

Microsoft Global Human Rights Statement

Computing, digitally-powered innovation, and connectivity are some of the most influential forces at work today. They lie at the heart of Microsoft's business activities, and we see them transforming the lives of people everywhere. Grounded in the principle proclaimed in the Universal Declaration of Human Rights that "all persons are born free and equal in dignity and rights", we are committed to developing technologies and services that enrich individual and shared experiences across the globe. The Microsoft Global Human Rights Statement describes our approach to advancing human dignity and respecting human rights.

Introduction

Technology should be used for the good of humanity, to empower and protect everyone and to leave no one behind. Respecting human rights is a core value of Microsoft. It is inseparable from our mission to empower every person and every organization on the planet to achieve more with our technologies. We believe that people, organizations, and societies will only use technologies they trust, and they will only trust technologies that respect their rights and advance human dignity, agency, and wellbeing.

While care and respect for others is a core Microsoft value, our approach to advancing human rights across the globe incorporates international laws, principles, and norms, including the <u>Universal</u> <u>Declaration of Human Rights</u>, the <u>International Covenant on Civil and Political Rights</u>, the <u>International</u> <u>Covenant on Economic, Social and Cultural Rights</u>, and the work of the United Nations on <u>good</u> <u>governance</u> and the <u>rule of law</u>.

Microsoft is committed to helping people use technology:

- For the good of humanity
- To connect with others around the world, finding and sharing information, knowledge, ideas, and inspiration
- To overcome discrimination, exclusion, or oppression
- To save our planet
- To improve the health and wellbeing of people everywhere
- To defend and promote democracy, good governance, and the rule of law
- To protect and advance privacy, security, safety, freedoms of opinions, expression, association, peaceful assembly, and other human rights

How we meet this commitment:

- Engage, learn from, and work with a broad range of stakeholders: Engagement leads to dialog.
 Dialog allows us to share our values, our voice, and our knowledge of constantly evolving technologies and how they could and should be used. It helps us learn and understand the concerns and perspectives of stakeholders from all segments of societies around the world. We work with them to find new ideas and solutions for a digital society that respects and advances human rights.
- Embrace challenges and do and speak for what is right: We believe we can more effectively respect human rights by being present in, rather than absent from, countries with significant human rights challenges. We believe that in the long run, engaging responsibly with people, governments and other stakeholders in difficult environments often holds greater promise for the advancement of human rights.
- Operationalize human rights in our business and technologies: We conduct due diligence to assess
 the impact of our technologies on human rights. We look to international principles and norms such
 as the <u>UN Guiding Principles on Business and Human Rights</u> to guide our diligence. We use what we
 learn from stakeholders to challenge our thinking, develop and refine our policies and practices,
 mitigate risks, and improve our technologies and how we provide them to fulfill our commitment to
 human rights.

Dear Sit

Brad Smith, President

Our responsibility

Technology is increasingly an essential gateway to the exercise of human rights everywhere. As a global information and communications technology (ICT) company we have a responsibility to work toward a sustainable future where everyone has access to the benefits that technology provides. We strive to make products and services that deserve to be trusted and will be valued by customers around the world. Starting with our initial product design and development, to supply chain manufacturing and management, and finally deployment - we work to identify and understand positive and adverse human rights impacts.

To help us manage these efforts Microsoft commits to respecting the <u>United Nations Guiding Principles</u> <u>on Business and Human Rights</u> (UNGPs). We work every day to implement the UNGPs throughout Microsoft, both at headquarters and offices in approximately 200 countries and territories, and throughout our global supply chains.

The UNGPs call upon businesses to respect human rights by conducting due diligence of how their activities might adversely affect human rights, to minimize adverse impacts, and to remediate harms. We communicate our commitment to stakeholders through our <u>Global Human Rights Statement</u> website where this statement is available in 18 languages and dialects.

