

Microsoft Salient Human Rights Issues

Report – FY16

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Introduction

In addition to the <u>human rights reporting</u> on our Corporate Social Responsibility (CSR) reporting website, we are pleased to provide detailed transparency on our salient human rights issues.

This additional report describes the actions we have taken over the course of Fiscal Year 2016 (FY16) to respect the salient human rights issues across our global business. The report is primarily aimed at stakeholders who have a particular interest in our efforts to implement the <u>United Nations Guiding Principles on Business and Human Rights</u>, but we hope it will inform all readers of our sincere commitment to respect human rights.

We use the <u>UN Guiding Principles Reporting Framework</u> to steer our disclosure here. We are grateful for the clarity that the Framework offers on how we can provide meaningful transparency on our salient issues and ensure consistent reporting across companies.

Definition: Salient human rights issues

The UN Guiding Principles Reporting Framework recommends that companies focus their human rights reporting on their <u>salient human rights issues</u>, which are defined as the "human rights at risk of the most severe negative impact through the company's activities and business relationships."

Saliency focuses on the risk to people, not the business, while also recognizing that there is a strong convergence between the risks to human rights with risk to the business.

While a business can touch upon a broad spectrum of human rights, the most salient human rights issues consist of four factors:

Most severe: Based on how grave and how widespread the impact would be and how hard it would be to put right the resulting harm.

Potential: Meaning those impacts that have some likelihood of occurring in the future, recognizing that these are often, though not limited to, those impacts that have occurred in the past.

Negative: Placing the focus on the avoidance of harm to human rights rather than unrelated initiatives to support or promote human rights.

Impacts on human rights: Placing the focus on risk to people, rather than on risk to the business.

Microsoft Technology and Human Rights Center

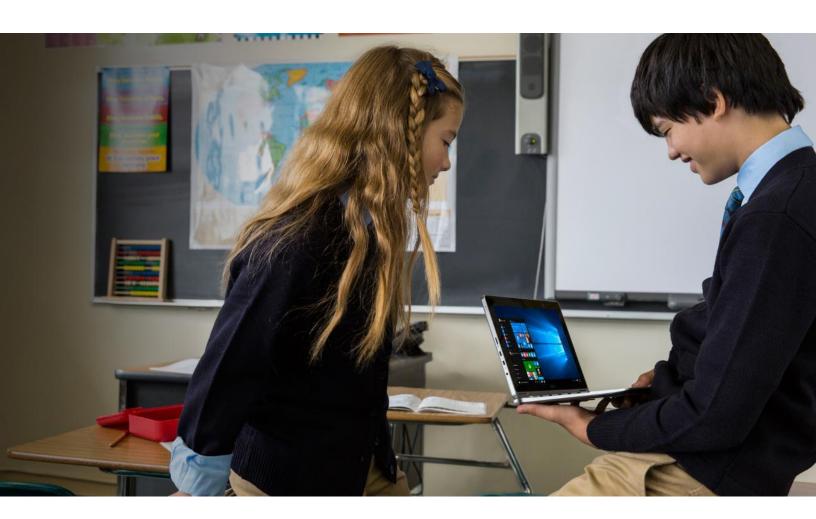
The Microsoft Technology and Human Rights Center was established in 2013 to prioritize and coordinate our human rights due diligence, to identify emerging risks and opportunities related to human rights, and to promote harmonized approaches to human rights across the company. The Center also fosters dialogue to advance understanding of the human rights impacts of information and communications technology (ICT) companies. Through the Center, Microsoft engages with a broad range of human rights groups, academics, and industry groups globally to share Microsoft's experiences and lessons learned.

