

Company Name Microsoft
Industry ICT (Supply Chain only)
UNGP Core Score (*) 13.0 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
1	2	A.1.1 Commitment to respect human rights
1.5	2	A.1.2 Commitment to respect the human rights of workers
2	2	A.1.4 Commitment to engage with stakeholders
1	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
2	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0.5	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
1	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
1.5	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
2	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0.5	2	C.7 Remedying adverse impacts and incorporating lessons learned
13.0	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: General HRs commitment: The Company is 'committed to respecting and promoting human rights to ensure that technology plays a positive role across the globe.' [Standards of Business Conduct, update 2019, 10/2019: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=5&ved=2ahUKEwic1uufup3iAhVWA2MBHQO1BIsQFjAEegQIAxAC&url=https%3A%2F%2Fquery.prod.cms.rt.microsoft.com%2Fcms%2Fapi%2Ffam%2Fbinary%2FRW83DQ&usg=AOvVaw2doljj43Odpd6ovpAET6p0] • Met: UNGC principles 1 & 2: The Company has been a signatory of the UN Global Compact since 2006. [2018 Modern Slavery and Human Trafficking Statement] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: UNGPs: The Company states its 'commitment to human rights is consistent with the United Nations Guiding Principles (UNGPs) on Business and Human Rights', however, 'consistent with' is not considered a formal commitment according to CHRB wording criteria. [Devices Sustainability Report 2019, 2020: http://aka.ms/devicessustainability & Human Rights statement, 26/4/2019: https://www.microsoft.com/en-us/corporate-responsibility/human-rights-statement] • Not met: OECD: The Company states its operations are 'informed by' the OECD Guidelines for Multinational Enterprises, however, 'informed by' is not considered a formal statement of commitment to the initiative, according to CHRB wording criteria. [Human Rights statement, 26/4/2019: https://www.microsoft.com/en-us/corporate-responsibility/human-rights-statement]
A.1.2	Commitment to respect the human rights of workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: UNGC principles 3-6: The Company has been a signatory of the UN Global Compact since 2006. [2018 Modern Slavery and Human Trafficking Statement] • Met: Explicitly list ALL four ILO for ICT suppliers: The Company explicitly lists the ILO Core for its suppliers in its Supplier Social and Environmental Accountability Manual. This includes discrimination, forced labour, comply with all local and national minimum working age laws or regulations and shall not use child labor. 'Suppliers shall respect workers' rights to freedom of association and collective bargaining. Employees must be free to join associations of their own choice and select their representatives according to local and international practices'. [Microsoft Supplier Social and Environmental Accountability Manual December 2019 update, 12/2019: http://download.microsoft.com/download/8/F/D/8FDD6E5B-F195-48D3-B59E-876306BF4586/H2050_Excerpt.pdf] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core: The Company has a statement of commitment to non-discrimination.' Additionally, the Company states on its website that its Human rights statement and Global Compact participation demonstrates commitment to the ILO Declaration (and a footnote lists which are the ILO core). However, this statement refers to the HR Statement and the participation in the Global Compact. Participation to the Global Compact is not considered sufficient, and the HR statement that the Company refers to as document demonstrating commitment, does not include an explicit commitment to each ILO core area. The Company offered additional comments to CHRB regarding this indicator, however, the evidence was not material (seem to refer to supply chain and not own operations). This indicator looks for explicit commitment to each ILO core area for the Company's own operations. [Standards of Business Conduct, update 2019, 10/2019: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=5&ved=2ahU

