

América Móvil, S.A.B. de C.V.

OPERATING COMPANY EVALUATED

- Telcel [Mexico]

SERVICES EVALUATED

- Pre-paid mobile
- Post-paid mobile

Key Findings:

- América Móvil failed to disclose sufficient information about its policies and practices affecting users' freedom of expression and privacy.
- The company lacked disclosure about how it responds to government requests to shut down networks.
- The company did not clearly disclose how it handles government or private requests to block content or to hand over user information.

Analysis

América Móvil ranked fifth out of the 10 telecommunications companies evaluated, disclosing little about policies and practices affecting freedom of expression and privacy. The company slightly improved its disclosure of policies affecting users' freedom of expression in the 2018 Index.¹ Although Freedom House rates Mexico's internet environment as "Partly Free," the country's legal environment does not prevent the company from meeting basic benchmarks for transparency in key areas.² For instance, the company did not disclose its process for responding to government or private requests to block content or accounts, although no laws in Mexico prevent companies from doing so. In addition, although companies are required to report to the telecommunications authority the number of government requests received for real-time location tracking or access to user metadata, América Móvil did not publish this data.³

¹ The research period for the 2018 Index ran from January 13, 2017 to January 12, 2018. Policies that came into effect after January 12, 2018 were not evaluated in this Index. For América Móvil's performance in the 2017 Index, see: <https://rankingdigitalrights.org/index2017/companies/amicamovil>.

² "Freedom on the Net." (Freedom House, November 2017), <https://freedomhouse.org/report/freedom-net/2017/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 Bloomberg Markets, accessed March 12, 2018, <https://www.bloomberg.com/quote/AMXL:MM>.

RANK

5

SCORE

21%

DIFFERENCE FROM 2017

▲ 0.39

RANK AMONG 10 TELECOMMUNICATIONS COMPANIES

0% ●●●●● 100%

Key Recommendations:

- **Be transparent about policies affecting users' freedom of expression.** The company should be more transparent about how it responds to government requests to block content, restrict user accounts, and shut down networks.
- **Be transparent about external requests.** The company should disclose data about the number of government and private requests it receives to remove content and accounts and to hand over user information.
- **Disclose more about security practices.** The company should clearly communicate its handling of data breaches to users.

About América Móvil, S.A.B. de C.V.

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

Market Cap: USD 63.4 billion⁴

BMV: AMX L

Domicile: Mexico

Website: www.americamovil.com

Governance 21%

América Móvil scored below most of its peers in the Governance category, but ahead of Bharti Airtel, Etisalat, Axiata, and Ooredoo. The company continued to lack clear disclosure of its commitments to human rights at the governance level, 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). However, it disclosed more than most of its peers about remedy mechanisms addressing freedom of expression and privacy related complaints (G6). In Mexico companies are legally required to provide users with a complaint mechanism.⁵

Freedom of Expression 17%

América Móvil revealed little about its policies affecting freedom of expression, and less than Vodafone, AT&T, and Telefónica.

Content and account restriction requests: América Móvil was one of six telecommunications companies evaluated that offered no information about how it handles government or private requests to restrict content or accounts (F5-F7). There are no laws in Mexico preventing the company from being more transparent about how it handles such requests.

Network management and shutdowns: Telcel lacked disclosure about its network management policies (F9) and

its approach to handling network shutdown requests from governments (F10). Despite committing to net neutrality, Telcel stated it offers zero rating for certain content on specific social networks and instant messaging services (F9).⁶ Like most of its peers, the company disclosed no information about how it responds to government demands to shut down networks (F10).

Identity policy: Telcel's pre-paid 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 pre-paid SIM card without providing identification, but the company failed to clarify this (F11).

Privacy 25%

América Móvil ranked fifth out of the 10 telecommunications companies evaluated in the Privacy category, ranking behind AT&T, Orange, and several other companies.

Handling of user information: Telcel disclosed less about how it handles user information than AT&T, Vodafone UK, and Telefónica Spain, but more than most other telecommunications companies evaluated (P3-P8). It disclosed little about what types of user information it collects (P3), shares (P4), and its reasons for doing so (P5). Like most of its peers, Telcel disclosed nothing about how long it retains user information (P6), although no law prohibits the company from doing so. It disclosed little about options users have to control what information is collected, including for targeted advertising (P7).

Requests for user information: Like most telecommunications companies, América Móvil provided almost no information about how it handles government and private requests for user information (P10), and failed

to disclose whether it informs users when their information is requested (P12). 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 Vodafone UK, AT&T, and Telefónica Spain, but was on par with Airtel India and Orange France (P13-P18). Telcel failed to disclose any information about how it addresses security vulnerabilities, including if it offers a bug bounty program for security researchers to submit vulnerabilities (P14). Like most companies in the Index, Telcel disclosed nothing about its policies for addressing data breaches (P15). Companies in Mexico are legally required to notify users only if the data breach "significantly affects" their rights, however the company does not disclose this information to users.⁷

⁵ Ley Federal de Telecomunicaciones y Radiofusión, Última reforma publicada DOF 31-10-2017.

⁶ "Política de Uso de Redes Sociales," *Telcel*, accessed March 12, 2018, https://www.telcel.com/mundo_telcel/quienes-somos/corporativo/redes-sociales.

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