

Microsoft Supplier Code of Conduct

Microsoft's mission is to empower every person and every organization on the planet to achieve more. Achieving our mission isn't just about building innovative technology. It's also about who we are as a company and as individuals, how we manage our business internally, and how we work with customers, partners, governments, communities, and suppliers.

Through the [Standards of Business Conduct](#), Microsoft has established company standards that include ethical business practices and regulatory compliance. Similarly, Microsoft expects the companies with whom we do business to embrace this commitment to integrity by complying with—and training their employees on—the Microsoft Supplier Code of Conduct (SCoC).

In alignment with the United Nations Guiding Principles on Business and Human Rights, the provisions in this Code are derived from and respect internationally recognized standards including:

- International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- International Labour Organization's Core Conventions (No. 29, 87, 98, 100, 105, 111, 138, 182) and Labor Standards
- United Nations Convention on the Rights of the Child Article 32
- OECD Guidelines for Multinational Enterprises
- OECD Due Diligence Guidance for Responsible Business Conduct
- United Nations Global Compact Principles
- International Bill of Human Rights, including the Universal Declaration of Human Rights and the main instruments through which it has been codified: the International Covenant on Civil and Political Rights, and International Covenant on Economic, Social and Cultural Rights.

The SCoC is also aligned with Microsoft's Global Human Rights Statement and Supply Chain Human Rights Policy Statement. Microsoft is committed to maintaining a high standard on environmental, health and safety, human rights, and ethical practices in its supply chain, including workers' rights to self-determination, physical integrity, and individual liberty, including freedom of movement, thought, conscience, religion, speech, family rights, nationality, and privacy.

1. Compliance with the Supplier Code of Conduct

Suppliers and their employees, personnel, agents, subcontractors, and sub-tier suppliers (collectively referred to as "Suppliers") must adhere to this Supplier Code of Conduct while conducting business with or on behalf of Microsoft. Suppliers must require their subcontractors, and sub-tier suppliers to comply with the SCoC in their operations and across their supply

chains. Suppliers must promptly inform their Microsoft contact, a member of Microsoft management, or the contacts provided at the end of this document when any situation develops that causes the Supplier to operate in violation of this Code of Conduct.

All Microsoft Suppliers must conduct their practices in full compliance with all applicable laws and regulations and in compliance with Microsoft requirements, whichever are stricter. Suppliers shall be responsible for implementing and monitoring improvement programs designed to achieve conformance with the Supplier Code of Conduct. While Microsoft Suppliers are expected to self-assess and demonstrate their compliance with the SCoC, Microsoft may audit Suppliers or inspect Suppliers' facilities to confirm compliance, including unannounced audits as needed and based upon risk. Suppliers that behave in a manner that is unlawful or inconsistent with the SCoC, or any Microsoft policy, risk termination of their business relationship with Microsoft. Complying with the SCoC and completing SCoC training are required in addition to meeting any other obligations contained in any contract a Supplier may have with Microsoft.

2. Legal and regulatory compliance

Microsoft Suppliers must, without limitation, meet the following requirements:

2.1 Trade: Suppliers must comply with all laws and regulations applicable to the import or export of the Items, including but not limited to trade laws and sanctions regulations. Suppliers will not provide controlled technologies, products, or technical data to Microsoft, without providing notice of such controls as necessary for Microsoft to maintain compliance with applicable laws.

2.2 Antitrust: Suppliers must conduct business in full compliance with antitrust and fair competition laws that govern the jurisdictions in which they conduct business.

2.3 Anti-Corruption: Microsoft prohibits corrupt payments of all kinds, including facilitating payments. We require that all our Suppliers comply with the [Anti-Corruption Policy for Microsoft Representatives](#). Suppliers are expected to conduct themselves with high ethical standards and comply with the [U.S. Foreign Corrupt Practices Act](#) ("FCPA") and all other applicable Anti-Corruption and anti-money laundering laws.

