**Microsoft Board Initiates Review of Sexual Harassment and Gender Discrimination Policies**

The Microsoft Board of Directors announced today that it will review the effectiveness of the company’s sexual harassment and gender discrimination policies and practices. This review responds to an advisory shareholder resolution that passed during the 2021 Annual Shareholders Meeting, and it will build on steps the company has taken in recent years to address these issues and strengthen Microsoft’s culture.

Recognizing the importance of these issues to employees, shareholders, and other stakeholders, the Board has directed that a third-party assessment address the full scope of the proposal passed at the Annual Shareholders Meeting. At the conclusion of the review, the Board will publish a thorough transparency report for employees, shareholders and the public, expected to be in the Spring of this year.

Satya Nadella, Microsoft’s Chairman and CEO, said “Our culture remains our number one priority and the entire Board appreciates the critical importance of a safe and inclusive environment for all Microsoft employees. We’re committed not just to reviewing the report but learning from the assessment so we can continue to improve the experiences of our employees. I embrace this comprehensive review as an opportunity to continue to get better”.

The review will address all the following elements, which were contained in the shareholder resolution:

* It will lead to the public release of a transparency report assessing the effectiveness of the company's workplace sexual harassment and gender discrimination policies, training, and related policies. This will include a review of concerns raised by employees in 2019 in the “In Need of Assistance” email thread, steps the company has taken to respond to these concerns, and additional steps that could further strengthen these safeguards. The review will also include an analysis of policies, practices, and commitments to create a safe, inclusive work environment.
* The report will summarize the results of any sexual harassment investigations during this same timeframe against members of the Board of Directors and the company’s Senior Leadership Team, including the allegations that a Board committee investigated beginning in 2019 involving Bill Gates.
* It will assess the steps that have been taken to hold employees, including executives, accountable for sexual harassment or gender discrimination.
* The report will include data on the number of sexual harassment cases investigated and their resolution.

In addition, although not called for by the shareholder resolution, the review will benchmark Microsoft’s current practices against “best practices” adopted by other companies, with the goal of identifying additional opportunities for improvement.

The Board has authorized the company to hire the law firm of [Arent Fox](https://www.arentfox.com/) to conduct the review. The firm is experienced in these matters and has not previously been involved in representing Microsoft in employment matters, nor has it done a significant amount of work for the company in the past.

Following this review, the Arent Fox firm will first provide a report to the Board and management detailing its findings and recommendations. The company’s management team will then prepare an implementation plan to act on the recommendations and will report to the Board on this plan. The Board will then publish a public report documenting the review and its findings as well as management’s plans for enhancements to current policies and practices.