

## Achieving more for Switzerland



## Living our mission and embracing responsibility



Satya Nadella
Chairman and CEO

Read Satya's Annual Shareholder Letter

We are living through a time of historic challenge and opportunity. The world faces ongoing economic, social, and geopolitical volatility. At the same time, we have entered a new age of AI that will fundamentally transform productivity for every individual, organization, and industry on earth, and help us address some of our most pressing challenges.

Amid this transformation, **our mission to empower every person and every organization on the planet to achieve more** remains constant. We believe we can be the democratizing force for this new generation of technology, helping unlock its opportunity while mitigating its risks.

To do this, we focus on four enduring commitments that are central to our mission. These commitments take on even greater importance in this new era, serving as a guide to help us make decisions as we design and develop products, shape business processes and policies, help our customers thrive, build partnerships, and more—always asking ourselves critical questions to ensure our actions align with our mission:

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This is our moment to show up and responsibly build solutions that drive broad economic growth. If we do it well, the world will do well, and Microsoft will do well too. I've never been more confident that we will deliver on this promise, together.

#### Supporting Switzerland to advance its unique strengths

Switzerland is built on trust, and so is Microsoft. As the world moves to a new, data-driven economy and society, we remain committed to empowering every person and every organization in Switzerland on their digital transformation journeys

Home to the most competitive economy and some of the most innovative companies and universities in the world, Switzerland and Microsoft are both exceptionally positioned to lead how new technologies can transform businesses and solve some of society's most pressing challenges.

Building on our 30+ year history and proximity to Swiss customers, regulators, and policymakers, we offer a deep understanding of the Swiss needs, laws, and regulations to meet local demands. We are committed to delivering the innovation and digital acceleration that drives broad economic growth, while ensuring a more inclusive, equitable, sustainable, and trusted future for everyone.

We support large companies, SMEs, start-ups, schools and educational institutions as well as the public sector on their digital transformation and local innovation capabilities journey.

To empower our customers, we offer an array of services, including cloud-based solutions and tools that enable them to drive productivity, competitiveness, and efficiency in a secure, trustworthy environment.

Our growth mindset pushes continuous evolution and innovation, to build resilience, impact, and relevance for our customers. With our team of more than 1,000 experts and our network of 4,600 partner organizations, we empower our customers of all sizes and from all industries to realize their full potential as they embark on their unique digital transformation journey to achieve more with less.

GC Hhl

Catrin Hinkel
Country General Manager Switzerland

Visit aka.ms/MicrosoftSwitzerland



## More than 30 years in Switzerland

1989



#### 1989 **Microsoft establishes** presence in **Switzerland**

Microsoft Switzerland is founded in Zurich with two employees.

#### 2002 **Move Headquarters** to Wallisellen

In January 2002, Microsoft moves into its new offices in Wallisellen, growing to over 200 employees.

#### 2008

2008

Center

#### **Inception of Swiss** Joint Research

Start JRC engagement between Microsoft Research and two universities, ETH and EPFL, to pursue collaborative research engagements in Computer Vision, Data Science, Al. and more.

#### 2018 **Launch Mixed** Reality & Al Lab

Announcement of Mixed Reality & Al Zurich Lab at ETH Zürich by Microsoft's CEO Satya Nadella. Official lab opening took place in 2019.

#### 2019

#### 2019 **Opening First Swiss Data Centers**

Microsoft opens its first two of four cloud data centers in Switzerland, providing local data storage for its Swiss customers.

#### 2021 **Move Headquarters**

to Zurich Airport

2021

Skills for

Switzerland

Microsoft and Adecco

launch digital learning

people from all kinds

of specialist areas to

training and increase

take part in digital

job opportunities.

platform to enable

After 20 years in Wallisellen, Microsoft Switzerland embarked on its journey to move its headquarters to The Circle at the Zurich Airport, remaining committed to the regional economy of the canton of Zurich.

#### **-** 2022 •

#### 2022 **Opened Microsoft Technology Center**

The newly created MTC at the Microsoft headquarters delivers immersive industry experiences and deep technical engagement focused on helping customers drive business outcomes.















### By the numbers: Microsoft in Switzerland

33

YEARS IN COUNTRY

Microsoft has been rooted in Switzerland since 1989.