No Supplier shall, directly or indirectly, promise, authorize, offer, or pay anything of value (including but not limited to gifts, travel, hospitality, charitable donations, or employment) to any Government Official or other party to improperly influence any act or decision of such official for the purpose of promoting the business interests of Microsoft in any respect, or to otherwise improperly promote the business interests of Microsoft in any respect. Suppliers must prohibit any and all forms of bribery and corruption and their business dealings shall be transparently performed and accurately reflected in Supplier's business books and records. Suppliers must implement monitoring, record keeping, and enforcement procedures to ensure compliance with Anti-Corruption laws. Suppliers must report to Microsoft any signs of any

personnel, representative or subcontractor performing unethically or engaged in bribery or kickbacks.

Definitions: "Government Official" refers to any employee of a government entity or subdivision, including elected officials; any private person acting on behalf of a government entity, even if just temporarily; officers and employees of companies that are owned or controlled by the government; candidates for political office; political party officials; and officers, employees and representatives of public international organizations, such as the World Bank and United Nations.

2.4 Accessibility: Over one billion people around the world live with a broad range of disabilities including vision, hearing, mobility, cognitive, speech and mental health conditions. Creating products, apps, and services that are accessible to people of all abilities is part of our DNA at Microsoft as well as our mission of empowering every person and organization on the planet to achieve more. When creating any deliverable each Microsoft Supplier must comply with:

- a. The latest published version of the international accessibility standard Web Content Accessibility Guidelines (WCAG) Level A and AA, available at https://www.w3.org/standards/techs/wcag#w3c_all, and
- b. All legal and Microsoft-provided accessibility requirements and standards for creating accessible devices, products, websites, web-based applications, cloud services, software, mobile applications, content, or services.

Microsoft is committed to helping our Suppliers create a culture of accessibility and helping everyone get the most out of Supplier deliverables. Explore the Microsoft Supplier Accessibility Resources at <https://www.microsoft.com/en-us/accessibility/resources>

3. Business practices and ethics

Microsoft Suppliers must conduct business interactions and activities with integrity and trust, and, without limitation, meet the following requirements:

3.1 Business information reporting: Information regarding Suppliers' and sub-tier suppliers' human rights, health and safety, environmental practices, business activities, structure, financial situation, and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Suppliers are to retain all records for a minimum of seven (7) years; any retention beyond seven (7) years is at the discretion of the Supplier. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable and may result in termination of Supplier's business relationship with Microsoft.

When requested by Microsoft, Supplier must provide necessary information and supporting documentation to enable Microsoft to perform and complete supply chain due diligence, including providing access to documentation, personnel, and workers for verification of the absence of forced labor indicators, including at the recruitment stage, and disclosure of certain

information from subcontractors or sub-tier suppliers. This may include complete lists of workers involved in making product, wage payment, worker residency status and origin, working hours and output consistent with documented workers, voluntary nature of employment, risk assessment and analysis, contractual terms, compliance data such as findings, grievances, remedial action, complaints, and related decision-making.

3.2 Establish a management system: Supplier must establish an environmental, health and safety, human rights and ethics management system with a scope that is related to the content of this Code and aligned with the OECD Due Diligence Guidance for Responsible Business Conduct. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the Supplier's operations and products; (b) conformance with this SCoC; and (c) identification and mitigation of operational risks related to this SCoC. It should also facilitate continual improvement.

The management system should contain the following elements: (1) Supplier commitment, (2) management accountability and responsibility, (3) legal and customer requirements, (4) risk assessment and risk management, (5) improvement objectives, (6) training, (7) communication, (8) stakeholder engagement and feedback, participation and grievance mechanism, (9) audits and assessments, (10) corrective action and effective remedy process for any adverse human rights or labor impacts, including the disclosure of any and all potential violations, (11) documentation and records, and (12) define Supplier responsibility.

Particular attention should be paid to the rights and needs of individuals from groups at heightened risk of vulnerability or marginalization.

Where required by the local subsidiary, an ISO 45001 management system shall be in place.