In FY16, the Center's activities included:

- Vision 2020: Stakeholder expectations are increasing at a rapid rate, as are the human rights trends and issues faced by all businesses and the ICT sector. To capture these changes and ensure that Microsoft's human rights program management is fit for purpose, external consultants were hired to develop a five-year strategy for the program, titled as our Vision 2020. Technical and policy experts across Microsoft were interviewed by the consultants to obtain their experience of Microsoft's human rights efforts, and to seek opportunities for continual improvement. Similar conversations were held with external academic, NGO, and practitioner experts in the field of business, ICT, and human rights across North America, Europe, and Asia to ensure that Microsoft's approach reflects stakeholder expectations. We will finalize the strategy during fiscal year 2017 and we will share the Vision 2020 in the 2017 update of the human rights section of our CSR reporting website.
- Due diligence review: A review of Microsoft's four years of human rights impact assessment experience was conducted with the goal of identifying outstanding opportunities for change management, and to examine the effectiveness of previous methodology. The results of the review will be published in the next report.
- Partnerships: The Center continued its longstanding participation in the BSR Human Rights
 Working Group's meetings and webinars and joined the Global Business Initiative, enabling
 Microsoft to learn from the valuable experiences of other companies implementing the UN
 Guiding Principles. The center continued to support human rights defenders, including
 AccessNow and Freedom House, as well as substantive engagement with the Haas Human
 Rights and Business Initiative and the Stern Center for Human Rights and Business.
- Events: Over the course of the year, the Center participated in and supported numerous events. A human rights roundtable was co-chaired by Microsoft's President at the World Economic Forum's Annual Meeting in Davos in January on the topic of how the technology and telecommunications industries can and should interact with governments to help ensure national security, while at the same time respecting the privacy rights of their users. The

Center also sponsored and participated in the RightsCon Silicon Valley Summit in March, which attracted 1,100 attendees from 84 countries to discuss protecting digital rights and Internet freedoms. The Center also held and participated in student and academic discussions at Columbia University and at the University of California, Berkeley; and others.

 Talent development: The Center began a new Fellowship program, which aims to give future business and human rights practitioners an opportunity to contribute new skills and ideas to Microsoft during or immediately after their relevant graduate degree studies. The Center is committed to supporting the development of business and human rights professionals, and so participated in many university and academic discussions throughout the year.



Accessibility

With roughly 1.2 billion people with disabilities in the world, Microsoft is committed to ensuring that our products and services are designed for everyone. We are working across the company and with others around the world to explore what's possible. We believe there are no limits to what people can achieve when technology reflects the diversity of everyone who uses it.

Respecting the right of people with disabilities to live independently and participate fully in all aspects of life drives Microsoft's passion to ensuring access to information and communications technologies, and it drives our commitment to a diverse workforce and an inclusive culture.

Microsoft's approach

We've established three guiding principles to lead the way on our accessibility journey:

- Transparency: We are open with our plans to ensure our products are accessible.
- Accountability: We will, going forward, prioritize inclusive design and accessibility in the development of all products and services upstream in the process.
- Inclusivity: We want everyone to be empowered not only through our products, services, and technology, but within our culture at Microsoft.

It is the responsibility of each product group to deliver on our corporate commitment by developing accessible products.

Microsoft works with governments and civil society organizations globally to ensure digital technology benefits citizens with disabilities. For example, Microsoft is a signatory to the <u>Global Initiative for Inclusive Information and Communications Technology</u> (G3ict) Charter, which encourages governments to increase digital inclusion for citizens by incorporating accessibility criteria into their procurement policies. NGOs and customers are an essential source for user feedback and we share our roadmaps with them. Additionally, we engage with policymakers to discuss how technology can help solve societal challenges to provide input into policymaking processes.

<u>Policies</u>

Our commitment to accessibility is publicly shared at Microsoft.com/accessibility.

Internally, the Microsoft Accessibility Standard (MAS) guides product development and testing for all business operations across Microsoft. Amongst other things, the MAS was designed to support leading global accessibility standards, including:

- European Standard on accessibility requirements for Information and Communication Technologies (ICT) products and services (EN 301 549)
- Section 508 of the Rehabilitation Act (29 U.S.C. 794d)
- Web Content Accessibility Guidelines (WCAG) 2.0, ISO/IEC 40500 standard

New and existing policies are discussed and vetted before implementation. Policies and standards are then shared internally, training and implementation resources are made available to staff, and review groups are formed to ensure even and correct application.

We monitor the general risk landscape for trends and shifts, and we adopt and evolve our policies accordingly. As regulations, industry standards, and market requirements evolve, we update our MAS accordingly. Proactive communication with NGOs, customers, policymakers, and academics helps us to validate our understanding regarding the potential impact of such changes.

