



SDG7 Energy Compact of

A next Decade Action Agenda to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. [Please select all that apply, and make sure to state the baseline of each target]

(Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

<input type="checkbox"/> 7.1. By 2030, ensure universal access to affordable, reliable and modern energy services.	Target(s): Time frame: Context for the ambition(s):
<input checked="" type="checkbox"/> 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix.	<p>Target(s): 100 percent of our electricity consumption, 100 percent of the time, matched by zero carbon energy purchases.</p> <p>Time frame: 2021- 2030</p> <p>Context for the ambition(s): By 2030, Microsoft aims to match 100 percent of our electricity consumption, 100 percent of the time across the globe with zero carbon energy purchases. This commitment goes beyond being carbon neutral, which the company has been since 2012. To accomplish this, Microsoft will:</p> <p>Action 1: Purchase zero carbon energy to match our electricity consumption across the globe on an hourly basis.</p>
<input type="checkbox"/> 7.3. By 2030, double the global rate of improvement in energy efficiency.	Target(s): Time frame: Context for the ambition(s):
<input checked="" type="checkbox"/> 7.a. By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	<p>Target(s): Microsoft is committed to doing our part to help drive the speed and scale at which the grid decarbonizes through procurement of clean energy to meet our company sustainability targets</p> <p>Time frame: 2021- 2030.</p> <p>Context for the ambition(s): Promote investment in energy infrastructure and clean energy technology, including:</p> <p>Action 2: Do our part to help drive the speed and scale at which the grid decarbonizes through Microsoft's procurement of clean energy to meet our company sustainability targets.</p>
<input type="checkbox"/> 7.b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programs of support.	Target(s): Time frame: Context for the ambition(s):

1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. [Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]

Target(s):
Time frame:
Context for the ambition(s):

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. [Please add rows as needed].

<p><i>Description of action (please specify for which ambition from Section 1)</i></p> <p>SE for All Ambition 7.2 “By 2030, increase substantially the share of renewable energy in the global energy mix.”</p> <p>Action 1: Purchase zero carbon energy to match our electricity consumption across the globe on an hourly basis.</p> <p>In January 2020, Microsoft announced one of the most ambitious carbon commitments put forward by any company: Microsoft will be carbon negative across Scope 1, 2 and 3 emissions by 2030 and remove from the environment more carbon than we have emitted since our founding by 2050. To reduce our Scope 1 and 2 emissions to near zero, we need to change how we operate. We’re on the path to obtaining renewable energy power purchase agreements for 100% of our data centers by the middle of this decade. Additionally, in July 2021, Microsoft committed to an even more ambitious target, by 2030 Microsoft will have 100 percent of our electricity consumption, 100 percent of the time, matched by zero carbon energy purchases.</p>	<p><i>Start and end date</i> By 2030</p>
<p><i>Description of action (please specify for which ambition from Section 1)</i></p> <p>SE For All Ambition 7.a. “By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.”</p> <p>Action 2: Do our part to help drive the speed and scale at which the grid decarbonizes through Microsoft’s procurement of clean energy to meet our company sustainability targets.</p> <p>Our existing commitment to execute power purchase agreements equivalent to 100% of our energy needs by 2025 has positioned Microsoft as one of the largest purchasers of renewable energy in the world. Over the last 12 months, Microsoft has signed new purchase agreements for approximately 5.8 gigawatts of renewable energy across 10 countries around the globe. This procurement brings our operating and contracted renewable energy projects to 7.8 gigawatts globally. But we know we can do more. We will continue doing our part to help drive the speed and scale at which the grid decarbonizes through Microsoft’s procurement of clean energy to meet our company sustainability targets.</p>	<p><i>Start and end date</i> By 2030</p>

SECTION 3: OUTCOMES

3.1. Please add at least one measurable and time-based outcome for **each** of the actions from section 2. *[Please add rows as needed].*

<p>Context for Outcome(s): As of 2021, Microsoft’s procurement brings our operating and contracted renewable energy projects to 7.8 gigawatts globally.</p> <p>Action 1: Purchase zero carbon energy to match our electricity consumption across the globe on an hourly basis. Outcome 1: Zero carbon energy % for global portfolio annually</p> <p>Action 2: Do our part to help drive the speed and scale at which the grid decarbonizes through Microsoft’s procurement of clean energy to meet our company sustainability targets. Outcome 2: Megawatt hours of zero carbon energy procured annually globally</p>	<p><i>Date</i> By 2030</p>
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SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for **each** of the actions in section 2.

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]

<input type="checkbox"/> Financing	<i>Description</i>	
<input type="checkbox"/> In-Kind contribution	<i>Description</i>	
<input type="checkbox"/> Technical Support	<i>Description</i>	
<input type="checkbox"/> Other/Please specify	<i>Description</i>	

SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.

[up to 500 words, please upload supporting strategy documents as needed]

Action 1: Purchase zero carbon energy to match our electricity consumption across the globe on an hourly basis.