Defining human rights: As a global technology company with billions of rightsholders around the world we commit to respect all human rights - civil, political, economic, social, and cultural. More specifically, Microsoft is committed to respecting the human rights under the following international human rights instruments:

- Universal Declaration of Human Rights
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- Convention on the Elimination of All Forms of Discrimination against Women
- <u>Convention on the Rights of the Child</u>
- Convention on the Rights of Persons with Disabilities
- International Convention on the Elimination of All Forms of Racial Discrimination
- International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families
- Geneva Conventions and their Additional Protocols
- Rome Statute of the International Criminal Court
- United Nations Declaration on the Rights of Indigenous Peoples
- United Nations Declaration on Human Rights Defenders

We are also members, signatories, or supporters of the following frameworks and multi-stakeholder initiatives:

- Child Rights and Business Principles
- Global Network Initiative
- Sustainable Development Goals
- United Nations Global Compact
- <u>United Nations Standards of Conduct for Business on Tackling Discrimination against LGBTI people</u>
- Women's Empowerment Principles

Foundational principles

Our approach is based on the following principles:

Our commitment to ongoing human rights due diligence: Understanding potential human rights impacts associated with digital technologies presents unique challenges. Our global and on-going processes begin with a focus on identifying and assessing any actual, or potential, adverse human rights impacts that we may cause, contribute or be directly linked with, either through our own activities or as a result of our business relationships. Our processes follows the UNGPs and the <u>OECD Guidelines for</u> <u>Multinational Enterprises</u>. One of the ways we do this is by conducting human rights impact assessments (HRIAs), to identify and prioritize salient risks. We have conducted HRIAs at both the corporate and product levels, and for various countries and locations. Our HRIA work includes regular engagement and

consultation with stakeholders in an effort to understand and address perspectives of vulnerable groups or populations.

When an assessment is complete, we integrate and act upon our findings and track our implementation throughout the company or product lifecycle. We communicate to stakeholders how positive and adverse impacts are identified, assessed and actioned on through our ongoing <u>CSR reporting</u>, <u>annual human rights reports</u>, <u>biannual Digital Trust Reports</u>, and other channels. We seek to understand, and respond effectively to evolving risks, best practices and stakeholder needs.

Our commitment to remediation: Remedy is an integral part of the corporate responsibility to respect human rights, and we are committed to providing effective grievance mechanisms and access to remedy in situations where Microsoft may have caused or contributed to an adverse human rights impact. We commit to not obstructing grievance channels or remedies made accessible or provided by others, including States. We are committed to ongoing collaboration in remediation initiatives across our business activities, including with our ICT suppliers. We work to ensure that all rightsholders and their representatives are aware of their rights to these mechanisms. We translate remediation guidance into several languages to ensure accessibility for impacted parties. Microsoft prohibits any form of retaliation against anyone who raises a human rights-related complaint or question, or participates in subsequent investigations of any such complaints.

Anyone who seeks to raise a grievance with or seek remediation from Microsoft regarding our human rights performance may do so in the following confidential ways, in multiple languages:

- Submit an anonymous report through the Microsoft Integrity Website
- Send an email to the Microsoft Business Conduct Email Address
- Call the free <u>Microsoft Integrity Hotline</u>

We also offer dedicated product-specific channels for voicing specific concerns, including:

- Accessibility: The <u>Disability Answer Desk</u> and <u>Enterprise Disability Answer Desk</u> provide technical support for people and organizations who have questions about the accessibility of Microsoft products and services.
- Gaming: The <u>Xbox Live Policy & Enforcement</u> preserves and promotes a safe, secure and enjoyable experience for all Xbox Live Platform and Community members.
- Privacy: The <u>Privacy Support Form</u> provides opportunities to raise questions regarding Microsoft's privacy practices and to request data subject rights such as the right to access and delete personal data.
- Devices' Responsible Sourcing: The <u>Workers' Voice Hotline Program</u> provides factory workers with a reliable and anonymous reporting channel managed by a neutral third-party service provider.

Our commitment to support good governance and the rule of law: Microsoft's ability to respect human rights is enabled by good governance and rule of law around the world. Good governance and rule of

law require transparent, responsible, accountable and participatory processes that are responsive to the needs and aspirations of individuals and communities. Good governance and rule of law are closely correlated with decent work, sustainable lives, peoples' safety and their freedom from government infringement on their human rights. We advocate for public policies and laws that promote innovation while protecting human rights. We do so through regular multinational, regional and local multi-stakeholder engagements.

As a multinational company that champions the rule of law, we know that we do not stand above the law. We respect applicable national laws. But national law is only a floor. Where international human rights standards exceed national laws, we advocate for legal recognition of global norms and seek to align our business practices and operations with international standards.