Actions

In FY16, a new centralized accessibility team was created. This team is led by Microsoft's new Chief Accessibility Officer. Our engineering teams play a central role in our work on accessibility. New technical leaders in the key engineering groups across the company have also been created. These leads, along with accessibility champions across the company, comprise a new cross-company advisory team led by our Chief Accessibility Officer that ensures we deliver on our goals of inclusion, transparency, and accountability.

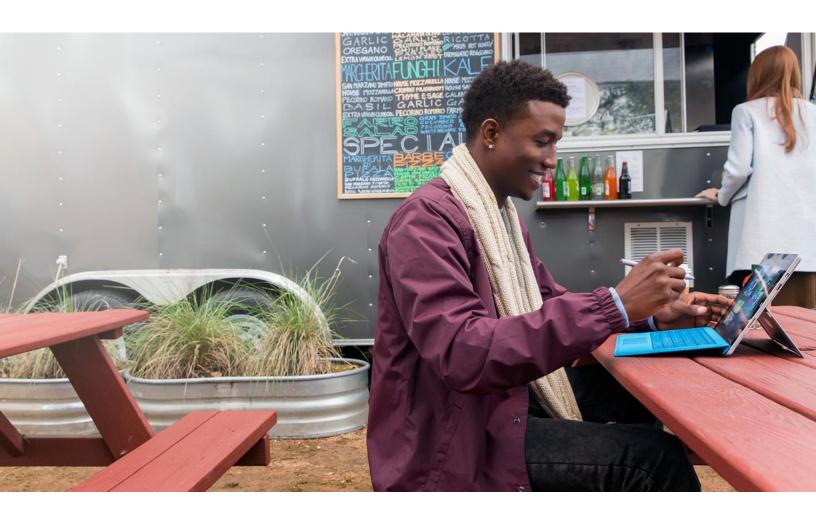
Our Disability Answer Desk is central to our direct engagement with rights holders. This free technical support for persons with a disability or customers who have questions related to accessibility with Windows and Office works to resolve the queries in real time or with engineering teams to identify potential future fixes. The support team is trained in using many popular assistive technologies and can help in English, Spanish, and French through phone or online chat, and American Sign Language (ASL) via videophone in the U.S.

The Desk received over 10,000 supports calls per month across FY16. In addition to the Desk, concerns can be shared by rights holders through social media inquiries, blog responses, email, and our multiple UserVoice feedback forums. The effectiveness of outcomes is measured through customer satisfaction surveys following interactions with Disability Answer Desk, as well as other metrics including our rate and speed of resolution.

Promoting employment opportunities and career advancement for people with disabilities, as well as assistance in finding, obtaining, maintaining and returning to employment, is essential. We respect the

right of people with disabilities to work on an equal basis with others in a workplace that is inclusive and accessible. To turn principles into practice, we created a <u>Microsoft Inclusive Hiring</u> site in FY16 to provide potential candidates with one place to find information on job opportunities. We also promoted this practice at our <u>2016 Ability Career Fair</u>, which was an opportunity for candidates with disabilities to meet recruiters and hiring managers from Microsoft and 25 other companies.

We also continued to grow our <u>Autism Hiring Program</u>, which has opportunities in software engineering, data science, customer service and operations, and elsewhere in the business. The jobs selected for potential hires with autism are full-time and offer a competitive salary, just like any other entry-level job listed on the Microsoft Careers website. The interview process, however, is unique. Candidates participate in a multi-week interview "academy," which is a combination of workshops and interviews designed to accommodate the candidates' needs. After a successful roll-out in the U.S., the program was also launched in the UK in FY16.



Freedom of expression and privacy

Recognizing that freedom of expression and privacy are essential for the enjoyment of other human rights and are fundamental pillars for democratic society, Microsoft respects the freedom to seek, receive, and impart information and ideas of all kinds, and the right to the protection of the law against arbitrary or unlawful interference with privacy.

