Withheld%
2022	Advisory Vote on Executive Compensation	Advisory Vote to Approve Named Executive Officer Compensation	Approved	88.3%	11.1%	0.6%
2022	Auditor Ratification	Ratification of Appointment of Independent Auditor for Fiscal Year 2023	Approved	95.1%	4.6%	0.3%
2021	Auditor Ratification	Ratification of Appointment of Independent Auditor for Fiscal Year 2022	Approved	95.1%	4.6%	0.3%
2021	Advisory Vote on Executive Compensation	Advisory Vote to Approve Named Executive Officer Compensation	Approved	94.9%	4.5%	0.5%
2021	ESOP, ESPP or Pension Fund	Approval of Employee Stock Purchase Plan	Approved	99.5%	0.3%	0.2%
2020	Advisory Vote on Executive Compensation	Advisory Vote to Approve Named Executive Officer Compensation	Approved	94.4%	5.3%	0.3%
2020	Auditor Ratification	Ratification of Appointment of Independent Auditor	Approved	95.9%	3.9%	0.2%

\*For Management Proposals at AGM's held more than three years ago, please refer to the Screener tool on ESG Manager.



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## SHAREHOLDER PROPOSALS

Proxy Year	Proposal	Proposal Summary	Proposal Proponent	Outcome	Votes For	Votes Against	Abstain/Withheld%
2022	Other	Shareholder Proposal: Cost/Benefit Analysis of Diversity and Inclusion	Ridgeline Research	Defeated	1.3%	98%	0.8%
2022	Other	Shareholder Proposal: Report on Hiring of Persons with Arrest or Incarceration Records	NorthStar Asset Management, Inc	Defeated	10.8%	88%	1.2%
2022	Environmental - Climate Change, Renewable Energy and GHG Emissions	Shareholder Proposal: Report on Investment of Retirement Funds in Companies Contributing to Climate Change	You Sow and co-filers	Defeated	10.7%	85%	4.2%
2022	Human Rights	Shareholder Proposal: Report on Government Use of Microsoft Technology	Boston Common Asset Management	Defeated	20.2%	78.8%	1%
2022	Other	Shareholder Proposal: Report on Development of Products for Military	Harrington Investments, Inc.	Defeated	10.4%	88%	1.7%
2022	Tax-Related Issues	Shareholder Proposal: Report on Tax Transparency	AkademikerPension and co-filers	Defeated	22.8%	76.6%	0.6%
2021	Employment Discrimination	Shareholder Proposal: Report on median pay gaps across race and gender	Arjuna Capital and a co-filer	Defeated	39.5%	59.2%	1.3%
2021	Human Rights	Shareholder Proposal: Report on effectiveness of workplace sexual harassment policies	Arjuna Capital	Approved	77.3%	21.8%	0.9%
2021	Human Rights	Shareholder Proposal: Prohibition on sales of facial recognition technology to all government entities	Harrington Investments, Inc.	Defeated	45.7%	53.3%	1%
2021	Employment Discrimination	Shareholder Proposal: Report on implementation of the Fair Chance Business Pledge	NorthStar Asset Management, Inc	Defeated	13.7%	85%	1.3%
2021	Environmental - Lobbying, Public Relations and Legal Expenditures	Shareholder Proposal: Report on how lobbying activities align with Company policies	The Congregation of the Sisters of St. Joseph of Peace and a number of co-filers	Defeated	37.9%	61.7%	0.5%
2020	Board Elections - Shareholder Nominations	Shareholder Proposal Concerning Report on Employee Representation on Board of Directors	NorthStar Asset Management, Inc.	Defeated	5.1%	94.4%	0.4%

\*For Shareholder Proposals at AGMs held more than three years ago, please refer to the Screener tool on ESG Manager.



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## WASHINGTON



### CURRENCY: UNITED STATES DOLLAR (USD)

In the United States, most governance principles are governed by state laws that are not uniform or nationally enforced. However, the majority of states have adopted the Model Business Corporation Act (MBCA) as the basis of their own laws by modifying some of the provisions of the MBCA. The MBCA is a body of laws designed to regulate corporate affairs uniformly across different states. It is the basis for business corporation statutes in 32 states and the District of Columbia and is the source of many provisions in the general corporation statutes of other states. Further, the Securities and Exchange Commission (SEC) regulates certain governance related matters on a federal level.

The majority of large U.S. businesses are listed on either the New York Stock Exchange (NYSE) or the Nasdaq Stock Market (Nasdaq), and therefore are subject to their listing rules. The U.S. has not adopted a national corporate governance code.

Washington Business Corporation Act is based on the Model Act and is the main legislative framework for corporate governance in the state of Washington.

Companies adopt a unitary board structure in the U.S. The NYSE and Nasdaq listing rules require the majority of directors to be independent. The SEC rules require public companies to disclose and explain their chair-CEO structure and whether one or two people hold the roles. If the roles are combined, the company must further disclose whether it has a lead independent director and specify their role within the company leadership.

Unless stated otherwise in the articles of association, directors may appoint inspectors in advance of any shareholder meeting to determine the number of shares outstanding, voting rights, shares represented at the meeting, existence of a quorum, authenticity and validity of proxies, and take all other actions with regards to the annual shareholders' meeting.

Related party transactions (RPTs) are valid if the transaction was conducted on reasonable and fair terms when it was approved, and the RPT is approved in good faith by the majority of independent directors. If the number of independent directors is less than a quorum, then it must be approved by shareholders.

The board of directors may fix director and officer pay, although most companies delegate the responsibility for defining executive pay to independent directors, usually upon the recommendation of the pay or nominating/governance committee. Officers are executive directors that are responsible for the daily management of the company.

The Dodd-Frank Act requires listed companies to hold an advisory vote every three years on "say on pay" policies, as well as disclose additional information regarding "golden parachute" arrangements linked to merger transactions.

Listed companies must annually disclose the pay of directors and officers, including stock and option awards. Disclosure must be made in a tabular format, along with a descriptive summary of the information in the table. Companies listed on Nasdaq must also disclose pay arrangements between directors or nominees and third parties.

The U.S. market is known for having widely dispersed ownership, but founder-led companies are common. There are multiple share classes with unequal voting rights and voting right limits.

Shareholders with at least 10% voting rights can request to convene a general meeting.

A notice of the meeting, specifying the date, time, place and purpose must be given no less than seven days and no more than 60 days in advance. Special meeting of shareholders may be convened by shareholders owning at least 10% of shares. Typically, each share is entitled to one vote and fractional shares are entitled to proportionate votes. Shareholders do not have preemptive rights unless specifically provided in the bylaws or articles. Dissenting shareholders are entitled to appraisal rights.

Unless otherwise stipulated in the articles, a corporation is not obligated to offer shareholders any shares, option rights or securities when issuing them.

