

Canadian Self-Regulatory Principles for Online Behavioural Advertising

Revised June 2018



Introduction

These **Canadian Self-Regulatory Principles for Online Behavioural Advertising** (the “**Principles**”) were developed by the Digital Advertising Alliance of Canada (the “DAAC”), a consortium of leading Canadian advertising and marketing associations.

The Principles set out a consumer-friendly framework for the collection of online data in order to facilitate the delivery of advertising based on the preferences or interests of web and/or app users, in a manner consistent with applicable Canadian privacy laws and the core elements of the Self-Regulatory Principles for Online Behavioural Advertising created by the Digital Advertising Alliance in the United States.

The Principles provide direct benefits to web and/or app users, in particular by creating a framework for the provision of consumer notices about online behavioural advertising (“OBA”) on websites and/or applications and within advertisements, and by creating simple mechanisms for declining OBA, even in circumstances where personal information may not be implicated. Web and app users may make complaints about incidents of suspected non-compliance with Ad Standards, as part of an accountability program set out in these Principles.



The Principles



Education



Transparency



Customer Control



Data Security



Sensitive Data



Accountability

Application of the Principles

The Principles apply to the collection of data over time and across multiple websites and/or apps for the purpose of using such data to predict web and/or app user preferences or interests to deliver online advertising in the Canadian online advertising ecosystem based on the preferences or interests inferred from such web and/or app viewing behaviours.

The Principles include separate provisions for First Parties, Third Parties and Service Providers that engage in OBA. Therefore, different Principles and different types of notice and choice may be applicable to each type of company and activity.

The Principles do not apply to viewing behaviour for a particular website and/or app, nor do they apply to contextual advertising (i.e. advertising based on the content of the webpage and/or app being visited, a consumer's current visit to a webpage, app, or a search query) or Ad Delivery.



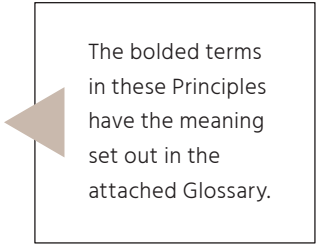
Education

Entities should participate in efforts to educate individuals and businesses about Online Behavioural Advertising, including the actors in the Canadian ecosystem, how Data may be collected, and how consumer choice and control may be exercised.

Transparency

A. Third Party and Service Provider Notice

1. **Third Party and Service Provider Privacy Notice** – Third Parties and Service Providers should give clear, meaningful, and prominent notice on their own websites and/or apps that describes their Online Behavioural Advertising Data collection and use practices. Such notice should include clear descriptions of the following:
 - (a) The types of Data collected online, including any Personal Information, for Online Behavioural Advertising purposes;
 - (b) The uses of such Data and whether the Data will be disclosed to another entity for Online Behavioural Advertising purposes;
 - (c) An easy to use mechanism for exercising choice with respect to the collection and use of the Data for Online Behavioural Advertising purposes or to the disclosure of such Data to another entity for such purpose; and
 - (d) The fact that the entity adheres to these Principles.



The bolded terms in these Principles have the meaning set out in the attached Glossary.

2. Third Party Enhanced Notice To Consumers – In addition to providing notice as described in (1), Third parties should provide enhanced notice as set forth below in (a) or (b):

- (a) **Third Party Advertisement Notice** – Third Parties should provide notice of the collection of Data through a clear, meaningful, and prominent link to a disclosure described in II.A.(1):
 - (i) In or around the advertisement delivered on the website and/or app where Data is collected; or
 - (ii) On the website and/or app where the Data is collected if there is an arrangement with the First Party for the provision of such notice.
- (b) **Third Party Participation in Industry-Developed Website** – Third Parties should be individually listed either:
 - (i) On an industry-developed website linked from the disclosure described in II.B; or
 - (ii) If agreed to by the First Party, in the disclosure on the website and/or app where Data is collected for Online Behavioural Advertising purposes as described in II.B.

B. Website Notice of Third Party Online Behavioural Advertising

When Data is collected from or used on a website and/or app for Online Behavioural Advertising purposes by Third Parties, the operator of the website and/or app should include a clear, meaningful, and prominent link on the website and/or app where Data is collected or used for such purposes that links to a disclosure that either points to the industry-developed website or individually lists such Third Parties. A website and/or app does not need to include such a link in instances where the Third Party provides notice as described in II.A.(2)(a). A website and/or app should also indicate adherence to these Principles in its notice.

In addition to the above notice, the operator of the website and/or app in the Canadian ecosystem that permits Data to be collected and used on the website and/or app for Online Behavioural Advertising purposes must provide a meaningful description of such Data practices in its public privacy statement or similar notice.



Consumer Control

A. Third Party Choice for Online Behavioural Advertising

A Third Party should provide consumers with the ability to exercise choice with respect to the collection and use of Data for Online Behavioural Advertising purposes or the disclosure of such Data to another entity for such purpose. Such choice should be available from the notice described in II.A.(2)(a); from the industry-developed website as set forth in II.A.2.(b)(i); or from the Third Party's disclosure linked to from the page where the Third Party is individually listed as set forth in II.A.2.(b)(ii).

B. Service Provider Choice for Online Behavioural Advertising

Service Providers should provide consumers with the ability to exercise choice with respect to the collection and use of Data for Online Behavioural Advertising purposes or the disclosure of such Data to another entity for such purpose.

