



# Microsoft 2018 Corporate Social Responsibility Report

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## Our approach

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# Transparent reporting

We want to help customers make informed choices about our products and services and ensure stakeholders can evaluate our corporate social responsibility (CSR) commitments.

## About our report

We've designed our Corporate Social Responsibility (CSR) report to share information about how we're making the world a better place. The digital report offers comparable year-over-year data about our progress and provides quick links to additional resources to help tell a comprehensive story. In his annual shareholder letter, Satya Nadella, addresses our business and social impacts and sets the stage for both the 2018 CSR and Financial annual reports. Unless otherwise stated, the information on this report covers all of the Microsoft global operations during the 2018 fiscal year (July 1, 2017 to June 30, 2018).

To make this information consumable for many audiences, we've designed our report first and foremost for digital display ([see our online CSR Report](#)), yet also offer this PDF version to provide an additional access option for our stakeholders. Please see the [Reports hub](#) for a single-page view of all of the supplemental reports referenced throughout our comprehensive report PDF.

## Standards

This report contains disclosures from the [Global Reporting Initiative \(GRI\) Sustainability Reporting Standards](#), which were used to prepare the content included. Please see our [GRI Index](#) for detailed data and additional information.

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.

## UN Global Compact Index

## Human Rights

### Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights.

### Principle 2:

Make sure they are not complicit in human rights abuses.

Learn how we are [empowering our employees](#), [protecting human rights](#), and ensuring the [responsible sourcing](#) of all our products and materials as part of our commitment to these human rights principles.

## Labor

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**Principle 3:**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

**Principle 4:**

The elimination of all forms of forced and compulsory labor.

**Principle 5:**

The effective abolition of child labor.

**Principle 6:**

The elimination of discrimination in respect of employment and occupation.

Learn how we are [empowering our employees](#) and ensuring the [responsible sourcing](#) of all our products and materials as part of our commitment to these labor principles.

## Environment

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**Principle 7:**

Businesses should support a precautionary approach to environmental challenges.

**Principle 8:**

Undertake initiatives to promote greater environmental responsibility.

**Principle 9:**

Encourage the development and diffusion of environmentally friendly technologies.

Learn how we are [protecting the planet](#) and ensuring the [responsible sourcing](#) of all our products and materials as part of our commitment to these labor principles.

## Anti-corruption

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**Principle 10:**

Businesses should work against corruption in all its forms, including extortion and bribery.

Learn about our [CSR Governance](#) and how we are ensuring the [responsible sourcing](#) of all our products and materials as part of our commitment to this anti-corruption policy.

## Share your feedback

We hope that you find this report valuable. We welcome your feedback about the content provided within the report and invite any recommendations on topics you'd like to see addressed in the future. Please email your feedback and comments to [csr@microsoft.com](mailto:csr@microsoft.com).

# CSR Governance

Empowering every person and every organization to achieve more requires careful attention to the impact of our business practices, policies, and community investments.

## We see the big picture

The Microsoft Technology and Corporate Responsibility (TCR) team, in collaboration with leaders across business and operations, drives companywide approaches to corporate social responsibility issues. The head of TCR reports directly to Microsoft President and Chief Legal Officer, Brad Smith, who sits on our Senior Leadership Team and reports directly to CEO, Satya Nadella. We work together to earn the trust and confidence of the public, our customers, partners, employees, and shareholders.

The [charter](#) for the Regulatory and Public Policy Committee of our Board of Directors includes the responsibility to "review and provide guidance to the board and management about the company's policies and programs that relate to corporate social responsibility, including accessibility, environmental sustainability, ethical business practices, human rights, philanthropy, privacy and cybersecurity, and responsible sourcing."

At Microsoft, our focus on corporate social responsibility fosters sustained long term business success. Our corporate governance framework, policies, and practices are described in detail in our annual proxy statement and the [corporate governance section](#) of our Investor Relations website.

Details about our [Ethics and Compliance](#) policies and programs include our Standards of Business Conduct, which applies to Microsoft employees, executive officers, our Board of Directors, and Microsoft subsidiaries and controlled affiliates (where Microsoft directly or indirectly owns more than 50 percent of the voting control). Channels are provided to ensure that concerns can be raised and subsequently addressed. All Microsoft employees must complete an annual [Standards of Business Conduct](#) training course, available in 18 languages. In FY18, as in previous years, course completion was more than 99 percent. In addition, mandatory trainings address the compliance risks of specific roles and business functions, while a variety of additional guidance options ensure awareness of our policies and our expectations for ethical behavior.

## Working together with stakeholders

We know that the decisions we make affect our employees, customers, partners, shareholders, suppliers, and communities and we take their voices into account. Microsoft receives input from millions of people each year—from individual customers to policymakers and global human rights specialists. We bring outside perspectives into the company and inform our business decisions through a variety of feedback channels. We go beyond formal channels, proactively engaging with key stakeholders, advocacy groups, industry experts, CSR rating agencies, CSR-focused investors, and many others. We also share our learnings and practices thereby generating industry dialogue, informing public debate, and advancing greater progress.

**Stakeholder engagement report**

Our stakeholder engagement report outlines the types of stakeholders we engage and how we engage with them in the governance of CSR, along with examples of the results they achieved.

[↓ Download the report \(PDF\)](#)

**Aligning our values**

Microsoft works to align our CSR commitments and CSR reporting to global standards. We base our CSR reporting on the [Global Reporting Initiative Sustainability Reporting Guidelines](#). In 2006, we began endorsing the United Nations Global Compact and we file an annual [Communication on Progress](#) implementing the 10 UNGC principles. In addition, we were among the first companies to align our human rights work with the [UN Guiding Principles on Business and Human Rights](#) and to adopt the UN Guiding Principles Reporting Framework. We're actively engaged in supporting the [UN Sustainable Development Goals](#) and [publicly report](#) how Microsoft contributes to the global effort to achieve the SDGs.

**Driving positive impact to both business and society**

We apply the Global Reporting Initiative (GRI) Sustainability Reporting Standards to our CSR materiality assessment to define our most significant CSR issues. Using this approach, we've identified the top issues. Our CSR materiality assessment reflects input gathered from our stakeholder engagement processes, consultation with [Business for Social Responsibility](#), other external experts, and consideration of the impact of our core businesses.

Based on this analysis, the top issues include:

- Applying technology for environmental and social good
- Accessibility
- Climate change and energy
- Data privacy and security
- Empowering communities
- Ethical business practices
- Human capital
- Human rights
- Responsible sourcing and device lifecycle impacts

# Letter from our CEO

*"We are grounded in creating local economic opportunity in every community, helping to unlock the power of technology to address our customers' most pressing challenges."*



Dear shareholders, customers, partners and employees:

As I reflect on our progress this past year, I first want to say thank you for your commitment and investment in Microsoft. I'm proud of what we've accomplished together as we innovate and help customers navigate their digital transformation, and I am even more optimistic about the opportunity ahead.

We are living at a crucial time in history where the impact of technology on every part of our daily life and work and every aspect of our society and economy is more acute than ever before. It is incumbent upon leaders of our industry to ensure that the technology we build always creates opportunity. Too often, we celebrate technology disruption for the sake of disruption without reflecting on its unintended consequences. What the world needs is technology that benefits people and society more broadly and is trusted.

**Our mission is to empower every person and every organization on the planet to achieve more.** Our business model is dependent on our customers' and partners' success. We are grounded in creating local economic opportunity in every community, helping to unlock the power of technology to address our customers' most pressing challenges. Our platforms and tools enable creativity in all of us. They help drive small-business productivity, large business competitiveness and public-sector efficiency. They also support new startups, improve educational and health outcomes, and empower human ingenuity. Our sense of purpose lies in our customers' success.

Our culture enables us to pursue our mission with a growth mindset. It's a continuous practice of learning, renewal and having the courage to confront our own fixed mindsets. Collectively, we are moving from a group of people who know it all to a group of people who want to learn it all. To achieve our mission, we must reflect the diverse perspectives and experiences of our customers around the world. We must have a deep sense of their unmet and unarticulated needs. Each day we are push-

ing ourselves to be more customer obsessed, to be more diverse and inclusive, and to operate as One Microsoft — ultimately to make a bigger difference in the world.

**Opportunity and impact**

One of the greatest privileges I have as CEO of Microsoft is seeing firsthand the incredible impact our technologies have on people and organizations around the world. Our ecosystem touches the lives of billions of people every single day, creating new opportunity for our customers and partners and positively impacting local communities.

In Kenya, our partner M-KOPA Solar has connected hundreds of thousands of homes across sub-Saharan Africa to solar power for the first time using the Microsoft Cloud, innovating with a pay-as-you-go model that helps households living on less than \$2 a day establish a credit history. In Arizona, we are applying Dynamics 365 to improve outcomes among one of the state's most vulnerable populations — the more than 15,000 children in foster care. In Poland, MedApp is using HoloLens to help cardiologists visualize a patient's heart as it beats — in real time — reducing the amount of time they then need to perform open-heart surgery. In Kona, Hawaii, Jack's Diving Locker is using Microsoft 365 to connect its 50 employees across land and sea so that they can focus on what they do best — protect pristine coral reefs and take people diving. In Washington state, Karrick Johnson, an 8-year-old with dyslexia, avoided reading in class until he started using our Learning Tools. And in Cambodia, underserved children in rural communities are learning to code with Minecraft, opening doors to futures that would have previously been unimaginable.

Across the globe, enterprise customers in every industry — from iconic brands like Coca-Cola Company and Chevron Corporation to ZF Group, a car parts manufacturer in Germany — are using our technology to build their own digital capability so they can thrive in a world where every company is a software company. Walmart — the world's largest company by revenue, and its biggest private employer — chose Azure and Microsoft 365 to fuel its digital transformation, transforming the shopping experience for customers and empowering their more than 2 million associates to do their best work.

In sum, our platforms create broad surplus everywhere, from the farmer who is able to apply precision agriculture to conserve resources and increase yields, to the hospital that is able to lower the cost of healthcare and improve patient outcomes, to the largest companies of the world reaching new customers in new markets.

**Results and progress**

The breadth and depth of our mission and the trust customers are placing in us to power their digital transformation enable us to have this broad impact — and it is fueling our results.

In fiscal 2018, we delivered \$110.4 billion in revenue and \$35.1 billion in operating income and returned \$21.5 billion to shareholders through dividends and share repurchases.