Our commitment to engagement: We believe that responsible engagement with people and governments in countries with significant human rights challenges often holds the greatest promise for the advancement of rights; we can often more effectively meet our global human rights commitments through our presence in, rather than absence from, such countries.

We recognize that such operating environments call for heightened due diligence and adherence to clear principles. We are dedicated to understanding how these contexts may increase the risk of adverse human rights impacts, and how we can prevent or mitigate such impacts. Key factors in making this approach a success include the use of multi-stakeholder engagement and consultation, including with local stakeholder groups, and using our reputation, voice, and various business decisions to influence other primary actors.

Our commitment to vulnerable groups: Although human rights are universal, they are not yet enjoyed universally. For example, various forms of discrimination require that we pay special attention to vulnerable groups. Vulnerable groups include persons who are disproportionately susceptible to heightened adverse impacts, or those who have less practical access to remedy. We are committed to conducting business without discrimination based on race, color, ethnicity, sex, language, religion, political or other opinion, national or social origin, property, birth or other status such as disability, age, marital and family status, gender, sexual orientation, gender identity or expression, health status, place of residence, economic and social situation, or other characteristics, or the multiple intersecting forms of discrimination that influence the realization of human rights. We commit to take actions to empower vulnerable groups to better exercise their rights.

Our commitment to human rights defenders: Our commitment to respecting and advancing human rights includes respect and support for the work of human rights defenders around the world. Human rights defenders are people who, individually or with others, engage in activities and advocacy that contribute to the protection of human rights and the rule of law, good governance, tolerance, and diversity and inclusion. Human rights defenders face persistent physical, social, economic, and psychological threats. Microsoft does not tolerate threats, intimidation, retaliation, physical, legal or cyber-attacks against human rights defenders. This commitment extends to all human rights defenders,

including those working on issues related to Microsoft and those exercising their rights of freedom of expression, association, and peaceful assembly, including to challenge or protest aspects of our own business.

In all countries, and especially in those with weaker protections for civic freedoms and where threats to human rights defenders are more pronounced, we commit to consult with local human rights defenders as part of our human rights due diligence and to support their work with increased sensitivity to the challenges and complexities they face. We seek to build human rights defenders' capacity to achieve their goals through increased trust in technology. To achieve that goal Microsoft also commits to enabling and advancing human rights defenders' cybersecurity and their use of technology.

Our commitment to mitigating climate change: Climate change presents a challenge to the full enjoyment of a wide range of human rights and exacerbates existing poverty and inequality. We cannot meet our human rights responsibilities in a world severely impacted by climate change. Our <u>commitment to mitigating climate change</u> is focused on <u>carbon</u>, ecosystems, water and waste and is implemented throughout our operations and supply chain. We respect the right to land, natural resources and <u>water</u>. We recognize our responsibility to manage the environmental and economic footprints of our offices, our suppliers and our raw material producers, that can have far reaching positive and negative impacts on the physical and financial wellbeing of individuals and households. We track and report on our progress towards our 2030 environmental sustainability goals in our annual <u>environmental sustainability</u> reporting.

We recognize that some groups and communities are more vulnerable than others to climate change impacts, including women, communities living in or near poverty, indigenous peoples and minority groups. Our understanding of these vulnerabilities informs our approach to just transition and to climate justice. We commit to engaging with marginalized communities, or their legitimate representatives, when developing our sustainability policies and practices. We commit to leveraging our technology and innovation to support vulnerable communities in bolstering their climate resilience.

Our commitment to collaboration and collective action: Few human rights challenges related to digital technologies can be addressed through one company, or even one industry acting alone, so partnerships and multi-stakeholder collaborations are at the heart of our efforts.

We were early signatories to the United Nations Global Compact, and we are a founding member of the Global Network Initiative (GNI), a collaborative effort among ICT companies, civil society organizations, socially responsible investors, and academics. We commit to the <u>GNI Principles</u> on freedom of expression and privacy rights.

We recognize the threats to our <u>democratic processes</u> from cyber-enabled interference and we work with stakeholders including governments, non-governmental organizations, academics, and industry globally to protect political campaigns from hacking, increase transparency related to political advertising online, explore technological solutions to preserve and protect electoral processes, and defend against disinformation campaigns.