Microsoft's approach

To meet our commitments to freedom of expression and privacy rights of our users, Microsoft supports the rule of law that meets international norms and standards, including internationally recognized human rights laws and standards. Accordingly, we advocate the following principles:

- Government restrictions to online content must be governed by clear rules that are necessary
 and proportionate, protective of people's rights to share even unpopular ideas, enforced in a
 transparent manner and without discrimination, with judicial or other independent approval
 and review of individual orders for content removal, backed up by right to appeal
 governmental actions and decisions and the availability of effective remedies.
- Government orders for access to user data must be pursuant to the rule of law, name the specific user account or identifier, be approved by a judicial or other independent authority, and whenever possible be directed at the person or entity most directly involved in providing the service or the customer itself.
- Except in limited cases, individuals and organizations have a right to know when governments access their digital information. Governments must provide case-specific facts to seek judicial or other independent approval of restrictions on the service provider's ability to notify its customers of the request, and the restrictions must be limited in duration and scope to the narrowly defined objectives of the specific investigation.
- Although the global internet is borderless, governments should respect international borders
 and the sovereignty of other nations, and agree upon a framework for requesting data stored
 outside its borders while protecting privacy and human rights.
- Service providers must be permitted to challenge government orders.

Policies

Freedom of Expression

Microsoft has internal processes and procedures to document and address government requests for content removal or user data, which enables us to meet our commitments to respect the freedom of expression and privacy rights of our users.

When Microsoft receives a government request to remove content, we carefully review and assess the demand to understand the reason for the request, the authority of the requesting party, the applicable internal policies or terms of use for the affected product or service, and our commitments to our customers and users including regarding freedom of expression. Based on these reviews, we determine whether and to what extent we should remove the content in question.

Privacy

Microsoft adheres to the same principles for all requests from government agencies for user data, requiring governmental entities to follow the applicable laws, rules and procedures for requesting customer data. We do not provide any government with direct and unfettered access to our customers' data, and we do not provide any government with our encryption keys or the ability to break our encryption.

If a government wants customer data, it needs to follow applicable legal process – meaning, it must serve us with a warrant or court order for content or a subpoena for subscriber information or other non-content data. We require that any requests be targeted at specific accounts and identifiers. Microsoft's compliance team reviews government demands for user data to ensure the requests are valid, rejects those that are not valid, and only provides the data specified in the legal order.

<u>Actions</u>

We make clear the relevance and significance of these issues and policies in several ways. We make public commitments to respect the freedom of expression and privacy rights of our users via the Microsoft Global Human Rights Statement. We engage with stakeholders including:

- The <u>Global Network Initiative</u> (GNI), which is a multi-stakeholder organization of technology companies, civil society, academic institutions and investors with a collaborative approach to protect and advance freedom of expression and privacy in the information and communication technology (ICT) sector;
- Governments around the world
- International organizations

We undertake legal action in response to government demands that impact these rights. One example of our efforts to support our users' privacy rights was the search warrant case we filed against the U.S. Government.

We communicate to our employees that the respect of the freedom of expression and privacy rights of our users is the responsibility of every employee, and we have internal teams that are focused on supporting employees across the company to meet that responsibility.

As a member of GNI, Microsoft participates in the <u>GNI Independent Assessment Process</u>. In FY16, Microsoft participated in the second independent assessment by GNI, providing to the independent assessor information on cases or issues across the globe involving government requests or orders for content removal or user data. In 2016, GNI <u>published</u> the results of its second independent assessment of GNI member companies, and again determined that Microsoft complies with the <u>GNI Principles</u> on freedom of expression and privacy.

We were particularly pleased to see that the GNI 2015/2016 independent assessment noted that our "commitment to protecting freedom of expression and privacy genuinely seems to have become a 'lens' through which business decisions are evaluated at various levels of the company."

Our engagement with stakeholders help us identify or highlight emerging issues in freedom of expression and privacy. Examples of current issues include terrorist and extremist content online, and cross-border data requests from governments.

Regarding terrorist content, a few governments have been referring to Microsoft online content on our cloud services that allegedly violate the terms of use of the services. We understand some stakeholders' concerns that governments are using such referrals to avoid their duty to follow legal processes. To address this concern, our decisions and actions in the enforcement of the terms of use for our services do not change based on whether the referral is made by a government or any other non-government entity or person.