There are no mandatory takeover bid provisions in the U.S.

There are many provisions in the Federal Sarbanes-Oxley Act that govern the audit process. A public company's annual financial statements must be audited by a registered, independent auditing firm. Listed companies prepare two annual reports, one for SEC (Form 10-K) and one for their shareholders. The reports to shareholders, as required by SEC, must contain certified financial statements of two-year audited balance sheets, and three-year audited statement of income and cash flows. Directors and officers of the corporation must also be identified. Interim financial statements are not audited, only reviewed by the company's auditors. If an auditor has not reviewed the interim financial report, it must be accompanied with a notice indicating the interim financial report has not been reviewed by an auditor. Audit firm rotation is not required but lead audit partners must be rotated every five years.

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## DIRECTOR PROFILES

### CARLOS RODRIGUEZ

Age: 59  
Gender: M  
Nationality: Mexico

Financial: Yes  
Risk: No  
Industry: Software & Services - IT Services, Commercial & Professional Services - Professional Services

### BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. Carlos A. Rodriguez, Independent, Experience: Automatic Data Processing, Inc. (1999-present) (human capital management solutions provider) • President, Chief Executive Officer, and Director (2011-present) • President, Chief Operating Officer, and Director (2011) • Various positions of increasing authority (1999-2011) Vincam Group, Inc. (1996-1999) (acquired by Automatic Data Processing, Inc. in 1999) • Senior Vice President Finance and Chief Financial Officer (1997-1999) • Vice President, Mergers & Acquisitions (1996-1997) • Vice President, Operations (1996) Microsoft committees: • Appointment will be made after election Other public company directorships: • Automatic Data Processing, Inc.

AUTOMATIC DATA PROCESSING, INC. - Executive, Board Member, Chairman Source Date: 11/09/2022

Carlos A. Rodriguez, Director since: 2011, Management President and Chief Executive Officer of Automatic Data Processing, Inc. Mr. Rodriguez is president and chief executive officer of the company. He served as president and chief operating officer of the company before he was appointed to his current position in November 2011. Having started his career at the company in 1999, Mr. Rodriguez previously served as president of several key businesses, including National Accounts Services, Employer Services International, Small Business Solutions, and Professional Employer Organization, giving him deep institutional knowledge across the company's business. Mr. Rodriguez was also a director of Hubbell Inc., a manufacturer of electrical and electronic products, from 2009 to 2016. Key Skills & Qualifications In addition to broad managerial, operational and strategic planning expertise, Mr. Rodriguez brings a wealth of business acumen and leadership experience to our board of directors, including a deep knowledge of the HCM industry and unique understanding of our business, coupled with a proven track record of integrity, achievement and strategic vision.

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	1	Nov 30, 2021		Yes	Yes	
AUTOMATIC DATA PROCESSING, INC.	Executive, Board Member, Chairman	11	Nov 08, 2011		No	Yes	

### BOARD COMMITTEES

Company	Committee Type	Position
MICROSOFT CORPORATION	Audit	Member
MICROSOFT CORPORATION	Pay	Chair

### VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
AUTOMATIC DATA PROCESSING, INC.	2022	99.4%	0.6%
MICROSOFT CORPORATION	2022	99.4%	0.6%

### EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
AUTOMATIC DATA PROCESSING, INC.	Chair	11	2021	5,367,470	16,985,259	18,808,780	110,739

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## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	1	2022	69,524	187,024	1,004

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## CHARLES (CHARLIE) SCHARF

Age: 58  
Gender: M  
Nationality: United States of America

Financial: Yes  
Risk: No  
Industry: Banks - Banks, Software & Services - IT Services

### BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. Charles W. Scharf CEO and President, Wells Fargo & Company Charles Scharf is chief executive officer and president, and a member of the board of directors of Wells Fargo & Company. A financial services veteran with 24 years of experience in leadership roles in the banking and payments industries, Scharf served as chief executive officer of The Bank of New York Mellon from 2017 to 2019 and the chairman of its board from 2018 to 2019. He also was chief executive officer and a director of Visa Inc. from 2012 to 2016. Previously, Scharf was a managing director of One Equity Partners at JPMorgan Chase & Co. and chief executive officer of Retail Financial Services at JPMorgan Chase. He also was chief executive officer of the retail division of Bank One Corp., chief financial officer of Bank One Corp., chief financial officer of the Global Corporate and Investment Bank division of Citigroup, and chief financial officer of Salomon Smith Barney and its predecessor company. Scharf holds a bachelor's degree from Johns Hopkins University and an MBA from New York University. Scharf joined the Microsoft board as an independent director in October 2014.

WELLS FARGO & COMPANY - Executive, Board Member, CEO Source Date: 03/15/2023

Charles Scharf has served as our Company's President and CEO, and as a director, since October 2019. He served as CEO of The Bank of New York Mellon Corporation (American investment banking services holding company), New York, New York, from July 2017, and as chairman from January 2018, to September 2019. Mr. Scharf was the CEO and a director of Visa Inc., San Francisco, California, from November 2012 to December 2016. Prior to joining Visa, he served in several senior positions at JPMorgan and Citigroup and their predecessors. Mr. Scharf was formerly a director of The Bank of New York Mellon Corporation and Visa

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
WELLS FARGO & COMPANY	Executive, Board Member, CEO	3	Sep 26, 2019		No	Yes	
The Bank of New York Mellon Corporation	Executive		Jul 17, 2017	Sep 26, 2019	No	Yes	
MICROSOFT CORPORATION	Board Member	8	Oct 01, 2014		Yes	Yes	
VISA INC.	Executive		Nov 01, 2012	Dec 01, 2016	No	Yes	

### BOARD COMMITTEES

Company	Committee Type	Position
MICROSOFT CORPORATION	Pay	Member
MICROSOFT CORPORATION	Corporate Governance	Member
MICROSOFT CORPORATION	Nomination	Member

### VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	98.5%	1.5%
WELLS FARGO & COMPANY	2023	97%	3%

### EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
WELLS FARGO & COMPANY	CEO	3	2022	8,008,351	24,642,526	17,652,070	421,928

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## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	8	2022	125,000	342,500	43,191

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## EMMA WALMSLEY

**Age:** 53  
**Gender:** F  
**Nationality:** United Kingdom

**Financial:** No  
**Risk:** No  
**Industry:** Pharmaceuticals, Biotechnology & Life Sciences - Pharmaceuticals, Household & Personal Products - Personal Care Products

### BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Ms. Emma Walmsley CEO, GlaxoSmithKline Emma Walmsley has been GSK CEO and a member of the board of directors since April 2017. Prior to this, Walmsley was the CEO of GSK Consumer Healthcare, a Joint Venture between GSK and Novartis, from its creation in 2015, and has been a member of GSK's Corporate Executive Team since 2011. She joined GSK in 2010, with responsibility for Consumer Healthcare, Europe. Prior to joining GSK, Walmsley worked with L'Oréal for 17 years where she held a variety of marketing and general management roles in Paris, London and New York. From 2007 she was based in Shanghai as General Manager, Consumer Products for L'Oréal China. Walmsley co-chairs the Consumer, Retail and Life Sciences Council, a business advisory group for the UK Government. She was a Non-Executive Director of Diageo plc in 2016. Walmsley holds an MA in Classics and Modern Languages from Oxford University. Walmsley was appointed Dame Commander of the British Empire for services to the pharmaceutical industry and business in 2020. Walmsley joined the Microsoft board as an independent director in December 2019.

