In 2018, the Irish Data Protection Commission (IDPC) began investigating a complaint against LinkedIn (and other companies) as to whether LinkedIn’s targeted advertising practices violated the recently implemented the European Union General Data Protection Regulation (GDPR). Microsoft cooperated throughout the period of inquiry. In April 2023, the IDPC provided LinkedIn with a non-public Preliminary Draft Decision that proposed a fine. After review and analysis, the company will increase its existing reserve for the matter and, based on current exchange rates take a charge of approximately $425 million in the fourth quarter of fiscal year 2023. Microsoft intends to respond to the draft decision. The company intends to dispute the legal basis for, and the amount of, the proposed fine and will continue to defend its compliance with GDPR. There is no set timeline as to when the IDPC will issue a final decision. However, after receiving a final decision, Microsoft will consider all legal options and intends to defend itself vigorously in this matter.