We also work with others in industry – while also consulting with civil society organizations, researchers, governments, and law enforcement agencies around the world – to combat the abuse of digital platforms. For example, we actively participate in the <u>Global Internet Forum to Counter Terrorism</u> (GIFCT) and the <u>WePROTECT Global Alliance to End Child Exploitation Online</u>. In alignment with our commitment to accessible technology products and services, we actively participate in the <u>Global Internet Forum to Counter Terrorism</u> (Gisci).

Outside the technology sector, we are signatories of the <u>Joint Labor Union and CEO Statement on the</u> <u>Paris Agreement</u>, committing to a just transition of the workforce achieved through dialogue with workers and their unions. We seek to empower the organizations who conduct climate-change research and uplift it. We use our voice to speak out on public policy issues that will be critical to reducing humanity's carbon impact and managing ecosystems. By engaging with companies across industries to share how we put our human rights commitments into action, we aspire to serve as a catalyst for action by others in the technology sector and beyond.

Key areas of impact

Microsoft can best meet its responsibility to respect human rights through our work in five key areas:

Our policies and practices on government demands: Our commitment to the rule of law carries with it the legal obligation to comply with applicable local law. When we face requests from governments to provide user data or remove content, we work to respect the human rights to privacy and freedom of expression by assessing whether the government requests are valid, legally binding, compliant with applicable law, and consistent with international law and international human rights norms.

Our customers: As a reflection of our commitment to human rights and to our billions of users across the globe, we seek to mitigate and prevent risks by applying rights-aware decision making throughout our products' lifecycles and business relationships. For example, we are committed to <u>responsible</u> artificial intelligence (AI) by applying our <u>AI principles</u> to its development and use. We prioritize accessibility using our <u>inclusive design principles</u> to meet our commitment of creating and delivering technology that empowers people with disabilities. For the human right to privacy we apply our <u>privacy</u> principles to empower our customers to be in control of their data and offer a dedicated grievance mechanism for any concerns they may have. We also leverage collective action to help prevent and address some of the potential harms of our products that many of us in the technology industry face.

Our employees: We commit to respect the rights of our employees, including those outlined in the ILO Declaration on Fundamental Principles and Rights at Work: their freedom of association and right to collective bargaining, their rights not to be subject to forced labor, child labor or discrimination in regards to employment and occupation. To foster a genuine culture of diversity and inclusion in the

workplace, we are committed to aligning our practices with the Convention on the Elimination of Discrimination Against Women, the Convention on the Rights of Persons with Disabilities, and the UN Standards of Conduct for Business Tackling Discrimination against LGBTI People. Our policies that incorporate these commitments include our <u>Equal Employment Opportunity Policy</u>, <u>Anti-Discrimination</u> and <u>Harassment Policy</u>, and our <u>Standards of Business Conduct</u>. These policies are complemented by a full range of programs that support the well-being of our employees and their family members.

Our suppliers: Decent work is essential for inclusive and sustainable livelihoods, and is foundational to a life of dignity. We strive to ensure that every person who makes our products is treated with respect and dignity. Microsoft expects its suppliers to comply fully with all employment laws, share its commitment to respect all human rights and to provide equal opportunity in the workplace, and take effective measures to remedy any adverse human rights impacts.

Microsoft has relationships with thousands of suppliers around the globe. To advance our responsible sourcing goals, we invest heavily in our supplier relationships and our human rights commitment extends to all our suppliers. We expect all suppliers who do business with Microsoft to uphold the human rights, labor, health and safety, environmental, and ethical practices prescribed in our <u>Supplier</u> <u>Code of Conduct</u> (SCoc) and for hardware suppliers, the <u>Microsoft Supplier Social and Environmental</u> <u>Accountability Manual</u> (Suppliers SEA Manual).

Our SCoC, Supplier SEA Manual and broader responsible sourcing programs all follow the ILO Declaration on Fundamental Principles and Rights at Work, the ILO Core Conventions, the relevant aspects of the Convention on the Rights of the Child, the Convention on the Elimination of Discrimination Against Women, the Convention on the Rights of Persons with Disabilities, and the UN Standards of Conduct for Business Tackling Discrimination against LGBTI People. Furthermore, the SCoC is our key tool for preventing modern slavery and human trafficking in our global supply chains, including respecting working hours, freedom of association and collective bargaining guidelines set forth by the ILO core conventions.

