



Global Diversity & Inclusion Report 2020

Contents

Introduction	A critical year for Diversity & Inclusion A timely focus Data inform actions Our mission-driven commitment Diversity & Inclusion milestones	/01
The state of Diversity & Inclusion at Microsoft in 2020	Trends and progress Our broader Microsoft business Representation Population LinkedIn GitHub Our core Microsoft business	/02
	Representation Population Employees with disabilities Self-identification initiative Equal pay data Assessing our inclusive culture	
Listening, learning, and responding	Focusing our resources where most needed Pandemic response Addressing racial injustice Allyship	/03
Our continuing commitment	Milestones reached on several of our internal and external initiatives	/04
Conclusion	A never-ending pursuit	/05

/01

A critical year for Diversity & Inclusion

In 2020, we've seen an unprecedented convergence of global events. COVID-19, amplified acts of racial injustice, and economic upheaval have rocked the world, magnifying socio-economic differences, accessibility gaps, and the toll of work-life on wellbeing.

Asking hard questions, facing the answers head on, and being willing to experience discomfort in the process—this is the necessary work that individuals and organizations must do every day in an intentional effort to overcome deep-seated biases and become more diverse and inclusive. This difficult but fundamental work has become even more crucial as widespread global protests against racial injustice are set against a backdrop of a pandemic, remote work, and social distancing.



Microsoft began publishing its annual workforce demographic data publicly in 2014, among just three percent of the Fortune 500 companies to do so. Last year's **2019 Diversity & Inclusion Report** marked the first time we expanded our annual demographics data report to cover a robust collection of programs, learnings, and examples of employee experiences encompassing most of the **diversity and inclusion**-based initiatives across our company. These initiatives are wide-ranging and include:

- Employee Resource Groups (ERGs) for women, families, racial and ethnic minorities, military, people with disabilities, or who identify as LGBTQI+, where employees can go for support, networking, and community-building.
- <u>Educational programs</u> geared to providing skills training, mentoring, and scholarships for racial and ethnic minorities, women, and people with disabilities.
- Efforts to actively seek out and work with <u>suppliers and</u> <u>partners</u> that promote diversity and inclusion practices.
- Working with regional and global political organizations to drive policy change.
- <u>Technologies</u> that improve the lives of the most vulnerable, underserved, or underrepresented people in the places we live and work.
- Providing employees a <u>technology and business platform</u> to drive change in areas in which they are passionate.



This is not a complete list, and it's never enough. And while we continue to be committed to a comprehensive approach to diversity and inclusion, in this year's report we want to focus on three particular areas: our **response to the global pandemic**, **addressing racial injustice**, and the work we're doing to **advance allyship** in our Microsoft community.

Why allyship? Because measures of diversity and inclusiveness are reflections of culture, and the events of this year thus far have cemented our belief that everyone—not just leaders—has a role to play in advancing a more diverse and inclusive environment, and everyone has the capacity to be an ally. Allyship at Microsoft provides a platform for new behaviors and ways of thinking that lead to sustainable, global systemic change, and the allyship learning path gives us a shared language and understanding of what to expect from each other. This is especially important in an organization of more than 160,000 geographically and culturally unique employees, and at a time when there are many interpretations in broader society of what allyship means.

Data inform actions

On pages 9 to 11, we share our current representation and population trends in our **broader Microsoft business** which includes our core Microsoft business, LinkedIn, GitHub, and minimally integrated gaming studios. On pages 12 to 19, we share a more granular look at our **core Microsoft business**, examining **demographics across levels and roles** (pages 12 to 14), assessing **equal pay in 11 of our largest markets** (page 18), measuring **employee inclusion sentiment** (page 19), and for the first time, disclosing the number of employees in the US who have **voluntarily self-identified as having disabilities** (page 15). More than just content for an annual report, throughout the year these data inform our multifaceted, company-wide diversity and inclusion work as described in our **2019 Diversity & Inclusion report**.

Key learnings in 2020

For the fifth year in a row, data trends continue in the right direction in both the broader Microsoft business and in our core Microsoft business. But the data also highlight areas where we need to redouble our efforts. **This year's data from our core Microsoft business** serve as the starting point for measuring our progress against commitments we've made to the Black and African American community described in the Addressing Racial Injustice section of this report (pages 27 to 30).

Representation data from our core Microsoft business show modest gains since 2019.

- Women now represent 28.6% of our global workforce, an increase of 1.0 percentage points.
- Asian employees, a group that includes more than a dozen different ethnic groups, represent 34.7% of our US workforce, an increase of 1.6 percentage points.

However, there is still much work to be done with specific communities.

- Black and African American employees represent 4.9% of our US workforce, up 0.3 percentage points.
- Hispanic and Latinx employees represent 6.6% of our US workforce, up 0.3 percentage points.
- Native American, Alaska Native, Native Hawaiian, and Pacific Islander employees represent only 0.7% of our US workforce, and this number has remained the same since last year.

The data from our core Microsoft business also tell us that improving representation across all levels and roles must be a priority, especially for Black and African American employees and Hispanic and Latinx employees.

- Black and African American employees in our core US workforce comprise 5.2% of individual contributors, but only 2.9% of managers, 2.6% of directors, and 2.9% of partners + executives.
- Hispanic and Latinx employees in our core US workforce are
 6.8% of individual contributors, but only 5.4% of managers,
 4.8% of directors, and 4.4% of partners + executives.

These data affirm the importance of our recently announced commitment to strengthen our intentional career planning and talent development efforts on the path to senior leadership. Continuing to invest in robust leadership development, systems of accountability, and strengthening our culture of inclusion will be a part of our commitments over the next five years.

Descriptions of racial and ethnic groups, levels, and roles can be found on page 46. (Note: "Partner + executive" as used in this year's report is the same data set that was referenced in the 2019 Diversity & Inclusion Report as "executive.")

We know numbers alone don't paint the whole picture. Behind these figures are the people we work with, the humans whose lived experiences help us understand the numbers. We are grateful to those who have generously shared their stories with us in this report.

Diversity and inclusion is a never-ending journey, rife with complexity, sure mistakes, and hard-earned lessons. We invest in and recommit to diversity and inclusion because it is fundamental to our mission. When we're focused on serving the seven billion people on the planet, the question is never why, but rather how: How are we more diverse and inclusive today than yesterday, and what more can we do to improve?



Lindsay-Rae McIntyre, Chief Diversity Officer

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Our mission-driven commitment

Our mission to help every person and organization on the planet to achieve more is both inspiring and overwhelming in its call to action on inclusion. We expect each of us—no matter our level or function to play an active role in creating environments where people of diverse backgrounds are excited to bring all of who they are in order to do their best work.



We need to ensure that our culture of inclusion is a top priority for everyone. It starts with our values of respect, integrity, and accountability. Each of us must be able to thrive in diverse teams. Every manager must be able to attract, retain, and grow employees of all backgrounds. This is certainly true at Microsoft, and also more broadly. It is the new baseline for manager excellence across industries across the globe."

Satya Nadella, Chief Executive Officer June 23, 2020

11

There has never been a more important time to build a workplace that is diverse and a culture that is inclusive. The past year has transformed our workplaces and challenged us both personally and professionally, calling on us to engage with a renewed focus on community and commitment to one another. While we know there is no single solution to achieve success, we are dedicated to listen, learn, and lead by example. Our commitment is unwavering and we are steadfast in maintaining our focus on building a workforce that represents the many customers we serve—and is inclusive and empathetic, so that everyone feels valued, encouraged, and empowered to achieve success."



Kathleen Hogan, Chief People Officer

Microsoft Diversity & Inclusion milestones 1975 to present

2000 to 2005 1985 to 1990 1990 to 1995 1995 to 2000 HOLA ERG founded Transgender • First woman on Board Women's ERG founded benefits added of Directors Asians ERG founded • First DigiGirlz event First Diversity Scored 100% on ■ LGBTQI+ ERG (GLEAM) Director hired HRC Corporate founded Equality Index One of the 1st to expand (and every year First Minority anti-discrimination thereafter) policy to LGBTQI+ Student Day Accessibility Policy Blacks at Microsoft established (BAM) ERG founded 2005 to 2010 2010 to 2015 2015 to present Signed UN Women's John Thompson Inclusive Design **Empowerment Principles** becomes Board Autism hiring of Directors Chair Law Firm Diversity LEAP: Engineering Program established Executive accountability Acceleration Program Disability ERG founded Military Software and Families ERG founded Systems Academy (MSSA) founded Military ERG founded Satya Nadella appointed

as ČEO





 Kathleen Hogan named Chief People Officer

Industry standard set for

Skype Translator breaks

down language barriers

paid parental leave

Invested more than

suppliers

\$2 billion with diverse

- Jenny Lay-Flurrie named Chief Accessibility Officer
- Lindsay-Rae McIntyre appointed as Chief Diversity Officer
- Five women on Board of Directors
- Indigenous ERG founded





The state of Diversity & Inclusion at Microsoft in 2020

Trends and progress

This seventh annual workforce demographic report shows continual progress toward our goal of creating a more diverse and inclusive Microsoft.

Data on women and men are collected globally. Racial and ethnic data reflect the US only. Unless otherwise indicated, data presented are snapshots taken on June 30 of the year referenced.

Our broader Microsoft business

On pages 9 to 11, we first look at representation and population data across **our broader Microsoft business**. This includes our core Microsoft business, LinkedIn, GitHub, and minimally integrated gaming studios which collectively represent more than **99% of our workforce**. Not included are employees in new acquisitions or joint ventures.

Representation: Steady year-over-year progress

We continue to see modest gains in representation for women and racial and ethnic minorities as a whole compared to last year. However, representation gains among Black and African American employees and Hispanic and Latinx employees were incremental, and representation of Native American, Alaska Native, Native Hawaiian, and Pacific Islander employees decreased slightly. These data help inform our efforts to reach out to and support these communities.

WOMEN

30.2% +1.0 PERCENTAGE POINTS SINCE 2019.

In addition, five of the 12 members of our board of directors are women, two of our four board committees are chaired by women, and three of the members are racial or ethnic minorities.

BLACK AND AFRICAN AMERICAN

4.7% +0.3 PERCENTAGE POINTS SINCE 2019.

ASIAN

34.9% +1.6 PERCENTAGE POINTS SINCE 2019.

HISPANIC AND LATINX

6.4% +0.3 PERCENTAGE POINTS

NATIVE AMERICAN, ALASKA NATIVE, NATIVE HAWAIIAN, AND PACIFIC ISLANDER

0.6% -0.1 PERCENTAGE POINT SINCE 2019.

MULTIRACIA

2.3% +0.2 PERCENTAGE POINTS SINCE 2019.