Regarding cross-border requests for user data by governments, the lack of modernized laws and international frameworks for accessing digital evidence and the increase in unilateral actions by law enforcement agencies to seize information stored outside their border threatens to erode user trust and is creating difficult legal situations for companies that provide cloud services. We believe that governments should respect the sovereignty of other nations, and the existing mutual legal assistance process should be modernized and streamlined to ensure that it can continue to serve its purpose in a modern world.

We produce several disclosures twice per year to help stakeholders evaluate how we are meeting our commitments to freedom of expression and privacy. Individual reports are available for:

- Content Removal Requests
- Law Enforcement Requests
- <u>US National Security Orders</u>

Privacy and data security

Microsoft respects privacy as a fundamental human right. We honor that commitment by processing data in accordance with customer expectations and providing meaningful controls over how and why personal data is collected and used in our products, services, and business processes. In doing so, we strive to empower individuals to have autonomy over the collection and use of their data and we use customer data in a way that is fair and in accordance with their rights. In many ways, the Microsoft commitment to privacy is a cornerstone for our engagement in other human rights including freedom of expression, assembly, and association in our mission to enable every person on the planet to achieve more.

The right to privacy is well established in the international human rights regime, and that is reflected in many national constitutions and legal systems. Technology brings our public lives and private lives closer together, and so it is essential that people can trust Microsoft to protect their privacy.

Microsoft's approach

We engage with a broad array of individuals and groups so that we can identify stakeholder needs and keep pace with changes. These can include governments, regulators, data protection authorities, advocacy groups, academics, and think tanks. We also participate extensively within industry professional associations, including the <u>IAPP</u>, and regularly engage with industry partners and peers in this topic. There is a regular cadence to these engagements, which is essential for being able to monitor changes in the legal landscape or regulatory and societal concerns.

Inside the company, Microsoft operates a comprehensive privacy program, led by a Chief Privacy Officer (CPO) within the company's Corporate, External and Legal Affairs (CELA) division under the company's President and Chief Legal Officer. This corporate program is supplemented throughout the company by specific privacy accountabilities within our business groups where privacy-accountable Corporate Vice Presidents (CVPs) have been identified within each division.

In turn, these leaders have one or more privacy program owners under them who oversee teams of privacy managers embedded within individual products, teams, and groups across the company. At the heart of Microsoft's day-to-day privacy work are privacy managers conducting a privacy review of significant new personal data collection and use against a defined set of rules, set out in the Microsoft Privacy Standard (MPS). The CPO interacts directly with the privacy-accountable CVPs and administers the Privacy Management Council (PMC) which is comprised of privacy program owners.

Monitoring, verification, and risk assessment of privacy compliance is conducted by three groups at Microsoft: Internal Audit, Enterprise Risk Management (ERM), and the Digital Trust Privacy Compliance (DTPC) team within CELA. DTPC, in collaboration with the CPO, produces an annual report of privacy governance and compliance to the Regulatory and Public Policy committee of the Board of Directors. Internal Audit and ERM also provide regular reporting into the Audit Committee of the Board of Directors.

The Microsoft hub and spoke model provides numerous avenues for major privacy of data protection issues to be brought before our Chief Executive Officer and members of the Senior Leadership Team, as well as issues being reported to the Board of Directors by the President and Chief Legal Officer, the CPO, the DTPC, ERM, or Internal Audit

Policies

To guide our company in meeting its privacy commitment, Microsoft follows <u>six principles</u> for ensuring personal privacy:

- Control: We will put you in control of your privacy with easy-to-use tools and clear choices.
- Transparency: We will be transparent about data collection and use so you can make informed decisions.
- Security: We will protect the data you entrust to us through strong security and encryption.
- Strong legal protections: We will respect your local privacy laws and fight for legal protection of your privacy as a human right.
- No content-based targeting: We will not use your email, chat, files or other personal content to target ads to you.
- Benefits to you: When we do collect data, we will use it to benefit you and to make your experiences better.

