

# The 2024 Impact Summary

Meeting the moment



# Building trust in our shared future

Fiscal year 2024 was a pivotal year for Microsoft. We entered our fiftieth year as a company and the second year of the AI platform shift. I've found myself reflecting on how Microsoft has remained a consequential company for decades. And I realize it's because—time and again—we have seized the opportunity to reinvent ourselves. That's what we are doing again today.

Microsoft was founded in 1975 with a belief in creating technology that would enable others to create their own. Nearly 50 years later, this remains at the heart of our mission to empower every person and every organization on the planet to achieve more.

Today, we are moving from talking about AI to translating it into real impact—one customer, one community, and one country at a time. While we have made outstanding progress, we do not take our permission to innovate—let alone operate—for granted.

Microsoft will do well only if the world around us does well. That's why we focus on four enduring commitments. They push us to ensure the technology we create benefits everyone on the planet, as well as the planet itself—always asking ourselves:

How can we expand opportunity?

How can we earn trust?

How can we protect fundamental rights?

How can we advance sustainability?

This is a consequential time for our company, our industry, and the world. What we do with the unique opportunity we have been given will shape the future. I look forward to seeing how each of us uses Microsoft as a platform to make a difference.





Satya Nadella

Chairman and CEO, Microsoft

Read Satya's Annual Shareholder Letter

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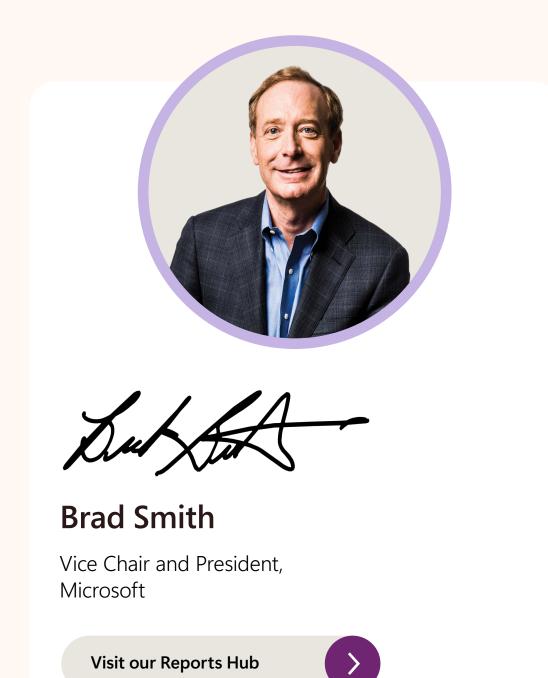
In the past year, we've witnessed remarkable examples of how AI can be applied to address some of the world's most difficult problems—problems that until recently, we accepted as unsolvable either because the scale was too enormous (monitoring the health of the Amazon rainforest) or because getting powerful technology into the hands of everyday people was too expensive (diagnostic tools to detect disease in remote areas).

But it turns out that when you enable teams of scientists and engineers to develop creative Al-driven solutions designed and implemented with the input of local communities, governments, private companies, and NGOs, the results are astonishingly effective and efficient.

At Microsoft, we know that AI is going to be the driving, transformative force in the effort to bring education, healthcare, and opportunity to everyone, everywhere. But to realize our mission of empowering every person and every organization on the planet to achieve more in this AI era, we need to bring AI and the infrastructure that supports it to the areas of the world that were left behind in prior industrial revolutions.

That's why, in addition to making Al investments in the past year in places like Australia, the UK, Germany, France, and the United States, we also went to Indonesia, Malaysia, Thailand, Kenya, Mexico, and Brazil. We aren't doing this alone; we are partnering with governments, private companies, and NGOs to build infrastructure that will result in carbon-negative, waterpositive data centers as well as skilling courses to create meaningful employment.

None of this works without trust. Our business runs on trust, and it's earned through an overriding commitment to security built into our products, openness to regulation, and transparency. This report details how we're living up to our exacting standards in expanding opportunity, building trust, protecting fundamental rights, and advancing sustainability. There's much more to do, but with Al and the collaborative power of billions of people worldwide, we will continue to tackle tough problems and solve them together.



Overview Expand opportunity

Earn trust

Protect fundamental rights

Advance sustainability

Learn more

# How our work aligns with the UN Sustainable Development Goals

Our annual Impact Summary highlights progress against our commitments to create a more inclusive, sustainable, and trusted future. We report our progress not only to hold ourselves accountable, but also to share lessons learned along the way—because it will take more than a single company or industry to generate impact at the scale our world needs.

Throughout the report, we've indicated where our commitments align with the <u>United Nations</u> <u>Sustainable Development Goals</u> (UN SDGs). Microsoft has a 20-year history of working with the UN and supports the SDGs as a set of 17 universal goals for all parties to achieve by 2030. We advise on critical issues at the intersection of technology and society, including bridging the digital skills gap, driving environmental sustainability, and developing a multistakeholder approach to the global governance of AI.

**Our commitments** 

**Expand opportunity** 

Goals











**Earn trust** 







Protect fundamental rights





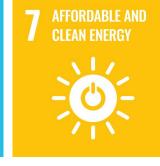






**Advance sustainability** 















## Our commitment to AI for Good

In the past year, we've seen how AI can transform lives. As you will read through this report, we've learned that it can help people without voices speak and help blind and low-vision people experience art. It can transform businesses, connect communities, and create jobs. Unfortunately, we've also witnessed that bad actors can abuse this technology to deceive voters and defraud consumers. As with many new technologies, we must carefully balance its potential with an awareness of its risks. But, as AI continues to evolve, Microsoft remains unwavering in our mission to leverage this transformative technology to tackle some of the world's most critical challenges.

In our <u>AI for Good Lab</u>, we partner with domain experts, researchers, and organizations to combine creativity and technology to advance solutions that empower individuals and protect the planet. Through this work, we've learned that there are some challenges for which AI is the only solution—problems that require the scale and speed that traditional methods simply cannot achieve. By leveraging AI, we can unlock new discoveries and create a better future for everyone. This year, our collaborations with amazing organizations around the world have demonstrated the power of AI to drive meaningful change where and when it's needed most.

One of the most pressing challenges we face today is the protection of Earth's most vital ecosystems. With our partners in <u>Project Guacamaya</u>, we're using Al to safeguard the Amazon Rainforest. By integrating image, acoustic, and geospatial data, we can monitor and protect this critical environment with a level of precision and efficiency previously unimaginable.