REPRESENTATION IN OUR BROADER MICROSOFT BUSINESS

2016 to 2020

	2016	2017	2018	2019	2020	
WOMEN	25.5%	27.0%	28.1%	29.2%	30.2%	Glob
MEN	73.9%	73.0%	71.8%	70.7%	69.6%	data
BLACK/ AFRICAN AMERICAN	3.6%	3.8%	4.0%	4.4%	4.7%	
NATIVE AMERICAN/ ALASKA NATIVE	0.5%	0.5%	0.5%	0.5%	0.4%	
ASIAN	30.1%	31.4%	32.3%	33.3%	34.9%	US
HISPANIC/ LATINX	5.5%	5.7%	5.9%	6.2%	6.4%	only
NATIVE HAWAIIAN/ PACIFIC ISLANDER	0.2%	0.2%	0.2%	0.2%	0.2%	
MULTIRACIAL	1.4%	1.7%	1.9%	2.1%	2.3%	
WHITE	58.4%	55.9%	54.1%	52.1%	49.2%	

LinkedIn acquired in December 2016.

GitHub and minimally integrated gaming studios acquired in June 2018.

Data on women and men are global.
Race and ethnicity data are US only.
Data presented are snapshots taken on June 30 of the year referenced.

Population: Outpacing overall growth

To increase representation as the size of our company grows, we need to be mindful that the population of women and racial and ethnic minorities should also grow at an even or better pace. We are seeing this happen due to the work described in last year's report, in the later pages of this report, and in the commitments we have made for the future.

From 2016 to 2020:

- The size of our global workforce in our broader Microsoft business grew 42.8% while the number of women globally grew 69.1%.
- The size of our US workforce in our broader Microsoft business grew 51.1% while the number of US employees identifying as
 - Black and African American increased 95.2%.
 - Hispanic and Latinx increased 77.4%.
 - Asian increased 75.0%.
 - Multiracial more than doubled, increasing 149.7% reflecting one of the fastest-growing segments of the US population.
- However, the number of US employees in our broader Microsoft workforce who identify as Native American, Alaska Native, Native Hawaiian, and Pacific Islander increased by only 23.3%.



POPULATION GROWTH IN OUR BROADER MICROSOFT BUSINESS

Growth from 2019 to 2020 and growth from 2016 to 2020

		2019/20	2016-2020	_
GLOBAL WORKFORCE GROWTH		+12.4%	+42.8%	
WOMEN		+16.2%	+69.1%	Glot data
MEN		+10.7%	+34.5%	
				I
US WORKFORCE GROWTH		+11.5%	+51.1%	
BLACK/				
AFRICAN AMERICAN		+19.7%	+95.2%	
NATIVE AMERICAN/ ALASKA NATIVE		+0.3%	+22.7%	
ASIAN		+17.0%	+75.0%	US only
HISPANIC/ LATINX		+16.0%	+77.4%	
NATIVE HAWAIIAN/ PACIFIC ISLANDER		+7.3%	+24.7%	
MULTIRACIAL		+21.2%	+149.7%	
WHITE	(+5.3%	+27.4%	

LinkedIn acquired in December 2016. GitHub and minimally integrated gaming studios acquired in June 2018

Data on women and men are global Race and ethnicity data are US only Data presented are snapshots taken on June 30 of the year referenced.

Linked in

Our commitment to diversity, inclusion, and belonging is deeply rooted in our vision of creating economic opportunity for every member of the global workforce and will remain our number one talent priority in FY21.

We're proud of the strong global progress we've made in women in leadership and women in technical roles. However, in the past year, growth in the representation of Black and African American and Hispanic and Latinx employees in the US remained slow. We're acutely aware of the work that still needs to be done and to ensure we accelerate progress, we are making a commitment to double the number of Black and African American and Hispanic and Latinx leaders, managers, and senior individual contributors on our US team over the next five years. With this long-term commitment as our guide, we will work hard to build a more diverse and inclusive LinkedIn where all talent thrives.

Highlights from our 2020 LinkedIn Diversity and Inclusion Report include:

WOMEN REPRESENTED NEARLY

42.0%

OF OUR COMPANY'S LEADERSHIP, AN INCREASE OF 12.0% IN THE

LAST THREE YEARS, AND **34.0%** IN THE LAST FIVE.

WOMEN HELD

OF OUR TECHNICAL ROLES,

UP FROM 22.4% LAST YEAR.

WOMEN HELD

OF OUR TECHNICAL LEADERHIP ROLES,

AN INCREASE OF 79.0% IN THE LAST FIVE YEARS

In the US, we are seeing slower progress in Black and African American representation at 3.9% and Hispanic and Latinx representation at 6.0%. Combined, this is a representation increase of 15.0% in the last three years and 39.0% in the last five. We're also continuing to invest in a broad range of communities including people with disabilities, LGBTQI+, and veterans. Similar to last year, veteran hiring is up more than 50.0% in the past year.



GitHub's vision is to be the home for all developers on a shared mission to advance human progress through technology. Our growth over the past three years reflects our ambition to shape the future. We've added new Hubbers worldwide, both organically and inorganically, and we've expanded our footprint with new offices in Bengaluru, India and a second European office in Oxford in the United Kingdom. We have offices coming soon in Hyderabad, India and Bellevue, Washington.

OUR OVERALL EMPLOYEE BASE GREW BY

105.7%

IN THE LAST THREE YEARS.

THE REMOTE WORKFORCE AT GITHUB GREW BY

AND NUMBER OF EMPLOYEES OUTSIDE THE US GREW BY 87.8%

IN THE LAST THREE YEARS.

RACIAL AND ETHNIC MINORITIES IN TECH

GLOBALLY, WOMEN IN MANAGEMENT ROLES IN THE US GREW FROM REMAINED STEADY AT

OVER THE PAST YEAR

11

IN THE LAST THREE YEARS

We are committed to increasing the diversity in our workforce to better represent the global developer community where people with different backgrounds and experiences can thrive.

The full GitHub Diversity, Inclusion, and Belonging Report is available at https://github.com/about/diversity/report.

Our core Microsoft business

On pages 12 to 19, we look more closely at our core Microsoft business—not only representation and population data, but also a view within levels and roles, our Inclusion Index and sentiment gathering efforts, an expanded update on equal pay, and our first disclosure of data on employees who identify as having a disability. Data on pages 12 to 19 do not include LinkedIn, GitHub, our minimally integrated gaming studios, new acquisitions, or joint ventures, which operate separately from Microsoft in critical aspects.

Representation: Room to improve at every level

In our core Microsoft business, we are able to look at the data in ways that can help us better direct and track our efforts. The representation data across all levels and roles allows us to recognize that while representation is on the rise for women and racial and ethnic minorities as a whole, representation of each category was lower in mid- to senior-level roles across all categories. These data support our commitments described later in this report on leadership pipelines and career development to improve representation at every career stage—not only at recruitment and early in career, but from individual contributor to manager to senior leadership.

WOMEN

AS OF JUNE 2020, WOMEN MADE UP 28.6% OF OUR GLOBAL WORKFORCE, AN INCREASE OF 1.0 PERCENTAGE POINTS SINCE JUNE 2019.

BLACK AND AFRICAN AMERICAN

BLACK AND AFRICAN AMERICAN EMPLOYEES MADE UP 4.9% OF OUR US WORKFORCE, AN INCREASE OF 0.3 PERCENTAGE POINTS FROM JUNE 2019.

HISPANIC AND LATINX

HISPANIC AND LATINX EMPLOYEES MADE UP 6.6% OF OUR US WORKFORCE, AN INCREASE OF 0.3 PERCENTAGE POINTS FROM JUNE 2019.

ASIAN

ASIAN EMPLOYEES, COMPRISING MORE THAN A DOZEN DIFFERENT ETHNIC GROUPS, MADE UP 34.7% OF OUR US WORKFORCE, AN INCREASE OF 1.6 PERCENTAGE POINTS FROM JUNE 2019.

NATIVE AMERICAN, ALASKA NATIVE, NATIVE HAWAIIAN, AND PACIFIC ISLANDER

EMPLOYEES WHO IDENTIFIED AS NATIVE AMERICAN, ALASKA NATIVE, NATIVE HAWAIIAN, AND PACIFIC ISLANDER ARE 0.7% OF OUR US WORKFORCE. THIS NUMBER REMAINED THE SAME SINCE JUNE 2019.

MULTIRACIAL

THOSE WHO IDENTIFY AS MULTIRACIAL MADE UP 2.3% OF OUR US WORKFORCE, AN INCREASE OF 0.2 PERCENTAGE POINTS SINCE JUNE 2019.



Population: Continuous positive trend

Population data on women and men are gathered globally, data on racial and ethnic categories reflect only US employees. Data from our core Microsoft business since 2016 show the growth in the number of women globally and racial and ethnic minorities in the US continued to trend positively. This trend of growth is key to increasing representation.

Women in our core Microsoft business

From 2016 to 2020, the size of our global workforce in our core Microsoft business grew 25.8% while the number of women globally grew **41.0%**. Over that same period, there has been a **55.4%** increase in women managers, 79.0% in women directors, 80.4% in women partners + executives. The number of women in technical roles increased 82.7% since 2016, and the number of women partners + executives in technical roles has more than doubled.



Racial and ethnic groups in our core Microsoft business

Since 2016, the size of our US workforce in our core Microsoft business grew 30.9%. Almost all racial and ethnic groups grew at a faster rate over this same period. However, we look forward to working with community partners to explore how we can increase the number of employees who identify as Native American, Alaska Native, Native Hawaiian, and Pacific Islander, and increase the number of Hispanic and Latinx partners and executives.

BLACK AND AFRICAN AMERICAN

∧ 74.9%

THE NUMBER IN TECHNICAL ROLES MORE THAN DOUBLED, INCREASING 109.7% NUMBER OF DIRECTORS INCREASED 96.3% NUMBER OF PARTNERS + EXECUTIVES ROSE 76.9% NUMBER OF EXECUTIVES WENT UP 80.0%

HISPANIC AND LATINX

^ 56.8%

THE NUMBER IN TECHNICAL ROLES WENT UP 80.5% NUMBER OF DIRECTORS INCREASED 74.4% NUMBER OF PARTNERS + EXECUTIVES ROSE 59.1% NUMBER OF EXECUTIVES INCREASED 33.3%

ASIAN

∧ 50.7%

THE NUMBER IN TECHNICAL ROLES WENT UP 55.5% NUMBER OF DIRECTORS INCREASED 95.5% NUMBER OF PARTNERS + EXECUTIVES ROSE 59.4% NUMBER OF EXECUTIVES INCREASED 79.3%

> NATIVE AMERICAN, ALASKA NATIVE, NATIVE HAWAIIAN, AND PACIFIC ISLANDER

> > **^** 20.0%

THE NUMBER IN TECHNICAL ROLES WENT UP 26.8% NUMBER OF DIRECTORS INCREASED 102.1% NUMBER OF PARTNERS + EXECUTIVES ROSE 20.0%

MULTIRACIAL

^ 114.3%

IN TECHNICAL ROLES THE NUMBER WENT UP 121.4% NUMBER OF DIRECTORS INCREASED 169.9% NUMBER OF AND PARTNERS + EXECUTIVES ROSE 100%

Data on women and men are global Race and ethnicity data are US only. Data presented are snapshots taken on June 30 of the year referenced.

