Yoti Guardians Council Meeting
7 May February 2019

Attendance: See Table at end
Date: 11 February 2019, 1700-1930 GMT

Location: Yoti Office & VC
Recorder: Eric Levine

Agenda	1. Early Days of Ethical Working Group 2. Data Audit Approach 3. Nord VPN Partnership	4. Yoti4Impact Thought Paper 5. May Investment Round and Capital Raising Update	
Actions from Previous Meeting & this Meeting:			**Status Update**
o GDPR implementation progress to be reviewed with Guardians			July 2019
o Renata to share report on Latin American government transparency to inform Yoti's consideration of any inbound requests from governments in the region.			June 2019

Summary notes from the meeting are provided below, with points of agreement and actions clearly noted.

Welcome	Meeting began at 1700. John Abbott gave an update to Guardians on some of the incoming requests to Yoti from governments around the world interested in exploring Yoti's offerings in relation to digital ID and digital government services. Given the significant inbound requests in this area, John is looking to develop a framework for determining where to invest effort to engage, and how to consider reputational issues in assessing potential state actors as partners so that any new government partnerships complement and strengthen Yoti's existing commitments and position. In response, Guardians offered support as needed in developing that framework, and responding to specific situations that emerge where that is useful to Yoti. Renata also offered to share a report being finalized shortly looking at Latin American governments in terms of transparency, respect for civic rights and other areas that may help Yoti when considering inbound requests from governments in the region.

1. Early Days of Ethical Working Group	**Topic:** As discussed at the last Council Meeting, Yoti has set up an Ethical Working Group to serve as a first port of call for considering complex ethical issues that arise for the business. The first topic that has been taken up by the Ethical Working Group is gender, focused on decisions as to:
	    a) Whether to allow people to self-certify or self-assert their gender in the app; and
	    b) If Yoti can do this, how that could work.
	
	The major steps involved in the review process that the Ethical Working Group has developed to inform recommendations involves broadly:
	● Defining the ethical issues (including relevant laws and regulations, relevant Yoti business principles)
	● Exploring the potential positive and negative consequences of the issue (for our user community, Yoti as a business, the broader public and sector, as well as any specific child-related issues to consider)
	● Informing potential courses of action (including any relevant ethical frameworks that can be applied, any internal or external stakeholders or perspectives that Yoti should engage with)

	As this is the first topic taken up by the Ethical Working Group, Guardians were asked for feedback on the materials and process/decision-making framework that the Working Group has developed, as well as any input on the topic of gender. **Discussion:** Guardians were encouraging about the process that Yoti has developed for the Ethical Working Group to use, in terms of the depth of research and the structured manner in which the Working Group discusses complex issues. Regarding the process that Yoti has developed, Guardians offered the following suggestions: ● With complex social issues, it is easy to source perspectives from experts in the UK, US and Europe, and Yoti should make sure to include a diversity of perspectives from other regions. ● High value in direct engagement with specialist civil society and campaigning organisations representing minority populations who can provide Yoti with different perspectives than academic and industry association groups (and can show that Yoti is interested in direct engagement with those organisations and utilising their expertise). ● Yoti's signalling in terms of applying strong values to complex issues is powerful (and recognising a diversity of perspectives) and is aligned with Yoti's desire for people to feel safe and able to express their identity. ● As Yoti grapples with complex issues like gender self-assertion, Yoti should publicly share the story of how it comes to the decisions that it does as the transparency and thoughtfulness of Yoti's approach will give confidence in how its values are put into practice. On the specific content of the gender issues that were being explored by the Ethical Working Group, Guardians offered: ● Yoti's desire to allow people to self-certify and self-assert their gender is laudable, and Guardians are in favour of Yoti making it possible for gender to be expressed as an individual choice. ● This self-assertion also creates complications in some situations where replying parties may need some other form of attestation (e.g., for example, in medical circumstances there may be a need to know what chromosomes an individual carries). ● Connections to Victor Madrigal-Borloz, the UN Independent Expert on Protection against violence and discrimination based on sexual orientation and gender identity, if that is useful at any stage.
2. Data Audit Approach	**Topic:** As part of the research and development (R&D) process, Yoti collects and uses datasets which are used to train algorithms for AI and machine learning. These datasets are collected according to our Ethics Policy with strongly protects user privacy. Yoti is wanting to be accountable to regulators by allowing them to review our approach, datasets and results, and we expect to need to prove the reliability and integrity of our datasets and results for our products to be accepted by regulators, especially for age estimation purposes. Guardians were asked for advice on how to balance: a) the ethical considerations in line with our pledges to our user community around the use of their data, where we want Yotians to be 100% confident about how we use and do not use their data. b) regulatory considerations related to the datasets we use to train our algorithms for AI and machine learning, if we will need to demonstrate to regulators the quality and accuracy of our algorithms for our age-estimation and age-verification offerings to be widely accepted. **Discussion:** In weighing up these priorities, discussion with the Guardians included:

	● Yoti is taking the appropriate course of action in the view of the Guardians to carefully consider the implications of how we deliver for different stakeholders (our users and regulators in our sector). ● As a pioneer of new products and services in an emerging sector, Yoti will have a continual need to take reasonable steps to ensure that our users understand (in addition to consent) what Yoti is doing with biometric data internally to improve its algorithms to be able to offer better products and services to our user community. ● In the view of the Guardians to date, Yoti is taking such steps, going beyond what is required to inform users when they register a Yoti account (and give consent). Guardians also encouraged Yoti to consider the options in the consent flow in the user ● registration process specifically for the use of facial images for internal training data sets. ● Guardians also recognised the value for users in Yoti using a deep and diverse range of facial images for algorithm training data sets, to improve accuracy for women, different ethnic groups, and other populations who are often underrepresented in facial recognition algorithms. ● Guardians were comfortable with Yoti using summary analysis of our process and training data sets to inform regulators of the robust nature of our algorithms. ● Guardians requested that if Yoti is ever in a position where it seems necessary to share sample images from our training data sets with regulators, that this topic be brought back to the Guardians before proceeding with such a course of action. ● Guardians emphasised that user experience in the registration and user support channels (for any users having queries) should be the priority. ● Guardians encouraged Yoti to blog openly about the process of making such decisions as it will reflect positively on Yoti's thoughtful approach and set standards for others.
3. Nord VPN Partnership	**Topic:** As discussed in previous Council meetings, Yoti has been considering the launch of an age-verified VPN offering. This has progressed and Yoti is in the process of launching such an offering in partnership with Nord VPN. Guardians were asked for any feedback regarding any risks or concerns for users in Yoti taking this step. **Discussion:** Guardians are supportive of Yoti's decision to offer an age-verified VPN because: ● The act of Yoti offering an age verified VPN, as well as our other products of age estimation and age verification, will make us part of the discussion landscape around the UK Digital Economy Act, online privacy, rights and safety and also drive brand awareness for Yoti as a principled business. ● It provides a tangible benefit to users interested in having a VPN, and an immediate beneficial use for Yoti users while the network of use cases is being developed. ● It will require Yoti to have a commercial relationship with users who extend their use of the VPN past the free trial period, which Guardians perceive to be positive in terms of Yoti having to offer a quality product for a price, and will make Yoti even more sensitive to the quality of user experience. Guardians also encouraged Yoti to communicate the VPN offering in ways that are relevant for non-tech savvy users (as VPN users tend to be more tech savvy).
4.Yoti4Impact Thought Paper	**Topic**: Guardians discussed a thought paper written by Gavin on the subject of how Yoti can best advance Yoti's social impact focus in the context of commercial pressures within the business, as well as potentially raise external funding for social impact purposes. **Discussion:** Summary points from the group discussion included: ● Guardians encouraged Yoti to consider ways of protecting the ongoing free use of ID products being developed for social purpose organisations, to ensure they are able to be used for

	maximum benefit and to demonstrate that Yoti goes the extra mile to ensure that its social impact is central to the operation of the business (in line with Yoti's ethos and B-Corps status). ● As Yoti considers potential external investment as the company grows, Guardians suggested that pro-active communication with any potential investors to set expectations about Yoti's social impact objectives and the intentions for Yoti's intellectual property developed explicitly for social purpose organisations, so that there is alignment with investor expectations. ● One step that Yoti could consider to allow for the raising of external funding to amplify Yoti's social impact, and help in protecting any intellectual property explicitly intended for social purpose organisations, would be to create an independent, non-profit special purposes vehicle which would house the Social Impact strategy and related assets (with the Guardians or another independent Board of Trustees providing governance for the entity).
5. May Investment Round and Capital Raising Update	**Topic:** As discussed in previous Council meetings, Yoti is raising an additional £8 million in equity in June 2019. This financing round will be underwritten by our founders, but we are also welcoming any shareholders who would like to re-invest at the current price of £15 per share, as well as staff wishing to invest in buying shares. This internally drive round is a likely precursor to Yoti raising some external investment in the next 12-18 months. Guardians were asked to share feedback on the current investor presentation about how Yoti is presenting itself as an investable proposition in line with our pledges to our user community and the social purpose of the business. **Discussion:** Guardians were broadly positive about the way in which Yoti is presenting itself as an investable proposition, with key comments including: ● Yoti should make more of its principled stance around user privacy by design, digital ID for the individual first, etc. (as this is distinct from most of the digital ID sector) and the vision that Yoti is aiming to create for the world through the success of the company. ● With any new technology or revolutionary change in how people interact with technology (which Yoti is), there is a need to ensure that people properly understand the use cases and implications that Yoti's offer represents. Guardians emphasised that investors have to be brought in to the ambitious Yoti story just like any other stakeholder (or individual considering registering a Yoti), and recommended using some of the simple, powerful use case examples that Yoti promotes in its public marketing in investor communications. ● Guardians noted that adoption rates of successful new consumer technology applications are accelerating dramatically and encouraged Yoti to thoughtfully plan for potential periods of intense increase in Yoti users and use of Yoti's platform to ensure quality of user experience.
AOB	Julie mentioned that the UK Information Commissioner's Office has now opened the beta phase of its Sandbox and is inviting applications from organisations using personal data to develop products and services that are innovative and have demonstrable public benefit. Joyce and Doc agreed to share their feedback on Yoti's thinking about the Sandbox.
Adjournment	The meeting was called to a close at 1930.

2019 Meeting Attendance												
Meeting Dates	11/2	7/5	16/7	22/10			Yoti Staff	11/2	7/5	16/7	22/10		
Renata Avila	●	●					Robin Tombs	●	☒				

Yoti Guardians Council Meeting
7 May February 2019

Name							Name							
Doc Searls	●	●					Julie Dawson	●	●					
Joyce Searls	●	●					Leanne Marshall	●	●					
Gavin Starks	●	●					Eric Levine	●	●					
							John Abbott	●	●					

● = in attendance ○ = absent/ apologies ⊠ = Not scheduled to attend