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>KEwic1uufup3iAhVVA2MBHQO1BlSQFjAEgQIAxAC&url=https%3A%2F%2Fquery.prod.cms.rt.microsoft.com%2Fcms%2Fapi%2Ffam%2Fbinary%2FRW83DQ&usg=AOvVaw2doljj43Odpd6ovpAET6p0#https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=5&ved=2ahUKEwic1uufup3iAhVVA2MBHQO1BlSQFjAEgQIAxAC&url=https%3A%2F%2Fquery.prod.cms.rt.microsoft.com%2Fcms%2Fapi%2Ffam%2Fbinary%2FRW83DQ&usg=AOvVaw2doljj43Odpd6ovpAET6p0 & Empowering our employees 2020 update, N/A: https://www.microsoft.com/en-us/corporate-responsibility/empowering-employees]</p> <ul style="list-style-type: none"> • Met: Respect H&S of workers: In relation to Health and Safety, the Company describes the following: 'Microsoft is committed to supporting our employees' well-being and safety while they are at work and in their personal lives. In addition to our comprehensive benefits package, our Occupational Health and Safety program helps ensure employees can stay safe while they are working. As part of this commitment: Professionals assess the safety risks of work activities and engage with workers and management to implement safe work practices, hazard controls, and training to minimize safety risks and to provide continual improvement for employee health and safety. New and existing workspaces are periodically assessed to ensure they are constructed with sound design-for-safety principles and that controls are implemented effectively. Microsoft involves employees and managers in Health and Safety Committees specific to our datacenters, retail operations, and office locations where required.' [Empowering our employees 2020 update, N/A: https://www.microsoft.com/en-us/corporate-responsibility/empowering-employees] • Met: H&S applies to ICT suppliers: 'Suppliers are expected to integrate sound health and safety management practices into all aspects of their business. Suppliers or vendors working within the factory premises need to align with the Microsoft Health and Safety management system and all relevant procedures.' [Microsoft Supplier Social and Environmental Accountability Manual December 2019 update, 12/2019: http://download.microsoft.com/download/8/F/D/8FDD6E5B-F195-48D3-B59E-876306BF4586/H2050_Excerpt.pdf] • Not met: working hours for workers • Not met: Working hours for ICT suppliers: The supplier Social and Environmental Accountability manual states that: 'Suppliers shall ensure that workers are not required to work more than the maximum daily/weekly/monthly hours set by local and national laws and regulations or as set in the freely negotiated and legitimate collective agreement. A work week must not exceed 60 hours per week, including overtime, except in emergency or unusual situations. [...] Suppliers shall ensure overtime is voluntary and paid in accordance with local and national laws and regulations, and workers shall not be penalized for refusing overtime work.' No evidence found, however, to international standards, or establishing a maximum in terms of standard work week (without overtime). Additionally, the Company offers results of supplier compliance audits, which includes cases of non-compliance relating to working hours, however, no further commitment to the ILO working hour standards could be found. [Microsoft Supplier Social and Environmental Accountability Manual December 2019 update, 12/2019: http://download.microsoft.com/download/8/F/D/8FDD6E5B-F195-48D3-B59E-876306BF4586/H2050_Excerpt.pdf & Devices Sustainability Report 2019, 2020: http://aka.ms/devicessustainability]
A.1.4	Commitment to engage with stakeholders	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to stakeholder engagement: As part of the Global Human Rights Statement, the Company states 'We work to meet our responsibilities to respect human rights by: [...] Proactively engaging directly with stakeholders and rights holders to obtain input to help evolve our approach over time'. [Global Human Rights Statement: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RE2GfAH] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Commits to engage stakeholders in design: The Company states 'We can more effectively respect human rights through our presence in, rather than absence from, countries with significant human rights challenges. Responsible engagement with people and governments in these difficult environments often holds greater promise for advancement of human rights, especially in the medium- and long-term. Key factors in making this approach a success include the use of a multi-stakeholder engagement, including engagement with local stakeholder groups, using our leverage to influence other primary actors, and undertaking due diligence to identify and mitigate potential human rights impacts. As part of the Global Human Rights Statement, the Company

Indicator Code	Indicator name	Score (out of 2)	Explanation
			states 'We work to meet our responsibilities to respect human rights by: [...] Proactively engaging directly with stakeholders and rights holders to obtain input to help evolve our approach over time'. [Global Human Rights Statement: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RE2GfAH]
