

12 September 2018

Jose Maria Alvarez
Chief Executive Officer
Telefónica
Edificio Central - 2ª, Ronda de la Comunicación
28050 Madrid
Spain

Dear Mr. Alvarez,

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. Telefónica's score was based on an evaluation of its disclosed policies for Movistar Spain's pre-paid mobile, post-paid mobile, and fixed-line broadband services.

Telefónica ranked third out of 10 companies in its category, and saw a 5.51% increase in its Index score from 2017. A significant portion of this increase can be attributed to Telefónica's recent membership to the Global Network Initiative (GNI) as well as the company's strong public commitment to respect freedom of expression and privacy rights. Likewise, the Index recognizes some important improvements in Telefónica's disclosure on how the company handles government requests to shutdown networks, block content, and hand over user information. Further, the index noted as a positive step Telefónica's improved disclosure about grievance and remedy mechanisms for users whose freedom of expression or privacy rights have been violated.

However, the 2018 Index shows that Telefónica did not disclose sufficient information about the company's handling of external requests to block content or accounts. The company provided no data on how it evaluates and responds to private requests to block content or accounts. This, coupled with the fact Telefónica Spain provides insufficient information about how the company handles government request for shutdowns is evidence of some of the company's disclosure gaps. Telefónica further failed to disclose information about what user data it may disclose to third parties, and whether users can obtain all of the information the company holds on them, despite clear obligations under EU data protection law to provide users with a right to access their data and relevant company policies.

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.

- Telefónica should provide more details about how it handles both government and private requests to block content or accounts of users.
- The company should be more transparent about **the types of user information it shares and retains,** and also whether users may obtain the information Telefónica holds on them.
- Telefónica **should clearly communicate how it keeps user information safe**, including how it handles employee access to information.

Transparency on these issues is not only important from a human rights perspective, but also key to ensuring 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: https://rankingdigitalrights.org/index2018. 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 this week 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-telco-firms

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 peter@accessnow.org> with Ana Zbona Zbona@business-humanrights.org> 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
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