Our commercial cloud business delivered more than \$23 billion in revenue, exceeding the ambitious goal we had set to achieve \$20 billion in annualized commercial cloud revenue by the end of fiscal 2018, nine months ahead of schedule. In addition, we expanded our commercial cloud gross margin to 57 percent, up 7 points year-over-year.

These are strong results — and yet the opportunity ahead in a world powered by an intelligent cloud and edge is unprecedented. Imagine a future where all of your apps and experiences revolve around you and transcend any single device; where data in any form is analyzed in real time so that computers can anticipate and even act on your behalf and augment what you would otherwise be able to accomplish on your own. And where computing is more distributed and embedded in the world, from intelligent digital assistants at work, on the go and in your home that you can communicate with in a myriad of ways — voice, eyes or gestures — to oil rigs that adjust production in real time as demand fluctuates in global markets.

Across each of our customer solution areas, we are broadening our offerings and accelerating our innovation to capture the opportunities this new era will create for our customers and better meet their unarticulated needs.

#### *Modern Workplace*

We expanded our Microsoft 365 offerings to reach new audiences and empower more employees for the modern workplace, protecting data from increasingly sophisticated cybersecurity threats and delivering secure productivity and collaboration tools. Already a multi-billion-dollar business, Microsoft 365 gives customers a path to the cloud and broadens our reach with new and under-penetrated markets — from Fortune 500 enterprises to small businesses to more than 2 billion firstline workers. More than 135 million people use Office 365 commercial every month, and Outlook Mobile is helping people be productive and stay secure on more than 100 million iOS and Android devices worldwide — with AI-infused experiences they use every day. Microsoft Teams has rapidly become the hub for teamwork and is being used by more than 300,000 organizations of all sizes, including 87 of the Fortune 100. Windows 10 is now active on nearly 700 million devices around the world. And we continue to create new device categories with always-on, always-connected Windows 10 PCs and an expanded family of Surface devices including the new Surface Go — setting the bar for the industry.

#### *Business Applications*

Every process inside a business is being digitized, and we are winning customers with our differentiated approach, enabling organizations of all sizes to digitize critical business functions — from sales to marketing to HR. Dynamics 365 is the alternative to monolithic, siloed suites of business applications with modular, extensible and AI-driven apps that are part of a connected data graph and unlock insights across every part of the organization. Net seats grew 52 percent year-over-year, and our investments in Power BI have made Microsoft the leader in business analytics in the cloud. Our recently announced Open Data Initiative with Adobe and SAP will enable our customers to take control of their data and build new experiences that truly put people at the center. And we are innovating with HoloLens and mixed reality to create immersive experiences that digitize physical spaces and interactions to transform training, collaboration and design for firstline workers, who account for 80 percent of the world's workforce.

LinkedIn is the essential platform to connect the world's professionals and create economic opportunity for every member of the global workforce. LinkedIn now has more than 575 million members, and we are continuously innovating to give them new ways to connect and engage with one another — from increasing the relevancy of the LinkedIn Feed to a better mobile experience, to introducing new video and messaging capability. And we are transforming how companies manage talent, training, and sales and marketing with new solutions powered by the LinkedIn and Microsoft Graphs. Dynamics 365 for Talent with LinkedIn Recruiter and Learning gives HR professionals a complete solution in an increasingly competitive talent marketplace, and deep integration of LinkedIn Sales Navigator and Dynamics 365

redefines social selling, enabling sales professionals to dramatically increase their effectiveness by drawing on the relationships in their personal networks. We will continue to innovate across the LinkedIn platform to add new value for members and customers.

#### *Applications and Infrastructure*

To thrive in the era of the intelligent cloud and intelligent edge, customers need a consistent computing stack from the cloud to the edge. Azure is the only hyperscale cloud that extends to the edge across identity, data, application platform, and security and management — and this architectural advantage is increasingly clear to our customers. Azure revenue grew 91 percent year-over-year.

And we are investing aggressively to build Azure as the world's computer. We expanded our global datacenter footprint to 54 regions — more than any other cloud provider — and with the most comprehensive compliance coverage in the industry to meet evolving regulatory needs, creating broader economic benefit and opportunity in local markets on six continents. With Project Natick, we even innovated beyond land, experimenting with a full-scale subsea, zero emissions datacenter with the promise of setting new standards for datacenter provisioning, latency and sustainability.

We added nearly 500 new Azure capabilities in the past year alone, focused on both existing workloads and new workloads such as IoT and Edge AI. IoT is transforming the rules of manufacturing, retail, and oil and gas — fueling cloud and edge innovation, accelerating the evolution of digital factories and enhancing supply-chain performance. Azure IoT and Azure Stack — a first-of-its-kind cloud-to-edge solution — enable customers and partners to build IoT solutions that run at the edge, so people from the factory floor to the retail store to the oil rig can manage devices and analyze data in real time. We introduced Azure Sphere, another first-of-its-kind, highly secure edge solution that combines chip design, an IoT operating system and a cloud service to secure the more than 9 billion microcontroller-powered devices entering the market each year — from kitchen appliances to industrial equipment. It's an incredible example of how we are helping our customers realize the promise of a world of connected devices and things. And, our ambition extends beyond today's computers to quantum computing to take us beyond the limitations of traditional, transistor-based computers and enable entirely new scenarios. We first unveiled our vision for quantum last year, and we are already seeing customers apply our quantum-inspired algorithms to address some of their most pressing challenges.

#### *Data and AI*

Our customers will increasingly need to build their own AI to extract insights from the ever-increasing amount of data they collect — and we are investing to make Azure the best cloud for their comprehensive data estates. We are democratizing data science and AI with Azure Cognitive Services, Azure Machine Learning and data services such as Azure Cosmos DB — the first globally distributed, multi-model database — to help organizations of all sizes convert their data into insights and experiences for competitive advantage. In less than a year, Azure Cosmos DB has already exceeded \$100 million in annualized revenue. Azure Database for MySQL and PostgreSQL makes it even easier to bring open source-powered applications to Azure, expanding our opportunity in this space. And we are seeing rapid customer adoption of Azure Databricks for data preparation, advanced analytics and machine learning scenarios. We are leading in the field of AI research, achieving human parity with object recognition, speech recognition, machine reading and — this year — language translation. But that is not enough. We are committed to translating these breakthroughs into toolsets our customers can use.

More than 1 million developers have already used our Cognitive Services to quickly and easily create AI applications. Our Azure Bot Service has nearly 300,000 developers, and we are driving newadvances in our underlying cloud infrastructure, building the world's first AI supercomputer in Azure. Microsoft Translator brings AI-powered translation to developers where their data is, whether in the cloud or on the edge. Our pending acquisition of GitHub recognizes the increasingly vital role developers will play in value creation and growth across every industry, and will enable us to bring our tools and services to new audiences while enabling GitHub to grow and retain its developer-first ethos.

### *Gaming*

We are pursuing an expansive opportunity in gaming — from the way games are created and distributed to how they are played and viewed — surpassing \$10 billion in revenue this year for the first time. We are investing aggressively in content, community and cloud services across every endpoint to expand usage and deepen engagement with gamers. Xbox Live now has 57 million monthly active users, and we are investing in new services like Mixer — which blurs the line between watching and playing — and Game Pass, our new unlimited subscription service. The addition of five new gaming studios this year bolsters our first-party content development to support our fast-growing gaming services. And our acquisition of PlayFab accelerates our vision to build a world-class cloud platform for the gaming industry across mobile, PC and console. I'm excited about our opportunity in the fast-growing \$100 billion gaming market and what's to come.

## **Trust and responsibility**

At a time when digital technology is transforming every industry and every part of our daily life and work, our customers are increasingly looking for a partner whose business interests are fundamentally aligned with their own. At Microsoft, our customers' interests are core to our success. That is what engenders trust.

This commitment extends to instilling trust in technology across everything we do. We believe that privacy is a fundamental human right, which is why compliance is deeply embedded in all our processes and practices. We extended the data subject rights that are at the heart of General Data Protection Regulation (GDPR) to all our customers around the world, not just those in the European Union, and advocated for the passage of the [CLOUD Act](#) in the U.S.

Cybersecurity is the central challenge of the digital age, and we are innovating to provide end-to-end security for our customers with security operations at global scale that analyze more than 6.5 trillion security signals each day, enterprise-class technology, and broad cybersecurity partnerships for an increasingly complex and heterogeneous world. We led the [Cybersecurity Tech Accord](#), which has been signed by 61 global organizations, and are calling on governments to do more to make the internet safe. We announced the [Defending Democracy Program](#) to work with governments around the world to help safeguard voting, and introduced [AccountGuard](#) to offer advanced cybersecurity protections to political campaigns in the U.S.

And, as we make advancements in AI, we are asking ourselves tough questions — like not only what computers can do, but what should they do. That's why we are investing in tools for detecting and addressing bias in AI systems and advocating for thoughtful government regulation.

We also have a responsibility as a company to empower everyone to fully participate in our society and economy using technology. We are working with governments, the private sector and local nonprofit organizations around the world to

make this vision a reality. We donated more than \$1.4 billion in software and services in fiscal 2018, via Microsoft Philanthropies, helping nonprofits get access to the technology they need to drive greater impact, and in calendar year 2017 our employees donated a record \$158 million (including company match) through our employee giving program to support nonprofits in local communities.

We are putting AI tools into the hands of change-makers to address society's most pressing challenges with new programs like [AI for Earth](#), a five-year, \$50M commitment to environmental sustainability, and [AI for Accessibility](#) to benefit the more than 1 billion people with disabilities around the world. I am inspired by how teams across Microsoft are galvanized around inclusive design and accessibility — and producing tangible results, with new features and offerings for Microsoft 365, Office 365, Windows and Xbox designed to meet the needs of people with disabilities.

Finally, we know that the jobs of today will not be the jobs of tomorrow and are investing to provide today's workforce and future generations with the digital skills they will need to succeed, partnering with nonprofit organizations across 54 countries to provide computer science learning experiences to millions of young people around the world and expanding our [TEALS program](#) in high schools across the U.S.

I'm proud of our progress, and I'm proud of the more than 100,000 Microsoft employees around the world who are focused on our customers' success in this new era. We have long recognized that the health, wellbeing and diversity of our employees help Microsoft succeed. That's why we provide industry-leading benefits for our employees, including comprehensive health and wellness programs for families, paid vacation, paid sick leave and paid time off for new parents. We were one of the first companies to require our U.S. suppliers doing substantial business with us to provide paid time off for their employees. And this year we took a further step to ensure that these suppliers also provide their employees with paid parental leave.