POPULATION GROWTH IN OUR CORE MICROSOFT BUSINESS

Growth from 2019 to 2020 and growth from 2016 to 2020

GLOBAL WORKFORCE GROWTH)19-2020

+11.8%

WORKF

US 2019-20

2016-2020 +30.9%

+10.5%

		ALL ROLES AT MICROSOFT	PARTNER + EXECUTIVE	DIRECTOR	MANAGER	INDIVIDUAL CONTRIB.	TECH ROLES	NONTECH ROLES	RETAIL	
WOMEN	2019-2020	+15.7%	+15.4%	+18.6%	+16.2%	+15.7%	+23.0%	+8.3%	-9.5%	I
	2016-2020	+41.0%	+80.4%	+79.0%	+55.4%	+39.1%	+82.7%	+11.6%	-13.5%	Globa
	2019-2020	+10.3%	+10.1%	+14.6%	+10.9%	+10.2%	+12.8%	+4.0%	-10.7%	data
MEN	2016-2020	+21.4%	+19.2%	+46.6%	+21.1%	+21.4%	+28.1%	+6.5%	-20.3%	
BLACK/ AFRICAN AMERICAN	2019-2020	+18.5%	+21.1%	+20.6%	+23.4%	+18.0%	+25.3%	+11.5%	-7.2%	ı
	2016-2020	+74.9%	+76.9%	+96.3%	+89.7%	+73.5%	+109.7%	+46.9%	-22.5%	
ALACKA NATIVE	2019-2020	+2.0%	0.0%	+33.3%	+29.7%	-0.8%	+3.4%	-2.1%	-16.7%	
	2016-2020	+22.7%	0.0%	+142.9%	+77.8%	+17.7%	+29.5%	+4.5%	-41.2%	
2019 ASIAN	2019-2020	+15.9%	+17.1%	+22.6%	+19.4%	+15.3%	+18.1%	+3.4%	-14.7%	
ASIAN	2016-2020	+50.7%	+59.4%	+95.5%	+72.7%	+47.6%	+55.5%	+25.3%	-14.4%	
HISPANIC/LATINX	2019-2020	+15.4%	+11.1%	+19.4%	+18.9%	+14.9%	+22.1%	+7.3%	-8.8%	US
	2016-2020	+56.8%	+59.1%	+74.4%	+60.4%	+56.3%	+80.5%	+32.8%	-10.8%	only
HAWAIIAN/PACIFIC	2019-2020	+6.7%	-50.0%	+22.7%	-8.3%	+9.2%	+11.7%	+2.3%	-30.8%	
	2016-2020	+14.3%	+100%	+42.1%	+37.5%	+11.6%	+17.8%	+11.1%	-48.6%	
MULTIRACIAL	2019-2020	+21.7%	+38.5%	+34.9%	+34.2%	+20.4%	+24.3%	+16.5%	+4.3%	
	2016-2020	+114.3%	+100%	+169.9%	+164.9%	+109.7%	+121.4%	+100.7%	-9.4%	
	2019-2020	+4.4%	+7.8%	+9.4%	+6.0%	+4.1%	+5.9%	+1.8%	-15.6%	
WHITE	2016-2020	+12.6%	+16.8%	+33.4%	+16.8%	+11.7%	+15.1%	+8.2%	-28.0%	

Data on women and men are global. Race and ethnicity data are US only.

Data presented are snapshots taken on June 30 of the year referenced.

Employees with disabilities

A strong and diverse workforce must also include people with disabilities. Employees with disabilities have been the catalyst of many great Microsoft innovations such as Learning Tools, Live captioning in Teams, the Xbox Adaptive Controller, Seeing AI, and many more. Disability is a strength and it is imperative that we continue to actively work to hire-people with disabilities and bring their expertise into our processes, products, and culture at every level.

We are committed to fostering a safe, inclusive environment and culture where everyone can bring themselves to work inclusive of their disability. To better understand our workforce and appropriately invest and support employees, we need to continually improve and refine data. We encourage employees to voluntarily self-identify as having a disability, and in this report we are sharing for the first time known disability representation in our US employee population.

Of the **46.1**% of US employees in our core Microsoft business who responded to the survey by September 1, 2020, **13.2**% self-identified as having a disability.

This amounts to **6.1%** of all US employees in our core Microsoft business identifying as a person with a disability.



▲ Jenny Lay-Flurrie

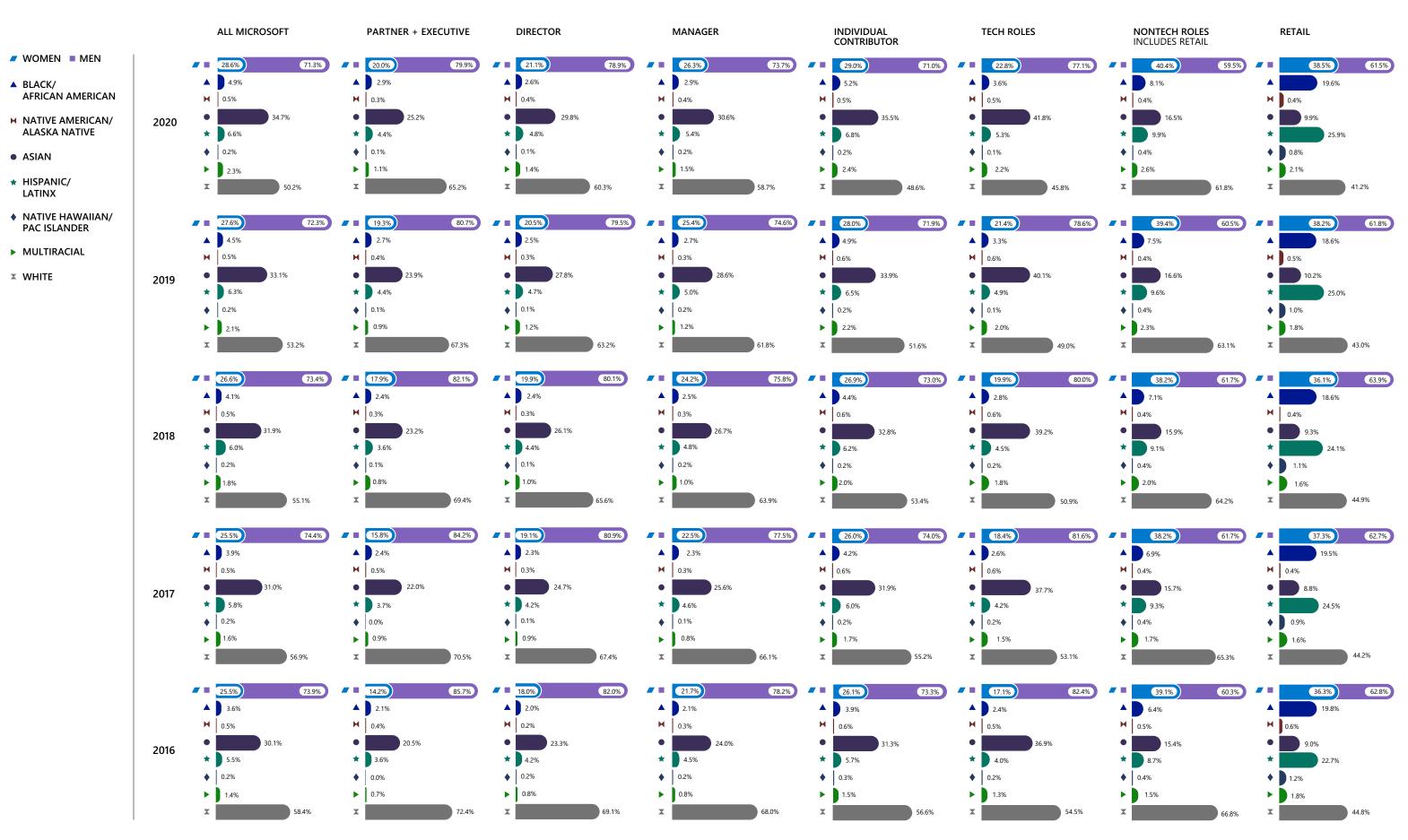


With over one billion people with disabilities around the world, it has never been more important to ensure that our company reflects the diversity of our customers. People with disabilities make our company stronger, and by leaning into the talent and expertise of people with disabilities, we will make better products and services that help us realize our mission to empower every person and every organization on the planet to achieve more."

Jenny Lay-Flurrie, Chief Accessibility Officer

Self-identification initiative

Demographic figures are vital to our diversity and inclusion efforts, but don't always give the full picture—each of us is more complex than the limited options that exist today in our systems. We're currently working on ways to collect richer information about employees that help to tell a more complete story. Employees in some countries are now able to voluntarily and confidentially share personal attributes like sexual orientation, disability status, military status, more robust options for gender identity, or identifying as transgender, providing it is safe to do so. This process will help us to better understand the diversity of Microsoft's employees and ensure we are making more inclusive and principled program decisions pertaining to benefits, resourcing, and support.



Equal pay data give greater global view

At Microsoft, we are committed to the principle of equal pay for equal work for employees, and we pay employees equally for substantially similar work.

\$1.006

Racial and ethnic minorities in the US

As of September 2020, all racial and ethnic minority employees in the US combined earn \$1.006 for every \$1.000 earned by their white counterparts. Breaking it down even further, Black and African American employees earn \$1.003; Hispanic and Latinx employees earn \$1.002; and Asian employees earn \$1.008 for every \$1.000 earned by white employees at the same job title and level, respectively.

\$1.001

As of September 2020, women in the US earn **\$1.001** for every \$1.000 earned by their counterparts in the US who are men.

\$1.000
Women globally

Last year, we expanded our pay equity data to report on how women are paid in our five largest markets outside the US based on employee population. This year, we are expanding our pay equity data to include our ten largest markets outside the US based on employee population. As of September 2020, women in the US, Australia, Canada, China, France, Germany, India, Ireland, Israel, Japan, and United Kingdom combined earn \$1.000 for every \$1.000 by men in these combined geographies. The employee population of these 11 markets represents 85.7% of the total Microsoft workforce.

Assessing our inclusive culture

Last year, for the first time, we shared our **Inclusion Index**, a measure of employee sentiment when it comes to factors like authenticity, belonging, and a belief in Microsoft's commitment to diversity. As part of our annual employee engagement survey, we ask our core Microsoft business employees how much they agree or disagree with the following statements which are combined to provide an overall Inclusion Index:

- I can succeed in my work group while maintaining my own personality and style.
- I feel free to express my thoughts and feelings with my work group.
- People in my work group openly share work-related information with me.
- I feel like I belong on my team.
- My manager cultivates an inclusive environment and diverse workforce by valuing and leveraging employees' differences and perspectives.