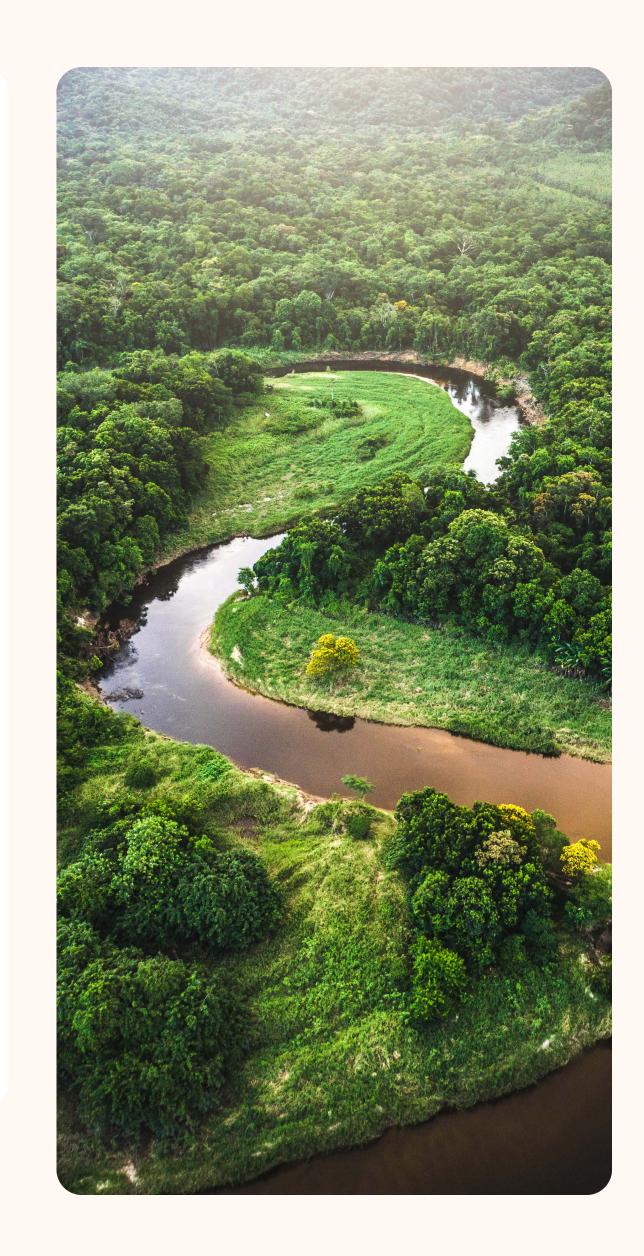
Similarly, we're harnessing AI to address a growing healthcare challenge around the diagnosis of Retinopathy of Prematurity (ROP) in prematurely born babies. The reality is stark: there simply aren't enough pediatric ophthalmologists worldwide to diagnose every case of this potentially blinding disease. But with an AI-powered app available on a smartphone—technology that 80% of the world has access to—we can now provide life-changing diagnoses and treatment to children who would otherwise be left behind. This collaboration with doctors across Latin America exemplifies how AI can extend the reach of medical expertise to save lives and improve health outcomes on a global scale.

Looking ahead, we are more committed than ever to using AI to unlock opportunities, drive sustainable progress, and support a world where everyone can flourish. As we work to earn trust while meeting this AI moment, our priorities are to ensure that it's developed responsibly and that its benefits reach everyone.

"Through this work, we've learned that there are some challenges for which AI is the only solution—problems that require the scale and speed that traditional methods simply cannot achieve."



Juan Lavista Ferres
Corporate Vice President,
Chief Data Scientist,
and Director of the
Al for Good Lab

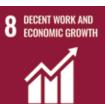


# How can we expand opportunity?

We believe economic growth and opportunity must reach every person, organization, community, and country. This starts with ensuring everyone has the skills to thrive in a digital, AI-enabled economy, and extends to empowering nonprofits, entrepreneurs, and other organizations to digitally transform and address society's biggest challenges.















**Expand opportunity** 

Earn trust

**Protect fundamental rights** 

Advance sustainability

Learn more

#### Overview Expand opportunity Earn trust Protect fundamental rights Advance sustainability Learn more

# Growing access to digital and AI skills

Help train and certify 10 million people from underserved communities with skills for the digital economy.

Help skill and recruit 250,000 people—especially from groups historically excluded from technology—into the US cybersecurity workforce by 2025.

By 2025, generate \$30 million in regional funding to support jobs and AI skilling across TechSpark regions through a \$6 million strategic investment.

#### Our impact

Between July 2020 and June 2024, we trained and certified 14.1 million people globally with the skills needed for the digital economy, including the following initiatives:

- Since launching our <u>GenAl pathway</u> in June 2023, helped skill more than 3 million people.
- Passport to Earning (P2E), built on Microsoft's Community Training program, provides free digital productivity training to young people around the world. To date, the program has skilled and certified over 2 million youth in India.
- Partnered with over 400 nonprofits globally to scale access to digital and AI skilling programs.
- Strengthened computer science teaching capacity in nearly 500 US high schools with the support of almost 1,500 industry volunteers through our <u>Technology Education and Learning Support</u> (<u>TEALS</u>) program.

- Since October 2021, trained 245,000 people for cybersecurity jobs in the US, and 3 million people globally.
- Collaborated with over 500 US community colleges (53% of all community colleges) across 50 states to advance cyber skilling.
- Expanded our cyber skilling programs to 38 countries, partnering with nonprofits and educational institutions to train a new generation of diverse cybersecurity professionals.

In 2024, expanded the <u>TechSpark</u> Fellows Program to all 50 states, Puerto Rico, and Washington, DC. Since starting, 42 nonprofits generated \$167 million in funding and upskilled over 9,000 job seekers, exceeding the original goal by 8x in many markets.

14.1 M

people trained and certified with digital skills

38

countries received cyber skilling programs

Al is expected to impact all aspects of society—changing the way we learn, work, and connect. Learn how Microsoft's Al skills training is helping people around the world succeed in a rapidly changing economy.

Watch the video



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# Accelerating Al transformation

Bring the power of AI to social impact organizations to accelerate positive social and environmental impact.

#### Our impact

- Provided \$4.7 billion in donated and discounted technology to 375,000 nonprofits, public libraries, and museums around the world—including over 50,000 organizations reached for the first time.
- Helped 1,915 entrepreneurs in more than 90 countries tackle issues like climate change, inequality, and access to education.
- Through our Community Training platform, empowered organizations to deliver job, safety, and livelihood training to their communities, resulting in 16 million registered learners and 9.7 million completed courses.