630,000

**ENGAGED LEARNERS** 

By 2022, nearly 630'000 people in Switzerland have gained new digital skills since the launch of our «Skills for Switzerland» initiative.

4′500

SOUARE METER WORKPLACE OF THE FUTURE

Our new headquarters at Zurich Airport offer engagement, accessibility, immersive experiences, and the latest technology. Around 70% of the space is available for meetings, collaboration, and co-innovation with customers and partners.

>1,000

**EMPLOYEES** 

in five Swiss locations are highly committed to expanding impactful cloud transformation strategies and partnerships for customers in Switzerland.

SWISS DATACENTERS

ensure data protection and security in the cloud, empowering Swiss organizations to be more resilient, competitive, innovative, and sustainable.

>70%

IT COMPANIES

More than 70 percent of IT companies in Switzerland provide consulting services and implementation for Microsoft products.

>4,600

**PARTNERS** 

4,600 partners form a nationwide ecosystem to help address customer needs across all language regions.

SWITZERLAND'S BEST **EMPLOYER IN IT** In a ranking by Statista and Handelszeitung, Microsoft Switzerland was awarded Switzerland's best IT employer for the second consecutive year.

CHF 7,2

FOR EVERY FRANC OF MICROSOFT REVENUE

For every franc Microsoft generates in revenue, our partners in Europe achieve up to 7.62 Swiss francs of economic value.

#### **KEY SWISS LOCATIONS**

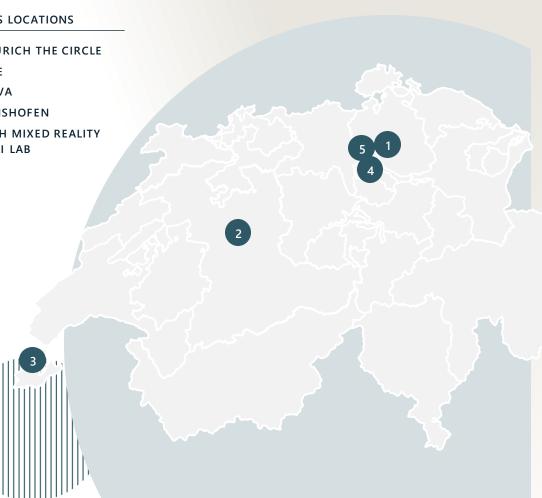
HQ ZURICH THE CIRCLE

2 BERNE

GENEVA

4 WOLLISHOFEN

5 ZURICH MIXED REALITY AND AI LAB



#### Microsoft Switzerland's Mission and Impact

Switzerland is built on trust, and so is Microsoft. Home to the most competitive economy and some of the most innovative companies and universities in the world, Switzerland and Microsoft are both exceptionally positioned to lead how new technologies can transform businesses and solve some of society's most pressing challenges. Building on our 30-year history and proximity to Swiss customers, it is our mission to empower every person and every organization to achieve more. As the world moves to a more digital and data-driven economy, we are committed to delivering the innovation and digital acceleration that drives broad economic growth, while ensuring a more inclusive, equitable, sustainable, and trusted future for everyone.





#### **Expand opportunity**

We support inclusive economic growth by building alliances, increasing access to digital skills, and helping customers of all sizes and industries digitally support their growth, thus driving growth for Switzerland.

- Helped 630'000 people from all backgrounds, including underrepresented groups, through <u>Skills for Switzerland</u>, a partnership with Adecco to grow access to digital skills.
- Supporting over 50,000 customers in all industries in Switzerland through our continued investments in our four Swiss datacenters, contributing to more jobs, skills, and added value to the market.
- Invested into the Microsoft Technology Center in Zurich as an innovation hub where new technologies and solutions have been explored with nearly 3400 customer visitors since 2022.



#### Protect fundamental rights

We unequivocally protect human rights, support humanitarian action, and defend democracy. We strive to create a culture where people with different backgrounds and experiences can thrive professionally and personally.

- Partnered with ELCA to help <u>International</u> <u>Committee of the Red Cross</u> reunite refugees who have lost family members during a humanitarian crisis.
- Supported our LGBTQI+ employees on the <u>issue of marriage equality</u> in Switzerland, where 64,1% voted in favor in a referendum in 2021.
- Empowered <u>International Organization for Migration</u> in the use of data analysis to tackle human trafficking.