Over the past year, we have made progress in building a diverse and inclusive culture where everyone can do their best work. Since FY16, we have nearly doubled the number of women corporate vice presidents at Microsoft — both overall and in technical roles. We've increased African American/Black and Hispanic/Latino representation by 33 percent. And this past fiscal year more than half of our U.S. interns were women or African American/Black and Hispanic/Latino. We must keep pushing to do more, and representation is only one measure of progress. Creating a diverse and inclusive workplace at Microsoft is everyone's job. And this year we increased our commitment, ensuring that every leader and employee prioritizes diversity and inclusion as part of our annual performance review process.

In closing, we will continue to create local opportunity, growth and impact in every community and country around the world. We will continue to invest in the largest growth opportunities and innovate boldly to serve our customers. We will continue to help our customers build digital capability, so they can grow and thrive — today and long into the future. We will continue to work to instill trust in technology across everything we do, to advocate for customer privacy, drive industry-wide cybersecurity initiatives and champion ethical AI. And we will continue to transform our culture to reflect the diverse customers we serve around the world, while holding fast to our timeless values.

Last spring, I visited our AI School in Paris, France, which we started earlier this year to provide immersive training to help close the skills gap. Students from different backgrounds and walks of life, with no prior technical experience, are learning new data science skills. They take an intense seven month class, followed by an apprenticeship at one of our local partners — and are ready for new careers in AI and data science. While there, I met Cassandra Delage, a young entrepreneur with an ambitious dream of reimagining recycling. Her company, Plast’if, has created what might be best described as a “recycling vending machine.” You take plastic, put it in the machine, and it’s converted into a useful object you can take with you. She built it with students at the AI School, creating an ML model that recognizes the plastic, deploying it on an inexpensive computer and then integrating it with a 3-D printer — turning her novel idea into reality.

It's just one example of how technology can help create new opportunity and build a better future for everyone.

And it's just the start — I could not be more optimistic about what's yet to come.

A handwritten signature in black ink, appearing to read "Satya N." followed by a dot.

Satya Nadella  
Chief Executive Officer  
October 16, 2018



## Empowering people

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# Privacy and data security

We recognize privacy as a fundamental human right. We work to preserve our customers' ability to control their data and make informed choices to protect their privacy.

## Our commitment and approach

Microsoft product development and privacy practices focus on six key privacy principles.

### User control

We put users in control of their privacy with easy-to-use tools and clear choices.

### Legal protections

We respect local privacy laws and fight for the protection of users' privacy as a fundamental human right.

### Transparency

We're transparent about data collection and use so users can make informed decisions.

### No content-based targeting

We don't use email, chat, files, or other personal content to target ads.

### Security

We protect the data that users entrust to us through strong security and encryption.

### User benefits

When we do collect data, we use it to benefit you and your experiences.

[Learn more about our privacy principles >](#)

## FY18 highlights

We're driving compliance across our cloud, helping users view and control their activity, and engaging with stakeholders on the future of artificial intelligence.

### GDPR and privacy

Microsoft is committed to making sure that our products and services comply with GDPR. We provide our commercial customers with robust tools, backed up by contractual commitments, to help them comply. We are also extending GDPR Data Subject Rights to all our consumer customers around the world.

[Learn about our approach >](#)

### Promoting online civility for teens

The Council for Digital Good discusses the state of online civility today and shares how digital interactions could be safer and healthier for everyone.

[Learn more about the council >](#)

**New Data Protection Officer**

In March 2018, Microsoft appointed Steve May as its European Data Protection Officer (DPO). In his role Steve represents our customers' data protection needs and rights in assessing Microsoft's data processing and supports engagements with European regulators relating to data protection matters.

[Learn more in the blog >](#)

**Improved privacy dashboard**

Microsoft added new capabilities to its web-based privacy dashboard that allows users to see and control their online activity data. The dashboard allows users to view—and choose to clear—data Microsoft collects, including voice, apps and services, browsing & search history, and location activity.

[Visit the privacy dashboard >](#)

**The Future Computed**

We released a new book, *The Future Computed: Artificial Intelligence and its role in society*. In the book, we identify six ethical principles—fairness, reliability and safety, privacy and security, inclusivity, transparency, and accountability—to guide the development and use of AI.

[Learn more about the book >](#)

**FY18 reporting resources****Law Enforcement Requests Report**

This semi-annual report provides information about the legal demands for customer data we receive from law enforcement agencies around the world, as well as our responses to them.

**US National Security Orders Report**

This semi-annual report provides the data we're legally allowed to share about demands for customer data we receive from the US government pursuant to national security laws, as well as our responses to them.

**Reports hub**

Microsoft provides disclosures to help stakeholders evaluate how we're meeting our commitments. We collect and share these reports in one place for easy reference and download.

**2018 Global Index Reporting Initiative Index**

The 2018 report content contains disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

**Get the bigger picture**

Explore key resources to learn more about our work in privacy and data security.

**Microsoft privacy**

Access more information on our privacy principles, the common categories of data we collect, and additional links to product and service-specific privacy information and controls.

[Explore the privacy site >](#)

**Privacy statement**

The Microsoft privacy statement explains what personal data we collect from users and how we use it.

[Review the statement >](#)

**Microsoft Trust Center**

The Trust Center provides enterprise and business customers information on how Microsoft protects their data across our cloud services, including how we can help organizations comply with GDPR.

[Visit the Trust Center >](#)

**A Cloud for Global Good**

Our policy roadmap covers a range of policy areas and provides a comprehensive set of recommendations and considerations mapped to a trusted, responsible, and inclusive cloud.

[Visit the cloud policy roadmap >](#)

**Security**

From individuals to enterprise businesses, we're committed to helping our customers get secure—and stay secure—in a world of persistent cyberthreats.

[Visit our Microsoft Secure site >](#)

**Security blog**

The Microsoft Secure blog is the place to go for in-depth articles on our products and services, as well as tips and recommendations for improving security in your organization.

[Visit the blog >](#)

# Accessibility

At Microsoft, we believe there is no limit to what people can achieve. Especially when technology reflects the diversity of its users and is accessible to all.

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## Our commitment and approach

Microsoft is committed to designing products and services that can be used by everyone.

Over one billion people in the world have a disability. We're passionate about ensuring that our products and services are designed for all people. The Microsoft Accessibility Standards are a company-wide policy that drives consideration for accessibility into every stage of production, including design, development, evaluation, and release.

We've found that many of our accessibility-focused innovations and features allow us to deliver richer, more flexible experiences for a wider range of users—not just those with disabilities. We're committed to transparency, accountability, and inclusion in our products and our culture, and we're deeply inspired by the opportunity to work with people across the globe to explore what's possible.

## FY18 highlights

We're building a diverse workforce through inclusive hiring programs and creating products that work for everyone.

### Expanding accessibility features

We are committed to delivering technologies that empower all people to achieve more and have released significant accessibility enhancements in our latest products.

[Discover the new features >](#)

### Driving innovation

We continue to push the limits of what's possible with AI to empower people with disabilities through new innovations such as [Seeing AI](#), [Eye Control on Windows 10](#), [Xbox Adaptive Controller](#), and [Translator](#).

[Explore AI for Accessibility >](#)

### Inclusive hiring programs

To build the best products for everyone, we need to have a diverse and inclusive workforce. Our inclusive hiring programs work to make that happen.

[Learn about our hiring programs >](#)

**FY18 reporting resources****Providing conformance statements**

Microsoft provides conformance statements for global standards including section 508 requirements, EN 301 549 standard, and Web Content Accessibility Guidelines. We have also embraced the Trusted Tester program, developed by DHS's Office of Accessible Systems & Technology.

[Learn more about Trusted Tester >](#)

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**Get the bigger picture**

Learn more about our commitment to designing products and services that work for everyone.

**Microsoft accessibility**

Find information on our accessibility programs, product features, guides, and additional resources.

[Visit the accessibility site >](#)

**Developer resources**

Explore tools and information you can use to create the next generation of accessible technology.

[Discover developer resources >](#)

**Inclusive hiring**

Learn about our inclusive hiring programs and apply for accessibility-related job openings.

[Learn about inclusive hiring >](#)

**Inclusive design**

See how we're evolving our design system to operate in a complex world.

[Learn about inclusive design >](#)

**Microsoft accessibility feedback**

Share your ideas on what products, features, and tools would delight you, or vote for ideas you see posted by others.

[Provide accessibility feedback >](#)

# Digital skills and career pathways

We believe in a future where every person has the skills, knowledge, and opportunity to achieve more.

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## Impact at a glance

**13,000** students received computer science education through our TEALS program.

**12 million** young people have participated in computer science learning experiences through 97 nonprofits in 54 countries.

**50,000** workers to receive access to in-demand skills and job opportunities through the Markle Foundation by 2020.

**96 million** learners around the world have participated in Minecraft Tutorial sessions since 2015.

## Our commitment and approach

We're working to ensure that everyone has access to the opportunities created by technology.

### Digital skills

In a world being transformed by technology, all youth should have access to digital skills. From basic digital literacy to advanced computer science, learning digital skills provides young people an opportunity to develop creativity, critical thinking, and problem-solving skills. We partner with nonprofits, governments, educators, and businesses to reach young people who are least likely to have access to computer science education. Our approach includes:

- **Strengthening the ability of nonprofit organizations and schools to offer computer science education**

Through cash grants, technology, and resources, we support in-school programs like Technology Education and Literacy in Schools (TEALS) and nonprofits like Code.org, to help increase the number of young people who have access to computer science education.

- **Bringing CS to every young person**

In partnership with Code.org and others, we encourage US states to provide access to computer science (CS) education and count CS courses toward math and science credits required for graduation.

[Get started with CS advocacy >](#)

- **Generating excitement and demand for computer science education**

We work with more than 150 nonprofit organizations across 60 countries to help engage over three million young people with computer science learning experiences. Together with our partners, we're ensuring young people are ready for the future, especially those who might not otherwise have access to developing these critical skills.

[Find our partners >](#)

[Learn more about our impact >](#)

### Career pathways

As technology transforms the world, it is also reshaping the way we work and increasing the skills gap. In the United States, nearly two-thirds of companies report having positions for which they cannot find qualified applicants, and millions are under- or unemployed. To meet the challenge, we must create a skills-based labor market that connects people and employers in new ways. Our approach includes:

- **Increasing access to learning resources**

To succeed in the modern economy, workers need access to learning resources to gain the skills required for in-demand jobs. LinkedIn Learning enables lifelong learning while connecting workers to jobs.