3.3 Gifts and entertainment: Suppliers must use good judgment when exchanging business courtesies. Gifts, meals, entertainment, hospitality, and trips that are lavish or lack transparency or a legitimate purpose may be viewed as bribes, may create the appearance of a conflict of interest, or may be perceived as an attempt to improperly influence decision making. Giving business courtesies to Microsoft employees, if permitted at all, should be modest, infrequent and occur in the normal course of business. Do not offer anything of value to obtain or retain a benefit or advantage for the giver, and do not offer anything that might appear to influence, compromise judgment, or obligate the Microsoft employee. Suppliers are prohibited from giving gifts of any value to any member of certain Microsoft organizations, including Microsoft Procurement or its representatives. Suppliers are required to ask Microsoft employees what the Microsoft gift policy limits are for potential recipients and to not exceed those limits.

Suppliers are prohibited from paying expenses for travel, lodging, gifts, hospitality, entertainment, or charitable contributions for government officials on Microsoft's behalf.

3.4 Conflicts of interest: Suppliers must avoid even the appearance of conflict of interest in their work with Microsoft and must immediately disclose any known family or other close personal

relationship with our employees who may influence their engagement with Microsoft or have any involvement in business dealings between the Supplier and Microsoft.

Be honest, direct, and truthful when answering questions from Microsoft about relationships with Microsoft employees.

3.5 Insider trading: Insider trading is prohibited. Under Federal Securities Laws, Suppliers cannot buy or sell Microsoft or another company's securities when in possession of information about Microsoft or another company that is (1) not available to the investing public, and (2) could influence an investor's decision to buy or sell the security.

3.6 No solicitation: Any solicitation of Microsoft employees is prohibited.

3.7 Press and publicity: Suppliers should not speak to the press or issue press releases, publicity or marketing related to their relationship, work, or agreements with Microsoft without prior written consent of Microsoft's Corporate Communications team. The Supplier should not speak on behalf of Microsoft under any circumstances.

3.8 Engaging subcontractors: Suppliers must obtain written consent from Microsoft prior to engaging a subcontractor to fulfill Supplier's obligations to Microsoft in addition to meeting any other obligations contained in any agreement a Supplier may have with Microsoft.

3.9 Travel: Suppliers seeking reimbursement for their travel incurred during the performance of their obligations under the agreed statement of work or other contractual obligations must be compliant with the [Travel Guidelines for Suppliers](#).

3.10 Responsible sourcing of raw materials: All Microsoft Suppliers must, without limitation, design specialized due diligence systems to track and monitor human rights and associated environmental risks linked to the extraction, transport, and use of all raw materials. The process shall be informed by the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and shall include appropriate risk identification, mitigation, monitoring, remediation, and reporting mechanisms.

3.11 Traceability: Suppliers must establish a system of controls showing chain of custody identifying all upstream Suppliers from raw materials to finished product or service being supplied to Microsoft. This system is to be supported by transactional and shipment documents such as purchase orders, invoices, packing lists, payment records, shipping records, bills of materials, certificates of origin, seller and buyer's inventory records, and import and export records. Suppliers shall, upon request, provide to Microsoft necessary supply chain mapping data to enable Microsoft to meet its supply chain due diligence obligations to demonstrate the origin and control of each raw material or input. (See also Business Information Reporting)

Where raw materials from Supplier are commingled, Suppliers must have an auditable process and evidence to demonstrate the origin and control of each raw material or input.

4. Human rights and fair labor practices

We strive to ensure that every person who makes our products and services is treated with respect and dignity. Microsoft expects its Suppliers to comply fully with all employment laws, share its commitment to respect all human rights and to provide equal opportunity in the workplace, engage with impacted communities, and take effective measures to remedy any adverse human rights impacts. Without limitation, Suppliers must meet the following requirements:

4.1 Not discriminate and not harass: Suppliers must commit to a workforce and workplace free of harassment, unlawful discrimination, and retaliation. Suppliers should ensure their business practices respect the rights of different demographic groups, including women, and migrant workers. Suppliers must provide equal opportunity in the workplace and reasonable accommodation, and not infringe on voting rights or political participation, engage in harassment or discrimination in employment on the basis of age, ancestry, ethnic origin, caste, citizenship, color, family or medical care leave, gender identity or expression, genetic information, immigration status, marital or family status, minority status, pay, medical condition, national origin, physical or mental disability, political affiliation, union membership, protected veteran status, race, religion, sex (including pregnancy), sexual orientation, or any other characteristic protected by applicable local laws, regulations, and ordinances. Supplier shall not require workers or potential workers to undergo medical tests including pregnancy tests, except where required by applicable laws or regulations or prudent for workplace safety and shall not discriminate based on test results. Suppliers must accommodate all disabilities to the extent required by law.

