



Global Diversity & Inclusion Report

2021



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Introduction



Important terms used in this report

We gather a range of data that are presented in specific ways in this report.

BROADER MICROSOFT AND CORE MICROSOFT

Broader Microsoft business includes the core Microsoft business plus LinkedIn, GitHub, and minimally integrated gaming studios, which collectively represent more than 99% of our workforce. Employees of joint ventures and newly acquired companies are not included in the data.

LinkedIn was acquired in December 2016. **GitHub** was acquired in June 2018. Minimally integrated gaming studios were acquired starting in June 2018, with the most recent acquisition occurring in March 2021.

Core Microsoft business represents 88% of the broader Microsoft workforce.

DATA GATHERING AND EXPRESSION

All data on **gender** are collected globally. Numbers for gender may not total 100% due to inclusion of people who identify as non-binary or who choose not to disclose.

Racial and ethnic data reflect the US only. Numbers may not total 100% due to inclusion of people who choose not to disclose.

Percentages are calculated to the 1/100th but rounded and published in 1/10th. Differentials may differ slightly due to rounding. Totals may not equal 100% due to rounding or because denominators include people who choose not to disclose.

Historical numbers may differ slightly due to rounding and refinements in methodology or data capture year over year.

Unless otherwise indicated, data presented are snapshots taken on **June 30** of the year referenced.

Representation vs. population

At Microsoft, we look at employee diversity data through two different lenses:

- **Representation** data indicate how particular groups are represented in terms of their percentage of the workforce as a whole.
- **Population** data look at headcount numbers, comparing year-over-year absolute growth within a particular group.

Both of these are important to consider in achieving our goals for greater diversity and inclusion. As Microsoft grows, year-over-year representation numbers may not tell the whole story of progress, because the base workforce number is also increasing. For a group to increase representation, the population of that group needs to grow at an equal or greater rate than the general employee population. Looking at population offers an indication of absolute growth within groups to paint a broader picture of true progress.



Race and ethnicity categories

Data referenced in this report reflect numbers reported to the US Equal Employment Opportunity Commission based on these categories:

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).

BLACK OR AFRICAN AMERICAN: A person having origins in any of the Black racial groups of Africa.

HISPANIC OR LATINX: A person of Cuban, Mexican, Puerto Rican, Central or South American, or other Spanish culture or origin, regardless of race.

NATIVE AMERICAN OR ALASKA NATIVE: A person having origins in any of the original peoples of North and South America (including Central America) who maintain tribal affiliation or community attachment.

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 or ethnicities.

Levels and roles

As used in this report only, the following descriptions apply to the core Microsoft business:

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 last year's report.)

DIRECTOR: Employees with various director roles across all functions.

MANAGER: Employees at any level with at least one full-time or part-time employee role reporting to them.

INDIVIDUAL CONTRIBUTOR: Employees at any level without any full-time or part-time employee roles 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 Microsoft Stores organization.

Introduction

Real progress requires real work

This is our third annual report and our eighth consecutive year of publicly publishing our workforce demographics data. Over that time, diversity and inclusion (D&I) has evolved far beyond compliance to a key organizational priority and societal expectation.

In the past 18 months, amplified acts of hate and violence in the US and globally have moved racial injustice to the forefront of social consciousness, all while the global pandemic has exacerbated inequities. In response, employees, partners, customers, investors, and the public now unequivocally demand even more of large institutions—more transparency, accountability, and actions that lead to tangible results.

This urgency represents our collective opportunity, creating energy and conviction for the hard work ahead. Yet we must do more than meet this moment in time. At Microsoft, our growth mindset culture challenges us each to learn, improve, and act. When applied to D&I, we've always thought about how we drive sustainable, systemic change through strategy, operational discipline, collective understanding, and behavior change. And yet, this last year challenged us to raise the bar—as individuals and as a company—to do more.

With this report, we offer a quantified, transparent look at where we are now on D&I, where we've made progress, and—most importantly—where we need to improve.

Commitment and investment

Over a year marked by striking social challenges, we've made significant strides in increasing diversity and strengthening our culture of inclusion. This momentum is built on a strong foundation, years in the making, based on cross-company strategy, intentional actions, and unwavering discipline.

In a company as complex and global as Microsoft, the opportunity we have for data to help us create precise, timely solutions to advance the work is critical. The numbers are important because they represent people. Specifically, more than 180,000 people who reside in more than 100 countries and whose work experience we want to make better so they are supported to innovate and deliver for our customers, partners, and each other.

Our commitment to this growth starts at the top with a senior leadership team who are themselves steadfastly committed and passionate about the importance of this work to the competitive advantage of the company. But it's not only the senior leaders who are accountable. It's all leaders, at all levels, who have formal accountability for the long-range strategy and the day-to-day execution. It's also employees, who are encouraged to practice, learn from failure, and grow on the topic of diversity and inclusion through everyday interactions and self-reflection.

Through our Diversity & Inclusion Core Priority, part of our performance and development approach, we ask employees and managers to learn and practice the skills that create a more diverse and inclusive workplace. This often sparks difficult but crucial conversations that can challenge our fundamental view of ourselves and bring new awareness of others. So it's encouraging to see progress in our ongoing efforts to help employees understand how to effectively engage in support of each other. This year, the percentage of people who had some level of awareness of allyship increased from 65% to **92%**. Our investment in this shared language and understanding sows the seeds of long-term habit formation and change throughout the organization.

While hard numbers can create a snapshot, it's the perspectives of the people behind the data that reveal the depth of their experiences. This year's Inclusion Index, our annual measure of how engaged and included Microsoft employees feel, shows positive sentiments from **90%** of employees, up from 88% last year. This is the first time that number has changed since we started measuring inclusion.

This report is a snapshot of where we are on our D&I path at this moment. We are encouraged by our progress, and we're grateful for a leadership team fiercely focused on accelerating our efforts; managers who are embracing learning opportunities to build more inclusive teams;

employees willing to share, learn, and grow together; and the partners and organizations joining us in our journey.

Our work doesn't stop here. We embrace the opportunity to continually do more to close the gap between people's lived experiences and our aspire-to culture.

More than just a collection of data, this report is part of a long-term, challenging, vital conversation with our employees, communities, and the larger world about how we can eliminate the obstacles that hold people back from achieving all they are capable of.

We will continue to be accountable to our commitments and transparent with our progress and our learnings. Because real progress doesn't happen without real work.



Lindsay-Rae McIntyre
Chief Diversity Officer

Get a glimpse of the strategy and intent behind some of our diversity & inclusion initiatives and commitments through new videos we've created as part of this year's report. Look for this play button symbol  indicating direct links to the videos.