[Access LinkedIn Learning >](#)

- **Engaging employers**

Skills-based hiring and apprenticeships help companies find and retain qualified people by increasing employer connections to skilled candidates and creating pathways for workers.

[Learn about Microsoft apprenticeships >](#)

- **Advocating for change**

At Microsoft, we're working toward scalable solutions and partnerships that can be replicated successfully across the globe, including our partnership with Lumina Foundation and the Credential Engine™.

[Learn more about credentialing >](#)

[Learn more about our approach to career pathways >](#)

## FY18 highlights

Discover how Microsoft creates opportunities for everyone to succeed in the digital economy.

### Pathways to 21st century jobs

In partnership with the Markle Foundation, Microsoft is helping 50,000 workers adapt to the changing workplace by providing access to in-demand skills and job opportunities. We also provide states and employers with the tools and data they need to create and sustain skills-based hiring initiatives.

[Learn more about our efforts >](#)

**Our global impact**

In more than 60 countries around the world, we support nonprofit organizations and education institutions in their efforts to create opportunities for all young people to become future ready.

[Find our nonprofit partners >](#)

**Encouraging girls to pursue STEM**

More than 80 percent of the students benefitting from YouthSpark grants and partnerships are from underserved communities, and more than half are female. In 2018, we set out to understand more about why girls lose interest in STEM and what we can do about it.

[Explore our research >](#)

**Advancing students with TEALS**

In 2017, Technology Education and Literacy in Schools (TEALS) paired over 1000 volunteers from over 500 companies with classroom teachers in 344 high schools in 29 states and the District of Columbia—bringing computer science education to over 12,000 students.

[Become a TEALS volunteer >](#)

**FY18 reporting resources****Donations and volunteerism factsheet (PDF)**

Download a report of our donation and volunteerism investments over the past three fiscal years.

**Reports hub**

Microsoft provides disclosures to help stakeholders evaluate how we're meeting our commitments. We collect and provide share these reports in one place for easy reference and download.

**2018 Global Reporting Initiative Index**

The 2018 report content contains disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

**Get the bigger picture**

Explore these key resources to learn more about our work empowering people around the globe.

**Encouraging girls to pursue STEM and computer science**

Understand more about why girls lose interest in STEM and what we can do about it.

[Review the research >](#)

**Career pathways**

Creating opportunities for everyone to succeed in the digital economy.

[Learn more about digital skills >](#)

**Microsoft Philanthropies**

We believe technology can provide endless opportunity and Microsoft Philanthropies works to create a future where everyone has access to these opportunities.

[Explore our philanthropic work >](#)

**TEALS**

A grassroots volunteer-based program, Technology Education and Literary (TEALS) helps high schools build and grow a sustainable computer science program.

[Learn more about TEALS >](#)

**Airband Initiative**

We partner with equipment makers, internet and energy access providers, and local entrepreneurs, to make affordable broadband access a reality for communities around the world.

[Learn more about this effort >](#)

# Responsible sourcing

At Microsoft, we work to ensure that our suppliers are socially, legally, and ethically responsible—and treat the people who work for them fairly and with dignity.

## Our commitment and approach

We set high standards for our suppliers and collaborate with them to positively impact their workers, their local communities, and their business operations.

Microsoft has relationships with thousands of suppliers around the globe, spanning both hardware suppliers that manufacture our devices and components, and indirect suppliers that provide everything from advertising services to building construction and maintenance.

We expect all suppliers who do business with Microsoft to uphold the human rights, labor, health and safety, environmental, and business ethics practices prescribed in our [Supplier Code of Conduct](#). This code aligns with, and exceeds, the Responsible Business Alliance (RBA), formerly Electronic Industry Citizenship Coalition, responsible supply chain standards. The Supplier Code of Conduct is included in all our supplier contracts and Microsoft Social and Environmental Accountability (SEA) requirements are also incorporated into our hardware and packaging supplier contracts.

Since 2005, Microsoft Devices operated an industry-leading Responsible Sourcing, formerly Social and Environmental Accountability, program to ensure that our hardware and packaging suppliers conform to our Supplier Code of Conduct and additional device-related requirements for living conditions, safe working practices, and environmental, health, and safety protection.

The Microsoft Global Procurement Group created a formal responsible sourcing function in 2013 to consolidate and enhance its responsible sourcing activities with our indirect suppliers.

We advance our responsible sourcing commitments through:

- Analysis of risks and opportunities
- Assurance and accountability
- Capacity building
- Shared value and advancement of the [Sustainable Development Goals](#) set by the UN to improve people's quality of life, protect the environment, and foster equitable growth.

[Learn more about our approach to responsible sourcing >](#)

**FY18 highlights**

Microsoft continues to focus on business and human rights, and acts as a catalyst for others who are participating in these efforts, in the technology sector and beyond.

**Responsible sourcing**

We've built an Audit Management System (AMS) to continue to transform how we embed compliance and sustainability into our business. Using Microsoft Power BI, we can track performance and enable continuous supply chain improvements throughout the SEA stages.

[↓ Download FY18 program report \(PDF\)](#)

**SEA Academy**

Our Social and Environmental Accountability (SEA) Academy online and mobile platform will enable us to scale learning more efficiently both internally and across our suppliers.

**Worker hotline**

Our Worker Hotline program continues to provide a voice for workers to privately and safely express issues and concerns and achieve issue resolution in all our Tier 1 and select Tier 2 suppliers.

**Children out of mining**

We continue to grow our partnership with Pact to address child labor in the Democratic Republic of the Congo. The program has received international recognition and has reduced child labor by 97 percent over the course of the project to date.

[Learn about PACT >](#)

**Raw materials to their origins**

To identify and prioritize risk, we completed our mapping of the origination of key raw materials that are used in our complex and global upstream supply chain.

**Supplier diversity**

We expanded our supplier diversity program to include a focus on LGBTQ-owned businesses. In FY18, Microsoft spent more than \$3 billion with minority-, disabled-, veteran-, LGBTQ-, and woman-owned businesses, ranking among the top 20 companies for spending with diverse-owned suppliers globally.

**FY18 reporting resources****Slavery and Human Trafficking Statement (PDF)**

Download our report to learn about the actions we're taking to prevent modern slavery and human trafficking in our business and supply chain.

**Devices sustainability report (PDF)**

See the key results of our Responsible Sourcing, and Social and Environmental Accountability audits and assessments in the downloadable FY18 Devices sustainability report.

**Conflict Minerals Report (PDF)**

Download the detailed results of our latest annual conflict minerals due diligence process and findings.

**Production Supplier List (PDF)**

Each year, Microsoft publishes a downloadable list of our top 100 production suppliers for our commercially available devices.

**Reports hub**

Microsoft provides disclosures to help stakeholders evaluate how we're meeting our commitments. We collect and share these reports in one place for easy reference and download.

**2018 Global Reporting Initiative Index**

The 2018 report content contains disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

**Get the bigger picture**

Explore more responsible sourcing resources.

**Responsible sourcing**

Get more detailed information on the policies and programs related to our commitment to responsible sourcing.

[Learn about the programs >](#)

**Microsoft Supplier Code of Conduct**

Access our Supplier Code of Conduct in multiple languages and explore links to related resources including our Supplier Code of Conduct training program.

[Explore our supplier standards >](#)

**Raw materials policy**

Learn more about our raw materials sourcing strategy and associated programs.

[↓ Download PDF about our policy](#)

**Supplier diversity**

Get an overview of our Supplier Diversity Program and access links to resources, including a tool for diverse suppliers to register their interest in working with Microsoft.

[Learn about supplier diversity >](#)

**Microsoft sustainable devices**

Explore our approach and commitment to producing environmentally sustainable devices.

[Learn about sustainable devices >](#)

# Human rights

We aim to respect human rights in the way we do business, and to advance those rights with the power of technology.

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## Our commitment and approach

Microsoft aspires to leadership in business and human rights, and to serve as a catalyst for action by others—in the technology sector and beyond.

### **Class-leading due diligence**

We aim to conduct best-in-class human rights impact assessments on our salient human rights actions, and emerging trends in business and human rights.

### **Rights-aware decision making**

We're deploying an integrated approach to human rights decision making across key aspects of Microsoft.

### **Proactive engagement**

We use actions and public statements to demonstrate that Microsoft is an important voice, and advocate for the promotion of human rights.

### **Transparent leadership**

We're advancing transparency in our work and promoting human rights through increased disclosure and engagement.

## FY18 highlights

The UN Guiding Principles on Business and Human Rights and the Global Network Initiative Principles on Freedom of Expression and Privacy steer our human rights work.

### **Global human rights standards**

We've updated our Global Human Rights Statement, increased organizational partnerships, and operationalized our human rights commitments through employee training and other due diligence activities. We've also implemented policies to ensure we have responsible and lawful access to customer data.

[Learn our global human rights efforts >](#)

### **Empowering the UN**

We're working with the UN Human Rights Office to help them develop technology to predict, analyze, and respond to human rights situations. We're also collaborating on joint projects and have provided a multi-million dollar grant to support ongoing efforts.

[Learn about our partnership >](#)

### **AI and human rights**

Artificial intelligence (AI) can improve life in many ways and help solve societal problems but AI comes with both challenges and opportunities. We need to address the challenges together with shared responsibility. Our book, *The Future Computed*, outlines the future of responsible AI technology.

[Learn about \*The Future Computed\* >](#)

**Collaborating with UC Berkeley**

Integrating critical human rights issues directly into education can generate innovative approaches to managing our responsibilities and may help create the next generation of ethical leaders. We're partnering with UC Berkeley to provide annual conferences, student consulting projects, and other collaborative efforts.

[Learn how we're working together >](#)

**Strengthening cybersecurity**

The Digital Geneva Convention is a framework to help protect and defend civilians against nation-sponsored cyberattacks, including tech-accord and a potential binding agreement.

[Learn about our cybersecurity efforts >](#)

**FY18 reporting resources****Microsoft Annual Human Rights Report (PDF)**

Using the United Nations Guiding Principles Reporting Framework, we provide detailed disclosures for each of our salient human rights issues and activities through a downloadable report.

**GNI Assessment 2015/2016 (PDF)**

Download the Global Network Initiative Public Report on the 2015/2016 Independent Company Assessments.

