

**Microsoft Bing's  
Digital Services Act (DSA) Report**

August 25, 2023 to May 31, 2024

**Deloitte.**

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## Independent Accountant's Report

### Microsoft Ireland Operations Limited

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### Scope

We were engaged by Microsoft Corporation to examine the assertion ("Assertion") of Microsoft Ireland Operations Limited and its subsidiaries ("audited provider"), included in Appendix 1, regarding Bing's compliance with all obligations and each obligation and commitment referred to in Article 37(1)(a) of European Union Regulation 2022/2065 of the European Parliament and the Council (the "Act") (together the "Specified Requirements") during the period from August 25, 2023, through May 31, 2024 (the "Examination Period"). Our responsibility is to express an opinion on the audited service's compliance with the Specified Requirements based on conducting our examination in accordance with our professional standards. Unless referenced otherwise, each obligation and commitment is defined at the sub-article level of the Specified Requirements.

We did not perform procedures on the audited service's compliance with codes of conduct and crisis protocols referred to in Article 37 (1) (b) of the Act and Annex I of the Delegated Regulations because the requirement for the audited service to comply with such articles did not exist during the Examination Period. Accordingly, we do not express an opinion on Bing's compliance with the codes of conduct and crisis protocols referred to in Article 37 (1) (b) of the Act and Annex I of the Delegated Regulations.

Additionally, the information included in the audited provider's separately provided audit implementation report, titled ANNEX II, is presented by the audited provider to provide additional information. Such information has not been subject to the procedures applied in our examination, and accordingly, we do not express an opinion, conclusion, or any form of assurance on it.

### Microsoft's responsibilities

The management of the audited provider is responsible for:

- Determining the applicability of all obligations and each obligation and commitment in the Act during the Examination Period;
- Complying with the Specified Requirements by designing, implementing, and maintaining the audited service's system and manual processes (and related controls) to comply with the Act;
- Selecting the Specified Requirements, making interpretations, and developing benchmarks, as needed, to implement the Specified Requirements;
- Evaluating and monitoring Bing's compliance with the Specified Requirements;
- Its Assertion of compliance with the Specified Requirements;
- Having a reasonable basis for its Assertion; and
- Preparing the audit implementation report referred to in Article 6 of the Act, including its completeness, accuracy, and method of presentation.

This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of its Assertion and evaluation of its audited service's system and manual processes (and related controls) in place, such that it is free from material misstatement, whether due to fraud or error.

### Our responsibilities and procedures performed

Our responsibility is to:

- Plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the audited service complies with the Specified Requirements;
- Form an independent opinion on whether the audited service complies with the Specified Requirements based on the procedures we have performed and the evidence we have obtained; and
- Express our opinion to the audited provider.

For additional responsibilities of Microsoft and Deloitte & Touch LLP (hereafter referred to as D&T), see Appendix 4 for the engagement statement

of work executed on February 2, 2024.

We conducted our examination in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)"), the attestation standards established by the American Institute of Certified Public Accountants ("AICPA"), Section III and IV of the Commission Delegated Regulation (EU) supplementing Regulation (EU) 2022/2065 of the European Parliament and of the Council, by laying down rules on the performance of audits for very large online platforms and very large online search engines ("Delegated Regulation") dated October 20, 2023 and the terms of reference for this examination as agreed with Microsoft on February 2, 2024. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether Bing complied, in all material respects, with the Specified Requirements referenced in the Independent Accountant's Report. The nature, timing, and extent of the selected procedures depend on our judgment, including our assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination included the following procedures, among others:

- Obtaining an understanding of the characteristics of the services provided by the audited provider;
- Evaluating the appropriateness of the Specified Requirements applied and their consistent application, including evaluating the reasonableness of estimates made by the audited provider;
- Obtaining an understanding of the systems and processes implemented to comply with the Act, including obtaining an understanding of the internal control environment relevant to our examination, but not for the purpose of expressing an opinion on the effectiveness of the audited provider's internal control;
- Identifying and assessing the risks of whether the compliance with the Specified Requirements is incomplete or inaccurate, whether due to fraud or error, and designing and performing further assurance procedures responsive to those risks; and
- Obtaining assurance evidence that is sufficient and appropriate to provide a basis for our opinion.

We collected evidence to assess Bing's compliance with the Specified Requirements during the Examination Period from February 2, 2024, through August 23, 2024.

#### **Our independence and quality management**

We are required to be independent of Microsoft and its subsidiaries and to meet our other ethical responsibilities, as applicable, for examination engagements set forth in the Preface: Applicable to All Members and Part 1 – Members in Public Practice of the Code of Professional Conduct established by the AICPA and other relevant ethical requirements required for our engagement.

We also applied the International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, and the AICPA's quality management standards, which require that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Furthermore, Appendix 6 includes our attestation that the auditing organization complies with the obligations laid down in Article 37 (3), points (a), (b), and (c).

#### **Description of additional information on each of the applicable audit obligations and commitments**

The opinion; criteria, materiality thresholds, procedures, and results; overview and description of information relied upon as audit evidence; explanation of how the reasonable level of assurance was achieved; notable changes to the systems and functionalities audited; identification of any specific element which could not be examined (if applicable) or conclusion not reached; and other relevant observations and findings associated with our examination of the obligations and commitments are included in Appendix 1. Additionally, our summary of risk analysis under Article 9 of the Act, including our assessment of inherent, control, and detection risk for each obligation, is included in Appendix 5. See Appendix 2 for a listing of obligations and commitments not subjected to procedures since they were not applicable during the Examination Period.

#### **Inherent limitations**

The services in the digital sector and the types of practices relating to these services can change quickly and significantly. Therefore, projections of any evaluation to future periods are subject to the risk that the entity's compliance with the Specified Requirements may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

The Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the Subject Matter and the methods used in determining such systems and processes implemented to comply with the Specified Requirements. The selection of different but acceptable measurement techniques, including benchmarks, can result in materially different measurements, and the precision of various measurement techniques may also vary.

Our examination was limited to certain aspects of Bing's algorithmic systems, as required by Regulation (EU) 2022/2065. Furthermore, algorithms may not consistently operate as intended or at an appropriate level of precision. Because of their nature and inherent limitations, algorithms may introduce biases in the human programmer, resulting in repeated errors or favoring certain results or outputs by the model in favor of certain

results. Accordingly, we do not express an opinion or other form of assurance on the design, operation, and monitoring of the algorithmic systems. It is inherently judgmental to perform risk assessments, including the identification of systemic risks. Risk assessments are often conducted at a specific point in time and may not capture the dynamic nature of risks. Because the identification of systemic risks relies on known risks and expert judgment, the identification of systemic risks may not account for new or unprecedented events for which there is limited or no historical information.

#### Emphasis of certain matters

Applying the Specified Requirements requires the audited service to develop benchmarks and interpret obligations and commitments, including certain terminology. We deemed these benchmarks and interpretations necessary for report users to make decisions, and they are described in Appendix 1 for applicable commitments and obligations.

We are also not responsible for the audited provider's interpretations of, or compliance with, laws, statutes, and regulations (outside of the Specified requirements) applicable to Microsoft in the jurisdictions within which Microsoft operates. Accordingly, we do not express an opinion or other form of assurance on the audited provider's compliance or legal determinations.

Our examination was limited to understanding and assessing certain internal controls. Because of their nature and inherent limitations, controls may not prevent, detect, or correct all errors or fraud that may be considered relevant. Furthermore, the projection of any evaluations of effectiveness to future periods is subject to the risk that internal controls may become inadequate because of changes in conditions, that the degree of compliance with such internal controls may deteriorate, or that changes made to the system or internal controls, or the failure to make needed changes to the system or internal controls, may alter the validity of such evaluations.

#### Opinion

Under Article 37(4)(g) of the Act, the conclusions on compliance with the Specified Requirements, individually and in the aggregate, must be phrased as Positive, Positive with Comments, or Negative. Article 8(8) of the Delegated Regulation requires an explanation for individual Specified Requirements where an opinion could not be reached.

#### Basis for qualified opinion

Our examination disclosed material noncompliance with certain Specified Requirements applicable to Bing during the Examination Period. These instances of noncompliance are marked as **Negative** within Appendix 1 and summarized as follows.

- Bing did not comply with **three** Specified Requirements.

Furthermore, out of the **35** Specified Requirements, **27** resulted in a **Positive** conclusion. We were unable to obtain sufficient evidence to form an opinion on whether Bing complied with **five** applicable Specified Requirements. These are described and marked as **Disclaimer** in Appendix 1.

#### Qualified opinion

In our opinion, except for the effects and possible effects of the matters referenced above and further described below, Bing complied with the applicable Specified Requirements, in the aggregate, during the Examination Period, in all material respects. This opinion equates to a **Negative** conclusion under Article 37(4)(g) of the Act.

#### Conclusions on each applicable individual commitment and obligation

For conclusions on each obligation and commitment, see Appendix 1. We were unable to obtain sufficient evidence to conclude regarding certain individual obligations during the Examination Period, which are identified and described in Appendix 1.

#### Restricted use

This report is intended solely for the information and use of Microsoft and its subsidiaries, the European Commission, and the applicable Digital Services Coordinator of establishment as mandated under DSA Article 42(4) (collectively, the "Specified Parties") for assessing the audited provider's compliance with the Specified Requirements, and is not intended to be, and should not be, used by anyone other than these Specified Parties or for other purposes.

*Deloitte & Touche LLP*

August 23, 2024

## Management of Microsoft Bing's Assertion

### For the period from August 25, 2023 through May 31, 2024

We, as members of the management of Microsoft, are responsible for Bing and its compliance with all obligations and each obligation and commitment, referred to in Article 37(1)(a) of the European Union Regulation 2022/2065 of the European Parliament and of the Council (the "Act") (together the Specified Requirements) during the period from August 25, 2023 through May 31, 2024 (the "Examination Period"). Management is responsible for selecting or developing the criteria, which management believes provide an objective basis for measuring and reporting on the Specified Requirements. The criteria for the Specified Requirements selected by management have been included in Appendix 1 of the Independent Practitioner's Assurance Report ("Appendix 1") under the Audit Criteria label for each of the Specified Requirements ("Criteria").

Without providing legal opinion, management asserts the following:

- Bing determined that **35** Specified Requirements are applicable throughout the Examination Period.
- Bing complied with **27** of the Specified Requirements throughout the Examination Period. These are indicated with a **Positive** conclusion in Appendix 1.
- Bing did not comply with **three** Specified Requirements during the Examination Period. These are indicated with a **Negative** conclusion in Appendix 1.

Bing acknowledges the noncompliance identified in our Year 1 implementation, where the expected depth and process maturity were not fully met. We are committed to enhancing the depth of our controls and improving process maturity. Bing is dedicated to addressing these areas with remediation plans detailed in the AIR.

We will continue to establish our own definitions and benchmarks to enable auditors to conduct their procedures and reach their conclusions. Additionally, we hope for EU clarification on some requirements to facilitate a more uniform understanding and application.

- Bing complied with **five** of the Specified Requirements throughout the Examination Period; however, Bing was unable to provide sufficient evidence to demonstrate compliance with certain applicable Specified Requirements throughout the Examination Period. These are indicated as a **Disclaimer** in Appendix 1.
- Certain Specified Requirements either did not exist or were not applicable to Bing during the Examination Period. These are indicated as **out-of-scope** obligations in Appendix 2.

Appendix 1 – The specific test procedures we performed, along with the nature, timing, and results of those tests

## Appendix 1 - The specific test procedures we performed, along with the nature, timing, and results of those tests

Appendix 1 of the Independent Accountant's Report for Microsoft Bing offers a detailed analysis of compliance with the Digital Services Act (DSA) requirements. This section provides stakeholders with comprehensive insights into the obligations and commitments under Article 37(1)(a) of European Union Regulation 2022/2065, collectively referred to as "Specified Requirements."

### Audit Criteria Composition

The audit criteria for this examination consist of two primary elements: the specific requirements outlined by the DSA and the benchmarks and definitions provided by Microsoft. These benchmarks clarify the requirements and align them with the requirement for suitable criteria as defined by AT-C Section 105 of the AICPA Attestation Standards. This dual approach aids in interpreting the regulatory text for Bing and is detailed in the tables within Appendix 1.

### Sampling Approach

A robust sampling methodology is employed that aligns with AICPA guidance, facilitating effective control testing without the necessity to examine every item in a population. Sample sizes are determined based on factors such as population size, risk of control failure, and the auditor's assessment of the tolerable rate of deviation. This approach provides a reasonable basis for conclusions about the population. Both statistical and nonstatistical sampling methods are utilized. Statistical sampling uses mathematical models for sample size determination and result evaluation, enhancing objectivity. Nonstatistical sampling relies on auditor judgment, leveraging experience and understanding of the control operations. The results are evaluated to confirm that the sample is representative of the population and that controls are operating effectively.

### Procedures for Control Testing and Substantive Testing

In accordance with the Digital Services Act (DSA), sufficient testing is conducted to confirm that digital platforms comply with transparency and accountability requirements. This involves two main types of testing: control testing and substantive testing.

#### Control Testing

The effectiveness of internal controls related to DSA compliance is evaluated. This includes assessing platforms' systems for collecting and reporting data on content moderation activities to ensure transparency reports are accurate. Additionally, platforms are examined to confirm they meet DSA obligations, such as user complaint reporting and regulatory responses. For Very Large Online Search Engines (VLOSEs), the transparency and fairness of automated moderation tools are evaluated to ensure alignment with DSA standards.

#### Substantive Testing

Substantive testing focuses on verifying the accuracy and completeness of transparency reports. The reported data on illegal content notices and actions taken are reviewed to confirm they accurately reflect platform activities. VLOSE's annual risk assessments and the effectiveness of their mitigation measures are also reviewed. Independent audits are conducted to assess overall compliance with the DSA, providing verification of transparency reports and risk management practices.

These procedures help confirm that digital platforms meet DSA obligations, promoting transparency and accountability in the digital services sector. We reached reasonable assurance through the performance of these controls and substantive testing procedures.

### Allocation of Responsibilities

The following table outlines the allocation of responsibilities for the various components within Appendix 1:

Component	Responsibility
Audit Criteria	Microsoft
Summary of Controls and Processes	Microsoft
Materiality Threshold	Deloitte & Touche LLP
Procedures and Information Relied Upon	Deloitte & Touche LLP
Conclusion on Compliance	Deloitte & Touche LLP
Recommendations	Deloitte & Touche LLP

This introduction provides a structured framework for understanding Bing's compliance with the DSA, detailing the audit's scope, methodology, and division of responsibilities.

## Section 1: Provisions applicable to all providers of intermediary services

### Art. 11 DSA - Points of contact for Member States' authorities, the Commission and the Board

Obligation:	Audit Criteria:	Materiality Threshold:
11.1	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall designate a single point of contact to enable them to communicate directly, by electronic means, with Member States' authorities, the Commission and the Board referred to in Article 61 for the application of this Regulation.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li><b>Single point of contact:</b> The person, team, email address, or web page form which facilitates direct communication with the responsible person or team identified as the Point of Contact.</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Microsoft maintains an 'EU Digital Services Act information' webpage for Bing that provides information on the single point of contact to enable Member States' authorities, the Commission, and the Board to contact Bing.</p> <p>Bing maintains and monitors the shared mailbox where the Member States' authorities can communicate with Bing.</p> <p>Additionally, at least once a year, management reviews the contact information for the single point of contact published on Bing's EU DSA information webpage.</p>	<ol style="list-style-type: none"> <li>D&amp;T inspected the Microsoft's EU (DSA) information webpage for Bing to ascertain whether management has designated a single point of contact to enable them to communicate directly, by electronic means, with Member States' authorities, the Commission, and the Board as referred to in Article 61 for the application of this Regulation.</li> <li>D&amp;T inspected the single point of contact shared mailbox to ascertain whether access to the mailbox is restricted to appropriate and authorized individuals through owners and members of the email alias, and is monitored so that any direct communication between Member States' authorities and Bing is not missed.</li> <li>D&amp;T obtained and inspected the annual review performed by management over the single point of contact's information to ascertain that a single point of contact was designated and whether it was reviewed and approved by management.</li> </ol>	<ol style="list-style-type: none"> <li>Designated point of contact's information, which is publicly available and accessible through the Microsoft's EU DSA information webpage for Bing.</li> <li>List of individuals with access to the point of contact's mailbox, through ownership or membership of the email alias.</li> <li>The annual review of the Microsoft's EU DSA information webpage for Bing, performed by management during the examination period.</li> </ol>

#### Changes to Audit Procedures During the Examination:

No change

#### Conclusion:

Positive – In our opinion, Bing complied with Obligation 11.1 during the Examination Period, in all material respects.

#### Recommendations on Specific Measures:

Not applicable

#### Recommended Timeframe to Implement Specific Measures:

Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
11.2	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall make public the information necessary to easily identify and communicate with their single points of contact. That information shall be easily accessible, and shall be kept up to date.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Single point of contact:</b> The person, team, email address, or web page form which facilitates direct communication with the responsible person or team identified as the Point of Contact.</li> <li>• <b>Easily identify:</b> For purposes of evaluating its Year 1 controls, Bing used the information published to the following publicly available and discoverable web pages as a benchmark for determining whether the relevant information could be easily identified: <ol style="list-style-type: none"> <li>1. EU Digital Services Act information - Microsoft Support</li> <li>2. Microsoft Services Agreement</li> <li>3. Copilot - Terms of Use (bing.com)</li> <li>4. Image Creator from Microsoft Designer - Terms of Use</li> </ol> </li> <li>• <b>Easily accessible:</b> For purposes of evaluating its Year 1 controls, Bing used the examples listed in DSA Recital 43 as a benchmark to determine whether the relevant information was easily accessible.</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Microsoft maintains an 'EU Digital Services Act information' webpage for Bing that provides information on the single point of contact to enable Member States' authorities, the Commission, and the Board to contact Bing.</p> <p>Additionally, at least once a year, management reviews the contact information for the single point of contact published on Bing's EU DSA information webpage.</p>	<ol style="list-style-type: none"> <li>1. D&amp;T inspected the Microsoft's EU DSA information webpage for Bing to ascertain whether Bing has designated a single point of contact and ascertained that it is publicly available and accessible through their webpage.</li> <li>2. D&amp;T inspected the Microsoft's EU DSA information webpage for Bing to ascertain whether: <ul style="list-style-type: none"> <li>• The designated single point of contact's information is listed and is publicly available to enable Member States' authorities, the commission, and the Board to contact Bing.</li> <li>• Information on the webpage about the single point of contact was up-to-date, easy to identify, and easily accessible.</li> <li>• Bing has identified the official language(s) of the Member State in which Bing has its main establishment or where its legal representative resides or is established.</li> </ul> </li> <li>3. D&amp;T obtained and inspected the annual review performed by management over the single point of contact's information to ascertain whether the review included steps to confirm that the information is up to date and easily accessible.</li> </ol>	<ol style="list-style-type: none"> <li>1. Designated point of contact's information, which is publicly available and accessible through the Microsoft's EU DSA information webpage for Bing.</li> <li>2. The annual review of the Microsoft's EU DSA information webpage for Bing, performed by management during the examination period.</li> </ol>

Changes to Audit Procedures During the Examination:

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No change

Conclusion:

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Positive – In our opinion, Bing complied with Obligation 11.2 during the Examination Period, in all material respects.

Recommendations on Specific Measures:

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Not applicable

Recommended Timeframe to Implement Specific Measures:

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Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
11.3	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall specify in the information referred to in paragraph 2 the official language or languages of the Member States which, in addition to a language broadly understood by the largest possible number of Union citizens, can be used to communicate with their points of contact, and which shall include at least one of the official languages of the Member State in which the provider of intermediary services has its main establishment or where its legal representative resides or is established.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Single point of contact:</b> The person, team, email address, or web page form which facilitates direct communication with the responsible person or team identified as the Point of Contact.</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
The information for a single point of contact is publicly available on Microsoft 'EU Digital Services Act information webpage' for Bing and specifies the languages that are available to communicate, including a language broadly understood by the largest possible number of Union citizens and at least one official language of each Member State.	<ol style="list-style-type: none"> <li>1. D&amp;T obtained and inspected evidence of the annual review performed by management over the single point of contact's information to ascertain whether management reviews the Microsoft's EU DSA information webpage for Bing, confirming the webpage specifies which languages are available to communicate with the single point of contact, including a language broadly understood by the largest possible number of Union citizens and at least one official language of each Member State.</li> <li>2. D&amp;T obtained and inspected the designated single point of contact's information on Microsoft's EU DSA information webpage for Bing to reperform management's review and to ascertain whether the Website specifies which languages are available to communicate with the single point of contact, including a language broadly understood by the largest possible number of Union citizens and at least one official language of each Member State.</li> </ol>	<ol style="list-style-type: none"> <li>1. Designated point of contact's information, which is publicly available and accessible through the Microsoft's EU DSA information webpage for Bing.</li> <li>2. The annual review of the Microsoft's EU DSA information webpage for Bing, performed by management during the examination period.</li> </ol>
Changes to Audit Procedures During the Examination:		
No change		
Conclusion:		
Positive – In our opinion, Bing complied with Obligation 11.3 during the Examination Period, in all material respects.		
Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:	
Not applicable	Not applicable	

## Art. 12 DSA - Points of contact for recipients of the service

Obligation:	Audit Criteria:	Materiality Threshold:
12.1	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall designate a single point of contact to enable recipients of the service to communicate directly and rapidly with them, by electronic means and in a user-friendly manner, including by allowing recipients of the service to choose the means of communication, which shall not solely rely on automated tools.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li><b>Single point of contact:</b> The person, team, email address, or web page form which facilitates direct communication with the responsible person or team identified as the Point of Contact.</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Microsoft maintains an 'EU Digital Services Act information' webpage for Bing that provides information for a designated point of contact to enable recipients of the service to communicate directly and rapidly with Bing in a user-friendly manner.</p> <p>Bing allows recipients of the service to choose a means of communication that does not solely rely on automated tools. Service recipients can communicate via a tool "Bing Report a Concern Tool" and/or a "Feedback Channel" option published on the information page.</p> <p>Additionally, at least once a year, management reviews the contact information for the single point of contact published on Bing's EU DSA information webpage.</p>	<ol style="list-style-type: none"> <li>D&amp;T inspected Microsoft's EU DSA information webpage for Bing to ascertain whether Bing has designated a single point of contact to enable recipients of the service to communicate with Microsoft directly and rapidly.</li> <li>D&amp;T obtained and inspected sample tickets for both the "Report a Concern" tool and "Feedback Channel" option and successfully traced tickets from each tool to ascertain whether there are other means of contacting the single point of contact and that it is monitored, user friendly, and does not solely rely on automated tools.</li> <li>D&amp;T obtained and inspected management's annual review for the single point of contact's information, to ascertain whether the review included steps to confirm that the designated single point of contact information was publicly available, enabling the recipients of the service to communicate with Microsoft through electronic means that do not solely rely on automated tools.</li> <li>D&amp;T inquired with management and corroborated by inspection of Bing's EU DSA information webpage, to ascertain whether the Microsoft's EU DSA information webpage for Bing has been kept up to date throughout the examination period.</li> </ol>	<ol style="list-style-type: none"> <li>Microsoft's EU DSA information webpage, for Bing, that provides the recipients of the service with options to report a concern and/or provide feedback.</li> <li>"Report a Concern Tool" and "Feedback Channel" options on Bing's platform, which allow the recipients of the service to contact Bing through electronic means.</li> <li>Management's periodic review of information for the single point of contact on the Microsoft's EU DSA information webpage for Bing.</li> </ol>

## Changes to Audit Procedures During the Examination:

No change

## Conclusion:

Positive – In our opinion, Bing complied with Obligation 12.1 during the Examination Period, in all material respects.