4.2 Prohibit the use of child labor: Child labor must not be used under any circumstance. Suppliers must not employ anyone under the age of 15, or under the age for completing compulsory education, or under the legal minimum working age for employment, whichever requirement is greatest. Suppliers must implement an appropriate mechanism to verify the age of workers. Microsoft only supports the use of legitimate workplace learning or apprenticeship programs for the educational benefit of young people, which comply with all laws and regulations, and will not do business with those who abuse such systems. Workers under the age of 18 shall not perform work that is likely to jeopardize their health or safety, including night shifts or overtime. Suppliers must ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations. Suppliers must provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns, and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks. If child labor is identified, remediation is required.

4.3 Prohibit the use of forced labor, prison labor, and trafficking in persons: Forced, bonded (including debt bondage) or indentured labor, prison labor, the procurement of commercial sex acts, slavery or trafficking of persons is not permitted. This includes support for or engagement in transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services.

There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting Supplier provided facilities including, if applicable, workers' dormitories or living quarters. Workers will be free from arbitrary arrest and detention.

All work must be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given as per worker's contract.

Workers shall not be required to pay employers', agents', or sub-agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be immediately repaid to the worker.

Suppliers must have a labor compliance plan in place that (1) relies on the International Labour Organization's (ILO) indicators of Forced Labour in the supply chain, (2) provides provisions for training Supplier personnel and raising their awareness of issues related to forced labor, and (3) details what remediation the Supplier will provide in case of any violations. Suppliers must inform employees, agents, sub-agencies, recruiters, contractors, subcontractors, and sub-tier suppliers about Supplier's policies that prohibit human trafficking, prison labor, forced labor, and other forms of slavery and provide training and programs to promote awareness, risk identification, employee reporting, corrective action, and potential penalties for violations.

4.4 Ensure workers have access to identity-related and personal documents: Suppliers, agents, and sub-agents' may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, driver's license, or work permits. Employers can only hold documentation for the time needed to obtain or renew work permits and other legal documents. Suppliers or their agents must provide proper documentation (stating the reason for holding of passport/ travel document and expected duration to hold such documents). In addition, if requested by workers, the company needs to have a process in place to return the documentation to workers in less than 12 hours.

4.5 Provide return transportation for foreign migrant workers: When hiring foreign workers who are not nationals of the country in which the work is taking place and who are recruited and who migrate from their home country to another country for the specific purpose of working for the Supplier, Suppliers must provide or pay for return transportation upon the end of their employment. This requirement does not apply to workers with permanent residency of professional employees who are on short-term or long-term assignments.

4.6 Use appropriately trained recruiters to support compliance: Suppliers must use recruiters, employment agencies, and recruiting companies that are trained and which comply with international standards, local labor laws of the countries in which the recruitment takes place, or Microsoft requirements, whichever are stricter.

4.7 Make conditions of employment clear when hiring: All Suppliers, including recruiters, employment agencies, sub-agencies, and recruitment firms, are prohibited from using misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work.

4.8 Provide written employment contracts or agreements when necessary: As part of the hiring process, all workers must be provided with a written employment agreement in their native language that contains a description of terms and conditions of employment, including work descriptions, wages, prohibitions on charging recruitment fees, work locations, living accommodations and associated costs, time off, roundtrip transportation arrangements, grievance processes, and the content of applicable laws and regulations that prohibit trafficking in persons. Foreign migrant workers must receive the employment agreement at least prior to the worker departing from his or her country of origin and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms.