Our 2020 survey results indicate that

88% of employees

reported positive sentiments, the same index as last year.

In addition to our annual employee engagement survey, we are increasingly informed by our systems for listening to employee sentiments, including a short survey sent to a random sample of employees each day, our AskHR question intake process, employee resource groups, our Microsoft 365 Workplace Analytics data, and many other formal and informal feedback loops. These mechanisms have helped us learn predictors of certain inclusion sentiment, and our behavioral Workplace Analytics¹ data helps us determine possible opportunities for improving networks and collaboration.

We are uncovering insights about how well we are advancing inclusive behaviors among coworkers, the manager's role in this work, and through our companywide shared **Diversity & Inclusion Core Priority**— a part of our performance and development approach in which employees and managers engage in ongoing dialogue to discuss how each person is contributing to an inclusive work environment, making inclusion a daily and personal part of our jobs.

What is clear in our ability to move the work forward is that listening, learning, and responding has never been more important.

19



¹ Microsoft Workplace Analytics uses collective data from everyday work in Microsoft 365 to provide a dynamic view into collaboration patterns, empowering organizations to act with agility, improve employee experiences, and sharpen customer focus.

18 patterns, empowering organizations to act with aginity, improve employee experiences, and snarpen customer locus.

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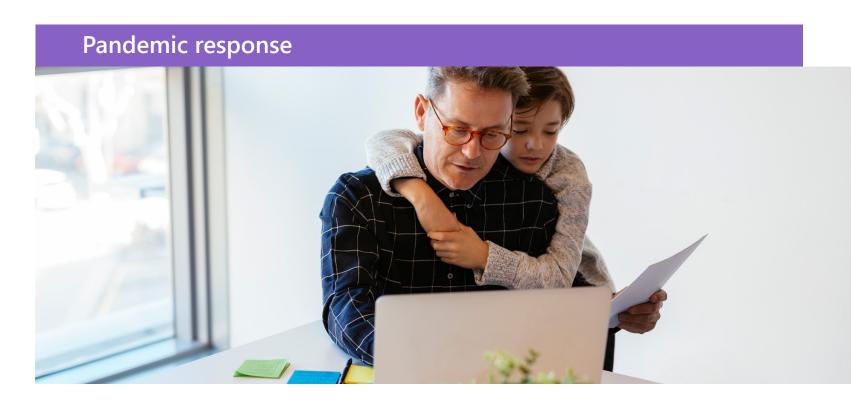
Listening, learning, and responding

Focusing our resources where most needed

As we were hard at work growing our comprehensive diversity and inclusion efforts among our communities—both inside and outside Microsoft—2020 brought acute conditions that demanded special attention. With that in mind, this section of the report focuses the diversity and inclusion lens to discuss three areas:

Pandemic response
Addressing racial injustice
Allyship at Microsoft

The information in this section includes programmatic data from our core Microsoft business only, not including LinkedIn, GitHub, gaming studios, acquisitions, affirmed networks, and joint ventures.



The COVID-19 pandemic carries urgent implications for diversity and inclusion. Those who have felt the most socio-economic impact are people and groups already experiencing inequities: those with disabilities or chronic illnesses, members of racial and ethnic minority groups, women, the LGBTQI+ community, the elderly, and individuals who have lower incomes. The sudden shift to working remotely has disrupted a great many factors in our lives, beyond the parameters of the conventional workplace. Cultural obligations, traditional social roles, parental responsibilities, mental health conditions, access to internet, and a host of other factors have revealed

social and technological inequities that may have gone unnoticed before people started working where they live.

We recognize that we in the technology industry, unlike in many other industries, have the privilege that many of our roles can be performed remotely, and that we can serve communities while helping to support the economy. Recognizing this, as a company we have looked for opportunities to do more, whether for first responders, healthcare, philanthropies, and, of course, our own employees and their families.



Social distancing has inflamed multiple systemic inequalities related to which jobs can be done from home, which homes provide the basic necessities of privacy, ergonomics, and bandwidth, and which professionals have the support systems they need to help them focus on daily tasks and bigger goals."

Hana Wolf, Principal User Experience Researcher, LinkedIn

To properly safeguard the lives, wellbeing, and careers of employees, our business continuity plans during a global pandemic necessitated solving for those of us most susceptible to disruption—from a financial, mental, social, cultural, and accessibility point of view.

Families and flexibility

unprecedented magnitude.

In the new reality of COVID-19, globally, 95% of Microsoft employees worked from home full time. The sudden need to juggle childcare, homeschooling, and working remotely was a disruption of

Without traditional child and elder caregiving support during work hours, employees with family members at home depending on them for care needed flexibility, fast. Fortunately, many of the changes we were able to quickly put into place were a result of prior efforts that apply to any caregivers—the pandemic merely accelerated implementation.



Parents in particular needed options for spending their work and family time without having to choose between the two."

Fred Thiele, Vice President, Global Benefits and Mobility

In the opening days of the pandemic—before it became global—we benefitted from the early learnings from China with respect to work from home and school from home. Microsoft had executed a school closure exercise on a micro level in Asia. So, when COVID-19 and stay-at-home orders began to spread, we were able to quickly announce the **Pandemic School and Childcare Closure Leave** (PSCCL) policy. Microsoft offered every caregiver the opportunity to take two weeks off to

get organized and settled after schools closed. This was followed by up to 12 weeks of paid leave, which could be taken consecutively or intermittently, allowing caregiving employees to sort their logistical priorities while enabling them to stay connected and feel included at work.

Employees in 61 countries utilized the PSCCL benefit, and 65.0% of them did so on a reduced or intermittent basis. Employees were also encouraged to speak with their managers to discuss modifying workloads, deliverables, and timelines to accommodate all their new commitments and managers were provided with resource guides to help them reprioritize work and support employees' needs.



As a manager, I've always had regular one-onone meetings with team members, but during the peak of COVID-19 here in China, we were all affected differently, so I wanted to understand more about their unique experiences so I could know how to help. I opened up about my own challenges, and that's when my team started sharing their own struggles with school closures and taking care of elderly parents. That's when we could better work together on how to use PSCCL to meet their personal as well as work needs. We can't take for granted that employees will just know or tell you what they need. It's a matter of building trust, exercising empathy, and having flexible solutions like PSCCL to address a variety of needs."

Sharion Wei

Caregiving and equality

Recognizing family caregiving as a part of any employee's life is just another way we express our commitment to advance equality in the workplace and society more broadly. Our caregiving benefits are designed to accommodate all kinds of family structures and divisions of labor. The most important goal is to give employees the opportunity to be present, at their best, engaged, and balanced for all the moments that matter at home and at work. When all employees, regardless of gender, have the opportunity to take paid leave, it can help counteract caregiving stereotypes and improve dynamics that can mitigate women feeling they need to be the only ones to prioritize family. In the US, women took PSCCL almost as equally as men: 51.6% to 48.4%. Outside of the US, 61.1% of those who utilized PSCCL were men.

Dan Weis, Business Sales Specialist in New York City, is using PSCCL to manage the care of his toddler and to support his wife, an essential healthcare worker. The flexibility of the benefit allows Dan to navigate his wife's irregular work schedule and the city's frequently changing pandemic closures, guidelines, and restrictions. "If we didn't have the PSCCL, my wife would have felt compelled to pull back on her work to care for our daughter," Dan said, "but she's essential, and she's worked too hard for her career for either of us to be okay with that."

For 13-year Microsoft veteran **Matt Beer**, Services Practice Leader in Melbourne, Australia, the city's strict and lengthy lockdown is severely impacting his family. His wife lost her job, their three kids were becoming increasingly despondent, and he himself was feeling lost. "My mindset was that men don't take leave like PSCCL," said Matt, "but hearing Steve Worrall, Microsoft's leader here in Australia, speak passionately in support of family and mental health, I knew I had to take the leave—for me, my family, and my team. I want to set an example and break any stigma of men taking time to care for themselves and family."

Spotlight: Gema and David Beltran

When software engineers Gema and David Beltran first thought of starting a family, delivering identical triplets at the height of the COVID-19 crisis wasn't in the plan. Neither were the high-risk medical complications that preceded and followed their birth. The triplets were born prematurely and confined to the neonatal intensive care unit just as the pandemic became reality. "Every single person outside Microsoft told me I had to quit working to care for the babies," Gema said. "It was depressing to think that was my only choice."

The prospect of either Gema or David giving up their jobs was especially difficult to process, not only because it would bring certain financial hardship and isolation, but also because their dream careers at Microsoft were hard won: both are from immigrant families, Gema from Cuba and David from Mexico, and neither had taken a traditional STEM academic path; they are both self-taught technologists. Both Gema and David came to Microsoft as apprentices through the **LEAP: Engineering Acceleration Program**, which provides people from unconventional backgrounds an opportunity to gain experience in software engineering.



Through a combination of encouraging managers and teammates, and flexible leave options— especially PSCCL—Gema and David were able to arrange their work schedules to care for and bond with their three new sons. "It's not just the pregnancy and childcare," Gema said, "It's what comes with it: Stress, medical complications, fear that our credibility as engineers would be questioned. When the PSCCL was announced, it was an enormous weight off our shoulders to know we could take care of our family, while continuing to do the jobs we love."

▲ Gema and David Beltran with their triplets

Working away from the workplace

It was not only employees with caregiving obligations who needed support. The closure of worksites exposed financial, mental, social, cultural, and accessibility inequalities.

As a technology company, we were able to easily help mitigate technology access inequities of setting up a workspace at home by giving employees access to equipment they needed: computers, monitors, even desk chairs, all sitting in inventory. We extended our US <u>Stay Fit fitness reimbursement benefit</u> that usually covers costs such as gym fees and running shoes to include the purchase of items like ergonomic office furniture without a medical need and other remote work supplies.

Spotlight: Naveed Khan

In late March, Naveed Khan arrived in Hyderabad, India to prepare for his first day of work as a support engineer for Azure Core. Born with a genetic disorder that renders his bones unable to bear the weight of his body, Naveed's family came with him to support his move and help him adjust to the first few days of his new job in a new city.

Days after arriving, the government declared a national lockdown to stem the tide of COVID-19, stranding Naveed and his family in a small hotel room that was meant to be only temporary housing; it was very difficult for Naveed to maneuver in his wheelchair. Microsoft immediately stepped in to find the family larger accommodations and sent Naveed all the equipment he needed to start virtual onboarding and training.

"Microsoft went above and beyond to help me start my new role in as normal a way as possible despite the sudden and uncertain conditions of COVID-19," Naveed said.

