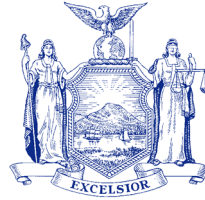


THOMAS P. DiNAPOLI
STATE COMPTROLLER



110 STATE STREET
ALBANY, NEW YORK 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

September 25, 2023

Satya Nadella, Chairman and CEO
Microsoft Corporation
1 Microsoft Way
Redmond WA 98052

Email: askboard@microsoft.com

Dear Board Chair Nadella:

I write as Trustee of the New York State Common Retirement Fund (Fund), one of the largest public pension funds in the United States, which holds and invests the assets of the New York State and Local Retirement System on behalf of more than one million members, retirees and beneficiaries. As an investor in Microsoft, I am writing specifically regarding the company's commitment to board diversity.

The Fund has long regarded board diversity as a critical measure of sound corporate governance, as research has shown the ability to draw on a wide range of perspectives and experiences supports sustained success in the global marketplace. While some progress has been made on diversifying corporate boards, disability continues to be overlooked as a measurable dimension of diversity in corporate boardrooms.

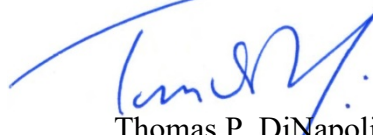
Research has shown a strong link between financial performance and disability inclusion. Academic and practitioner studies have consistently found that companies with more diverse boards and senior leadership teams, including people with disabilities, perform better financially and operationally. Furthermore, compared to companies with no disability representation on their boards, those with disability-inclusive boards are better equipped to govern responsibly, manage risk effectively, make sound decisions, align with customers, engage employees, and be transparent.

As a company that has made commitments and progress related to disability inclusion and board diversity, I am encouraging the Board to modernize its nominating and/or governance committee charters. The charter changes should include a commitment to consider the Board's diversity inclusive of people with disabilities in identifying director candidates. To assist the committee's efforts, I would encourage you to review materials released by Disability:IN, the leading nonprofit resource for business disability inclusion, including model language for charters. These materials can be found at: www.disabilityin.org/boards-are-in.

We would be happy to discuss this issue with you, as it is a key area of focus for the Fund's stewardship program in 2024. If you have any questions or would like to schedule a meeting to discuss, please feel free to contact Kyle Seeley, Head of Stewardship, New York State Common Retirement Fund, at kseeley@osc.ny.gov.

Thank you for your attention to this important matter and I look forward to your response.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom DiNapoli", with a long horizontal flourish extending to the left.

Thomas P. DiNapoli
State Comptroller