GSK PLC - Executive, Board Member, CEO Source Date: 03/09/2023

Emma, prior to her appointment as GSK's CEO, was the CEO of GSK Consumer Healthcare, a Joint Venture between GSK and Novartis, from its creation in March 2015. Emma joined GSK in 2010 from L'Oréal, having worked for 17 years in a variety of roles in Paris, London, New York and Shanghai. Emma was previously a Non-Executive Director of Diageo plc. Emma holds an MA in Classics and Modern Languages from Oxford University. External appointments Independent director, Microsoft, Inc

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	3	Dec 04, 2019		Yes	Yes	
GSK PLC	Executive, Board Member, CEO	6	Jan 01, 2017		No	Yes	

### BOARD COMMITTEES

Company	Committee Type	Position
MICROSOFT CORPORATION	Pay	Member

### VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
GSK PLC	2023	99.5%	0.5%
MICROSOFT CORPORATION	2022	98.5%	1.5%

### EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
GSK PLC	CEO	6	2022	5,758,282	14,419,162	10,168,310	1,503,484

### DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	3	2022	125,000	354,863	9,124

# MICROSOFT CORPORATION (MSFT)

MSCI  
ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

## HUGH JOHNSTON

Age: 61  
Gender: M  
Nationality: United States of America

Financial: Yes  
Risk: No  
Industry: Food, Beverage & Tobacco - Beverages, Pharmaceuticals, Biotechnology & Life Sciences - Biotechnology

### BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. Hugh Johnston Vice Chairman and Chief Financial Officer, PepsiCo Hugh Johnston is vice chairman and chief financial officer of PepsiCo, a global food and beverage company that maintains a product portfolio of 22 brands. Johnston joined PepsiCo in 1987 and has served in a variety of senior leadership positions, including executive vice president of global operations, president of Pepsi-Cola North America, senior vice president of transformation, senior vice president and chief financial officer, and senior vice president of mergers and acquisitions. Johnston serves on the board of directors of HCA Healthcare and is active with a number of NGO and academic organizations. Johnston holds a bachelor of science from Syracuse University and an MBA from the University of Chicago. Johnston joined the Microsoft board as an independent director in September 2017.

Pepsico, Inc. - Executive, CFO Source Date: 03/21/2023

Hugh F. Johnston, Vice Chairman and Chief Financial Officer Hugh Johnston is Vice Chairman and Chief Financial Officer of PepsiCo. PepsiCo products are enjoyed by consumers more than one billion times a day in more than 200 countries and territories around the world. PepsiCo generated \$70 billion in net revenue in 2020, driven by a complementary beverage and convenient foods portfolio that includes Lays, Doritos, Cheetos, Gatorade, Pepsi-Cola, Mountain Dew, Quaker, and SodaStream. PepsiCo's product portfolio includes a wide range of enjoyable foods and beverages, including many iconic brands that generate more than \$1 billion each in estimated annual retail sales. Hugh assumed the role of Chief Financial Officer in 2010, and is responsible for providing strategic financial leadership for PepsiCo, including ensuring the company's strategy creates shareholder value, communicating the company's strategies and performance to investors, and implementing a capital structure, financial processes and controls to support the company's growth and return on investment goals. In addition, Hugh's portfolio has included a variety of responsibilities, including leadership of PepsiCo's information technology function since 2015, the company's global e-commerce business from 2015 to 2019 and the Quaker Foods North America division from 2014 to 2016. In these roles, Hugh has focused on addressing global trends that are reshaping the food and beverage industry, including health and wellness, the rise of the digitally connected consumer and the emergence of e-commerce as a new distribution channel. Hugh joined PepsiCo in 1987, and has served in a variety of positions, including Executive Vice President, Global Operations, PepsiCo; President, Pepsi-Cola North America; Senior Vice President, Transformation, PepsiCo; Senior Vice President and Chief Financial Officer, PepsiCo Beverages and Foods; and Senior Vice President, Mergers and Acquisitions, PepsiCo. Hugh is active with a number of corporate, NGO and academic organizations, and currently serves as a member of the board and chair of the audit committee of Microsoft Corporation. Other organizations in which Hugh serves include: a director for the Peterson Institute for International Economics, the leading global economic think tank; the University of Chicago's Booth School CFO Forum Advisory Board; Syracuse University's Whitman School of Management Advisory Council. Additionally, he is a member of the Federal Reserve Bank of New York Second District Advisory Council and the CNBC Global CFO Council. Previously, he served as a director of AOL, Inc., where he chaired the audit and finance committee, and a director of Twitter, Inc., where he served as a member of the audit committee. Hugh holds a B.S. from Syracuse University and an M.B.A. from the University of Chicago. Hugh is based in Purchase, N.Y.

HCA HEALTHCARE, INC. - Board Member Source Date: 03/10/2023

Hugh F. Johnston, age 61, has served as Vice Chairman of PepsiCo, Inc. since 2015 and Executive Vice President and Chief Financial Officer since 2010. Mr. Johnston currently also serves as a member of the board and chair of the audit committee of Microsoft Corporation. Mr. Johnston is active with several corporate, NGO and academic organizations, including the University of Chicago's Booth School CFO Forum Advisory Board, Syracuse University's Whitman School of Management Advisory Council, and the Peterson Institute for International Economics. In addition, he is a member of the Federal Reserve Bank of New York Advisory Council. Among other qualifications, Mr. Johnston was selected a director in light of his extensive experience as an executive officer of a large public company and service as a director of other firms, including public companies. This experience will continue to be beneficial in providing financial and general business expertise to the Board of Directors.