Get an overview of Microsoft's holistic approach to diversity & inclusion in our [Making Progress, Driving Change](#) video.

Introduction

Notable takeaways

This year's report shows continued steady movement toward greater diversity. Specifically, for women, this is the fifth disclosure in a row indicating representation increased year over year, and for most racial and ethnic groups, this is the seventh disclosure in a row of increased representation levels. There is still room for improvement—a challenge we are working on every day.

In both our broader Microsoft and core Microsoft businesses, this year's representation progress for Black and African American employees and Hispanic and Latinx employees was stronger than last year's growth. In our [core Microsoft business](#), specifically, Black and African American representation increased by **0.9 percentage points**, versus 0.3 percentage points in 2020, while Hispanic and Latinx representation increased by **0.5 percentage points**, versus 0.3 percentage points the previous year.

Representation gains in our core Microsoft business

- Black and African American employees represent **5.7%** of our core US workforce, up **0.9** percentage points.
- Hispanic and Latinx employees represent **7.0%** of our core US workforce, up **0.5** percentage points.
- Asian employees represent **35.4%** of our core US workforce, an increase of **0.7** percentage points.
- Women now represent **29.7%** of our core global workforce, an increase of **1.1** percentage points.

At the leadership levels, while we've seen some diversity gains year over year, especially among women globally and among Asian and Black and African American leaders in the US, we acknowledge that we still have much work to do in improving diversity at these levels.

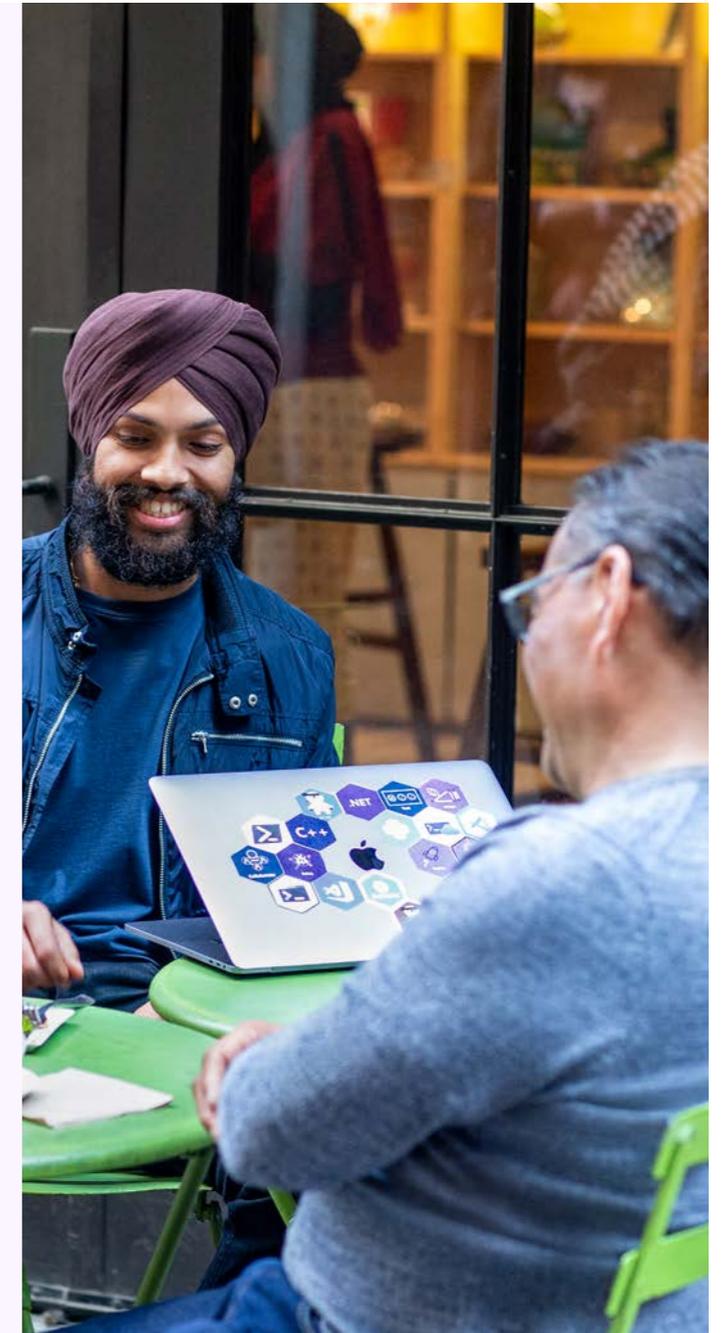
- Black and African American employees in our core US workforce comprise **6.1%** of individual contributors, **3.9%** of managers, **3.2%** of directors, and **3.8%** of partners + executives. However, at the executive level, representation increased by **1.9** percentage points over the past year to reach **5.6%**.
- Hispanic and Latinx employees in our core US workforce are **7.2%** of individual contributors, **6.0%** of managers, **5.2%** of directors, and **5.2%** of partners + executives. With an increase of **0.4** percentage points over last year, Hispanic and Latinx employees represent **3.7%** of executives.

In order to improve, we have invested in robust leadership development for both employees and their managers to uncover and activate the ways to progress their careers. This has begun with differentiated leadership development experiences for Black and African American and Hispanic and Latinx employees with their managers to offer employees more support and will grow to apply across our workforce. Executives additionally have the opportunity to work with dedicated coaches who can help them explore, learn quickly from failure, and grow in their D&I journey.

These efforts are key to achieving our commitment to double the number of Black and African American and Hispanic and Latinx people managers, senior individual contributors, and senior leaders in the US by 2025, as outlined in our [Racial Equity Initiative](#).

Additionally, in this report you'll see

- The number of US employees who identify as having a disability is up **1.0** percentage points to **7.1%**.
- Equal pay data for women globally expanded from 11 to **13** markets.
- As a positive indicator of culture, at least **96%** of employees have completed D&I learning courses on allyship, covering, privilege, and unconscious bias in the workplace.



Our mission-driven commitment

Empower every person and every organization on the planet to achieve more.

These 12 words are the directive to each one of us at Microsoft, no matter our title, level, or role. The work of diversity and inclusion—to create an environment where people can be their authentic selves in alignment with our company values—is a commitment built into the work each one of us does every single day.



“When we talk about empowering every person and every organization on the planet to achieve more, diversity and inclusion is core to how we pursue our mission. We simply cannot succeed in our business without it. If we want to empower the world, we must represent the world inside Microsoft.”

