

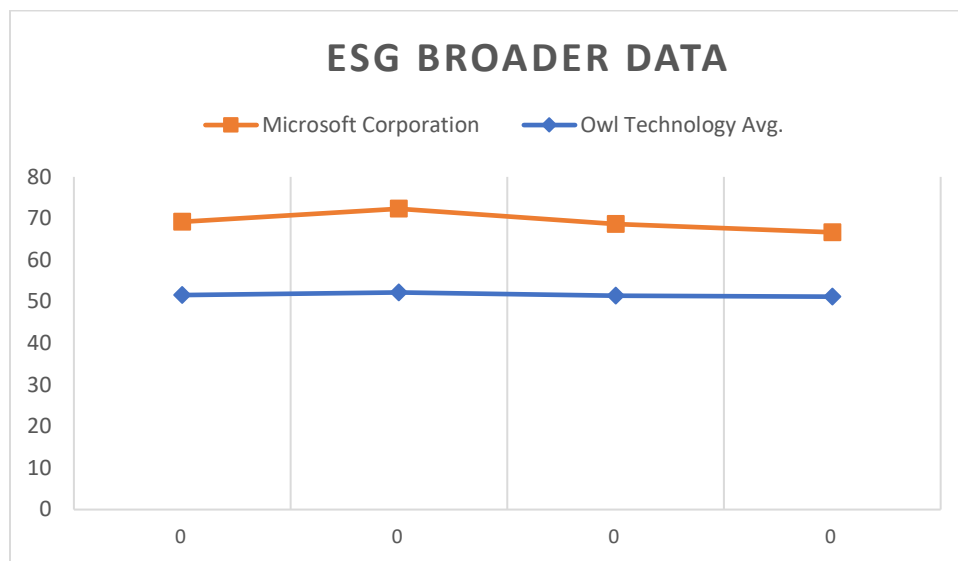
## Microsoft

Microsoft has had a very good record on a broad range of ESG issues and has one of the highest ratings of any company in our universe. It was rated #1 on *Corporate Responsibility* magazine’s 100 Best Corporate Citizens of 2018 and 6<sup>th</sup> in 2019. In addition, in each of the past two years, Microsoft was rated the #1 company out of 890 on JUST Capital’s list of responsible companies. They rated them first among all companies on the environment and second on employee issues.

The company offers a wide range of attractive benefits to its employees and is now using its leverage to ensure that its main suppliers follow suit. It is now requiring that all its U.S. suppliers that do a substantial amount of business with Microsoft to offer 12 weeks of paid parental leave. They are the only company we are aware of that has taken this stand with its suppliers. Microsoft states that women make 100.1% as much as men in similar positions in the U.S. and ethnic minorities earn 100.6% as much as their white male counterparts. The company has received a perfect score on the Human Rights Campaign Corporate Equality Index that measures firms on issues of LGBT equality.

Microsoft has received ‘A’ grades from the Carbon Disclosure Project for its work on climate change and water issues for each of the past six years. The company states that it has been carbon neutral since 2012. It also levies an internal carbon tax on its own business units to help pay for climate change initiatives outside Microsoft. They have also pledged to be carbon negative by 2030 and to remove all their historical carbon emissions by 2050. Approximately 60% of the energy that powers the company’s datacenters comes from renewable sources.

Microsoft has largely escaped recent political and public wrath over privacy issues that has enveloped most large technology companies. In fact, it was the highest rated firm on the 2019 Digital Rights Corporate Accountability Index. While it was found to be a little lacking in its transparency on the handling of user information, it was seen as the best firm for disclosing more about its commitment and policies affecting users’ human rights than all other ranked companies.



Source: OWL SHARES

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