# Closing the data divide

Close the data divide and help organizations of all sizes realize the benefits of data and the new technologies it powers.

#### Our impact

The Industry Data for Society Partnership, of which Microsoft is a founding partner, worked with the National Academies of Sciences, Engineering, and Medicine to host the <u>US Research Data Summit</u> in Washington, D.C., in October 2023. The summit brought together leaders from over 50 institutions to improve collaboration in research data policies and practices.

"Democratizing access to the potential of emerging technologies is our North Star."



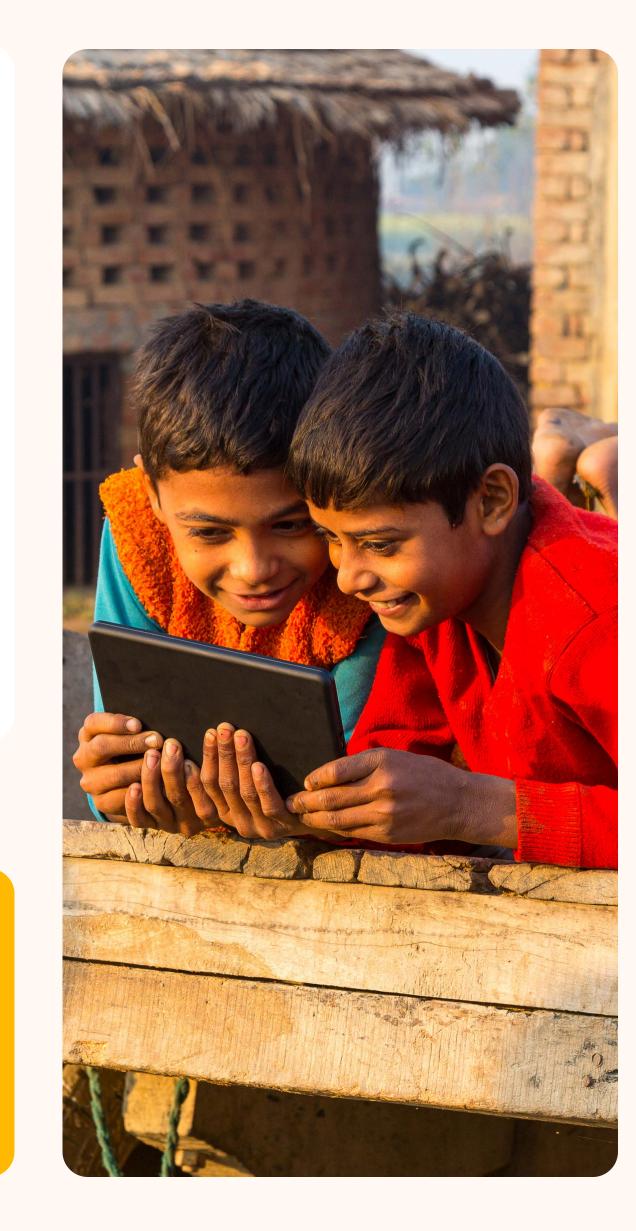
Kate Behncken
Corporate Vice President,
Microsoft Philanthropies

Read Kate's message

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\$4.7 B

in donated and discounted technology to 375,000 nonprofits, public libraries, and museums around the world



Overview Expand opportunity Earn trust Protect fundamental rights Advance sustainability Learn more

# Empowering humanitarian organizations and crisis-affected communities

The Microsoft Disaster Response Program coordinates Microsoft's pro bono response to disasters to enable local providers and first responders with technology and services.

## Our impact

Provided over \$25 million in resources to 18 disasters in 16 countries, including the Hawaii wildfires, floods in Brazil, and fires in Chile. The Disaster Response team continued to provide support to Ukraine, which now totals over \$700 million in resources.

# Protecting public health

Al for Health is a philanthropic program that aims to support nonprofits, researchers, and organizations working on global health challenges. The program provides access to Al technology and expertise.

Explore some of our most recent projects





# How can we earn trust?

To create positive impact with technology, people need to be able to trust the technologies they use and the companies behind them. That's why we're committed to the responsible development and use of AI, protecting privacy, and advancing digital safety and cybersecurity.









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Earn trust

**Protect fundamental rights** 

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# Developing and using tech responsibly

Continue upholding our AI principles for the responsible development and use of AI within Microsoft.

Work with industry leaders and governments to develop new standards for highly capable foundation models.

Empower our customers and partners to develop and use AI responsibly.

#### Our impact

- Shared learnings on the evolution of our responsible Al practices to address new challenges raised by generative AI in our inaugural Responsible AI <u>Transparency Report</u>, which will be published annually.
- Accelerated efforts to uphold our principles and embed responsible AI experts throughout Microsoft by growing our Responsible AI community by over 16% in the second half of 2023.
- Continued to support the work of the Frontier Model Forum by sharing information, developing best practices, and advancing research in frontier Al safety.
- Released the Global Governance: Goals and Lessons for AI book to advance international conversations on building a global governance framework for Al.
- Supported customers' Al development by releasing 30 responsible AI tools with more than 100 features. These tools include PyRIT, an open automation framework for generative AI red teaming, and Azure Al Studio Safety Evaluations to measure an application's susceptibility to generating risky and unsafe content.
- responsible use and integration of our AI platform services. Expanded our Al Customer Commitments and published our AI Access Principles.

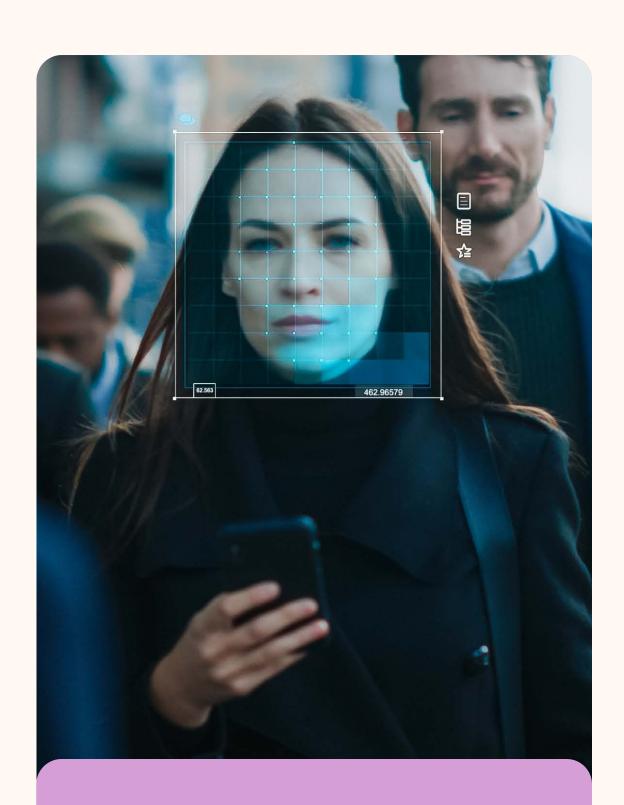
"Our Office of Responsible AI prioritizes keeping humans not just in the loop, but at the center of AI systems."