We are committed to eliminating human trafficking and forced labor from our supply chain, including among our contingent workforce. We understand that foreign migrant workers (FMWs) are especially vulnerable to the risk of forced labor, and we are committed to respect the Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. Our commitment to exclude human trafficking from our supply chain is embedded in our SCoC and responsible sourcing program protocols. We acknowledge that addressing the most entrenched human rights problems in complex supply chains is a shared responsibility, often requiring industry-wide and multi-stakeholder approaches. As such, we participate in the <u>Responsible Business Alliance</u>, <u>Responsible Minerals</u> <u>Initiative</u>, the <u>Initiative for Responsible Mining Assurance</u>, <u>Tech Against Trafficking</u>, and the <u>Global</u> <u>Business Coalition Against Human Trafficking</u>.

We care deeply about the sustainability of our upstream supply chain. Microsoft does not harvest or mine raw materials, but we do influence upstream harvesting and mining through our policies and

practices. For our Devices, our approach to raw materials begins with the <u>Microsoft Responsible</u> <u>Sourcing of Raw Materials</u> (RSRM) Policy. The RSRM policy extends our Supplier Code of Conduct to the furthest reaches of our upstream supply chain in support of human rights, labor, health and safety, environmental protection, and business ethics. This policy covers all minerals and materials used in our Devices hardware and packaging supply chain, unbounded by geography.

Our communities: Whether we reach communities through our operations or supply chain, or through applications of our technology, Microsoft recognizes we impact rightsholders. We consider our potential and actual human rights impacts on the communities we reach in our due diligence processes. We also invest in specific opportunities to promote the rights of our local and global communities through humanitarian support and non-profit donations.

Through <u>Microsoft Philanthropies</u>, we donate and discount productivity, platform and cloud technology products to empower nonprofit organizations throughout the world to drive greater impact for the communities they serve. By offering our cloud services and software for free or significant discount to eligible nonprofits, we enable human rights organizations around the world to advance their missions. We partner with nonprofit organizations to provide digital skills resources and training to displaced peoples, empowering them with access to educational and economic opportunities. During <u>humanitarian crises</u>, we help impacted communities access technology and information when and where they need it most. We work to help organizations increase preparedness and get ahead of the response curve while improving their ability to respond to future disasters.

To help to fulfill our mission, Microsoft is committed to advancing a more inclusive and equitable world. We are committed to closing the opportunity gap that many young people face today through our community investments, focused on <u>skills for employability</u> and <u>affordable broadband access</u> in underserved and underrepresented communities. Through the Microsoft <u>Employee Giving</u> program our employees donate their time, talent, and money to the nonprofit organizations of their choice, with matching funds provided by the company.

Internal governance

Employees, partners, suppliers, governments and customers share this responsibility to ensure that information and communications technology and our business activities respect and promote human rights.

The <u>Regulatory and Public Policy Committee</u> of Microsoft's Board of Directors oversees the company's key non-financial regulatory risks that may have a material impact on the company and its ability to sustain trust with customers, employees, and the public. This includes policies and programs that concern legal, regulatory, and compliance matters relating to competition and antitrust, privacy, trade, digital safety, artificial intelligence, and environmental sustainability, as well as significant issues relating to accessibility, human rights, and responsible sourcing. The committee also reviews the company's

government relations activity and political activities and expenditures, public policy agenda, and position on significant public policy matters.

<u>Microsoft's President and Chief Legal Officer</u> oversees the implementation of our human rights commitments working within the Microsoft Corporate, External, and Legal Affairs division. The division consists of more than 1,500 business, legal and corporate affairs professionals located in 54 countries and operating in more than 120 nations working on a wide range of issues involving the intersection between technology and society, including cybersecurity, privacy, ethics, artificial intelligence, human rights, immigration, philanthropy and environmental sustainability.

The <u>Microsoft Technology and Human Rights Center</u> was established in 2013, and it prioritizes and coordinates our human rights due diligence, identifies emerging risks and opportunities related to human rights. The Center promotes harmonized approaches to human rights across the company, and fosters dialogue to advance understanding of the human rights impacts of ICT. Through the Center, Microsoft engages and consults with a broad range of human rights groups, academics, and industry groups globally to share Microsoft's experiences and lessons learned.