## Recommendations on Specific Measures:

Not applicable

## Recommended Timeframe to Implement Specific Measures:

Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
12.2	<p><b>Requirement:</b></p> <p>In addition to the obligations provided under Directive 2000/31/EC, providers of intermediary services shall make public the information necessary for the recipients of the service in order to easily identify and communicate with their single points of contact. That information shall be easily accessible, and shall be kept up to date.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Single point of contact:</b> The person, team, email address, or web page form which facilitates direct communication with the responsible person or team identified as the Point of Contact.</li> <li>• <b>Easily accessible:</b> For purposes of evaluating its Year 1 controls, Bing used the examples listed in DSA Recital 43 as a benchmark to determine whether the relevant information was easily accessible.</li> <li>• <b>Easily identify:</b> For purposes of evaluating its Year 1 controls, Bing used the information published to the following publicly available and discoverable web pages as a benchmark for determining whether the relevant information could be easily identified:             <ol style="list-style-type: none"> <li>1. EU Digital Services Act information - Microsoft Support</li> <li>2. Microsoft Services Agreement</li> <li>3. Copilot - Terms of Use (bing.com)</li> <li>4. Image Creator from Microsoft Designer - Terms of Use</li> </ol> </li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Microsoft maintains an 'EU Digital Services Act information' webpage that provides information on the designated point of contact's information to enable recipients of the service to communicate with Bing. In addition, Bing has other means for its users to communicated with Bing such as "Bing Report a Concern Tool " and/or "Feedback Channel" options.</p> <p>At least once a year, management reviews and signs off on the contact information of the Single Point of Contact published on Bing's EU DSA Information Webpage to confirm that the Single Point of Contact for recipients of the service is easily identifiable, publicly available, easily accessible, and kept up to date.</p>	<ol style="list-style-type: none"> <li>1. D&amp;T inspected the single point of contact's information on the Microsoft's EU DSA information webpage for Bing and ascertained that Bing has made public the information necessary for the recipients of the service in order to easily identify and communicate with Bing's single point of contact and that the information is easily accessible.</li> <li>2. D&amp;T obtained and inspected management's annual review over the single point of contact's information to ascertain whether the review included steps to confirm the information over Single Point of Contact for recipients of the service is easily identifiable, publicly available, easily accessible, and kept up to date. In addition, inspected management tools and ticketing systems used as other means for its users to communicate with Bing.</li> <li>3. D&amp;T inquired with management and corroborated by inspection of Bing's EU DSA information webpage, to ascertain whether the Microsoft's EU DSA information webpage for Bing has been kept up to date throughout the examination period.</li> </ol>	<ol style="list-style-type: none"> <li>1. Microsoft's EU DSA information webpage, for Bing, that provides the recipients of the service with options to report a concern and/or provide feedback.</li> <li>2. Management's periodic review of information regarding the Single Point of Contact for recipients of the service published to the Microsoft's EU DSA information webpage for Bing.</li> </ol>

Changes to Audit Procedures During the Examination:

No change

Conclusion:

Positive – In our opinion, Bing complied with Obligation 12.2 during the Examination Period, in all material respects.

Recommendations on Specific Measures:

Not applicable

Recommended Timeframe to Implement Specific Measures:

Not applicable

## Art. 14 DSA - Terms and conditions

Obligation:	Audit Criteria:	Materiality Threshold:
14.1	<p><b><u>Requirement:</u></b></p> <p>Providers of intermediary services shall include information on any restrictions that they impose in relation to the use of their service in respect of information provided by the recipients of the service, in their terms and conditions. That information shall include information on any policies, procedures, measures and tools used for the purpose of content moderation, including algorithmic decision-making and human review, as well as the rules of procedure of their internal complaint handling system. It shall be set out in clear, plain, intelligible, user-friendly and unambiguous language, and shall be publicly available in an easily accessible and machine-readable format.</p> <p><b><u>Benchmarks and Definitions:</u></b></p> <ul style="list-style-type: none"> <li>• <b>Easily Accessible:</b> The information published to the following publicly available and discoverable web pages were used as a benchmark for determining whether the relevant information could be easily accessed: <ol style="list-style-type: none"> <li>1. Microsoft Services Agreement</li> <li>2. Copilot - Terms of Use (bing.com)</li> <li>3. Image Creator from Microsoft Designer - Terms of Use</li> </ol> </li> <li>• <b>User-friendly and unambiguous language/Clear and unambiguous language:</b> Clear, and able to be understood broadly by reasonable users of the service, as determined through review by management.</li> <li>• <b>Machine-readable format:</b> Webpage is in a format that can be easily processed by a computer, such as in Hypertext Markup Language (HTML).</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
At least annually, management reviews Microsoft's terms and conditions for Bing to confirm they include information on the restrictions to the use of the service, on content moderation policies and processes, and on the complaint handling system.	<ol style="list-style-type: none"> <li>1. D&amp;T inspected Bing's website to ascertain whether Microsoft's terms and conditions for Bing are publicly available for the recipients of the service and include information on: <ul style="list-style-type: none"> <li>• Restrictions to the use of the service.</li> <li>• Measures and tools used for the purpose of content moderation, including algorithmic decision-making and human reviews</li> <li>• Rules of procedure for the internal complaint handling system.</li> </ul> </li> <li>2. D&amp;T obtained and inspected management's periodic review of Microsoft's terms and conditions for Bing, to ascertain whether the review included steps to confirm that: <ul style="list-style-type: none"> <li>• The policies, procedures, measures, and tools used for the purpose of content moderation, including algorithmic decision-making and human review, as well as the rules of procedure of the internal complaint handling system, are included in the terms and conditions; and</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1. Microsoft's terms and conditions for Bing.</li> <li>2. List of changes to Microsoft's terms and conditions for Bing during the examination period.</li> <li>3. Management's annual review of Microsoft's terms and conditions for Bing.</li> </ol>

- The terms and conditions are publicly available in clear, plain, intelligible, user-friendly, and unambiguous language, in an easily accessible and machine-readable format.
3. D&T obtained and inspected changes made to the terms and conditions to ascertain whether the updates were reviewed and approved by the appropriate individuals.

**Changes to Audit Procedures During the Examination:**

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No change

**Conclusion:**

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Positive – In our opinion, Bing complied with Obligation 14.1 during the Examination Period, in all material respects.

**Recommendations on Specific Measures:**

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Not applicable

**Recommended Timeframe to Implement Specific Measures:**

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Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
14.2	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall inform the recipients of the service of any significant change to the terms and conditions.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li><b>Significant change:</b> For purposes of evaluating Year 1 controls, Bing used the addition or removal of entire sections of the Microsoft Services Agreement (MSA) as a benchmark for what it would consider a significant change.</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
Recipients of the service are provided with notice through Bing's services or by other means before significant changes are made, as determined by the Legal Team, to Microsoft's terms and conditions for Bing.	<ol style="list-style-type: none"> <li>D&amp;T inquired with management and corroborated by inspection of Microsoft's terms and conditions for Bing, to ascertain whether Bing's controls are in to inform the recipients of the service of any significant change to Bing's terms and conditions.</li> <li>D&amp;T obtained and inspected the change logs associated with updates made to the publicly available terms and conditions to determine if any significant changes were made during the examination period. For a sample change to the terms and conditions during the examination period, D&amp;T inspected evidence to ascertain whether notification was sent to inform the recipients of the service of the change.</li> </ol>	<ol style="list-style-type: none"> <li>Microsoft's terms and conditions for Bing.</li> <li>List of changes to Microsoft's terms and conditions for Bing during the examination period.</li> </ol>

#### Changes to Audit Procedures During the Examination:

No change

#### Conclusion:

Positive – In our opinion, Bing complied with Obligation 14.2 during the Examination Period, in all material respects.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
Not applicable	Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
14.4	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall act in a diligent, objective and proportionate manner in applying and enforcing the restrictions referred to in paragraph 1, with due regard to the rights and legitimate interests of all parties involved, including the fundamental rights of the recipients of the service, such as the freedom of expression, freedom and pluralism of the media, and other fundamental rights and freedoms as enshrined in the Charter.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li><b>Diligent and proportionate:</b> In a conscientious, balanced manner.</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>At least annually, management reviews Microsoft's terms and conditions for Bing to confirm they include information on the restrictions to the use of the service, on content moderation policies and processes, and on the complaint handling system.</p> <p>Bing performs an annual systemic risk assessment over various risks including the risks to freedom of expression, freedom and pluralism of the media, and other fundamental rights and freedoms. For each risk, Bing identifies control and processes, also known as mitigants, that are designed and executed to enable Bing to include information on any restrictions that they impose in relation to the use of their service in respect of information provided by the recipients of the service, in their terms and conditions.</p> <p>Bing has several mechanisms in which recipients of the service can raise feedback and concern around the search product. Dedicated operation teams review those requests, complaints, and feedback, following the Microsoft's terms and conditions for Bing, in a diligent, objective, and proportionate manner. Any action item taken is reported back to the recipients of the service with a documented rationale of the action taken.</p>	<ol style="list-style-type: none"> <li>D&amp;T observed Bing's website to ascertain whether Microsoft's terms and conditions for Bing are publicly available for the recipients of the service and includes information to enforce the restrictions referred to in paragraph 1 and information on the fundamental rights of the recipients of the service, such as the freedom of expression, freedom and pluralism of the media, and other fundamental rights and freedoms as enshrined in the Charter, with due regard to the rights and legitimate interests of all parties.</li> <li>D&amp;T obtained and inspected management's periodic review of Microsoft's terms and conditions for Bing to ascertain whether the review included steps to confirm that: <ul style="list-style-type: none"> <li>Terms &amp; Conditions were in compliance with paragraph 14.1 requirement</li> </ul> </li> <li>D&amp;T obtained and inspected changes made to the terms and conditions, to ascertain whether the updates were reviewed and approved by the appropriate individuals.</li> <li>D&amp;T inspected evidence of Management's review of the system risk assessment to ascertain whether management aligned the contents of assessment with the obligations of Art. 14.4.</li> <li>D&amp;T inspected evidence that systemic risks were identified, analyzed, assessed, and mitigated, and that it covered risks related to rights and legitimate interests, including the fundamental rights of the recipients of the service, such as the freedom of expression, freedom and pluralism of the media, and other fundamental rights and freedoms as enshrined in the Charter.</li> </ol>	<ol style="list-style-type: none"> <li>Microsoft's terms and conditions for Bing.</li> <li>List of changes to Microsoft's terms and conditions for Bing during the examination period.</li> <li>Management's annual review of Microsoft's terms and conditions for Bing.</li> <li>Bing's annual Systemic Risk Assessment (SRA) Report.</li> <li>Policies and processes around the design and development of the Systemic Risk Assessment around Microsoft's terms and conditions for Bing.</li> <li>Samples of concern forms raised by the recipient of the service.</li> </ol>

- 6. D&T inspected evidence that each systemic risk is mitigated by an identified process, also known as mitigants. D&T selected sample mitigants related to policies, procedures, measures, and tools used for the purpose of content moderation, including algorithmic decision-making, and human review, as well as the internal complaint handling system, to ascertain that they were designed and implemented in a diligent, objective, and proportionate manner across all recipients of the service.
- 7. D&T selected sample of concern forms raised by the recipient of the service to corroborate whether Bing acted in accordance with their terms and conditions in enforcing the restrictions and in cases where no action was taken.

Changes to Audit Procedures During the Examination:

No change

Conclusion:

Positive – In our opinion, Bing complied with Obligation 14.4 during the Examination Period, in all material respects.

Recommendations on Specific Measures:

Recommended Timeframe to Implement Specific Measures:

Not applicable

Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
14.5	<p><b>Requirement:</b></p> <p>Providers of very large online platforms and of very large online search engines shall provide recipients of services with a concise, easily-accessible and machine-readable summary of the terms and conditions, including the available remedies and redress mechanisms, in clear and unambiguous language.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>User-friendly and unambiguous language/Clear and unambiguous language:</b> Clear, and able to be understood broadly by reasonable users of the service, as determined through review by management.</li> <li>• <b>Easily accessible:</b> The information published to the following publicly available and discoverable web pages were used as a benchmark for determining whether the relevant information could be easily accessed: <ol style="list-style-type: none"> <li>1. Microsoft Services Agreement</li> <li>2. Copilot - Terms of Use (bing.com)</li> <li>3. Image Creator from Microsoft Designer - Terms of Use</li> </ol> </li> <li>• <b>Machine-readable format:</b> Webpage is in a format that can be easily processed by a computer, such as in Hypertext Markup Language (HTML).</li> <li>• <b>Concise:</b> For purposes of evaluating its Year 1 controls, Bing used word count as a benchmark to evaluate the conciseness of its Summary of Terms. Specifically, whether the Summary of Terms covers the main elements of the Microsoft Services Agreement with 88% fewer words.</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Microsoft's terms and conditions for Bing are publicly accessible on its website, to be transparent with restrictions that they impose in their service for providers of intermediary services and to the recipients of the service.</p> <p>At least annually, management reviews Microsoft's terms and conditions for Bing to confirm they are concise, easily-accessible, and machine-readable summary for recipients of the service, including providing available remedies and redress mechanisms in clear and unambiguous language.</p>	<ol style="list-style-type: none"> <li>1. D&amp;T inspected Bing's website to ascertain whether Microsoft's terms and conditions for Bing are publicly available for recipients of the service and include concise, easily-accessible, and machine-readable summary of the terms and conditions, including the available remedies and redress mechanisms, in clear and unambiguous language.</li> <li>2. D&amp;T obtained and inspected management's periodic review of Microsoft's terms and conditions for Bing to ascertain whether the review included steps to confirm that Bing has provided the recipients of the service with a concise, easily-accessible, and machine-readable summary of the terms and conditions, including the available remedies and redress mechanisms, in clear and unambiguous language.</li> <li>3. D&amp;T obtained and inspected updates made to Bing's terms and conditions to ascertain whether the updates were reviewed and approved by the appropriate individuals to ensure compliance with Art. 14.5.</li> </ol>	<ol style="list-style-type: none"> <li>1. Microsoft's terms and conditions for Bing.</li> <li>2. List of changes to Microsoft's terms and conditions for Bing during the examination period.</li> <li>3. Management's annual review of Microsoft's terms and conditions for Bing.</li> </ol>

#### Changes to Audit Procedures During the Examination:

No change

**Conclusion:**

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Positive – In our opinion, Bing complied with Obligation 14.5 during the Examination Period, in all material respects.

**Recommendations on Specific Measures:**

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Not applicable

**Recommended Timeframe to Implement Specific Measures:**

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Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
14.6	<p><b>Requirement:</b></p> <p>Very large online platforms and very large online search engines within the meaning of Article 33 shall publish their terms and conditions in the official languages of all the Member States in which they offer their services.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li><b>Official languages of the Member States:</b> The 24 official languages of the EU: Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, and Swedish.</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Microsoft's terms and conditions for Bing are publicly available on its website in the official languages of the 24 relevant EU Member States to be transparent with restrictions that they impose in their service for providers of intermediary services and to the recipients of the service.</p> <p>At least annually, management reviews Microsoft's terms and conditions for Bing to confirm they are published in the official languages of the 24 relevant EU Member States.</p>	<ol style="list-style-type: none"> <li>D&amp;T inspected Microsoft Bing's website to ascertain whether Microsoft's terms and conditions for Bing are publicly available for recipients of the service and are published in official languages of the 24 relevant EU Member States.</li> <li>D&amp;T obtained and inspected management's review of Microsoft's terms and conditions for Bing to ascertain whether the review included steps to confirm that Bing had published the terms and conditions in the official languages of the 24 relevant EU Member States.</li> <li>D&amp;T obtained and inspected updates made to the Microsoft's terms and conditions for Bing to ascertain whether the updates were reviewed and approved by the appropriate individuals.</li> </ol>	<ol style="list-style-type: none"> <li>Microsoft's terms and conditions for Bing.</li> <li>Management's annual review of Microsoft's terms and conditions for Bing.</li> </ol>
Changes to Audit Procedures During the Examination:		
No change		
Conclusion:		
Positive – In our opinion, Bing complied with Obligation 14.6 during the Examination Period, in all material respects.		
Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:	
Not applicable	Not applicable	

## Art. 15 DSA - Transparency reporting obligations for providers of intermediary services

Obligation:	Audit Criteria:	Materiality Threshold:
15.1.a	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall make publicly available, in a machine-readable format and in an easily accessible manner, at least once a year, clear, easily comprehensible reports on any content moderation that they engaged in during the relevant period. Those reports shall include, in particular, information on the following, as applicable:</p> <p>a) for providers of intermediary services, the number of orders received from Member States' authorities including orders issued in accordance with Articles 9 and 10, categorised by the type of illegal content concerned, the Member State issuing the order, and the median time needed to inform the authority issuing the order, or any other authority specified in the order, of its receipt, and to give effect to the order;</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Median time:</b> There have been no orders received to date and therefore benchmarks for median time to notify the authority of receipt of orders to act against illegal content, and for median time to give effect to orders to act against illegal content, have not been determined for the purposes of evaluating Year 1 controls.</li> <li>• <b>Meaningful and comprehensible information:</b> Bing considers that the benchmark for this control is whether the items listed in Article 15.1 are all included in the report.</li> <li>• <b>Availability, visibility, and accessibility of information:</b> Bing considers that these terms are the same as those used in DSA Article 3, Definitions. Specifically, Article 3(t) which provides further explanation: "demotion, demonetization, disabling of access to, or removal therefor, or that affect the ability of the recipients of the service to provide that information, such as the termination or suspension of a recipient's account."</li> <li>• <b>Easily comprehensible:</b> Clear, and able to be understood broadly by reasonable users of the service, as determined through review by management.</li> <li>• <b>Machine-readable format:</b> Webpage is in a format that can be easily processed by a computer, such as in Hypertext Markup Language (HTML).</li> </ul>	5%
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Bing releases a DSA Transparency Report publicly on a semi-annual basis, which is reviewed by appropriate personnel in advance of the release to confirm the information includes information as listed in 15.1.a, and is complete and accurate.</p> <p>Order information is collected from multiple sources where the criteria established to extract the data has been baselined, approved, and tested. The numbers are then aggregated into a final number, which is reviewed and approved by legal and other stakeholders prior to publication on the website.</p>	<ol style="list-style-type: none"> <li>1. D&amp;T obtained and inspected the query criteria executed by Bing teams for calculating the number of Government Request Orders (GROs) categorized, as required in the Digital Services Act (DSA) for the October 2023 and April 2024 Transparency Reports, to ascertain whether the criteria to extract GRO data has been baselined, approved, and tested by management.</li> <li>2. D&amp;T inspected the review and approval performed by the core working group in October 2023 and April 2024 to ascertain whether management's review confirmed the reports were accessible in a machine-readable format and were published semi-annually, complying with transparency standards. Further, D&amp;T inspected the review and sign-off logs to ascertain whether all relevant leadership teams had approved their sections</li> </ol>	<ol style="list-style-type: none"> <li>1. Query criteria for government orders.</li> <li>2. April 2024 Transparency Report Review for period covering October 1 - December 31, 2023</li> <li>3. October 2023 Transparency Report Review for period covering August 25 - September 30, 2023</li> <li>4. Email communication between multiple teams</li> <li>5. Storage location of Transparency Report</li> </ol>

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- of the report and required reviews were completed prior to publication on the website.
3. D&T inspected various communication channels and databases, such as the Bing mailbox and the intermediary databases, which collect and process the related numbers to validate the handling and classification of government orders received from EU member states. Further, D&T recalculated and traced the number of government orders reported on the Transparency Reports for October 2023 and April 2024 to ascertain whether the numbers agree to the orders received and reported, and to confirm the reports' accuracy and completeness.

**Changes to Audit Procedures During the Examination:**

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No change

**Conclusion:**

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Positive with Comments – In our opinion, Bing complied with Obligation 15.1.a during the Examination Period, in all material respects. Through substantive testing, D&T was able to complete an evaluation and opine on the completeness and accuracy of the numbers related to GROs, meeting the obligation of 15.1.a. However, business process controls were not identified over the preparation of the Transparency Report information and underlying systems used to extract the numbers related to GROs; thus, controls were not evaluated.

<b>Recommendations on Specific Measures:</b>	<b>Recommended Timeframe to Implement Specific Measures:</b>
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| 1. D&T recommends Bing implement controls over information systems and data transfers to address the completeness and accuracy of data, including key metrics and the narrative, as applicable, reported in the Transparency Report. | April – May 2025 |
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Obligation:	Audit Criteria:	Materiality Threshold:
15.1.c	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall make publicly available, in a machine-readable format and in an easily accessible manner, at least once a year, clear, easily comprehensible reports on any content moderation that they engaged in during the relevant period. Those reports shall include, in particular, information on the following, as applicable:</p> <p>c) for providers of intermediary services, meaningful and comprehensible information about the content moderation engaged in at the providers' own initiative, including the use of automated tools, the measures taken to provide training and assistance to persons in charge of content moderation, the number and type of measures taken that affect the availability, visibility and accessibility of information provided by the recipients of the service and the recipients' ability to provide information through the service, and other related restrictions of the service; the information reported shall be categorized by the type of illegal content or violation of the terms and conditions of the service provider, by the detection method and by the type of restriction applied.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Median time:</b> There have been no orders received to date and therefore benchmarks for median time to notify the authority of receipt of orders to act against illegal content, and for median time to give effect to orders to act against illegal content, have not been determined for the purposes of evaluating Year 1 controls.</li> <li>• <b>Meaningful and comprehensible information:</b> Bing considers that the benchmark for this control is whether the items listed in Article 15.1 are all included in the report.</li> <li>• <b>Availability, visibility, and accessibility of information:</b> Bing considers that these terms are the same as those used in DSA Article 3, Definitions. Specifically, Article 3(t) which provides further explanation: "demotion, demonetization, disabling of access to, or removal therefor, or that affect the ability of the recipients of the service to provide that information, such as the termination or suspension of a recipient's account."</li> <li>• <b>Easily comprehensible:</b> Clear, and able to be understood broadly by reasonable users of the service.</li> <li>• <b>Machine-readable format:</b> Webpage is in a format that can be easily processed by a computer, such as in Hypertext Markup Language (HTML).</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion

#### Changes to Audit Procedures During the Examination:

We determined that given the limitation on the scope of our examination, a disclaimer of opinion was warranted.

Conclusion:

Disclaimer - As described in the following paragraph, we have not been able to obtain sufficient appropriate audit evidence to form a conclusion on the Bing compliance with Obligation 15.1.c during the examination period. Accordingly, we do not express an opinion on the Bing’s compliance for this obligation.

We did not reach an opinion on the obligation because:

1. Sufficient controls were not formalized over the preparation of the Transparency Report or the underlying systems.
2. Due to the complexity of the systems and processes, it was not feasible to perform alternative substantive procedures to establish reasonable assurance.

As required by our professional standards, the paragraphs under each of the headings listed below and included in the Independent Practitioner’s Assurance Report do not apply to this obligation:

- Our responsibilities and procedures performed
- Description of additional information on each of the applicable audit obligations and commitments
- Inherent limitations
- Emphasis of certain matters
- Other matters
- Opinion
- Basis for Qualified Opinion

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
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| 1. D&T recommends Bing to identify the inventory of the systems supporting preparation of the Transparency Report and document the data flow diagrams illustrating the steps that take place before the information is ready to be used in the transparency reports. | April – May 2025 |
| 2. D&T recommends Bing implement controls over information systems and data transfers to address the completeness and accuracy of data, including key metrics and the narrative, as applicable, reported in the Transparency Report.                                 |                  |

Obligation:	Audit Criteria:	Materiality Threshold:
15.1.d	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall make publicly available, in a machine-readable format and in an easily accessible manner, at least once a year, clear, easily comprehensible reports on any content moderation that they engaged in during the relevant period. Those reports shall include, in particular, information on the following, as applicable:</p> <p>d) for providers of intermediary services, the number of complaints received through the internal complaint-handling systems in accordance with the provider's terms and conditions and additionally, for providers of online platforms, in accordance with Article 20, the basis for those complaints, decisions taken in respect of those complaints, the median time needed for taking those decisions and the number of instances where those decisions were reversed.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• Median time: There have been no orders received to date and therefore benchmarks for median time to notify the authority of receipt of orders to act against illegal content, and for median time to give effect to orders to act against illegal content, have not been determined for the purposes of evaluating Year 1 controls.</li> <li>• Meaningful and comprehensible information: Bing considers that the benchmark for this control is whether the items listed in Article 15.1 are all included in the report.</li> <li>• Availability, visibility, and accessibility of information: Bing considers that these terms are the same as those used in DSA Article 3, Definitions. Specifically, Article 3(t) which provides further explanation: "demotion, demonetization, disabling of access to, or removal therefor, or that affect the ability of the recipients of the service to provide that information, such as the termination or suspension of a recipient's account."</li> <li>• Easily comprehensible: Clear, and able to be understood broadly by reasonable users of the service.</li> <li>• Machine-readable format: Webpage is in a format that can be easily processed by a computer, such as in Hypertext Markup Language (HTML).</li> </ul>	5%

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Bing releases a DSA Transparency Report publicly on a semi-annual basis, which is reviewed by appropriate personnel in advance of the release to confirm the information includes information as listed in 15.1.d, and is complete and accurate.</p> <p>Appeals information is collected from multiple sources where the criteria established to extract the data has been baselined, approved, and tested. The numbers are then aggregated into a final number, which is reviewed and approved by legal and other stakeholders prior to publication on the website.</p>	<ol style="list-style-type: none"> <li>1. D&amp;T obtained and inspected the query criteria executed by Bing teams for calculating the number of appeals as required in the Digital Services Act (DSA) for the October 2023 and April 2024 Transparency Reports, to ascertain whether the criteria to extract appeals data has been baselined, approved, and tested by management.</li> <li>2. D&amp;T inspected the review and approval performed by the core working group in October 2023 and April 2024 to ascertain whether management's review confirmed the reports were accessible in a machine-readable format and were published semi-annually, complying with transparency standards. Further, D&amp;T inspected the review and sign-off logs to ascertain whether all relevant leadership teams had approved their sections of the report and required reviews were completed prior to publication on the website.</li> </ol>	<ol style="list-style-type: none"> <li>1. Query criteria for appeals.</li> <li>2. April 2024 Transparency Report review for period covering October 1 - December 31, 2023</li> <li>3. October 2023 Transparency Report review for period covering August 25 - September 30, 2023</li> <li>4. Email communication between multiple teams</li> <li>5. Storage location of Transparency Report</li> </ol>

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- 3. D&T inspected various communication channels and databases, such as the Bing mailbox, the incident reporting tool and the intermediary databases, which collect and maintain the related numbers, to validate the handling and classification of appeals received from recipients of the service. Further, D&T recalculated and traced the number of appeals on the Transparency Reports for October 2023 and April 2024 to ascertain whether the numbers agree to the appeals received and reported, and to confirm the reports' accuracy and completeness.