**Natasha Crampton** Vice President and Chief Responsible AI Officer

Read Natasha's message





Microsoft has partnered with Stimson Center to facilitate cross-boundary conversations that help ensure Al's benefits are deployed responsibly across the globe.

Read about the partnership



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Advance sustainability

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# Advancing cybersecurity

Invest \$20 billion over five years, starting in 2021, to advance our security solutions, including \$150 million to help US government agencies upgrade protection. Provide global threat intelligence, expert guidance, and innovative solutions to help our customers, partners, and governments improve their cyber resiliency.

#### Our impact

- ✓ Globally, processed 78 trillion security signals every day. In the second half of FY24, 1.25 million distributed denial of service (DDoS) attacks were mitigated, a 4x increase compared to last year.
- ✓ Sent 2,200 nation-state related threat notifications to customers, providing actionable information to help them rapidly respond to and protect themselves from digital threats.
- ✓ To address increasingly complex cybersecurity threats, worked with more than 15,000 partners with specialized security expertise to improve cyber resilience for our customers.

"We are at the forefront of an AIempowered world,
but we must work
together to outmatch our adversaries."

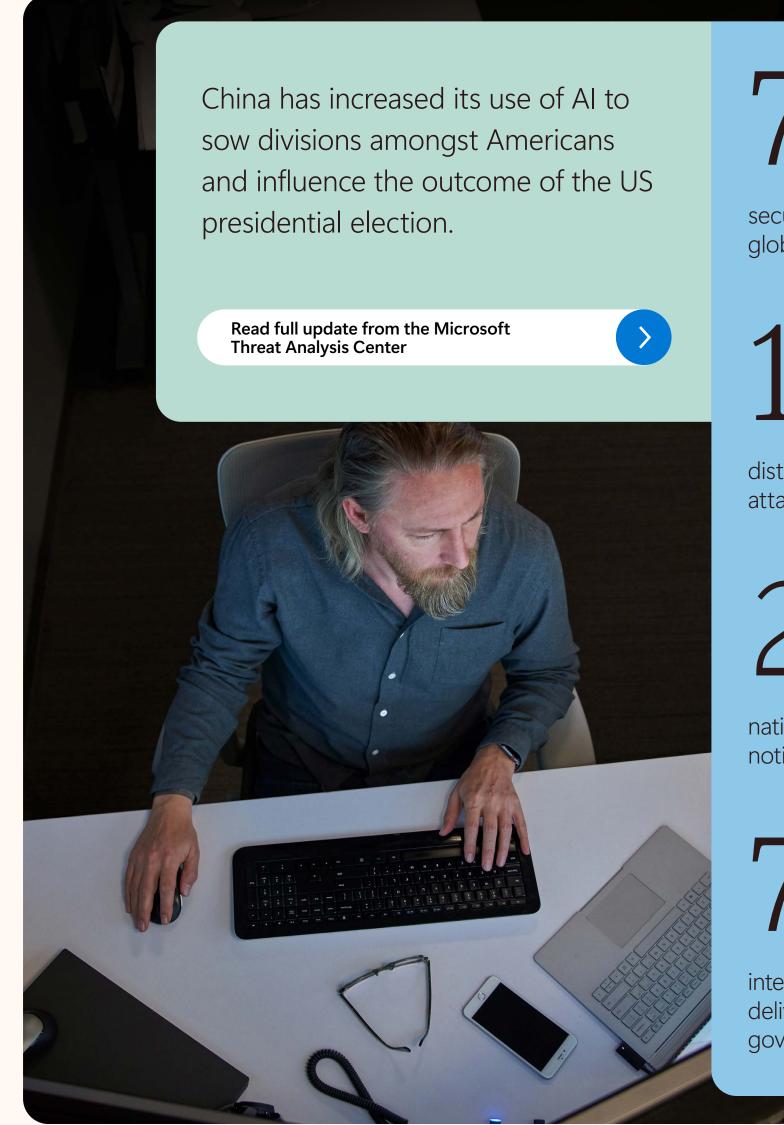


**Tom Burt**Corporate Vice President,
Customer Security & Trust

Read Tom's message



- Microsoft Threat Analysis Center delivered more than 700 intelligence reports and briefings to US and international government partners to deepen understanding of the threat landscape.
- Microsoft Threat Intelligence now tracks more than 1,500 unique threat groups—including more than 600 nation-state groups, 300 cybercrime groups, 200 influence groups, and hundreds of others—to empower cybersecurity teams to reduce risk around the globe.



78 T

security signals processed globally every day

1.25 M

11

distributed denial of services (DDoS) attacks mitigated

2,2 K

nation-state related threat notifications sent to customers

700+

intelligence reports and briefings delivered to US and international government partners

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Earn trust

**Protect fundamental rights** 

Advance sustainability

Learn more

# Respecting privacy

Preserve customers' control over their data and ability to make informed choices to protect their privacy, while advocating for strong global privacy and data protection laws requiring companies including ours—to only collect and use personal data in responsible, accountable ways.

#### Our impact

- In 2024, the privacy dashboard—which enables users to control their data and make meaningful choices about how it's used—has had more than 3 million monthly active users globally.
- Published commitments for commercial and public sector customers to explain how Microsoft will continue to honor our long-standing privacy and trust commitments in our new AI offerings.
- Enabled customers in the EU to have their data processed and stored within the region, as part of the EU Data Boundary for the Microsoft Cloud.

"As our customers expand their use of our AI solutions, they can be confident that their data is secured, and their experiences are protected by industry-leading privacy and digital safety practices."