**Reports hub**

Microsoft provides disclosures to help stakeholders evaluate how we're meeting our commitments. We collect and share these reports in one place for easy reference and download.

**2018 Global Reporting Initiative Index**

The 2018 report content contains disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

**Modern Slavery and Human Trafficking Statement (PDF)**

Download the report to learn about the actions we've taken to prevent modern slavery and human trafficking in our business and supply chain.

**Get the bigger picture**

Explore key resources to learn more about our Global Human Rights Statement, our salient human rights issues, and our bi-annual digital trust reports.

**Global Human Rights Statement**

We have committed to ensuring that our employees, partners, and suppliers respect and promote human rights, and that technology plays a positive role across the globe.

[Learn more about our commitment >](#)

**Accessibility**

We create and deliver technology that is accessible and functional for people of all abilities.

[Learn more about accessibility >](#)

**Freedom of expression and privacy**

We respect peoples' right to freedom of expression and their right to freedom from arbitrary and unlawful interference with privacy online.

[Learn about freedom of expression >](#)

**Online safety**

We provide tools and resources to protect the online safety and security of vulnerable groups.

[Find online safety resources >](#)

**Privacy and data security**

We're incorporating privacy considerations into design and development processes, offering customers meaningful privacy choices, and responsibly collecting, managing, and using the customer data that we store.

[Discover our approach to privacy >](#)

**Digital trust reports**

We provide transparency in our bi-annual Law Enforcement Requests Report, US National Security Orders Report, and Content Removal Requests Report.

[Explore our latest reports >](#)

# Empowering our employees

At Microsoft, we're focused on bringing out the best in people, supporting their goals, and allowing them to find deep meaning in their work.

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## Our commitment and approach

At Microsoft, we strive to create a respectful, rewarding, diverse, and inclusive work environment that enables our employees to create products and services that help others achieve more.

### Our culture

One of the most important drivers of our success is our culture. We fundamentally believe that we need a growth mindset culture. This starts with the belief that everyone can grow and develop; potential is nurtured, not predetermined; and anyone can change their mindset.

[Learn more about our mission and culture >](#)

### Respecting human rights

Our Global Human Rights Statement, and participation as a signatory to the UN Global Compact, demonstrate our commitment to respecting the following human rights covenants and declarations:

[Universal Declaration of Human Rights >](#)

[International Covenant on Civil and Political Rights >](#)

[International Covenant on Economic, Social, and Cultural Rights >](#)

[International Labor Organization \(ILO\) Declaration on Fundamental Principles and Rights at Work\\* >](#)

### Total rewards

We develop dynamic, sustainable, and strategic programs that generate trust in our employees and enable them to do their best work. These programs reinforce our culture and values. The result is a global performance and development approach that fosters our growth mindset culture, competitive compensation that proactively ensures equitable pay by role, and distinctive benefits that delight our employees.

[Learn more about our benefits >](#)

### Diversity and inclusion

At Microsoft, Global Diversity & Inclusion is more than a program, it is a core aspect of our evolving culture that helps us fulfill our mission. We seek out different perspectives that represent various aspects of the world around us and each employee is accountable to actively learn and engage each other's strengths, experiences, and viewpoints to inform, challenge, and stretch our thinking. As a result, we create richer work experiences, stronger ideas, more impactful products, and better customer experiences.

[Learn more about global diversity and inclusion at Microsoft >](#)

**Training and development**

To support our growth mindset culture and meet the learning needs of our employees around the world, we offer a diverse range of learning and development opportunities. We believe training can be more than formal instruction, and our training philosophy focuses on providing the right learning, at the right time, in the right way. Opportunities include:

- Personalized, integrated, and relevant views of all learning opportunities on Microsoft Learning and LinkedIn Learning.
- In-the-classroom learning and sharing with learner boards.
- On-the-job "stretch" opportunities for advancement.
- Frequent promotion opportunities.
- Coaching on career development through ongoing manager connections.
- Customized manager training to enhance coaching and mentoring skills.
- New employee orientation covering a range of topics including company values, culture, and [Standards of Business Conduct](#).

**Wellness and safety**

Microsoft is committed to supporting our employees' well-being with comprehensive benefits to help employees maximize their physical, financial, and social well-being. In addition, our Occupational Health and Safety program integrates appropriate practices into our operations and works for continual improvement in employee health and safety. As part of this commitment:

- Professionals assess the safety risks of work activities and engage with workers and management to implement safe work practices, hazard controls, and training to minimize safety risks.
- New and existing workspaces are periodically assessed to ensure they are constructed with sound design-for-safety principles and that controls are implemented effectively.
- Microsoft involves employees and managers in Health and Safety Committees specific to our datacenters, retail operations, and office locations where required.

[Learn more about our commitment to safe and productive workplaces >](#)

\*Those ILO principles are freedom of association and the effective recognition of the right to collective bargaining; elimination of all forms of forced or compulsory labor; effective abolition of child labor; and elimination of discrimination in respect of employment and occupation.

**FY18 highlights**

In 2018, we deepened our commitment to diversity and inclusion, offered our employees valuable training, and found better ways to support both them and their loved ones.

**Employee feedback counts**

Nearly 90% of employees participated in our annual engagement survey—93% said they're proud to work for Microsoft and 89% said they'd recommend it as a great place to work. We also collected over 75,000 Daily Pulse responses and worked with leadership to address employee concerns.

**Ethical business decision making**

All Microsoft employees must complete annual Standards of Business Conduct training. The training course is available in 16 languages and in FY18 we achieved a course completion rate greater than 99 percent.

[Learn about the standards >](#)

**Committed to diversity and inclusion**

To engage the diverse and dynamic emerging workforce—we build excitement for STEM, seek out non-traditional talent sources, commit to inclusive behaviors, and inspire our people to enhance their awareness, curiosity, and courage.

[Learn more about our approach >](#)

**Global family leave**

Microsoft offers generous paid family leave to employees worldwide. Employees get a minimum of 20 weeks paid parental leave for birth parents and six weeks for non-birth parents. There's also caregiver leave, which allows employees up to four weeks of paid leave to care for an immediate family member.

[Review the announcement >](#)

**Perspectives**

We introduced a new approach to feedback called Perspectives, which was built using learnings from neuroscience and social psychology. Perspectives aims to improve how we ask for, share, and receive high-quality feedback to enable our growth mindset and better embrace our culture.

[Learn more about Perspectives >](#)

**Global health and safety**

Our commitment to health and safety spans the globe. In 2018, Microsoft operations in the United Kingdom achieved recertification of ISO18001 with no non-conformances—and operations in Spain received annual, government-issued cash health and safety bonuses for the ninth consecutive year.

[Learn about our commitment >](#)

**FY18 reporting resources****Workforce demographics**

The demographics of our workforce will continue to serve as a measure of our progress toward a more diverse and inclusive Microsoft, and our contribution to the diversity of the tech industry at large.

**Reports hub**

Microsoft provides disclosures to help stakeholders evaluate how we're meeting our commitments. We collect and share these reports in one place for easy reference and download.

**2018 Global Reporting Initiative Index**

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**Get the bigger picture**

We offer many key resources to help visitors gain a more comprehensive understanding of our commitment to empowering our employees.

**Microsoft careers**

Microsoft is looking for the best and brightest talent. We invite candidates of all abilities to come as they are and do what they love.

[Explore Microsoft careers >](#)

**Diverse perspectives**

Microsoft applies diversity and inclusion values to all we do. From hiring and facilities, to everyday interactions and innovations.

[Learn more about our approach >](#)

**Microsoft Life**

Find stories on how employees are empowered by the company culture to follow their passions, make a difference in the world, and live a #MicrosoftLife.

[Explore the Microsoft Life site >](#)

**Inclusive hiring**

To build the best products for everyone, we need to have a diverse and inclusive workforce across all abilities. Through our inclusive hiring program, we work towards that goal every day.

[Learn about inclusive hiring >](#)

**Global Human Rights Statement**

Our Global Human Rights Statement and participation in the UN Global Compact, are part of our commitment to respecting human rights covenants and declarations.

[Review the statement >](#)

**Employee stories**

Explore the technology and innovations Microsoft employees around the world are creating, from "solving" cancer to tracking down cybercriminals.

[Check out our stories >](#)



## Strengthening communities

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# Empowering nonprofits

Microsoft is committed to helping nonprofits advance their missions through digital transformation enabled by secure and trusted technology.

## Impact at a glance

**\$1.4 billion** in software and services donated to nonprofits worldwide.

**196,385** nonprofits have been served to date.

**\$158 million** donated by employees in 2017 (including company match).

## Our commitment and approach

We work closely with nonprofit organizations around the world to help them accelerate their organizational transformation with technology.

### Technology for Social Impact

Technology can be a powerful tool to help solve the world's most challenging issues. It can enable nonprofit organizations to be more productive, more innovative, and ultimately, to drive greater societal impact.

We're committed to delivering technology solutions that are accessible, affordable, and relevant for nonprofits everywhere. Donations and discounts are available for cloud solutions including Microsoft 365, Office 365, Power BI, and Azure. Hardware discounts are also available on Microsoft Surface devices.

With the goal of reaching over 300,000 nonprofits in the next three years, the Microsoft partner ecosystem is critical to our success. We're developing partnerships to provide relevant nonprofit technology solutions and services critical to helping nonprofits scale and drive greater impact around the world.

[Learn more about our nonprofit offers >](#)

### Hack for Good

Hack for Good is a community of Microsoft employees with a passion for applying technical and business skills to some of the world's most pressing societal problems. Previous projects have included a tool for disrupting sex trafficking, a PhotoDNA cloud service, and an app to transform the foster care system.

[Learn more about Hack for Good >](#)

**Employee giving**

Microsoft employees are passionate about giving time, money, and skill to address the issues facing our world. It's part of our culture and how we live our mission. The employee giving program focuses on giving in three primary ways:

- Money: Our employees support a wide range of organizations they feel personally connected to, and in the United States, Microsoft matches those donations dollar-for-dollar.
- Time: Many of our employees help nonprofits and schools achieve their missions faster by donating their time and professional skills. Microsoft matches every volunteer hour with a monetary donation to the organization.
- Products: When our employees purchase our products and donate them to nonprofits, Microsoft matches these in-kind donations, amplifying the impact of our technology.

[Check out our employees in action >](#)

**FY18 highlights**

We've surpassed our commitment to nonprofit cloud services donations, and our employees have raised record breaking donation amounts for global nonprofits.