#### Advance sustainability

We've outlined ambitious climate commitments and detailed plans to achieve them, and we help our customers and partners drive their sustainability initiatives and energy transition, co-creating solutions that support the journey to net zero.

- Launched <u>Tech for Sustainability</u> with EY and UN Global Compact to connect Swiss organizations to enable a faster transformation to a sustainable future.
- Co-developed a Carbon Aware API with UBS, an <u>open-source solution</u> to help global and Swiss organizations schedule workloads for renewable or low-carbon sources of electricity.
- Further collaborating with Swiss company <u>Climeworks</u> by signing the first long-term carbon removal agreement to remove 10'000 tons of CO2 emissions over the next 10 years.



#### Earn trust

Together with our 4,600 partners, we strive to give customers in Switzerland peace of mind through our commitment to privacy, cybersecurity, digital safety, the responsible use of AI, and transparency.

- Driving the <u>Innovate Switzerland Community</u> with 35 partners to promote the responsible use of data and public cloud technology.
- Partnering with Decentriq to help Swiss organizations meet their privacy and security needs for business and data based on confidential computing.
- Strategically collaborating with Swiss regulators, government, and partners to build trust in the Swiss public sector in cloud technologies and empowering their digital transformation.

**HOW WE WORK** 

## Partnering for greater impact in Switzerland

The challenges facing the world are complex, and no one organisation, industry, company, or country can solve them alone. That's why in Switzerland we engage in partnerships to foster collective action and amplify impact, driving progress faster and farther than we could on our own.

## **Empower** our employees

Our 1,000+ employees in Switzerland are the driving force behind our mission. We strive to create an inclusive culture where each of them can thrive.

Our employees complete diversity and inclusion ("D&I") courses on allyship, covering, privilege, and unconscious bias in the workplace. Additional personalized learning experiences enable them to take ownership of their ongoing D&I learning journey.

At Microsoft Switzerland we support our LGBTQI+ employees toward more LGBTQIA+ visibility, equity, and equality. Inclusive economies have a competitive advantage from securing top talent and benefitting from the contributions of a diverse workforce.

In December 2022, Microsoft employees in Switzerland came together to raise money for different non-profit organizations through various activities, such as a fundraiser on World AIDS day or volunteering during the Paralympics.

#### Equip

#### changemakers

Non-profits, entrepreneurs, and humanitarian organizations address our world's most pressing challenges. We make technology, purpose-built solutions, and support affordable, so they can achieve more.

We provide donated and discounted technology to non-profits that deliver critical services both within and outside of Switzerland. In the past year, Microsoft donated a total of \$44,3M, including Employee Giving.

As part of the Microsoft for Startups program in Switzerland, we support Spring ACT – an organization that connects human rights and technology for social good. Based on our technology, the company launched a chatbot that is available 24/7 to anyone suffering from domestic violence who needs assistance.

In cooperation with the Office for Economy and Labor of the Canton of Zurich (AWA), the Regional Unemployment Office in the Canton of Zurich, and NGOs, we held a Job Scouting Day to bring together job seekers with representatives of our partner companies. The initiative, is part of Microsoft Switzerland's commitment to modern education and training in Switzerland. Overview Inclusive growth Fundamental rights Sustainability Trust Learn more

**HOW WE WORK** 

#### **Activate**

our ecosystem

With our unique network of partners, suppliers, and customers in Switzerland, we have an enormous opportunity and responsibility to effect change through our ecosystem.

We collaborate with organizations, customers, and authorities in Switzerland to advance shared social impact goals such as increasing access to skills for jobs and using Al for good.

We continued to work with our supplier network in Switzerland to uphold our commitments to accessibility, human rights, worker health and safety, and the environment through our supplier code of conduct, training, and capacity building.

We launched the Partner Pledge in Switzerland to use technology consistently and responsibly, while ensuring that all people have the right skills and opportunities to make the most of the possibilities of the future.

#### Engage

local communities

Change happens locally. We work closely with communities to understand their unique challenges and assets so we can best support them.