Satya Nadella
Chief Executive Officer



“As much as companies have been investing in D&I for years, the conversation fundamentally changed in a multitude of ways this past year. Like many companies, we’re engaged in conversations that we’ve been having for some time, but the tone, the tenor, and the urgency has increased. And the sensitivity to inequity has become that much more critical. Our ongoing and sustained commitment to this work requires accountability and prioritization from leadership. Yet achieving progress also requires that we listen, engage, and learn from employees. That sense of urgency and sense of commitment give me optimism that we will make the world more inclusive and diverse.”

Kathleen Hogan
Chief People Officer

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The state of Diversity and Inclusion at Microsoft in 2021



Representation

On pages 9 to 11, we look first at data on representation and then population across our **broader Microsoft business**. Our aspiration is to see continuous progress. To do that, we know we must embrace systemic disruption. Over the last several years, we've meticulously strengthened and refined initiatives and programs that reflect our company-wide commitment to this work. With this year's report, we see notable progress toward our objective of creating a more diverse and inclusive Microsoft.

Our broader Microsoft business

Representation: Year-over-year increases with room to improve*

This year saw distinct increases in representation of Black and African American employees and Hispanic and Latinx employees compared to previous reporting periods.

Representation of Black and African American employees in the broader US Microsoft workforce increased **0.9 percentage points** from 2020 to 2021, compared to 0.3 percentage points from 2019 to 2020, 0.4 from 2018 to 2019, and 0.2 from 2017 to 2018.

Representation of Hispanic and Latinx employees in the broader US Microsoft workforce increased **0.5 percentage points** from 2020 to 2021, compared to 0.3 percentage points from 2019 to 2020, 0.3 from 2018 to 2019, and 0.2 from 2017 to 2018.

Among other groups, representation of women globally increased **0.7 percentage points** from 2020 to 2021, compared to a 1.0 percentage point increase from 2019 to 2020, 1.2 from 2018 to 2019, and 1.1 from 2017 to 2018.

Representation of Asian employees in the US was **unchanged** from 2020 to 2021, versus an increase of 1.6 percentage points from 2019 to 2020, 1.0 from 2018 to 2019, and 0.9 from 2017 to 2018.

Representation of employees who identified as multiracial increased **0.2 percentage points** from 2020 to 2021, the same percentage point increase from year to year every year since 2017, except up by 0.3 percentage points from 2018-2019.

Representation of employees identifying as Native American, Alaska Native, Native Hawaiian, and Pacific Islander has **fluctuated by 0.1 percentage points** over the last five reporting periods.

2021 representation levels compared to 2020

WOMEN

30.9% +0.7 percentage points since 2020.

ASIAN

34.9% 0.0 percentage points since 2020.

BLACK AND AFRICAN AMERICAN

5.6% +0.9 percentage points since 2020.

HISPANIC AND LATINX

6.9% +0.5 percentage points since 2020.

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

0.6% 0.0 percentage points since 2020.

MULTIRACIAL

2.5% +0.2 percentage points since 2020.

Representation levels 2017-2021

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------------------------------|-------|-------|-------|-------|-------|
| GLOBAL DATA | | | | | |
| WOMEN | 27.0% | 28.1% | 29.2% | 30.2% | 30.9% |
| MEN | 73.0% | 71.8% | 70.7% | 69.6% | 69.0% |
| US DATA | | | | | |
| ASIAN | 31.4% | 32.3% | 33.3% | 34.9% | 34.9% |
| BLACK AND AFRICAN AMERICAN | 3.8% | 4.0% | 4.4% | 4.7% | 5.6% |
| HISPANIC AND LATINX | 5.7% | 5.9% | 6.2% | 6.4% | 6.9% |
| NATIVE AMERICAN AND ALASKA NATIVE | 0.5% | 0.5% | 0.5% | 0.4% | 0.4% |
| NATIVE HAWAIIAN AND PACIFIC ISLANDER | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% |
| WHITE | 55.9% | 54.1% | 52.1% | 49.2% | 48.3% |
| MULTIRACIAL | 1.7% | 1.9% | 2.1% | 2.3% | 2.5% |

* Percentages are calculated to the 1/100th but rounded and published in 1/10th. Differentials may differ slightly due to rounding.

Population



Our broader Microsoft business

Population: Gaining ground

The size of our workforce can obscure the scale of the impact. With more than 180,000 employees, representation increases of even a few percentage points are meaningful and encourage us to continue the work.

Tracking population growth is helpful. As the size of the company grows, the population of women and racial and ethnic minorities should likewise rise so that these groups can continue to make representation gains. Over the past five reporting periods, the population of almost all groups increased at a rate exceeding the general employee population growth, with Black and African American and multiracial employee populations in the US more than doubling.

Population increases over last five reporting periods (2017 to 2021)

- The broader Microsoft global workforce grew **46.5%**, while the number of women employees grew **67.5%**.
- The size of the US workforce in our broader Microsoft business grew **41.9%**, while the number of US employees identifying as:
 - Black and African American more than doubled since 2017, increasing **108.8%**.
 - Hispanic and Latinx increased **71.4%**.
 - Asian increased **57.8%**.
 - Multiracial increased **112.6%**, reflecting the fact that this is the fastest-growing segment of the US population.
 - Native American, Alaska Native, Native Hawaiian, and Pacific Islander increased **24.5%**.

Population growth in our broader Microsoft business

| | 2020-2021 | 2017-2021 |
|--------------------------------------|-----------|-----------|
| GLOBAL DATA | | |
| GLOBAL WORKFORCE GROWTH | +12.5% | +46.5% |
| WOMEN | +14.9% | +67.5% |
| MEN | +11.4% | +38.5% |
| US DATA | | |
| US WORKFORCE GROWTH | +9.2% | +41.9% |
| ASIAN | +9.2% | +57.8% |
| BLACK AND AFRICAN AMERICAN | +29.2% | +108.8% |
| HISPANIC AND LATINX | +17.1% | +71.4% |
| NATIVE AMERICAN AND ALASKA NATIVE | +8.3% | +25.1% |
| NATIVE HAWAIIAN AND PACIFIC ISLANDER | +5.7% | +23.0% |
| WHITE | +7.2% | +22.6% |
| MULTIRACIAL | +18.4% | +112.6% |

Minimally integrated companies

While Microsoft's minimally integrated companies have separate recordkeeping systems, our D&I priorities apply to all the companies that are part of the Microsoft family. Though our strategies may share some similarities, they're also designed to address the unique opportunities and challenges of the individual businesses.

Our broader Microsoft business



At GitHub, we strive to build the best platform for an interconnected community of 65 million developers all over the world—people of vastly different identities who we celebrate, and intentionally include. As the host to 200 million repositories and supporting three million organizations, we know that we have a responsibility to promote and embody diversity, inclusion, and belonging.