In addition, to help teams meet these principles, Microsoft has developed the Microsoft Privacy Standard (MPS). The most important aspects of the MPS establish that our engineering and other business teams must:

- Follow local privacy laws when collecting or processing personal data.
- Provide a clear and accurate privacy notices when collecting or processing of personal data.
- Provide privacy choices to users and honor those choices.
- Maintain the integrity of personal data, meaning that it can only be used for purposes relevant to Microsoft, known to the individual, or within customer expectations.
- Delete personal data that is no longer relevant to the business purpose or inadvertently collected.
- Protect personal data in its collection or processing and ensure that personal information transferred to third parties is adequately protected.

To assists consumers, we provide a website, <u>Privacy at Microsoft</u>, that explains our commitment to privacy in plain language. It also provides <u>one single location</u> for consumers to go to learn how privacy works in our consumer products and services and explains the types of information Microsoft collects from online browsing and internet searches, geo-location, fitness and health, data used to target ads, sign-in and payment data, information from device sensors, Windows 10, and other online services. The site also contains our layered <u>privacy statement</u> and a single location where users can manage their personalization settings, app and services permissions, and marketing and advertising preferences.

To assist our business and enterprise customers, we provide the <u>Microsoft Trust Center</u>, which is available in 12 languages and dialects, to find out how we protect their data in the <u>Microsoft Cloud</u>.

Actions

Changes in the law, inquiries from regulators, tech issues in the news, and the challenges of other companies in the industry all influence how we act on privacy. In the past year, decisions and activities within the European Union shaped much of our privacy-related adjustments.

Microsoft is making some significant changes to our privacy program and how we engineer for privacy requisite with Europe's adoption of the <u>Privacy Shield</u> framework to replace the invalidated <u>Safe Harbor</u> and approval of the General Data Protection Regulation (GDPR). The GDPR will come into effect in May 2018, and the requirements of this regulation need our attention now.

Of particular significance, the GDPR creates an explicit set of privacy rights for persons whose personal data is collected, held or processed. In so doing, the GDPR elevates and clarifies existing requirements to enable individuals to access, control, correct, and delete data. Additionally, the GDPR creates new requirements regarding the portability of data, and the level of transparency that must be provided in association with certain algorithmically-determined decisions.

Our philosophy towards privacy and compliance remains the same: We view privacy as a fundamental right, and we are committed to complying with privacy law and regulation. To match our philosophy, the GDPR will require that we update our existing privacy standards and execute on our standards at a larger scale than ever before.

Further enhancements and evolution of our privacy program have the full attention of Microsoft's Chief Executive Officer and the Senior Leadership Team.

Also at a global level, we continued our adjudication of law enforcement requests for access to data, which is further reported on in our <u>Digital Trust Reports</u>. Working with law enforcement agencies worldwide to ensure that requests to access data are provided by law, and are legitimate and necessary, reflects our continuing efforts to uphold the fundamental rights to privacy and freedom of expression.

These continuing efforts are further evidenced in the <u>new lawsuit</u> Microsoft submitted in the Federal Court against the United States Government in April 2016 to ensure that we can continue to inform consumers and businesses when the government accesses their emails or records, except in rare circumstances, which is a legal right in U.S. law.

Also throughout FY16, Microsoft maintained its case in the U.S. Federal Court that challenges a U.S. Government warrant for customer data stored in Dublin, Ireland. This case was in the United States Court of Appeals for the Second Circuit at the end of FY16, with a decision expected at the start of FY17. Data center locations, and how we offer private and hybrid cloud solutions, are at the heart of this case, and this represents the increasing challenge of respecting privacy and freedom of expression in the digital age.

An additional issue on the horizon at the end of FY16 included our CEO's expression of 10 Artificial Intelligence Principles. We plan to support the development of principled and value-driven artificial intelligence that is respectful of privacy by creating Data Ethics Principles, which we expect to finalize in FY17.

The <u>How to Access and Control Your Personal Data</u> section of our Privacy Statement provides users with a direct reporting mechanism through which they can request data access and deletion, and make choices about Microsoft's collection and use of their data. Trained professionals oversee and process user submissions daily, and they have an escalation channel to the Chief Privacy Officer's team.