With "Skills for Switzerland", we initiated a new learning program with Adecco Group Switzerland and Campell & Jones. The program enables people from all kinds of specialist areas to take part in digital training, most of which is free of charge.

The Swiss Joint Research Center, or Swiss JRC, is a collaborative research engagement between Microsoft Research and the two universities that make up the Swiss Federal Institutes of Technology: ETH Zurich and EPFL in Lausanne. The Swiss JRC is governed by a Steering Committee consisting of representatives from ETH Zurich, EPFL, Microsoft Switzerland, and Microsoft Research.

#### Enable

systemic change

We work to enable lasting, systemic change, including by advocating for public policies that move us toward a more inclusive, equitable, sustainable, and trusted future.

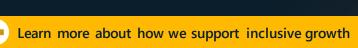
Protected personal data and privacy, including through the Trans-Atlantic Data Privacy Framework and our <u>EU Data Boundary initiative</u>, as well as through Trusted Cloud Principles, a new initiative to safeguard the interests of organizations and the basic rights of individuals using cloud services.

Advocated for carbon reduction, including serving as a founding signatory of the Carbon Call to standardize carbon measurement, accounting, and reporting—essential components to reach a net zero future.

We have published new internal standards for the responsible use of artificial intelligence (AI). In addition to governing our own use of AI, they contribute to the discussion of better norms and standards broadly, helping ensure that AI is developed and deployed responsibly.

## Expand opportunity

Microsoft succeeds only when we help the community around us succeed. That's why we believe economic growth should be inclusive — for every person, organization, and community in Switzerland. This starts with increasing access to digital skills and extends to closing the data divide and supporting public health.





## Expand opportunity

**GROW ACCESS TO SKILLS FOR JOBS** 

#### Skills for Switzerland

Together with Adecco and Campell & Jones we initiated "Skills for Switzerland" – a new learning program to enable people from all kinds of specialist areas to take part in digital training. Since its foundation, the program has been consistently growing: Close to 630'000 learners in Switzerland have engaged since 2020 to gain new digital skills. Nearly 10'000 of them have completed at least one learning path. The top three learning paths include AI fundamentals, creating PowerApps, and managing collaboration Teams.

#### Technology Center

In 2022, we opened our Microsoft Technology Center (MTC) at our new headquarters at the Zurich Airport. The MTC delivers immersive industry experiences and deep technical engagement focused on driving business outcomes for customers. It is an innovation hub where new technology and industry-specific scenarios can be tested with customers. Since its opening, we have welcomed over 3400 guests.

PROTECT PUBLIC HEALTH

#### Industry Clouds Swiss

With cloud solutions for Swiss hospitals, we support the healthcare sector in their critical services and processes, while meeting highest requirements for security and data privacy. Today, we also offer customized industry clouds for healthcare, financial services, retail, manufacturing, nonprofit, and sustainability.

## Fighting Covid-19

Accurate and available data is an important element in combatting the Covid-19 pandemic – it helps to better assess developments and the current situation. The Medical Service of the Swiss Army opted for the Microsoft Cloud to automatically aggregate different data streams and make them available for quick evaluations.

**CLOSE THE DATA DIVIDE** 

#### Swiss Datacenters

In 2022 we reinforced our commitment to providing business continuity, data protection, and security in the cloud. We continued our expansion of the local cloud infrastructure, confirming our determination to investin Switzerland and empower Swiss organizations to be more resilient, competitive, innovative and sustainable. We are supporting data backup with four of our own Swiss datacenters, delivering faster access to data and cloud services while addressing critical data residency requirements.



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# Simplifying hospital processes with low-code technology



"As one of the largest hospitals in Switzerland, we believe that technology is a key driver behind the success of our services."

Beat Sonderegger, Chief Medical Information Officer Luzerner Kantonsspital



Swiss hospital Luzerner Kantonsspital (LUKS) is committed to using technology to treat its patients and empower its staff. As part of this mission, the hospital is exploring low-code apps and how they can help to optimize operations and drive efficiencies in healthcare.

Learn more

Trust

This technology proved particularly crucial during the pandemic, when LUKS found itself having to treat hundreds of patients and little time to choose which treatment to give them.