It has been a year of exponential employee population growth*

GLOBAL EMPLOYEES

+41.5%

GLOBAL WOMEN EMPLOYEES

+43.7%

NON-US EMPLOYEES

+65.7%

US BLACK AND AFRICAN AMERICAN EMPLOYEES

+47.2%

US EMPLOYEES

+33.1%

US HISPANIC AND LATINX EMPLOYEES

+29.4%

This population growth trend supported increased representation in key areas. Employees who identify as women now make up **29.3%** of our global workforce, **22.1%** of senior leadership roles, **31.3%** of management roles, and **22.1%** of our technical roles. In fact, the number of women in technical roles has doubled since 2020. Black and African American employees now make up **5.4%** of GitHub's US workforce and **3.0%** of senior leadership roles. Hispanic and Latinx employees make up **7.6%** of our US workforce and **5.4%** of senior leadership roles.

As we continue to rapidly grow, we do so with an intent to continue reflecting the diversity of the global developer community and creating experiences that help people from all backgrounds thrive. By being globally diverse and intentionally inclusive, we are better able to foster creativity, collaboration, and belonging—and truly become a home for all developers.

[Read more in our **GitHub Diversity, Inclusion, and Belonging Report**.](#)



At LinkedIn, we are building a more diverse and inclusive company where all talent thrives. We envision a workforce that reflects the communities we serve; diversity, inclusion, and belonging remain our number one talent priority. Our commitment spans the employee experience, from inclusive recruiting to ensuring equitable professional growth and development opportunities and building an environment of belonging across our global workforce.

In October 2020, LinkedIn announced 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. We are encouraged by the material increase in the percentage of Black and African American and Hispanic and Latinx employees over the last year, especially in management and leadership.

The US population of Black and African American managers and senior individual contributors increased **35.0%** between 2020-2021. Hispanic and Latinx managers and senior individual contributors in the US increased **20.3%** over the same period. Both of these groups have grown materially faster than our overall US workforce, increasing leadership diversity at LinkedIn. At this pace, we are well on the way to meeting our five-year commitment.

Representation highlights from our **2021 LinkedIn Diversity and Inclusion Report***

WOMEN EMPLOYEES

45.0%

+0.6 percentage points 2020-2021

US BLACK AND AFRICAN AMERICAN EMPLOYEES

4.7%

+1.0 percentage points 2020-2021

WOMEN IN TECHNICAL ROLES

25.1%

+1.3 percentage points 2020-2021

US HISPANIC AND LATINX EMPLOYEES

6.3%

+0.6 percentage points 2020-2021

[Read more in our **2021 LinkedIn Diversity and Inclusion Report**.](#)

* Historically, GitHub and LinkedIn reported representation as a percentage of the workforce who self-identify. Aligning to Microsoft, GitHub and LinkedIn will now report representation based on the total workforce population, inclusive of those who choose not to self-identify.

Representation

On pages 12 to 20, we look more closely at our **core Microsoft business**, which represents more than 88% of our broader Microsoft workforce. Beyond representation and population data, we also look within levels and roles and share updates on our Racial Equity Initiative commitments, representation of employees who identify as having a disability, equal pay, and our Inclusion Index and sentiment gathering efforts.



Our core Microsoft business

Representation: Positive trends, still work to do

The data across our core Microsoft business show upward trends for women (an increase of **1.1** percentage points), Black and African American employees (an increase of **0.9** percentage points), and Hispanic and Latinx employees (an increase of **0.5** percentage points).

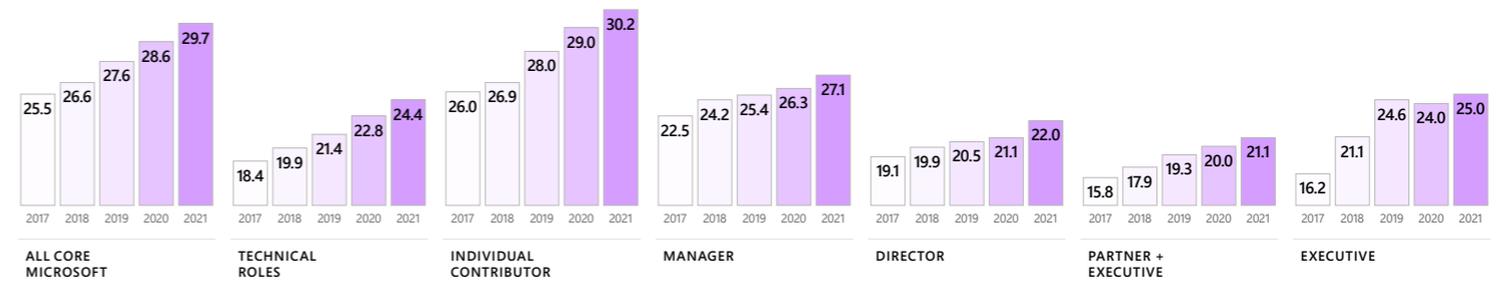
Representation of key groups rose at all levels of the organization since last year, reflecting our long-term, systemic investments in leadership representation growth. At the executive level, representation of women globally increased **a whole percentage point** since 2020. In the US, representation of Black and African American executives rose **1.9** percentage points and representation of Hispanic and Latinx executives rose **0.4** percentage points since 2020.

To achieve more robust representation at all levels, we are focused on providing transparency and support for career development for all professions and career stages.

Representation trends across all core Microsoft roles and levels from 2017 to 2020*

Numbers equal percent of representation

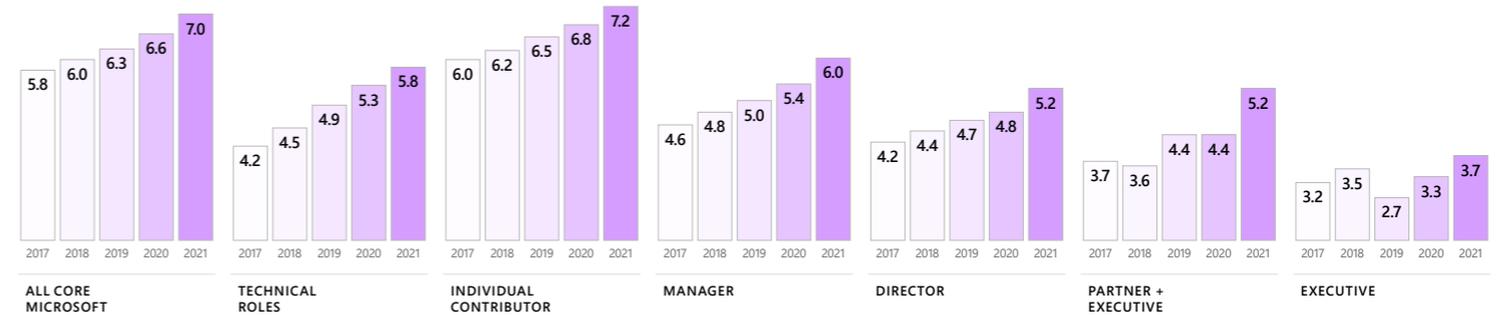
WOMEN



BLACK AND AFRICAN AMERICAN



HISPANIC AND LATINX



* Percentages are calculated to the 1/100th but rounded and published in 1/10th. Differentials may differ slightly due to rounding. Totals may not equal 100% due to rounding or because denominators include people who choose not to disclose.