**Changes to Audit Procedures During the Examination:**

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No change

**Conclusion:**

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Positive with Comments – In our opinion, Bing complied with Obligation 15.1.d during the Examination Period, in all material respects. Through substantive testing, D&T was able to complete an evaluation and opine on the completeness and accuracy of the numbers related to appeals, materially meeting the obligation of 15.1.d. However, business process controls were not identified over the preparation of the Transparency Report information and underlying systems used to extract the numbers related to appeals; thus, controls were not evaluated.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
1. D&T recommends Bing implement controls over information systems and data transfers to address the completeness and accuracy of data, including key metrics and the narrative, as applicable, reported in the Transparency Report.	April – May 2025

Obligation:	Audit Criteria:	Materiality Threshold:
15.1.e	<p><b>Requirement:</b></p> <p>Providers of intermediary services shall make publicly available, in a machine-readable format and in an easily accessible manner, at least once a year, clear, easily comprehensible reports on any content moderation that they engaged in during the relevant period. Those reports shall include, in particular, information on the following, as applicable:</p> <p>e) any use made of automated means for the purpose of content moderation, including a qualitative description, a specification of the precise purposes, indicators of the accuracy and the possible rate of error of the automated means used in fulfilling those purposes, and any safeguards applied.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Median time:</b> There have been no orders received to date and therefore benchmarks for median time to notify the authority of receipt of orders to act against illegal content, and for median time to give effect to orders to act against illegal content, have not been determined for the purposes of evaluating Year 1 controls.</li> <li>• <b>Meaningful and comprehensible information:</b> Bing considers that the benchmark for this control is whether the items listed in Article 15.1 are all included in the report.</li> <li>• <b>Availability, visibility, and accessibility of information:</b> Bing considers that these terms are the same as those used in DSA Article 3, Definitions. Specifically, Article 3(t) which provides further explanation: "demotion, demonetization, disabling of access to, or removal therefor, or that affect the ability of the recipients of the service to provide that information, such as the termination or suspension of a recipient's account."</li> <li>• <b>Easily comprehensible:</b> Clear, and able to be understood broadly by reasonable users of the service.</li> <li>• <b>Machine-readable format:</b> Webpage is in a format that can be easily processed by a computer, such as in Hypertext Markup Language (HTML).</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion

#### Changes to Audit Procedures During the Examination:

We determined that given the limitation on the scope of our examination, a disclaimer of opinion was warranted.

#### Conclusion:

Disclaimer - As described in the following paragraph, we have not been able to obtain sufficient appropriate audit evidence to form a conclusion on the Bing compliance with Obligation 15.1.e during the examination period. Accordingly, we do not express an opinion on the Bing's compliance for this obligation.

We did not reach an opinion on the obligation because:

1. Sufficient controls were not formalized over the preparation of the Transparency Report or the underlying systems.
2. Due to the complexity of the systems and processes, it was not feasible to perform alternative substantive procedures to establish reasonable assurance.

As required by our professional standards, the paragraphs under each of the headings listed below and included in the Independent Practitioner's Assurance Report do not apply to this obligation:

- Our responsibilities and procedures performed
- Description of additional information on each of the applicable audit obligations and commitments
- Inherent limitations
- Emphasis of certain matters

- 
- Other matters
  - Opinion
  - Basis for Qualified Opinion

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**Recommendations on Specific Measures:**

**Recommended Timeframe to Implement Specific Measures:**

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| <ol style="list-style-type: none"><li>1. D&amp;T recommends Bing to identify the inventory of the systems supporting preparation of the Transparency Report and document the data flow diagrams illustrating the steps that take place before the information is ready to be used in the transparency reports.</li><li>2. D&amp;T recommends Bing implement controls over information systems and data transfers to address the completeness and accuracy of data, including key metrics and the narrative, as applicable, reported in the Transparency Report.</li></ol> | <p>April – May 2025</p> |
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## **Section 2: Additional provisions applicable to providers of hosting services, including online platforms**

Bing is an online search engine, provisions for hosting services, including online platforms, are not applicable to Bing. As a result, Articles 16, 17, 18, 20, 22, 23, 24 (1, 4-5), 25, 26, 27, and 28 are not applicable to Bing.

## **Section 3: Additional provisions applicable to providers of online platforms**

Bing is an online search engine, provisions for hosting services, including online platforms, are not applicable to Bing. As a result, Articles 20, 23, 24 (1, 4-5), 25, 26, 27, and 28 are not applicable to Bing.

## **Section 4: Additional provisions applicable to providers of online platforms allowing consumers to conclude distance contracts with traders**

Bing does not allow consumers to conclude distance contracts with traders and Bing is an online search engine. As a result, Articles 30, 31, and 32 are not applicable to Bing.

## Section 5: Additional obligations for providers of very large online platforms and of very large online search engines to manage systemic risks

### Art. 24 DSA - Transparency reporting obligations for providers of online platforms

Obligation:	Audit Criteria:	Materiality Threshold:
24.2	<p><b><u>Requirement:</u></b></p> <p>By 17 February 2023 and at least once every six months thereafter, providers shall publish for each online platform or online search engine, in a publicly available section of their online interface, information on the average monthly active recipients of the service in the Union, calculated as an average over the period of the past six months and in accordance with the methodology laid down in the delegated acts referred to in Article 33(3), where those delegated acts have been adopted.</p> <p><b><u>Benchmarks and Definitions:</u></b></p> <ul style="list-style-type: none"> <li>None</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion

#### Changes to Audit Procedures During the Examination:

We determined that given the limitation on the scope of our examination, a disclaimer of opinion was warranted.

#### Conclusion:

Disclaimer – As described in the following paragraph, we have not been able to obtain sufficient appropriate audit evidence to form a conclusion on the Bing compliance with Obligation 24.2 during the examination period. Accordingly, we do not express an opinion on the Bing’s compliance for this obligation.

We did not reach an opinion on the obligation because:

1. Systems that monitor jobs that are critical to the calculation of Monthly Active Users (MAU) had data retention limitations; as a result, a complete and accurate population of job failures was not available for the entire examination period.
2. Sufficient controls were not formalized over the preparation of the MAU information and underlying systems.
3. Due to the complexity of the systems and processes, it was not feasible to perform alternative substantive procedures to establish reasonable assurance.

As required by our professional standards, the paragraphs under each of the headings listed below and included in the Independent Practitioner’s Assurance Report do not apply to this obligation:

- Our responsibilities and procedures performed
- Description of additional information on each of the applicable audit obligations and commitments
- Inherent limitations
- Emphasis of certain matters
- Other matters
- Opinion
- Basis for Qualified Opinion

**Recommendations on Specific Measures:**

**Recommended Timeframe to Implement Specific Measures:**

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|---|-------------------------|
| <ol style="list-style-type: none"><li>1. D&amp;T recommends enhancing Bing's controls and establishing a process to provide reasonable assurance that the source data used in the calculation of MAU is complete and accurate and audit evidence is retained for the entire examination period.</li><li>2. D&amp;T recommends Bing to identify the inventory of the systems supporting preparation of the Transparency Report and document the data flow diagrams illustrating the steps that take place before the information is ready to be used in the transparency reports.</li><li>3. D&amp;T recommends Bing to define processes and implement controls over information systems and data transfers to address the completeness and accuracy of data, including the key metrics and narrative reported in the transparency report.</li></ol> | <p>April – May 2025</p> |
|---|-------------------------|

Obligation:	Audit Criteria:	Materiality Threshold:
24.3	<p><b>Requirement:</b></p> <p>Providers of online platforms or of online search engines shall communicate to the Digital Services Coordinator (DSC) of establishment and the Commission, upon their request and without undue delay, the information referred to in paragraph 2, updated to the moment of such request. That Digital Services Coordinator or the Commission may require the provider of the online platform or of the online search engine to provide additional information as regards the calculation referred to in that paragraph, including explanations and substantiation in respect of the data used. That information shall not include personal data.</p> <p>That Digital Services Coordinator or the Commission may require Bing to provide additional information as regards the calculation referred to in that paragraph, including explanations and substantiation in respect of the data used. That information shall not include personal data.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Personal data:</b> Data directly identifying a specific person as defined per GDPR Article 4.</li> <li>• <b>Without undue delay:</b> For purposes of evaluating its Year 1 controls, Bing's benchmark for determining whether responses to regulator inquiries about its monthly active users are timely is the deadline listed by the regulator in its inquiry.</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Bing receives all requests from regulators around Monthly Active Users (MAUs) in its Single Point of Contact Outlook inbox and responds in a timely manner (i.e., by the date requested in the inquiry). Requests are tracked in a Single Point of Contact request tracking system.</p>	<ol style="list-style-type: none"> <li>1. D&amp;T observed the Single Point of Contact inbox used for receiving and responding to regulator (including European Commission [EC]) inquiries, specifically for MAU questions or requests, to ascertain whether the responses to regulator inquiries about MAUs are timely.</li> <li>2. D&amp;T inquired with management and corroborated by observation of the mailbox to ascertain whether no inquiries for information regarding Average Monthly Active Users were received by Bing from the regulators during the examination period.</li> <li>3. D&amp;T observed the Single Point of Contact request tracking system to ascertain whether the responses to regulator inquiries about MAUs are tracked to enable a timely response.</li> </ol>	<ol style="list-style-type: none"> <li>1. Single Point of Contact Outlook inbox used for receiving and responding to regulator inquiries about MAUs.</li> <li>2. Single Point of Contact request tracking system used for tracking requests and responses to regulator inquiries about MAUs.</li> </ol>

Changes to Audit Procedures During the Examination:
Shifted from controls and substantive to substantive procedures only.

Conclusion:

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Positive with Comments – In our opinion, Bing complied with Obligation 24.3 during the Examination Period, in all material respects. Through substantive testing, D&T was able to complete an evaluation and opine on the completeness and accuracy of the numbers of Requests for information (RFI) related to MAU received during the examination period, materially meeting the obligation of 24.3. However, D&T was unable to perform an examination of business process controls because the current process covering the tracking and responding to RFIs for MAUs controls have not been formalized.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
1. D&T recommends Bing to implement a formal control for the monitoring process for RFIs.	April – May 2025

## Art. 34 DSA - Risk assessment

Obligation:	Audit Criteria:	Materiality Threshold:
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34.1

**Requirement:**

Not applicable

Providers of very large online platforms and of very large online search engines shall diligently identify, analyse and assess any systemic risks in the Union stemming from the design or functioning of their service and its related systems, including algorithmic systems, or from the use made of their services.

They shall carry out the risk assessments by the date of application referred to in Article 33.6, second subparagraph, and at least once every year thereafter, and in any event prior to deploying functionalities that are likely to have a critical impact on the risks identified pursuant to this Article. This risk assessment shall be specific to their services and proportionate to the systemic risks, taking into consideration their severity and probability, and shall include the following systemic risks:

- a) the dissemination of illegal content through their services;
- b) any actual or foreseeable negative effects for the exercise of fundamental rights, in particular the fundamental rights to human dignity enshrined in Article 1 of the Charter, to respect for private and family life enshrined in Article 7 of the Charter, to the protection of personal data enshrined in Article 8 of the Charter, to freedom of expression and information, including the freedom and pluralism of the media, enshrined in Article 11 of the Charter, to non-discrimination enshrined in Article 21 of the Charter, to respect for the rights of the child enshrined in Article 24 of the Charter and to a high-level of consumer protection enshrined in Article 38 of the Charter;
- c) any actual or foreseeable negative effects on civic discourse and electoral processes, and public security;
- d) any actual or foreseeable negative effects in relation to gender-based violence, the protection of public health and minors and serious negative consequences to the person's physical and mental well-being.

**Benchmarks and Definitions:**

- **Functionalities:** Operations that can be run on a computer or other electronic systems.
- **Diligent and proportionate:** In a conscientious, balanced manner.
- **Critical impact:** Of significant or particularly great impact or effect.  
**Any actual or foreseeable negative effects for the exercise of fundamental rights, in particular the fundamental rights to human dignity, private and family life, protection of personal data, freedom of expression and information, freedom and pluralism of the media, non-discrimination, respect for the rights of the child, high-level consumer protection in relation to the Charter:** Potential or known harmful consequences or adverse impacts that may arise can hinder the exercise of fundamental rights as defined in the Charter of Fundamental Rights of the European Union (see <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:12012P/TXT>).
- **Any actual or foreseeable negative effects on civic discourse and electoral processes, and public security:** Potential or known harmful consequences or adverse impacts that may arise from the spread of misleading or false information within civic discourse, and as pertains to electoral processes and public security.
- **Any actual or foreseeable negative effects in relation to gender-based violence, the protection of public health and minors and serious negative consequences to the person's physical and mental well-being:** Potential or known spread of information online that is likely to lead to gender-based violence or cause demonstrable harm to public health including mental health, or to minors and a person's physical and mental well-being.
- **Personal data:** Data directly identifying a specific person as defined per GDPR Article 4.

**Summary of Controls, Systems and Processes:**

A systemic risk report from Bing's Compliance, Engineering, Digital Safety, Legal Team was produced to identify and assess systemic risks. Bing carried out an annual systemic risk assessment review to monitor that they act in a diligent, objective, and proportionate manner in applying and enforcing the restrictions. Completed systemic risk assessments and any supporting documents are retained for at least 3 years.

**Audit Procedures:**

1. D&T inspected the Systemic Risk Assessment, Safe Assessment Report and relevant supporting documents to ascertain whether the systemic risks are identified, analyzed, assessed, and mitigated.
2. D&T inspected evidence of how risks are ranked to ascertain whether ranking takes into account severity and probability (e.g., risk matrix).
3. D&T inspected and recalculated the ranking of inherent risk and residual risks to ascertain whether the numbers agree to risk ranking performed by management.
4. D&T inspected evidence of management's assumptions in relation to the risk assessment.
5. D&T inspected the SRA and relevant supporting documents to ascertain whether systemic risks listed within Obligations 34.1.a through 34.1.d are included.
6. D&T inspected evidence to ascertain whether the requisite reviews and approvals were obtained in a timely manner in accordance with the requirement set in the DSA.
7. D&T inspected policies and processes describing the design and development of the SRA to ascertain whether report results are comprehensive and inclusive of the required stakeholders. In addition, D&T inspected criteria for reperforming the SRA outside of the required annual cycle, to ascertain whether a risk reassessment was needed during the examination period.
8. D&T inspected policies and processes around the assessment of features and functions of new products against risks identified in previous SRAs to ascertain whether novel new risks will be identified prior to the deployment of these features and products, and that recurring risks are appropriately mitigated.
9. D&T inspected policies and processes for monitoring risks identified in the SRA to ascertain whether developments and evolution of risk would be addressed and reflected in the final SRA.
10. D&T examined guidelines, publications, and supplement information published by the EC in regard to relevant guidance issued and this article.

**Information Relied Upon:**

1. Bing's annual Systemic Risk Assessment Report.
2. Safe Assessment Report.
3. Final email approvals of the systemic risk assessment report.
4. Various working drafts of the systemic risk assessment report containing stakeholder reviews, comments, and approvals.
5. Project plan
6. Document summarizing the risk ranking scoring and rationale for each risk identified in the SRA.

Changes to Audit Procedures During the Examination:

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No change

Conclusion:

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Positive with Comments – In our opinion, Bing complied with Obligation 34.1 during the Examination Period, in all material respects. There is currently a lack of formalized controls in place to monitor the performance of the risk assessment. However, D&T was able to perform alternative procedures to ascertain that Obligation 34.1 is met.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
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|---|-------------------------|
| 1. D&T recommends Bing implement formalized controls over monitoring the performance of the risk assessment to clarify what Bing does to identify, analyze, and assess the risks covered in the System Risk Assessment. | January – February 2025 |
|---|-------------------------|

Obligation:	Audit Criteria:	Materiality Threshold:
34.2	<p><b>Requirement:</b></p> <p>When conducting risk assessments, providers of very large online platforms and of very large online search engines shall take into account, in particular, whether and how the following factors influence any of the systemic risks referred to in paragraph 1:</p> <ul style="list-style-type: none"> <li>a) the design of their recommender systems and any other relevant algorithmic system;</li> <li>b) their content moderation systems;</li> <li>c) the applicable terms and conditions and their enforcement;</li> <li>d) systems for selecting and presenting advertisements;</li> <li>e) data related practices of the provider.</li> </ul> <p>The assessments shall also analyse whether and how the risks pursuant to paragraph 1 are influenced by intentional manipulation of their service, including by inauthentic use or automated exploitation of the service, as well as the amplification and potentially rapid and wide dissemination of illegal content and of information that is incompatible with their terms and conditions.</p> <p>The assessment shall take into account specific regional or linguistic aspects, including when specific to a Member State.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Intentional manipulation of [the] service:</b> The deliberate use of Bing’s service as a search engine to amplify or spread illegal content, misinformation or information incompatible with the relevant terms and conditions (Microsoft Services Agreement, Image Creator from Designer Terms, and Copilot AI Experiences Terms).</li> <li>• <b>Inauthentic use or automated exploitation of the service:</b> Use or other manipulation of the service by automated user accounts.</li> <li>• <b>Influence:</b> Capacity to affect.</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>A systemic risk report from Bing's Compliance, Engineering, Digital Safety, Legal Team was produced to identify and assess systemic risks. Bing carried out an annual systemic risk assessment review to monitor that they act in a diligent, objective, and proportionate manner in applying and enforcing the restrictions. Completed systemic risk assessments and any supporting documents are retained for at least 3 years.</p>	<ol style="list-style-type: none"> <li>D&amp;T inspected the SRA and relevant supporting documents to ascertain whether Bing takes into account how the factors listed under Obligation 34.2.a through 34.2.e influence the systemic risks identified.</li> <li>D&amp;T inspected the SRA to ascertain whether it includes risks related to the intentional manipulation of the service, including by inauthentic use or automated exploitation of the service, as well as the amplification and potentially rapid and wide dissemination of illegal content, and of information that is incompatible with their terms and conditions.</li> <li>D&amp;T inspected the SRA to ascertain whether the assessment took into account and addressed regional and linguistic considerations and to confirm that the report was relevant across the Member States.</li> </ol>	<ol style="list-style-type: none"> <li>Bing’s annual Systemic Risk Assessment Report.</li> <li>Safe Assessment Report.</li> <li>Emails on various versions of the systemic risk assessment report containing stakeholder approvals.</li> <li>Project plan</li> <li>Document summarizing the risk ranking scoring and rationale for each risk identified in the SRA.</li> </ol>

Changes to Audit Procedures During the Examination:

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No change

Conclusion:

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Positive with Comments – In our opinion, Bing complied with Obligation 34.2 during the Examination Period, in all material respects. There is currently a lack of formalized controls in place to monitor the performance of the risk assessment. However, D&T was able to perform alternative procedures to ascertain that Obligation 34.2 is met.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
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|---|-------------------------|
| 1. D&T recommends Bing implement formalized controls over monitoring the performance of the risk assessment to clarify what Bing does to identify, analyze, and assess the risks covered in the System Risk Assessment. | January – February 2025 |
|---|-------------------------|

Obligation:	Audit Criteria:	Materiality Threshold:
34.3	<p><b>Requirement:</b></p> <p>Providers of very large online platforms and of very large online search engines shall preserve the supporting documents of the risk assessments for at least three years after the performance of risk assessments, and shall, upon request, communicate them to the Commission and to the Digital Services Coordinator of establishment.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li><b>Intentional manipulation of [the] service:</b> Upon request: In the context of DSA Art. 34.3, at the written direction of the Commission and the Digital Services Coordinator of establishment, within 3 years of the requested risk assessment's performance.</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>A systemic risk report from Bing's Compliance, Engineering, Digital Safety, Legal Team was produced to identify and assess systemic risks. Bing carried out an annual systemic risk assessment review to monitor that they act in a diligent, objective, and proportionate manner in applying and enforcing the restrictions.</p> <p>Completed systemic risk assessments and any supporting documents are retained for at least 3 years.</p> <p>Once the systemic risk assessment is approved and completed, the systemic risk assessment and its supporting documents are sent to the Digital Services Coordinator, timely.</p>	<ol style="list-style-type: none"> <li>D&amp;T inspected the storage site where completed risk assessments and supporting documents are stored to ascertain whether the reports are stored for at least 3 years in accordance with the obligations of Art. 34.3.</li> <li>D&amp;T observed email communication to ascertain whether the SRA and its supporting documents were sent to the Digital Services Coordinator.</li> </ol>	<ol style="list-style-type: none"> <li>Storage location of Bing's systemic risk assessment report and any supporting documents are stored.</li> <li>Email communication of the final approved SRA to the DSC.</li> </ol>

#### Changes to Audit Procedures During the Examination:

Shifted from controls and substantive to substantive procedures only.

#### Conclusion:

Positive with Comments – In our opinion, Bing complied with Obligation 34.3 during the Examination Period, in all material respects.

There is currently a lack of formalized controls in place over the storage location and retention period of the risk assessment and its supporting documents. However, D&T was able to perform alternative procedures to ascertain that Obligation 34.3 is met.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
1. D&T recommends Bing implement formalized controls over the storage location and retention period of the risk assessment and its supporting documents.	January – February 2025

## Art. 35 DSA - Mitigation of risks

Obligation:	Audit Criteria:	Materiality Threshold:
35.1	<p><b><u>Requirement:</u></b></p> <p>Providers of very large online platforms and of very large online search engines shall put in place reasonable, proportionate and effective mitigation measures, tailored to the specific systemic risks identified pursuant to Article 34, with particular consideration to the impacts of such measures on fundamental rights. Such measures may include, where applicable:</p> <ul style="list-style-type: none"> <li>(a) adapting the design, features or functioning of their services, including their online interfaces;</li> <li>(b) adapting their terms and conditions and their enforcement;</li> <li>(c) adapting content moderation processes, including the speed and quality of processing notices related to specific types of illegal content and, where appropriate, the expeditious removal of, or the disabling of access to, the content notified, in particular in respect of illegal hate speech or cyber violence, as well as adapting any relevant decision-making processes and dedicated resources for content moderation;</li> <li>(d) testing and adapting their algorithmic systems, including their recommender systems;</li> <li>(e) adapting their advertising systems and adopting targeted measures aimed at limiting or adjusting the presentation of advertisements in association with the service they provide;</li> <li>(f) reinforcing the internal processes, resources, testing, documentation, or supervision of any of their activities in particular as regards detection of systemic risk;</li> <li>(g) initiating or adjusting cooperation with trusted flaggers in accordance with Article 22 and the implementation of the decisions of out-of-court dispute settlement bodies pursuant to Article 21;</li> <li>(h) initiating or adjusting cooperation with other providers of online platforms or of online search engines through the codes of conduct and the crisis protocols referred to in Articles 45 and 48 respectively;</li> <li>(i) taking awareness-raising measures and adapting their online interface in order to give recipients of the service more information;</li> <li>(j) taking targeted measures to protect the rights of the child, including age verification and parental control tools, tools aimed at helping minors signal abuse or obtain support, as appropriate;</li> <li>(k) ensuring that an item of information, whether it constitutes a generated or manipulated image, audio or video that appreciably resembles existing persons, objects, places or other entities or events and falsely appears to a person to be authentic or truthful is distinguishable through prominent markings when presented on their online interfaces, and, in addition, providing an easy to use functionality which enables recipients of the service to indicate such information.</li> </ul> <p><b><u>Benchmarks and Definitions:</u></b></p> <ul style="list-style-type: none"> <li>• <b>Reasonable, proportionate, and effective mitigation measures:</b> Mitigation measures that are reasonable under the circumstances, proportionate to the nature of risks identified and ordinary usage of the service.</li> <li>• <b>Terms and conditions and their enforcement:</b> Defined in DSA Art. 3(u). Enforcement is outlined in each Terms and Conditions: Microsoft Services Agreement, Image Creator from Designer Terms, and Copilot AI Experiences Terms.</li> <li>• <b>Speed and quality (of processing notices):</b> Standard time to act and action taken by Bing after Bing has received a report of illegal content.</li> <li>• <b>Expeditious Removal:</b> Removed without unreasonable delay.</li> <li>• <b>Disabling of access:</b> Limiting or removing access to a feature or service.</li> </ul>	Not applicable

- **Illegal hate speech:** Per Council Framework Decision 2008/913/JHA: All conduct publicly inciting to violence or hatred directed against a group of persons or a member of such a group defined by reference to race, colour, religion, descent or national or ethnic origin.
- **Cyber violence:** Online forms of violence, such as bullying, stalking or harassment.
- **Algorithmic systems:** Systems that rely on algorithms to provide outputs or results.
- **Limiting or adjusting the presentation of advertisements:** Changing the type of advertisements or how they are shown to users of the service.
- **Targeted measures:** Specific actions or interventions.