4.9 Provide fair compensation: Suppliers must ensure the payment of wages in accordance with applicable wage laws and provide legally mandated benefits within the jurisdiction where the Supplier operates or engages workers, including employees who are permanent, temporary, or dispatched, migrant workers, apprentices, or contract workers. Suppliers are expected to comply with the new and existing applicable living wage requirements or regulations. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. All use of temporary, dispatch and outsourced labor will be within the limits of the local law. Workers with disabilities whose wages are governed by section 14(c) of the Fair Labor Standards Act must receive no less than the full minimum wage rate as defined by Executive Order 13658.

4.10 Treat employees with dignity and respect: Suppliers must not engage in any harsh or inhumane treatment, including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, or public shaming, verbal abuse or other forms of intimidation of workers; nor is there to be the threat of any such

treatment. Suppliers must have a humane treatment policy and monitor supervisors to ensure appropriate conduct. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

4.11 Meet working hours and rest day requirements: Working hours are not to exceed the maximum set by local law. Further, a work week should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. All overtime must be voluntary. Workers shall be allowed to have at least one day off every seven days.

4.12 Ensure freedom of association and right to collective bargaining: In conformance with local law, Suppliers must respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment. When local laws or circumstances restrict some or all of these rights, Suppliers should pursue other ways of engaging in meaningful dialogue with their workers on employment issues and workplace concerns.

4.13 Provide effective grievance procedures and work in partnership with Microsoft to remedy any identified human rights violations: Suppliers must provide an anonymous, impartial, and confidential method for all employees and their supply chains to raise concerns to senior level management without fear of retaliation. Grievances and the progress of their resolution shall be tracked and recorded. Grievance channels must be accessible and culturally appropriate. Suppliers must review these reporting procedures periodically. Workers and/or their representatives must be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment. Suppliers must periodically provide workers with information and training on all grievance procedures. Suppliers agree to work in partnership with Microsoft to remedy any identified human rights violations and associated adverse impacts. Suppliers must provide their sub-tier suppliers with information regarding their own reporting channels, as well as Microsoft's reporting channels, described in the "Raising concerns and reporting questionable behavior" section of this SCoC.

4.14 Use of security forces: Suppliers are prohibited from using private or public security forces that result in torture, inhumane or degrading treatment, bodily harm, or limitation on freedom of association.

4.15 Community engagement and indigenous people: Suppliers are prohibited from unlawfully evicting and taking land and forests, and limiting access to water for communities and indigenous people that rely on them. Consultation with all affected parties is required.

4.16 Retaliating against human rights defenders: Suppliers are prohibited from retaliating against human rights defenders.

5. Health and safety

Microsoft Suppliers are required to develop and implement health and safety management practices in all aspects of their business. Without limitation, Suppliers must meet the following requirements:

5.1 Ensure compliance with all applicable occupational health and safety laws: Worker potential for exposure to health and safety hazards (chemical, electrical and other energy sources, fire, vehicles, lone work, and fall hazards, etc.) are to be identified and assessed, mitigated using the Hierarchy of Controls, which includes eliminating the hazard, substituting processes or materials, controlling through proper design, implementing engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and providing ongoing occupational health and safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment, and educational materials about risks to them associated with these hazards. Reasonable steps must also be taken to remove pregnant women and nursing mothers from working conditions with high hazards, remove or reduce any workplace health and safety risks to pregnant women and nursing mothers, including those associated with their work assignments, and provide reasonable accommodations for nursing mothers.

5.2 Provide a safe and healthy work environment for all employees: Take action to manage and minimize the causes of hazards inherent in the working environment and implement controls to protect sensitive populations.

5.3 Provide safe housing when the Supplier intends to provide accommodation: Worker dormitories or housing provided by the Supplier must meet the host country housing and safety standards and are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges. Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Sanitation must include methods, procedures and cleaning materials used to clean food processing equipment, facilities, and workers.