Assisting our digital-first responders

Most people don't immediately think of datacenter workers as "essential workers," but in a pandemic these onsite workers are critical for the economy and society to continue to function. They ensure information and data flow smoothly and reliably, which becomes especially vital when everyone in the world is relying on data and cloud to operate remotely. Employees in high-risk health categories who could not report to their work site and could not perform their job remotely had all benefits at their disposal including paid disability leave. We ensured our retail employees had pay protection, and we expanded our **backup childcare or eldercare support** for emergency care for datacenter employees outside the United States.

Remote work and mental health

People working from home are often surrounded by simultaneous demands in both work and life, which can be taxing on mental wellbeing. Just as there was a foundation to build upon with caregiver support, there was groundwork for neurodiverse employees and those living with mental health conditions. When COVID-19 hit, our Benefits and Learning teams and employee resource groups were able to provide a variety of helpful tools and curated resources to support mental well-being and mental health.

Leading with empathy during the global crisis has been important. Our everyday practices and engagements reflect an inclusive culture based on care for one other. We reminded employees to practice self-care and reexamine their asks of one another. Despite the COVID environment limiting opportunity for traditional travel, we strongly encouraged employees to utilize their vacation hours to unplug and recharge during these stressful times. We set boundaries at a leadership level, encouraging meeting-free days and using Al-based tooling to raise cognizance of sending messages after hours. We also acknowledged that employees may be feeling anxiety and/or isolation, struggling to focus, or juggling new responsibilities working from home, and managers reassured their teams that these feelings are entirely normal.

Spotlight: Mike Herrmann

When COVID-19 hit, Mike Herrmann, General Manager for Azure Apps and Infrastructure, noticed that he wasn't sleeping well, cycling "worst-case scenario" thoughts about catching the virus. "I was following COVID news and stats to the point that could be called borderline obsessive," he said. "Isolation also played a significant factor—losing social and entertainment venues and knowing that even family visits are off limits certainly exacerbated the feelings of fear."

Mike, who has been diagnosed as bipolar with generalized anxiety disorder, sought help through Talkspace, Microsoft's digital therapy partner. This led him to nightly meditation and he also started participating in the Mental Health community of the **Disability ERG**, a community of employees with a range of physical and mental conditions, which plays an active role in raising awareness of the lived experiences of people with differing abilities. This gave Mike the courage to be more open about his own diagnosis and his journey to wellness.

Mike ran a session on mental health during a recent team leadership meeting and found that people were grateful and genuinely wanted to learn how to support others. "It's comforting to know that you aren't alone. And rewarding to be able to share an experience or a thought that helps another person contextualize their own journey," he said.



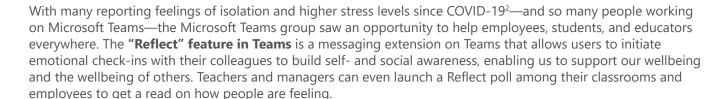
like Herrmann 🕨











² https://hbr.org/2020/05/how-ceos-can-support-employee-mental-health-in-a-crisis

ERG highlights in the time of COVID

The Germany chapter of the **Families ERG** has been hosting 30-minute weekly "Storytelling Sessions" where colleagues from the region read their favorite childhood stories to an audience of Microsoft employees and their children—all joining virtually by Microsoft Teams.



In June, the France chapter of the **Families ERG** hosted a workshop on preserving family harmony during COVID-19. More than a hundred employees and their children attended the online session.

Addressing racial injustice



11

As we see the everyday racism, bias, and violence experienced by the Black and African American community, the tragic and horrific murders of so many, it is time for us to act in all arenas. Each of us—starting with me and the senior leaders at the company—has a role to play.

Change begins by looking inward.
We expect this change in ourselves.
Employees expect this change from their leaders. Our customers and partners expect this change from Microsoft.
And the world demands this change."

Satya Nadella, Chief Executive Officer

By May 2020, communities were collectively enduring economic hardship, new daily stressors, and, for many, the tragic loss of loved ones to COVID-19. At the same time, the ongoing history of acts of hate and violence against the Black and African American community reached a social tipping point and fueled global reaction to racial injustice in the US. People were not just coping with either COVID-19 or racial injustice. For many, it was both.

Our commitment to the Black and African American community

We are united against the hate and injustice that occurs all over the world. And we recognize the experience of the Black and African American community in the US is acute. As a company, we are making an intentional choice to prioritize support for the Black and African American community, knowing that the work we do and the learnings from it will inform and further advance our work with other communities as well.

In late June, Microsoft <u>announced specific actions to</u> <u>address racial injustice</u> focused on the Black and African American community. Knowing endemic racism can't be solved quickly or alone, we looked to root causes and planned long-range systemic responses. This sustained, multiyear commitment began immediately and focuses on three key areas: **increasing representation and strengthening our culture of inclusion**, **engaging our ecosystem**, and **strengthening our communities**. We commit to doing the hard work in our own organization and among employees to ensure that our culture of inclusion is a top priority for everyone. At the same time, we must continue to expand outward to influence partners and improve the lives of members of the Black community everywhere.

Commitments to the Black and African American community addressing racial injustice

These commitments are in addition to our broader portfolio of initiatives as outlined in our 2019 Diversity & Inclusion Report.

Strengthening communities

No company can change the world by itself. But we believe that Microsoft can put the power of data, technology, and partnership to work to help improve the lives of Black and African American people across our country.

Our four-part commitment includes:

Justice reform. Strengthen and expand our existing Justice Reform Initiative with a five-year, \$50 million sustained effort, to apply our technology and expertise to help accelerate the impact of trusted organizations working to improve policing, diversion programs, and prosecutorial processes.

Education and skilling. Increase the number of Black and African American students accessing computer science education in high school, strengthen support for Historically Black Colleges and Universities, and support workforce development and digital skilling nonprofit organizations led by and serving Black and African American communities.

Addressing the digital divide.

Expand our existing Airband Initiative to seven major US urban centers to improve affordable broadband access and adoption.

Support nonprofits. Increase technology, services, and support for nonprofits supporting Black and African American communities to increase their capacity and advance their missions.

28

Engaging our **ecosystem**

We have the opportunity to use our balance sheet and purchasing decisions to extend our vision for societal change throughout our global network.

Over the next three years:

Supply chain. Double the number of Black and African American-owned and approved suppliers and spend an incremental \$500 million with those existing and new suppliers. We'll encourage Black and African American representation progress in our top suppliers by requesting annual disclosure of their diversity profile information as part of our RFP evaluations.

Banking. Double the percentage of our transaction volumes through Black and African American-owned financial institutions, which increases their opportunity to attract more capital. Make an initial investment of \$100 million with the FDIC for Minority Owned Depository Institutions, which will directly enable an increase of funds into local communities. Establish a \$50 million investment fund to support Black and African American-owned small businesses to increase skill development and reduce technology gaps.

Partners. Increase number of Black and African American-owned partners in our US partner community by 20%, establish new \$50 million partner fund to support new and existing partners through their startup phase, a \$20 million financing program to support their cashflow needs, and \$3 million in training programs to support financial management, tech solutions, and go-to-market readiness.

Increasing representation and strengthening our culture of inclusion

We will build on our momentum from the past five years by making a \$150 million investment in our Diversity and Inclusion efforts and programs while doubling the number of Black and African American people managers, senior individual contributors, and senior leaders in the United States within the next five years.

Our multi-year commitment includes:

Culture of inclusion. Accelerate our cultural transformation by requiring introductory training on allyship, covering, and privilege in the workplace for all employees,* and requiring in-depth conversations for executives on the unique issues facing the Black and African American community in the corporate workplace.

Career planning and talent development. Expand our leadership development programs for Black and African American, Hispanic and Latinx mid-level employees to prepare for career progression. We'll also create new senior-level sponsorship and mentorship matching opportunities for Directors/Principals to broaden exposure to leadership expectations and provide executives additional diversity and inclusion coaches to confront and resolve obstacles within their organizations.

Accountability for progress. Deepen our practice of evaluating each partner's and executive's progress on diversity and inclusion when determining their impact, rewards, and promotions, and expand our global, quarterly promotion process to ensure we build diverse leadership teams at all levels.

Giving intentionally

Institutions that advance social justice for the Black and African American community need backing in order to exist and fight for real change. As part of our commitment to this community, Microsoft sought to <u>deepen engagement with six organizations</u> that advance racial justice, justice reform, and education through a combination of donations and matching employee donations. Together, we have donated more than \$15 million to civil rights, social action, and advocacy nonprofit organizations since 2015.

Honoring Juneteenth

While there are larger systemic issues we're focused on, we also want to ensure that every employee understands their individual opportunity to support the Black and African American community inside and outside of Microsoft.

Many in the community celebrate June 19 as the day in 1865 when enslaved people in Galveston, Texas were finally informed that the Emancipation Proclamation was signed two and a half years earlier. While some companies marked the day as a holiday, we considered the input of some employees of the community, reflected on our commitment to growth mindset, and instead designated June 19 as a **Day of Learning**. It was an intentional, company-wide effort to give people, especially those outside the Black community, the opportunity and space to prioritize individual learning and engagement.

Employees were encouraged to use the day in ways most personal and meaningful to them. Also, resources and links such as discussion guides, books, films, and podcasts on the topic of racial injustice were made available. Overall consumption of key Global Diversity & Inclusion learning assets increased by 10% on the day of Juneteenth, and tripled between the end of May and end of June 2020.

Near Galveston itself, the Houston chapter of **Blacks** at **Microsoft ERG (BAM)** used the Day of Learning to host a first-time event that offered both learning opportunities and traditional community celebration even with pandemic social restrictions. Featuring speaker presentations, games, and personal storytelling, the virtual Juneteenth mixer engaged more than 200 members and aspiring allies from cities across the US and Brazil to recount the historical significance of the day, raise awareness of community issues and concerns, and build camaraderie and unity around a shared goal to advance the Black and African American community.

Historically Black Colleges and Universities

Microsoft has been collaborating with Historically Black Colleges and Universities (HBCUs) since 2015 to encourage students in the Black and African American community to pursue studies in computer science and related STEM fields. Although HBCU students represent just 2.3% of students in all colleges and universities across the US, HBCUs produce more than 32% of Black and African American college graduates nationwide. The 15 HBCU Schools of Engineering accredited by the Accreditation Board for Engineering and Technology (ABET) produce over 30% of the African American engineers in the US though representing less than 4% of the Engineering universities.

Last year, through our relationship with 15 HBCUs where we invest in school advisory boards, dedicated recruiting teams, tuition, and conference scholarships, and sponsor the HBCU curriculum redesign committee—we hired 119 students from 22 of the 107 HBCUs. This year we expanded our relationship from 15 to 25 HBCUs. Recruiting among HBCUs has traditionally required a physical, on-campus presence, which became a challenge when campuses closed due to COVID-19. We are working with our dedicated resources, activating our HBCU alumni employees to shift our recruiting and networking strategies to digital format to ensure we continue building trusted relationships.