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
A systemic risk report from Bing's Compliance, Engineering, Digital Safety, Legal Team was produced to identify and assess systemic risks. Bing carried out an annual systemic risk assessment review to monitor that they act in a diligent, objective, and proportionate manner in applying and enforcing the restrictions. Completed systemic risk assessments and any supporting documents are retained for at least 3 years.	<ol style="list-style-type: none"><li>1. D&amp;T inspected the Systemic Risk Assessment, Safe Assessment Report, and relevant supporting documents to ascertain that the systemic risks are identified, analyzed, assessed, and mitigated.</li><li>2. D&amp;T inspected the SRA and relevant supporting documents to ascertain whether all categories listed in Obligation 35.1.a – 35.1.k are mapped to risk mitigation measures designed and operated by Bing.</li><li>3. D&amp;T inspected the SRA and relevant supporting documents to ascertain whether the residual and inherent risks support a reduction in risk rating before and after mitigants measures.</li><li>4. D&amp;T inspected policies and processes for monitoring risks identified in the SRA process to ascertain whether risks were being monitored continuously by the organization.</li><li>5. D&amp;T inspected policies and procedures to ascertain whether that compliance officers were adequately involved in the risk assessment report and risk mitigation measures.</li><li>6. D&amp;T inspected evidence of reports on risk assessments, transparency reports, and other supporting documents to ascertain whether supporting documentation was appropriately retained.</li><li>7. D&amp;T examined guidelines and publications published by the EC in regard to relevant guidance issued.</li><li>8. D&amp;T inspected any supplemental information produced by the EC related to this Article within the examination period.</li></ol>	<ol style="list-style-type: none"><li>1. Bing’s annual Systemic Risk Assessment Report.</li><li>2. Safe Assessment Report.</li><li>3. Emails on various versions of the systemic risk assessment report containing stakeholder approvals.</li><li>4. Project plan</li><li>5. Document summarizing the risk ranking scoring and rationale for each risk identified in the SRA.</li></ol>

Changes to Audit Procedures During the Examination:

No change

Conclusion:

Positive with Comments – In our opinion, Bing complied with Obligation 35.1 during the Examination Period, in all material respects.

Although the audited obligation has been met, we noted the following:

- 1. There is no formal mapping of risk mitigants to controls to help ensure that each risk is mitigated by formalized and measurable controls.
- 2. There are no formalized monitoring controls over risk mitigants, including metrics tracked, evaluated, reported, and resolution of open issues.

However, D&T was able to perform alternative procedures to ascertain that Obligation 35.1 is met.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
1. D&T recommends Bing to formalize measurable controls that mitigate the identified risk domains in the systemic risk assessment.	January – February 2025
2. D&T recommends Bing to formalize monitoring controls over the risk mitigants to enhance measurability and efficacy of their risks mitigants.	

## Art. 37 DSA - Independent audit

Obligation:	Audit Criteria:	Materiality Threshold:
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37.2

**Requirement:**

Not applicable

Providers of very large online platforms and of very large online search engines shall afford the organisations carrying out the audits pursuant to this Article the cooperation and assistance necessary to enable them to conduct those audits in an effective, efficient and timely manner, including by giving them access to all relevant data and premises and by answering oral or written questions. They shall refrain from hampering, unduly influencing or undermining the performance of the audit.

Such audits shall ensure an adequate level of confidentiality and professional secrecy in respect of the information obtained from the providers of very large online platforms and of very large online search engines and third parties in the context of the audits, including after the termination of the audits. However, complying with that requirement shall not adversely affect the performance of the audits and other provisions of this Regulation, in particular those on transparency, supervision and enforcement. Where necessary for the purpose of the transparency reporting pursuant to Article 42.4, the audit report and the audit implementation report referred to in paragraphs 4 and 6 of this Article shall be accompanied with versions that do not contain any information that could reasonably be considered to be confidential.

**Benchmarks and Definitions:**

- None

**Summary of Controls, Systems and Processes:****Audit Procedures:****Information Relied Upon:**

Bing shall afford D&T, who is carrying out the audits pursuant to this Article, the cooperation and assistance necessary to enable them to conduct those audits in an effective, efficient, and timely manner, including by giving them access to all relevant data and premises and by answering oral or written questions and shall refrain from hampering, unduly influencing, or undermining the performance of the audit.

The audit shall ensure an adequate level of confidentiality and professional secrecy in respect of the information obtained from Bing and third parties in the context of the audits, including after the termination of the audits. Where necessary for the purpose of the transparency reporting pursuant to Article 42.4, the audit report, and the audit implementation report referred to in paragraphs 4 and 6 of this Article shall be accompanied with versions that do not contain any information that could reasonably be considered to be confidential.

1. D&T assessed the competency and authority of management to ascertain whether management was authorized and capable for providing access to relevant data and premises and answering oral or written questions to conduct the audit in an effective, efficient, and timely manner.
2. D&T requested audit evidence and observed Bing management's compliance to ascertain whether the cooperation and assistance provided allowed D&T to perform the audit in an effective, efficient, and timely manner, and if evidence and access to control owners was provided on a timely basis.
3. D&T conducted testing and assessments of controls to ascertain whether management refrained from hampering, unduly influencing or undermining the performance of the audit.
4. D&T inspected the signed Statement of Work (SOW) between management of Bing and D&T, to ascertain whether a confidentiality and professional secrecy section was included in respect of the information obtained from Bing, including after the termination of the examination.

Not applicable

5. Prior to issuance, D&T obtained background checks of Bing management responsible for signing the audit report. The management of Bing will issue the audit implementation report subsequent to the issuance of the independent accountant’s report.

**Changes to Audit Procedures During the Examination:**

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No change

**Conclusion:**

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Positive – In our opinion, Bing complied with Obligation 37.2 during the Examination Period, in all material respects.

**Recommendations on Specific Measures:**

**Recommended Timeframe to Implement Specific Measures:**

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Not applicable

Not applicable

Article 38 – Recommender Systems

Obligation:	Audit Criteria:	Materiality Threshold:
38	<p><b>Requirement:</b></p> <p>In addition to the requirements set out in Article 27, providers of very large online platforms and of very large online search engines that use recommender systems shall provide at least one option for each of their recommender systems which is not based on profiling as defined in Article 4, point (4), of Regulation (EU) 2016/679.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li><b>Profiling:</b> Per GDPR (General Data Protection Regulation): Any form of automated processing of personal data evaluating the personal aspects relating to a natural person, in particular to analyze or predict aspects concerning the data subject's performance at work, economic situation, health, personal preferences or interests, reliability or behavior, location or movements, where it produces legal effects concerning him or her or similarly significantly affects him or her.</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
For profiling-based recommender systems identified, Bing provides users located in the EU the ability to opt out of profiling, effectively stopping data collected from users' web activities to be processed for the purpose of servicing personalized recommendations.	<ol style="list-style-type: none"> <li>D&amp;T inspected the configurations through code logic of the Bing profiling-based recommender systems, and the associated toggles for end users to opt out of profiling to ascertain whether Bing provides at least one option for users to use each recommender system without profiling-based recommendations.</li> <li>D&amp;T performed a sample test to ascertain whether toggling on and off was operating as expected for each identified recommender system in the EU.</li> <li>D&amp;T also inspected a manually maintained list of potential profiling-based recommender systems with justifications as to why the recommender system is in- or out-of-scope for purposes of DSA. D&amp;T performed this corroborative procedure to ascertain whether the list of recommender systems was complete.</li> </ol>	<ol style="list-style-type: none"> <li>Listing of potential recommender systems, internally maintained by Bing, with descriptions of the systems and indicators for whether or not profiling-based recommendations are made to recipients of the service located in EU member states.</li> <li>Live walkthroughs to evidence the existence and functionality of the recommender system profiling in the EU and the functionality of disabling it.</li> <li>Code logic for the recommender systems functionality.</li> </ol>

Changes to Audit Procedures During the Examination:

Shifted from controls and substantive to controls only.

Conclusion:

Negative - In our opinion, because of the significance of the material noncompliance described in the following paragraph, Bing has not complied with Obligation 38 during the Examination Period, in all material respects.

This noncompliance was the result of the following facts:

1. One out of three identified profiling-based recommender systems did not have an option for EU users to opt out of profiling-based recommendations until May 31, 2024, the last date of the examination period.
2. This observation was the result of Bing self-identifying that the one recommender system was in scope for DSA, and it did not have an option for EU users to opt out of profiling-based recommendations from August 25, 2023, to May 31, 2024.
3. For the duration of the examination period (August 25, 2023 - May 31, 2024), controls were not in place to demonstrate the system capabilities allowing users to opt-out of profiling throughout the period for the three identified profiling-based recommender systems. Alternative substantive audit procedures were not possible to test the operation throughout the period.
4. Bing does not have a formal control to validate the inventory of the recommender systems for completeness and accuracy, or to identify existing and/or new recommender systems.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
1. No recommendation provided, as the observation was remediated as of May 31, 2024.	April – May 2025
2. D&T recommends that Bing implements controls to demonstrate the capability that users can opt-out of profiling throughout the period for identified profiling-based recommender systems.	
3. D&T recommends that Bing periodically reassess its inventory of relevant recommender systems. Additionally, for all recommender systems pertinent to Bing, it should determine which ones offered in the EU operate based on user profiling and ensure that EU users have the ability to opt out of user profiling recommendations	

## Article 39 - Additional online advertising transparency

Obligation:	Audit Criteria:	Materiality Threshold:
39.1	<p><b>Requirement:</b></p> <p>Providers of very large online platforms or of very large online search engines that present advertisements on their online interfaces shall compile and make publicly available in a specific section of their online interface, through a searchable and reliable tool that allows multicriteria queries and through application programming interfaces, a repository containing the information referred to in paragraph 2, for the entire period during which they present an advertisement and until one year after the advertisement was presented for the last time on their online interfaces. They shall ensure that the repository does not contain any personal data of the recipients of the service to whom the advertisement was or could have been presented, and shall make reasonable efforts to ensure that the information is accurate and complete.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Publicly Accessible:</b> Able to be accessed by the general public.</li> <li>• <b>Publicly Searchable:</b> In the context of the ad repository, data is available to the generable public and is organized in a way that enables users to query and retrieve information based on user input.</li> <li>• <b>Reliable Tool:</b> For purposes of evaluating its Year 1 controls, Bing used the following as a benchmark for tool reliability under Article 39.1: The service recipient is able to query the Ad Library for ads with 98% availability of that functionality across the examination period, any issues with downtime are resolved within 96 hours.</li> <li>• <b>Personal data:</b> Data directly identifying a specific person as defined per GDPR Article 4.</li> <li>• <b>Complete and accurate:</b> Including all relevant information without omissions or gaps, where the information is verifiable and reliable.</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Bing's Ad Library provides access to query and retrieve Ads data that includes:</p> <ul style="list-style-type: none"> <li>• Advertisement content.</li> <li>• Advertiser entity details.</li> <li>• Advertisement presentation period.</li> <li>• Impressions number and their percentage distribution by country.</li> <li>• Top targeting criteria.</li> </ul> <p>Bing has automated jobs configured for monitoring of Ads data transferring through the Ads data pipeline. The execution of the data transfer controls is monitored to address any issues promptly.</p> <p>Ad impressions rendered in the Bing Ads Library are captured completely and accurately by downstream ad systems.</p>	<ol style="list-style-type: none"> <li>1. For a sample of advertisements served in EU on Bing's platform, D&amp;T traced each sample advertisement to the Ads Library Page to ascertain whether the Ads data included: <ul style="list-style-type: none"> <li>• Advertisement content.</li> <li>• Advertiser entity details.</li> <li>• Advertisement presentation period.</li> <li>• Impressions number and their percentage distribution by country.</li> <li>• Top targeting criteria.</li> </ul> <p>D&amp;T performed this procedure to ascertain whether Bing's Ad Library Page includes and excludes the required information of each ad in accordance with DSA Art. 39.1.</p> </li> <li>2. D&amp;T obtained and inspected the automated job configurations to ascertain whether they are in place for transferring and monitoring of Ads data across the ads pipeline, completely and accurately.</li> <li>3. For a sample of failures, D&amp;T inspected evidence of triage to ascertain whether the</li> </ol>	<ol style="list-style-type: none"> <li>1. Bing's repository for advertisements through the online interface and through API.</li> <li>2. Evidence of sample advertisements served in EU on Bing's platform traced to the Ads Library Page.</li> <li>3. Job monitoring and alert notification configuration for in-scope data transfer controls.</li> <li>4. List of pipeline job failures.</li> </ol>

failures were tracked via a corresponding ticket, and an automatic email alert was raised upon failure to notify the monitoring team and resolved.

#### Changes to Audit Procedures During the Examination:

No change

#### Conclusion:

Negative – In our opinion, because of significant of material noncompliance described in the following paragraph, Bing has not complied with obligation 39.1 during the Examination Period, in all material respects.

This noncompliance was the result of the following facts:

1. During the examination period, the name of the natural or legal person who paid for the advertisement was not available in Bing’s Ad Library. As a result, D&T concluded that obligation 39.1 was not met, as Bing did not provide the recipients of the service with information regarding natural or legal person who paid for the advertisement if that person is different from the natural or legal person.
2. No control or formalized process was in place to provide reasonable assurance that any personal data of the recipients of the service to whom the advertisement was or could have been presented were removed.
3. No control or formalized process was in place to provide reasonable assurance that the data in the Ad Library contain ads up to one year from the time they were served.
4. Lack of controls over information systems and data transfer to provide reasonable assurance over the completeness and accuracy of data presented in the Ad Library.
5. The controls over this obligation were not fully implemented until after the examination start date, resulting in a control gap for a period of time.

#### Recommendations on Specific Measures:

#### Recommended Timeframe to Implement Specific Measures:

- |   |                         |
|---|-------------------------|
| <ol style="list-style-type: none"> <li>1. D&amp;T recommends Bing to update its Ad repository to include complete and accurate information associated with the natural or legal person who paid for the advertisement, if that person is different from the person referred to in point Article 39.2.b, in addition to the other required information as referred to in Article 39.2.</li> <li>2. D&amp;T recommends implementing a control or formalized process to provide reasonable assurance that personal data is removed for recipients of the service to whom the advertisement was or could have been presented.</li> <li>3. D&amp;T recommends implementing a control or formalized process to provide reasonable assurance that the data in the Ad Library is retained for at least one year from the time they were served.</li> <li>4. D&amp;T recommends clearly identifying the systems used for moving the data from the source systems to the Ads Library and implement data transfer controls to cover on completeness and accuracy of the data presented in the Ad library. Furthermore, D&amp;T recommends clearly identifying where manipulation or transformation of data is possible by the system logic and identifying controls to address the risk of errors.</li> <li>5. Relevant controls to mitigate risks within these processes should be implemented to cover the entire examination period.</li> </ol> | <p>April – May 2025</p> |
|---|-------------------------|

Obligation:	Audit Criteria:	Materiality Threshold:
39.2	<p><b>Requirement:</b></p> <p>The repository shall include at least all of the following information:</p> <p>(a) the content of the advertisement, including the name of the product, service or brand and the subject matter of the advertisement;</p> <p>(b) the natural or legal person on whose behalf the advertisement is presented;</p> <p>(c) the natural or legal person who paid for the advertisement, if that person is different from the person referred to in point (b);</p> <p>(d) the period during which the advertisement was presented;</p> <p>(e) whether the advertisement was intended to be presented specifically to one or more particular groups of recipients of the service and if so, the main parameters used for that purpose including where applicable the main parameters used to exclude one or more of such particular groups;</p> <p>(f) the commercial communications published on the very large online platforms and identified pursuant to Article 26(2);</p> <p>(g) the total number of recipients of the service reached and, where applicable, aggregate numbers broken down by Member State for the group or groups of recipients that the advertisement specifically targeted.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>None</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Bing's Ad Library provides access to query and retrieve Ads data that includes:</p> <ul style="list-style-type: none"> <li>Advertisement content.</li> <li>Advertiser entity details.</li> <li>Advertisement presentation period.</li> <li>Impressions number and their percentage distribution by country.</li> <li>Top targeting criteria.</li> </ul> <p>Bing has automated jobs configured for monitoring of Ads data transferring through the Ads data pipeline. The execution of the data transfer controls is monitored to address any issues promptly.</p> <p>Ad impressions rendered in the Bing Ads Library are captured completely and accurately by downstream ad systems.</p>	<ol style="list-style-type: none"> <li>D&amp;T inquired with management and inspected Bing Ads Library Page to ascertain whether Bing allows for querying and obtaining complete and accurate matching of the Ads shown on Bing's platform.</li> <li>D&amp;T obtained and inspected the configurations in place to ascertain whether the repository included at least all of the (a) – (g), except (f), information as provided in paragraph 2.</li> <li>For a sample selection of advertisement records targeting the European Union (EU) during the examination period, D&amp;T obtained and inspected evidence to ascertain whether following attributes were included: <ul style="list-style-type: none"> <li>The content of the advertisement</li> <li>The name of the advertiser and paying entity, as well as disclaimers in the event that the ad was removed by Bing</li> <li>The period during which the advertisement was presented</li> <li>The number of impressions and the percentage distribution by country</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>Bing's repository for advertisements through the online interface and through API.</li> <li>Sample selection of advertisements served in the EU on Bing's platform, traced to the Ads Library Page</li> <li>Job monitoring and alert notification configuration for in-scope data transfer controls.</li> <li>List of pipeline job failures.</li> </ol>

- The top targeting criteria; and
  - The repository does not contain any personal data of the recipients of the service.
4. D&T obtained and inspected the automated job configurations to ascertain whether they are in place for transferring and monitoring of Ads data across the ads pipeline, completely and accurately.
  5. For a sample of failures, D&T inspected evidence of triage to ascertain whether the failures were tracked via a corresponding ticket, and an automatic email alert was raised upon failure to notify the monitoring team and resolved.

#### Changes to Audit Procedures During the Examination:

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No change

#### Conclusion:

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Negative – In our opinion, because of significant of material noncompliance described in the following paragraph, Bing has not complied with obligation 39.2 during the Examination Period, in all material respects.

This noncompliance was the result of the following facts:

1. During the Examination Period, the name of the natural or legal person who paid for the advertisement was not available in Bing’s Ad Library. As a result, D&T concluded that obligation 39.2 was not met as Bing did not provide the recipients of the service with the information regarding natural or legal person who paid for the advertisement if that person is different from the natural or legal person.
2. Lack of controls over information systems and data transfer to provide reasonable assurance over the completeness and accuracy of data presented in the Ad Library.
3. The controls over this obligation were not fully implemented until after the examination start date, resulting in a control gap for a period of time.

#### Recommendations on Specific Measures:

#### Recommended Timeframe to Implement Specific Measures:

- |   |                         |
|---|-------------------------|
| <ol style="list-style-type: none"> <li>1. D&amp;T recommends Bing to update its Ad repository to include complete and accurate information associated with the natural or legal person who paid for the advertisement, if that person is different from the person referred to in point Article 39.2.b, in addition to the other required information as referred to in Article 39.2.</li> <li>2. D&amp;T recommends clearly identifying the systems used for moving the data from the source systems to the Ads Library and implement data transfer controls to cover on completeness and accuracy of the data presented in the Ad library. Furthermore, D&amp;T recommends clearly identifying where manipulation or transformation of data is possible by the system logic and identifying controls to address the risk of errors.</li> <li>3. Relevant controls to mitigate risks within these processes should be implemented to cover the entire examination period.</li> </ol> | <p>April – May 2025</p> |
|---|-------------------------|

Obligation:	Audit Criteria:	Materiality Threshold:
39.3	<p><b>Requirement:</b></p> <p>As regards paragraph 2, points (a), (b) and (c), where a provider of very large online platform or of very large online search engine has removed or disabled access to a specific advertisement based on alleged illegality or incompatibility with its terms and conditions, the repository shall not include the information referred to in those points. In such case, the repository shall include, for the specific advertisement concerned, the information referred to in Article 17(3), points (a) to (e), or Article 9(2), point (a)(i), as applicable.</p> <p>The Commission may, after consultation of the Board, the relevant vetted researchers referred to in Article 40 and the public, issue guidelines on the structure, organisation and functionalities of the repositories referred to in this Article.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Alleged illegality or incompatibility with its terms and conditions:</b> For purposes of evaluating its Year 1 controls, Bing used the following benchmark: content which has been removed from advertising inventory by either Bing or its ads provider (for reasons of illegal content or other violations of Microsoft Advertising Policies) has had certain fields modified in the Ads Library as required by the DSA.</li> </ul>	Not Applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion

#### Changes to Audit Procedures During the Examination:

No change

#### Conclusion:

Disclaimer – As described in the following paragraph, we have not been able to obtain sufficient appropriate audit evidence to form a conclusion on the Bing compliance with Obligation 39.3 during the examination period. Accordingly, we do not express an opinion on the Bing’s compliance for this obligation.

We were unable to express an opinion due to the following facts:

1. Lack of controls over information systems and data transfer to provide reasonable assurance over the completeness and accuracy of data presented in the Ad Library.
2. Due to the complexity of the systems and processes, it was not feasible to perform alternative substantive procedures to establish reasonable assurance.

As required by our professional standards, the paragraphs under each of the headings listed below and included in the Independent Practitioner’s Assurance Report do not apply to this obligation:

- Our responsibilities and procedures performed
- Description of additional information on each of the applicable audit obligations and commitments
- Inherent limitations
- Emphasis of certain matters
- Other matters
- Opinion
- Basis for Qualified Opinion

**Recommendations on Specific Measures:**

**Recommended Timeframe to Implement Specific Measures:**

- |  |                  |
|--|------------------|
| 1. D&T recommends clearly identifying the systems used for moving the data from the source systems to the Ads Library and implement data transfer controls to cover on completeness and accuracy of the data presented in the Ad library. Furthermore, D&T recommends clearly identifying where manipulation or transformation of data is possible by the system logic and identifying controls to address the risk of errors. | April – May 2025 |
|--|------------------|

## Art. 40 DSA - Data access and scrutiny

Obligation:	Audit Criteria:	Materiality Threshold:
40.12	<p><b>Requirement:</b></p> <p>Providers of very large online platforms or of very large online search engines shall give access without undue delay to data, including, where technically possible, to real-time data, provided that the data is publicly accessible in their online interface by researchers, including those affiliated to not for profit bodies, organisations and associations, who comply with the conditions set out in paragraph 8, points (b), (c), (d) and (e), and who use the data solely for performing research that contributes to the detection, identification and understanding of systemic risks in the Union pursuant to Article 34(1).</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Undue delay:</b> For purposes of evaluating its Year 1 controls, Bing used 15 days as a benchmark for providing data access in response to researcher requests.</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>Microsoft maintains open source and self-service research tools that provide access to the researchers to publicly accessible data.</p> <p>Additionally, Microsoft maintains the "Bing Qualified Researcher Program" portal, where researchers can submit data access requests to Bing. Bing reviews these requests against the requirements as defined under Art. 40.8.b-40.8.d and responds within 15 business days with a decision. Once management determines a decision, access will be granted or denied based on the decision.</p>	<ol style="list-style-type: none"> <li>1. D&amp;T observed and inspected the Bing research resources webpage to ascertain whether Bing provides access to public data without undue delay, to the researchers.</li> <li>2. D&amp;T inspected Bing's research resources webpage, where researchers can submit data access requests to Bing to ascertain whether Bing has a mechanism in place for research to request access to the data and that Bing reviews access requests and approve/deny access according to the conditions defined in Art. 40.8.b – 40.8.d.</li> <li>3. D&amp;T obtained a list of the DSA researcher access requests made during the examination period. For a sample of requests obtained and inspected to ascertain whether following attributes were considered by management to grant/deny access, according to the conditions defined in Art. 40.8.b – 40.8.d: <ul style="list-style-type: none"> <li>• The application is reviewed.</li> <li>• The response is sent to the applicant within 15 days with a decision date.</li> <li>• Management vets the applications to ensure the applicants use the data solely for performing research that contributes to the detection, identification, and understanding of systemic risks in the Union.</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1. Open source and self-service research tools, which are publicly available and accessible through the Bing research resources webpage.</li> <li>2. Data access request form for Bing's Qualified Researcher Program.</li> <li>3. List of data access requests received from researchers.</li> <li>4. Evidence of communication between researchers and management, communicating decisions.</li> </ol>

## Changes to Audit Procedures During the Examination:

No change

**Conclusion:**

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Positive – In our opinion, Bing complied with Obligation 40.12 during the Examination Period, in all material respects.