A.1.5	Commitment to remedy	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Commits to remedy: The Company indicates that 'we work to meet our responsibilities to respect human rights by [...] ensuring accountability by providing effective grievance mechanisms and access to remedy in situations where Microsoft may have caused or contributed to an adverse human rights impact'. [Global Human Rights Statement: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RE2GfAH] Score 2 <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with ICT suppliers to remedy impacts: The Company indicates the following in its Sustainability Report, in the section 'Managing risk throughout our supply chain': 'We require corrective actions to remedy nonconformances.' Additionally, in its Supplier Code of Conduct, the Company requires suppliers to 'take effective measures to remedy any adverse human rights impacts.' However, no commitment or work in collaboration with suppliers to remedy adverse impacts could be found. [Devices Sustainability Report 2019, 2020: http://aka.ms/devicessustainability & Supplier Code of Conduct, 2020 update, 2020: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RE4qa18]

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Commits to ILO core conventions: See indicator A.1.2, the Company is signatory to the UNGC. • Met: Senior responsibility for HR: The Company explains the following: 'The Microsoft Technology and Corporate Responsibility (TCR) team, in collaboration with leaders across business and operations, drives companywide approaches to corporate social responsibility issues. The head of TCR reports directly to Microsoft President and Chief Legal Officer, Brad Smith, who sits on our Senior Leadership Team and reports directly to CEO, Satya Nadella.' The CSR issues include human rights and responsible sourcing. [2018 CSR report summary: https://aka.ms/2018CSRsummary] Score 2 <ul style="list-style-type: none"> • Met: Day-to-day responsibility: See above. Also, the Company indicates in its Annual Human Rights report 2018, 'Established in 2013, the Center prioritizes and coordinates our human rights due diligence, identifies emerging risks and opportunities related to human rights, and promotes harmonized approaches to human rights across the company. The Center also fosters dialogue to advance understanding of the human rights impacts of information and communication technology (ICT). 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.' Additionally, the Company provides a diagram outlining the allocation of human rights issues across business operations. [2019 Human Rights Report, 2020: https://aka.ms/Annualhumanrightsreport2019] • Met: Day-to-day responsibility for ICT in supply chain: 'The Responsible Sourcing (RS) Team within the Microsoft Experiences and Devices Group is responsible for SEA (Social Environmental Accountability) programs that require supplier compliance with our Supplier SEA Manual, including supply chain requirements for ethics, human rights, labor, environment, and occupational health and safety, and sustainability. The RS Team works as an integral component of the Devices' Strategic Sourcing Group, which is responsible for Devices' direct material and supply chain services sourcing'. [Modern Slavery and Human Trafficking Statement FY2019, 2020: https://aka.ms/modernslaveryandhumantrafficking]
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0.5	The individual elements of the assessment are met or not as follows: Score 1

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Identifying risks in own operations: In its Human Rights Report, the Company discloses that it has a 'Technology and Human Rights Center' which 'prioritizes and coordinates our human rights due diligence, identifies emerging risks and opportunities related to human rights, and promotes harmonized approaches to human rights across the company.' However, no further details found as to how the Company identifies risks in its own operations. Additionally, the Company has performed Human Rights Impact Assessments relating to the impact of Artificial Intelligence, however, this is not material to this indicator (Artificial Intelligence not being covered at the moment). [2019 Human Rights Report, 2020: https://aka.ms/Annualhumanrightsreport2019] • Met: Identifying risks in ICT suppliers: 'In FY18, the SEA team began mapping existing and newly emerging labor risks in our global supply chain, including social benefits, working hours, wages, freedom of association, migrant workers, student/juvenile workers, interns, and temporary workers/subcontractors. This included analyzing legal requirements and interviewing auditors from eight countries: Japan, South Korea, Malaysia, Philippines, Singapore, Taiwan, Thailand, and Vietnam.' [Devices Sustainability Report 2018: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RWovpA] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Ongoing global risk identification: The Company has provided additional comments to CHRB regarding this indicator. However, evidence was not material. • Not met: In consultation with stakeholders • Met: In consultation with HR experts: As indicated above, identification process included interviewing auditors from eight countries: Japan, South Korea, Malaysia, Philippines, Singapore, Taiwan, Thailand, and Vietnam. • Not met: Triggered by new circumstances