▲ North Carolina Agricultural and Technical State University, one of the HBCU Schools of Engineering accredited by the Accreditation Board for Engineering and Technology. Photo: Warren LeMay, Creative Commons

* Training in these areas was already available to all employees as recommended or voluntary.

Spotlight: Less Lincoln

Less Lincoln grew up surrounded by intense conversations about just and equitable opportunities for members of the Black and African American community. Both his parents were educators, his father a scholar of race relations, sociology, and theology and a personal friend to several iconic figures of the civil rights movement.

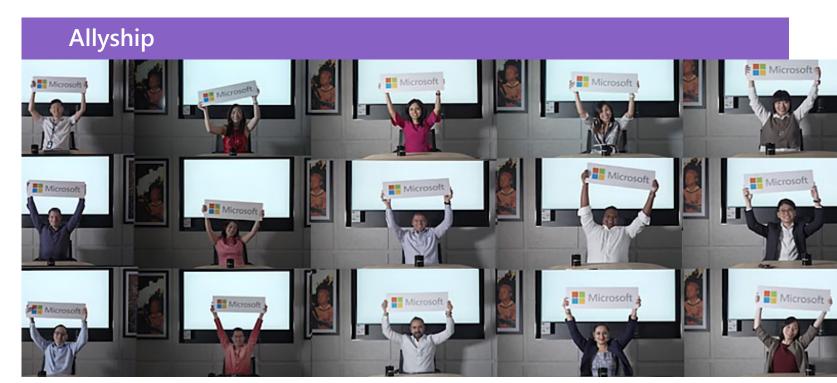
Three years ago, Less brought his expertise in building and managing engineering teams, operations, and datacenters to Microsoft Silicon Valley. "I was drawn to people in the company I saw willing to have hard conversations on diversity, to high-profile leaders authentically sharing their personal stories," he said, "and to Microsoft's commitment to being more than just an employer in a community." Less works to break down preconceived notions about background, speaking style, and dress, and helps recruiters hone their skill for spotting people who think differently and can meaningfully challenge conventional approaches to recruiting.



▲ Less Lincoln

With the support of senior leadership, Less drove the initial effort to build an engineering office in the Midtown neighborhood of Atlanta to <u>expand new AI and cloud services</u>. Early recruiting success sparked additional business backing and resources, and now Less is also part of a Microsoft v-team dedicated to growing support for many HBCUs in the area (the state of Georgia has 10). He also serves as Microsoft's representative on the board of **Advancing Minorities' Interest in Engineering (AMIE)**, a coalition of industry, government agencies, and ABET-accredited **HBCUs** to attract, educate, graduate, and place underrepresented minority students in engineering and computer science careers.

Less sees the approach to tapping the rich engineering talent in Atlanta reflecting the company's growth mindset. "I'm here because Microsoft is engaging as a member and participant in this community. What I'm doing is not just tied to our business success, it's tied to the health of the people who work here," he said. "The bigger picture for me personally is that we talk a lot about bringing our whole self to our work. My whole self is thinking about my community. Are they healthy? And do they get to bring all of who they are to their work?"



▲ Employees at Microsoft Singapore pledge to engage in effective allyship.

11

There's so much going on in the world that allows us to feel rage and discomfort. You just have to look at some of the challenges we have around social justice. And it's easy to feel outraged, and I think there is a natural tendency, especially if you're like me, especially if you're white, and especially if you're privileged, to be able to say, 'How can I fix this?' You don't get to decide whether or not you're an ally. I've learned, that will ultimately be determined by the actions you take, and it's only once you can begin to deliver on that promise that someone else gets to decide whether or not you're actually showing behavior that would represent what it means to truly be an ally."

Ben Tamblyn

For the greater part of the last 40 years, advancing diversity and inclusion in business has been focused on hiring practices, accommodation, and representation numbers. In the last five years, however, sociopolitical, technological, workforce, and workplace trends across the globe have been moving organizations to think differently about what diversity, and, especially inclusion, really mean, and what it takes to make real change.

Work has increasingly become a social base—where colleagues become part of a social circle, where people look to business leaders and workplaces to be more than just employers and places to perform work, where people look for companies to be engaged members of the community and take public stances aligned with their personal values. The events of 2020 have only made these trends more pronounced.

Effective systemic change calls on employees at every level to consciously create inclusive experiences and environments for each other. We consider **allyship** such a key behavior to advancing conversations that lead to change, that we have made allyship core to our diversity and inclusion efforts and a major investment for us as an organization.

At Microsoft, we saw the opportunity to use allyship as a strategic catalyst for true cultural transformation through habit formation, building on ongoing conversations, insights, and failures, then recovery and learnings. In July 2019, we launched Allyship at Microsoft, a series of learning opportunities to become a more informed and effective ally.

Establishing shared language and understanding

Microsoft is a big company that operates across many geographies, and it is important that we build common language to effectively drive cultural change. In a previous employee pulse survey, 65% of the respondents said they have some level of awareness about being an ally in the workplace. But while many employees are aware of the concepts of allyship, they independently defined the concept in many different ways, including: advocating different backgrounds, showing empathy, working together as one team, helping others without personal gain, and speaking up for others when observing noninclusive behavior emerged as the top five themes. It's important that within Microsoft, we do our part to ensure there is consistency in understanding and communication as we engage.

At Microsoft, an ally is someone who makes the intentional decision to understand, empathize, and act in support of someone else. It's not a person's identity. Rather, it's a lifelong commitment and practice.

Taking a growth mindset approach to diversity and inclusion

Allyship at Microsoft is a model and tool for self-reflection—to help us better understand our own emotional reactions, encourage us to establish systems to hold ourselves accountable, and strive to be the most effective, consistent, and sustainable allies we can be. Microsoft collaborated closely with The Neuroleadership Institute and the NYU Center for Diversity, Inclusion, and Belonging to introduce allyship and develop a curriculum grounded in neuroscience and designed specifically for Microsoft's distinct culture anchored by a growth mindset.

This program invites employees to embrace failure, deepen their own empathy, and lean into the challenging and sometimes uncomfortable conversations around diversity and inclusion. In July 2020, we refreshed the assets and made the first four foundational courses required for all employees to establish shared language and understanding. As of September 30, on average, 24% of Microsoft employees have completed the four introductory courses in the allyship learning path. Several additional courses are available to people who want to continue learning about allyship and how to practice it. Several employees have been so enthusiastic about how practicing allyship has helped them in their lives and careers that they've gone above and beyond by volunteering to teach courses or courageously sharing their experiences.

ALLYSHIP LEARNING PATH Allyship in Practice Unconscious Introduction Introduction **Understanding the** Bias to Covering to Privilege Meaning and Power of Allyship Introduction to Allyship Speaking up **Practicing Allyship Beginning Your** Being an in Moments Allyship Journey **Active Ally** at Work that Matter

Allyship in action

Here are some highlights of just a few of the employees who have told us their stories.

"I used to think the term "ally" was a grandiose word for someone just trying to do the right thing. But now I think it's a necessary piece of vocabulary that everyone can use to gain equal understanding. Now I see "ally" as more of a verb than a noun, an action rather than a credential or label. I used to want to jump in and fix a problem I saw, sometimes charging ahead to do what I thought needed to get done. But after going through the Allyship at Microsoft program, when I perceive something is off, I stop to see how the other people involved see it. That's a huge step forward for me, to recognize the fact that the way I see it is not the only way."

- Ashwin Shrinivas



"One of the fundamental concepts of allyship is the empathy triangle: If someone is truly practicing allyship for all, the ally will work with both the source of the non-inclusive behavior and who is affected. With empathy, humility, and curiosity, an ally asks the affected person if they want or need support, and then seeks to understand the context for why the source behaved in a non-inclusive way. I found out that someone on my team was disheartened that all their team events seemed to revolve around alcohol—turns out they were in recovery. I spoke to one of the organizers who thought people wouldn't come if there was no alcohol. I shared ideas around inclusive event planning like including non-alcoholic options, non-meat or non-dairy food options, and being sensitive to timing and hours for working parents."

- Sara Lerner



"Growing up half-Chinese, half-German I've always tried to be as "American" as possible, covering my Chinese heritage. But in my allyship journey, I found a unique opportunity to be authentic, ask for allyship, benefit from allyship, and also be an ally to others like me. When COVID-19 became reality, some were referring to it as the "China virus" which I, along with many others of Chinese heritage, view as hurtful and offensive. When I overheard a coworker asking to cancel a Chinese food delivery because of the association with China and the virus, I felt an obligation to be an ally to fellow Chinese people by humbly educating my colleagues on the topic. My personal allyship experience in the midst of social unrest has driven me to respectfully seek dialogue with people in the Black and African American community to better understand what they need me to say and do to be a better ally to them."

- Steve Chu



"It taught me that you don't all have to share similar characteristics to show up for each other. It also taught me that it doesn't have to be this huge, herculean effort to show up for other people. You can get to know one person who's different from you and understand what makes them tick, understand what motivates them, and support them in that way. And then, over time, as you get more comfortable with individuals—and their causes, you can elevate that sense of allyship by leveraging your privilege. Find an area you are passionate about and start small. Start with conversations with individuals. Start with reading. But just take a step."

- Rich Neal



Covering

Covering is a behavior in which an individual, consciously or unconsciously, downplays a part of their identity to blend into the mainstream. It's how we hide our authentic selves to fit in. In last year's annual employee engagement survey, women, and international employees more often tended to report the need to cover, particularly in terms of their appearance and affiliations.

We worked with Kenji Yoshino of the New York University School of Law Center of Diversity, Inclusion, and Belonging and who has studied this phenomenon for years. His work studies how social dynamics, conformity, and assimilation pose cultural penalties for differences based on race, sex, sexual orientation, gender identity/expression, religion, and disability resulting in unequal treatment of people who refuse to downplay differences along these lines.

It was important for us to start with the conversation on covering because we see allyship as one of the many antidotes to covering; when there are allies who seek to understand and advocate for others, it creates psychological safety in the workplace, so employees feel comfortable bringing all of who they are to work.

"I'm fluent in English but I'm conscious of how my accent is perceived. When I first moved to New Zealand, I noticed many perceptions about Arabs, how we should look and talk. People judge me from my origins and not from my experience and they feel comfortable to correct me. I felt I had to hide my identity until I learned that I don't have to anymore! When I took the Introduction to Covering course, I was surprised that this has a name, and it gave me the strength to be myself." — Samar Alrayyes

"I've had experiences where I was trying to explain that I really couldn't go to an activity because I didn't want to be around alcohol or I was passing on it because of Ramadan. The response was 'Suck it up and go—just come and don't eat or drink anything.' So there was a sense of pressure to attend, and I had to think about if I didn't attend, whether that would impact my relationship with the team or how people view me." – Awa Diaw

"I have cerebral palsy and basically walk a little off balance. One thing I do sometimes is that when I'm meeting someone for the first time, I actually get places early, not because I'm super timely, but because if I'm already sitting in the meeting room, they don't have to see me walk in, so I get to control that narrative." – Bryan Stromer

Privilege

For a long time, privilege has been a word to avoid in the workplace, even within the context of diversity and inclusion. Feelings of shame or offense can often come with the use of the term, and it has the potential to shut down important conversations, even before they start.