Julie Brill Chief Privacy Officer and Corporate Vice President, Privacy, Safety & Regulatory Affairs

Read Julie's message

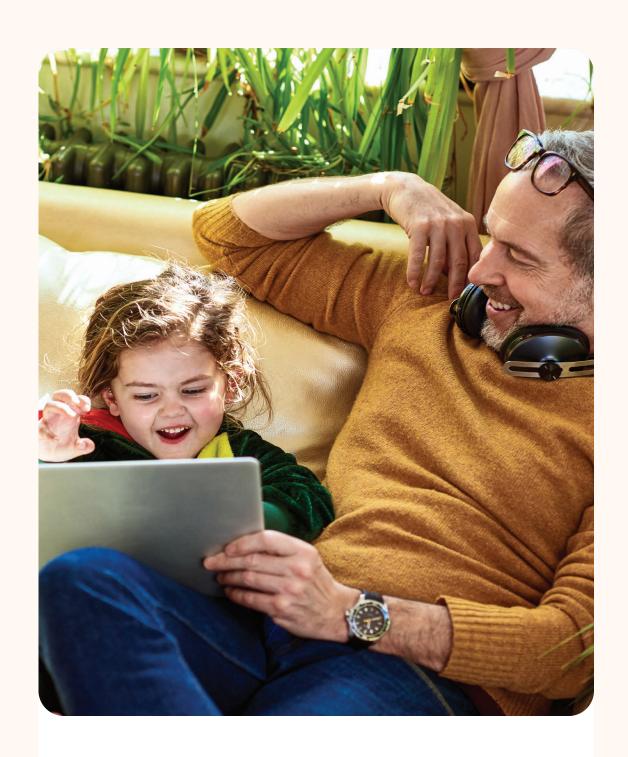


# Advancing digital safety

Protect our users from illegal and harmful content and conduct, while respecting human rights. Support multistakeholder approaches to address complex, whole-of-society digital safety challenges.

### Our impact

- safety guidance for parents and caregivers, including navigating AI services.
- Partnered with <u>National 4H</u> on groundbreaking research to examine teen and tween use of generative Al.
- Partnered with Tech Against Terrorism to pilot cutting-edge AI technologies to detect terrorist and violent extremist content at scale.
- Committed to new <u>safety by design principles</u> to address risks of AI-generated child sexual exploitation and abuse.



Microsoft has joined Thorn, All Tech is Human, and other leading companies to prevent the misuse of generative AI technologies to perpetrate, proliferate, and further sexual harms against children.

Read the full story



# How can we protect fundamental rights?

When our technology changes the world, we have a responsibility to protect people's fundamental rights while extending the benefits of technology and working to mitigate potential harm. For us, this means promoting responsible business practices, expanding accessibility and connectivity, and advancing fair and inclusive societies.













## Promoting responsible business practices

Aspiring to leadership in human rights and serving as a catalyst for action by others in the tech sector and beyond.

Earning global trust in Microsoft technology and services by respecting human rights.

Operating with respect and integrity in our supply chain by advancing responsible sourcing, upholding fundamental rights, adhering to ethics due diligence standards, and minimizing supplier risk management.

#### Our impact

Published our <u>Human Rights Report</u> to outline our efforts to respect human rights, including how generative AI can both create societal opportunity and pose new challenges to human rights.

- Developed a sub-tier supplier due diligence guidebook and trained over 500 individuals to help increase supplier capacity by reducing forced labor risk among sub-tier suppliers and providing direct support for suppliers to establish a compliance management system.
- Over 100,000 supplier employees have access to our updated Supplier Code of Conduct training, which covers human rights, health and safety, and environmental compliance.
- Our Devices Workers' Hotline resolved all 158 cases through this anonymous hotline for workers' grievances related to wages and benefits, working hours, work arrangement, human treatment, sanitation, and other issues.

"We must work
to ensure that
AI technology is
understood and that
everyone can access
its benefits."



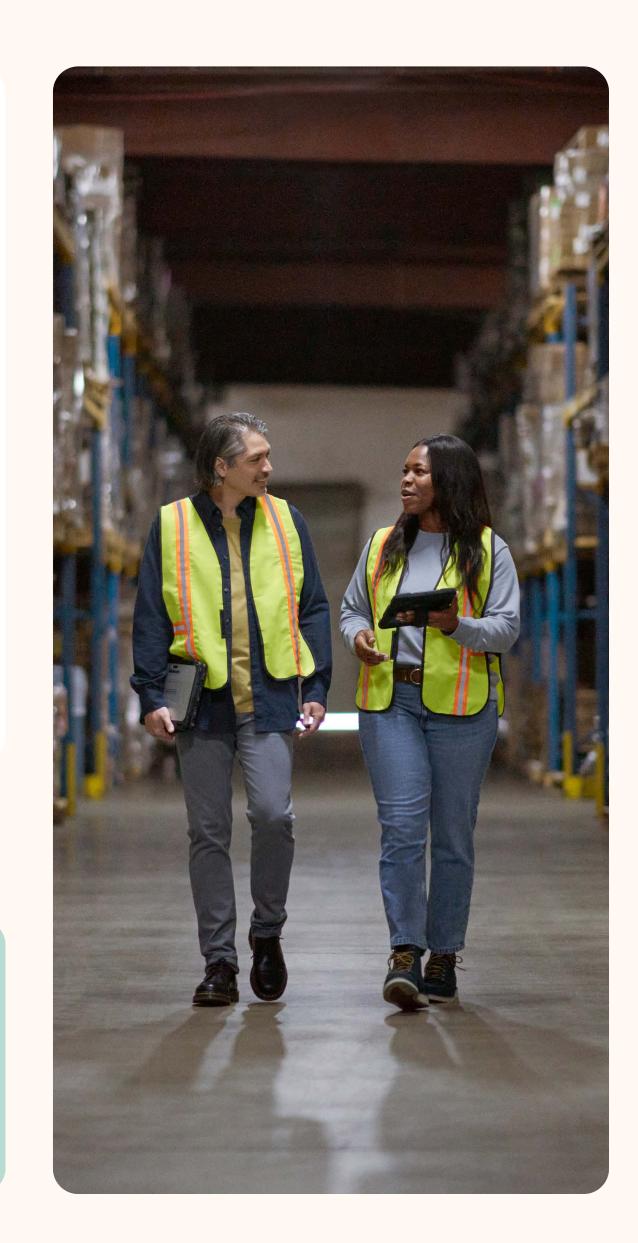
**Teresa Hutson**Technology for
Fundamental Rights Officer

Read Teresa's message



158

cases resolved through the Devices Workers' Hotline



# Expanding accessibility and connectivity

Bring digital connectivity to a quarter of a billion people around the world, including 100 million people in Africa by the end of 2025, while continuing to close the digital divide in US cities and states with significant internet adoption gaps.