Data Security

A. Safeguards

Entities should maintain appropriate physical, electronic, and administrative safeguards to protect the Data collected and used for Online Behavioural Advertising purposes from loss or theft or unauthorized access, disclosure, copying, use or modification.

B. Data Retention

Entities should retain Data that is collected and used for Online Behavioural Advertising only as long as necessary to fulfill a legitimate business need, or as required by law.



C. Service Provider Treatment Of Online Behavioural Advertising Data

Service Providers should take all of the following steps regarding Data collected and used for Online Behavioural Advertising purposes:

1. Alter, anonymize, or randomize (e.g., through “hashing” or substantial redaction) any Personal Information or unique identifier in order to prevent the Data from being reconstructed into its original form in the ordinary course of business.
2. Disclose in the notice set forth in II.A.1 the circumstances in which Data that is collected and used for Online Behavioural Advertising is subject to such a process.
3. Take reasonable steps to protect the non-identifiable nature of Data if it is disclosed to another entity including not disclosing the algorithm or other mechanism used for anonymizing or randomizing the Data, and obtaining satisfactory written assurance that such entities will not attempt to re-construct the Data and will use or disclose the anonymized Data only for purposes of Online Behavioural Advertising or other uses as specified to users. This assurance is considered met if the recipient entity does not have any independent right to use the Data for its own purposes under a written contract.
4. Take reasonable steps to ensure that any entity that receives anonymized Data will itself ensure that any further entities to which such Data is disclosed agree to restrictions and conditions set forth in this subsection. This obligation is also considered met if the recipient entity does not have any independent right to use the Data for its own purposes under a written contract.



Sensitive Data

A. Children

Entities should not collect Personal Information for Online Behavioural Advertising purposes from children they have actual knowledge are under the age of 13 or from sites directed to children under the age of 13 for Online Behavioural Advertising, or otherwise engage in Online Behavioural Advertising directed to children they have actual knowledge are under the age of 13, unless such collection and other treatment of Personal Information is in accordance with Canadian privacy legislation.

B. Sensitive Personal Information

Entities should not collect and use sensitive Personal Information for Online Behavioural Advertising without consent, as required and otherwise in accordance with applicable Canadian privacy legislation.

Accountability

A. Applicability

These Principles are self-regulatory in nature and entities engaged in Online Behavioural Advertising are within the scope of the accountability program set out below.

B. Operation

The accountability program on Online Behavioural Advertising will be managed and operated by Ad Standards in accordance with its Online Behavioural Advertising Compliance Procedure that sets out procedures for:



1. **Monitoring** – The accountability program will monitor for compliance with the Principles.
2. **Complaint Handling** – The accountability program will maintain a process for taking complaints concerning possible non-compliance with the Principles.
3. **Compliance** – Ad Standards will inform an entity about such entity’s possible non-compliance with the Principles. Ad Standards and the entity will work collaboratively in the course of addressing the possible non-compliance. Where Ad Standards determines that the entity is not in compliance with the Principles, the entity should take the necessary steps to bring its activities into compliance.
4. **Transparency and Reporting** – Accountability program findings of non-compliance, the reasons for those findings, and any actions taken with respect to instances of non-compliance, will be publicly reported.



Definitions

A. Ad Delivery

Ad Delivery is the delivery of online advertisements or advertising-related services using Ad Reporting data. Ad Delivery does not include the collection and use of Ad Reporting data when such data is used to deliver advertisements to a computer or device based on the preferences or interests inferred from information collected over time and across websites and/or apps because this type of collection and use is covered by the definition of Online Behavioural Advertising.

B. Ad Reporting

Ad Reporting is the logging of page views on websites and/or apps or the collection or use of other information about a browser, operating system, domain name, date and time of the viewing of the website and/or app or advertisement, and related information for purposes including but not limited to:

- Statistical reporting in connection with the activity on websites and/or apps;
- Analytics and analysis; and
- Logging the number and type of advertisements served on particular website(s) and/or app(s).

C. Data

The data that is collected, used, or otherwise processed in connection with Online Behavioural Advertising.

D. First Party

A First Party is the entity that is the owner of the website and/or app or has control over the website and/or app with which the consumer interacts.

E. Online Behavioural Advertising

Online Behavioural Advertising means the collection of Data by a Third Party or Service Provider from a particular computer or device regarding web and/or app viewing behaviours over time and across websites and/or apps for the purpose of using such Data to predict user preferences or interests to deliver advertising to that computer or device based on preferences or interests inferred from such web and/or app viewing behaviours. Online Behavioural Advertising does not include the activities of First Parties, Ad Delivery or Ad Reporting, or contextual advertising (i.e. advertising based on the content of the website and/or app being visited, a consumer's current visit to a website and/or app, or a search query).

F. Personal Information

Personal Information is information about an identifiable individual, as more particularly defined under applicable Canadian privacy legislation.

G. Service Provider

An entity is a Service Provider to the extent that it collects and uses Data from all or substantially all URLs traversed by a browser across websites for Online Behavioural Advertising in the course of the entity's activities as a provider of Internet access service, a toolbar, an Internet browser, or comparable desktop application or client software and not for its other applications and activities.

H. Third Party

An entity is a Third Party to the extent that it engages in Online Behavioural Advertising on another entity's website and/or app.

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