Microsoft Climate Innovation Fund

Advancing climate solutions through sustainable investments

OCP Innovation Webinar

April 21, 2021
Microsoft has committed to be carbon-negative, water-positive, and zero-waste by 2030
Impact Investments
Debt, equity, and other investments beyond Microsoft’s four walls

Microsoft’s Impact Investment Funds

**Affordable Housing**
$750M | January 2019
Create positive, quantifiable impact

**Climate Innovation Fund**
$18 | January 2020
Lead with diversity, equity, and inclusion

**Racial Equity**
$150M | June 2020
Innovate unique and catalytic solutions

Center around data and community voices

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**Impact-First Capital**

Impact  Risk  Return

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**Principles**

Create positive, quantifiable impact
Lead with diversity, equity, and inclusion
Innovate unique and catalytic solutions
Center around data and community voices
Climate Innovation Fund: Advancing Microsoft’s net zero commitments and those of the world through sustainable investments

Dual Mandate
4 Principles
4 Pillars
4 Sectors
## Climate Innovation Fund

### Program Snapshot: Mandate, Pillars, Principles, Target Sectors

**Fund objectives**
- Innovate new technologies
- Accelerate existing technologies

**Impact pillars**
- Carbon
- Waste
- Water
- Ecosystems

**Investment prioritization principles**
- **Climate Impact**: Meaningful, measurable climate solutions by 2030
- **Underfunded markets**: Sector or stage where mainstream markets are not meeting capital need
- **Climate equity**: Applicability to underserved markets and communities
- **Shared alignment**: Connection to Microsoft's core business and that of our customers

**Target technologies & solutions**
- **Energy systems**
  - Energy storage & integration
  - Power generation & fuels
  - Energy management
- **Industrial supply chains**
  - Carbon dioxide removal
  - Materials (concrete, steel, etc.)
  - Waste & circular economy
- **Natural resource optimization**
  - Planetary insights
  - Sustainable agriculture
  - Water technologies
Climate Innovation Fund: Sample Investments
Accelerating climate innovation through sustainable investments

Carbon Reduction & Removal
Carbon dioxide tracking, reporting, removal, monitoring & verification
*Portfolio Example: Climeworks*

Advanced Materials
Low-carbon material innovation for concrete, steel, packaging to decarbonize our supply chain
*Portfolio Example: CarbonCure*

Planetary Insights
Air quality IoT, emissions monitoring, ecosystem modeling
*Portfolio Example: Aclima*

Circular Economy
Innovation and infrastructure for zero waste operations through tracking, traceability, reuse and recycling of e-waste, packaging, etc.
*Portfolio Example: Closed Loop Partners*

Natural Resource Optimization
Digital technologies for water, agriculture, and nature-based resource management
*Portfolio Example: Emerald Technology Ventures Global Water Impact Fund*

Energy Systems
IoT and AI for grid optimization & integration, clean fuels and power generation, energy demand management, electric mobility
*Portfolio Examples: Energy Impact Partners, Southeast Asia Clean Energy Facility*
Merci!
Thank you!