



# Supplier Parental Leave

August 2018

Microsoft Procurement



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On August 30th, 2018, Microsoft announced that we will work with our U.S. suppliers to implement a new paid parental leave policy. This policy will ensure that a wide variety of suppliers that do business with Microsoft in the U.S. provide their employees who handle our work with paid parental leave.

You can read more about the changes at [Microsoft on the Issues](#).

We will require suppliers to provide at least 12 weeks of paid parental leave at 66% of pay with a cap of \$1,000 per week or to comply with Washington's newly enacted paid family leave law. This new paid parental leave requirement will apply to suppliers with more than 50 employees in the United States. It will apply to their U.S. employees who have worked for them for more than nine months (1500 hours) in the prior 12 months and who perform work for Microsoft with access to our facilities or our corporate network.

We know that many of our suppliers already offer strong benefits packages for their employees, including paid parental leave. We also know various states require paid parental leave already and that our Washington-based suppliers will be required to comply with Washington's recently enacted paid leave law by January of 2020. Our suppliers will be able to take advantage of Washington's program or other state programs to provide the paid leave if those programs apply but will need to supplement any state-provided leave to reach our standard. Suppliers are, of course, welcome to offer more expansive leave benefits to their employees.

Our goal is to make these changes in a thoughtful way. We're committed to working with our suppliers to understand the impact of this change and pursue the best approach to implement this well. We'll seek feedback from our U.S. suppliers to learn from you the best ways to implement these changes. We recognize that this approach may increase the costs for some of our suppliers, and our plan is to work with you to address these issues. We also know that it may take time to implement systems and tools changes. We will update contractual obligations over the next 12 months and will expect our suppliers to start providing the leave by January 1, 2020.

We will reach back out to you over the next few weeks with more information about how you can provide feedback.

We appreciate your partnership, and we look forward to your feedback.