Empower the 1.3 billion people with disabilities by raising the bar on accessible technology through innovation, discoverability, and affordability. By collaborating with partners, customers, and people with disabilities, we aim to expand accessible technologies, foster inclusive cultures, and advocate for policies that advance accessibility as a fundamental right.

Our impact

- Since 2017, helped bring high-speed internet access to over 100 million people around the world, including nearly 40 million in Africa. By working closely with public, private, and philanthropic partners, we're developing and scaling direct financing solutions including working to help our US partners unlock \$725 million in federal funds dedicated to extending connectivity.
- 97% of Microsoft employees have completed mandatory accessibility training to date. Over the last several years, we've reached 2.7 million learners on accessibility around the world.
- Launched <u>Ask Microsoft Accessibility</u>, a Bing Al-powered accessibility discoverability tool designed to help users find information about the accessibility of Microsoft products and services.
- Partnered with <u>Be My Eyes</u> on developing an app to make it easier for blind and low-vision people to access Microsoft customer service. By leveraging generative Al, this app resolved 50% of inbound support inquiries.

Microsoft and the Rijksmuseum in
Amsterdam are working together to
improve the art experience for the
blind and low-vision community. By
harnessing the power of AI to create
detailed descriptions of paintings, they
can now bring over one million artifacts
to life for those who cannot see them.

Read about making art accessible at scale



Helped bring

100 + M

people high-speed internet access

97%

of Microsoft employees have completed mandatory accessibility training

Overview Expand opportunity

nity Earn trust

**Protect fundamental rights** 

Advance sustainability

Learn more

16

# Advancing fair and inclusive societies

Advance and protect democracy by safeguarding democratic processes, promoting a healthy information ecosystem, and working to enhance media literacy, civic engagement, and societal resilience to foreign influence operations.

### Our impact

- Conducted deepfake awareness training with political stakeholders in over 20 countries, briefing more than 4,300 participants on how to protect against deepfakes in their elections.
- Launched a deepfake <u>public awareness campaign</u>, reaching over 355 million people in 25 countries and driving over 90,000 people to our <u>Real or Not Quiz</u> to learn about the challenges of identifying Algenerated images.
- Since 2018, over 5 million email accounts across almost 5,000 organizations have been enrolled in <a href="AccountGuard">AccountGuard</a> to help defend against nation state attacks.

In 2024, billions of people will vote in democratic elections worldwide. Microsoft is partnering with journalism organizations like Nota, a startup dedicated to <u>putting</u> <u>high-quality AI tools</u> into newsrooms to help improve newsroom operations, to adopt generative AI.

Read about our work with journalists and newsrooms



- Launched Societal Resilience grants in partnership with Open AI to further AI education and literacy among voters and vulnerable communities.
- Partnered with AI startups, universities, and news journalism organizations to expand the use of AI in journalism and raise literacy on AI use and benefits in news.

4,300+

participants briefed from over 20 countries on how to protect against deepfakes in their elections



## Advancing fair and inclusive societies, continued

Protect and advance the fundamental right to racial equity and fairness in the criminal legal system so communities can thrive.

Engage universities and academics to create a responsible technology ecosystem, advance research, innovation, and develop a robust and broadly diverse pipeline of talent.

#### Our impact

- Since 2020, partnered with 134 organizations serving over 274 different US communities to help reduce unnecessary justice system involvement and racial disparities in policing and prosecution practices.
- In Georgia, the Atlanta Policing Alternatives and Diversion program used Power BI to analyze data from 911 and 311 calls, resulting in over 1,400 calls being routed to community responders in 2023, as an alternative to police response.
- Informed federal efforts to govern the use of AI in the criminal justice system by working across Microsoft to submit recommendations to the National Institute of Justice which represents our position on the implications and opportunities for AI in the criminal justice system
- Partnered with Polis Solutions to release <u>Trust Stat</u>, an analytics platform which leverages AI capabilities to analyze data from body-worn cameras to help build community trust with law enforcement agencies.

- Since 2020, we've contributed nearly \$16 million benefitting 32 historically Black colleges and universities (HBCUs), Hispanic-serving institutions (HSIs), and higher education associations to support curriculum development, faculty training, student scholarship and mentoring, and research capacity building.
- In partnership with Stillman College and Black Tech Futures Research Institute, advised the National Science Foundation on a framework for equitable Al and responsible computing funds.
- In partnership with Georgia Tech's Institute for Data Engineering and Science, created the Cloud Hub to advance the use of Azure Open Al Service for research and education. This allowed researchers to unlock valuable insights that helped drive policy development and EV charging infrastructure enhancements.



# How can we advance sustainability?

Climate change is the defining issue of our generation, and addressing it requires swift, collective action and technological innovation. We are committed to meeting our own goals while enabling others to do the same. That means taking responsibility for our operational footprint and accelerating progress through technology.



















Due to required timelines to audit and assure our environmental sustainability data after the close of each fiscal year, except where noted, the data in this section covers the reporting period for our Fiscal Year 2022, from July 1, 2022 – June 30, 2023.



**Expand opportunity** 

Earn trust

**Protect fundamental rights** 

Advance sustainability

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# Become carbon negative

Our commitment to becoming carbon negative requires unprecedented innovation and partnership. At Microsoft, our journey to carbon negative includes three primary areas: reducing carbon emissions, increasing use of carbon-free electricity, and carbon removal.

## Our impact

- ✓ Decreased Scope 1 and 2 emissions by 6% and overall emissions increased by 29.1% across Scope 1, 2, and 3 from our 2020 baseline. Scope 3 emissions continue to be our most significant decarbonization challenge and leaders in every area of the company have stepped up to identify and develop the added measures we'll need to reduce our Scope 3 emissions.
- Contracted over 34 gigawatts (GW) of renewable energy assets to date, including projects in 24 countries around the world.
- Contracted 5,015,019 metric tons of carbon removal in FY23 and continue to build a portfolio of projects balanced across low, medium, and high durability solutions.

"In the last year, the urgency of climate change has driven world leaders and experts to increase collaboration, with AI offering new opportunities to speed up the availability of climate solutions."