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context): The Company has provided additional comments to CHRB regarding this indicator. However, evidence was not material. This indicator looks for evidence of specific steps taken to assess saliency of potential human rights impacts, including how relevant factors are taken into account in the process (any of geographical, social, economic, etc.) [Devices Sustainability Report 2018: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RWovpA] • Met: Public disclosure of salient risks: The Company discloses its salient human rights risks for 2019: Accessibility, Freedom of Expression and Privacy, Online Safety, and Privacy and Data Security. However, these risks does not refer to labour and other human rights risks considered by CHRB. Following interviews and risk mapping process, the company discloses results: These include, among others, the following: 'Migrant workers and working hours remain at high risk for violations in over 50% of the countries; The migrant workers are mainly from China, Bangladesh, Indonesia, Vietnam, and the Philippines, and North workers are not banned in-country; Malaysia and South Korea are at high risk regarding working hours, migrant workers and temporary workers/subcontractors'. [2019 Human Rights Report, 2020: https://aka.ms/Annualhumanrightsreport2019 & Devices Sustainability Report 2018: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RWovpA] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks: The Company has provided additional comments to CHRB regarding this indicator. However, evidence was not material. This indicator looks for actions carried out from a risk-based approach to mitigate the different issues that it faces generally. Current evidence seems to focus in correcting individual suppliers non-compliance and performance. [Devices Sustainability Report 2019, 2020: http://aka.ms/devicessustainability] • Not met: Including in ICT supply chain: See above. • Not met: Example of Actions decided <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: System to check if Actions are effective: The Company has studied the effectiveness of its grievance mechanism, and provides a description of a supplier audit program and an evaluation of its effectiveness. However, this indicator looks for evidence of how the Company tracks actions to mitigate or prevent salient human rights risks that it face across its operations, rather than effectiveness of specific corrective actions for specific suppliers as a result of non-compliances. No further information could be found in the 2019 reports. [2018 Human Rights Report: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RE2FMZY & Devices Sustainability Report 2018: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RWovpA] Not met: Lessons learnt from checking effectiveness <p>Score 2</p> <ul style="list-style-type: none"> Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Comms plan re identifying risks: In order to be awarded this indicator, the Company needs to achieve at least 1,5 points in B.2.1 Not met: Comms plan re assessing risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2 Not met: Comms plan re action plans for risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.3 Not met: Comms plan re reviewing action plans: In order to be awarded this indicator, the Company has to achieve a full score in B.2.4 Not met: Including ICT suppliers: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2/B.2.3/B.2.4 and at least 1,5 points in B.2.1 <p>Score 2</p> <ul style="list-style-type: none"> Not met: Responding to affected stakeholders concerns: No information found relating to relevant human rights concerns raised by affected stakeholders in relation to labour rights, evidence seems to focus in AI, data security, etc. [2019 Human Rights Report, 2020: https://aka.ms/Annualhumanrightsreport2019 & 2018 Modern Slavery and Human Trafficking Statement] Not met: Ensuring affected stakeholders can access communications: The Company has provided comments to CHRB regarding this indicator. However, evidence was not material.