SDG 7: Affordable and clean energy.

Our goal to purchase zero carbon energy to match our electricity consumption across the globe on an hourly basis enables supply chains, technologies, and thought leadership that can not only assist us in meeting that target, but can drive access to affordable, reliable, sustainable and modern energy for all.

SDG 8: Decent work and economic growth.

Our consideration of environmental justice in our clean energy procurement supports economic growth in communities that need it. We recognize that climate and environmental issues don't affect every community the same way and that we need to address environmental equity as a broader issue. For instance, Microsoft has announced an innovative partnership with [Sol Systems](#), a renewable energy developer and investor, for 500 megawatts (MW) of renewable energy that includes investments in communities disproportionately affected by environmental challenges. To put it in context, 500 MW would power more than 70,000 homes in the US per year. Some communities are disproportionately affected by environmental issues. The data shows that black and African American people in the United States are exposed to 1.54 times more hazardous pollution than white people and to 50% higher rates of particulate pollution than the general population. Researchers connect exposure to these increased level of pollutants to higher rates of asthma, lung cancer and heart disease. Our work with Sol Systems is a first-of-its-kind initiative tying the purchasing of renewable energy to environmental justice and equity in under-resourced communities. Putting into action planning that started in December 2019, this partnership will:

- Develop a portfolio of 500MW of solar energy projects in the US in under-resourced communities, working with local leaders and prioritizing minority and women-owned businesses
- Provide at least \$50 million for community-led grants and investments that support educational programs, job and career training, habitat restoration and programs that support access to clean energy and energy efficiency
- Focus on communities that are economically under-resourced, disproportionately impacted by pollution and/or lack access to the benefits of the clean energy transition
- Ensure that community benefits are realized with accountability measures, including using third-party evaluators to quantify and document social and environmental outcomes of the initiative

Additionally, Microsoft continues to push environmental justice through its procurements of renewable energy, most recently signing a 250 MW renewable energy portfolio with Volt Energy, which will focus on bringing renewable energy and clean energy benefits to communities. These agreements are one way Microsoft can address issues of climate equity and environmental justice as we pursue our goals of 100% renewable energy by 2025 and 100/100/0 by 2030.

Action 2: Do our part to help drive the speed and scale at which the grid decarbonizes through Microsoft's procurement of clean energy to meet our company sustainability targets.

SDG 7: Affordable and clean energy.

Microsoft's procurement of zero carbon energy and hourly zero carbon matching can drive products and services that allow others to access affordable and clean energy at all times.

SDG13: Climate Action.

Microsoft's procurement of zero carbon energy can drive the speed and scale at which the grid decarbonizes, which assists in expedient action to combat climate change.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.

[up to 500 words, please upload supporting strategy documents as needed]

Microsoft has made a commitment to redouble our own efforts on climate change and to help accelerate global progress in achieving the decarbonization targets of the Paris Climate Agreement. Microsoft has been carbon neutral since 2012 and our efforts to meet our 100/100/0 goal go beyond net zero carbon emissions by driving toward hourly matched zero carbon energy. The procurement of clean energy to meet our sustainability targets can drive the speed and scale at which the broader grid decarbonizes, supporting the achievement of net-zero emissions by 2050.

SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

In 2020, Microsoft issued its first annual sustainability report, a report we plan to issue each year, which looks back at our annual sustainability commitments, provides progress to date and key lessons we have learned. In these reports we not only share our successes, but also share our challenges. That is why, in each section, we've also included additional information and resources to help others accelerate their progress towards a prosperous, just, and environmentally stable future. Microsoft's 2020 Sustainability Report is available here: [2020 Environmental Sustainability Report \(microsoft.com\)](https://www.microsoft.com/sustainability).

SECTION 7: GUIDING PRINCIPLES CHECKLIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I.1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

Yes No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts? Yes No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defined by latest global analysis and data including the outcome of the Technical Working Groups? Yes No

II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? Yes No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps? Yes No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action? Yes No

III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? Yes No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? Yes No N/A

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? Yes No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? Yes No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? Yes No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? Yes No

V. Feasibility and Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? Yes No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? Yes No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? Yes No

SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

Energy Compact - Microsoft

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

Microsoft

8.3. Lead entity type

Government

Local/Regional Government

Multilateral body /Intergovernmental Organization

Non-Governmental Organization (NGO)

Civil Society organization/Youth

Academic Institution /Scientific Community

Private Sector

Philanthropic Organization

Other relevant actor

8.4. Contact Information

Microsoft, Tia Hansen

8.5. Please select the geographical coverage of the Energy Compact

Africa Asia and Pacific Europe Latin America and Caribbean North America West Asia Global

8.6. Please select the Energy Compact thematic focus area(s)

Energy Access Energy Transition Enabling SDGs through inclusive just Energy Transitions Innovation, Technology and Data Finance and Investment.

SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.

[Made to measure: Sustainability commitment progress and updates - The Official Microsoft Blog](#)