**'No one should be left behind'**

In 2016, Microsoft Philanthropies committed to donating \$1 billion in cloud computing resources to 70,000 nonprofit organizations over three years. By the end of 2017, we'd surpassed that goal and committed to service more than 300,000 nonprofits around the globe.

[Explore our impact letter >](#)

**Technology for Social Impact**

We see the potential for nonprofits to leverage digital innovation to address the world's most pressing issues. In 2017, we announced our Technology for Social Impact group which will be dedicated to serving nonprofit organizations worldwide and helping them move to the cloud.

[Learn more about the group >](#)

**Medical Teams International**

Medical Teams International leverages an app built on Azure to revolutionize the way that it works and dramatically increase the speed and accuracy of diagnosis and treatment for more than 1 million patients in Uganda.

[Learn more about MTI >](#)

**Employee giving and volunteerism**

Microsoft matches employee donations of time and money to nonprofit organizations of their choice. In 2017, employees raised a record-breaking \$150 million (including company match)—bringing total giving since 1983 to more than \$1 billion for nonprofits and schools around the globe.

[Learn more about employee giving >](#)

**FY18 reporting resources****Donations and volunteerism data factsheet (PDF)**

Download the factsheet to learn more about our donation and volunteerism investments over the past three fiscal years.

**Reports hub**

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**Get the bigger picture**

Explore key resources to learn more about our work to empower nonprofits.

**Microsoft Philanthropies**

We believe that technology provides endless opportunity and Microsoft Philanthropies works to create a future where everyone has access to endless possibilities

[Discover our philanthropic work >](#)

**Nonprofit offers**

Nonprofits are committed to changing the world and we're committed to helping them make a greater impact through donated and discounted cloud solutions and hardware.

[Learn more about our approach >](#)

**Employee engagement**

Microsoft employees give generously to empower those most in need in our local communities and around the world. Employee giving is part of our culture and how we live our mission.

[Learn more about our employees >](#)

# Supporting people and communities in need

Technology can play a critical role in helping build stronger more resilient communities following times of crisis.

## Our commitment and approach

Microsoft believes technology can play a critical role in helping the world's most vulnerable people recover and rebuild their lives.

### **Empowering first responders**

First responders provide critical services to those affected by natural disasters. Microsoft supports first response organizations through technology donations and financial support during response and recovery efforts. We also work closely with experts to better prepare for and respond to future disasters.

### **Empowering humanitarian organizations**

From front-line aid workers to programs teams, humanitarian organizations provide a broad spectrum of vital services to vulnerable populations around the world. We're committed to helping humanitarian organizations pursue their missions with secure, reliable, and trusted cloud solutions.

### **Empowering displaced people**

Refugees face countless challenges as they flee their homes and countries. We partner with nonprofit organizations to provide digital skills resources and training to help displaced people begin rebuilding their lives.

## FY18 highlights

In the wake of some of the worst natural disasters, Microsoft stepped up to assist in recovery efforts to those affected.

### **Hurricane Maria**

Following the devastation of Hurricane Irma, Maria brought additional damage to the Caribbean. Microsoft provided over \$5 million in resources, and the Airband Initiative team donated TV White Space kits to support connectivity restoration throughout Puerto Rico and the US Virgin Island.

### **Central Mexico earthquake**

Over 200 people were killed when a 7.1 magnitude earthquake struck Mexico City and central Mexico. Microsoft provided \$700,000 in employee giving and financial support, delivered 2.3 million minutes of free Skype calls, and provided emergency-service teams to assist in the recovery efforts.

### **Hurricane Harvey**

In response to incredible flooding in Texas and the Gulf Coast, Microsoft allocated over \$2.4 million in resources and activated multiple missions to support local government agencies. In addition, Microsoft employee donation and corporate matching provided \$1.4 million to disaster response organizations.

**FY18 reporting resources****Reports hub**

Microsoft provides disclosures to help stakeholders evaluate how we're meeting our commitments. We collect and share these reports in one place for easy reference and download..

**2018 Global Reporting Initiative Index**

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**Get the bigger picture**

Explore key resources to learn more about our efforts to strengthen communities.

**Humanitarian action**

In addition to providing technology resources, Microsoft partners with trusted humanitarian organizations that work every day to provide aid and support to displaced people around the world.

[Learn more about our partnerships >](#)

**Microsoft Philanthropies**

At Microsoft, we believe in a future where every person has the skills, knowledge, and opportunity to achieve more. Microsoft Philanthropies works to empower people, invest in communities and create systemic change around the world.

[Explore our philanthropic work >](#)

**Employee giving**

Microsoft matches employee donations of time and money, which can be particularly helpful during natural disaster scenarios. Every year in October, the Giving Campaign makes a significant annual impact in addition to generous giving year-round.

[Learn more about employee giving >](#)

# Public policy engagement

Microsoft is proud to be recognized as an engaged leader in accountability and transparency in the public policy process.

## Our commitment and approach

Corporate participation in the public policy process helps to enhance the value we provide to shareholders. It is also fundamental to a free and democratic society.

### Participation

We strive to ensure that our participation in the political process is open, transparent, and based on reasons that are clear and justifiable to our shareholders and the public. Microsoft and our employees participate in the United States political process in a variety of ways.

- Program engagement: We join corporate government affairs programs designed to educate and influence elected officials on key public policy issues related to our business.
- Support: We give individual political employee donations through the Microsoft Political Action Committee (MSPAC).
- Transparency: We're transparent about data collection and use to allow users to make informed decisions.
- Collective action: We help to advance our business objectives through memberships in trade associations.

### Policy agenda

A "Cloud for Global Good" is our policy roadmap designed to provide lawmakers and policy influencers with a set of recommendations to advance the digital transformation opportunities that the cloud presents.

The policy roadmap is grounded in our belief in a future powered by the cloud, and our commitment to realize the social and economic benefits of cloud computing for everyone. The roadmap covers a range of policy areas and provides a comprehensive set of recommendations and considerations mapped to three core principles: a trusted cloud, a responsible cloud, an inclusive cloud.

[Review our cloud policy roadmap >](#)

Advances in artificial intelligence (AI) are giving rise to computing systems that can see, hear, learn, and reason which creates new opportunities to improve education and healthcare, address poverty, and achieve a more sustainable future. However, AI also raises complex ethical questions about the impact on society including jobs, privacy, inclusiveness, and fairness. To address these issues, we've published [The Future Computed: Artificial intelligence and its role in society](#) which discusses six principles to guide the development and deployment of AI solutions.

### Responsible governance

The Regulatory and Public Policy Committee of the Microsoft Board of Directors is responsible for overseeing our public policy work and related activities. The committee receives regular, formal reports. The management of our participation in the US political process is the responsibility of the Corporate Vice President for US Government Affairs, who reports directly to Brad Smith, Microsoft President and Chief Legal Officer. Brad Smith reports to the company CEO, Satya Nadella.

**Microsoft Political Action Committee (MSPAC)**

The Microsoft Political Action Committee (MSPAC) Steering Committee, a bipartisan committee of federal and state government affairs professionals, is responsible for oversight and day-to-day decision making related to political spending. Oversight of the committee includes disbursements from MSPAC and permissible employee and shareholder donations made by the program.

**Engagement Principles**

Microsoft has adopted [Principles for Engagement in the Public Policy Process in the United States](#). These principles address issues specific to the US political and fundraising system.

Under these policies, we commit to disclosing a semi-annual list of election campaign expenditures, including financial and in-kind contributions by the company and MSPAC to candidates, political parties, political committees, and other politically active tax-exempt organizations, such as those organized under Internal Revenue Code section 501(c)(4), as defined by applicable laws.

To uphold our commitment to the transparency of our political spending and contributions, we do not make corporate contributions to any non-candidate or non-party political committees organized under Section 527 of the Internal Revenue Code, which are formed solely to influence elections. We also make no independent political expenditures or electioneering communications, as permitted under the US Supreme Court's Citizens United ruling, and we inform our trade associations that no Microsoft funds may pay for their independent expenditures or electioneering communications.

**Transparency in reporting**

Microsoft regularly files and publishes reports that detail our public policy advocacy activities. Our disclosures include consultant fees, lobbying expenses, and trade association dues spent on advocacy. Please see FY18 reporting resources below.

**FY18 highlights**

Microsoft and our employees participate in the United States political process in a variety of ways.

**Defending Democracy Program**

In FY18, we announced the Defending Democracy Program to work with governments globally to help safeguard political campaigns and voting.

[Learn about our program >](#)

**The CLOUD Act—a big step forward**

The cloud has made privacy issues a practical necessity for technology. We recognize and accept the responsibility to help protect public safety and preserve personal privacy.

[Learn more about our approach >](#)

**A Cloud for Global Good**

In 2018, we released an updated Cloud for Global Good, a policy road map for governments, industry, and civil society to consider as they realize the opportunities and address the challenges presented by the Fourth Industrial Revolution.

[Learn about the updated roadmap >](#)

**Creating a safer digital world**

As technology continues to reshape the world, the conflicts between nations are no longer confined to air, land, and sea. The future of internet cybersecurity will require the public and private sector working together over many years.

[Learn more in the blog >](#)

**CPA-Zicklin Index**

In 2018, the CPA-Zicklin Index named Microsoft as a "Trendsetter" among the S&P 500 for our leadership in political disclosure and accountability.

[Learn more about the index >](#)

**FY18 reporting resources****US Federal and State advocacy spending (PDF)**

Microsoft regularly files and publishes downloadable reports that detail our public policy advocacy activities. Our disclosures include consultant fees, lobbying expenses, and trade association dues spent on advocacy.

**MSPAC and corporate political spending**

An outside ethics counsel reviews and approves all Microsoft Political Action Committee (MSPAC) and corporate political giving activities, filings, reports, and materials. We publish MSPAC and corporate political spending reports semi-annually on our CSR reports hub.

**2018 Global Reporting Initiative Index**

The 2018 report content contains disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

**Trade associations expenditures**

Microsoft is a member of many trade associations (organized under section 501(c) (6) of the Internal Revenue Code) in the US to help advance our public policy agenda and related business goals. We publicly disclose and annually update a list of those trade associations to which Microsoft pays dues and makes other expenditures through our Corporate, External and Legal Affairs (CELA) group. Each year, Microsoft inquires and makes a reasonable effort to obtain information about what portion of the company's dues or payments were used for lobbying expenditures or political contributions from those associations where our dues and other expenditures total \$25,000 or more. Current and archived reports are published on our CSR reports hub.