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Channel accessible to all workers: Employees have several options to report concerns, including an email address, a phone number (and international line), a fax number, and an address to send letters. Employees can also raise concerns to 'any Microsoft manager, HR, Finance, or CELA.' [Standards of Business Conduct, update 2019, 10/2019: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=5&ved=2ahUKewic1uufup3iAhVWA2MBHQO1BlisQFjAEegQIAxAC&url=https%3A%2F%2Fquery.prod.cms.rt.microsoft.com%2Fcms%2Fapi%2Ffam%2Fbinary%2FRW83DQ&usg=AOvVaw2doljj43Odpd6ovpAET6p0] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Number grievances filed, addressed or resolved: The Company provides figures related to grievances in a channel open to certain suppliers, no evidence found of total figures of human rights-related complaints filed and either resolved or addressed. [Devices Sustainability Report 2019, 2020: http://aka.ms/devicessustainability] Met: Channel is available in all appropriate languages: The Microsoft Integrity Portal is a grievance mechanism available to employees and other stakeholders. This website is available in more than 20 different languages. [Microsoft Integrity Portal, N/A]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> Met: Expect ICT supplier to have equivalent grievance systems: The Company expects its suppliers to have a management system: 'An adequate and effective worker grievance/complaint process must be established where workers can confidentially communicate labor, ethics, occupational health and safety, and environmental related grievances or complaints without fear of reprisal or intimidation.' Additionally, 'Suppliers shall establish and implement an effective program to ensure that their supply chains are in conformance with this specification.' [Microsoft Supplier Social and Environmental Accountability Manual December 2019 update, 12/2019: http://download.microsoft.com/download/8/F/D/8FDD6E5B-F195-48D3-B59E-876306BF4586/H2050_Excerpt.pdf]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Grievance mechanism for community: The Company describes the following: 'Microsoft's Global Human Rights Statement expresses our commitment to provide an anonymous grievance reporting mechanism for our employees and other stakeholders who may be impacted by our operations. Microsoft's Business Conduct Hotline allows employees and others to anonymously ask compliance questions or report concerns regarding Microsoft's business operations, including our responsible sourcing of raw materials policy or those of our suppliers. We investigate and, where appropriate, take remedial action to address reported concerns. We also participate in industry efforts to develop grievance mechanisms to address responsible sourcing of raw materials related issues.' [Conflict Mineral Report 2019, 2019: https://aka.ms/conflictmineralreport] <p>Score 2</p> <ul style="list-style-type: none"> Met: Describes accessibility and local languages: The Company has an Integrity Portal website, available to various stakeholders, both internal and external, available in more than 20 different languages. [Microsoft Integrity Portal, N/A] Met: ICT supplier communities use global system: As indicated above, Microsoft's Business Conduct Hotline allows employees and others to anonymously ask compliance questions or report concerns regarding Microsoft's business operations, including our responsible sourcing of raw materials policy or those of our suppliers.
C.7	Remedying adverse impacts and incorporating lessons learned	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Describes how remedy has been provided: The Company discloses 'We investigate and, where appropriate, take remedial action to address reported concerns.' However, no description of how remedy has been provided could be found. [Conflict Mineral Report 2019, 2019: https://aka.ms/conflictmineralreport] Not met: Says how it would remedy key sector risks: The Company has provided comments to CHRB regarding this indicator. However, evidence was not material. This looks for the specific approach it would follow to provide remedy for victims. <p>Score 2</p> <ul style="list-style-type: none"> Not met: Changes introduced to stop repetition Not met: Approach to learning from incident to prevent future impacts Met: Evaluation of the channel/mechanism: The Company conducted a review of some existing grievance mechanisms, including the 'Business Conduct Hotline which provides the opportunity for stakeholders to raise concerns regarding corporate integrity.' It concluded that this system, among others, is effective 'in surfacing and remediating grievances related to Microsoft's products and services.' The 'review of the mechanisms suggests that proper escalation procedures are in place for cases that may involve more severe human rights impacts, for example, in cases which need to be escalated to senior policy and product leaders or to the law enforcement request team.' [2018 Human Rights Report: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RE2FMZY]