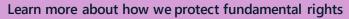
Using Microsoft Power Apps, LUKS created an app designed to help staff triage patients eligible for a course of COVID-19 antibody therapy and allow doctors to make quicker decisions. Built in just a few days, the app has allowed clinicians to treat hundreds of patients at a crucial time of need.

## Protect fundamental rights

We unequivocally support the fundamental rights of people, from defending democracy, to protecting human rights, to addressing racial injustice and inequity. And, as education, healthcare, and other critical services become increasingly dependent on technology, access to broadband and accessible technology are also fundamental to a more equitable future – globally and in Switzerland.









## Protect fundamental rights

PROTECT HUMAN RIGHTS

#### Marriage Equality

At Microsoft we have a well-established history of supporting marriage equality around the world. In Switzerland, we supported our LGBTQI+ employees on this issue by taking a public stance in the 2021 referendum and joining forces with some of our key customers and partners to advocate for marriage equality.

SAFEGUARD DEMOCRACY

#### Account Guard

In Switzerland, we offer Microsoft AccountGuard—a cybersecurity service that provides additional protection for organizations that are essential to a strong democracy and are therefore exposed to increased risk and attacks—to 50 organizations. These organizations include nonprofits, human rights organizations, healthcare organizations, and political parties.

TAKE HUMANITARIAN ACTION

## Reuniting Families

The Swiss red cross (ICRC) worked with the Microsoft partner ELCA to help reunite refugees who have lost family members during a humanitarian crisis. Building on Microsoft security solutions based on privacy by design, the ICRC together with ELCA, digitized the registration process and helped to reconnect refugees to their families.

PROMOTE ACCESSIBILITY

## Volunteering for access

A Microsoft team used its volunteer days to support the race in St. Moritz with 120 other volunteers. The engagement was organized by Disability at Microsoft Switzerland, an employee network around the topic of disability and accessibility.



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# Using data analysis to counter human trafficking



"Data privacy is crucial to the pursuit of efficient, targeted counter-trafficking policies and good migration governance."

Irina Todorova, Head of the Assistance to Vulnerable Migrants Unit, IOM's Protection Division



The United Nations' International Organization for Migration (IOM) provides direct assistance and support to migrants around the world, as well as victims and survivors of human trafficking. IOM is dedicated to promoting humane and orderly migration by providing services to governments and migrants in its 175 member countries.

According to IOM, migrants and displaced people represent some of the most vulnerable populations in society. Today, using software developed by Microsoft researchers, IOM released its second synthetic dataset from trafficking victim case records, the first ever public dataset to describe victim-perpetrator relations. The synthetic dataset is also the first of its kind to be generated with differential privacy, providing an additional security guarantee for multiple data releases. Overview

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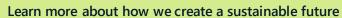
Trust

## Advance sustainability

Climate change is the defining issue of our generation, and addressing it requires swift, collective action and technical innovation. We've outlined ambitious commitments and detailed plans to achieve them, and we're helping others set and achieve their own climate goals—both around the world and in Switzerland.









### Advance sustainability

SUSTAINABILITY INNOVATION

## Tech for Sustainability

Microsoft Switzerland, together with partners EY and Global Compacts, initiated the Tech for Sustainability initiative. The initiative brings together people and organizations to co-create a positive sustainability impact enabled by driving and shaping critical key themes for technology and sustainability.

**CARBON NEGATIVE** 

#### Climeworks Partnership

In 2022, Swiss company Climeworks and Microsoft take their collaboration one step further by Microsoft becoming Climeworks first long-term carbon removal supplier. The two companies signed a 10-year carbon removal offtake agreement, where Climeworks will permanently remove 10'000 tons of CO<sub>2</sub> emissions from the atmosphere on Microsoft's behalf. This forward-looking commitment is one of the largest DAC agreements ever signed and proof of Microsoft's conviction of both Climework's technology and ability to scale.

**ENERGY EFFICIENCY** 

#### UBS Digital Sustainability

In 2022, the Swiss based bank UBS will—in line with its sustainability goals—move certain technology platform workloads from its on-premises and private cloud servers to Microsoft Azure. In some use cases, this has resulted in the energy consumption of these workloads to be reduced by up to 30%. Together, UBS and Microsoft also co-developed a Carbon Aware API, an open-source solution that provides recommendations on how to schedule workloads that require heavy compute power during times when clean, renewable or low-carbon sources of electricity are most available. They then provided their solution to the Green Software Foundation so it could be shared with large and small companies around the world.

