

Whereas, Microsoft sells surveillance technologies and high-risk products and has contracts with customers which are responsible for adverse human rights impacts, including furthering racial injustice and discrimination. This suggests that Microsoft fails to implement its own human rights commitments, exposing the company to legal, financial, and reputational risks.¹

While Microsoft has a Human Rights Statement, investors seek independent assurances that this policy and associated efforts such as the Aether Committee, Justice Reform Initiative, “Addressing Racial Injustice” statement, and the Responsible AI Principles, are being effectively implemented to prevent customers from using products in ways that interfere with human rights, including systemic racism and discrimination.

Microsoft’s policies and statements fail to prevent adverse human rights impacts. For example, Microsoft developed and maintains the New York City Police Department’s (“NYPD’s”) controversial Domain Awareness System (“DAS”),² a real-time digital surveillance system and one of the world’s largest networks of cameras and license plate readers.³ DAS equips NYPD to carry out perpetual and discriminatory tracking.⁴ Immigration and Customs Enforcement (“ICE”), which has violated human rights,⁵ also uses DAS.⁶

Microsoft’s surveillance products enable discriminatory policing and incarceration of Black, Indigenous, and People of Color (“BIPOC”) communities, including immigrants, such as: “e-carceration” technologies enabling remote incarceration; predictive policing and pretrial assessment software using racially biased algorithms; so-called “Gang database” software that tracks almost exclusively BIPOC individuals;⁷ and DAS technology used to surveil incarcerated people, including youth.⁸

Microsoft has pursued controversial government contracts that face employee opposition to creating products intended to “harm and surveil”.⁹ This includes the \$10 billion Joint Enterprise Defense Infrastructure (JEDI) contract with the Department of Defense to store and manage sensitive military data.¹⁰ The \$21.88 billion contract with the U.S. Army for HoloLens augmented reality headsets with facial recognition technology designed to “increase lethality by enhancing

¹ https://www.sec.gov/Archives/edgar/data/789019/000156459020034944/msft-10k_20200630.htm

² <https://www.stopspying.org/ditch-the-das>

³ <https://www1.nyc.gov/site/nypd/about/about-nypd/equipment-tech/technology.page>

⁴ <https://ccrjustice.org/home/press-center/press-releases/center-constitutional-rights-condemns-new-york-city-police-reform>

⁵ <https://www.aclu.org/issues/immigrants-rights/ice-and-border-patrol-abuses>

⁶ <https://www.stopspying.org/latest-news/2019/9/26/domain-awareness-system> ;

<https://theintercept.com/2020/07/14/microsoft-police-state-mass-surveillance-facial-recognition/>

⁷ <https://cloudblogs.microsoft.com/industry-blog/microsoft-in-business/government/2018/02/13/how-the-state-of-georgia-is-fighting-gang-violence-with-the-cloud/> ; <https://www.govtech.com/public-safety/las-gang-tracking-database-offers-lessons-to-others.html>

⁸ <https://www.aljazeera.com/features/2020/12/21/microsofts-iron-cage-prison-surveillance-and-e-carceral-state>

⁹ <https://www.vox.com/technology/2018/10/18/17989482/google-amazon-employee-ethics-contracts>

¹⁰ <https://www.businessinsider.com/pentagon-end-jedi-contract-microsoft-amazon-litigation-court-2021-5>

the ability to detect, decide and engage before the enemy” also faces criticism.¹¹ Employees and immigrants’ rights activists urge Microsoft to end contracts with ICE.¹²

Resolved: Shareholders request the Board of Directors commission an independent third-party report, at reasonable cost and omitting proprietary information, evaluating how effectively the company implements its Human Rights Statement and other company policies and standards related to human rights, in the development of products, contracts, and business relationships with government agencies, including law enforcement, that create a high risk of adverse human rights impacts, and disclose the report on its website. The third-party should provide an opportunity to civil society and human rights organizations to comment on Microsoft’s implementation of policies, in relation to high-risk products and relationships.

This report should include:

- The actual and potential human rights impacts, including discriminatory impacts on BIPOC communities, of high-risk products and relationships; and
- How Microsoft monitors use of high-risk products for compliance with its policies and standards related to human rights.

¹¹ <https://www.nytimes.com/2021/03/31/business/microsoft-army-ar.html>;
<https://www.nytimes.com/2019/03/04/technology/technology-military-contracts.html>;
<https://www.voanews.com/usa/microsoft-wins-22-billion-deal-making-headsets-us-army>

¹² <https://notechforice.com> ; <https://www.datacenterknowledge.com/business/ice-seeks-large-new-cloud-contract-involving-microsoft-azure-aws> ; <https://azure.microsoft.com/en-us/services/cognitive-services/face/#demo>