

17 February 2023

Committee Chair Select Committee on Foreign Interference through Social Media PO Box 6100 Parliament House CANBERRA ACT 2600

Dear Committee Chair

#### 1. Introduction

WeChat is once again grateful to the Senate Select Committee on Foreign Interference through Social Media ("Senate Select Committee") for the opportunity to provide a written submission.

WeChat refers to its previous submission made on 30 September 2020 to the Senate Select Committee, a copy of which is appended to this submission as **Schedule 1** (the "2020 Submission").

The purpose of this submission is to serve as a supplementary submission to provide additional information regarding the Senate Select Committee's updated terms of reference and changes in information since WeChat's 2020 submission.

All capitalised terms not otherwise defined in this submission shall have the same meanings ascribed to them in the 2020 Submission.

### 2. Background

## **WeChat**

At its core, WeChat is a communication platform that offers Australian users communications functionality – messaging as well as audio and video calls – along with the ability to share content with their WeChat contacts and friends (known as "Moments"). WeChat users (including Australian users) are subject to various terms of service when using WeChat, including WeChat's Terms of Service (<a href="https://www.wechat.com/en/service terms.html">https://www.wechat.com/en/service terms.html</a>) and WeChat's Acceptable Use Policy (<a href="https://www.wechat.com/en/acceptable use policy.html">https://www.wechat.com/en/acceptable use policy.html</a>). Specifically, the WeChat service in Australia is provided by WeChat International Pte. Ltd. ("WeChat International"), a Singapore entity. It is not governed by the laws of the mainland of China ("PRC").

## Ownership of WeChat

WeChat remains a wholly-owned subsidiary of Tencent – unchanged since our 2020 Submission. Given that Tencent is a publicly listed company with a broad shareholder base, its shareholders will change from time to time. Information relating to Tencent's substantial shareholders is publicly available and can be found in Tencent's Interim and Annual Reports.

In particular, the interests of Tencent's substantial shareholders as at 30 June 2022 can be found on page 113 of Tencent's 2022 Interim Report<sup>1</sup>. Naspers Limited (through intermediary companies) continues to be Tencent's largest shareholder, with an ownership interest of approximately 28%. Naspers Limited is a South African technology company listed on the Johannesburg Stock Exchange.

#### WeChat and Weixin

Besides communicating with other WeChat users, WeChat users also have the ability to chat and share with Weixin users (and vice versa) and may also opt-in to gain access to certain services operated by Weixin which target PRC-based Weixin users. As a quick recap of the information provided in our 2020 Submission, WeChat and Weixin are separate but interoperable "sister services", meaning that while WeChat and Weixin users can interact with each other, each service has a different server architecture and subject to different governing laws. Weixin is designed for users in the PRC, operated by a PRC entity and is governed by PRC law. WeChat in Australia is designed for users outside of the PRC, operated by WeChat International and is not governed by PRC law. This was a conscious decision designed to serve different users while ensuring compliance with applicable laws across different jurisdictions.

This interoperability has brought significant benefits to Australian users. Apart from enabling affordable and convenient communications between users including users located overseas, it is an effective and cost-efficient platform for Australian enterprises, especially small businesses, to grow their business to an international user base. The interoperability between WeChat and Weixin allows for Australian businesses to expand into international markets, enabling them to reach out to PRC tourists travelling to Australia, and to promote their businesses and tap into a billion-user strong market in the PRC and beyond.

## 3. Australia Operations

WeChat remains a widely used application in Australia. Numerous Australian enterprises, big and small, are among WeChat users in Australia, spanning across various sectors – from fashion and F&B to transportation and education.

As mentioned above, by leveraging on WeChat's ecosystem, its functions and interoperability with Weixin, Australian enterprises are able to reach out and promote themselves to an international market, in particular PRC customers, in a cost-effective way.

## 4. A Safe and Secure Platform for Communication

WeChat is committed to providing users with a widely used platform which facilitates discourse and exchange of ideas between users. We seek to provide a safe and secure user experience, starting with policies such as our Acceptable Use Policy, which clearly defines to the user what we prohibit or find unacceptable in relation to the use of WeChat, and what we will do in response. Further, WeChat is also committed to the security and privacy of WeChat users' data. Our Privacy Policy (<a href="https://www.wechat.com/en/privacy\_policy.html">https://www.wechat.com/en/privacy\_policy.html</a>) conveys in a clear and transparent manner how we manage users' data and how users can exercise their legal rights over their data.