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
HCA HEALTHCARE, INC.	Board Member	2	Sep 01, 2021		Yes	Yes	
MICROSOFT CORPORATION	Board Member	5	Sep 19, 2017		Yes	Yes	

### BOARD COMMITTEES

Company	Committee Type	Position
HCA HEALTHCARE, INC.	Audit	Chair
MICROSOFT CORPORATION	Audit	Chair

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
HCA HEALTHCARE, INC.	2023	98.2%	1.8%
MICROSOFT CORPORATION	2022	97.1%	2.9%

## EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
Pepsico, Inc.	CFO		2022	8,775,232	13,395,304	13,842,310	65,360

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
HCA HEALTHCARE, INC.	Non-Executive	2	2022	142,500	332,371	1,367
MICROSOFT CORPORATION	Non-Executive	5	2022	170,000	402,500	6,623



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

## JOHN STANTON

Age: 68  
Gender: M  
Nationality: United States of America

Financial: No  
Risk: No  
Industry: Telecommunication Services - Wireless  
Telecommunication Services, Technology  
Hardware & Equipment - Communications  
Equipment

### BIOGRAPHICAL INFORMATION

COLUMBIA SPORTSWEAR COMPANY - Source Date: 04/21/2016

John W. Stanton (age 60) has served on the Board of Directors since 1997. Mr. Stanton is currently engaged in private investment activities, including Trilogy Equity Partners, which invests in wireless-related companies, and Trilogy International Partners, which operates wireless systems internationally, and Trilogy Search Partners. Mr. Stanton served as Chairman and Chief Executive Officer of Western Wireless Corporation and its predecessor companies from 1992 until shortly after its acquisition by ALLTEL Corporation in 2005. From 1994 to 2002, Mr. Stanton also served as Chairman and Chief Executive Officer of VoiceStream Wireless Corporation. Mr. Stanton served as acting Chief Executive Officer of Clearwire Corporation (Nasdaq: CLWR) during 2011 and as Chairman of the board of directors from 2011 until Clearwire's acquisition by Sprint Nxtel Corporation in July 2013. Mr. Stanton previously served on the board of directors of Hutchison Telecommunications International Limited and the board of directors of Thrive by Five and as a trustee for Whitman College. Mr. Stanton currently serves as Chairman of Year Up of Puget Sound, and serves on the boards of Microsoft Corporation (Nasdaq: MSFT), Costco (Nasdaq: COST), the Seattle Foundation and Aven Foundation. Mr. Stanton's executive and entrepreneurial experiences provide Columbia with insights into global operations, strategic planning, mergers and acquisitions and financial matters.

Costco Wholesale Corporation, Source Date: 12/18/2015

John W. Stanton has been a director of the Company since October 29, 2015. He is the Chairman of Trilogy International Partners, Inc., which operates wireless systems internationally, and Trilogy Equity Partners, which invests in wireless-related companies. Mr. Stanton founded and served as Chairman and Chief Executive Officer of Western Wireless Corporation, a wireless telecommunications company, from 1992 until shortly after its acquisition by ALLTEL Corporation in 2005. He was Chairman and a director of T-Mobile USA, formerly VoiceStream Wireless Corporation, a mobile telecommunications company, from 1994 to 2004, and was Chief Executive Officer from 1998 to 2003. Mr. Stanton was a director of Clearwire Corp. from 2008 to 2013, Chairman between 2011 and 2013, and interim Chief Executive Officer during 2011. He is currently a director of Microsoft Corporation, and Columbia Sportswear Company. Mr. Stanton's qualifications to serve on the Board include his extensive background as a chief executive officer and director of public and private companies and his insights into global operations, strategic planning and financial matters.

Microsoft Corporation, Source Date: 10/19/2015

Mr. Stanton founded Trilogy International Partners, Inc., a wireless operator in Central and South America and New Zealand, and Trilogy Equity Partners, a private equity fund that invests in early-stage growth opportunities in the wireless ecosystem in 2005, and currently serves as Chairman of both enterprises. He was a director of Clearwire Corp. from 2008 to 2013 and Chairman between 2011 to 2013. He also served as Clearwire's Interim Chief Executive Officer during 2011. Mr. Stanton founded and served as Chairman and Chief Executive Officer of Western Wireless Corporation, a wireless telecommunications company, from 1992 until shortly after its acquisition by ALLTEL Corporation in 2005. Mr. Stanton was Chairman and a director of T-Mobile USA, formerly VoiceStream Wireless Corporation, a mobile telecommunications company, from 1994 to 2004 and was Chief Executive Officer from 1998 to 2003.

### Qualifications

Mr. Stanton is a recognized pioneer in the wireless telecommunications industry. His leadership of four of the top wireless operators in the United States over the past three decades positions him to contribute significantly to the development of our mobile-first and cloud-first strategies. His experience developing and operating wireless networks in established and developing markets worldwide will assist our efforts to grow our worldwide mobile devices and services footprint as we integrate the Nokia acquisition. Mr. Stanton's extensive background as a chief executive officer and director of public and private companies will lend valuable perspective and judgment to the Board's deliberations. His record of accomplishment in multiple business endeavors demonstrates his acumen across the spectrum of strategic planning and financial matters.

### Microsoft Committees

- Compensation (Chair)

- Regulatory and Public Policy

### Other Public Company Directorships

- Columbia Sportswear Company

### Former Public Company Directorships Held in the Past Five Years

- Clearwire Corp.

Columbia Sportswear Company, Source Date: 4/8/2015

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

John W. Stanton (age 58) has served on the Board of Directors since 1997. Mr. Stanton is currently engaged in private investment activities, including Trilogy Equity Partners, which invests in wireless-related companies, and Trilogy International Partners, which operates wireless systems internationally. Mr. Stanton served as Chairman and Chief Executive Officer of Western Wireless Corporation and its predecessor companies from 1992 until shortly after its acquisition by ALLTEL Corporation in 2005. From 1994 to 2002, Mr. Stanton also served as Chairman and Chief Executive Officer of VoiceStream Wireless Corporation. Mr. Stanton served as acting Chief Executive Officer of Clearwire Corporation (Nasdaq: CLWR) during 2011 and as Chairman of the Board of Directors from 2011 until Clearwire's acquisition by Sprint Nextel Corporation in July 2013. Mr. Stanton previously served on the Board of Directors of Hutchison Telecommunications International Limited and the Board of Directors of Thrive by Five. Mr. Stanton currently serves as a Trustee for Whitman College, Chairman of Year Up of Puget Sound, and serves on the boards of Seattle Foundation and Aven Foundation. Mr. Stanton's executive and entrepreneurial experiences provide Columbia with insights into global operations, strategic planning, mergers and acquisitions and financial matters.

## CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TRILOGY INTERNATIONAL PARTNERS LLC	Board Member, Chairman	6	Feb 07, 2017		No	No	
COSTCO WHOLESALE CORPORATION	Board Member	7	Oct 29, 2015		Yes	Yes	
MICROSOFT CORPORATION	Board Member	9	Jul 30, 2014		Yes	Yes	

## BOARD COMMITTEES

Company	Committee Type	Position
COSTCO WHOLESALE CORPORATION	Pay	Chair
MICROSOFT CORPORATION	Audit	Member
TRILOGY INTERNATIONAL PARTNERS LLC	Pay	Member
TRILOGY INTERNATIONAL PARTNERS LLC	Corporate Governance	Member
TRILOGY INTERNATIONAL PARTNERS LLC	Nomination	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
COSTCO WHOLESALE CORPORATION	2023	98.6%	1.4%
MICROSOFT CORPORATION	2022	99.4%	0.6%
TRILOGY INTERNATIONAL PARTNERS LLC	2021	99.2%	0.8%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
COSTCO WHOLESALE CORPORATION	Non-Executive	7	2022	38,000	304,369	22,993
MICROSOFT CORPORATION	Non-Executive	9	2022	140,000	372,500	83,922

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

## JOHN THOMPSON

Age: 73  
Gender: M  
Nationality: United States of America

Financial: Yes  
Risk: No  
Industry: Software & Services - Software, Financial Services - Capital Markets

## BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. John W. Thompson Lead Independent Director. John W. Thompson joined the Microsoft board in February 2012, and is the lead independent director. Thompson brings over 40 years of experience in the technology industry. Most recently, he served as chief executive officer and director of Virtual Instruments. Before this, he was the chairman and chief executive officer of Symantec for 10 years, during which time he helped transform the company into a leader in security, storage and systems management solutions. Thompson also held several leadership positions during his 28 years at IBM in the areas of sales, marketing and software development, and he also served as general manager of IBM Americas. In 2018, he became a partner at Lightspeed Venture Partners. Thompson serves on the board of directors for Illumina. He is an active investor and advisor in early-stage technology companies in the Silicon Valley. Thompson holds a bachelor's degree in business administration from Florida A&M University, and a master's degree in management science from MIT's Sloan School of Management. In 2008, he received an honorary doctorate degree from the University of Notre Dame, Mendoza College of Business, and in 2014 he received an honorary doctorate degree from Florida A&M University.

## CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	11	Feb 17, 2012		Yes	Yes	

## BOARD COMMITTEES

Company	Committee Type	Position
MICROSOFT CORPORATION	Corporate Governance	Member
MICROSOFT CORPORATION	Nomination	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
ILLUMINA, INC.	2023	34.4%	65.6%
MICROSOFT CORPORATION	2022	98.1%	2%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
ILLUMINA, INC.	Non-Executive		2022	165,000	465,078	10,162
MICROSOFT CORPORATION	Non-Executive	11	2022	125,000	444,565	95,998

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

## PADMASREE WARRIOR

Age: 63  
Gender: F  
Nationality: India

Financial: No  
Risk: No  
Industry: Software & Services - Software, Automobiles & Components - Automobiles

## BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Ms. Padmasree Warrior Founder, President and CEO, Fable Group Inc. Padmasree Warrior is the founder, president and CEO and of Fable Group Inc. The vision for Fable is to bring the world of stories to everyone. Fable's mission is to deliver the world's best social experiences with exceptional stories in service of mental wellness. Previously, Warrior served as chief development officer of NIO Inc. and CEO of NIO USA Inc. through 2018. From 2008 to 2012, Warrior was chief technology officer and co-led the engineering organization at Cisco Systems. She later served as chief technology and strategy officer for Cisco, and then as a strategic advisor until 2015. Before Cisco, Warrior served in various executive roles at Motorola Inc., a mobile device and telecommunications company, most recently as executive vice president and chief technology officer from 2003 to 2007. Warrior serves on the board of directors for Spotify Technology S.A. Warrior holds a B.S. in chemical engineering from the Indian Institute of Technology in New Delhi and an M.S. in chemical engineering from Cornell University. Warrior joined the Microsoft board as an independent director in December 2015.

## CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	7	Dec 02, 2015		Yes	Yes	

## BOARD COMMITTEES

Company	Committee Type	Position
MICROSOFT CORPORATION	Pay	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	98.5%	1.5%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	7	2022	125,000	342,500	16,843

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
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## PENNY PRITZKER

Age: 64  
Gender: F  
Nationality: United States of America

Financial: Yes  
Risk: No  
Industry: Financial Services - Capital Markets

### BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Ms. Penny Pritzker Founder and Chairman, PSP Partners Penny Pritzker is an entrepreneur, civic leader and philanthropist with more than 30 years of experience as a business builder and entrepreneur in numerous industries. Pritzker is the founder and chairman of PSP Partners and its affiliates Pritzker Realty Group, PSP Capital and PSP Growth. From June 2013 through January 2017, she served as U.S. Secretary of Commerce. Pritzker was a core member of President Obama's economic team and served as the country's chief commercial advocate, leading the administration's trade and investment promotion efforts. During her tenure, she developed the agency's first comprehensive digital and data agenda, chaired the Presidential Ambassadors for Global Entrepreneurship (PAGE) program, and served as the administration's point person on manufacturing. Pritzker and her husband, Dr. Bryan Traubert, co-founded the Pritzker Traubert Foundation, a private philanthropic foundation that works to foster increased economic opportunity for Chicago's families. Pritzker earned a bachelor of arts in economics from Harvard University and a juris doctor and an MBA from Stanford University. Pritzker joined the Microsoft board as an independent director in November 2017.

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member	5	Nov 29, 2017		Yes	Yes	

### VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	99.5%	0.5%

### DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
MICROSOFT CORPORATION	Non-Executive	5	2022	145,000	377,500	22,080

# MICROSOFT CORPORATION (MSFT)

MSCI  
ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

## REID HOFFMAN

Age: 55  
Gender: M  
Nationality: United States of America

Financial: Yes  
Risk: No  
Industry: Software & Services - Internet Software & Services, Financial Services - Capital Markets

### BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Mr. Reid Hoffman General Partner, Greylock Partners Reid Hoffman is an accomplished entrepreneur, executive and investor, and has played an integral role in building many of today's leading consumer technology businesses. In 2003 Hoffman co-founded LinkedIn, the world's largest professional networking service. In 2009 Hoffman joined Greylock Partners, where he focuses on building products that can reach hundreds of millions of participants and businesses that have network effects. In 2019 Hoffman joined Reinvent Capital and serves as Advisory Partner. Hoffman serves on the board of directors for Joby Aviation. He also serves on the boards of several private companies and non-profits. Hoffman holds a master's degree in philosophy from Oxford University, where he was a Marshall Scholar, and a bachelor's degree with distinction in symbolic systems from Stanford University. Hoffman joined the Microsoft board as an independent director in March 2017.