Melanie Nakagawa
Corporate Vice President,
Chief Sustainability Officer

Read Melanie's message

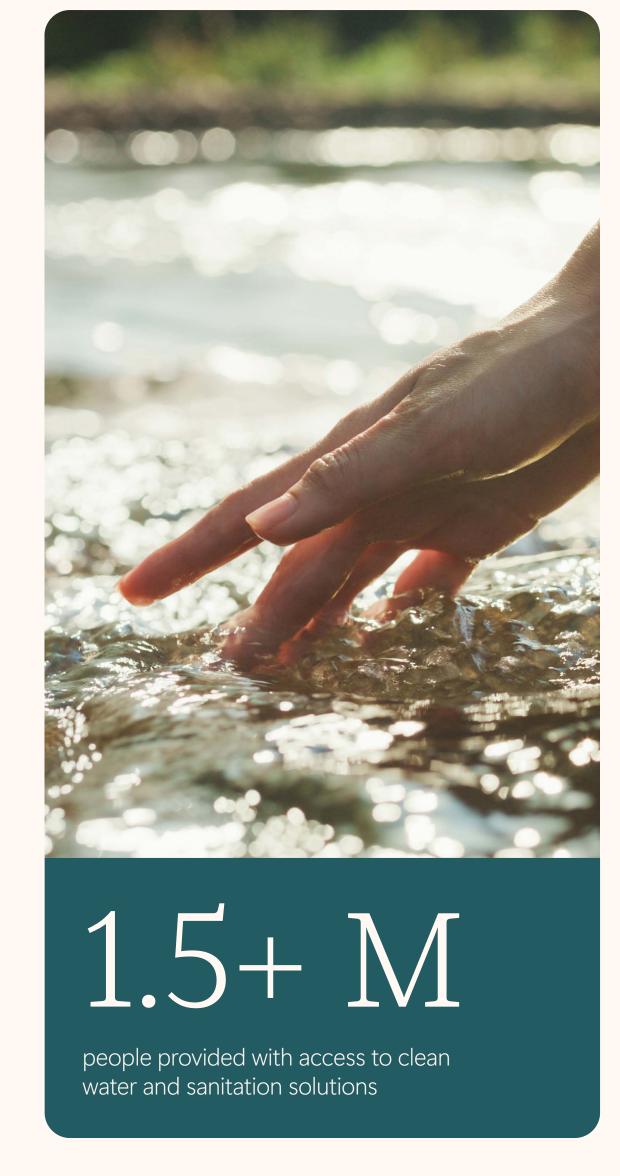


# Getting to water positive

As we work to become water positive, we continue to scale our efforts to reduce water use across our operations, increase procurement from alternative sources, and invest in innovative replenishment and access projects.

#### Our impact

- Provided more than 1.5 million people with access to clean water and sanitation solutions, meeting our water access target.
- Designed and optimized our new datacenters to support AI workloads and consume zero water for cooling.



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## 20

# Achieving zero waste

Protecting and preserving ecosystems

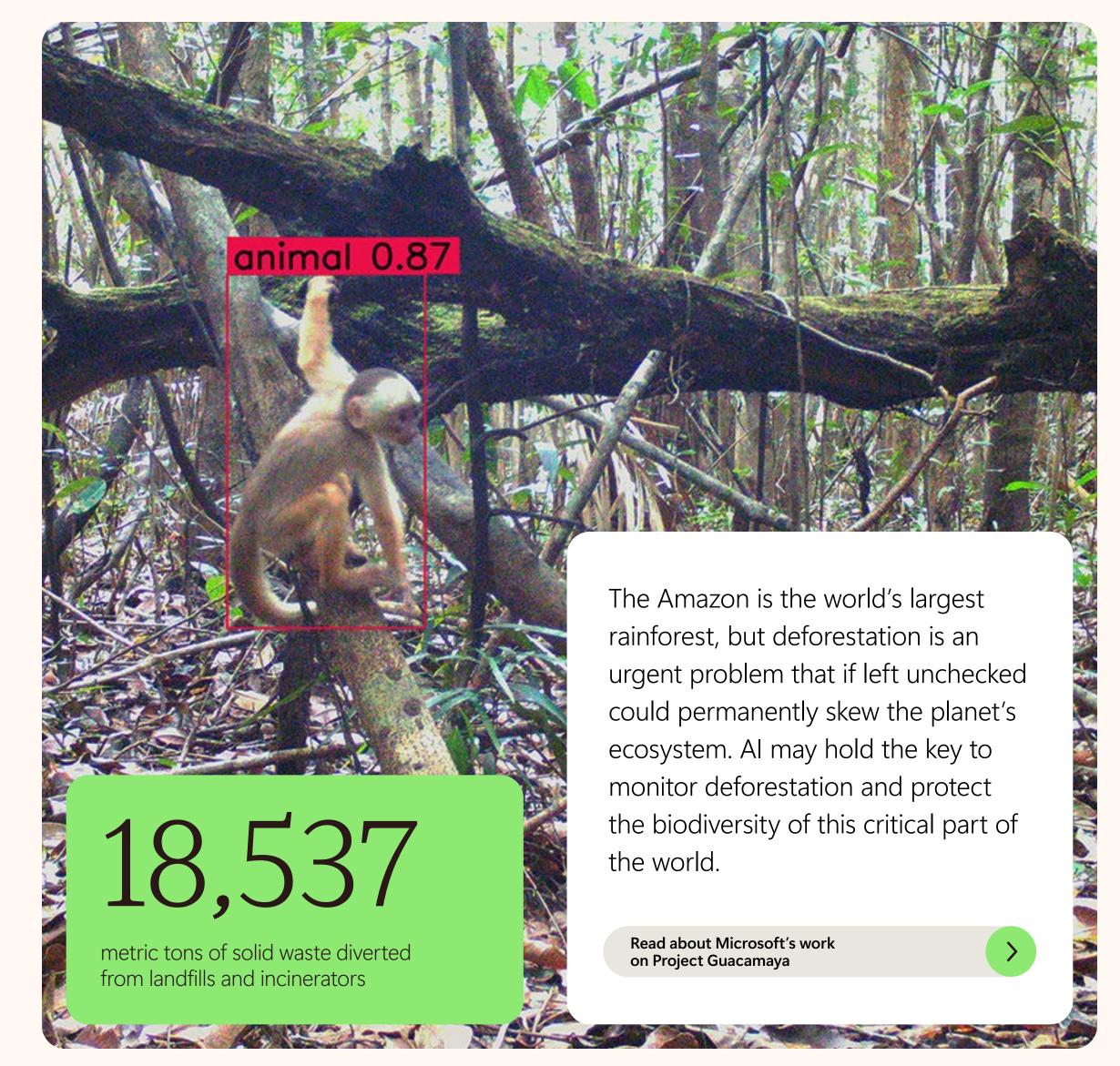
As we work to achieve zero waste, we are taking an increasingly circular approach to materials management and reducing waste. We take responsibility for the ecosystem impacts of our direct operations by protecting more land than we use, and continue to work to preserve ecosystems in the areas where we live and work.