5.4 Prohibit the use, possession, distribution, or sale of illegal drugs.

5.5 Industrial hygiene: Worker exposure to chemical, biological, and physical agents is to be identified, evaluated, and controlled according to the Hierarchy of Controls. If any potential hazards were identified, participants shall look for opportunities to eliminate and/or reduce the potential hazards. If elimination or reduction of the hazards is not feasible, potential hazards are to be controlled through proper design, engineering, and administrative controls. When hazards cannot be adequately controlled by such means, workers are to be provided with and use

appropriate, well-maintained, personal protective equipment free of charge. Protective programs shall be ongoing and include educational materials about the risks associated with these hazards, also covering the preventive exposure to biological agents.

5.6 Physically demanding work: Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks is to be identified, evaluated, and controlled.

5.7 Machine safeguarding: Production and other machinery shall be evaluated for safety hazards, using the appropriate Hierarchy of Controls. Physical guards, interlocks, emergency stop devices, light curtains, and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

5.8 Health and safety communication: Suppliers must provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards. Health and safety related information shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Training is provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise any health and safety concerns without retaliation.

5.9 Emergency preparedness: Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including emergency reporting, employee notification and evacuation procedures, worker training, and drills. Emergency drills must be executed at least annually or as required by local law, whichever is more stringent. Emergency plans should also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and procedures shall focus on resilience, minimizing harm to life, the environment, and property.

5.10 Occupational injury and illness: Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases, and implement corrective actions to eliminate their causes, and facilitate the return of workers to work.

6. Environmental protection and compliance

Microsoft recognizes its social responsibility to protect the environment, conduct environmental due diligence, and promote environmental sustainability. We expect Suppliers to share our corporate commitments to proactively reduce carbon emissions, reduce water consumption, and minimize waste generation. Without limitation, Suppliers must meet the following requirements:

6.1 Comply with all applicable environmental laws, regulations, and international treaties, including those that mandate Environmental, Social and Governance (ESG) related reporting and/or regulate hazardous materials, air, and water emissions, noise pollution, waste, and land degradation. Relevant treaties include, but are not limited to, the Minamata Convention, the Stockholm Agreement on Persistent Organic Pollutants (POPs Agreement), and the Basel Convention.

6.2 Pollution prevention and resource reduction: Emissions and discharges of pollutants, harmful soil change, generation of waste and noise pollution that impairs human rights and other ecosystem or land degradation are to be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, is to be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, water and waste circularity or other means.

6.3 Water management: Suppliers must implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Suppliers shall conduct routine monitoring of the performance of their wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

6.4 Air emissions: Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion byproducts generated from operations are to be characterized, routinely monitored, controlled, and treated as required prior to discharge. Ozone-depleting substances are to be effectively managed and phased out in accordance with the Montreal Protocol and phase out emissions of hydrofluorocarbons (HFC) in accordance with the Kigali Amendment, and applicable regulations. Suppliers shall conduct routine monitoring of the performance of their air emission control systems.

6.5 Hazardous substances: Chemicals, waste, and other materials posing a hazard to humans, or the environment are to be identified, labeled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal, including in products or services.

6.6 Materials restrictions: Suppliers must adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products, packaging, and manufacturing, including labeling for recycling and disposal.

6.7 Product and packaging: Supplier agrees to conform to all Microsoft requirements regarding product and packaging marking and labeling, material content and restrictions, recycling, and disposal as directed by Microsoft in their business contracts.

6.8 Environmental permits and reporting: All required environmental permits (e.g. discharge monitoring), approvals, and registrations are to be obtained, maintained, and kept current and their operational and reporting requirements are to be followed.

6.9 Waste: Suppliers must prevent or eliminate waste of all types, including solid waste, water discharges and energy losses, by implementing appropriate conservation measures in Supplier facilities through (1) the use of conservation-minded maintenance and production processes, (2) by implementing strategies to reduce, reuse, and recycle materials (in that order), whenever possible, prior to disposal, and (3) seek and use renewable energy whenever possible.

6.10 Identify threats: Identify any chemicals, waste, or other materials that may be released, and which may pose a threat to the environment, and manage such chemicals or materials appropriately to ensure their safe handling, movement, storage, use, reuse, recycling, and disposal.