Customers can also use the <u>Microsoft Privacy Support Form</u> to raise questions or feedback around Microsoft's privacy practices. Customer inquiries raised through the Privacy Support Form are incredibly valuable in helping to improve our customer experiences and to ensure we are living up to our Privacy Principles.

When a customer submits a question to privacy support, that case is routed centrally through the office of the Chief Privacy Officer. Inquiries span almost all of Microsoft's products or services, and the privacy team can follow up with the product groups when necessary to help resolve the issue. Microsoft privacy support responded to 9,921 customer inquiries in FY16, and where necessary, we changed our products to respond to customers' requests.

Online safety

More than 3.2 billion people use the internet worldwide. In some countries, internet penetration tops 80%. Growth rates continue to increase as prices for fixed and mobile broadband connections trend downwards, while coverage and bandwidth increases.

Microsoft's online products include, but are not limited to, Skype, Bing, Xbox Live, Outlook.com, Office 365 and OneDrive, and we manufacture devices that enable web access, including the Xbox and the Surface range of tablets. Microsoft helps to ensure respect for internet users' rights, including equality, dignity, non-discrimination, and security, by empowering users and consumers to safely, responsibly, and appropriately use the internet, online services, and devices.

Microsoft's approach

To promote the safe use of Microsoft devices and online services, we offer a range of <u>safety features</u> and <u>functionality</u>, including <u>family safety settings</u>. We also have strong prohibitions against abusive behavior on our online services included as a Code of Conduct within our Microsoft Services Agreement. These Code provisions, are enforced by complaint-response teams on all of our hosted consumer services, including OneDrive, Skype, and Xbox Live.

When it comes to protecting individuals and families online, we employ a four-fold strategy:

Technology: Strive for simple, easy-to-use products and services that are built with safety, security, and privacy in mind at the earliest stages of the development process.

Governance: Devise and grow an internal self-governance program complete with policies, standards and procedures for addressing various customer-use and abuse scenarios.

Awareness-raising: Educate the public about existing and emerging risks and share ways in which individuals and families can best protect themselves online.

Partnerships: Work with others in the technology industry, civil society, academics, and government, as no one organization or entity can tackle these novel and nuanced issues alone.

Policies

The Microsoft Services Agreement became effective in FY16. These terms cover the use of the Microsoft consumer products, websites, and services listed here. Many of these products previously had separate terms that were referred to by different names, such as "Xbox Live Terms of Use" or "Skype Terms of Use." The Microsoft Services Agreement replaces those separate terms and is

accepted by users when they create a Microsoft account or a Skype account; when they use Microsoft services; or by continuing to use the services after being notified of a change to the Agreement.

The Code of Conduct within the Agreement requires that users:

- i. Don't do anything illegal.
- ii. Don't engage in any activity that exploits, harms, or threatens to harm children.
- iii. Don't send spam. Spam is unwanted or unsolicited bulk email, postings, contact requests, SMS (text messages), or instant messages.
- iv. Don't publicly display or use the Services to share inappropriate Content or material (involving, for example, nudity, bestiality, pornography, graphic violence, or criminal activity).
- v. Don't engage in activity that is false or misleading (e.g., asking for money under false pretenses, impersonating someone else, manipulating the Services to increase play count, or affect rankings, ratings, or comments).
- vi. Don't circumvent any restrictions on access to or availability of the Services.
- vii. Don't engage in activity that is harmful to you, the Services, or others (e.g., transmitting viruses, stalking, posting terrorist content, communicating hate speech, or advocating violence against others).
- viii. Don't infringe upon the rights of others (e.g., unauthorized sharing of copyrighted music or other copyrighted material, resale or other distribution of Bing maps, or photographs).
- ix. Don't engage in activity that violates the privacy of others.
- x. Don't help others break these rules.

Two additional policies were released in FY16 that aim to further respect human rights.