As the realities of COVID-19 have shown us, the privilege gap in our societies and institutions can have far-reaching and life-altering impacts. Many of us in the technology industry are having to come to terms with the deep privilege that is attached to being knowledge workers, having more than basic access to technology, and getting the opportunity to work from home at this time. This moment has demanded that we no longer ignore these inequities, and has created the space to embrace our discomfort and expand how we talk about privilege with care and intention.

At Microsoft, this means working to step away from the shame or blame of traditional privilege conversations and instead focus on the opportunity that comes with it. We're working to help everyone at Microsoft understand that privilege is what allows us to move more smoothly through established social structures simply because systems, infrastructures, and processes are set up in a way that benefits us. When we are accustomed to having certain experiences and access without barriers, we might not notice that others don't enjoy the same absence of challenges.

One way we talk about it with employees and leaders is that with privilege comes power, and with power comes the opportunity to leverage that power on behalf of someone else. Privilege is a lever we can each pull to activate our allyship for someone else who may be marginalized in ways that we are not. We are helping employees understand that privilege shows up across multiple dimensions of ability, socioeconomics, sexual orientation, education, status, and much more.

We teach this concept in the context of allyship, as we believe that we cannot truly be empathic, informed, and effective allies until we are willing to grapple with our own privilege.

Allyship beyond Microsoft

In a time when we spend so much of our lives working in our jobs, alongside our colleagues, we believe that practicing allyship—and being aware of our biases, covering, and privilege—can truly make the world a better place for all of us. It's not just technology that empowers people and organizations to achieve more—empathy and curiosity empower, too.

We gladly share our learning resources so that others can create inclusive environments where all people feel valued, heard, and included. In March 2021 we will host **Microsoft Include**, a global, digital event, open to current and future employees, customers, partners, and developers. At that time we will share the same introductory modules we offer Microsoft employees as an opportunity for all of us to accelerate our diversity and inclusion learning journey. While we don't have all the answers, we do understand there is power in taking a growth mindset approach to diversity and inclusion, reflecting on our journey so far, and committing to the work still to come.



Our continuing commitment

Milestones reached on several of our internal and external initiatives

While COVID-19, addressing racial injustice, and allyship are important priorities for us, the need for diversity and inclusion hasn't abated in other areas this year. In 2020, we continued to dedicate considerable resources to our internal and external initiatives, and achieved several important milestones.

Launch of new Indigenous at Microsoft ERG

On August 10, 2020, International Day of the World's Indigenous Peoples, we announced the launch of Indigenous at Microsoft, the company's ninth global ERG. Formed and managed by Indigenous employees to represent their diverse communities around the world, these dedicated members are now organized to leverage their collective voice to foster awareness of their many rich cultures, traditions, and values of our Indigenous employees around the world. The engagement of employees at Microsoft with Indigenous communities has led to leveraging the power of technology as a bridge between generations by preserving language and culture and continuing traditions of oral and visual storytelling. For instance, Microsoft partnered with an Indigenous entrepreneur in Australia to leverage Microsoft HoloLens as a culture-preserving and immersive storytelling platform.

While growing in a positive direction, our Indigenous population at Microsoft is lower than we'd like and is an area where we're excited to continue to invest and build.

Being Māori is my superpower. I find that as I grow in my cultural strength and wellbeing, I become more authentic about who I am. As that authenticity grows, I understand how I can add value."

<u>Dan Walker</u>, Solution Specialist and co-chair of Indigenous at Microsoft, Auckland, New Zealand

Spotlight: Adonis Trujillo

Adonis Trujillo (Taos Pueblo) is a manager on the Microsoft Talent Workforce and Community Development Team. He grew up with a strong connection to his Native American people's ancestral lands, but also attended schools, including graduate school, in other parts of Arizona, giving him a different perspective of the world. What never changed was his love for family and home—his life's purpose became using his new skills to serve Indigenous communities.

Adonis has a <u>reverence</u> for the land of his people and a fierce determination to keep his culture alive. This inspires his work developing relationships with local and Indigenous communities. Adonis has taken a voluntary leadership role to organize a group of Indigenous Microsoft employees and create the Indigenous at Microsoft ERG. "I see myself building on top of all of this work to continue to serve Indigenous peoples," he said.

Adonis has worked to develop a partnership between his team, (Microsoft Datacenter Community Development), utilities companies, and wireless operators to bring technology to people living in the Navajo Nation, where up to 50% of students lack internet access due to high costs and gaps in availability. The work ensured continuity of telemedicine and education for Nation residents and students, which was critical during COVID-19; the Navajo Nation was hit especially hard, suffering the highest per capita infection rate in the US. "If we can do this for one community, we can do it for many," Adonis said.



▲ Adonis Trujillo

DigiGirlz: A Microsoft institution turns 20

<u>DigiGirlz</u> started with a one-day camp on the Redmond campus in the fall of 2000. This free outreach program gives middle school and high school girls opportunities to learn about careers in technology, connect with Microsoft employees, and participate in free, hands-on computer and technology workshops. Surveys and data show that **once a girl participates in a DigiGirlz event, there is a 24% increase in interest in technology and 91% would recommend the program to a friend or family member**. Since that first DigiGirlz day camp 20 years ago, the program has sponsored 652 DigiGirlz events in 92 countries and counts almost 65,000 girls among its graduates. Many participants have gone on to pursue careers in tech companies around the world.



Since 2016, the number of women in technical roles globally in our core Microsoft business increased 82.7%.



"DigiGirlz helped properly educate and introduce me to what technology truly had to offer and display a positive representation of some of the diverse women within the industry."

Kiara Draper, DigiGirl 2014, 2015, 2016, 2017 Junior at University of North Texas majoring in Computer Information Systems

"So much of what I learned from DigiGirlz set a foundation for my personal and professional growth. It exposed me to the world of coding which inspired me to take a computer science class. I learned how to apply that skillset in a variety of ways that ultimately helped shape my career. I'm so grateful to have had the opportunity to connect with other girls through such a memorable experience."

Kara Fong, DigiGirl 2005

University of Washington, B.S. Information Science: Human-Computer Interaction

Microsoft Program Manager 2012-2015



"To be a DigiGirl is to digitally transform! Having had speech and math learning issues as a child, attending DigiGirlz made me feel capable of pursuing a path in STEM that I didn't think was possible. My DigiGirlz experience not only taught me coding and strategic thinking, it informed my college application, started lifelong friendships, and helped me find a career where my work helps people who feel counted out, like I did as a child."

Aisha Davis, DigiGirl 2004

Johnson C. Smith University, B.S. Computer Science and Information Systems

Microsoft Senior Customer Success Account Manager



"I am so inspired by the way technology is streamlining and perfecting our day-to-day activities, changing the way we work, and the way it has helped in detecting, curing and treating diseases. Technology helps bring so many ideas to life, and DigiGirlz made me feel confident I can express my ideas through technology, too."

Georgett Vásquez, DigiGirl 2020

Colegio Elena Chávez de Pinate, Panama - 11th grade



GLEAM: A historic link becomes a shared experience

As COVID-19 forced the cancellation of the annual Worldwide Summit for **GLEAM** (the Global LGBTQI+ Employees and Allies at Microsoft ERG), the event was transformed into a virtual community call in honor of International Day Against Homophobia, Transphobia, and Biphobia, a virtual event which attracted three times the number of in-person attendees who would have had access to the Summit.

The protests against racial injustice were growing in strength and numbers all around the world by the time of Pride Month in June 2020. The LGBTQI+ community at Microsoft made a collective, deliberate decision to postpone Pride celebrations in order to think intersectionally. Intersectionality—a term coined by lawyer and civil rights advocate Kimberlé Crenshaw—explains how overlapping identities and conditions impact the way we experience life's challenges and opportunities, the privileges we have, and the biases we face. It is also part of LGBTQI+ history: the seminal Stonewall Riots of 1969 that gave rise to the modern LGBTQI+ rights movement are believed to have been sparked by a Black transgender woman who protested the police raids on the Stonewall Inn.



Intersectionality is a thing. Many people are not just Black or queer. Coming out as a Black trans man was harder for me than just coming out as a trans person. Even my friends were more worried about me transitioning into a Black man in America than the health issues that I could encounter in the process. Being a Black man puts a target on my back but being a Black man of the trans experience, I face double discrimination, and it's not acceptable. We need justice, equity, and equality for all races, genders, sexual orientations, and identities."

Ethan Alexander

The launch of the **France chapter of the GLEAM ERG** last year was a remarkable moment for Sébastien
Vienot, a 20-year Microsoft employee. "When I started
hearing LGBTQI+ topics discussed at our All Hands
meeting, and learned of other people who were out, it
was a revelation for me," Sébastien said. "It took me a
few more months to find the courage and strength, but
I finally found the space and the opportunity to be my
authentic self and come out to my family, friends, and
colleagues. I am proud today to have been able to do
so, thanks to the support of the new GLEAM chapter."



Two big moments for our communities

Microsoft was one of the first companies to join a coalition of businesses filing briefs to the United States Supreme Court to protect the rights of the LGBTQI+ community in the case of Bostock v. Clayton County. On June 15, 2020, in the midst of COVID-19 and racial protests, the LGBTQI+ community in the US celebrated a victory when the Supreme Court ruled that the federal law prohibiting sex discrimination in the workplace (Title VII of the Civil Rights Act of 1964) also protects people from discrimination for sexual orientation and gender identity. Just three days later, the Supreme Court restored legal protection for nearly 700,000 Dreamers, including more than 60 Microsoft employees. It was on their behalf that, in 2017, Microsoft filed a lawsuit with Princeton University and a Princeton student, Maria Perales Sanchez, to object to the rescission of the Deferred Action for Childhood Arrivals program, or DACA. We acted quickly because we saw firsthand this issue's importance to the nation's talented Dreamers and DACA's critical benefits for every part of the American economy.