6.11 GHG Disclosure: Suppliers must disclose complete, consistent, and accurate scope 1, 2 and 3 greenhouse gas (GHG) emissions data and/or components required to calculate GHG emissions data, via a method identified by Microsoft. Suppliers may also be required to provide independent or third-party assurance over such disclosed emissions data. Suppliers must also provide and achieve plans to reduce absolute GHG emissions by a minimum of 55% by 2030 or an alternative reduction target pursuant to the baseline established in their Supplier contract or in other written communication with Microsoft. Specific requirements for data disclosure, assurance, reduction targets, and achievement of planned reductions, including the timing of Supplier conformance, will be set forth in their Supplier contract or in other written communication sent by Microsoft to Supplier.

7. Protecting information

Microsoft Suppliers must respect intellectual property rights, protect confidential information, comply with security standards, policies, and controls, and comply with privacy rules and regulations. Without limitation, Suppliers must meet the following requirements:

7.1 Intellectual property: Intellectual property rights are to be respected, transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer and Supplier information is to be safeguarded.

7.2 Security: Suppliers must maintain a security program in accordance with Microsoft requirements such as but not limited to: the PO Terms and Conditions, Master Agreement (or other applicable agreements), or the Microsoft Supplier Security and Privacy Assurance Data Protection Requirements (SSPA). Suppliers must report any potential incident that involves Microsoft customer data (whether internally or through a partner or Supplier) as soon as possible.

7.3 Privacy: At Microsoft, we value, protect, and defend privacy. Suppliers must (1) comply with all local privacy and data protection laws, (2) have appropriate processes and practices to secure and protect Personal data, (3) use Personal data only as agreed to by Microsoft representatives or Microsoft's customers, and (4) cooperate with Microsoft compliance efforts.

7.4 Retention of corporate records and internal business information created managed or used (all formats): The requirements below apply to all formats of information assets, globally and enterprise wide:

- a. Work conducted within Microsoft premises or with Microsoft equipment/tools: All business records created, managed, or used on Microsoft premises or with Microsoft equipment/tools will be retained in full compliance with the Microsoft Document Retention Policy, Corporate Retention Schedule, and other Microsoft-directed practices.
- b. Work conducted outside of Microsoft's premises and/or Microsoft equipment/tools: Unless otherwise specified, Microsoft will retain all rights of ownership, and control of all information created, managed, or used outside of Microsoft's premises and/or Microsoft equipment/tools as described in the contract with Microsoft.
- c. Specific instances: Supplier may be required to retain, pull, or otherwise provide data to Microsoft for a prescribed amount of time as established in the contract or in the case of a legal or audit matter a hold may require data be retained beyond that obligation.

8. Supplier Code of Conduct Training

Training compliance: Suppliers must ensure their employees, subcontractors, and sub-tier suppliers working on Microsoft matters understand and comply with the contents of the Supplier Code of Conduct, the applicable laws and regulations and generally recognized standards.

- a. On an annual basis, an authorized representative from the Supplier must review and acknowledge the SCoC, and complete [Microsoft's SCoC training course](#). Confirmation of this must be attested to annually in Microsoft's [SupplierWeb](#) platform.
- b. On an annual basis, Suppliers must train all employees, subcontractors, and sub-tier suppliers working on Microsoft matters on the content of this SCoC. Suppliers may use the [SCoC training course](#) to meet this requirement.

In addition to Supplier's training obligations noted above, all external staff requiring access credentials to the Microsoft corporate network and/or buildings are required to complete SCoC training before they obtain their access rights. This training will be managed and provided by Microsoft.

9. Requirements related to Microsoft network or building access

When Supplier workers require access to Microsoft's network or facilities, the following conditions apply: [Supplier Pre-Placement Policy, Supplier's use of Microsoft Facilities and Network, and Supplier Benefit Requirements for Applicable US-based Workers](#).

10. Raising concerns and reporting questionable behavior

To report questionable behavior or a possible violation of the SCoC, Suppliers are encouraged to work with their primary Microsoft contact in resolving their concern. If that is not possible or appropriate, please contact Microsoft through any of the methods described at:

<http://www.microsoftintegrity.com/>

Microsoft's reporting channels may be used to report possible non-compliance with the SCoC by any entity or individual.

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