



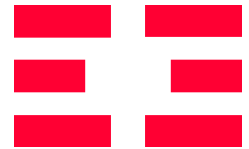
## Microsoft

Subsidiaries: LinkedIn, Bing, Skype, GitHub, Flipgrid, Mojang, Xbox, Yammer, Xandr, Nuance Communications

Locations: Washington (HQ)

Industries: Media and Entertainment, Software and Services, Web Browsers

RISK LEVEL:



High Risk

### DESCRIPTION:

Microsoft is High Risk. The company yields to political activism in shaping corporate governance, potentially alienating consumers, dividing employees, and harming shareholders. The company implements race and identity-based policies that replace merit, excellence, and integrity with preferential treatment and outcomes. Microsoft embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues. This approach fails to safeguard free exercise, free speech, and free enterprise.

### Corporate Weaponization

**Has canceled customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. High Risk**

*Microsoft and its subsidiaries LinkedIn and Nuance Communications' HRC 2023 CEI rating indicates the company recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2)(3)(4). Microsoft and LinkedIn are members of the Global Alliance for Responsible Media, which aims to demonetize advertisements and suppress content that "vilifies" individuals based on sexual orientation and gender identity, discusses "debated social issues in a negative or partisan context" or spreads "hate speech" (5)(6)(7). Microsoft itself has not terminated any business relationships due to views or beliefs. However, Microsoft-owned Xandr, an advertising company, removed conservative-leaning news outlets from its media blacklist after previously using the Global Disinformation Index to prevent certain sources from receiving advertising dollars, including sites such as Breitbart, Newsmax, RealClearPolitics, the Blaze, the Washington Times, and more (8). Microsoft-owned LinkedIn suspended the account of presidential candidate Vivek Ramaswamy for violating its policies related to "misinformation, hate speech, and violence" when he shared videos about climate policy and President Biden's relationship with China (9).*

**Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. High Risk**

*Microsoft, LinkedIn, and Nuance Communication's HRC 2023-2024 CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2)(3)(4). Microsoft does not match employee gifts to religious organizations unless there is "an ongoing secular community service program sponsored by these organizations [that] does not propagate a belief in a specific faith" (5). Microsoft also prohibits nonprofits from qualifying for its nonprofit discount "if they have a policy or mission of discrimination" on the basis of sexual orientation or gender identity (among other protected classes) (6). Alliance Defending Freedom allegedly lost access to nonprofit pricing for Microsoft products because the SPLC considers them a "hate" group (7). Nuance Communications does not appear to discriminate against religious organizations in its charitable giving (8)(9).*

**Employment policies fail to protect against viewpoint or other discrimination and/or are ideological in nature.**

**High Risk**

Microsoft and LinkedIn's HRC 2023-2024 CEI rating indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2)(3). Microsoft's Research PhD Fellowship restricts applicants based on race, limiting the number of White and Asian Applicants (4)(5). Microsoft protects its employees against viewpoint discrimination (6). Nuance Communications does not provide viewpoint protections for its employees (7).

## Corporate Governance and Public Policy

**Uses corporate reputation to support causes, organizations, or policies hostile to freedom of expression.**

**High Risk**

Microsoft and LinkedIn's HRC 2023-2024 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (1)(2)(3). By doing so, the company risks dividing employees, alienating customers and harming shareholders. Microsoft's PGL membership reflects its commitment to "operationalize" company coverage of transgender surgery and treatment, the vetting of business partners based on LGBTQ+ policies, and the financial support of LGBTQ organizations on a global level (4)(5). Microsoft and Nuance Communications signed an open letter in support of the Equality Act, a controversial bill and endorses transgender participation in female sports (6)(7). Microsoft was the only company to file a lawsuit to object to the rescission of DACA, and the company also wrote a blog post objecting to the Georgia voting integrity bill (8)(9). Microsoft signed an amicus brief in opposition to the 2016 North Carolina bathroom bill HB2, which required people to use the bathroom of their biological sex (10). LinkedIn, which is owned by Microsoft, removed its seminar that urged people to "be less white" after the backlash this training caused at Coca-Cola (11). Microsoft held a corporate presentation laden with progressive and partisan ideology, including preferred pronouns in introductions (12). The company opposed the Florida Parental Rights in Education Act, which would prohibit teaching gender identity and sexual orientation to kids in K-3rd grade (13). CEO Satya Nadella is a member of the Business Roundtable, which supports stakeholder capitalism over traditional shareholder obligations (14). Microsoft partners with GLAAD to increase LGBTQ+ representation in Xbox games (15). Microsoft implemented official Pride backgrounds for its Teams platform (16). Nuance Communications signed an open letter in support of the Equality Act, a controversial bill (17)(18). Microsoft, LinkedIn, Nuance Communications, and GitHub opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces (19). Microsoft, LinkedIn, and Nuance Communications opposed legislation in Iowa intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces (20). Microsoft President, Brad Smith, denounced various states' legislative efforts to protect election integrity and security (21). Microsoft subsidiary, LinkedIn, signed an amicus brief in opposition to the 2016 North Carolina bathroom bill HB2, which required people to use the bathroom of their biological sex (22). Nuance Communications CEO, Mark Benjamin, signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace (23)(24). Nuance Communications scored a 65 out of 100 on the 2023-2024 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group (25)(26).

**Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression.**

**High Risk**

Microsoft provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children (1)(2)(3)(4). Microsoft, LinkedIn, and Nuance Communications' HRC 2023-2024 CEI rating indicates the company covers transgender related costs for its employees and their children, including

paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, Microsoft and LinkedIn has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (5)(6)(7)(8). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. Microsoft has funded Planned Parenthood and is a platinum sponsor of the Human Rights Campaign (9)(10). Microsoft and LinkedIn are members of the Global Alliance for Responsible Media (11)(12)(13). Microsoft and its subsidiaries pledged a combined \$270 million to the Black Lives Matter movement and related causes (14)(15)(16)(17). Microsoft is a founding member of the PGLC, a bronze sponsor of Out and Equal, and a corporate partner of the National LGBT Chamber of Commerce (18)(19)(20). In 2023, Microsoft donated \$200,000 to Outright International, Stonewall, SAATHII, Casa Rara, and GLAAD for its annual Pride celebration (21). The company is a member of the MCCA, indicating its focus on recruiting, retaining, and promoting employees based on race (22)(23).

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**Uses corporate political actions and/or financial contributions for ideological, non-business purposes.**

**High Risk**

Microsoft and LinkedIn's HRC 2023-2024 CEI rating indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2)(3). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. Microsoft worked with "Zero for Zeros," a campaign to cut off donations to "anti-LGBTQ" politicians and considers "diversity and inclusion" when making PAC donations (4)(5). The company has donated to the Equality PAC but has not lobbied for ideological purposes (6)(7)(8).

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