**Recommendations on Specific Measures:**

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Not applicable

**Recommended Timeframe to Implement Specific Measures:**

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Not applicable

## Art. 41 DSA - Compliance function

Obligation:	Audit Criteria:	Materiality Threshold:
41.1	<p><b>Requirement:</b></p> <p>Providers of very large online platforms or of very large online search engines shall establish a compliance function, which is independent from their operational functions and composed of one or more compliance officers, including the head of the compliance function. That compliance function shall have sufficient authority, stature and resources, as well as access to the management body of the provider of the very large online platform or of the very large online search engine to monitor the compliance of that provider with this Regulation.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Independent:</b> For purposes of evaluating its Year 1 controls, Bing used organizational reporting lines as a benchmark for determining the compliance function's independence from the operation of the Bing service. For these purposes, we consider teams or individuals who report to different corporate vice presidents to be independent of each other.</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>The DSA board committee, defined as the "Management Body" of Bing, establishes the DSA compliance function in accordance with the company's obligations as the provider of a VLOSE pursuant to the DSA. The DSA compliance function operates independently from Bing's operational functions and is structured to include a head of compliance and at least one other compliance officer, who reports directly to the head of compliance. The head of compliance is provided with the sufficient authority, stature, and resources, as well as access to the Management Body, to monitor compliance activities in pursuant to the DSA.</p> <p>The Management Body is responsible for the establishment of the compliance function, which is independent from the operational functions of Microsoft Ireland Operations Limited, to operationalize measures and monitor compliance with the DSA. The head of DSA compliance function reports directly to the Management Body for the purposes of leading the DSA compliance function.</p> <p>The compliance function mission letter sets out the key responsibilities of the DSA compliance function.</p> <p>Annually, the DSA board committee of Microsoft Ireland Operations Limited reviews, updates as needed, and approves the Digital Services Act</p>	<ol style="list-style-type: none"> <li>1. D&amp;T inquired with management and corroborated by inspection of evidence, to ascertain whether the DSA compliance function and the reporting lines of the DSA compliance function are in place.</li> <li>2. D&amp;T inspected the organizational structure, including the reporting lines of the DSA compliance function and the operational functions, to ascertain whether the DSA compliance function is independent of the operational functions and have access to the Management Body.</li> <li>3. D&amp;T inspected the Microsoft Ireland Operations Limited Digital Services Act compliance function mission letter, the written resolution of all the members of the DSA board committee on the appointment of the DSA head of compliance, and the Microsoft Ireland Operations Limited Digital Services Act board committee charter to ascertain whether Bing has established a DSA compliance function, which is independent of the operational functions of Microsoft Ireland Operations Limited, to monitor compliance with the DSA.</li> <li>4. D&amp;T inspected the annual review and approval of the Digital Services Act compliance function mission letter and the DSA board committee charter to ascertain whether the documents were reviewed and approved by the DSA board committee.</li> </ol>	<ol style="list-style-type: none"> <li>1. Microsoft Ireland Operations Limited Digital Services Act compliance function mission letter.</li> <li>2. The written resolution for the DSA board committee.</li> <li>3. Email communications with Digital Services Coordinator and European Commission.</li> <li>4. Establishment of governance structures.</li> <li>5. Microsoft Ireland Operations Limited Digital Services Act board committee charter</li> <li>6. Bing's Management Body and compliance function organizational structure</li> <li>7. Digital Services Act compliance functions framework deck from July 2023</li> <li>8. Email communication from the Management Body confirming the appointment of the head of compliance from July 2023</li> </ol>

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compliance function mission letter and the DSA board committee charter.

**Changes to Audit Procedures During the Examination:**

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No change

**Conclusion:**

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Positive – In our opinion, Bing complied with Obligation 41.1 during the Examination Period, in all material respects.

<b>Recommendations on Specific Measures:</b>	<b>Recommended Timeframe to Implement Specific Measures:</b>
<hr/>	

Not applicable

Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
41.2	<p><b>Requirement:</b></p> <p>The management body of the provider of the very large online platform or of the very large online search engine shall ensure that compliance officers have the professional qualifications, knowledge, experience and ability necessary to fulfil the tasks referred to in paragraph 3.</p> <p>The management body of the provider of the very large online platform or of the very large online search engine shall ensure that the head of the compliance function is an independent senior manager with distinct responsibility for the compliance function.</p> <p>The head of the compliance function shall report directly to the management body of the provider of the very large online platform or of the very large online search engine, and may raise concerns and warn that body where risks referred to in Article 34 or non-compliance with this Regulation affect or may affect the provider of the very large online platform or of the very large online search engine concerned, without prejudice to the responsibilities of the management body in its supervisory and managerial functions.</p> <p>The head of the compliance function shall not be removed without prior approval of the management body of the provider of the very large online platform or of the very large online search engine.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Independent:</b> For purposes of evaluating its Year 1 controls, Bing used organizational reporting lines as a benchmark for determining the compliance function's independence from the operation of the Bing service. For these purposes, we consider teams or individuals who report to different Corporate Vice Presidents to be independent of each other.</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>The DSA board committee is responsible for the establishment of the compliance function and the appointment of the head of compliance, who has distinct responsibility for the compliance function, and reports directly to the committee. The DSA board committee also evaluates the professional qualifications, knowledge, and experience of the compliance officers within the compliance function necessary to fulfil the tasks referred to in paragraph 3.</p> <p>The compliance function mission letter sets out the key responsibilities of the DSA compliance function. The DSA board committee charter sets out the roles and responsibilities of the DSA board committee and prohibits the removal of the head of compliance without the prior approval of DSA board committee.</p> <p>Annually, the DSA board committee of Microsoft Ireland Operations Limited reviews, updates as needed, and approves the Digital Services Act</p>	<ol style="list-style-type: none"> <li>1. D&amp;T inquired with management and corroborated by inspection, to ascertain whether the DSA board committee, the DSA compliance function, the roles and responsibilities, and the reporting lines of the DSA compliance function are in place.</li> <li>2. D&amp;T inspected the organizational structure, including the reporting lines of the DSA compliance function and the operational functions, to ascertain whether the DSA compliance function is an independent senior manager.</li> <li>3. D&amp;T inspected the Microsoft Ireland Operations Limited Digital Services Act compliance function mission letter, the written resolution of all the members of the DSA board committee on the appointment of the DSA head of compliance, and the Microsoft Ireland Operations Limited Digital Services Act board committee charter to ascertain whether Bing established a DSA compliance function, including appointing the head of compliance, who has professional qualifications, knowledge, experience, and</li> </ol>	<ol style="list-style-type: none"> <li>1. Microsoft Ireland Operations Limited Digital Services Act compliance function mission letter.</li> <li>2. The written resolution for the DSA board committee.</li> <li>3. Email communications with Digital Services Coordinator and European Commission.</li> <li>4. Establishment of governance structures.</li> <li>5. Microsoft Ireland Operations Limited Digital Services Act board committee charter.</li> <li>6. Bing's Management Body and compliance function organizational structure.</li> <li>7. Digital Services Act Compliance functions framework deck from July 2023.</li> <li>8. Email communication from the Management Body confirming the appointment of the head of compliance from July 2023.</li> </ol>

compliance function mission letter and the DSA board committee charter.	ability necessary to fulfil the tasks referred to in paragraph 3. Inspected evidence to show that the head of compliance reports directly to the DSA board committee, has distinct responsibility for the compliance function, and cannot be removed without the prior approval of the DSA board committee.	9. Email communication listing the experience and professional qualifications of the head of compliance from August 2022.
	4. D&T inspected the annual review and approval of the Digital Services Act compliance function mission letter and the DSA board committee charter to ascertain whether the documents were reviewed and approved by the DSA board committee.	

Changes to Audit Procedures During the Examination:

No change

Conclusion:

Positive with Comments – In our opinion, Bing complied with Obligation 41.2 during the Examination Period, in all material respects. Although the audited obligation has been met, we noted the following:

- 1. There is no formal control to review that professional qualifications, knowledge, and experience of compliance officers meet, and continues to meet, the abilities necessary to fulfil the tasks referred to in paragraph 3.

However, D&T was able to perform alternative procedures to ascertain that Obligation 41.2 is met.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
1. D&T recommends that Bing implements a formal control to review that professional qualifications, knowledge, and experience of compliance officers meet, and continues to meet, the abilities necessary to fulfil the tasks referred to in paragraph 3.	April – May 2025

Obligation:	Audit Criteria:	Materiality Threshold:
41.3	<p><b>Requirement:</b></p> <p>Compliance officers shall have the following tasks:</p> <ul style="list-style-type: none"> <li>a) cooperating with the Digital Services Coordinator of establishment and the Commission for the purpose of this Regulation;</li> <li>b) ensuring that all risks referred to in Article 34 are identified and properly reported on and that reasonable, proportionate and effective risk-mitigation measures are taken pursuant to Article 35;</li> <li>c) organising and supervising the activities of the provider of the very large online platform or of the very large online search engine relating to the independent audit pursuant to Article 37;</li> <li>d) informing and advising the management and employees of the provider of the very large online platform or of the very large online search engine about relevant obligations under this Regulation;</li> <li>e) monitoring the compliance of the provider of the very large online platform or of the very large online search engine with its obligations under this Regulation;</li> <li>f) where applicable, monitoring the compliance of the provider of the very large online platform or of the very large online search engine with commitments made under the codes of conduct pursuant to Articles 45 and 46 or the crisis protocols pursuant to Article 48.</li> </ul> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Reasonable, proportionate, and effective mitigation measures:</b> Mitigation measures appropriate for the systemic risks identified pursuant to DSA Article 34 are tailored to the severity and likelihood of the identified risks and reasonably support in minimizing or mitigating such risks.</li> <li>• <b>Properly reported:</b> For purposes of evaluating its Year 1 controls, Bing considers that the words "properly reported on" in DSA Article 41.3.b reference the risk assessment process (including the methodology employed, recording findings, preparation of the report, and supporting documentation).</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>The compliance function mission letter sets out the key responsibilities of the compliance function, including:</p> <ul style="list-style-type: none"> <li>• Cooperating with the Digital Services Coordinator of establishment and the Commission in relation to Bing's compliance with DSA, including by reporting on the measures that Bing has implemented to comply with applicable obligations in the DSA.</li> <li>• Requiring that risks referred to in Article 34 are identified and reported, and that reasonable, proportionate, and effective risk-mitigation measures are taken pursuant to Article 35.</li> <li>• Organizing and supervising the activities of Bing relating to the independent audit pursuant to Article 37.</li> </ul>	<ol style="list-style-type: none"> <li>1. D&amp;T inspected the annual review of the Bing EU DSA information webpage by the head of compliance to ascertain whether the compliance officers are cooperating with the Digital Services Coordinator of establishment and the Commission for the purpose of this Regulation.</li> <li>2. D&amp;T inspected the meeting invitations, attendee lists, and minutes of Bing DSA compliance monthly meetings to confirm the regular occurrence of monthly compliance meetings, including agenda topics so that all risks referred to in Article 34 are identified and properly reported on, that reasonable, proportionate, and effective risk-mitigation measures are taken pursuant to Article 35, that the compliance officers are supervising the activities of Bing in relation to the independent audit pursuant to Article 37, and</li> </ol>	<ol style="list-style-type: none"> <li>1. Annual review of the Bing EU DSA information webpage by the head of compliance</li> <li>2. Meeting agendas, invitations, and minutes for Bing DSA compliance monthly meetings</li> <li>3. Bing DSA compliance function workshop and Bing DSA compliance training meeting invitations and attendance records, and training materials</li> <li>4. Project timelines and email approvals by the Bing DSA compliance officers for the systemic risk assessment report sent to the EC pursuant of Articles 34 and 35</li> <li>5. Sample of email communication between Bing's single point of contact</li> </ol>

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| <ul style="list-style-type: none"> <li>• Informing and advising management and employees of Bing about relevant obligations under the DSA.</li> <li>• Monitoring the compliance of Bing with its obligations under the DSA.</li> <li>• Where applicable, monitoring the compliance of Bing with commitments made under the codes of conduct pursuant to Articles 45 and 46 or the crisis protocols pursuant to Article 48.</li> </ul> | <ol style="list-style-type: none"> <li>3. D&amp;T inspected the list of required attendees for the Bing DSA compliance function workshop and Bing DSA compliance training, and corresponding training materials, to ascertain whether the compliance functions involved in the process have been actively monitoring the training progress, the correct parties attended the trainings, and the training contents included relevant information pursuant to this article.</li> <li>4. D&amp;T inspected the project timelines and email approvals for the systemic risk assessment report sent to the EC to evaluate how the compliance officers performed their tasks with respect to Article 41.3.b through 41.3.e and, where applicable 41.3.f.</li> <li>5. D&amp;T inspected a sample of email communication between Bing's single point of contact and member states' authorities, the Commission, and the Board, and also inspected a sample of email communications with Digital Services Coordinator and the European Commission to ascertain that Bing is cooperating with the Digital Services Coordinator of establishment and the Commission for the purpose of this Regulation.</li> <li>6. D&amp;T obtained and inspected the annual review of strategies and policies for managing, monitoring, and maintaining risks identified in the DSA to ascertain that the compliance officers are monitoring the compliance of Bing with its obligations under this Regulation and, where applicable, are monitoring the compliance of Bing with commitments made under the codes of conduct pursuant to Articles 45 and 46 or the crisis protocols pursuant to Article 48.</li> </ol> | <p>with member states' authorities, the Commission, or the Board</p> <ol style="list-style-type: none"> <li>6. Email communications with Digital Services Coordinator and European Commission</li> <li>7. Annual review of strategies and policies for managing, monitoring, and mitigating risks identified in the DSA</li> </ol> |
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#### Changes to Audit Procedures During the Examination:

No change

#### Conclusion:

Positive with Comments – In our opinion, Bing complied with Obligation 41.3 during the Examination Period, in all material respects.

#### Recommendations on Specific Measures:

Not applicable

#### Recommended Timeframe to Implement Specific Measures:

Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
41.4	<p><b>Requirement:</b></p> <p>Providers of very large online platforms or of very large online search engines shall communicate the name and contact details of the head of the compliance function to the Digital Services Coordinator of establishment and to the Commission.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>None</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>The compliance function mission letter sets out the key responsibilities of the Head of DSA Compliance Function, including:</p> <ul style="list-style-type: none"> <li>Cooperating with the Digital Services Coordinator of establishment and the Commission in relation to Bing's compliance with DSA, including by reporting on the measures that Bing has implemented to comply with applicable obligations in the DSA.</li> <li>Requiring that risks referred to in Article 34 are identified and reported, and that reasonable, proportionate, and effective risk-mitigation measures are taken pursuant to Article 35.</li> <li>Organizing and supervising the activities of Bing relating to the independent audit pursuant to Article 37.</li> <li>Informing and advising management and employees of Bing about relevant obligations under the DSA.</li> <li>Monitoring the compliance of Bing with its obligations under the DSA.</li> <li>Where applicable, monitoring the compliance of Bing with commitments made under the codes of conduct pursuant to Articles 45 and 46 or the crisis protocols pursuant to Article 48.</li> </ul>	<ol style="list-style-type: none"> <li>D&amp;T inspected the communication sent by the head of compliance to ascertain whether the name and contact details of the head of DSA compliance were communicated to the Digital Services Coordinator and to the Commission.</li> <li>D&amp;T inspected the written resolution for the DSA board committee to ascertain whether the head of the DSA compliance function was approved by the DSA board committee.</li> <li>D&amp;T inspected email communication from Management Body appointing the head of compliance for Bing from July 2023.</li> </ol>	<ol style="list-style-type: none"> <li>Email communication sent by the head of DSA compliance to the European Commission and the Digital Services Coordinator.</li> <li>Written resolution for the DSA Board Committee on the appointment of the DSA head of compliance</li> <li>Email communication from the Management Body confirming the appointment of head of compliance from July 2023.</li> </ol>

#### Changes to Audit Procedures During the Examination:

No change

#### Conclusion:

Positive – In our opinion, Bing complied with Obligation 41.4 during the Examination Period, in all material respects.

Recommendations on Specific Measures:

Recommended Timeframe to Implement Specific Measures:

Not applicable

Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
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41.5

**Requirement:**

The management body of the provider of the very large online platform or of the very large online search engine shall define, oversee and be accountable for the implementation of the provider's governance arrangements that ensure the independence of the compliance function, including the division of responsibilities within the organisation of the provider of very large online platform or of very large online search engine, the prevention of conflicts of interest, and sound management of systemic risks identified pursuant to Article 34.

**Benchmarks and Definitions:**

- None

Not applicable

**Summary of Controls, Systems and Processes:**

The DSA board committee charter sets out the roles and responsibilities of the DSA board committee, which include defining, overseeing, and being accountable for the implementation of Bing's governance arrangements, ensuring the independence of the compliance function, including the division of responsibilities within the organization, the prevention of conflicts of interest, and the sound management of systemic risks.

Annually, the DSA board committee of Microsoft Ireland Operations Limited reviews, updates as needed, and approves the Digital Services Act compliance function mission letter and the DSA board committee charter.

**Audit Procedures:**

1. D&T inquired with management and corroborated by inspection, to ascertain whether the roles and responsibilities of the DSA board committee are well defined.
2. D&T inspected the Microsoft Ireland Operations Limited Digital Services Act board committee charter to ascertain that the roles and responsibilities of the DSA board committee include defining, overseeing, and being accountable for the implementation of Bing's governance arrangements, ensuring the independence of the compliance function, including the division of responsibilities within the organization, the prevention of conflicts of interest, and the sound management of systemic risks.
3. D&T inspected the annual review and approval of the Digital Services Act compliance function mission letter and the DSA board committee charter to ascertain the documents were reviewed and approved by the DSA board committee.
4. D&T inspected the Bing's systemic risk assessment report to verify that the Management Body has completed their review, approved, and documented the report.

**Information Relied Upon:**

1. Microsoft Ireland Operations Limited Digital Services Act compliance function mission letter
2. Establishment of governance structures
3. Microsoft Ireland Operations Limited Digital Services Act board committee charter
4. Bing's Systemic Risk Assessment (SRA) Report from August 2023.

**Changes to Audit Procedures During the Examination:**

No change

Conclusion:

Positive with Comments – In our opinion, Bing complied with Obligation 41.5 during the examination period, in all material respects. Although the audited obligation has been met, we noted the following:

- 1. The DSA Board Committee was not formally established during the period of August 25, 2023, to February 28, 2024. During the period from August 25, 2023 to February 28, 2024 we understand that the members of the Management Body established in February 2024 were acting as the Management Body; however, no formal documentation existed to demonstrate that those individuals defined, oversaw, or were accountable for the implementation of Bing's governance arrangements that ensure the independence of the compliance function, including the division of responsibilities within the organization of Bing, the prevention of conflicts of interest, and sound management of systemic risks identified pursuant to Article 34.

However, D&T was able to perform alternative procedures to ascertain that Obligation 41.5 is met.

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
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Not applicable - No recommendations given on this obligation as the comment has been addressed during the examination period.	Not applicable
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Obligation:	Audit Criteria:	Materiality Threshold:
41.6	<p><b>Requirement:</b></p> <p>The management body shall approve and review periodically, at least once a year, the strategies and policies for taking up, managing, monitoring and mitigating the risks identified pursuant to Article 34 to which the very large online platform or the very large online search engine is or might be exposed to.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>None</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>The DSA board committee charter sets out the roles and responsibilities of the DSA board committee, which include approving and reviewing periodically, at least annually, the strategies and policies taking up, managing, monitoring, and mitigating the risks identified pursuant to Article 34 to which the Company is or might be exposed to.</p> <p>Annually, the DSA board committee of Microsoft Ireland Operations Limited reviews, updates as needed, and approves the Digital Services Act compliance function mission letter and the DSA board committee charter.</p>	<ol style="list-style-type: none"> <li>D&amp;T inquired with management and corroborated by inspection, to ascertain whether the roles and responsibilities of the DSA board committee are well defined.</li> <li>D&amp;T inspected the Microsoft Ireland Operations Limited Digital Services Act board committee charter to ascertain whether the roles and responsibilities of the DSA board committee include approving and reviewing, at least annually, the strategies and policies taking up, managing, monitoring, and mitigating the risks identified pursuant to Article 34 to which the Company is or might be exposed to.</li> <li>D&amp;T inspected the annual review and approval of the Digital Services Act compliance function mission letter and the DSA board committee charter to ascertain whether the documents were reviewed and approved by the DSA board committee.</li> <li>D&amp;T inspected the Bing's systemic risk assessment report to verify that the Management Body completed their review, approved, and documented the report.</li> </ol>	<ol style="list-style-type: none"> <li>Microsoft Ireland Operations Limited Digital Services Act compliance function mission letter</li> <li>Establishment of governance structures</li> <li>Microsoft Ireland Operations Limited Digital Services Act board committee charter</li> <li>Bing's systemic risk assessment report</li> <li>Emails on various versions of the systemic risk assessment report containing stakeholder approvals</li> </ol>
Changes to Audit Procedures During the Examination:		
No change		
Conclusion:		
Positive – In our opinion, Bing complied with Obligation 41.6 during the Examination Period, in all material respects.		
Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:	
Not applicable	Not applicable	

Obligation:	Audit Criteria:	Materiality Threshold:
41.7	<p><b>Requirement:</b></p> <p>The management body shall devote sufficient time to the consideration of the measures related to risk management. It shall be actively involved in the decisions related to risk management, and shall ensure that adequate resources are allocated to the management of the risks identified in accordance with Article 34.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>• <b>Sufficient time:</b> For purposes of evaluating its Year 1 controls, Microsoft Ireland Operations Limited (service provider of Bing) established a benchmark of four Committee meetings per year, together with the fact that the Head of Compliance (HoC) presents at these meetings and has direct access to speak with the Committee and the MIOL Board of Directors as the HoC may deem necessary.</li> <li>• <b>Adequate resources:</b> For Year 1, the Bing Compliance Function included five full-time employees and a number of third parties (vendor organizations) with specific subject matter expertise who were engaged to augment the capabilities of the FTEs. This resourcing was reviewed with Bing’s DSA management body (the MIOL DSA Board Committee).</li> </ul>	Not applicable
Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
<p>The DSA board committee charter sets out the roles and responsibilities of the DSA board committee, which include devoting sufficient time to the consideration of the measures related to risk management, being actively involved in the decisions related to risk management and ensuring that adequate resources are allocated to the management of the risks identified in accordance with Article 34 of the DSA.</p> <p>Annually, the DSA board committee of Microsoft Ireland Operations Limited reviews, updates as needed, and approves the Digital Services Act compliance function mission letter and the DSA board committee charter.</p>	<ol style="list-style-type: none"> <li>1. D&amp;T inquired with management and corroborated by inspection of the DSA board committee charter, to ascertain whether the roles and responsibilities of the DSA board committee are well defined.</li> <li>2. D&amp;T inspected the Microsoft Ireland Operations Limited Digital Services Act board committee charter to ascertain that the roles and responsibilities of the DSA board committee include approving and reviewing, at least annually, the strategies and policies taking up, managing, monitoring, and mitigating the risks identified pursuant to Article 34 to which the Company is or might be exposed to.</li> <li>3. D&amp;T inspected the annual review and approval of the Digital Services Act compliance function mission letter and the DSA board committee charter to ascertain the documents were reviewed and approved by the DSA board committee.</li> <li>4. D&amp;T inspected the Bing’s systemic risk assessment report to verify that the Management Body completed their review, approved, and documented the report.</li> <li>5. D&amp;T inspected the establishment of governance structures within the board of directors meeting minutes to evidence Management Body’s annual review and approval of the governance arrangements of the compliance function, demonstrating</li> </ol>	<ol style="list-style-type: none"> <li>1. Microsoft Ireland Operations Limited Digital Services Act compliance function mission letter</li> <li>2. Establishment of governance structures</li> <li>3. Microsoft Ireland Operations Limited Digital Services Act board committee charter</li> <li>4. Bing’s systemic risk assessment report</li> <li>5. Emails on versions of the systemic risk assessment report containing stakeholder approvals</li> <li>6. Digital Services Act compliance functions framework deck from July 2023</li> <li>7. Email communication from the Management Body confirming the appointment of head of compliance from July 2023</li> </ol>

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- Management Body is actively involved in the decisions related to risk management, and adequate resources are allocated to the management of the risks identified in accordance with Article 34.
6. D&T inspected evidence that changes or updates to the Bing compliance function received appropriate approval from the Management Body.

**Changes to Audit Procedures During the Examination:**

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No change

**Conclusion:**

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Positive – In our opinion, Bing complied with Obligation 41.7 during the Examination Period, in all material respects.

**Recommendations on Specific Measures:**

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Not applicable

**Recommended Timeframe to Implement Specific Measures:**

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Not applicable

## Art. 42 DSA - Transparency reporting obligations

Obligation:	Audit Criteria:	Materiality Threshold:
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42.1

**Requirement:**

Providers of very large online platforms or of very large online search engines shall publish the reports referred to in Article 15 at the latest by two months from the date of application referred to in Article 33(6), second subparagraph, and thereafter at least every six months.

**Benchmarks and Definitions:**

- None

Not applicable

**Summary of Controls, Systems and Processes:**

Bing releases DSA Transparency Reports publicly on a semi-annual basis, which is reviewed by appropriate personnel in advance of the release to confirm the reports include information as specified in Art. 15.1.a – 15.1.e. The approved report is published to a public site.

**Audit Procedures:**

1. D&T inquired with management and corroborated by inspection, to ascertain whether Bing has processes and timelines in place for the DSA Transparency Report reviews to be completed by the appropriate personnel, and whether there is a process to document their approval.
2. D&T inspected the leadership approval documentation and sign offs for both Transparency Reports to ascertain whether approval was obtained prior report publication on the Bing site.
3. D&T inspected that the Transparency Reports issued during the Examination Period to ascertain whether they were published within the required timeline on a semi-annual basis, starting two months from the date of publication referred to in Article 33.6, second subparagraph, and contained the relevant and necessary information as in Art. 15.1.a – 15.1.e.

**Information Relied Upon:**

1. Email communication approval from leadership demonstrating the approval process of the Transparency Reports prior to publication
2. Bing Transparency Reports, published semi-annually

**Changes to Audit Procedures During the Examination:**

No change

**Conclusion:**

Positive – In our opinion, Bing complied with Obligation 42.1 during the Examination Period, in all material respects.