Representation

Demographic representation in our core Microsoft business*

WOMEN MEN

ASIAN

BLACK AND AFRICAN AMERICAN

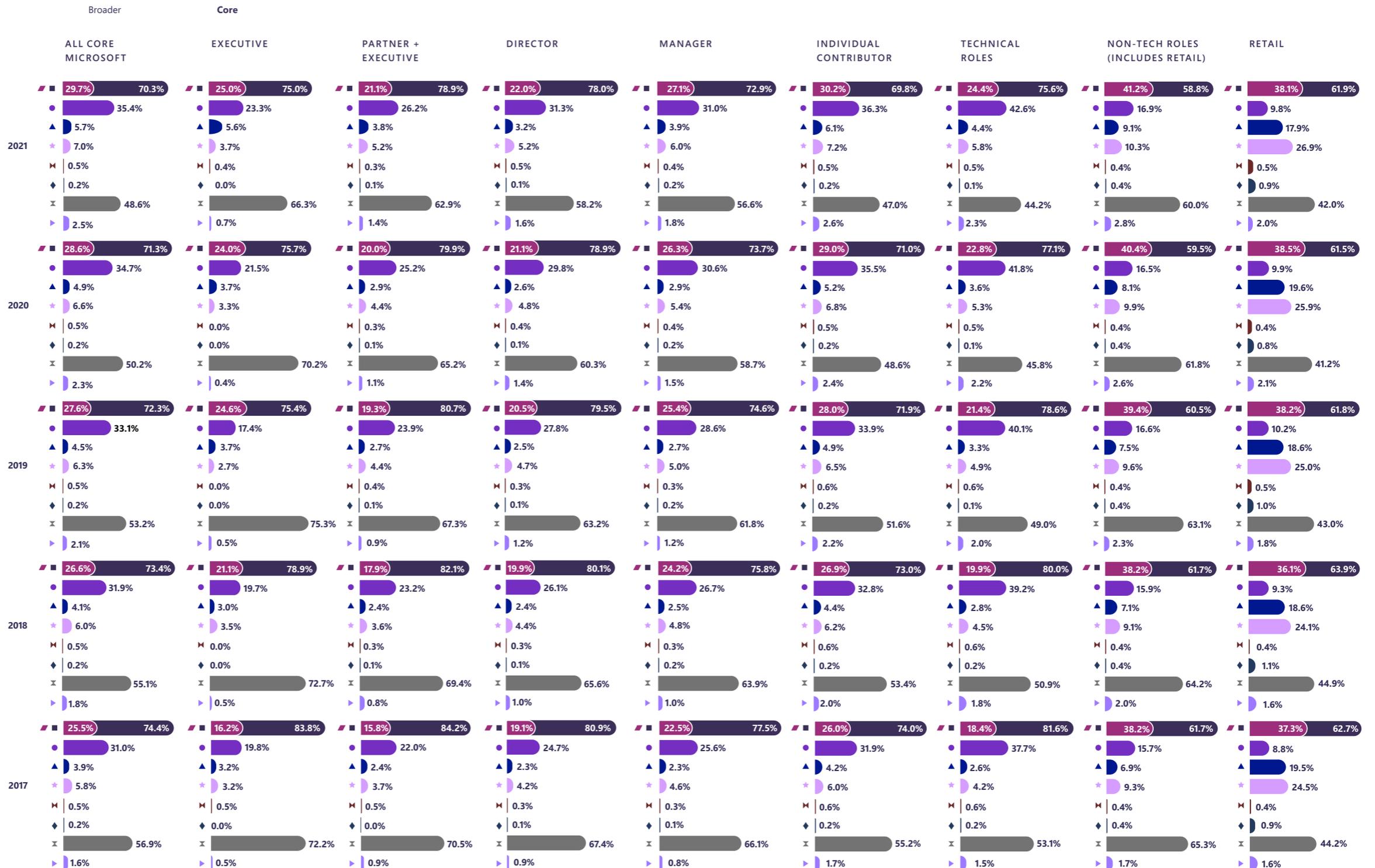
HISPANIC AND LATINX

NATIVE AMERICAN AND ALASKA NATIVE

NATIVE HAWAIIAN AND PACIFIC ISLANDER

WHITE

MULTIRACIAL



* Numbers may not total 100% due to inclusion of people who choose not to disclose.

Population

Data from our core Microsoft business since 2017 show that the numbers of women globally and racial and ethnic minorities in the US continued to rise and exceeded overall workforce growth.



Our core Microsoft business

Population: Making strides

Since 2017, the size of our global core Microsoft workforce grew **41.6%**, while the number of women employees globally grew **64.9%**. Similarly, over the same period, the percentage growth in the numbers of Black and African American, Hispanic and Latinx, Asian, and multiracial employees in the US exceeded the overall US core Microsoft workforce growth of **35.4%**. Sustaining this trend of population growth is essential to increasing representation. We are clear on our opportunity to increase the number of employees who identify as Native American, Alaska Native, Native Hawaiian, and Pacific Islander.

Increasing the number of racial and ethnic minority managers is an intentional area of focus as we seek to diversify the role models in the workforce. Between 2017 and 2021, Black and African American, Native American, Alaska Native, Native Hawaiian, Pacific Islander, and multiracial manager populations more than doubled. The number of Hispanic and Latinx managers nearly doubled.