Aurora Innovation Inc - Board Member Source Date: 04/06/2023

Mr. Hoffman is a co-founding member of Reinvent Capital. He co-founded LinkedIn, served as its founding Chief Executive Officer, and served as its Executive Chairman until the company's acquisition by Microsoft for \$26.2 billion. Early in his career, he was Chief Operating Officer and Executive Vice President and served on the founding board of directors of PayPal. Mr. Hoffman is a Partner at Greylock (joining Greylock in 2009), a leading Silicon Valley venture capital firm, where he focuses on investing in technology products that can reach hundreds of millions of people. He also serves on Microsoft's board of directors and Joby Aviation's board of directors and as a director or observer for a number of private companies including Apollo Fusion, Blockstream, Coda, Convoy, Entrepreneur First, Nauto, Neeva, and Xapo. He was previously Co-Lead Director of each of RTP and RTPZ before such entities completed their respective initial business combinations. Additionally, Mr. Hoffman also serves on ten not-for-profit boards, including OpenAI, Kiva, Endeavor, CZI Biohub, Berggruen Institute, Research Bridge Partners, Lever for Change, New America, Do Something, and Opportunity @ Work. Mr. Hoffman also serves on the Visiting Committee of the MIT Media Lab. Over the years, Mr. Hoffman has made early investments in over 100 technology companies, including companies such as Facebook, Ironport, and Zynga. He is the co-author of Blitzscaling: The Lightning-Fast Path to Building Massively Valuable Companies and two New York Times best-selling books: The Start-up of You and The Alliance. He also hosts the podcast Masters of Scale. Mr. Hoffman earned a master's degree in philosophy from Oxford University, where he was a Marshall Scholar, and a bachelor's degree with distinction in symbolic systems from Stanford University. Mr. Hoffman has an honorary doctorate from Babson College and an honorary fellowship from Wolfson College, Oxford University. Mr. Hoffman has received a number of awards, including the Salute to Greatness from the Martin Luther King Center.

Joby Aviation Inc - Board Member Source Date: 04/26/2023

Reid Hoffman has served as a member of our board of directors since August 2021. Mr. Hoffman has also served as RTP's Co-Lead Director since September 2020. He also is a co-founding member of Reinvent Capital. Mr. Hoffman is a highly accomplished entrepreneur and investor. He co-founded LinkedIn, served as its founding Chief Executive Officer, and served as its Executive Chairman until the company's acquisition by Microsoft for \$26.2 billion. Early in his career, he was Chief Operating Officer and Executive Vice President and served on the founding Board of Directors of PayPal. Mr. Hoffman is a Partner at Greylock (joining Greylock in 2009), a leading Silicon Valley venture capital firm, where he focuses on investing in technology products that can reach hundreds of millions of people. Mr. Hoffman currently serves on the board of directors and is a member of the environmental, social, and public policy committee of Microsoft and the board of directors of Aurora Innovation. He is also a director or observer for a number of private companies including Blockstream, Coda, Convoy, Entrepreneur First, Nauto and Neeva. Additionally, Mr. Hoffman also serves on multiple not-for-profit boards, including Kiva, Endeavor, CZI Biohub, Berggruen Institute, Research Bridge Partners, Lever for Change, New America and Opportunity @ Work. Mr. Hoffman also serves on the Visiting Committee of the MIT Media Lab. Over the years, Mr. Hoffman has made early investments in over 100 technology companies, including companies such as Facebook, Ironport, and Zynga. He is the co-author of Blitzscaling: The Lightning-Fast Path to Building Massively Valuable Companies and two New York Times best-selling books: The Start-up of You and The Alliance. He also hosts the podcast Masters of Scale. Mr. Hoffman earned a master's degree in philosophy from Oxford University, where he was a Marshall Scholar, and a bachelor's degree with distinction in symbolic systems from Stanford University. Mr. Hoffman has an honorary doctorate from Babson College and an honorary fellowship from Wolfson College, Oxford University. Mr. Hoffman has received a number of awards, including the Salute to Greatness from the Martin Luther King Center. We believe that Mr. Hoffman's depth of expertise and network connectivity across diverse areas of the technology industry including: marketplaces, social networks, ecommerce, payments, artificial intelligence, autonomous vehicle technology, and transportation & logistics make him well qualified to serve as a member of our board of directors.

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
Joby Aviation Inc	Board Member	2	Aug 01, 2021		Yes	Yes	
Aurora Innovation Inc	Board Member	5	Jan 01, 2018		Yes	Yes	
MICROSOFT CORPORATION	Board Member	6	Mar 14, 2017		Yes	Yes	

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
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## BOARD COMMITTEES

Company	Committee Type	Position
Aurora Innovation Inc	Corporate Governance	Chair
Aurora Innovation Inc	Nomination	Chair
Joby Aviation Inc	Corporate Governance	Member
Joby Aviation Inc	Nomination	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	99.2%	0.8%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
Aurora Innovation Inc	Non-Executive	5	2022	70,000	269,250	9,232,524
Joby Aviation Inc	Non-Executive	2	2022	0	307,190	30,707,480
MICROSOFT CORPORATION	Non-Executive	6	2022	125,000	342,500	28,789

# MICROSOFT CORPORATION (MSFT)

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RATING ACTION DATE: February 22, 2023  
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## SANDRA (SANDI) PETERSON

Age: 64  
Gender: F  
Nationality: United States of America

Financial: Yes  
Risk: No  
Industry: Health Care Equipment & Services - Health Care Providers & Services, Materials - Chemicals

### BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member, Lead Director Source Date: 10/27/2022

Ms. Sandra E. Peterson Operating Partner, Clayton, Dubilier & Rice Sandra (Sandi) E. Peterson is an operating partner at Clayton, Dubilier & Rice, a private investment firm. She works closely with the firm's investment team and corporate leaders to source and evaluate transactions as well as support portfolio company management teams as they execute their value creation plans. Previously, Peterson served as group worldwide chairman for Johnson & Johnson, where her portfolio included medical devices, consumer, global operating infrastructure, technology, supply chain and key strategic initiatives. Peterson had an extensive global career in healthcare, life sciences, consumer goods and consulting. From 2005 through 2012 she was chairman and CEO of Bayer CropScience AG in Germany and CEO of Bayer Medical Devices. Prior to that she worked for Medco Health Solutions Inc., formerly Merck-Medco, from 1999 to 2004. Peterson serves on the board of directors for Covertus and Zymergen. Peterson holds a B.A. from Cornell University and an M.P.A. from Princeton University. Peterson joined the Microsoft board as an independent director in December 2015.