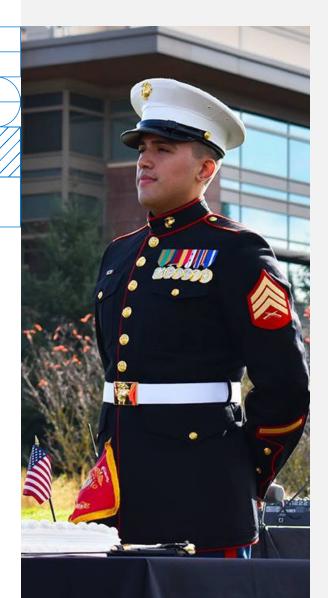
We filed this lawsuit because it was important to stand up for our employees and make clear that we had their backs. But along the way, we've come to appreciate even more clearly how important the Dreamers are for all of us. The summer of 2020 comes in a year of crisis, but it provides a potential inflection point for the nation's future."

Brad Smith, President and Chief Legal Officer

Microsoft has filed amicus (friend of the court) briefs in more cases than reflected here, specifically in other cases that align with our diversity and inclusion goals.

An MSSA Milestone

In just six years in operation, **Microsoft Software and Systems Academy** (MSSA), a technology skills training and career preparation program that helps service members and veterans transition into the civilian workforce, has graduated more than 2,300 participants. The 16- to 18-week training program prepares students for high-demand careers in IT and computing. In 2020, more than 400 have already graduated, and even with the transition to virtual instruction due to COVID-19, about 300 more graduates are expected to complete the program before the end of 2020. Program participants in good standing have the opportunity to interview for a full-time job at Microsoft or one of the program's hiring partners. At last count, 92% of MSSA graduates are employed or attending school, with 91% of those working in technology jobs or with technology companies. Last year, MSSA hit a milestone with its **500th partner** hiring an MSSA graduate. Today, that community of hiring partners has reached over 600 unique organizations and continues to climb.



▲ Joey Cruz

Spotlight: Joey Cruz

Joey Cruz served in the United States Marine Corps including five years in 5th Battalion, 11th Marines as a platoon sergeant and martial arts instructor and two tours in Afghanistan. After serving, he attended the Microsoft Software & Systems Academy. He was offered a role as a Service Engineer and is now a Program Manager in Identity. A first-generation American whose family came from Nicaragua to flee the country's civil war, Joey's military and personal experience have influenced where he wants to focus his energies. Throughout his career at Microsoft, Joey has participated in both the Military ERG and the HOLA (Hispanic/Latinx Organization of Leaders in Action) ERG in which he also serves as its Director of Technology.

"During my service in the Marines we lost close friends—two to combat, and after my service, we lost four to suicide. Mental health is important, and how you feel contributes to feeling like you belong," Joey said. "Knowing that you are not alone in a time where you are literally alone is more important now than ever before."

"Microsoft has given me the platform to help people connect. From people finding personal support, to people finding mentors, to helping people become more informed allies by learning to listen to others' experiences—I can't express how proud I am to see it at work."

Inclusive hiring program

When we think about inclusive hiring practices, we consider "readiness of talent" along a spectrum that includes investing in the greater STEM ecosystem, apprenticeships, internships, reskilling, and readynow talent. We aspire to ensure that pathways into Microsoft are as inclusive as possible, expand those pathways, and create new pathways where needed. Our goal is to surface the very best candidates regardless of other factors due to constraints caused by social inequities or lack of privilege.

11

People I have encountered in the past have consciously or unconsciously expressed doubts about my ability to achieve certain goals. I realized that I wanted to join Microsoft when, during my interview, I explained that I was visually impaired and the interviewer answered, 'Okay, so what?' My visual impairment, which is a result of albinism, has not stopped me from striving. Besides working at Microsoft, I'm a lawyer, as well as a teaching assistant on Hebrew University's Engineering and Computer Science faculty. I do not want special treatment, and I don't want people to lower their expectations of me. I want to challenge myself like everybody else."

Yahav Bar, Software Engineer, R&D Center Tel Aviv, Israel

2020 marks the fifth year of the **Autism Hiring Program** which utilizes an approach to interviewing that gives neurodiverse candidates greater opportunity to shine. Since the launch of the program in 2015, we have expanded the program to also hire candidates for nontechnical roles, such as customer support. Microsoft is a founding member and now leads the **Autism @ Work Employer Roundtable**, comprised of 30+ companies that promote helping other employers hire neurodiverse talent. In an effort to share our learnings on setting up the Autism Hiring Program, we have collaborated with DisabilityIN on the **Autism Hiring Playbook**.



Accessibility

Having a more diverse and inclusive workforce helps us shape technology that can serve the full range of human experiences and needs. Because we aspire to innovate products and services that empower all, we draw on the full range of human diversity to create new ideas and discover new solutions to society's most pressing problems. It extends to the culture of our workplace and weaving accessibility into the fabric of our company—from hiring people with disabilities, to providing seamless experiences in the workplace, creating inclusive marketing, and awarding our Accessibility in Action digital badge.

In 2020, advances in accessibility include:

- The <u>Microsoft Accessibility Features</u> Sway shows a running list of our accessibility features available on Windows 10 and Office 365, categorized by technology needs in the six key areas of hearing, vision, mental health, cognitive, speech, and mobility.
- People can now earn their Accessibility in Action digital <u>achievement badge</u> by taking courses in inclusive presentation skills, digital accessibility, creating accessible content, and many more.
- This year we increased our investment in supporting our customers with a team of full-time, dedicated Microsoft employees who support the <u>Disability Answer Desk</u> through American Sign Language (ASL).
- We seek to work with and share our findings with the broader technology industry. The <u>Accessibility Learning</u> <u>Webinar Series</u> is an ongoing series intended for customers and enterprises who are interested in learning about Microsoft accessibility features such as Narrator, Magnifier, and Office accessibility.









11

The way we work, the way we live, the way we engage with one another —it has all changed dramatically this year. These changes impact each of us differently, and it is only by understanding and solving for a diversity of experiences that we can ensure every person and every organization on the planet, including Microsoft, will thrive in a transformed world. Innovation happens when unique perspective meets curiosity and courage."

Jaime Teevan, Chief Scientist, Experience and Devices

Recognition

Our ambition to foster and grow more diverse and inclusive is aspiration, not competition—each organization dedicated to these efforts is on a journey unique to its own history, challenges, and starting point. We don't seek out accolades, but briefly recognizing various achievements in the area of diversity and inclusion is helpful in demonstrating our ongoing commitment to employees, partners, and customers. And we know that **64% of people say that diversity and inclusion would significantly impact their decision on where to work.** It also acts as a reminder to keep progressing and evolving in areas where we have more room for growth and learning.

Here are some of the ways we've been recognized for our work efforts over the past year.

Comparably

Best CEOs for Diversity (#1)

Best Companies for Professional Development (#4)

DisabilityIN

Four consecutive years earning 100% score on the Disability Equality Index

Diversity Best Practices

Inclusion Index

Fairygodboss

Best Tech Companies for Women (#19)

Forbes

The Just 100 (#1) highlighting the world's best corporate actors

America's Best Employers for Women (#129), four consecutive years earning 100% score

America's Best Employers for Diversity (#220)

America's Best Employers for New Graduates (#41)

Canada's Best Employer (#6)

FORTUNE

Change the World list (#16)

Glassdoor

Best Places to Work in the World (#21)

Hired

Top 20 Public Companies People Want to Work For in the Tech Industry (#5)

Human Rights Campaign

16 consecutive years earning 100% score on the Human Rights Campaign Foundation Corporate Equality Index in recognition of our advocacy on our internal policies

Randstad

Inducted in the Employer Brand Hall of Fame for Canada's Best Employer Brand from 2017 to 2019; Most Attractive Employers (#2) in Czech

Upslide

Best Fortune 100 Companies for New Parents (#5)

Working Mother

Four consecutive years earning 100% score on the 100 Best Companies for Dads list

³ Hired's 4th Annual Global Brand Health Report, Hired, 2020.

Conclusion

A never-ending pursuit

As we've seen, immense workplace shifts and social unrest in 2020 have presented hard challenges for society. A global pandemic, racial injustice, social disruption, economic instability—the onslaught of this convergence of events has been unyielding, especially for individuals and communities that already lived with inequities.

And so we must be unyielding in our response—relentless in our empathy—in both how we treat one another as employees and how we design technology solutions for people all over the planet. We must listen for both what is needed and what is wanted. Because no two people are enduring this turbulent time in the same ways, listening has become especially important, so we can better empathize with the lived experiences of others.

Our foundation in a growth mindset and our practice of allyship encourage us to lean into understanding these lived experiences while providing a clear path for cultural change both inside and outside Microsoft. Real cultural shifts don't happen on their own; we have to be intentional and accountable when it comes to progress in diversity and inclusion. We report and examine our numbers because they provide a metric for our progress, but we can't rely on numbers alone. We must also learn from the human beings behind these figures and purposefully explore their stories and struggles.

And while our data shows progress, we also acknowledge that we have a long way to go. There remain considerable disparities between our aspirations and the lived experiences of employees. Our population and representation numbers in multiple racial and ethnic categories and across roles and levels need to be higher, our programs broader, our commitments stronger and longer-lived.

As a global technology organization that operates in or with 190 countries worldwide, we at Microsoft feel a tremendous responsibility to use our resources, scale, and position to improve diversity and inclusion, not just among our own employees, products, and services, but among our vast ecosystem and across the globe. So, every day we continue to work diligently—and deliberately—to drive diversity and inclusion, even when we know there is no finish line.



Race and ethnicity categories: Data referenced in this report reflect numbers reported to the US Equal Employment Opportunity Commission, a snapshot in time of our US demographics based on these categories:

- Black or African American: A person having origins in any of the Black racial groups of Africa.
- Native American or Alaska Native: A person having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.
- Asian: A person having origins in any of the original peoples of East Asia (China, Hong Kong, Japan, Macau, Mongolia, North Korea, South Korea, and Taiwan), South Asia (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, or Sri Lanka) and Southeast Asia (Burma, Brunei, Cambodia, East Timor, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, and Vietnam).
- Hispanic or Latinx: A person of Cuban, Mexican,
 Puerto Rican, Central or South American, or other Spanish culture or origin, regardless of race.
- Native Hawaiian or other Pacific Islander:
 A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
- White: A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.
- Multiracial: All persons who identify with more than one of the above six races.

Levels and roles: As used in this report only, the following descriptions apply:

- Executive: Executive roles across all functions.
- Partner + executive: Employees with various partner and executive roles across all functions.
 - (Note: "partner + executive" as used in this year's report is the same data set that was referenced in the 2019 Diversity & Inclusion Report as "executive.")
- Director: Employees with various director roles across all functions.
- Manager: Employees at any level with full-time employees reporting to them.

- Individual contributors: Employees at any level without full-time employees reporting to them.
- Technical: Employees with professions listed as Engineering, Research, Hardware Engineering, Hardware Manufacturing Engineering, Evangelism, IT Operations, or Services.
- Non-tech: All employees, including retail employees, with the exception of those with professions listed as Engineering, Research, Hardware Engineering, Hardware Manufacturing Engineering, Evangelism, IT Operations, or Services.
- Retail: All employees within the Retail stores.

