June 1, 2016

Microsoft
One Microsoft Way
Redmond, WA 98052-6399

Dear John W. Thompson and Satya Nadella,

We are writing to you in your roles as Chairman and CEO to seek further engagement with your company about the results of the Ranking Digital Rights Corporate Accountability Index. The Index ranked 16 of the world’s leading internet and telecommunications companies on their disclosed policies and practices with respect to privacy and freedom of expression online. As you are likely aware, the sector-wide results were disappointing. Several companies performed poorly on objective indicators that measure adherence to best practices for reporting and transparency.

Microsoft performed measurably better than most. Yet we are writing publicly to all companies ranked in order to further motivate sector-wide improvement. Drawing upon the Index results, we have prioritized recommendations to each company to pick off the “low-hanging fruit” that could improve your ranking in future releases of the Index.

We do not need to tell you the importance of respecting digital rights. You know that addressing human rights challenges in an accountable and transparent manner is good for business, and that your company’s health and wealth depend on the trust of your customers.

Investors, too, require accurate and meaningful data on your firm’s performance -- financial and otherwise -- to show why they should continue to commit to your growth. Policymakers seeking to protect their constituents’ interests look to you for clear statements and policies to verify that you are complying with laws and norms. Despite laudable efforts by companies that ranked near the top of the Index, users remain in the dark about many company practices impacting their human rights, which is a key reason we are pushing even companies that performed relatively well in the Index to make further improvements.

Positively, Microsoft is doing better than any other assessed company in explaining its commitments and governance structures to support freedom of expression and privacy. It is also very clear in its policies for responding to government requests for user data. Your inclusion in your latest transparency report of third party content restriction requests, including requests by governments as well as some types of private requests, has been an important positive step since the release of the 2015 Corporate Accountability Index.
To extend its leadership, Microsoft should broadly continue to:

- Strengthen your commitments to freedom of expression and privacy at the corporate level, particularly through the establishment of stronger grievance and remedy mechanisms for freedom of expression and privacy harms.

In addition, we recommend that Microsoft take these specific steps:

- Include information about how you enforce your own terms of service in the transparency report.
- Enable accessible end-to-end encryption for both Skype and Outlook.com.
- Consider respecting the “Do Not Track” standard that allows users to opt-out of certain types of web tracking.
- Improve disclosure of your data retention practices and collection of information from third parties.

Your company can raise its score in the Index by taking the steps outlined above, implementing other recommendations identified in the Index, and by continuing to address sector-wide challenges as part of organizations like the Global Network Initiative. By doing so, you would distinguish your company as a sector leader, and earn a reputation among your customers as a defender of their human rights.

We commend your corporate officers for engaging with our staff, members of the Ranking Digital Rights research team, and other advocacy groups in private conversations about ways in which your company might improve its policies and disclosures around freedom of expression and privacy. However we also believe that it is important to communicate with the broader community of users and global stakeholders. As a first step, we urge you to respond in writing to this letter and the recommendations we highlight from the Corporate Accountability Index.

We are happy to speak with you about your results and work with you in developing a response.

Sincerely,

Peter Micek
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