

AMÉRICA MÓVIL, S.A.B. DE C.V.

● Telecommunications Company

Key Findings:

- América Móvil lacked clear disclosure of policies that affect users' freedom of expression and privacy.
- The company lacked disclosure of how it handles government and private requests to restrict content or accounts, or to hand over user information.
- Without changes to the law, the company could improve its disclosure in several areas, including by publishing transparency reports in keeping with its industry peers.

OVERALL SCORE

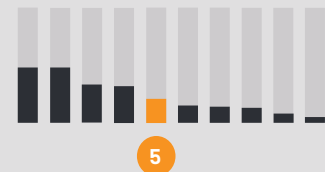
21%

OPERATING COMPANY
EVALUATED

TELCEL

Mexico

TELECOMMUNICATIONS RANK



SERVICES EVALUATED

- Pre-Paid Mobile
- Post-Paid Mobile

ANALYSIS

América Móvil ranked fifth out of the 10 telecommunications companies evaluated and 16th in the Index overall.¹ Although Freedom House rates Mexico's internet environment as "Partly Free," the company could improve its disclosure on a number of policies even if laws and regulations do not change.² These include the company's policies on network management and data retention. There is no obstacle in Mexico to reporting the number of government and private requests the company receives to share user information [P11]. Mexico's telecommunications authority requires companies to report on the number of government requests for real-time location tracking or access to user metadata, but the company has not published this data.³ Notably, the company's disclosure about its security oversight improved since the 2015 Index, as its 2015 Sustainability Report included more detail about its internal systems to monitor employee access to information.⁴

About América Móvil, S.A.B. de C.V.

América Móvil, S.A.B. de C.V. provides telecommunications services to Mexico and 35 countries in the Americas and Europe. It offers mobile and fixed-voice and data services for retail and business customers and is one of the largest operators globally.

Market Cap: USD 43,093 million⁵

BMV: AMX L

Domicile: Mexico

Website: www.americamovil.com

¹ For América Móvil's performance in the 2015 Index, see: <https://rankingdigitalrights.org/index2015/companies/amicamovil>.

² "Freedom on the Net" (Freedom House, November 2016), <https://freedomhouse.org/report/freedom-net/2016/mexico>.

³ "ACUERDO Mediante El Cual El Pleno Del Instituto Federal de Telecomunicaciones Expide Los Lineamientos de Colaboración En Materia de Seguridad Y Justicia Y Modifica El Plan Técnico Fundamental de Numeración, Publicado El 21 de Junio de 1996," [DOF - Diario Oficial de La Federación].

⁴ "2015 Sustainability Report," America Movil, <http://www.americamovil.com/sites/default/files/2016-09/AMX-IS-2015-ingles.pdf>.

⁵ S&P Capital IQ, Accessed February 13, 2017.



GOVERNANCE 21%

América Móvil ranked 13th of all 22 companies evaluated in the Governance category. Although América Móvil committed to protect users' privacy, it fell short of articulating its commitment to privacy as part of a broader commitment to human rights [G1].⁵ The company lacked clear disclosure across a number of indicators, including whether it conducts human rights impact assessments [G4] or if it engages with a

range of stakeholders on freedom of expression and privacy issues [G5]. América Móvil, however, tied with Etisalat for the second-highest score of all 22 companies, after Vodafone and Bharti Airtel, for its disclosure of a grievance mechanism, including statistics for the number of privacy complaints it received [G6].



FREEDOM OF EXPRESSION 16%

América Móvil ranked fourth among telecommunications companies in the Freedom of Expression category, after Vodafone, AT&T, and Telefónica but on par with Orange.

Content and account restriction requests: América Móvil's operating company Telcel lacked disclosure of how it handles or complies with government and third-party requests to restrict content or user accounts. It was one of six telecommunications companies evaluated to score no points on these indicators [F5-F7].

Network management and shutdowns: Telcel disclosed little about its network management and shutdown policies, like most telecommunications companies evaluated [F9, F10]. Despite committing to net neutrality, Telcel stated

it offers zero rating for certain content on specific social networks and instant messaging services [F9]. The company did not disclose any information about how it handles or responds to network shutdown requests [F10].

Identity policy: The company did not clearly disclose if pre-paid mobile users need to provide a government-issued identification—and there is no law in Mexico requiring companies to do so. The Telcel pre-paid mobile contract asked users to provide their identification, although it was not clear if this is mandatory. In practice it may be possible for users to purchase a prepaid SIM card without providing identification but this was not clearly specified [F11].



PRIVACY 24%

América Móvil ranked fifth out of the 10 telecommunications companies evaluated in the Privacy category.

Handling of user information: While América Móvil's Telcel disclosed less about how it handles user information compared to Vodafone and AT&T, it performed better than most other telecommunications companies on this set of indicators, on par with Orange and Telefónica [P3-P8]. The company disclosed little about what types of user information it collects [P3], shares [P4], and why [P5]. Like all telecommunications companies but AT&T, Telcel provided no disclosure of how long it retains user information [P6], although no law prohibits the company from doing so.⁶

Requests for user information: Like most telecommunications companies, Telcel provided almost no information about how it handles requests from governments and private parties to share user information [P10-P11]. The

company did not publish any data about such requests [P11], despite being required by law to report the number of government requests for real-time location tracking or user metadata to the country's telecommunications authority.

Security: Telcel did not provide as much information about its security policies as AT&T, Telefónica, and Vodafone, but outperformed the rest of the telecommunications companies on these indicators [P13-P18]. The company disclosed more about its security oversight since the 2015 evaluation, including more detail about its internal systems to monitor employee access to information [P13]. Like most companies in the Index, Telcel disclosed nothing about how it responds to data breaches [P15]. Companies are legally required to notify users only if the data breach "significantly affects" their rights.⁷

⁵ "2015 Sustainability Report," América Móvil.

⁶ "Federal Telecommunications and Broadcasting Law" [2014].

⁷ "Ley Federal de Protección de Datos Personales En Posesión de Los Particulares," Article 20 [2010].