

Operating datacenters in countries or regions with human rights challenges

The world is embracing digital technologies to enrich, enhance and improve every aspect of human activity. To address this phenomenon, technology companies need to expand availability of cloud computing platforms and technologies across the globe. Customer demand, especially on the part of multinational enterprises, engineering constraints, and regulatory requirements lead to more and more datacenters being built and operated in more and more countries.

Microsoft engages this challenge with responsibility and in accordance with our commitment to respect human rights and the rule of law. When considering expansion of our data center footprint to new countries we conduct due diligence to assess the impact of our technologies on human rights, looking 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 these studies 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.

Data center risk mitigation measures typically take any or all of three forms: exclusion of specific types of services (e.g., consumer services), technologies (e.g., facial recognition technology), and/or specific types of customers (e.g., law enforcement agencies).

Customer and technical demand for more cloud computing infrastructure will continue to grow. And Microsoft is not the only provider of such services. That is why we worked with other major cloud service providers to develop, agree to, and publish the <u>Trusted Cloud Principles</u>. With these principles Microsoft and other leading cloud computing services companies publicly commit to:

- Maintain consistent human rights standards as we compete for cloud service business across the globe.
- Work with governments to ensure the free flow of data, to promote public safety, and to protect privacy and data security in the cloud.
- Work with the tech sector, public interest groups, and policymakers around the world, particularly in the countries where we operate or plan to operate data centers and cloud infrastructure, to ensure that laws and policies are substantially in line with the Trusted Cloud Principles.

We recognize that decisions on where and how we operate and provide our technologies can have significant impact on human rights. As we pursue our mission to empower every person and every organization on the planet to achieve more, we will continue to conduct due diligence to assess the impact of our technologies on human rights, engage and learn from stakeholders, and model responsible business practices and respect for human rights.