**Get the bigger picture**

Explore key resources to learn more about our engagement in the public policy process.

**A Cloud for Global Good**

Our policy roadmap covers a range of policy areas and provides a comprehensive set of recommendations and considerations mapped to a trusted, responsible, and inclusive cloud.

[Visit the cloud policy roadmap >](#)

**Public policy principles**

Microsoft has adopted principles for engagement in the public policy process in the United States. These principles address issues specific to the U.S. political and fundraising systems.

[Learn more about our principles >](#)

**Microsoft On the Issues blog**

Find news and perspectives on legal, public policy, and Corporate Social Responsibility topics.

[Explore the latest posts >](#)

**Microsoft on the Issues Twitter**

Get additional news and perspectives from Microsoft on legal, public policy, and philanthropic topics.

[Follow @MSFTIssues >](#)

# Local engagement

We engage in rural and urban communities around the globe to bring greater economic opportunities through the power of technology.

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## Our commitment and approach

We engage communities at a local level to bring greater economic opportunities through the power of technology.

### **Microsoft TechSpark**

Microsoft TechSpark is a national civic initiative to foster greater opportunity and job creation in communities outside of major metropolitan centers in the United States. We are developing long-term community partnerships to address their unique needs, create a future-ready workforce, and be a catalyst for economic opportunity for all Americans.

The TechSpark initiative focuses on five areas: digital transformation, digital skills and computer science education, career pathways, rural broadband, and support for nonprofits. We will also support a signature project in each community—a major investment designed to help accelerate transformation.

Initially, we are focusing on deep partnership in six communities: Fargo, North Dakota; El Paso, Texas; Southern Virginia; the North Central Basin of Washington; Northeast Wisconsin; and Cheyenne, Wyoming.

### **Microsoft Cities**

We strive to ensure that our participation in the political process is open, transparent, and based on reasons that are clear and justifiable to our shareholders and the public. Microsoft and our employees participate in the United States political process in a variety of ways.

- Program engagement: We join corporate government affairs programs designed to educate and influence elected officials on key public policy issues related to our business.
- Support: We give individual political employee donations through the Microsoft Political Action Committee (MSPAC).
- Transparency: We're transparent about data collection and use to allow users to make informed decisions.
- Collective action: We help to advance our business objectives through memberships in trade associations.

### **Policy agenda**

Microsoft Cities works in 10 cities around the United States to strengthen metropolitan communities and foster civic innovation for public good. Our Cities work focuses on education and training, economic development, sustainability, criminal justice, accessibility, transportation, and other local priorities. We will look to apply technology and data to advance the effectiveness and awareness of local initiatives and priorities. Through nonprofit, government, and organizational partnerships, the team strives to actively collaborate on work that has a sustained and scalable impact on the lives of individuals.

**FY18 highlights**

Explore some of the ways we've engaged with communities around the globe to bring greater economic opportunity.

**Closing the rural broadband gap**

We launched the Microsoft Airband Initiative to bring affordable broadband internet service to 2 million people in rural America by 2022, while expanding affordable broadband services to rural communities around the world.

[Learn more about our progress >](#)

**Teaching girls about STEM**

We hosted more than 100 middle and high school girls on our Fargo, North Dakota campus for a DigiGirlz camp. This gave them the opportunity to learn about careers in technology, connect with Microsoft employees, and participate in workshops.

[Learn more about DigiGirlz camp >](#)

**Advancing the workforce in Wyoming**

Microsoft has partnered with Laramie County Community College (LCCC) to help bolster a 21st-century workforce. Students will now have access to data center technician and cybersecurity courses. We've also launched a server administration program for Microsoft employees.

[Learn more about the partnership >](#)

**Improving student success**

Dallas County educates over 500,000 students in grades K-12, but less than one in three will complete college within six years. To improve student success, Commit, DataKind, Microsoft Cities, and Strive Together are partnering to apply machine learning techniques to inform possible approaches.

[Learn more about the program >](#)

**A brand-new community space**

We've opened a Garage space at the Microsoft New England R&D (NERD) Center in Boston. It includes a "maker space," reality room, and collaboration areas for people to connect and engage.

[Learn more about the Garage >](#)

**FY18 reporting resources****Donations and volunteerism factsheet (PDF)**

Download the report of our donation and volunteerism investments over the past three fiscal years.

**Reports hub**

Microsoft provides disclosures to help stakeholders evaluate how we're meeting our commitments. We collect and share these reports in one place for easy reference and download.

**2018 Global Reporting Initiative Index**

The 2018 report content contains disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

**Get the bigger picture**

Explore key resources to learn more about our work to empower communities around the globe.

**Microsoft TechSpark**

We're working to learn more about regional challenges and how technology can help better contribute to local economic growth, with a plan to share our learnings more broadly.

[Learn more about TechSpark >](#)

**Airband Initiative**

We partner with equipment makers, internet and energy access providers, and local entrepreneurs to make affordable broadband access a reality for communities around the world.

[Learn about the Airband Initiative >](#)

**TEALS**

A grassroots volunteer-based program, Technology Education and Literacy in Schools (TEALS) helps high schools build and grow a sustainable computer science program.

[Learn more about TEALS >](#)

**Microsoft Philanthropies**

We believe that technology can provide endless opportunity and Microsoft Philanthropies works to create a future where everyone has access to these opportunities.

[Explore our philanthropic work >](#)



## Protecting our planet

49 Environmental sustainability

# Environmental sustainability

Microsoft is committed to leveraging technology to solve some of the world's most urgent environmental issues—focusing on areas where we can have the most positive impact.

## Impact at a glance

**75%** reduction in carbon emissions planned through continued carbon neutrality and energy commitments.

**\$50 million** over five years dedicated to getting cloud and AI tools in the hands of those solving global environmental challenges.

**100%** carbon neutrality achieved by our global operations every year since 2012.

**20%** reduction in product packaging weight for new devices in FY18.

## Our commitment and approach

Microsoft aspires to enable a sustainable future by empowering every person and organization on the planet to thrive in a resource-constrained world.

### Focus areas

Our environmental sustainability work focuses in three primary areas: carbon and energy, water and ecosystems (including agriculture, biodiversity, conservation), and waste minimization. We work to reduce our impact within our operations, create sustainable products and devices, innovate with our partners to solve environmental challenges with technology, and drive policies that help create a more sustainable future.

### Water

At Microsoft, we believe in the sustainable management of the water resources we use across our operations. We're focused on increasing our understanding water-related risks and business impacts and how those affect the communities we serve. We set meaningful goals, improve our water efficiency, and advance innovative solutions to water challenges. The Silicon Valley campus will be the first tech campus with net-zero water certification, all the non-drinking water in the building will come from rainfall or on-site recycled water.

[Learn more about our approach >](#)

### Carbon

Our internal carbon fee has helped us achieve 100 percent carbon neutrality since 2012. The carbon fee funds our work to improve operational efficiency and enables us to buy clean energy and invest in carbon offset community projects.

[Learn more about our program >](#)

**Energy**

We aspire to use our purchasing power, research and development and technology to change how Microsoft – and ultimately the world – consumes energy. We've purchased more than 1 gigawatt of renewable energy and have renewable energy projects on three continents. In our datacenters, we pilot cutting-edge fuel cell research and energy-storage batteries inside. Beyond our operations, we work with customers, partners and policymakers to enable greater change. We have also increased the energy efficiency of our devices and leveraged the energy saving capabilities of Windows 10 to provide a better user experience while reducing consumer energy use. Lastly, our Factory of the Future solar panel installation, combined with the smart building system in one of our largest supplier's facilities is projected to reduce greenhouse gas emissions (in CO<sub>2</sub>e) by approximately three million pounds annually.

[Learn more about our commitment >](#)

**Waste minimization**

We design our products, buildings, and operations to promote resource reduction and reuse, enabling a more resource-efficient and productive economy. We use life cycle assessments and value stream analysis to improve product and packaging resource efficiency. On average, we have reduced new product package weight by 20 percent through a combination of right-sizing packaging to the product and introducing new lightweight materials. Microsoft is a member of over 150 recycling programs worldwide, covering electronics, batteries, and packaging. Beyond our products, our Puget Sound campus is zero-waste certified, reducing overall waste generation and diverting at least 90 percent of our operational waste from landfills.

[Learn more about our products >](#)

**FY18 highlights**

In 2018, we made strong progress towards our renewable energy, research and development, and product carbon efficiency goals.

**A solar power milestone**

We signed a 315 MW project in Virginia which is the largest corporate solar agreement in the United States. Purchasing clean energy where we have operations, especially when there are relatively few renewable projects, improves our operations and helps accelerate change.

[Learn more about this project >](#)

**Making our cloud green**

A new study found that Microsoft cloud services are up to 93 percent more energy efficient and up to 98 percent more carbon efficient than our on-premises offerings as a result of our investments in efficiency and green energy.

[Learn about our cloud >](#)

**Unlocking conservation with AI**

Using AI and a new Azure chip solution, Microsoft made a breakthrough discovery and converted 200 million images into a national land cover map in about 10 minutes. These maps can be used to protect land and watersheds, enable better disaster prediction and response, and fight deforestation.

[Learn more about AI discoveries >](#)

**Redesigning our datacenters**

We successfully piloted an approach to use fuel cells as the primary power source for a small datacenter in Seattle, Washington. This simplified approach could double the energy efficiency of datacenters.

[Learn more about the pilot >](#)

**Product packaging sustainability**

For new programs in FY18, we reduced the weight of product packaging by 20 percent, and decreased packaging related greenhouse gas emissions by 29 percent.

[Learn more about our program >](#)

**Energy efficiency in our devices**

The Surface Pro features a faster CPU and accelerated inking display while using less energy than the Surface Pro 4 and increasing battery life up to 13.5 hours.\*

[Learn more about energy efficiency >](#)

**EPEAT Gold rating**

In 2018, all Surface computers achieved EPEAT Gold environmental performance ratings in the US for their environmentally friendly design.

[Download our Devices Sustainability Report \(PDF\)](#)

\*Up to 13.5 hours of video playback. Testing conducted by Microsoft in April 2017 using preproduction Intel Core i5, 256GB, 8GB RAM device. Testing consisted of full battery discharge during video playback. All settings were default except: Wi-Fi was associated with a network and Auto-Brightness disabled. Battery life varies significantly with settings, usage, and other factors of the Surface Pro line and extend its battery life.