**Recommendations on Specific Measures:**

Not applicable

**Recommended Timeframe to Implement Specific Measures:**

Not applicable

Obligation:	Audit Criteria:	Materiality Threshold:
42.3	<p><b>Requirement:</b></p> <p>In addition to the information referred to in Articles 24(2), the providers of very large online platforms or of very large online search engines shall include in the reports referred to in paragraph 1 of this Article the information on the average monthly recipients of the service for each Member State.</p> <p><b>Benchmarks and Definitions:</b></p> <ul style="list-style-type: none"> <li>None</li> </ul>	Not applicable

Summary of Controls, Systems and Processes:	Audit Procedures:	Information Relied Upon:
Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion	Not applicable - Disclaimer of Opinion

#### Changes to Audit Procedures During the Examination:

We determined that given the limitation on the scope of our examination, a disclaimer of opinion was warranted.

#### Conclusion:

Disclaimer – As described in the following paragraph, we have not been able to obtain sufficient appropriate audit evidence to form a conclusion on the Bing compliance with Obligation 42.3 during the examination period. Accordingly, we do not express an opinion on the Bing’s compliance for this obligation.

We were unable to express an opinion due to the following facts:

1. Systems that monitor jobs that are critical to the calculation of MAU had data retention limitations due to which complete and accurate population of job failures was not available, for the entire examination period.
2. Sufficient controls were not formalized over the preparation of the Monthly Active Users (MAU) information and underlying systems.
3. Due to the complexity of the systems and processes, it was not feasible to perform alternative substantive procedures to establish reasonable assurance.

As required by our professional standards, the paragraphs under each of the headings listed below and included in the Independent Practitioner’s Assurance Report do not apply to this obligation:

- Our responsibilities and procedures performed
- Description of additional information on each of the applicable audit obligations and commitments
- Inherent limitations
- Emphasis of certain matters
- Other matters
- Opinion
- Basis for Qualified Opinion

Recommendations on Specific Measures:	Recommended Timeframe to Implement Specific Measures:
1. D&T recommends enhancing Bing's controls and establishing a process to provide reasonable assurance that the source data used in the calculation of MAU is complete and accurate and audit evidence is retained for the entire examination period.	April – May 2025
2. D&T recommends Bing to identify the inventory of the systems supporting preparation of the Transparency Report and document the data flow diagrams illustrating the steps that take place before the information is ready to be used in the transparency reports.	

3. D&T recommends Bing to define processes and implement controls over information systems and data transfers to address the completeness and accuracy of data, including the key metrics and narrative reported in the transparency report.



**Section 1: Responsibility of the regulatory body and not the VLOSE**

Article	Out of Scope Obligations
DSA Art. 15	15(3)
DSA Art. 24	24(4), 24(6)
DSA Art. 33	33(1-6)
DSA Art. 35	35(2-3)
DSA Art. 37	37(7)
DSA Art. 40	40(2,6,8,9,10,11,13)
DSA Art. 43	43(1-7)
DSA Art. 44	44(1-2)
DSA Art. 45	45(1-4)
DSA Art. 46	46(1-4)
DSA Art. 47	47(1-3)
DSA Art. 48	48(1-5)

**Section 2: Not applicable until the regulatory body takes action**

Article	Out of Scope Obligations
DSA Art. 40	40(1,3,4,5,7)
DSA Art. 36	36(1-11)

**Section 3: Based on Microsoft legal determination, conditions do not exist for the obligation to be applicable**

Article	Out of Scope Obligations
DSA Art. 13	13(1-5)
DSA Art. 14	14(3)

**Section 4: Obligations not relevant for VLOSE**

Article	Out of Scope Obligations
DSA Art. 15	15(1)(b), 15(1)(d) (“and additionally, for providers of online platforms...”), 15(2)
DSA Art. 16	16(1-6)

DSA Art. 17	17(1-5)
DSA Art. 18	18(1-2)
DSA Art. 19	19(1-2)
DSA Art. 20	20(1-6)
DSA Art. 21	21(1-9)
DSA Art. 22	22(1-8)
DSA Art. 23	23(1-3)
DSA Art. 24	24(1), 24(5)
DSA Art. 25	25(1-3)
DSA Art. 26	26(1-3)
DSA Art. 27	27(1-3)
DSA Art. 28	28(1-4)
DSA Art. 29	29(1-2)
DSA Art. 30	30(1-7)
DSA Art. 31	31(1-3)
DSA Art. 32	32(1-2)
DSA Art. 39	39(2)(f)
DSA Art. 42	42(2)

#### Section 5: Not applicable for initial Examination Period

Article	Out of Scope Obligations
DSA Art. 37	37(1), 37 (3-6)
DSA Art. 42	42(4-5)

## Appendix 3 – Template for the audit report referred to in Article 6 of Delegated Regulation

## Appendix 3 – Template for the audit report referred to in Article 6 of Delegated Regulation

## Section A: General Information

## 1. Audited service:

Bing

## 2. Audited provider:

Microsoft Ireland Operations Limited

## 3. Address of the audited provider:

One Microsoft Place, South Country Business Park, Leopardstown, Dublin 18, D18 P521

## 4. Point of contact of the audited provider:

[CONFIDENTIAL], Bing DSA Compliance Officer

## 5. Scope of the audit:

Does the audit report include an assessment of compliance with all the obligations and commitments referred to in Article 37.1 of Regulation (EU) 2022/2065 applicable to the audited provider?

Yes

## 1. Compliance with Regulation (EU) 2022/2065

Obligations set out in Chapter III of Regulation (EU) 2022/2065:

## Audited obligation

## Period covered

A listing of the audited obligations can be found in Appendix 1, Section 1-5 (Audit Criteria label) in the Independent Accountant's Report.

August 25, 2023, to May 31, 2024.

## 2. Compliance with codes of conduct and crisis protocols

Commitments undertaken pursuant to codes of conduct referred to in Articles 45 and 46 of Regulation (EU) 2022/2065 and crisis protocols referred to in Article 48 of Regulation (EU) 2022/2065:

## Audited obligation

## Period covered

Not applicable for the examination period.

Not applicable

## 6. a. Audit start date:

## b. Audit end date:

Not applicable

Not applicable

## Section B: Auditing organization

### 1. Name of organization constituting the auditing organisation:

Deloitte & Touche LLP

### 2. Information about the auditing team of the auditing organisation:

[CONFIDENTIAL] was the overall responsible person from Deloitte & Touche LLP (Contact details: 1015 Second Avenue, Suite 500, Seattle, WA 98104; Deloitte DSA Audit <dsaaudit@deloitte.com>). All members of the auditing team were employees of Deloitte & Touche LLP and its affiliates.

### 3. Auditors' qualification:

- a) Overview of the professional qualifications of the individuals who performed the audit, including domains of expertise, certifications, as applicable:

The auditing team consisted of individuals certified as Chartered Accountants, Certified Public Accountants, Certified Information Systems Auditors, Certified Information Systems Security Professionals, HITRUST Certified CSF Practitioners, and Cloud Security Knowledge. The auditing team also included individuals with experience and knowledge in data science and data privacy regulations.

- b) Documents attesting that the auditing organization fulfils the requirements laid down in Article 37.3.b of Regulation (EU) 2022/2065 have been attached as an annex to this report:

See (a) above.

### 4. Auditors' independence:

- a) Declaration of interests

Deloitte & Touch LLP performs the audit of Microsoft's internal control over financial reporting and annual consolidated financial statements included in Microsoft's annual 10-K report, the review of consolidated financial statements included in Microsoft's quarterly Form 10-Q reports, and the services that an independent auditor would customarily provide in connection with subsidiary audits, statutory requirements, regulatory filings, and similar engagements for the fiscal year, such as comfort letters, attest services, consents, and assistance with review of documents filed with the U.S. Securities and Exchange Commission (SEC). In coordination with the consolidated financial statements, D&T performs procedures relating to accounting matters that arise in connection with or as a result of the audit or the review of periodic financial statements and statutory audits that non-U.S. jurisdictions require in addition to audits of Microsoft's employee benefit plans; due diligence related to mergers, acquisitions, and investments; additional revenue and license compliance procedures related to the performance of review or audit of Microsoft's consolidated financial statements; third-party assurance audits for cloud services; and accounting consultations about the application of GAAP to proposed transactions and tax compliance and return preparation, and tax planning and advice.

**b) References to any standards relevant for the auditing team’s independence that the auditing organization(s) adheres to:**

As stated in the Independent Accountant’s Report under “Our independence and quality management” –

We are required to be independent of Microsoft and its subsidiaries and to meet our other ethical responsibilities, as applicable, for examination engagements set forth in the Preface: Applicable to All Members and Part 1 – Members in Public Practice of the Code of Professional Conduct established by the AICPA and other relevant ethical requirements required for our engagement.

We also applied the International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, and the AICPA’s quality management standards, which require that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Furthermore, Appendix 6 includes our attestation that the auditing organization complies with the obligations laid down in Article 37 (3), points (a), (b), and (c).

**c) List of documents attesting that the auditing organization complies with the obligations laid down in Article 37.3.a and 37.3.c of Regulation (EU) 2022/2065 attached as annexes to this report.**

See (b) above.

**5. References to any auditing standards applied in the audit, as applicable:**

We conducted our examination in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (“ISAE 3000 (Revised)”), the attestation standards established by the American Institute of Certified Public Accountants (“AICPA”), Section III and IV of the Commission Delegated Regulation (EU) supplementing Regulation (EU) 2022/2065 of the European Parliament and of the Council, by laying down rules on the performance of audits for very large online platforms and very large online search engines (“Delegated Regulation”) dated October 20, 2023 and the terms of reference for this examination as agreed with Microsoft on February 2, 2024. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether Bing complied, in all material respects, with the Specified Requirements referenced in the Independent Accountant’s Report.

**6. References to any quality management standards the auditing organisation adheres to, as applicable:**

Deloitte & Touche LLP applies the International Standard on Quality Management I (ISQM 1) and Statements on Quality Control Standards established by the AICPA. Accordingly, we maintain a comprehensive system of quality control / management including documented policies and procedures regarding compliance with ethical requirements, professional, standards, and applicable legal and regulatory requirements.

Furthermore, Deloitte & Touche LLP is a registered audit firm with the Public Company Accounting Oversight Board (“PCAOB”) of the United States and is an American Institute of Certified Public Accountants (“AICPA”) member firm. As such, Deloitte & Touche LLP complies with the public accounting profession’s technical and ethical standards, including the AICPA’s Code of Professional Conduct. In addition to the Code of Professional Conduct, the AICPA publishes standards, which delineate specific requirements that Certified Public Accountants are consistently required to follow during the audit. Refer to Deloitte & Touche LLP Transparency Report 2023 for further background.

## Section C: Summary of the main findings

### 1. Summary of the main findings drawn from the audit (pursuant to paragraph 37.4.e of Regulation (EU) 2022/2065)

A description of the main findings drawn from the audit can be found in Appendix 1, Section 1-5 (Conclusion label) of the Independent Accountant's Report.

#### SECTION C.1: Compliance with Regulation (EU) 2022/2065

**1. Audit opinion for compliance with the audited obligations referred to in Article 37.1.a of Regulation (EU) 2022/2065:**

The audit opinion for compliance with the audited obligations set out in Chapter III of Regulation (EU) 2022/2065 can be found under Opinion section in the Independent Accountant's Report.

**2. Audit conclusion for each audited obligation:**

The audit conclusion for each audited obligation can be found in Appendix 1, Section 1-5 (Conclusion label) in the Independent Accountant's Report.

#### SECTION C.2: Compliance with voluntary commitments in codes of conduct and crisis protocols

Repeat section C.2 for each audited code of conduct and crisis protocol referred to in Article 37.1.b of Regulation (EU) 2022/2065:

**1. Audit opinion for compliance with the commitments made under specify the code of conduct or crisis protocol covered by the audit:**

Not applicable

**2. Audit conclusion for each audited commitment:**

Not applicable

#### SECTION C.3: Where applicable, explanations of the circumstances and the reasons why an audit opinion could not be expressed:

Not applicable - Explanations of the circumstances and the reasons why an audit opinion could not be expressed can be found in Appendix 1, Section 1-5 (Conclusion label) in the Independent Accountant's Report.

## Section D: Description of the findings: compliance with Regulation (EU) 2022/2065

### D.1: Audit conclusion for obligation (specify)

#### 1. Audit conclusion:

A description of the audit conclusion, justification, and remarks for each audited obligation can be found in Appendix 1, Section 1-5 (Conclusion column) in the Independent Accountant's Report.

If the conclusion is not 'positive', operational recommendations on specific measures to achieve compliance (where the conclusion is not positive), including an explanation on the materiality of non-compliance and recommended timeframe to achieve compliance, can be found in Appendix 1, Section 1-5 (Recommendations on Specific Measures and Materiality Threshold labels) in the Independent Accountant's Report

#### 2. Audit procedures and their results:

##### 1. Description of the audit criteria and materiality threshold used by the auditing organization pursuant to Article 10.2.a of this Regulation:

A description of the audit criteria and materiality thresholds used can be found in Appendix 1, Section 1-5 (Audit Criteria and Materiality Threshold labels) in the Independent Accountant's Report.

##### 2. Audit procedures, methodologies, and results:

###### a. Description of the audit procedures performed by the auditing organization, the methodologies used to assess compliance, and justification of the choice of those procedures and methodologies (including, where applicable, a justification for the choices of standards, benchmarks, sample size(s) and sampling method(s)):

A description of the audit procedures performed, the methodologies used to assess compliance, and a justification of the choice of those procedures and methodologies can be found in Appendix 1, Section 1-5 (Audit Criteria label) in the Independent Accountant's Report.

###### b. Description, explanation, and justification of any changes to the audit procedures during the audit:

A description, explanation, and justification of any changes to the audit procedures during the audit can be found in Appendix 1, Section 1-5 (Changes to Audit Procedures During the Examination label) in the Independent Accountant's Report.

###### c. Results of the audit procedures, including any test and substantive analytical procedures:

The results of the audit procedures, including any test and substantive analytical procedures, can be found in Appendix 1, Section 1-5 (Audit Criteria and Conclusion label) in the Independent Accountant's Report.

##### 3. Overview and description of information relied upon as audit evidence, including, as applicable:

- description of the type of information and its source;
- the period(s) when the evidence was collected;
- the period the evidence refers to;
- any other relevant information and metadata.

An overview and description of information relied upon as audit evidence can be found in Appendix 1, Section 1-5 (Information Relied Upon label) in the Independent Accountant's Report.

##### 4. Explanation of how the reasonable level of assurance was achieved:

An explanation of how the reasonable level of assurance was achieved can be found in Appendix 1 Introduction in the Independent Accountant's Report.

##### 5. In cases when

- a specific element could not be audited, as referred to in Article 37.5 of Regulation (EU) 2022/2065, or
- an audit conclusion could not be reached with a reasonable level of assurance, as referred to in Article 8.8 of this Regulation, provide an explanation of the circumstances and the reasons:

An explanation of the circumstances when a specific element could not be audited or an audit conclusion could not be reached with a reasonable level of assurance can be found in Appendix 1, Section 1-5 (Conclusion label) in the Independent Accountant's Report.

**6. Notable changes to the systems and functionalities audited during the audited period and explanation of how these changes were taken into account in the performance of the audit.**

No changes to the systems and functionalities audited during the examination period.

**7. Other relevant observations and findings:**

Please see Appendix 1, Section 1-5 (Conclusion label) in the Independent Accountant's Report for any other relevant observations and findings.

**SECTION D.2: Additional elements pursuant to Article 16 of this Regulation**

**1. An analysis of the compliance of the audited provider with Article 37.2 of Regulation (EU) 2022/2065 with respect to the current audit:**

An analysis of the compliance of the audited provider with Article 37.2 of Regulation (EU) 2022/2065 with respect to the current audit can be found in Appendix 1, Section 5 Obligation 37.2 (Audit Criteria and Conclusion label) in the Independent Accountant's Report.

**2. Description of how the auditing organization ensured its objectivity in the situation described in Article 16.3 of this Regulation:**

Not applicable because this is the first year when D&T has performed the DSA examination for Microsoft's Bing service.

## Section E: Description of the findings concerning compliance with codes of conduct and crisis protocol

Obligations related to the codes of conduct and crisis protocol were not applicable during the examination period.

### SECTION E.1: Audit conclusion for commitment (specify)

#### 1. Audit conclusion:

Not applicable

#### 2. Audit procedures and their results:

##### 1. Description of the audit criteria and materiality threshold used by the auditing organization pursuant to Article 10.2.a of this Regulation:

Not applicable

##### 2. Audit procedures, methodologies, and results:

###### a. Description of the audit procedures performed by the auditing organization, the methodologies used to assess compliance, and justification of the choice of those procedures and methodologies (including, where applicable, a justification for the choices of standards, benchmarks, sample size(s) and sampling method(s)):

Not applicable.

###### b. Description, explanation, and justification of any changes to the audit procedures during the audit:

Not applicable.

###### c. Results of the audit procedures, including any test and substantive analytical procedures:

Not applicable.

##### 3. Overview and description of information relied upon as audit evidence, including, as applicable:

###### a. description of the type of information and its source;

###### b. the period(s) when the evidence was collected;

###### c. the period the evidence refers to;

###### d. any other relevant information and metadata.

Not applicable.

##### 4. Explanation of how the reasonable level of assurance was achieved:

Not applicable.

##### 5. In cases when:

###### a. a specific element could not be audited, as referred to in Article 37.5 of Regulation (EU) 2022/2065, or

###### b. an audit conclusion could not be reached with a reasonable level of assurance, as referred to in Article 8.8 of this Regulation, provide an explanation of the circumstances and the reasons:

Not applicable

##### 6. Notable changes to the systems and functionalities audited during the audited period and explanation of how these changes were taken into account in the performance of the audit.

Not applicable

##### 7. Other relevant observations and findings:

Not applicable

Section F: Third parties consulted

Not applicable because D&T did not engage or consult with any third parties on any auditing matters throughout the examination period from Aug 25, 2023, to May 31, 2024.

Section G: Any other information the auditing body wishes to include in the audit report (such as a description of possible inherent limitations):

Please refer to the Independent Accountant’s report for additional information.

Date	August 23, 2024	Signed by	[CONFIDENTIAL]
Place	1015 Second Avenue, Suite 500, Seattle, WA 98104	In the name of	Deloitte & Touche LLP
		Responsible for:	2024 Microsoft Bing DSA Report

## Appendix 4 – Written agreement between VLOSE and the auditing organization

### Section 1 – Written agreement between VLOSE and the auditing organization

The following pages contain the written agreement between the VLOSE and the auditing organization. Additionally, refer to Appendix 1 for the exhaustive list of audited obligations and commitments.

<b>Supplier Number</b>	[insert details]
<b>SOW DealPoint Number</b>	[insert details]

**Statement of Work  
("SOW")**

**Addresses and contacts for notices**

<b>"Microsoft"</b>	<b>"Supplier"</b>
Company Name: Microsoft Corporation and its subsidiaries	Company Name: Deloitte & Touche LLP
Primary Contact: [CONFIDENTIAL]	Primary Contact: [CONFIDENTIAL]
Address: One Microsoft Way, Redmond, WA 98052	Address: 1015 Second Avenue, Suite 500 Seattle, WA 98104
Phone number: N/A	Phone number: [CONFIDENTIAL]
Fax number: N/A	Fax number: [CONFIDENTIAL]
Email (if applicable): [CONFIDENTIAL]	Email (if applicable): [CONFIDENTIAL]
Secondary Contact:	Secondary Contact:
	Microsoft Supplier Number: 1100000

<b>SOW Effective Date:</b>	January 31, 2024
<b>SOW Expiration Date:</b>	October 31, 2024
<b>DealPoint # for Master Agreement</b>	
<b>Budget ID#</b>	

**Agreed and accepted**

<b>Microsoft, on behalf of itself and its subsidiaries</b>	<b>Supplier</b>
Microsoft Signature: [CONFIDENTIAL]	Supplier Signature: [CONFIDENTIAL]
Microsoft Name: [CONFIDENTIAL]	Supplier Name: [CONFIDENTIAL]
Microsoft Title: [CONFIDENTIAL]	Supplier Title: [CONFIDENTIAL]
Microsoft Date: 02-Feb-2024   2:47:07 PM EST	Supplier Date: 02-Feb-2024   2:25:36 PM EST

- ☒ This SOW (together with the attached appendices, the "Agreement") dated as of January 31, 2024 between Microsoft and Supplier is entered into by the parties and is effective as of the SOW Effective Date above.
- ☐ This SOW pursuant to the Microsoft Purchase Order Terms and Conditions is entered into by the parties and effective as of the SOW Effective Date above.

## **SECTION 1 Purpose**

The purpose of this SOW is to set forth the specific Services that the Supplier will provide to Microsoft.

## **SECTION 2 Description of Services and Delivery Schedule**

- (a) **Description of Services.** Section 2(b) (Services) describes the details of the independent accountant's examination services, including project expectations and Supplier activities, Supplier will perform or deliver to Microsoft under this SOW (collectively, the "Services").
- (b) **Services.** Deloitte & Touche LLP ("D&T" or "we" or "us" or "Supplier") is pleased to serve as independent accountants for Microsoft and its subsidiaries (together referred to as "Microsoft" ; the "Company" or "you" or "your") to perform an examination of management of the Company's assertion regarding Microsoft Bing, being designated as a Very Large Online Search Engine (VLOSE) under the Digital Services Act ("DSA" or "Regulation (EU) 2022/2065")<sup>1</sup>, service's compliance with (a) the obligations set out in Chapter III of the DSA; and, (b) any commitments undertaken pursuant to the codes of conduct referred to in Articles 45 and 46 of the DSA and the crisis protocols referred to in Article 48 for the period August 25, 2023 to May 31, 2024 (the "subject matter") being presented in accordance with the criteria as defined in Appendix E ("the Criteria") (collectively, "management's assertion"). [CONFIDENTIAL] will be responsible for the services that we perform for Microsoft hereunder. For purposes of Sections 9, 10 and 11, "Supplier" will mean Deloitte & Touche LLP and its subsidiaries; Deloitte Touche Tohmatsu Limited, its member firms, the affiliates of Deloitte & Touche LLP, Deloitte Touche Tohmatsu Limited and its member firms; and, in all cases, any successor or assignee.

### **(1) Examination of Management's Assertion and the Subject Matter**

Our engagement is to perform an examination in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) (the "AICPA standards") and with International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)") issued by the International Auditing and Assurance Standards Board ("IAASB") (the "ISAE standards"). The objective of an examination conducted in accordance with the AICPA attestation standards and ISAE standards is to:

1. Obtain reasonable assurance about whether the subject matter as measured or evaluated against the Criteria is free from material misstatement.
2. Express an opinion in the form of a written report about whether management's assertion is fairly stated, in all material respects.

An examination includes examining, on a test basis, evidence supporting management's assertion and the subject matter and performing such other procedures as the Supplier considers necessary in the circumstances. An examination conducted in accordance with the AICPA and ISAE standards is designed to obtain reasonable, rather than absolute, assurance about management's assertion and the subject matter taken as a whole. Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with the AICPA attestation standards and ISAE standards.

These professional standards require us to establish whether the required preconditions for an assurance engagement are present. This is based on our preliminary knowledge of the engagement circumstances and discussion with the appropriate parties. If we discover after the engagement has been accepted that one or more preconditions for the Services is not present, we will discuss the matter with you and determine whether the matter can be resolved to our satisfaction, whether it is appropriate for us to continue with the engagement and, if so, how to communicate the matter in the report.

### **(2) D&T Reports**

We expect to issue a written report upon the completion of our examination. Our ability to express any opinion or to issue any report as a result of this engagement and the wording thereof, will, of course, be dependent on the facts and circumstances at the date of our report. If, for any reason,

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<sup>1</sup> [The Digital Services Act \(DSA\)](#) establishes a set of narrowly defined objective criteria to prevent illegal and harmful activities online and the spread of disinformation through VLOP.

we are unable to complete our examination or are unable to form, or have not formed, any opinion, we may decline to express any opinion or decline to issue any report as a result of this engagement. If we are unable to complete our examination or if any report to be issued by the Supplier as a result of this engagement requires modification, the reasons for this will be discussed with Microsoft's management.

- (d) **Locations.** Services will be performed at the following location(s):

Facility	Address
Onsite: Microsoft Redmond Campus	One Microsoft Way Redmond, WA 98052

- (e) **Hours of Operation.** The Supplier will provide Services M-F 8-5 PST. However, the Supplier will operate additional hours as necessary.

- (f) **Reporting requirements.** The Supplier will endeavor to provide the following reports to Microsoft according to the schedule indicated below.

Report description	Schedule (Anticipated)	Format
<b>Weekly status reports*</b>	February 2024 – July 2024	Excel/PDF
<b>Monthly expense reports*</b>	February 2024 – July 2024	Excel/PDF
<b>Assurance report on Microsoft's compliance with DSA</b>	July 25, 2024	PDF

\* Weekly status updates showing status of walkthroughs, data requests, test execution, and exceptions organized by Microsoft DSA requirements.