In addition to product policies, WeChat deploys technological protection measures to protect users, and provide users with tools to report unacceptable activities that will be reviewed, investigated and enforced against upon discovery of any wrongdoing. We believe that by working with our users, we can be even more effective at combating unacceptable behaviours while reinforcing the trust between users and the platform.

<sup>&</sup>lt;sup>1</sup> https://static.www.tencent.com/uploads/2022/09/01/9865e43220e76fe82356b91d3b2a70e6.PDF

## Data Security and Privacy

WeChat complies with all applicable privacy laws and discloses its processing of users' data in its Privacy Policy in a clear manner.

WeChat aims to align with global best practices for user privacy, data security and transparency. For instance, WeChat protects users' data through the use of information security and access policies that limit unauthorised access to our systems, and technological protection measures such as https encryption to ensure confidentiality of user during transmission and 256-bit AES encryption for data in storage. WeChat also has ISO 27001 and TRUSTe's privacy certifications. Personal information of Australian WeChat users' data is stored in Singapore.

WeChat does not permanently retain chat data on our servers. Chat data is only stored on the device of the users (i.e. those receiving or sending chat data)<sup>2</sup>. The chat data only passes through our servers so that it can be securely distributed to the intended recipients.

WeChat users can change their privacy settings at any time, such as turning off location-based services and limiting who can view posts and comments. WeChat also enables users to have full control over who they communicate with and who can see the content they post on WeChat. WeChat is designed such that user A will not receive any one-to-one messages from another user B, unless that user A has explicitly added user B as a friend (or vice versa). In addition, a user can only be added to a group chat by another user who is a friend or contact on WeChat. These functions and other product designs reflect WeChat's commitment to protecting user privacy and security.

### Prohibiting misinformation and disinformation

WeChat's policy is to ensure that content and behaviour on its application is authentic and to remove false news, disinformation, misinformation. false advertising and any other content that may be otherwise unsafe or objectionable (such as violent, criminal, illegal or inappropriate content). It does this by setting and enforcing acceptable use standards.

WeChat's Acceptable Use Policy specifically and expressly prohibits inauthentic content and behaviour, including:

- (a) spam content including using fake accounts or compromising other people's accounts to message people or otherwise create connections or content;
- (b) coordinating, spreading, distributing or participating in inauthentic behaviour, including in relation to false news, disinformation or misinformation and in relation to a topic or individual;
- (c) creating false accounts, or creating multiple accounts for misuse of WeChat; and
- (d) content which breaches any applicable laws or regulations.

As such, when behaviours against our policy are identified, WeChat will take actions such as removing the relevant content, issuing a warning, suspending or terminating the account, or notifying appropriate governmental and/or law enforcement authorities in accordance with applicable laws.

<sup>&</sup>lt;sup>2</sup> unless users choose to add any of their communications to their Favorites or when the owner or administrator of a group chat adds a message as a Group Notice.

## Prohibiting Promotional Political Content

WeChat's Acceptable Use Policy specifically and expressly prohibits promotional political content, where:

- (a) a person or entity has paid for such promotional political content (including any relevant advertisements) to be displayed on WeChat; or
- (b) the relevant promotional political content does not comply with any applicable laws or regulations.

Governmental authorities may request removal of promotional political content in accordance with applicable laws and regulations and pursuant to WeChat's Governmental Request Policy.

Note that chats are private and sharing links or screenshots involving political content would not necessarily violate this policy, but users are able to flag content for review.

Weixin users in Australia may see some ads, but Weixin equally does not accept promotional political content from or paid for by a candidate for an election; a political party; or any elected or appointed government official. Other acts that are prohibited include appealing for financial support for political purposes or appealing for votes for an election.

## Cooperation with Australian Regulators and Law Enforcement

WeChat is equally committed to providing users with a safe platform that respects the laws and regulations in all the relevant countries that WeChat operates in. To this end, WeChat has set out detailed guidelines and policies on how regulators and authorities may reach out to WeChat:

- (a) Law Enforcement Data Request Guidelines Guidelines for any law enforcement agency or other government authority making a request to WeChat for disclosure of data about our users on WeChat https://www.wechat.com/en/law enforcement data request.html.
- (b) **Governmental Request Policy** Policy on how WeChat responds to various requests from governmental authorities in relation to WeChat (for e.g., take down requests from governmental authorities in relation to promotional political content that does not comply with any applicable laws or regulations) <a href="https://www.wechat.com/en/government\_request\_policy.html">https://www.wechat.com/en/government\_request\_policy.html</a>.