Population growth in our core Microsoft business*

| | GLOBAL WORKFORCE GROWTH | | US WORKFORCE GROWTH | | | | | | | | | | |
|--------------------------------------|-------------------------|---------|---------------------|---------|--------------------|-----------|---------------------|-----------|-----------|------------------------|-----------------|----------------|--------|
| | 2020-2021 | +12.5% | 2020-2021 | +8.4% | 2020-2021 | 2020-2021 | 2020-2021 | 2020-2021 | 2020-2021 | 2020-2021 | | | |
| | 2017-2021 | +41.6% | 2017-2021 | +35.4% | ALL CORE MICROSOFT | EXECUTIVE | PARTNER + EXECUTIVE | DIRECTOR | MANAGER | INDIVIDUAL CONTRIBUTOR | TECHNICAL ROLES | NON-TECH ROLES | RETAIL |
| GLOBAL DATA | | | | | | | | | | | | | |
| WOMEN | 2020-2021 | +16.8% | +15.6% | +19.6% | +21.9% | +19.9% | +16.3% | +22.4% | +10.3% | -26.8% | | | |
| | 2017-2021 | +64.9% | +124.2% | +88.0% | +90.8% | +79.3% | +62.9% | +101.0% | +34.0% | -34.4% | | | |
| MEN | 2020-2021 | +10.8% | +9.9% | +11.8% | +15.5% | +14.8% | +10.1% | +12.2% | +7.0% | -25.3% | | | |
| | 2017-2021 | +33.6% | +29.8% | +31.5% | +60.0% | +39.7% | +32.6% | +40.1% | +18.4% | -36.4% | | | |
| US DATA | | | | | | | | | | | | | |
| ASIAN | 2020-2021 | +10.8% | +21.2% | +17.1% | +20.7% | +15.2% | +10.0% | +10.8% | +10.2% | -25.7% | | | |
| | 2017-2021 | +55.0% | +70.3% | +67.9% | +104.4% | +77.8% | +51.7% | +59.3% | +31.8% | -32.3% | | | |
| BLACK AND AFRICAN AMERICAN | 2020-2021 | +27.5% | +66.7% | +47.8% | +38.3% | +51.4% | +25.0% | +32.5% | +21.7% | -31.3% | | | |
| | 2017-2021 | +99.0% | +150.0% | +126.7% | +127.0% | +149.1% | +94.0% | +141.9% | +62.9% | -43.6% | | | |
| HISPANIC AND LATINX | 2020-2021 | +16.1% | +25.0% | +32.9% | +22.3% | +27.0% | +14.5% | +18.9% | +12.3% | -22.1% | | | |
| | 2017-2021 | +65.1% | +66.7% | +97.9% | +97.4% | +91.4% | +61.4% | +92.9% | +36.5% | -32.8% | | | |
| NATIVE AMERICAN AND ALASKA NATIVE | 2020-2021 | +5.8% | — | +20.0% | +39.7% | +39.6% | +1.1% | +4.2% | +10.8% | -20.0% | | | |
| | 2017-2021 | +24.8% | 0.0% | 0.0% | +187.9% | +131.0% | +14.8% | +25.0% | +24.1% | -27.3% | | | |
| NATIVE HAWAIIAN AND PACIFIC ISLANDER | 2020-2021 | +3.4% | 0.0% | 0.0% | +7.4% | +54.5% | -3.9% | +8.1% | -1.1% | -11.1% | | | |
| | 2017-2021 | +18.2% | 0.0% | — | +61.1% | +126.7% | +6.5% | +20.8% | +15.6% | -36.0% | | | |
| WHITE | 2020-2021 | +4.9% | +5.3% | +8.5% | +10.7% | +9.9% | +3.8% | +5.1% | +4.6% | -23.5% | | | |
| | 2017-2021 | +15.8% | +32.6% | +25.4% | +39.1% | +26.1% | +13.6% | +17.4% | +12.8% | -41.8% | | | |
| MULTIRACIAL | 2020-2021 | +16.1% | +100.0% | +38.9% | +30.3% | +35.2% | +13.9% | +16.5% | +15.3% | -27.1% | | | |
| | 2017-2021 | +109.8% | +100.0% | +127.3% | +194.6% | +208.1% | +100.9% | +113.3% | +102.6% | -23.9% | | | |

*"—" indicates a mathematically undefined term that results when the starting point is zero.

Population



The growth of multiracial identity

From 2020 to 2021, the number of employees who identify as multiracial in our core Microsoft business grew by **16.1%**, surpassing core US workforce growth, and more than doubling since 2017. The multiracial population is rising rapidly in the US in general, according to the 2020 US Census.

However, there are still fewer members of this community at Microsoft than any other group except for Native American, Alaska Native, Native Hawaiian, and Pacific Islander. As Microsoft increases self-identification options, the multiracial category could expand, with a growing number of employees choosing it as a more accurate representation of their racial and ethnic background.

Our core Microsoft business

Growing opportunities for self-identification

As the saying goes, data can only give you answers as good as the questions you ask. While we use specific categories that align with those we're required to report to the US government, we know that the way employees express their identities does not always match the categories from which they can choose.

We're exploring how to make sure more employees have the opportunity to self-identify in the way they choose, including those who are of two or more racial or ethnic identities. Moving forward, we'll offer a wider range of choices for employees in the US and we'll continue to explore offering race and ethnicity self-identification options globally.

We've increased the number of countries where employees are able to voluntarily and confidentially share attributes of their personal identity such as sexual orientation, disability status, and military status, with more robust options for gender identity or identifying as transgender, providing it's safe to do so in their geographies. Even as we strive to provide the psychological safety for self-identification, we recognize that some employees may choose not to self-identify on certain dimensions of identity in light of local laws or regional acceptance. We're exploring how we can further expand beyond the current markets where self-identification is offered.

With these changes, we hope to create an even more inclusive experience for employees, increase the accuracy of our data, and better inform our D&I strategies and investments.

Retail transformation

As the shift to online shopping continued to grow, in 2020 **we strategically transformed our retail operations** and focused on developing retail employees' skills to meet customers' changing needs. Because our retail business has a higher representation of Black and African American and Hispanic and Latinx employees than in our core Microsoft business as a whole, this shift had the potential to impact representation numbers for these groups more.*

Microsoft Store employees are at the core of this successful transformation and bring heart and passion to their work. Each Store employee had the opportunity to transition into new career opportunities in digital selling, training, or support in one of 40+ Microsoft locations. We developed more than 80 new learning and coaching courses designed to upskill employees with a range of professional backgrounds, skillsets, and expertise into new roles. To date, more than 800 employees have completed the Selling at Microsoft Store program, a multiweek digital sales training course. We've already seen how Store employees coming out of this program bring insight and energy to new roles in the company.

Microsoft Store employees have been a great source of talent into corporate roles with strong collaboration across the company. In 2021, nearly 300 Microsoft Store employees transferred to a variety of different roles, such as Digital Sales Representatives, Product Marketing Managers, Business Program Managers, and Customer Success Account Managers, across a variety of Microsoft businesses, in almost all of our different business divisions.

We're excited for the future of Microsoft Store and the opportunity to expand opportunities for every team member.