**EMPOWER CUSTOMERS** 

#### Cloud for Sustainability

With our new Microsoft Cloud for Sustainability solution—available in Switzerland—we can help our customers record and manage emissions in order to achieve their sustainability goals more quickly. We partner with companies like ABB and their ABB Ability platform to get the data customers need to monitor and optimize their energy use and CO<sub>2</sub> footprint, managing power systems, and making ongoing decisions to improve business efficiency.



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# Boosting efficiency in power-grid management



«We can speed up processes tremendously with Cognitive Search, Azure Maps, and Power BI embedded in Insights. That means better quality power at lower costs because we don't have to spend half of our time trying to locate the asset information.»

Johannes Manser, Head of BI and Analytics Axpo Grid



Axpo, the largest renewable energy producer in Switzerland, needed to provide grid managers with quick access to all condition information regarding the assets in its 2,400-kilometer, high-voltage power grid.

Learn more

Axpo built a web-based interface that uses Microsoft Azure Cognitive Search, Azure Maps, and Power BI to provide grid engineers and maintenance teams a single point of access to comprehensive, up-to-date grid data within a geographical view.

This solution cuts search time up to 99 percent, makes it easier to identify problem areas in near real time, and paves the way to automate several grid-asset management tasks, thus significantly reducing time for many operational activities.

## Earn trust

At Microsoft, we're optimistic about the benefits of technology, yet clear about the challenges. To drive positive impact with technology, people need to be able to trust the technologies they use and the companies behind them.



Learn more



Learn more about how we earn trust



#### Earn trust

ADVANCE CYBERSECURITY AND DIGITAL SAFETY

#### Upskilling Security

Microsoft launched its cybersecurity skills campaign in Switzerland. With this initiative, Microsoft is combating the cybersecurity skills shortage in Switzerland and is helping to ensure that there are enough skilled workers to ward off the cyber threats of today and tomorrow. The program provides various measures, including the promotion of women in IT security jobs, free cybersecurity training, and cooperation with local educational institutions.

#### Digital Defense Report

Our <u>Digital Defense Report</u> provides new details and insights on attacks and on increasing cyber aggression coming from authoritarian leaders around the world. The report also includes recommendations for how people and organizations can protect themselves from attacks.

RESPECT PRIVACY

#### Confidential Computing

Microsoft empowers confidential computing for Swiss businesses to more privacy and security. Together with the Swiss Microsoft partner Decentriq and Intel, Microsoft is a founding member of the Confidential Computing Consortium, an alliance to accelerate the adoption of trusted execution environment (TEE) technologies and standards. Decentriq is changing the way enterprise customers create data ecosystems and analyze data with their partners by providing a secure and privacy-assured computing environment.

**DEVELOP TECH RESPONSIBLY** 

#### Innovate Switzerland

In 2022, together with partners, Microsoft Switzerland initiated the "Innovate Switzerland" community. The Innovate Switzerland Community wants to promote exchange among pioneers, advance the digital transformation with targeted proposals, and support Switzerland from the bottom up in building a responsible data economy. With the Innovate Switzerland Community, Microsoft also wants to promote discussion about the use of technologies such as cloud infrastructures.



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## Confidential Computing empowers Swiss businesses



"Confidential computing and data clean rooms present us with a great chance to exchange information in a legal, efficient and effective way."

Zhao Wang, Head of Data Technology, Ringier

Confidential computing technology encrypts data in memory and only processes it once the cloud environment is verified, preventing data access from cloud operators, malicious admins, and privileged software. It helps keep data protected throughout its lifecycle – in addition to existing solutions of protecting data at rest and in transit, data is now protected while in use.

In Switzerland, the media and technology company Ringier has teamed up with the Microsoft Partner Decentriq to explore how confidential computing and data clean rooms can empower its business. Naturally, the media industry relies heavily on advertising as a source of financing but legislation for more data protection is leading to stricter rules around the use of third-party data.





## Together, we can achieve more

We're proud of our progress, but know there is much more to do and that it will require all of us working together. Join us.

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