Track 5-Integrated Reporting: Trends in Non-financial Disclosure to Stakeholders
A Company’s View on Using XBRL into Integrated Reporting
Bob Laux, Senior Director, Financial Accounting & Reporting, Microsoft
October 27, 2011
The evolution of Reporting...

1960

- Financial Statements

1980

- Financial Statements
- Management Commentary
- Governance and Remuneration
- Environmental Reporting
...Integrated Reporting – the Future
# How is Integrated Reporting Different?

<table>
<thead>
<tr>
<th>Thinking:</th>
<th>Disconnected</th>
<th>→</th>
<th>Integrated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stewardship:</td>
<td>Financial capital</td>
<td>→</td>
<td>All forms of capital</td>
</tr>
<tr>
<td>Focus:</td>
<td>Past, financial</td>
<td>→</td>
<td>Past and future, connected, strategic</td>
</tr>
<tr>
<td>Timeframe:</td>
<td>Short term</td>
<td>→</td>
<td>Short, medium and long term</td>
</tr>
<tr>
<td>Trust:</td>
<td>Narrow disclosures</td>
<td>→</td>
<td>Greater transparency</td>
</tr>
<tr>
<td>Adaptive:</td>
<td>Rule bound</td>
<td>→</td>
<td>Responsive to individual circumstances</td>
</tr>
<tr>
<td>Concise:</td>
<td>Long and complex</td>
<td>→</td>
<td>Concise and material</td>
</tr>
<tr>
<td>Technology enabled:</td>
<td>Paper based</td>
<td>→</td>
<td>Technology enabled</td>
</tr>
</tbody>
</table>
Central themes
Business model & value creation

Business model
How the organization creates and sustains value in the short, medium and long term

External factors

Financial
Manufactured
Human
Intellectual
Natural
Social
Operating context, including risks and opportunities

Future outlook

Organizational overview and business model

Strategic objectives

Performance

Governance and remuneration

Responsiveness and stakeholder inclusiveness

Connectivity of information

Future orientation

Conciseness, reliability and materiality

Strategic focus
Key milestones

2011
- Initial company & investor testing
- Public consultation
- Regional roundtables & events
- IIRC meetings

2012 onwards
- Public consultation
- G20 proposal
- Regional roundtables & events
- IIRC meetings
- Full pilot programme
- Development of IIRC framework

Governance structure to support the development and adoption of IIRC

2012 – IR Exposure Draft

2013 – IR Standard

IIRC meetings
- Jan 2011 Beijing
  - 2011 milestones agreed
  - Regional roundtables & events commence
- May 2011 New York
  - IIRC discussion paper approved for public consultation in June
  - Initial company and investor testing
- Nov 2011 Sao Paolo
  - Review of IIRC governance structure
  - Pilot programme launch feedback
  - G20 proposal

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Innovative Use of XBRL

- Publish Investor Relations site in HTML and use XBRL as a data source
- Link financial statement line items to “Notes” or “Pop-Ups”
- Approximately 90% of 10Q/10K earnings release content on the Microsoft Investor Relations site is sourced from XBRL
Microsoft’s Investor Relations Site

Microsoft Reports Fourth Quarter Earnings for Fiscal Year 2011
July 21, 2011

Microsoft Releases National Survey Findings on How to Inspire the Next Generation of Doctors, Scientists, Software Developers and

Announcements

Microsoft Private Cloud Whitepaper
August 10, 2011
Cloud Whitepaper

Microsoft Reports Record Fourth-Quarter and Full-Year Results
July 21, 2011
Read the Press Release
Webcast

Microsoft Declares Quarterly Dividend
June 15, 2011
Read the Press Release

Events

Upcoming Events

Citi Technology Conference
September 7, 2011: 1:30 PM - PT
Satya Nadesa, President, Server & Tools
Get Notification

Investor Services

Direct Stock Purchase and Dividend
Reinvestment Program
Annual Reports Order Form
Frequently Asked Questions

Upcoming Events

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XBRL Tags Revealed Upon Rollover

Linked to Notes pop-up