	Non-consensual pornography approach	Terrorist content approach
Effective date:	July 22, 2015	May 20, 2016
Purpose:	Sharing sexually explicit material of one or more people without their consent is a violation of privacy, dignity, and security, and is now criminalized in several jurisdictions.	The internet is the most significant medium for freedom of opinion and expression; to seek, receive and impart information and ideas. It is also being misused to promote and endorse terrorists, their acts and organizations.
Action:	The Microsoft Services Agreement prohibits this activity. Following a notification from a victim, Microsoft globally removes links to photos and	The Microsoft Services Agreement was amended to specifically prohibit the posting of terrorist content on our hosted consumer services. We

	videos from search results in Bing, and globally removes access to the content itself when shared on OneDrive or Xbox Live.	consider terrorist content to be material posted by or in support of a terrorist or terrorist organization that depicts graphic violence, encourages violent action, endorses a terrorist organization or its acts, or encourages people to join such groups. Additionally, we remove links to terrorist-related content from Bing when such takedown is required of search providers under local law.	
Rights holder remedy:	A dedicated web-reporting form was released to make it easy for victims to inform us about non-consensual, pornographic photos and videos. The form is available in 38 languages and 86 locales in which Microsoft does business.	We are continuing our "notice-and-takedown" process for removal of prohibited – including terrorist – content when it is brought to our attention via our new, dedicated web-reporting form. All reporting of terrorist content – from governments, concerned citizens, or other groups – on any Microsoft service should be reported to us through this form.	
Implementation:	Teams of professionals trained in various forms of content moderation receive and process customer and government complaints daily. They take actions against the complained-of content or conduct, as well as the accounts of individual offenders.		
Stakeholder engagement:	This approach was developed through engagement with victims' advocacy groups, legal professionals, academics and other members of civil society, including online safety-focused organizations.	Engagement with government officials, experts in relevant fields, other members of the technology industry, and civil society organizations, including free-speech advocacy groups, helped to develop this approach.	
Transparency:	Removal requests are reported in our twice-annual Content Removal Requests Report, which is available in our <u>Digital Trust Reports</u> .	We rely on the <u>Consolidated United</u> <u>Nations Security Council Sanctions List</u> to identify terrorists and terrorist organizations.	

Online safety is an area in which we must employ leverage to help ensure respect for human rights. It is also an area where achieving appropriate balance and fairness can be an ongoing challenge. For example, while freedom of expression is essential in the "marketplace of ideas," and the internet is perhaps the most powerful venue for that marketplace, some forms of expression lack any redeeming social, scientific or artistic value, such as hate speech. There is no universal definition of hate speech,

and opinions on what constitutes hate speech and free speech can differ.

Therefore, stakeholder engagement greatly influences all aspects of our online safety work. We rely on experts' data and insights, their deep institutional knowledge and broad understanding of the landscape to help inform our positons and approaches. Consulting and learning from outside experts helps us to manage our policy-setting efforts with an eye toward safeguarding our customers and the integrity of services, and striving for overall balance and fairness.

New internal standards and procedures are discussed and vetted broadly within Microsoft prior to being implemented. Standards and procedures are internal; training and implementation resources are made available to all staff, and review groups are formed to ensure even application and implementation.

Actions

The online safety risk landscape shifts rapidly. For example, the topic of non-consensual pornography only reached broad-scale public awareness in recent years, and terrorist content has also recently grown in significance. Maintaining pace with these changes can best be achieved through the noted stakeholder engagement and by learning from and partnering with others in the tech industry.

With respect to monitoring our recent efforts and ensuring we are effectively respecting human rights holders, we track and analyze internally the number of content and abuse reports that we receive on a frequent, periodic basis. We look to improve reporting tools and monitor the general risk landscape for trends and shifts, and we adopt and evolve our policies accordingly. For example, in the new approach to non-consensual pornography (NCP), we noted that many of the reports being submitted by victims were often incomplete or were not, in fact, NCP, both of which are a barrier to effective policy implementation. We therefore developed a new video which will be released in early FY17 to help inform victims what is needed from them when submitting a report for NCP content take-down.

While the terrorist content policy is too new to note significant trends or patterns in this reporting period, the highest number of monthly reports for non-consensual pornography to-date were made in December 2015. It is not possible to firmly ascertain the cause of that trend, but it will be monitored in future years.

We are aiming to make reporting tools more readily available within the product and services experiences themselves, which may result in an increased number of reports since users will have an increased ability to report at the point of relevance in the product experience.