**FY18 reporting resources****Environmental Sustainability Data Factsheet (PDF)**

Find more information on key environmental indicators including greenhouse gas emissions, energy consumption, water consumption and discharge, and waste through our downloadable report.

**2018 CDP Climate Change Response (PDF)**

Download our response to the annual CDP climate change questionnaire, covering the FY17 reporting period.

**2018 CDP Water Response (PDF)**

Download our response to the annual CDP water questionnaire, covering the FY17 reporting period.

**Reports hub**

Microsoft provides disclosures to help stakeholders evaluate how we're meeting our commitments. We collect and share these reports in one place for easy reference and download.

**2018 Global Reporting Initiative Index**

The 2018 report content contains disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

**Devices Sustainability at Microsoft (PDF)**

Download the report to learn how we embed sustainability requirements directly into the business practices of our device organization and partners.

**Get the bigger picture**

Explore key resources to learn more about our environmental sustainability efforts.

**Environment**

Learn more about how Microsoft is enabling a sustainable future through our environmental sustainability work.

[Explore our environment site >](#)

**Green blog**

Get news, updates, and opinions about recent environmental events and activities.

[Visit the Green blog >](#)

**CDP climate change response**

Learn about our commitment to respond to climate change and the role of technology and governments in the transition to a low-carbon economy.

[↓ Download PDF of our response](#)

**Environmental compliance specifications**

Learn more about environmental compliance specifications for Microsoft hardware, packaging, and supplier conformance in our online hub.

[Get details about our efforts >](#)

**Responsible sourcing policy**

Get details on our strategy for the sourcing of raw materials for use in Microsoft hardware products.

[↓ Download PDF of our policy](#)



## Resources

- 54 Reports hub
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- 57 UN SDGs
- 58 Recognitions

# Reports hub

Placing a premium on transparency and easy-to-find content, our reports hub provides a consolidated view of the reports referenced throughout this document.

## **Report content and supplemental resources**

We make it easy for our stakeholders to access, download, and share the reports relevant to their individual needs. The content below features sections of our FY18 CSR report by topic, alongside related supplemental reports and resources.

## **Our approach**

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### **Letter from our CEO**

[Letter to Shareholders, CEO Satya Nadella](#)

### **Governance of CSR**

[Governance of CSR summary](#)

[Stakeholder Engagement \(PDF\)](#)

### **Our approach to reporting**

[Our approach to reporting summary](#)

[GRI Standards Index](#)

[UN Global Compact Communication on Progress](#)

### **Microsoft Investor Relations Reports**

[Microsoft Proxy Statement](#)

[Microsoft Annual Reports](#)

[Microsoft SEC Filings](#)

### **Facts about Microsoft**

[Subsidiaries](#)

[Operation centers](#)

[Financial data](#)

[Employment information](#)

## **Empowering people**

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### **Digital trust reports**

[Law Enforcement Requests Report online summary](#)

[U.S. National Security Orders Report online summary](#)

[Content Removal Requests Report online summary](#)

### **Privacy and data security**

[Privacy and data security summary](#)

### **Accessibility**

[Accessibility summary](#)

[Microsoft Accessibility Conformance Reports](#)

### **Human rights**

[Human rights summary](#)

[Microsoft Annual Human Rights Report \(PDF\)](#)

[Microsoft Report on the GNI Independent Assessment 2015/2016 \(PDF\)](#)

[GNI Annual Report](#)

[Microsoft Response: Business and Human Rights Resource Center](#)

### **Empowering our employees**

[Empowering our employees summary](#)

[EEO-1 Report 2016 \(PDF\)](#)

[Workforce demographics](#)

### **Responsible sourcing**

[Responsible sourcing summary](#)

[Responsible Sourcing of Raw Materials Policy \(PDF\)](#)

[Top 100 Production Suppliers \(PDF\)](#)

[Devices sustainability report \(PDF\)](#)

[Conflict Minerals Report \(PDF\)](#)

[Microsoft Slavery and Human Trafficking Statement 2017 \(PDF\)](#)

[Monitor Prison Labor PDF](#)

**Digital skills and career pathways**[Digital skills and career pathways summary](#)[Data factsheet: Donations and volunteerism \(PDF\)](#)**Strengthening communities****Empowering nonprofits**[Empowering nonprofits summary](#)[Data factsheet: Donations and volunteerism \(PDF\)](#)**Public policy engagement**[Public policy engagement summary](#)[Advocacy and Trade Memberships 2017 \(PDF\)](#)[MSPAC State Candidate Contributions H1 2018 \(PDF\)](#)[MSPAC Federal Candidate Contributions H1 2018 \(PDF\)](#)[MSPAC Non-Candidate Committee Contributions H1 2018 \(PDF\)](#)[Microsoft Corporate Political Contributions H1 2018 \(PDF\)](#)[Public policy advocacy spending \(PDF\)](#)[Microsoft Cloud policy roadmap](#)**Local engagement**[Local engagement summary](#)[Data factsheet: Donations and volunteerism \(PDF\)](#)**Humanitarian action**[Humanitarian action summary](#)**Protecting our planet****Empowering nonprofits**[Environmental sustainability summary](#)[Environmental sustainability data factsheet 2017 \(PDF\)](#)[Devices sustainability report \(PDF\)](#)[CDP Climate Change Response \(PDF\)](#)[CDP Water Response \(PDF\)](#)[CDP Climate Reports – CDP.net](#)[CDP Water Reports – CDP.net](#)

# Global Reporting Initiative Index

The Global Reporting Initiative (GRI) provides corporations with a framework to guide their Corporate Social Responsibility (CSR) reporting. The GRI Index is based on input from a wide range of civil society organizations, labor groups, businesses, academic institutions, and other experts. [The 2018 Microsoft CSR report](#) contains disclosures from the [Global Reporting Initiative \(GRI\) Sustainability Reporting Standards](#). We provide the GRI Content Index below to help our readers more easily locate the disclosures throughout the report.

[Download Microsoft 2018 GRI Standards Content Index >](#)

# Our commitment to sustainable development

Microsoft is committed to empowering sustainable development for everyone, and ensuring everyone has access to the benefits technology provides and the opportunities it creates.

We believe in the power of technology to drive a positive business and societal impact, enabling a range of economic and social opportunities around the world. With this understanding, we have embraced our shared responsibility with the private, public, and civic sectors to accelerate progress and lead towards sustainable development. Our partnerships and investments with the United Nations and other nonprofits around the world are testimony to the role we play in advancing an agenda of inclusion that contributes towards achieving the 17 global [Sustainable Development Goals \(SDGs\)](#) by 2030.

Our mission to empower every person and every organization on the planet to achieve more aligns strongly to the UN SDGs. We demonstrate this commitment through our products and solutions, our responsible business practices, our programs, our policy and advocacy work and our philanthropic investments.

We see opportunities in how we do business and how we use technology to address some of the world's greatest challenges. We are committed to leading responsible business practices as the foundation of how we work and we seek ways to scale the impact of our efforts around humanitarian initiatives. To this end, we committed to driving education, digital skills, work, and livelihood opportunities for refugee or displaced youth, ensuring gender and accessibility inclusion, as well as leading environmental initiatives.



# Awards and recognition

Microsoft is honored to have received positive recognition for our work in corporate social responsibility.

## **Ranking Digital Rights Corporate Accountability Index**

In 2018, Microsoft ranked second overall on the Ranking Digital Rights Corporate Accountability Index.

[Learn more >](#)

## **FTSE Russell (FTSE4Good Index)**

In 2018, Microsoft was included in the FTSE4Good Index, an equity index series designed to facilitate investment in companies that meet globally recognized corporate responsibility standards.

[Learn more >](#)

## **Vigeo-Eiris (Euronext Index)**

In 2018, Vigeo Eiris included Microsoft in the Euronext World 120 and Euronext US 50 indexes. Vigeo Eiris measures the risks and performances of companies in 41 sectors on 38 ESG issues.

[Learn more >](#)

## **100 Best Corporate Citizens**

Microsoft ranked first on the 2018 Corporate Responsibility Magazine (CR Magazine) 100 Best Corporate Citizens list. The list recognizes standout environmental, social, and governance (ESG) performances from public companies across the United States.

[Learn more >](#)

## **ISS Environmental and Social QualityScore**

In 2018, Microsoft received a #1 rating for both Environment and Social scores within the ISS E&S QualityScore which measures corporate performance on over 200 factors.

[Learn more >](#)

## **Global CSR RepTrak 100**

In 2018, Microsoft sixth among the top 100 companies in the world with the best CSR reputations.

[Learn more >](#)

## **The Just 100**

In 2017, Microsoft was ranked fourth on Just Capital's list of "America's Best Corporate Citizens" and was ranked first among companies within the software industry for the second year in a row.

[Learn more >](#)

## **CDP (Carbon Disclosure Project)**

For the fourth year in a row, the Carbon Disclosure Project included Microsoft in its Climate A List for climate performance leadership.

[Learn more >](#)

**Human Rights Campaign (HRC) Corporate Equality Index™**

Microsoft received a 100% rating on the HRC Corporate Equality Index™ for the eleventh consecutive year and a distinction for "Best Places to Work for LGBT Equality."

[Learn more >](#)

**CPA-Zicklin Index of Corporate Political Disclosure and Accountability**

In 2018, the CPA-Zicklin Index named Microsoft as a "Trendsetter" among the S&P 500 for our leadership in political disclosure and accountability.

[Learn more >](#)

**RobecoSAM (Dow Jones Sustainability Indexes)**

As of 2018, Microsoft was named in the DJSI World and North America indexes. We celebrated our tenth year on the North America Index and ninth consecutive year on the World Index.

[Learn more >](#)

**MSCI ESG Ratings**

In 2017, MSCI Ratings awarded Microsoft a AAA rating—the highest rating available to organization. MSCI Ratings provides institutional investors with a more comprehensive ESG integration solution.

[Learn more >](#)

**Sustainalytics Company ESG Reports**

In 2017, Microsoft received an "Outperformer" rating from Sustainalytics, an independent global ESG and corporate governance research, ratings, and analysis firm.

[Learn more >](#)

**Ethisphere Institute's World's Most Ethical Companies**

In 2018, Ethisphere Institute ranked Microsoft among the world's most ethical companies for the eighth year in a row.

[Learn more >](#)

**EcoVadis Supplier Sustainability Rating**

In 2018, Microsoft received Gold recognition thereby placing the company in the top five percent of performers evaluated by EcoVadis.

[Learn more >](#)

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