Microsoft Limited

Payment statistics for period covering 1st July 2017 to 31st December 2017

Average time taken to pay invoices: 31 days

Invoices paid:

- within 30 days: 77%
- in 31 to 60 days: 16%
- in 61 days or more: 7%

Invoices due but not paid within agreed terms: 17%

Payment terms

Shortest standard payment period
10 days

Longest standard payment period
60 days

Standard payment terms
Microsoft’s Standard Supplier Payment Terms are 2% 10/ Net 60. After Microsoft accepts the purchase and receives a correct and undisputed invoice (the “Create Date”) Microsoft will release payment for the total amount less 2% discount by net ten (10) calendar days. If the 10-calendar day period expires, Microsoft will release payment for the total invoice amount by net sixty (60) calendar days.

Were there any changes to the standard payment terms in the reporting period?
No
Maximum contractual payment period agreed
60 days

Any other information about payment terms
N/A

Dispute resolution process

Suppliers can contact Microsoft Accounts Payable via apuk@microsoft.com or via MSInvoice which is a web-based application provided to suppliers which allows them to submit electronic invoices directly to Microsoft and raise any concerns. When an invoice is disputed, the supplier will receive an automated email indicating the invoice number and reason for rejection. To resolve a dispute, the supplier is required to provide any missing information or a corrected invoice.

Other payment information

Has this business signed up to a code of conduct or standards on payment practices? If so, which?
Microsoft Limited has signed up to The Prompt Payment Code

Does this business offer e-invoicing in relation to qualifying contracts?
Yes

Does this business offer supply chain finance?
No
Under its payment practices and policies, can this business deduct sums from payments under qualifying contracts as a charge for remaining on a supplier list?

No

During the reporting period, did the business deduct sums from payments as a charge for remaining on a supplier list?

No

Approved on behalf of Microsoft Ltd by:

[Signature]

Mr. B. O. Orndorff

Director