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
MICROSOFT CORPORATION	Board Member, Lead Director	7	Dec 02, 2015		Yes	Yes	

### BOARD COMMITTEES

Company	Committee Type	Position
MICROSOFT CORPORATION	Pay	Member
MICROSOFT CORPORATION	Corporate Governance	Chair
MICROSOFT CORPORATION	Nomination	Chair

### VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
COVETRUS, INC.	2022	99.6%	0.4%
MICROSOFT CORPORATION	2022	97.8%	2.2%

### DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
COVETRUS, INC.	Non-Executive		2021	71,076	296,076	15,946
MICROSOFT CORPORATION	Lead Director	7	2022	150,000	382,500	26,640

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
LAST REPORT UPDATE: September 08, 2023

## SATYA NADELLA

Age: 55  
Gender: M  
Nationality: India

Financial: No  
Risk: No  
Industry: Software & Services - Software

### BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Executive, Board Member, Chairman, CEO Source Date: 10/27/2022

Mr. Satya Nadella is Chairman and Chief Executive Officer of Microsoft. Before being named CEO in February 2014, Nadella held leadership roles in both enterprise and consumer businesses across the company. Joining Microsoft in 1992, he quickly became known as a leader who could span a breadth of technologies and businesses to transform some of Microsoft's biggest product offerings. Most recently, Nadella was executive vice president of Microsoft's Cloud and Enterprise group. In this role he led the transformation to the cloud infrastructure and services business, which outperformed the market and took share from competition. Previously, Nadella led R&D for the Online Services Division and was vice president of the Microsoft Business Division. Before joining Microsoft, Nadella was a member of the technology staff at Sun Microsystems. Originally from Hyderabad, India, Nadella lives in Bellevue, Washington. He earned a bachelor's degree in electrical engineering from Mangalore University, a master's degree in computer science from the University of Wisconsin – Milwaukee and a master's degree in business administration from the University of Chicago. Nadella serves on the board of trustees to Fred Hutchinson Cancer Research Center and his alma mater the University of Chicago, as well as the Starbucks board of directors.

STARBUCKS CORPORATION - Board Member Source Date: 01/27/2023

SATYA NADELLA has been a Starbucks director since March 2017. Nadella has served as Chief Executive Officer and a member of the Board of Directors of Microsoft Corporation, a global technology provider, since February 2014. He has held various leadership positions at Microsoft Corporation since joining in 1992, and most recently, Nadella was executive vice president of Microsoft Corporation's Cloud and Enterprise group. In this role, he led the transformation to the cloud infrastructure and services business. Previously, Nadella led research and development for the Online Services Division and was vice president of the Microsoft Business Division. Before joining Microsoft Corporation, Nadella was a member of the technology staff at Sun Microsystems. Nadella currently serves on the University of Chicago Board of Trustees, and previously served on the Board of Trustees of Fred Hutchinson Cancer Research Center. Nadella brings to the board of directors global business leadership experience, extensive experience in the technology industry, and an understanding of how technology will be used and experienced around the world, in addition to deep expertise in allocating capital and optimizing productivity. He also provides the board with invaluable insights as Starbucks continues its focus on innovative ways to use technology to elevate its brand and grow its business. His experience in leading a multinational, complex enterprise, aligning teams, motivating employees, addressing corporate and environmental responsibility, developing human capital and talent, fostering a robust culture, and his strategic and operational expertise have facilitated important contributions to board discussions and oversight. Nadella also brings insight and knowledge in international operations and distribution gained from his service as Chief Executive Officer and other senior leadership positions at one of the world's largest public technology companies.

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
STARBUCKS CORPORATION	Board Member	6	Mar 22, 2017		No	Yes	
MICROSOFT CORPORATION	Executive, Board Member, Chairman, CEO	9	Feb 04, 2014		No	Yes	

### BOARD COMMITTEES

Company	Committee Type	Position
STARBUCKS CORPORATION	Corporate Governance	Member
STARBUCKS CORPORATION	Nomination	Member

### VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
MICROSOFT CORPORATION	2022	94.4%	5.6%
STARBUCKS CORPORATION	2023	95.5%	4.5%

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



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## EXECUTIVE PAY (all values USD)

Company	Role	Tenure	Pay Year	Total Annual Pay	Total Awarded Pay	Total Realized Pay	Shares Held
MICROSOFT CORPORATION	CEO,Chair	9	2022	12,676,750	54,946,310	98,591,001	802,814

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
STARBUCKS CORPORATION	Non-Executive	6	2022		309,956	20,744

# MICROSOFT CORPORATION (MSFT)

MSCI  
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RATING ACTION DATE: February 22, 2023  
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## TERI LIST-STOLL

Age: 60  
Gender: F  
Nationality: United States of America

Financial: Yes  
Risk: No  
Industry: Consumer Discretionary Distribution & Retail - Specialty Retail, Food, Beverage & Tobacco - Food Products

### BIOGRAPHICAL INFORMATION

MICROSOFT CORPORATION - Board Member Source Date: 10/27/2022

Ms. Teri List Former Executive Vice President and Chief Financial Officer, Gap Inc. Teri List served as executive vice president and chief financial officer at Gap, Inc., where she oversaw the finance, real estate and information technology organizations, as well as interim oversight of supply chain. List also served as the executive vice president and chief financial officer of Dick's Sporting Goods Inc., where she oversaw the finance and legal organization. Before this, she served as executive vice president and chief financial officer at Kraft Foods Group. As CFO of Kraft, she led the finance, information services and business process excellence organizations. From 1994 to 2013, List was with Procter & Gamble, progressing to senior vice president and treasurer. Before this she spent over nine years at Deloitte & Touche LLP, where she provided financial counsel to large multinational companies. During this time, she also participated in a two-year fellowship with the Financial Accounting Standards Board (FASB). List serves on the board of directors of Danaher Corp., DoubleVerify Holdings and Oscar Health. List holds a bachelor's degree in accounting from Northern Michigan University and is a certified public accountant. List joined the Microsoft board as an independent director in October 2014.

VISA INC. - Board Member Source Date: 12/01/2022

Teri L. List was executive vice president and chief financial officer of Gap Inc., a global clothing retailer, until her retirement in June 2020. Prior to joining Gap, she served as executive vice president and chief financial officer of Dick's Sporting Goods, Inc. and Kraft Foods Group, Inc. Prior to those roles, Ms. List served in various positions of increasing responsibility in the accounting and finance organization of The Procter & Gamble Company, most recently as senior vice president and treasurer. Prior to joining Procter & Gamble, she was employed by the accounting firm of Deloitte & Touche LLP for almost ten years. Ms. List serves on the boards of directors of Danaher Corporation, DoubleVerify Holdings, Inc., and Microsoft Corporation. She previously served on the board of directors of Oscar Health, Inc. until April 2022. Ms. List holds a bachelor's degree in accounting from Northern Michigan University and is a certified public accountant.

