

12 September 2018

Robin Li Chief Executive Officer Baidu Baidu Campus No. 10 Shangdi 10th Street Haidian District, Beijing, 100085 China

Dear Mr. Li:

Access Now is a global organization fighting to defend and extend human rights in the digital age, particularly for users most at risk. We are writing to draw your attention to your company's performance in the <u>2018 Ranking Digital Rights Corporate Accountability Index</u> and to invite you to offer a public response.

As you may be aware, the Index evaluated 22 of the world's leading internet, mobile, and telecommunications companies, including yours, and found that all companies could make significant improvements in disclosing policies and commitments that affect their users' rights to freedom of expression and privacy. Baidu's score was based on an evaluation of its disclosed policies for its Baidu Search, Baidu Cloud, and Baidu PostBar services.

Baidu ranked last out of 12 companies in its category, although it did see a 2.68% increase in its Index score from 2017. A significant portion of that increase can be attributed to Baidu's improved transparency around the company's governance and privacy indicators. The company provided more information regarding how it handles user information. Further, Baidu disclosed more about the grievance mechanisms for users of Postbar, the company's social networking and blog property, who experience account restrictions or content removal.

Likewise, the Index recognizes some important improvements in Baidu's privacy approach: the company provided more information regarding its policies for notifying users of privacy policy changes. Baidu was also more transparent about the purpose for collecting and sharing user information, as well as clarifying whether it combines user information across its different services and its reasons for doing so. This, coupled with the company's increased transparency around users' options for controlling how their information is used for targeted advertising represent important improvements since the 2017 survey.

Although Chinese internet laws are very restrictive, Baidu faces no legal obstacles for improving its transparency around basic policies impacting freedom of expression and privacy rights. In fact, Baidu's low scores cannot solely be attributed to these factors given that Tencent, a large Chinese



internet provider, has outperformed Baidu in several transparency categories. For instance, Baidu provided less information than any of the other surveyed companies, including Tencent, about policies that affect users' freedom of expression rights. Further, Baidu was one of two companies that failed to provide any information about its process for responding to government and third party requests for restricting content or accounts.

The 2018 Index also shows that Baidu earned the lowest score of the internet and mobile ecosystem companies surveyed. We perceive major gaps regarding your governance, as, for example, your company provided no evidence of senior-level oversight on freedom of expression or privacy issues. The company also disclosed very little information about the manner in which it handles government and private requests.

We would like to draw your attention to several concrete steps that your company can take to improve disclosure of policies affecting users' rights. We recognize that in some instances, legal obligations may prevent companies from disclosing certain types of information about specific policies and practices. However, the Ranking Digital Rights team has consulted with legal experts and identified steps that your company can take in the immediate future to improve disclosure within the current legal environment.

- Baidu should be **more transparent around its data security practices.** The company should clearly communicate its policies for keeping user information secure, as well as Baidu's approach for responding to data breaches.
- The company should also **increase its transparency about its protocol for responding to external requests** to restrict content or accounts and for user information.
- Baidu should clearly **disclose its grievance mechanism for users that wish to submit complaints** for violations of their freedom of expression and privacy rights.
- Baidu should **adopt the principles of the Global Network Initiative (GNI),** whose members not only make human rights commitments but also undergo independent assessments to verify whether they have implemented and institutionalized them, and participate in the <u>RightsCon</u> Summit Series.

Transparency on these issues not only supports human rights, but also helps ensure user trust. Investors also depend on companies to be transparent about these issues to verify they are making sound choices that are encouraging user growth.

We encourage you and the relevant officers within your company to read through the Index findings and recommendations, and the <u>"report card" for your company</u> in particular, and develop a public response to the issues raised here. This is an opportunity to distinguish your company from others in the sector as a leader on these issues, and to demonstrate a commitment to your



users to respect their rights. The full results and raw data can be found at: <u>https://rankingdigitalrights.org/index2018</u>. For your convenience I am also attaching PDFs of the full report as well as your company's report card.

This letter will be published on the website of the Business and Human Rights Resource Centre, alongside letters to each of the other companies evaluated in the Index. Company responses will be published in a timely manner on the same website upon receipt. A similar set of letters and company responses were published in 2016, visible at:

https://business-humanrights.org/en/access-now-sends-digital-rights-demands-to-tech-and-telcofirms

We encourage you to send a response for publication by September 26, 2018, to demonstrate to your users and stakeholders that your company is serious about upholding freedom of expression and privacy. Please send your letter via email to Peter Micek <<u>peter@accessnow.org</u>> with Ana Zbona <<u>zbona@business-humanrights.org</u>> in copy.

The Access Now team would be happy to speak with you about your results and provide feedback as you develop your response.

Sincerely,

Peter Micek General Counsel, Access Now <u>peter@accessnow.org</u>