WeChat also advocates that users should take responsibility for the content they distribute on the platform, such that users can interact in a clean, healthy and safe environment. WeChat has established channels for users to report any content or behavior in breach of WeChat's Terms of Service and/or Acceptable Use Policy on WeChat.

As a reflection of our commitment to cooperating with regulators and law enforcement, WeChat has engaged and cooperated with Australian regulators and authorities, including the Australian Electoral Commission ("AEC"), the Australian eSafety Commission, the Department of Home Affairs and the Department of Infrastructure, Transport, Regional Development and Communications.

To facilitate further engagements and communication, WeChat has also appointed two senior representatives to be the points-of-contact for engagements with Australian regulators and authorities, and the details of these representatives have been routinely relayed to the relevant Australian regulators and authorities.

In 2020, WeChat was also approved as a Tier 1 social media service by the Australian eSafety Commission, satisfying the online safety requirements and criteria set out in the *Enhancing Online Safety Act 2015*, and agreeing to work with regulators to address complaints they receive and expeditiously remove violating material from our platforms.

## Actions taken by WeChat during the 2022 Federal Election

WeChat is also committed to working with Australian regulators and authorities in respect of any complaint or request that may arise.

For example, during the recent 2022 Federal Election, the AEC informed WeChat that several electoral-related articles that did not appear to include an authorisation issued in accordance with the *Commonwealth Electoral Act 1918* were being circulated on WeChat's platform. WeChat promptly investigated the matter and addressed any non-compliance with applicable laws and WeChat's policies.

WeChat thanked the AEC for flagging such content and will continue to use its best efforts to provide assistance in taking action against any future non-compliances brought to its attention.

#### 5. Conclusion

WeChat will continue to invest in processes and systems to provide users with a safe platform, as well as ensure the security and privacy of WeChat users' data. We will also continue to engage and cooperate with regulators and law enforcement authorities as we respect the laws and regulations in all the relevant countries that WeChat operates in.

WeChat is committed to working with the Australia Government and with industry partners to develop and implement strategies to ensure the free-flow of legitimate information and communication through our platforms. We welcome any feedback or questions that members of the Senate Select Committee might have and would be happy to provide a supplemental submission addressing any such questions. We look forward to working collaboratively with the Senate Select Committee and all members of the Australian Parliament now and into the future, to make the digital world safer for all users.

## SCHEDULE 1 2020 Submission

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30 September 2020

Committee Chair Select Committee on Foreign Interference through Social Media PO Box 6100 Parliament House CANBERRA ACT 2600

**Dear Committee Chair** 

#### 1 Introduction

WeChat is grateful to the Senate Select Committee on foreign interference through social media for the opportunity to provide a written submission.

WeChat understands that social media applications are increasingly used by Australians as a source of news and a platform to express opinions on current affairs. While this has obvious societal benefits, we understand there are also concerns that foreign actors may attempt to influence public debate in the digital space in ways inconsistent with Australian law.

WeChat acknowledges these concerns and takes them seriously, and we would like to take this opportunity to outline WeChat's policies and responses dealing with:

- misinformation campaigns;
- · coordinated influence campaigns;
- political advertising and elections; and
- the confidentiality of Australian user data.

WeChat has always been committed to complying with all applicable laws and regulations in the jurisdictions in which we operate.

#### 2 Background

WeChat is at its core a communications platform. WeChat offers Australian users this core communications functionality — messaging as well as audio and video calls — along with the ability to share content with friends (known as "Moments") and access to certain People's Republic of China (**PRC**)-based services as described below.

#### Ownership of WeChat

WeChat is owned and operated by WeChat International Pte Ltd, an entity incorporated in Singapore (**WeChat International**). WeChat International is a wholly owned subsidiary of Tencent Holdings Limited (**Tencent**). Tencent is a global technology company incorporated in the Cayman Islands and listed on the Main Board of the Stock Exchange of Hong Kong.

Tencent is a publicly listed company with a broad shareholder base. Tencent does not have any material government shareholders. Tencent's largest shareholder is Naspers Limited (through intermediary companies) with a current ownership interest of approximately 31%. Naspers Limited is a South African technology company listed on the Johannesburg Stock Exchange. The second largest shareholder is Ma Huateng (through wholly-owned subsidiaries) with a current shareholding of approximately 8%. Ma founded Tencent and serves as Chairman and Chief Executive Officer. Please note that the ownership stakes listed above are subject to change given that Tencent is a listed company.