DANAHER CORPORATION - Board Member Source Date: 03/29/2023

Ms. List served as Executive Vice President and Chief Financial Officer of Gap Inc., a global clothing retailer, from January 2017 until March 2020. Prior to joining Gap, she served as Executive Vice President and Chief Financial Officer of Dick's Sporting Goods, Inc., a sporting goods retailer, from August 2015 to August 2016, and with Kraft Foods Group, Inc., a food and beverage company, as Advisor from March 2015 to May 2015, as Executive Vice President and Chief Financial Officer from December 2013 to February 2015 and as Senior Vice President of Finance from September 2013 to December 2013. From 1994 to September 2013, Ms. List served in a series of progressively more responsible positions in the accounting and finance organization of The Procter & Gamble Company, a consumer goods company, most recently as Senior Vice President and Treasurer. Prior to joining Procter & Gamble, Ms. List was employed by the accounting firm of Deloitte & Touche for almost ten years. Within the past five years, Ms. List served on the board of directors of Oscar Health, Inc. Ms. List's experience dealing with complex finance and accounting matters for Gap, Dick's, Kraft and Procter & Gamble have given her an appreciation for and understanding of the similarly complex finance and accounting matters that Danaher faces. In addition, through her leadership roles with large, global companies she has insight into the business practices that are critical to the success of a large, growing public company such as Danaher. Given Ms. List's extensive experience as a Chief Financial Officer, her proficiency in accounting, her knowledge of and dedication to Danaher and her retirement from full-time employment our Board has determined that Ms. List's simultaneous service on the audit committee of more than three public companies does not impair her ability to effectively serve on our Audit Committee. In 2022, Ms. List attended all of the meetings of the Board and of the committees on which she served.

DoubleVerify Holdings Inc - Board Member Source Date: 04/25/2022

Teri L. List has served as a director of the Company since May 2020. Ms. List served as Executive Vice President and Chief Financial Officer at Gap from January 2017 to March 2020. Prior to that, Ms. List held management positions at Dick's Sporting Goods, Kraft Foods Group and Procter & Gamble and spent over nine years at Deloitte & Touche LLP. Ms. List currently serves on the boards and audit committees of Microsoft, Danaher Corporation and Visa Inc. Ms. List received a Bachelor of Arts in Accounting from Northern Michigan University. Ms. List was selected to serve on the Board due to her extensive experience in corporate finance, technology and strategic planning in large, global companies, as well as her experience as a director of various public companies.

### CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
VISA INC.	Board Member	1	Apr 11, 2022		Yes	Yes	
DoubleVerify Holdings Inc	Board Member	3	May 01, 2020		Yes	Yes	
MICROSOFT CORPORATION	Board Member	8	Oct 01, 2014		Yes	Yes	
DANAHER CORPORATION	Board Member	11	Sep 13, 2011		Yes	Yes	

# MICROSOFT CORPORATION (MSFT)

**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

RATING ACTION DATE: February 22, 2023  
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## BOARD COMMITTEES

Company	Committee Type	Position
DANAHER CORPORATION	Audit	Member
DANAHER CORPORATION	Pay	Member
DANAHER CORPORATION	Risk	Member
DoubleVerify Holdings Inc	Audit	Chair
DoubleVerify Holdings Inc	Pay	Member
DoubleVerify Holdings Inc	Corporate Governance	Member
DoubleVerify Holdings Inc	Nomination	Member
DoubleVerify Holdings Inc	Risk	Chair
MICROSOFT CORPORATION	Audit	Member
MICROSOFT CORPORATION	Corporate Governance	Member
MICROSOFT CORPORATION	Nomination	Member
VISA INC.	Audit	Member
VISA INC.	Pay	Member
VISA INC.	Risk	Member

## VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
DANAHER CORPORATION	2023	71.8%	28.2%
MICROSOFT CORPORATION	2022	98%	2%
VISA INC.	2023	98.8%	1.2%

## DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
DANAHER CORPORATION	Non-Executive	11	2022	125,000	308,308	6,687
DoubleVerify Holdings Inc	Non-Executive	3	2021	67,500	267,500	45,439
MICROSOFT CORPORATION	Non-Executive	8	2022	140,000	372,500	24,469
OSCAR HEALTH, INC.	Non-Executive		2022	25,577	25,577	0
VISA INC.	Non-Executive	1	2022	36,250	223,718	881



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## GLOSSARY

### MSCI ESG RATINGS AND SCORES

#### FINAL ESG RATING

- Letter ratings are relative within each MSCI ESG Ratings industry. Each Final Industry-Adjusted Company Score is converted to an equivalent rating on the AAA-CCC scale.

#### ESG PILLARS

- the **Environment Score** represents the weighted average of all Key Issues that fall under the Environment Pillar
- the **Social Score** represents the weighted average of all Key Issues that fall under the Social Pillar
- the **Governance Score** represents the sum of score deductions derived from Key Metrics included in Corporate Governance (including Board, Pay, Ownership & Control, and Accounting) and Corporate Behavior (including Business Ethics and Tax Transparency)
- the **Environment Weight** represents the sum of the weights of all Key Issues that fall under the Environment Pillar
- the **Social Weight** represents the sum of the weights of all Key Issues that fall under the Social Pillar
- the **Governance Weight** represents the sum of the weights of Corporate Governance and Corporate Behavior, with a minimum weight set at 33% for all rated issuers

#### KEY ISSUES

For each industry and Company-Specific Key Issue that contributes to the final rating:

- **Weight** contribution to the final rating
- **Exposure Score** (available for companies published since June 2011; excluding Raw Material Sourcing – Environmental)
- **Management Score** (available for companies published since June 2011; excluding Raw Material Sourcing – Environmental)
- Overall **Key Issue Score**

#### WEIGHTED-AVERAGE KEY ISSUE SCORE VS. INDUSTRY RELATIVE SCORE

- the **Weighted-Average Key Issue Score** is dynamic, reflecting changes in any underlying scores as of the Last Update date, while the **Industry Relative Score** is more static and corresponds to the Rating Date. Issues that we determine do not present material risks or opportunities to companies in a given industry receive 0% weight and do not impact the overall ESG rating.

### SCORES AND CALCULATION OF AVERAGE, PERCENTILE AND RATING DISTRIBUTION

All averages, percentiles, and rating distributions found in the report are based on companies in the relevant MSCI ESG Ratings Industry that are constituents of the MSCI ACWI and are calculated based on industry scores as of the date of publication of this report.

### ESTIMATED CARBON EMISSIONS

Carbon estimates are based on carbon intensity (carbon emissions/sales). The Estimate Key represents the source of the estimated carbon emissions data. E.CSI represents Company-Specific Intensity estimates based on previously disclosed data. E.GICSSI represents estimates based on the GICS Sub-Industry average. For E.GICSSI we set five levels of confidence (High, Moderately High, Moderate, Moderately Low, and Low). The Carbon Estimation Methodology document, available on ESG Manager, describes the estimation model in greater detail.



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## GOVERNMENT SUPPORT RATING

We calculate the 'government support rating' for Supranationals and Development Banks based on the weighted average of member countries' Governance scores using the MSCI ESG Government Ratings methodology. These scores are based on measures of political governance (strength of institutions, corruption control, civil liberties, and human rights) and financial accountability.



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