* The largest racial and ethnic minority groups represented in the US Retail organization in 2020 were Hispanic and Latinx at 25.9% and Black and African American at 19.6%.



Shar Lawson, now a Business Program Manager in our Microsoft Sales Academy, is one of the former Microsoft Store Direct Sales and Support employees continuing to grow their careers at the company by learning new ways to meet customer needs.



Learn more about Microsoft Store employee career progression experiences in this video.

Racial Equity Initiative

In June 2020, we outlined a series of commitments designed to address the racial injustice and inequity experienced by members of the Black and African American community and the Hispanic and Latinx community. Our Racial Equity Initiative is centered on three multiyear pillars:

1 Increasing representation and strengthening a culture of inclusion

We're building on our momentum, adding a \$150 million investment to strengthen inclusion and double the number of US Black and African American and Hispanic and Latinx people managers, senior individual contributors, and senior leaders by 2025.

2 Engaging our ecosystem

We're using our balance sheet and relationships with suppliers and partners to foster societal change and create new opportunity.

3 Strengthening our communities

We're using data, technology, and partnerships to help improve the lives of Black and African American people in the US, which includes our employees and their communities.



Read more about these [commitments and updates on our progress](#) across these pillars.

Our core Microsoft business

Our progress on increasing representation and strengthening inclusion

We're well on our way to fulfilling our commitment to double the number of Black and African American and Hispanic and Latinx people managers, senior individual contributors, and senior leaders in the core US workforce by 2025.

As of June 2021

- For Black and African American people managers (below director level), we're **71.0%** of the way to our 2025 commitment.
- For Black and African American directors, partners, and executives—including people managers and individual contributors—we're **39.1%** of the way to our 2025 commitment.
- For Hispanic and Latinx people managers (below director level), we're **25.7%** of the way to our 2025 commitment.
- For Hispanic and Latinx directors, partners, and executives—including people managers and individual contributors—we're **23.1%** of the way to our 2025 commitment.

Over the past five years, Microsoft has increased representation for all demographics and levels reported in the 2020 Diversity & Inclusion Report and data disclosure. But we know that such a commitment goes beyond the numbers to the meaningful and sustainable ways we drive individual, cultural, and systemic change. Here are some additional updates on our commitments.

Culture of inclusion

As a positive indicator of culture, at least **96%** of employees have completed D&I learning courses on allyship, covering, privilege, and unconscious bias in the workplace. We've begun pilots of the executive D&I conversations focused on Black and African American corporate workplace experiences, and we will begin the pilots for conversations on Hispanic and Latinx workplace experiences within the year. These are the beginning of executive discussions on dimensions of identity, community, and geography which we'll continue to expand in the future.

Career planning and talent development

We've launched 20 cohorts of our mid-level and senior-level leadership development programs, with further staged cohorts planned for next year, and beyond. Differentiated development programs have positive effects on employee experience and career development because they provide psychological safety for learning and growth and are only one offering in the larger suite of learning and development programs for all employees. The programs are opt-in and require managers of all participants to participate in a parallel track to grow how they understand and support their employees.



Check out our [Addressing Racial Injustice: Racial Equity Initiative](#) video.

US employees with disabilities

More than one billion people around the world live with a disability, and at some point, most of us will likely face some type of temporary, situational, or permanent disability. Employment and education rates are lower and poverty rates are higher for people with disabilities.

From our 25 years of work on accessibility at Microsoft, we've learned that people with disabilities represent one of the world's largest untapped talent pools, and that inclusion of disabled talent is crucial to achieving our mission.



"It's important that our company reflect the diversity of our customers. People with disabilities provide learnings and expertise that make for better products and services to help us realize our mission to empower every person and every organization on the planet to achieve more."

Jenny Lay-Flurrie
Chief Accessibility Officer

Our core Microsoft business

Employees with disabilities have been the catalysts of great Microsoft innovations such as Learning Tools, live captioning in Teams, the Xbox Adaptive Controller, Seeing AI, Surface Adaptive Kit, and many more. We continue to actively work to hire and nurture people with disabilities to bring their expertise into our processes, products, and culture at every level.

To better understand our workforce and appropriately invest and support employees, we encourage employees to voluntarily self-identify as having a disability.

AS OF JUNE 2021,
7.1% of US employees

in our core Microsoft business chose to self-identify as having a disability. This is a whole percentage point increase from 2020.

The pandemic, its impact on mental health, and the long-term effects of COVID-19 have both directly and indirectly increased our understanding of disability itself and increased the number of people who identify as having a disability. Yet, there's much more to learn. Just **43.4%** of US core Microsoft employees have taken the anonymous survey, but as more people experience some form of disability in their lives and among those around them, we continue to strive to foster a safe environment and welcoming culture where everyone can bring their authentic selves to work, inclusive of their disability.



Equal pay data

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.

Our core Microsoft business

RACIAL AND ETHNIC MINORITIES IN THE US

\$1.006

As of September 2021, 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 **\$1.002**; Hispanic and Latinx employees earn **\$1.003**; and Asian employees earn **\$1.008** for every \$1.000 earned by white employees at the same job title and level.

WOMEN IN THE US

\$1.002

As of September 2021, women in the US earn **\$1.002** for every \$1.000 earned by their counterparts in the US who are men.

WOMEN GLOBALLY

\$1.001

This is our third year of looking at women's pay globally. Last year, we continued to expand our pay equity data to report on how women are paid in ten markets outside the US. This year, we're expanding our pay equity data to include two additional markets outside the US. As of September 2021, women in the US, Australia, Canada, China, France, Germany, India, Ireland, Israel, Japan, Romania, Singapore, and United Kingdom combined earn **\$1.001** for every \$1.000 earned by men in these combined geographies. The employee population of these 13 markets represents **86.6%** of the total Microsoft workforce.



Check out our [Women in Technology: Innovation and Opportunity](#) video.

Inclusion Index

In 2019, we first shared our Inclusion Index, a measure of employee sentiment on topics of transparency, belonging, authenticity, team culture, 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 2021 survey results indicate that **90%** of employees reported positive sentiments, up from **88%** in 2020, and the first increase since we started measuring inclusion.

Our core Microsoft business

Assessing culture through listening

We've long believed that some of the most powerful data come directly from the voice of employees through the comments they provide in our confidential surveys. We continue to apply the latest in advanced natural language processing techniques to help us evaluate large volumes of comments and discover the richness of employees' personal perspectives. We also use our own technology—such as Microsoft Viva Insights, which aggregates information about work patterns—to help us better understand the key influencers and drivers of employee sentiment. We have several other ways to understand employee perspectives, including:

- Microsoft Daily Pulse, a short survey sent to a random sample of 2,500 employees each business day.
- Microsoft Poll, our annual, all-employee census survey.
- AskHR, our HR employee question intake platform.
- Location-specific surveys to understand the experiences of employees in different parts of the world.
- Employee lifecycle surveys such as onboarding, exit, and internal mobility surveys to understand moments that matter in an employee's career.
- Employee resource groups, which provide meaningful community perspectives.