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#### WeChat and Weixin

WeChat and Weixin are often referred to synonymously. In reality WeChat and Weixin are better seen as interoperable "sister apps", meaning that while each is based on a different server architecture and subject to different laws, WeChat users can chat and share with Weixin users (and vice versa). This was a conscious decision designed to serve different users while ensuring compliance with applicable laws across different jurisdictions.

How a user first registers an account determines whether they are a WeChat or Weixin user. For instance, users who register with a PRC mobile phone number will be a Weixin user, while users who register with an Australian mobile phone number will be a WeChat user.

WeChat is operated by WeChat International, and is designed for users outside of mainland China. WeChat is not governed by PRC law.

By contrast, Weixin is designed for users in the PRC, is operated by a PRC entity and is governed by PRC law. In addition to different governing laws, Weixin and WeChat make use of different server architectures. WeChat servers are all located outside of mainland China.

WeChat complies with applicable privacy laws and transparently discloses its collection and processing of users' data in its Privacy Policy (which is GDPR compliant). WeChat also adheres to industry best practices such as data minimisation and the concepts of privacy by default and privacy by design (e.g. chats are not monitored and are stored on a user's device rather than on our servers).

WeChat does allow users to access and use certain Weixin functions through the WeChat application. Where this occurs, the user is clearly informed that the access and use of these functions is subject to the relevant Weixin terms of service. This applies to Weixin functions such as Weixin Mini-programs (a feature enabling sub-applications within the Weixin and WeChat ecosystem) and Weixin Official Accounts). It does not apply to core functionality including messaging, audio/video calls and Moments.

### 3 Australia operations

WeChat is a widely used application in Australia. As at 21 September 2020, WeChat has approximately 690,000 daily active users in Australia based on IP address and registered Australian mobile phone number.

WeChat provides a number of benefits to its Australian users – in particular through enabling affordable and convenient communications between users including users located overseas.

WeChat also helps Australian businesses that want to expand into international markets, allowing them to reach out to PRC tourists travelling in Australia as well as promoting their businesses to users in the PRC and beyond.

## 4 Dealing with deliberate misinformation and coordinated influence campaigns

WeChat's policy is to ensure that content and behaviour on its application is authentic and to remove false news, disinformation, misinformation, false advertising and security breaches. It does this by setting and enforcing acceptable use standards.

For instance, WeChat prohibits:

- spam content;
- accounts that coordinate, spread, distribute or participate in inauthentic behaviour. This
  includes in relation to false news, disinformation or misinformation in relation to a topic
  or individual.

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- creation of fake accounts or accounts that misrepresent the identity of the user;
- content which breaches any applicable laws or regulations; and
- content which may constitute a genuine risk of harm or direct threat to public safety. For example, we prohibit the advertising and sale of COVID-19 home testing kits and have worked with relevant Australian authorities to enforce this in the past year.

We make available a number of complaint mechanisms for our users and government authorities. This includes the ability for complaints to be raised by users within the application.

To elaborate on the above, we have, in the past, met with and worked with the Department of Home Affairs and the Australian Electoral Commission in the context of the Australian Federal Election. We have also responded to correspondence from the Australian Government's Attorney-General's Department to offer to meet in person to discuss Australia's Foreign Influence Transparency Scheme.

Further, WeChat is committed to working with Australian regulators and authorities in respect of any complaint or request that may arise. As a demonstration of this commitment, WeChat will appoint a senior legal representative to be a contact point for engagements with Australian regulators and authorities such as the Australian Electoral Commission and law enforcement agencies.

Where behaviours against our prohibitions are identified, WeChat will take actions such as removing the relevant content, issuing a warning, suspending or terminating the account, or notifying appropriate governmental and/or law enforcement authorities in accordance with applicable laws.

## 5 Political advertising and state run media campaigns

WeChat prohibits paid promotional content regarding:

- a candidate for an election; a political party; or any elected or appointed government official appealing for votes for an election;
- appeals for financial support for political purposes; and
- a law, regulation or judicial outcome, including changes to any such matter.

WeChat enforces this restriction through its usual advertising content review process before the advertisement is accepted and by the user report function which appears in the application to report undisclosed, miscategorized advertisements and any other inappropriate, offensive or inauthentic material.

We continue to review this area, and are willing to consider implementing country-specific or other restrictions or qualifications from time to time in respect of promotional political material.

#### 6 Conclusion

WeChat will continue to invest in processes and systems which identify and prevent information and coordinated influence campaigns.

WeChat is committed to working with the Australia Government on these issues. We would welcome any feedback or questions that members of the Select Committee might have and would be happy to provide a supplemental submission addressing any such questions.