

## **INVESTOR STATEMENT IN SUPPORT OF DIGITAL RIGHTS REGULATIONS**

Companies need to respect human rights throughout their operations and value chains as outlined in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Investors are concerned with the weak governance and the lack of transparency and accountability affecting people's rights to privacy and freedom of expression, including a lack of users' control over their own information and how it is used online (hereinafter referred to as "digital rights"), in the information and communications technology (ICT) sector. Governments have a duty to protect through effective regulatory measures, particularly where voluntary corporate measures continue to leave significant gaps in digital rights protections.

The undersigned 65 investors, representing over US\$8.7 trillion (Euro €7.6 trillion) in assets under management and advisement support the need for rights-respecting internet regulation to respect the digital rights of users. Investors recognize the positive steps that the European Union is taking through new regulation of digital services, including the [Digital Services Act](#) (DSA), aimed at creating a safer digital space where the fundamental rights of users are protected and to establish a level playing field for business. In order for investors to be able to make rights-respecting investment decisions in the ICT sector, they need to be able to rely on proposed regulation like the DSA that enables responsible and rights respecting business activities, products, and services that empower users, communities, and society at large rather than divide and discriminate against them.

### **Protecting privacy rights and addressing harms of surveillance-based advertising**

In the past years, many ICT companies, specifically digital platform companies, have built their business model on surveillance-based online advertising enabled by algorithmic systems, with advertising revenues accounting for the majority of such ICT companies' profits. Those systems use pervasive online tracking and behavioural profiling as the basis for targeting advertising and have created a global system of commercial surveillance that does not add value to users, societies, or the larger economy.

This system violates privacy by processing large amounts of user data, often without explicit consent. It enables the spreading of misinformation and fuelling of hate that is micro-targeted based on people's most intimate data such as religious convictions, sexual preferences, health data, or even psychological profiles. This system harms human rights globally by leaking large amounts of personal data, exacerbating socioeconomic inequalities, enabling micro-targeted manipulation and even foreign interference with our democratic elections.

Therefore in support of proposals of the [European Data Protection Supervisor](#) and the [European Data Protection Board](#), and many experts around the world, we call on the European Union to develop regulation including in the DSA that would:

- prevent companies from tracking and profiling users for the purpose of targeting them with online adverts; and

- create a market environment that enables the provision of [rights-respecting and trackingless ad targeting](#) such as contextual advertising where ads are placed based on keywords, the topic or the content of a webpage, instead of the browsing behaviour or personal data of users.

### **Protecting Freedom of Expression**

Digital regulations that force ICT companies to remove potentially unlawful online content within extremely short timeframes on pain of penalties may adversely impact freedom of speech online – resulting in overly risk-averse content management and hasty and unnecessary censorship. Such regulation would also result in ICT companies being empowered to determine what can or cannot be said, and may result in the silencing of journalists, dissident opinions, and vulnerable communities.

Proposed digital regulations must respect the right to free speech and not impose obligations that lead to the removal of people’s legal online speech as a result of ICT companies trying to avoid the risk of legal liability. We call on the European Union to develop digital regulations including the DSA that are in line with the recommendations of the [U.N. Special Rapporteur on the promotion and protection of the right to freedom of opinion and expression](#). Such regulations should refrain from imposing fixed removal timeframes, and instead require ICT companies to:

- moderate and curate their users’ content in a fair, consistent, and transparent manner; and
- provide a means for redress for adversely impacted users or people.

Rights-respecting regulation that protects the digital rights of users is good for business and investors, the economy and the people it serves. By passing the DSA that sets incentives for ICT businesses to respect human rights, the European Union has the opportunity to be a global leader for the regulation of online platforms.

### **Investor Signatories:**

ACTIAM	Christian Brothers Investment Services
Adrian Dominican Sisters, Portfolio	Comitato Lady Lawyer Village
Advisory Board	Common Spirit Health
AkademikerPension	CorpGov.net
Amundi Asset Management	Congregation of Sisters of St. Agnes
Arjuna Capital	Congregation of St. Joseph
ASN Impact Investors	CREA: Center for Reflection, Education and Action
As You Sow	Dana Investment Advisors
Australian Ethical Investment	Daughters of Charity, Province of St. Louise
Aviva Investors	Dominican Sisters of Sparkill
Azzad Asset Management	EFG Asset Management
Boston Common Asset Management	
CANDRIAM	



EOS at Federated Hermes  
Ethos Foundation  
Friends Fiduciary Corporation  
Future Super  
Geroa Pentsioak EPSV de Empleo  
Heartland Initiative  
KLP Asset Management  
Lady Lawyer Foundation  
Local Authority Pension Fund Forum  
(LAPFF)  
Le Regroupement pour la Responsabilité  
Sociale des Entreprises (RRSE)  
London CIV  
Mercy Investment Services, Inc.  
Miller/Howard Investments, Inc.  
Natural Investments  
NEI Investments  
Nia Impact Capital  
Nordea Investment Management  
Northwest Coalition for Responsible  
Investment  
NorthStar Asset Management, Inc.  
Proxy Impact  
Rathbone Greenbank Investments  
Region VI Coalition for Responsible  
Investment

Responsible Sourcing Network  
Robeco  
School Sisters of Notre Dame Cooperative  
Investment Fund  
SDG Invest  
SharePower Responsible Investing  
Sisters of Mary Reparatrix  
Sisters of St. Dominic of Blauvelt, New  
York  
Sisters of St. Francis of Philadelphia  
Sisters of St. Joseph of Boston  
Sisters of the Presentation of the BVM of  
Aberdeen SD  
Socially Responsible Investment Coalition  
SOC Investment Group  
Storebrand Asset Management  
Sustainalytics  
Sycomore Asset Management  
Trillium Asset Management  
United Church Funds  
Vancity Investment Management  
Vert Asset Management  
Zevin Asset Management