- (g) **Deliverables / delivery schedule.** Subject to the terms hereof, the Supplier will endeavor to complete and deliver all Services to Microsoft on or before July 25, 2024. The milestone delivery schedule for the Services, if applicable, will be as follows:

Milestone #	Brief Description of Services to be completed by Supplier and delivered to Microsoft	Estimated Due on or Before
1	Plan examination, including review of draft control matrix and preparation of test plans	February 2024
2	Start examination, including walkthroughs of controls and examining evidence	March – May 2024
3	Perform design effectiveness testing	March – May 2024
4	Perform operating effectiveness testing	April – June 2024
5	Provide a draft report to Microsoft's management	June 2024
6	Issue final report	July 2024
7	Perform examination wrap-up	August – October 2024

In addition to the deliverables listed above, the Supplier will conduct weekly status meetings with Microsoft management starting in February 2024.

**(1) Deliverables – Inclusion of Supplier Reports or References to Supplier in Other Documents or Electronic Sites**

Nothing in this engagement letter is intended to restrict the ability of the Company to distribute to other parties any of our reports issued hereunder unedited and, in its entirety. In connection with such distribution, to the extent the Company needs to describe the services hereunder or describe any report issued hereunder, the Company agrees only to use the description provided within the applicable report, unedited and in its entirety. Except as described above, if Microsoft intends to publish or otherwise reproduce in any document any report issued as a result of this engagement, or otherwise make reference to D&T in a document that contains other information in addition to management's assertion and the subject matter (e.g., in a periodic filing with a regulator), thereby associating D&T with such document, in both instances the Company agrees

that its management will provide D&T with a draft of the document to read and obtain our approval for the inclusion or incorporation by reference of any of our reports, or the reference to D&T, in such document before the document is printed and distributed. The inclusion or incorporation by reference of any of our reports in any such document would constitute the reissuance of such reports. Except as otherwise required by the European Commission, the Company also agrees that its management will notify us and obtain our approval prior to including any of our reports on an electronic site. For purposes of this paragraph, D&T's approval shall be based upon professional standards and facts and circumstances at the time of the request.

Our engagement to perform the services described herein does not constitute our agreement to be associated with any such documents published or reproduced by or on behalf of the Company. Any request by the Company to reissue any report issued as a result of this engagement, to acknowledge our awareness of any such report's inclusion or incorporation by reference in another document, or to agree to any such report's inclusion on an electronic site will be considered based on the facts and circumstances existing at the time of such request. The estimated fees outlined herein do not include any procedures that would need to be performed in connection with any such request. Any fees for such procedures would be subject to the mutual agreement of the Company and D&T.

### SECTION 3 Payment

- (a) **Service fees.** Microsoft will pay Supplier a total fee not to exceed [CONFIDENTIAL] according to the milestone payment schedule below as full and final payment for the Services. Microsoft will only make payment for Services that Supplier has completed and delivered to Microsoft, and that Microsoft has accepted in accordance with the terms of Section 2(c).

Milestone #	Not to exceed payment amount	Delivery / payment date
1	[CONFIDENTIAL]	February 1, 2024
2	[CONFIDENTIAL]	March 1, 2024
2, 3	[CONFIDENTIAL]	April 1, 2024
2, 3, 4	[CONFIDENTIAL]	May 1, 2024
4	[CONFIDENTIAL]	June 1, 2024
5	[CONFIDENTIAL]	July 1, 2024
6, 7	[CONFIDENTIAL]	August 1, 2024
Sub-total	[CONFIDENTIAL]	-
Estimated expenses maximum (if agreed to – see Section 3(b)(Expenses), below)	[CONFIDENTIAL]	Expense must be listed separately on any invoices submitted by the Supplier to allow for appropriate visibility.
Total	[CONFIDENTIAL]	-

- (b) **Expenses.** As reflected in Section 3(a) (Service fees), above, Microsoft will reimburse Supplier for the actual expenses that Supplier incurs while performing the Service up to a total not to exceed the amount of [CONFIDENTIAL]. The expense must comply with the Microsoft policy. The expenses must also be reasonable and related to the Services. Supplier must submit appropriate document evidencing the expenses to be reimbursed.
- (c) **Payment of Invoices.** [CONFIDENTIAL]
- (d) **Relationship of the Parties.** The Supplier is responsible for and will pay all wages, fringe benefits, payroll taxes, insurance, work schedules, and work conditions with respect to its employees, contractors or other resources performing Services under this SOW.

- (e) Sanctions.** Each party shall comply with all economic sanctions, export control, and import laws and regulations applicable to it in connection with this engagement letter. The parties recognize that such laws and regulations restrict the export and reexport of the Services to jurisdictions subject to territorial U.S. economic sanctions (currently Crimea, Cuba, Iran, North Korea, Russia, Syria, and the Donetsk and Luhansk National Republics in Ukraine).

**SECTION 4 Term and Termination**

- (a) **Term.** Unless terminated sooner in accordance with its terms, this SOW will terminate on the completion of the Services.
- (b) **Early termination.** This SOW may be terminated by Microsoft, without cause, at any time by giving written notice to Supplier not less than thirty (30) days before the effective date of termination, or immediately upon written notice in the event Supplier notifies Microsoft of a Conflict under Section 12(d) below. This SOW may be terminated by either party, for cause, at any time by giving written notice to the other party. Either party may also terminate this SOW or performance of any part of the Services, upon written notice to the other party, if it reasonably determines that the performance of any part of the Services would be in conflict with law, or independence or professional rules.

**SECTION 5 Additional obligations**

- (a) **Staffing requirements.** Supplier will determine all resource requirements needed to remain in compliance with standards defined within this SOW. Supplier will be responsible for training their own employees. Training will include, but not be limited to, keeping staff informed of new technology, Microsoft account processes, procedures, standards, customer service, and quality. Supplier's staff performing Services as outlined in this SOW will keep current on technology, governmental and/or regulatory agencies' guidelines, codes, standards, and regulations for products, methods, and techniques, as appropriate. Microsoft will provide training to Supplier's team lead for all technologies and tools that are not commercially available to Supplier.
- (b) **Skillset requirements.** Supplier will be a Certified Public Accounting firm with the ability to issue the reports on Microsoft's compliance with DSA in addition to the following skills:
- (1) Significant experience issuing IT-related reports
  - (2) Strong project management capabilities
  - (3) Ability to work flexibly to achieve results within the dynamic Microsoft environment
  - (4) Excellent interpersonal and task-management skills
  - (5) Strong written and verbal communication skills
  - (6) Relevant risk and regulatory knowledge
- (c) **Roles and responsibilities.**

Microsoft	Supplier
<p>Microsoft will provide Supplier access to the following applications/tools/materials required to perform Services under this SOW:</p> <ul style="list-style-type: none"> <li>• Exchange</li> <li>• SharePoint</li> <li>• Azure DevOps</li> <li>• Additional tools as necessary</li> </ul>	<p>Supplier will provide all Supplier resources with the applications/tools/materials required to perform Services under this SOW, including the following:</p> <ul style="list-style-type: none"> <li>• MS Office Suite</li> <li>• MS Outlook</li> <li>• MS Word</li> <li>• MS Excel</li> <li>• MS PowerPoint</li> </ul>
<p>Responsiveness of Microsoft team members to Supplier requests and issues is anticipated to be within reason so delivery schedules are not adversely impacted. If issues do arise, Supplier will escalate to management according to a mutually agreed upon escalation process.</p>	<p>[CONFIDENTIAL] will be the Engagement Leader and will be responsible for the Supplier's independent auditor's examination, while [CONFIDENTIAL] will continue to coordinate all services we perform for Microsoft. [CONFIDENTIAL] will serve as the practitioner in charge and will be responsible for directing the day-to-day activities of the Supplier's examination.</p>

- (d) **Software and materials.** If needed, Supplier will provide each resource with a laptop (onsite with Supplier-owned licenses for commercially available Microsoft Software described in Section 5(c)). Microsoft will provide the additional required software, licenses and access to applications required to carry out the Services, also described in Section 5(c). The Microsoft-provided

software and applications will be uninstalled/returned to Microsoft upon completion/expiration/termination of the Services provided under this SOW. Supplier will be responsible for providing all other software, facilities, tools, and equipment not otherwise described herein.

**(e) Additional assumptions.** The following assumptions and dependencies are associated with the planning and execution of the Services under this SOW. Specifically, for this SOW, its success will depend on the following:

- (1) Supplier will have the ability to understand Microsoft's approach and model for the requested services.
- (2) Supplier will be able to effectively communicate with onshore team(s), if applicable
- (3) Supplier will maintain an open communication environment.
- (4) Supplier, its employees, and Subcontractor(s), if any, will be required to keep secure all Microsoft products, mail, and equipment in accordance with the obligations set forth in Section 12 clause c.
- (5) Supplier will assume the risk of the loss of any Microsoft equipment, or materials while in the care, custody, or control of the Supplier's employees. Supplier's employees will not use the Microsoft facilities and/or any Microsoft equipment, products, or materials to perform Services for any person or entity other than Microsoft.
- (6) All Supplier resources will have valid work permits and necessary visa to work in the United States.
- (7) Supplier team resources will have the following access if Microsoft determines such access is relevant to the Services:
  - i. Access to Microsoft engagement management to review priorities, steer the engagement, attend status meetings, and approve project Deliverables; and
  - ii. Access to all engagement documentation, including, but not limited to, standard operating procedures; and
  - iii. Access to information around any issues with applications/projects; and
  - iv. Supplier will resolve all access and connectivity issues within five business days from the start date; at that time, all Supplier resources will have necessary access to all required resources.
- (8) Microsoft will assign a project manager who will be responsible for:
  - i. Coordinating interview meetings/walkthroughs with control owners as required
  - ii. Providing required access to Supplier personnel involved in this engagement
  - iii. Assisting in data gathering requests
  - iv. Overseeing the engagement, working side-by-side with Supplier and handling escalation of issues and engagement risks to Microsoft management
- (9) Microsoft will support evidence requests and inquiries as needed by Supplier to enable their assessments and testing.
- (10) To facilitate the collection of data needed for testing, Supplier will work with the Microsoft project manager and supporting Microsoft personnel to provide test procedures and data request lists as early in the project as possible.
- (11) To facilitate the scheduling of Microsoft Azure control performers, Supplier will provide interview request lists and proposed meeting agendas as early in the engagement as possible.

## **SECTION 6 SOW Changes**

Unless specifically described otherwise in this SOW, changes to this SOW will be as follows:

- (a) Approved minor or non-substantive changes will be memorialized in writing using the Change Order Form attached as Appendix C. The Change Order Form will become an attachment to and part of this SOW after both parties have signed it.
- (b) Substantive or major changes will be addressed in a SOW Amendment.

## **SECTION 7 Definition of Management’s Responsibilities**

**Appendix A** describes management’s responsibilities.

## **SECTION 8 Limitations of an Entity’s Internal Control**

Because of the inherent limitations of internal control, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal control to future periods are subject to the risk that the internal control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **SECTION 9 Audit Committee’s Responsibility**

As the independent accountants of Microsoft, the Supplier acknowledges that the Audit Committee is directly responsible for the appointment, compensation, and oversight of the Supplier’s work and, accordingly, except as otherwise specifically noted, the Supplier will report directly to the Audit Committee. Microsoft has advised the Supplier that the Services to be performed under this SOW, including, where applicable, the use by the Supplier of affiliates or related entities as subcontractors in connection with this SOW, have been approved by the Audit Committee in accordance with the Audit Committee’s established preapproval policies and procedures.

Process for Obtaining Preapproval of Services: Microsoft’s management is responsible for the coordination of obtaining the preapproval of the Audit Committee, in accordance with the Audit Committee’s preapproval process, for any services to be provided by the Supplier to Microsoft.

## **SECTION 10 Independence Matters Relating to Certain Services**

In connection with the Supplier’s engagement, the Supplier, Microsoft’s management, and the Audit Committee will assume certain roles and responsibilities in an effort to assist the Supplier in maintaining independence and ensuring compliance with the securities laws and regulations. The Supplier will communicate to its partners, principals, and employees that Microsoft is an attest client. Management of Microsoft will ensure that Microsoft, together with its subsidiaries and other entities that comprise of Microsoft for purposes of the consolidated financial statements, has policies and procedures in place for the purpose of ensuring that neither Microsoft nor any such subsidiary or other entity will act to engage the Supplier or accept from the Supplier any service that either has not been subjected to their preapproval process or that under SEC or other applicable rules would impair the Supplier’s independence. All potential services are to be discussed with [CONFIDENTIAL], Lead Client Service Partner.

## **SECTION 11 Independence Matters Relating to Hiring**

Microsoft’s management will coordinate with the Supplier to ensure that the Supplier’s independence is not impaired by hiring former or current partners, principals, or professional employees of the Supplier for certain positions. Management of Microsoft will ensure that Microsoft, together with its subsidiaries and other entities that comprise Microsoft for purposes of the consolidated financial statements, also has policies and procedures in place for purposes of ensuring that the Supplier’s independence will not be impaired by hiring a former or current partner, principal, or professional employee of the Supplier in an accounting role or financial reporting oversight role that would cause a violation of securities laws and regulations. Any employment opportunities with Microsoft for a former or current partner, principal, or professional employee of the Supplier should be discussed with [CONFIDENTIAL] and approved by the Audit Committee before entering into substantive employment conversations with the former or current partner, principal, or professional employee of the Supplier, if such opportunity relates to serving (1) as chief executive officer, controller, chief financial officer, chief accounting officer, or any equivalent position for Microsoft or in a comparable position at a significant subsidiary of Microsoft; (2) on Microsoft’s board of directors; (3) as a member of the Audit Committee; or (4) in any other position that would cause a violation of securities laws and regulations.

## **SECTION 12 General Business Terms**

- (a) Force majeure.** Neither party will be liable or deemed in breach for failure to perform any obligation under this SOW to the extent such failure is caused by a force majeure event (including, without limitation, acts of God, natural disasters, war, civil disturbance, action by governmental entity, strike, and other causes beyond the party’s reasonable control). The party affected by the force majeure event will provide notice to the other party within a commercially reasonable time and will use its commercially reasonable efforts to resume performance promptly after the end of the force majeure event. Obligations not performed due to a force

majeure event will be performed as soon as reasonably possible when the force majeure event concludes.

- (b) Relationship.** The parties are independent contractors. This SOW does not create an exclusive relationship between the parties. The Supplier's employees and subcontractors are not Microsoft employees. The Supplier agrees to discuss and provide Microsoft with reasonable nonconfidential proof of independent contractor status of entities that are not affiliates or related entities of Supplier upon request.

**(c) Confidentiality and Protection of Personal Information.**

- i. Confidential Information. At all times during the Term, and for five years thereafter, to the extent that in connection with this engagement the Supplier comes into possession of any Microsoft Confidential Information, the Supplier will hold in strictest confidence using at least the same degree of care as it employs in maintaining in confidence its own confidential information, but in no event less than a reasonable degree of care, and will not use or disclose to any third party, any Microsoft Confidential Information except as set forth herein. The Supplier may disclose such information 1) to its subcontractors, whether located within or outside the United States, that are providing services in connection with this engagement and who have agreed to be bound by confidentiality obligations similar to those in this section; 2) as required by law, rule, regulation, applicable professional standards, judicial or regulatory process, to respond to governmental inquiries or in connection with litigation or arbitration relating hereto. The term "*Microsoft Confidential Information*" means all non-public information that Microsoft designates, either in writing or orally, as being confidential, or which, under the circumstances of disclosure ought to be treated as confidential. Microsoft Confidential Information includes information relating to:
1. Released or unreleased Microsoft software or hardware products;
  2. Microsoft source code;
  3. Marketing or promotion of any Microsoft product;
  4. Business policies or practices of Microsoft;
  5. Customers or suppliers of Microsoft;
  6. Information received from others that Microsoft is obligated to treat as confidential;
  7. The existence and terms of this Agreement; and
  8. Information provided by Microsoft under this Agreement or obtained or created by Supplier in the course of providing the Services, including:
    - a. Information contained in any reports provided to Microsoft;
    - b. Any electronic or written correspondence between the parties;
    - c. Microsoft customer lists, customer information and Personal Information, regardless of the source; and
    - d. Transactional, sales and marketing information related to the Services.

If the Supplier has any questions as to what comprises Microsoft Confidential Information, the Supplier will consult with Microsoft. Microsoft Confidential Information does not include information that was or becomes known to the Supplier on a non-confidential basis from a third party that the Supplier reasonably believes is not prohibited from disclosing such information to the Supplier by obligation to Microsoft, was known to the Supplier prior to Microsoft's disclosure to the Supplier hereunder, or information that becomes publicly available through no fault of the Supplier in breach hereof.

- ii. Security procedures. The Supplier will employ security procedures designed to prevent disclosure of Microsoft Confidential Information (including Personal Information) to unauthorized third parties. Supplier's security procedures must include risk assessment and controls for:
1. System access;
  2. System and application development and maintenance;
  3. Change management;

4. Asset classification and control;
5. Incident response, physical and environmental security;
6. Disaster recovery/business continuity; and
7. Employee training.

**(d) Privacy and data protection.**

- i. *“Personal Information”* means any non-public information provided by Microsoft or collected by the Supplier in connection with this Agreement:
    1. That identifies or can be used to identify, contact, or locate the person to whom such information pertains; or
    2. From which identification or contact information of an individual person can be derived. Personal Information includes, but is not limited to: name, address, phone number, fax number, e-mail address, social security number or other government-issued identifier, and credit card information. Additionally, if any other information (e.g., a personal profile, unique identifier, biometric information, and/or IP address) is associated or combined with Personal Information, then such information is also Personal Information.
  - ii. If the Supplier collects or accesses any Personal Information as part of performing the Services, Supplier agrees to comply with all applicable requirements contained in Appendix D, subject to Section 12(c) and as modified below:
    1. The Supplier may keep copies of Microsoft’s Confidential Information and Personal Information and deliverables and its working papers in order to comply with the Supplier’s document retention policies, law, rules, regulations or professional standards, and Supplier shall maintain the same in accordance with the provisions of this Agreement;
    2. The parties agree that the Supplier is not collecting or handling credit card information and, thus, is not required to be compliant with the PCI or PCI DSS requirements; however, the Supplier will maintain any credit card information that comes into its possession in accordance with its confidentiality obligations set forth herein;
    3. The section entitled “Audit Requirements” shall not be applicable;
    4. The Supplier will promptly notify Microsoft of any known security breach that results in an actual unauthorized PII access in breach of the terms hereof; and
    5. The Supplier will provide required notices to the extent reasonable and legally permissible under the circumstances and would reasonably cooperate with any efforts Microsoft undertakes to oppose court orders compelling Supplier to disclosure such Personal Information. The parties agree to reasonably cooperate with each other in connection with this Section 12(c).
- (e) Press Releases/Publicity.** Except as may be required by law or applicable professional standards, neither party shall issue press releases, public statements or publicity that relates to this Agreement, without the prior written consent or approval of the other. Supplier shall not use the name “Microsoft” or “Microsoft Corporation” in any brochures, advertisements or websites and Microsoft shall not use the name “Deloitte & Touche” or “Deloitte” in any brochures, advertisements or websites, in such cases as an endorsement or recommendation of a party or its services. Supplier may, however, with the prior written consent of Microsoft, use the name “Microsoft Corporation” in client presentations and/or in written response to requests for client lists as part of the Request for Proposals, Requests for Information, etc.
- (f) Compliance with 201 CMR 17.00.** To the extent that any information obtained by the Supplier from or on behalf of Microsoft or its employees in connection with the performance of services under the statement of work relates to a resident of Massachusetts and constitutes “Personal Information” as defined in 201 CMR 17.02 (as may be amended), the Supplier shall comply with the obligations of 201 CMR 17.00 et. Seq. (as may be amended), entitled “Standards for the Protection of Personal Information of Residents of the Commonwealth,” with respect to such information.
- (g) Third Party Information Technology Controls Report.** Deloitte LLP (“DLLP”), the parent entity of Supplier, has engaged a third party (the “Service Provider”) to conduct an examination in accordance with Service Organization Controls 2 (“SOC 2”) standards under the Statement on

Standards for Attestation Engagements established by the American Institute of Certified Public Accountants to evaluate the description, suitability of the design, and the operating effectiveness of the security controls of DLLP's Infrastructure Support Services System relevant to security and availability, and to prepare a SOC 2 Type 2 report with respect thereto (the "SOC 2 Infrastructure Report"). Upon written request, Supplier shall promptly provide Microsoft with a copy of the most recently available SOC 2 Infrastructure Report. Microsoft shall not disclose such report, or refer thereto in any communication, to any other person or entity. In the event that Microsoft has any questions regarding such report, Supplier shall make appropriate personnel reasonably available to discuss the contents thereof.

- (h) **Conflict of Interest.** Microsoft acknowledges that the Supplier is providing a wide range of services for a large number of clients and may be in a position where it is providing services to companies and organizations which may present actual or potential conflict of interest. The Supplier shall establish commercially reasonable procedures to identify such situations. The Supplier will notify Microsoft of an actual conflict of interest and the parties will discuss appropriate next steps. Microsoft shall have the right to terminate this SOW in accordance with Section 4(b) above. The Supplier will neither use Microsoft's Confidential Information obtained hereunder for the advantage of a third party, nor will it use confidential information obtained from any other party for Microsoft's advantage hereunder.
- (i) **Survival, Interpretation, and Severability.** All provisions which are intended by their nature to survive performance of the Services will survive such performance, or the expiration or termination of this SOW. Each of the provisions of these terms will apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise, notwithstanding the failure of the essential purpose of any remedy. Affiliated and related entities are intended third-party beneficiaries of the terms in this SOW, and may in their own right enforce such terms. If any term of this SOW, including its appendices, is determined to be invalid or unenforceable, such term will not affect the other terms hereof or thereof, but such invalid or unenforceable term will be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth herein and therein.
- (j) **Assignment and Subcontracting.** Except as provided below, neither party may assign, transfer, or delegate any of its rights or obligations hereunder (including, without limitation, interests or Claims). Notwithstanding the foregoing, Microsoft hereby consents to the Supplier subcontracting any portion of the Services to any affiliate or related entity, whether located within or outside of the United States. Services performed hereunder by the Supplier's subcontractors will be invoiced as professional fees on the same basis as Services performed by the Supplier's personnel, unless otherwise agreed. The Supplier agrees that it will remain responsible to Microsoft for the Services performed by its subcontractors (including its affiliates and related entities that are acting as subcontractors hereunder) under this SOW to the same extent that the Supplier would be responsible to Microsoft if it had performed such Services. The parties may only agree to the use of subcontractors, other than the Supplier's affiliates or related entities, by written amendment to this SOW and these terms.
- (k) **Dispute Resolution.** Any controversy or claim between the parties arising out of or relating to the engagement letter or this engagement (a "Dispute") shall be resolved by mediation or binding arbitration as set forth in the Dispute Resolution Provision attached hereto as Appendix B and made a part hereof.
- (l) **Governing law; Jurisdiction.** The laws of the State of Washington govern this SOW. If either Microsoft or Supplier employs attorneys to enforce any rights arising out of or relating to this Agreement, the prevailing party will be entitled to seek recovery of its reasonable attorneys' fees, costs, and other expenses, including the costs and fees incurred on appeal or in a bankruptcy or similar action.
- (m) **Entire Agreement, Amendment, and Notices.** These terms, and the Statement of Work, including exhibits and appendices attached, constitute the entire agreement between the parties with respect to this engagement; supersede all other oral and written representations, understandings, or agreements relating to this engagement; and may not be amended except by written agreement signed by the parties. In the event of any conflict, ambiguity, or inconsistency between these terms and the Statement of Work, these terms will govern and control followed by the Statement of Work and then the appendices. All notices hereunder will be (a) in writing, (b) delivered to the representatives of the parties at the addresses first set forth above, unless changed by either party by notice to the other party, and (c) effective upon receipt.

## **APPENDIX A**

### **MANAGEMENT’S RESPONSIBILITIES**

This Appendix A is part of the engagement letter dated January 31, 2024 between Deloitte & Touche LLP and Microsoft and approved by the Audit Committee of Microsoft.

#### **Management’s Assertion and the Subject Matter**

Management is responsible for the preparation, presentation, and overall accuracy of management’s assertion and the subject matter and its conformity with the Criteria. In this regard, management has the responsibility for, among other things:

- Developing management’s criteria for the subject matter.
- Determining the information that is the subject of the examination.
- Selecting the Criteria and determining that the Criteria selected are suitable and appropriate for the purpose of the engagement.
- Determining the Criteria are available to the intended users of D&T’s report.
- Identifying and ensuring that the Company complies with the laws and regulations applicable to its activities and informing us of knowledge of any actual, suspected, or alleged fraud or noncompliance with laws or regulations affecting the subject matter.
- Making determinations as to the relevancy of information to be included in the disclosure of the subject matter.
- Providing us with the draft control objectives and control activities in a timely manner during the planning phase.
- Providing us with (1) access to all information of which management is aware that is relevant to the preparation and presentation of the subject matter, such as records, documentation, and other matters; (2) additional information that we may request from management for the purpose of our examination; and (3) unrestricted access to personnel within the Company from whom we determine it necessary to obtain evidence.