We offer many other formal and informal feedback loops that empower us to listen, learn, and respond, which is central to our D&I journey. Over the past year, we focused particularly on ensuring solid channels to support employees throughout the COVID-19 pandemic. We'll keep refining these systems and measurements into 2022, including increasing the impact of our census survey, with the goal of better understanding the lived experiences of employees, fostering the culture to which we aspire, and enabling connection, engagement, and retention.



Sharing resources

We feel a strong responsibility to acknowledge our privilege and use our access to resources to deepen this conversation on a global level. Our ambition is to nurture more diversity and inclusion, not only within Microsoft, but anywhere people are trying to bring their authentic selves and do their best work. This means examining what D&I means beyond the US lens and broadening the conversation to include more dimensions of identity.

In March, we hosted **Include 2021**, a first-of-its-kind diversity and inclusion event that brought together some of the best external experts in academia, law, behavioral science, and social change who have spent full careers studying, documenting, and teaching on these issues. The purely digital two-day experience featured more than 110 sessions and reached 185 countries. It generated a substantial amount of publicly available learning content for on-demand viewing. We hope this body of work will continue to spark conversations and inspire individuals and organizations on their own D&I journeys.

➤ We invite you to explore [these learning resources](#) from **Include 2021**.

▶ Check out our [Storytelling and Learning: Driving Change at Scale](#) video.

Recognition

We don't invest in this work with a goal of winning awards or gaining accolades. But we do appreciate that many different stakeholders, including partners, potential collaborators, and employees, view these third-party assessments as objective indications of how well we're demonstrating the strength of our commitment. Potential employees often learn about our culture and D&I efforts from these organizational D&I reviews, which can factor in where they decide to work. Frequently, outside appraisals do let us know where we have room to improve and inspire us to keep learning and growing.

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

Our core Microsoft business

Fortune

#1 Fortune 500 Company on Diversity and Inclusion

Awarded June 2021

Glassdoor

Best Places to Work 2021

Awarded January 2021

Top CEOs

Awarded June 2021

Disability:IN

Best Places to Work 2021

Awarded July 2021

Human Rights Campaign

Corporate Equality Index

17 consecutive years earning 100% score in recognition of our advocacy on our internal policies

Randstad

Most Attractive Employers in the Czech Republic 2021

Awarded April 2021

Forbes

America's Best Large Employers 2021

Awarded February 2021

Canada's Best Employers 2021

Awarded January 2021

Best Employers for New Graduates 2021

Awarded May 2021

America's Best Employers for Diversity

Awarded April 2021

Best Employers by State

#1 in Washington, D.C., Georgia, North Carolina, and Tennessee; Top 10 for California, Illinois, New Jersey, New York, Ohio, Virginia, and Washington

Comparably

Best CEOs for Diversity 2021

Awarded July 2021

Best CEOs for Women 2021

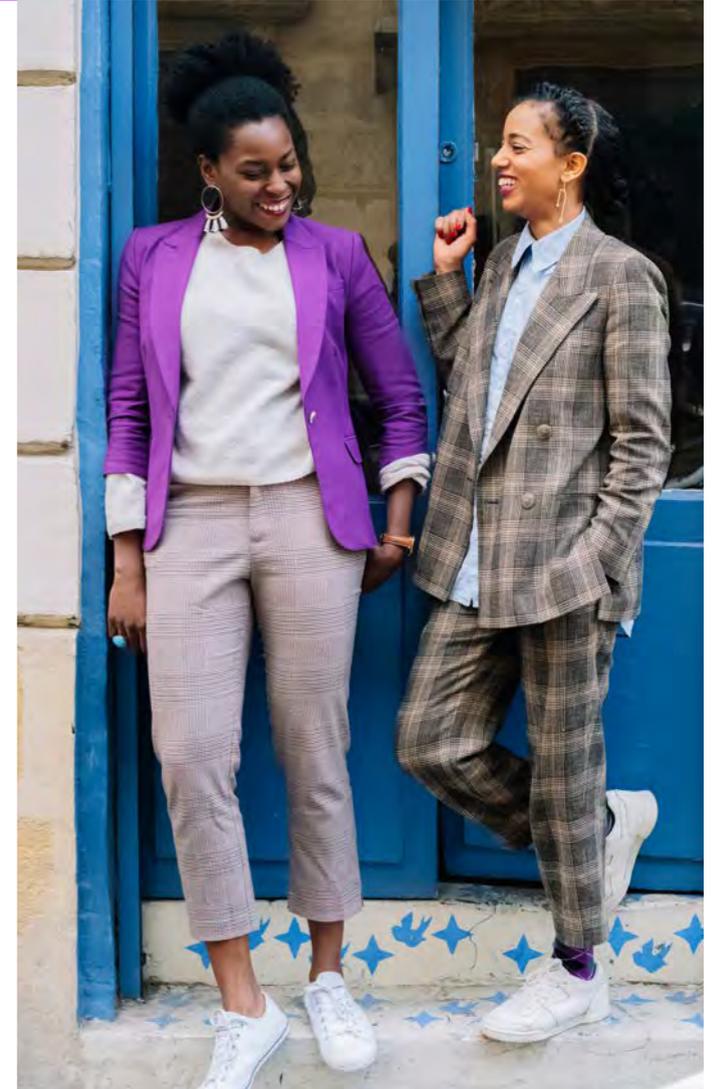
Awarded April 2021

Best Global Culture

Awarded March 2021

Best Companies for Diversity 2020

Awarded December 2020



Check out our [Global LGBTQI+ Communities: Amplifying Impact](#) video.

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Conclusion



In pursuit of progress

In a data-focused report such as this, it's tempting to get lost in the litany of numbers and focus solely on fractional change. This year's data indicate we're moving in the right direction, but we can't lose sight of the ultimate objective, which is for every single employee to feel valued and supported.

This is critically important for any company that claims to innovate; diverse perspectives provide the spark for the most inventive ideas and solutions.

Tackling the pragmatic and strategic elements of this work sometimes feels daunting for a company of our size and scale. And yet it is our audacious mission that inspires us to do more each day and accelerate the pace of change.

The challenges are known, the opportunity is clear—and we are fierce in our commitment to make a difference, now and for the future, with the human experience always at the heart of our work.





Global Diversity & Inclusion Report

2021