#### Our impact

- Diverted 18,537 metric tons of solid waste from landfills and incinerators across our owned datacenters and campuses. This is equivalent to the weight of over 45 commercial passenger jets.
- Reached 89.4% reuse and recycle rates of servers and components across all cloud hardware on our way to our 90%.
- Reduced single-use plastics in our Microsoft product packaging to 2.7% in FY23 on our way to our 0% single-use plastics target.

## Our impact

- Designated 15,849 acres as permanently protected. Exceeded our land protection target of 11,000 by more than 40%.
- Responded to local needs in the communities that host Microsoft datacenters and where our employees live and work through the Microsoft Datacenter Community Environmental Sustainability program. In 2023, we funded 22 new projects in 21 locations around the world, leading to over 20,000 urban trees supported and 30,000 square meters of area improved for human and ecological use.





## **Empower our employees**

Our more than 200,000 employees are the driving force behind our mission. We strive to create an inclusive culture where every employee can thrive.

Explore our commitment to Diversity & Inclusion



## Activate our ecosystem

With more than 400,000 partner organizations employing over 11 million people, thousands of suppliers, and customers of every size, in every industry, and in every part of the world, we have an enormous opportunity and responsibility to effect change.



# Partnering for greater impact

The challenges facing the world are complex, and no one company, industry, or country can solve them alone. That's why we work across sectors and borders to foster collective action and amplify impact, driving progress faster and further than we can on our own.



## **Enable systemic change**

We work to enable lasting, systemic change, including advocating for public policies that move us toward a more inclusive, sustainable, and trusted future.

#### **Engage local communities**

Change happens locally. We work closely with communities to understand their unique challenges and strengths so we can best support them.



## Our approach to reporting

Microsoft strives to conduct our business in ways that are principled, transparent, and accountable to our shareholders and other key stakeholders. We believe that doing so generates long-term value for our company, our customers, and our communities. As we work to help everyone achieve more, we are committed to improving our world and reporting our progress. We share our learnings and practices to foster industry dialogue, inform public debate, and—ultimately—help advance greater progress.

## Working with our stakeholders

The decisions we make affect our employees, customers, partners, shareholders, suppliers, and communities, and we take their voices into account. We bring outside perspectives into the company and inform our business decisions through a variety of feedback channels.

## Topic prioritization, materiality, and governance

Microsoft's prioritization across Environmental, Social, and Governance topics includes a wide range of strategic planning processes by our senior management and many others across the enterprise. This includes stakeholder input and careful consideration of the impacts of our core businesses as they evolve. Our Board of Directors provides insights, feedback, and oversight across a broad range of environmental and social matters, as detailed in our annual proxy statement.

- Learn more about our approach to reporting
- ✓ View all our reports on our Reports Hub

#### Our disclosures

We inform our disclosure strategies with careful consideration of commonly used global standards, including:

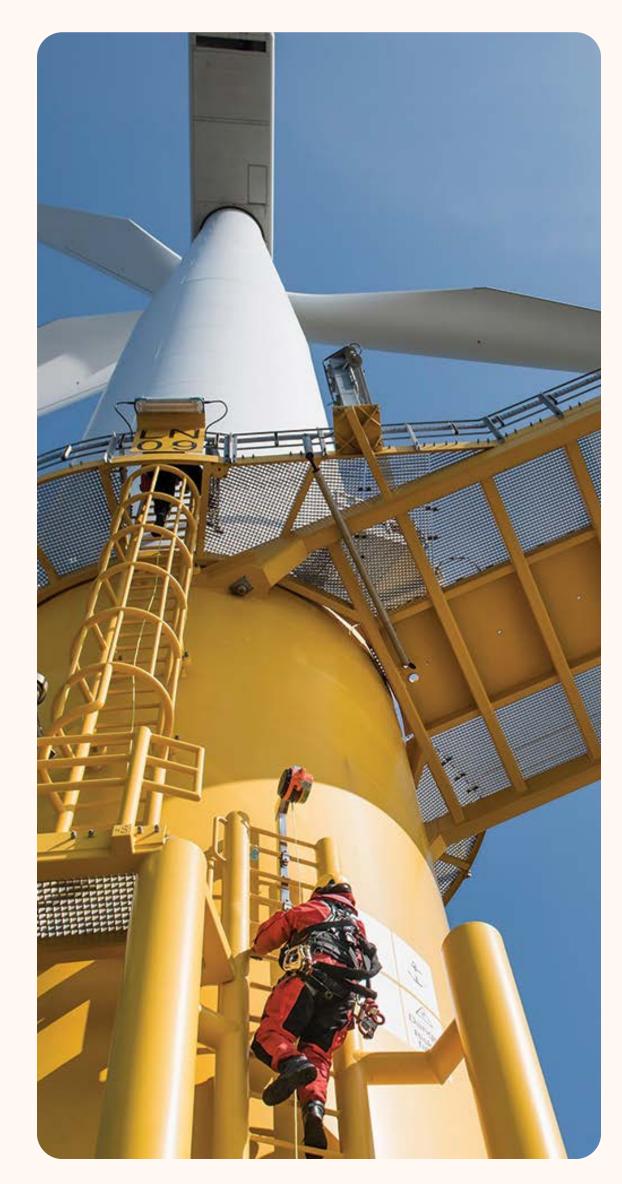
- Sustainable Accounting Standards Board (SASB)
- UN Sustainable Development Goals (SDGs)

The United Nations Guiding Principles on Business and Human Rights Reporting Framework can be found in:

Annual Human Rights Report

We also follow issue-specific standards including:

- TCFD (Task Force on Climate-related Financial Disclosures)
- 2024 Environmental Sustainability Report
   Data Fact Sheet
- <u>EEO-1 (Equal Employment Opportunity)</u> <u>diversity disclosure</u>
- CDP disclosures



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