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> • Headline: Microsoft accused of being complicit in child labour in DRC • Area: Child labour, health & safety • Story: On December 15th, 2019, a legal complaint was filed in the U.S. District Court of Washington D.C. by human rights NPO International Rights Advocates, on behalf of 14 families from the Democratic Republic of Congo (DRC), against Microsoft, Tesla, Alphabet (Google), Dell and Apple. The lawsuit accuses the companies of aiding and abetting in the death and serious injury of children who were reportedly working in cobalt mines operated by Kamoto Copper Company, owned by Glencore. <p>The complaint alleges that the defendants have known for a "significant period of time" that the DRC's mining sector "is dependent upon children". The claim further alleged that cobalt from the Glencore-owned mines was sold to Umicore, which in turn sells battery-grade cobalt to Apple, Google, Tesla, Microsoft and Dell. These companies, according to the lawsuit, should have the ability to overhaul their cobalt supply chains to ensure safer working conditions.</p> <p>The lawsuit alleged that the children, some as young as 6 years old, were forced by their families' extreme poverty to leave school and work in cobalt mines owned by Glencore. According to the complaint, six of the fourteen children were killed in tunnel collapses, while others suffered life-altering injuries, including paralysis. Some children were working 6 days a week "under stone age conditions for paltry wages" as little as USD 1.50 per day, the claim alleged.</p> <ul style="list-style-type: none"> • Sources: [CNN - 18/12/2019: https://edition.cnn.com/2019/12/17/tech/apple-microsoft-tesla-dell-congo-cobalt-mining/index.html][CBS News - 17/12/2019: https://www.cbsnews.com/news/apple-google-microsoft-tesla-dell-sued-over-cobalt-mining-children-in-congo-for-batteries-2019-12-17/][Sky News - 17/12/2019: https://news.sky.com/story/tesla-and-apple-among-tech-giants-accused-of-aiding-child-labour-in-africa-11888600?awc=11005_1587225854_076d17a6f8b222f5119b7fb381f07f49&dcmp=afc-101248-na-na-longtail&dclid=CK-ngooqt8ugCFUsi0wodBBsMoA][Daily Maverick - 17/12/2019: https://www.dailymaverick.co.za/article/2019-12-17-tesla-apple-among-firms-accused-of-aiding-child-labor-in-congo/]
E(1).1	The Company has responded publicly to the allegation	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Public response available: According to the Guardian, 'Microsoft did not respond to a request for comment, but a spokesperson told the Daily Telegraph: "If there is questionable behaviour or possible violation by one of our suppliers, we investigate and take action.'" However, this is not a sufficient response to be awarded this point as it does not acknowledge the existence of an allegation [new story on lawsuit regarding child labour DRC, 16/12/2019: https://www.theguardian.com/global-development/2019/dec/16/apple-and-google-named-in-us-lawsuit-over-congolese-child-cobalt-mining-deaths] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail
E(1).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Company has been a member of the UN Global Compact since 2006, which includes commitments against using child labour. Additionally, on its website, the Company mentions policies relating to wellness and safety. [Supplier Code of Conduct 2019 update, 2019: https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RE4qa18 & Modern Slavery and Human Trafficking Statement FY2019, 2020: https://aka.ms/modernslaveryandhumantrafficking] • Met: Policies apply to the type of business relationships involved: The Supplier Social and Environmental Accountability Manual includes policies relating to child labour and health and safety. [Microsoft Supplier Social and Environmental Accountability Manual December 2019 update, 12/2019: http://download.microsoft.com/download/8/F/D/8FDD6E5B-F195-48D3-B59E-876306BF4586/H2050_Excerpt.pdf] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The SEA Manual includes specific measures to intervene in the case of child labour and specific requirements for health and safety in the supply chain. [Microsoft Supplier Social and Environmental Accountability Manual December 2019 update, 12/2019:

Indicator Code	Indicator name	Score (out of 2)	Explanation
			http://download.microsoft.com/download/8/F/D/8FDD6E5B-F195-48D3-B59E-876306BF4586/H2050_Execrpt.pdf
E(1).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders: The Company has provided comments to CHRB regarding this indicator. However, evidence doesn't relate to the specific allegation. • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders • Not met: Has reviewed management systems to prevent recurrence: According to the Guardian, 'Microsoft did not respond to a request for comment, but a spokesperson told the Daily Telegraph: "If there is questionable behaviour or possible violation by one of our suppliers, we investigate and take action.'" However, this is not a sufficient response to be awarded points. The company provided comments to CHRB saying that it works on the issue of child labour with Pact from 2014 but this allegation relates to events in 2019. [new story on lawsuit regarding child labour DRC, 16/12/2019: https://www.theguardian.com/global-development/2019/dec/16/apple-and-google-named-in-us-lawsuit-over-congolese-child-cobalt-mining-deaths] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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