#### **Management’s Representations**

We will make specific inquiries of Microsoft’s management about the representations embodied in management’s assertion and the subject matter. In addition, we will request that management provide us with the written representations Microsoft is required to provide to its independent accountants under the AICPA and ISAE standards. The responses to those inquiries and the written representations of management are part of the evidential matter that D&T will rely on in forming its opinion on management’s assertion and the subject matter.

## APPENDIX B

### DISPUTE RESOLUTION PROVISION

This Appendix B is part of the statement of work dated as of January 31, 2024 between Deloitte & Touche LLP and Microsoft Corporation and its subsidiaries (the "Company"). This Dispute Resolution Provision sets forth the dispute resolution process and procedures applicable to the resolution of Disputes and shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise.

**Mediation:** All Disputes shall be first submitted to nonbinding confidential mediation by written notice to the parties, and shall be treated as compromise and settlement negotiations under the standards set forth in the Federal Rules of Evidence and all applicable state counterparts, together with any applicable statutes protecting the confidentiality of mediations or settlement discussions. If the parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution ("CPR"), at the written request of a party, shall designate a mediator.

**Arbitration Procedures:** If a Dispute has not been resolved within 90 days after the effective date of the written notice beginning the mediation process (or such longer period, if the parties so agree in writing), the mediation shall terminate and the Dispute shall be settled by binding arbitration to be held in Chicago, Illinois. The arbitration shall be solely between the parties and shall be conducted in accordance with the CPR Rules for Non-Administered Arbitration that are in effect at the time of the commencement of the arbitration, except to the extent modified by this Dispute Resolution Provision (the "Rules").

The arbitration shall be conducted before a panel of three arbitrators. Each of the Company and Deloitte & Touche LLP shall designate one arbitrator in accordance with the "screened" appointment procedure provided in the Rules, and the two party-designated arbitrators shall jointly select the third in accordance with the Rules. No arbitrator may serve on the panel unless he or she has agreed in writing to enforce the terms of the statement of work (including its appendices) to which this Dispute Resolution Provision is attached and to abide by the terms of this Dispute Resolution Provision. Except with respect to the interpretation and enforcement of these arbitration procedures (which shall be governed by the Federal Arbitration Act), the arbitrators shall apply the laws of the State of Washington (without giving effect to its choice of law principles) in connection with the Dispute. The arbitrators shall have no power to award punitive, exemplary, or other damages not based on a party's actual damages (and the parties expressly waive their right to receive such damages). The arbitrators may render a summary disposition relative to all or some of the issues, provided that the responding party has had an adequate opportunity to respond to any such application for such disposition. Discovery shall be conducted in accordance with the Rules.

All aspects of the arbitration shall be treated as confidential, as provided in the Rules. Before making any disclosure permitted by the Rules, a party shall give written notice to all other parties and afford such parties a reasonable opportunity to protect their interests. Further, judgment on the arbitrators' award may be entered in any court having jurisdiction.

**Costs:** Each party shall bear its own costs in both the mediation and the arbitration; however, the parties shall share the fees and expenses of both the mediators and the arbitrators equally.

**APPENDIX C****CHANGE ORDER FORM**

<b>Date requested:</b>	[insert details]
<b>Title of request:</b>	[insert details]

<b>Change number:</b>	[insert details]
<b>Requested by:</b>	[insert details]

This Change Order Form amends the Statement of Work between Microsoft Corporation and its subsidiaries ("Microsoft") and [insert Supplier Name] ("Supplier") dated as of [insert SOW Effective Date] (the "SOW"). This Change Order Form is entered into between the same parties and is effective on [insert month, date, year] [the "Change Order Effective Date"]. This Change Order is subject to all of the terms and conditions in the SOW. The parties agree as follows:

**Change requested in:** (Check all that apply)

- ☐ Specifications      ☐ Deliverables  
☐ Schedules      ☐ Services  
☐ Other

**Affected Section #s of SOW, or name of other document:**

**Description of change:**

**Reason for change:**

**Change(s) to SOW:**

**Section #**

**Original language:**

**Replacing/supplementing language:**


**Supplier approval**

Print name/Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Microsoft approval: MICROSOFT CORPORATION, on behalf of itself and its subsidiaries**

Print name/Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

## **APPENDIX D**

### **MICROSOFT PII CONFIDENTIALITY POLICY – TAKEN FROM THE MICROSOFT WEBSITE**

#### **Definitions**

"Agreement" means the agreement under which you are performing the Services; examples of such agreements are the Microsoft Master Vendor Agreement, the General Purchase Order Terms & Conditions, or other services contracts.

"Services" means the services that you are providing to Microsoft under the terms of the Agreement as described in the Agreement or its related documents (including Statement of Work or Schedule).

"Personal Information" means any non-public information that Microsoft provides or that you collect in connection with the Agreement and: 1. That identifies or can be used to identify, contact, or locate the person to whom such information pertains, or 2. From which identification or contact information of an individual person can be derived.

Personal Information includes, but is not limited to name, address, phone number, fax number, e-mail address, social security number or other government-issued identifier, and credit card information. Additionally, if any other information (for example, a personal profile, unique identifier, biometric information, and/or IP address) is associated or combined with Personal Information, then such information is also Personal Information.

Note: Any references to "personal information" in the Vendor Privacy Toolkit, even if not capitalized, have this same meaning.

"You" or "Your" means the Microsoft vendor providing Services under the terms of the Agreement.

#### **Collection of Personal Information and Notice**

Any Personal Information you collect or access as part of performing the Services must be limited to what is strictly necessary to perform the Services or to fulfill any legal requirements. If the Services involve the collection of Personal Information directly from individuals, such as through a Web page, you must provide a clear and conspicuous notice regarding the uses of the Personal Information. The notice must comply with all relevant guidelines contained in this Vendor Privacy Toolkit or as otherwise provided by Microsoft.

#### **Limitations on Collection and Use of Payment Card Information**

To the extent credit card information will be collected/handled as part of the Services, you, your affiliates and your respective subcontractors, as applicable, at all times must comply, at your own cost, with the Payment Card Industry Data Security Standard (PCI DSS) requirements for cardholder data as prescribed by the PCI Security Standards Council and required to be implemented under the rules and regulations issued by American Express, Discover Financial Services, JCB, Visa International, and MasterCard Worldwide, respectively, as the same may be amended from time to time. Upon request you must provide to Microsoft appropriate documentation to validate your compliance with the PCI DSS requirements.

#### **Use of Personal Information; Restrictions on Sharing with Third Parties**

You may use Personal Information only as necessary to perform the Services in accordance with the Agreement and not for any other purpose. You must maintain Personal Information in strict confidence in accordance with the confidentiality provisions of the Agreement. You may not share any Personal Information that you collect or possess with any third parties for any reason except as necessary to carry out the Services, and only under terms and conditions substantially similar to those contained in these Privacy and Data Protection Requirements.

#### **Court Orders; Requests from Law Enforcement**

If you are served with a court order compelling disclosure of any Personal Information or with notice of proceedings for such an order, you must: 1. Give Microsoft sufficient notice to allow Microsoft a reasonable opportunity to seek a protective order or equivalent, and 2. Either work with Microsoft to oppose the order or notice or provide Microsoft the opportunity to intervene before you file any response to the order or notice.

### **Security**

You need to take reasonable steps to protect Personal Information in your possession from unauthorized use, access, disclosure, alteration, or destruction. Security measures include access controls, encryption, or other means, where appropriate. You must immediately notify Microsoft of any known security breach that may result in the unauthorized use, access, disclosure, alteration, or destruction of Personal Information.

### **Audit Requirements**

You are required to conduct an audit on at least an annual basis to evaluate the security of Personal Information in your possession and to verify that you are complying with the terms of the Agreement and these Privacy and Data Protection Requirements. You must make the results of the audit available to Microsoft on request.

### **Provision of Personal Information to Microsoft; Requirements upon Termination/Expiration**

If Microsoft asks you to do so, you must provide Microsoft with any or all Personal Information in your possession. Within 10 days after termination or expiration of the Agreement, you must, at the sole discretion of Microsoft, either: 1. Provide Microsoft with all documents and materials (including any and all copies) containing Personal Information, together with all other materials and property of Microsoft, which are in your possession or under your control, or 2. Destroy all such specified documents and materials (including any and all copies in any and all formats) and provide Microsoft with a certificate of destruction signed by an officer of your company.

## APPENDIX E

### INFORMATION SUBJECT TO EXAMINATION

This Appendix E is part of the engagement letter dated January 31, 2024, between Deloitte & Touche LLP and Microsoft and approved by the Audit Committee of Microsoft.

<i>Subject Matter on Which Management's Assertion is Based</i>	<i>Criteria</i>
	To be mutually agreed upon by the parties during the planning phase of the engagement. Such subject matter and Criteria will be based upon the obligations set out in Chapter III of the DSA; and any commitments undertaken pursuant to the codes of conduct referred to in Articles 45 and 46 of the DSA and the crisis protocols referred to in Article 48, combined with Microsoft's benchmarks as required in the Delegated Regulation supplementing Regulation (EU) 2022/2065.

**CHANGE ORDER FORM**

<b>Date requested:</b>	3/25/2024
<b>Title of request:</b>	Payment Terms Update

<b>Change number:</b>	
<b>Requested by:</b>	

This Change Order Form amends the Statement of Work between Microsoft Corporation and its subsidiaries ("*Microsoft*") and Deloitte & Touche LLP ("*Supplier*") dated as of January 31, 2024 (the "*SOW*"). This Change Order Form is entered into between the same parties and is effective on March 25, 2024 [the "*Change Order Effective Date*"]. This Change Order is subject to all of the terms and conditions in the SOW. The parties agree as follows:

<b>Change requested in:</b> (Check all that apply) <input type="checkbox"/> <b>Specifications</b> <input type="checkbox"/> <b>Deliverables</b> <input type="checkbox"/> <b>Schedules</b> <input type="checkbox"/> <b>Services</b> <input checked="" type="checkbox"/> <b>Other</b>	<b>Affected Section #s of SOW, or name of other document:</b> Microsoft DSA 2024 SoW Section 3, Subsection (c)
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**Description of change:** Adjusting payment terms.

**Reason for change:** A required adjustment to fix the payment terms.

<b>Change(s) to SOW:</b>		
<b>Section #</b>	<b>Original language:</b>	<b>Replacing/supplementing language:</b>
Section 3, Subsection (c)	<b>Payment of Invoices.</b> [CONFIDENTIAL]	<b>Payment of Invoices.</b> [CONFIDENTIAL]

**Supplier approval**

Print name/Title [CONFIDENTIAL]  
Signature [CONFIDENTIAL] Date 26-Mar-2024 | 4:54:34 PM EDT

**Microsoft approval: MICROSOFT CORPORATION, on behalf of itself and its subsidiaries**

Print name/Title [CONFIDENTIAL]  
Signature [CONFIDENTIAL] Date 26-Mar-2024 | 2:28:44 PM PDT

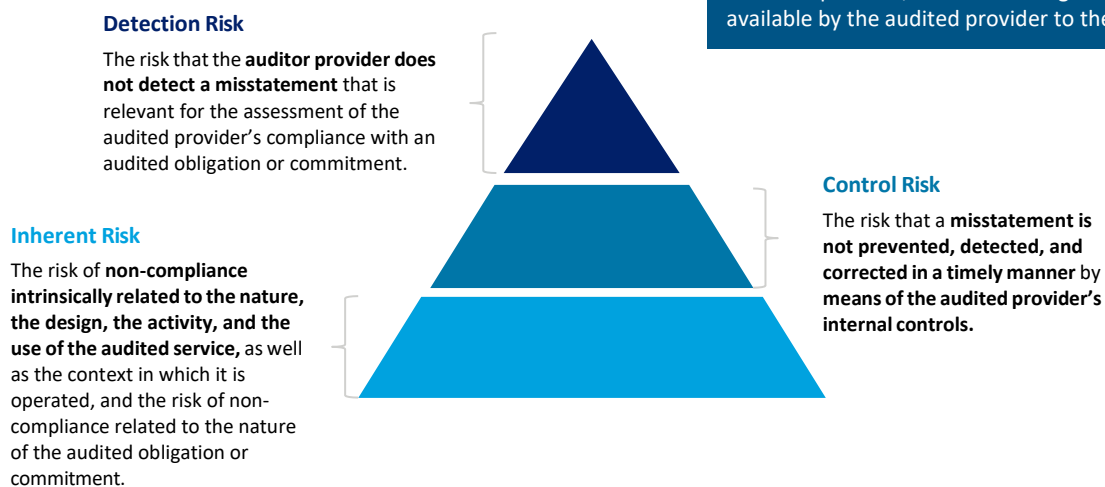


## Purpose

This document summarizes the risk assessment performed for the assessment of compliance with each audited obligation or commitment, including the assessment of inherent risks, control risks, and detection risks for each audited obligation (i.e., each sub-article).

## DSA Risk Assessment Requirements

1. The audit report shall include a substantiated audit risk analysis performed by the auditing organization for the assessment of the audited provider's compliance with each audited obligation or commitment.
2. The audit risk analysis shall be carried out prior to the performance of audit procedures and shall be updated during the performance of the audit, in the light of any new audit evidence which, according to the professional judgement of the auditing organization, materially modifies the assessment of the audit risk.
3. The audit risk analysis shall consider:
  - a. Inherent risks
  - b. Control risks
  - c. Detection risks



4. The audit risk analysis shall be conducted considering:
  - a. the nature of the audited service and the societal and economic context in which the audited service is operated, including probability and severity of exposure to crisis situations and unexpected events.
  - b. the nature of the obligations and commitments.
  - c. other appropriate information, including:
    - where applicable, information from previous audits to which the audited service was subjected.
    - where applicable, information from reports issued by the European Board for Digital Services or guidance from the Commission, including guidelines issued pursuant to Article 35.2 and 35.3 of Regulation (EU) 2022/2065, and any other relevant guidance issued by the Commission with respect to the application of Regulation (EU) 2022/2065.
    - where applicable, information from audit reports published pursuant to Article 42.4 of Regulation (EU) 2022/2065 by other providers of very large online platforms or of very large online search engines operating in similar conditions or providing similar services to the audited service.

Overview

Risk assessment procedures were performed to help identify risks of material misstatement and plan out the nature, timing, and extent of our audit procedures.

Risk Assessment Steps performed:

1. We obtained an understanding of the systems and processes (and related controls) put in place to comply with the Specified Requirements and other engagement circumstances.

Understanding the subject matter is key to planning and executing an effective engagement. We obtain our understanding during planning and update it throughout the performance of the engagement to the extent that changes affect our overall engagement strategy or the nature, timing, and extent of our procedures.

We obtained an understanding sufficient to:

- Enable us to identify and assess the risks of material misstatement.
- Provide a basis for designing and performing procedures to respond to the assessed risks and to obtain reasonable assurance to support our opinion.

Information obtained to inform the audit risk analysis:

Described in Article 9	Information obtained, included, but not limited to:
The nature of the audited service and the societal and economic context in which the audited service is operated, including probability and severity of exposure to crisis situations and unexpected events.	<ul style="list-style-type: none"><li>• The transparency reports</li><li>• Systemic Risk Assessment</li><li>• Information from audited provider (website, voice-over, annual report, trust, and safety reports)</li></ul>
The nature of the obligations and commitments in Chapter 3 of the DSA;	Any documentation by the audited provider concerning the scope <ul style="list-style-type: none"><li>• Systemic Risk Assessment</li><li>• Data flowcharts</li><li>• The audit risk and control framework</li></ul>
Other appropriate information, including, where applicable, information from previous audits to which the audited service was subjected;	Any documentation from previous audits to which the audited service was subjected <ul style="list-style-type: none"><li>• Internal audit reports concerning the DSA or covering topics in the DSA</li><li>• No DSA audit report was available for year 1 as there was no previous audit performed</li></ul>
Other appropriate information, including, where applicable, information from reports issued by the European Board for Digital Services or guidance from the Commission, including guidelines issued pursuant to Article 35.2 and 35.3 of Regulation (EU) 2022/2065, and any other relevant guidance issued by the Commission with respect to the application of Regulation (EU) 2022/2065;	None identified
Other appropriate information, including, where applicable, information from audit reports published pursuant to Article 42.4 of Regulation (EU) 2022/2065 by other providers of very large online platforms or of very large online search engines operating in similar conditions or providing similar services to the audited service.	None identified for year 1 since no audit report was published

2. We determined whether the risk factors we identify are inherent risks that may give rise to risks of material misstatement associated with the subject matter. We obtained an understanding by performing procedures, including reviews of relevant information, inquiries, data analytics, observations, and inspections.

We obtained an understanding of how management prepares certain information, such as their risk assessment to comply with Article 34. We also obtained an understanding of management’s process for determining the risks that would prevent the Specified Requirements from being

achieved, and for designing and implementing processes and controls to address those risks. The audited provider has a formal risk assessment process to comply with Article 34, and other requirements.

We obtained an understanding of the components of the system of internal control at the entity level is an important step in performing our risk assessment procedures, as it helped us identify events and conditions that may have a pervasive effect on the susceptibility of the subject matters of our report to misstatement, either due to fraud or error. We obtained an understanding how Bing's system of internal controls operates at the entity level, including:

- Control environment
- Monitoring activities
- Managements risk assessment process

### 3. For each obligation, we assessed inherent, control and detection risks

See below for the determination of inherent, control and detection risks.

### 4. Revision of Risk Assessment

In some instances, our assessment of the risks of material misstatement changed during the engagement as additional evidence is obtained. In circumstances in which we obtain evidence from performing further procedures, or when new information is obtained, either of which is inconsistent with the evidence on which we originally based the assessment, we revised the assessment and modify the planned procedures accordingly.

#### Determination of inherent, control and detection risks for each obligation and commitment (I.e., sub article). Assessment of Risk of each audited Obligation or Commitment

Overview of Risk assessment during the initial and final phases, unless otherwise specified:

Obligations	Inherent Risk	Control Risk	Control Strategy	Detection Risk
11.1	Low	Low	Controls and substantive procedures	Low
11.2	Low	Low	Controls and substantive procedures	Low
11.3	Low	Low	Controls and substantive procedures	Low
12.1	Low	Low	Controls and substantive procedures	Low
12.2	Low	Low	Controls and substantive procedures	Low
14.1	Low	Low	Controls and substantive procedures	Low
14.2	Low	Low	Controls and substantive procedures	Low
14.4	Low	High	Controls and substantive procedures	Medium
14.5	Low	Low	Controls and substantive procedures	Low
14.6	Low	Low	Controls and substantive procedures	Low
15.1.a	Medium	High	Controls and substantive procedures	Medium
15.1.c	Medium	High	Shifted to Controls only	High
15.1.d	Medium	High	Controls and substantive procedures	Medium
15.1.e	Medium	High	Shifted to Controls only	High
24.2	Medium	High	Shifted to Controls only	High

24.3	Medium	High	Shifted to substantive procedures only due to lack of controls	Medium
34.1	Medium	High	Controls and substantive procedures	Medium
34.2	Medium	High	Controls and substantive procedures	Medium
34.3	Medium	High	Shifted to substantive procedures only due to lack of controls	Medium
35.1	Medium	High	Controls and substantive procedures	Medium
37.2	Low	Low	Substantive procedures	Low
38	High	Medium	Shifted to controls only due to management identified issues	High
39.1	Medium	High	Controls and substantive procedures	Medium
39.2	Medium	High	Controls and substantive procedures	Medium
39.3	Medium	High	Controls and substantive procedures	High
40.12	Low	Medium	Controls and substantive procedures	Low
41.1	Medium	Low	Controls and substantive procedures	Low
41.2	Medium	Low	Controls and substantive procedures	Low
41.3	Medium	Low	Controls and substantive procedures	Low
41.4	Medium	Low	Controls and substantive procedures	Low
41.5	Medium	Low	Controls and substantive procedures	Low
41.6	Medium	Low	Controls and substantive procedures	Low
41.7	Medium	Low	Controls and substantive procedures	Low
42.1	Medium	Low	Controls and substantive procedures	Low
42.3	Medium	High	Shifted to Controls only	High

## Appendix 6 – Documents attesting that the auditing organisation complies with the obligations laid down in Article 37.3.a through 37.3.c

## DSA Annex

## Illustrative Response

Documents attesting that the auditing organisation complies with the obligations laid down in Article 37.3.a of Regulation (EU) 2022/2065.

D&T is required to be independent and to meet other ethical responsibilities in accordance with the Code of Professional Conduct established by the American Institute of Certified Public Accountants (“AICPA”) and the International Ethics Standards Board of Accountants’ Code of Ethics for Professional Accountants (including International Independence Standards). D&T has complied with those requirements. D&T applied the Statements on Quality Control Standards established by the AICPA and the International Standards on Quality Management issued by the IAASB and, accordingly, maintains a comprehensive system of quality control.

Additionally, pursuant to Article 37.3.a, we confirm that we have not performed non audit services related to the subject matter of this engagement. Further, we have been the auditor of the DSA for Microsoft starting 2024. Lastly, we confirm that we are not receiving a contingent fee based on the outcome of this audit

Documents attesting that the auditing organisation complies with the obligations laid down in Article 37.3.b of Regulation (EU) 2022/2065.

In compliance with Article 37.3.b, we conclude that we have the requisite knowledge, skills, and professional diligence under the relevant industry standard, i.e., ISAE/AICPA standards. We have applied these professional standards throughout the course of our engagement. The auditing team consisted of individuals certified as Chartered Accountants, Certified Public Accountants, Certified Information Systems Auditors, Certified Information Systems Security Professionals, HITRUST Certified CSF Practitioners, and Cloud Security Knowledge. The auditing team also included individuals with experience and knowledge in data science and data privacy regulations.

Documents attesting that the auditing organisation complies with the obligations laid down in Article 37.3.c of Regulation (EU) 2022/2065.

D&T had complied to be independent and meet other ethical responsibilities in accordance with the Code of Professional Conduct established by the American Institute of Certified Public Accountants (“AICPA”) and the International Ethics Standards Board of Accountants’ Code of Ethics for Professional Accountants (including International Independence Standards). D&T has complied with those requirements. D&T applied the Statements on Quality Control Standards established by the AICPA and the International Standards on Quality Management issued by the IAASB and, accordingly, maintains a comprehensive system of quality control.

D&T applies the International Standard on Quality Management I (ISQM 1) and Statements on Quality Control Standards established by the AICPA. Accordingly, we maintain a comprehensive system of quality control / management including documented policies and procedures regarding compliance with ethical requirements, professional, standards, and applicable legal and regulatory requirements.

Appendix 7 – Documentation and results of any tests performed by the auditing organisation, including as regards algorithmic systems of the audited provider

Documentation and results of any tests performed by the auditing organisation, including as regards algorithmic systems of the audited provider

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Documentation and results of any tests performed by the auditing organisation, including as regards algorithmic systems of the audited provider.	A description of the audit procedures performed, the methodologies used to assess compliance, and a justification of the choice of those procedures and methodologies can be found in Appendix 1, Section 1-5 (Audit Criteria label) in the Independent Accountant’s Report.
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For purposes of this assurance report the following terms have the meanings attributed below:

<b>Assurance engagement</b>	An engagement in which a practitioner aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the VLOSE about the subject matter information (that is, the outcome of the measurement or evaluation of an underlying subject matter against criteria).
<b>Criteria</b>	The benchmarks used to measure or evaluate the underlying subject matter.
<b>Engagement risk</b>	The risk that the practitioner expresses an inappropriate conclusion when the subject matter information is materially misstated.
<b>Examination Period</b>	The period in scope of the assurance engagement.
<b>Evidence</b>	Information used by the practitioner in arriving at the practitioner’s conclusion. Evidence includes both information contained in relevant information systems, if any, and other information.
<b>Intended users</b>	The individual(s) or organization(s), or group(s) thereof that the practitioner expects will use the assurance report.
<b>Misstatement</b>	A difference between the subject matter information and the appropriate measurement or evaluation of the underlying subject matter in accordance with the criteria. Misstatements can be intentional or unintentional, qualitative or quantitative, and include omissions.
<b>Practitioner</b>	The individual(s) conducting the engagement (usually the engagement partner or other members of the engagement team, or, as applicable, the firm).
<b>Professional judgment</b>	The application of relevant training, knowledge, and experience, within the context provided by assurance and ethical standards, in making informed decisions about the courses of action that are appropriate in the circumstances of the engagement.
<b>Professional skepticism</b>	An attitude that includes a questioning mind, being alert to conditions which may indicate possible misstatement, and a critical assessment of evidence.
<b>Reasonable assurance engagement</b>	An assurance engagement in which the practitioner reduces engagement risk to an acceptably low level in the circumstances of the engagement as the basis for the practitioner’s conclusion. The practitioner’s conclusion is expressed in a form that conveys the practitioner’s opinion on the outcome of the measurement or evaluation of the underlying subject matter against criteria.
<b>Subject matter</b>	The phenomenon that is measured or evaluated by applying criteria.
<b>Subject matter information</b>	The outcome of the measurement or evaluation of the underlying subject matter against the criteria, i.e., the information that results from applying the criteria to the underlying subject matter.

Source used: ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information