

## Warner Bros. Discovery-Acceptable Advertising Policy

### Introduction

The purpose of this advertising **Policy** is to assist publishers and advertisers to build advertising (**Ad**) campaigns that align with our standards. These standards are designed to ensure a safe and positive experience for our users. This means that our policies prohibit some content that we believe to be harmful to users and the overall Advertising ecosystem.

We want to encourage and sustain a healthy digital Advertising ecosystem on all Warner Bros. Discovery (**WBD**) owned and controlled digital properties (**WBD Properties**) that meets our corporate and community standards of fairness, integrity, good taste and decency - whilst also being clear and transparent – and works for our users, publishers and advertisers.

While it is our intention to apply this Policy fairly and consistently, it is not intended to be exhaustive or all-inclusive. As brand identities, user expectations and cultural sensitivities evolve, this Policy is subject to revision at any time. While all efforts will be made to revise the Policy on a timely basis, there may be occasions where real time decisions reflect this evolution, but the Policy has not yet been updated to reflect the evolution. We also recognize that there may be scenarios that arise outside of the categories addressed in this Policy. Such absence does not mean that they are deemed as acceptable. In all circumstances, the enforcement of this Policy, and the acceptability of any given Ad, will be at the discretion of WBD. Unless WBD agrees otherwise in writing, and without limitation to the rest of this Policy, all Ads must:

- comply with all applicable laws;
- not infringe any intellectual property right or right of privacy of any third party nor promote any political or religious philosophy or policy of any kind or be offensive in any way;
- comply with this Policy;
- comply with requirements of any platform on which the relevant WBD Property is sold, distributed or accessible;
- not be prejudicial to the image of WBD or any WBD Properties;
- be of comparable technical quality to the relevant WBD Property and comply with any technical standards specified by WBD from time to time.

This Policy covers seven key areas:

1. Prohibited Content – content advertisers cannot advertise on WBD properties
2. Prohibited Practices - conduct you must avoid to advertise on WBD properties
3. Restricted Content – content you may advertise, subject to conditions
4. Technical Requirements – technical requirements for Ads on WBD properties
5. Additional Requirements – conditions that apply to certain types of Ads, e.g. Ads that might be seen by children
6. Audit – our ability to verify compliance with this Policy
7. Enforcement and Take Down – how users can voice concerns

Schedule 2 contains certain terms applicable to specific local markets that apply with respect to Ads displayed within those markets and Schedule 3 contains certain terms applicable to specific WBD services that apply with respect to Ads displayed on those properties. The terms of this Policy generally apply to such markets, save only to the extent explicitly amended by the applicable riders within Schedule 2 and Schedule 3.

In the event of any conflict between the provisions of the main body of this Policy and the provisions of any of its Schedules, the more restrictive requirement will apply.

## 1. **Prohibited Content**

WBD prohibits Ads which promote products or services which:

<p>(a) are illegal and/or potentially dangerous, such as:</p>	<ul style="list-style-type: none"><li>• illegal products and/or services (including all products and/or services that are prohibited by applicable law in relevant local territories)</li><li>• fireworks and explosives</li><li>• products, services, or publications relating to illegal drugs and/or drug-related paraphernalia</li><li>• discrimination, hate group paraphernalia, graphic crime scene or accident images</li><li>• cruelty to animals, murder or self-harm</li><li>• extortion or blackmail</li><li>• sale or trade of endangered species</li><li>• the use of emergency alert tones, including depiction of alerts delivered over an Emergency Alert System or Wireless Emergency Alerts system</li></ul>
<p>(b) are inappropriate for WBD properties, such as:</p>	<ul style="list-style-type: none"><li>• anti-law enforcement devices</li><li>• escort or sexual services</li><li>• pornographic materials</li><li>• tobacco / marijuana products</li><li>• pharmaceutical medication</li><li>• weight loss products</li><li>• pyramid or 'get rich quick' schemes</li><li>• unsecured lending products and services</li><li>• anti-vaccination advertising</li></ul>
<p>(c) are counterfeit, i.e. products which:</p>	<ul style="list-style-type: none"><li>• contain a logo, trademark or other branding that is the same as or substantially similar to the logo, trademark or branding of another</li><li>• mimic the brand features of another product in order to try and pass themselves off as a genuine product of the brand owner</li></ul>

## 2. Prohibited Practices

In order to place an Ad on a WBD property, you must ensure that:

<p>(a) the Ad complies with WBD's general Ad requirements, by ensuring that:</p>	<ul style="list-style-type: none"> <li>• it complies with applicable laws and regulations, government guidelines and codes, including all applicable equivalent guidelines, requirements and codes of practice for the applicable territory, including those established by applicable law, guidance or industry best practice;</li> <li>• it contains sufficient identification as being an Ad, so as not to be mistaken for programming</li> <li>• it does not over-glamorize or enhance a product/service or mislead the consumer about its capabilities</li> <li>• it does not contain:             <ul style="list-style-type: none"> <li>○ or portray dangerous, discriminatory, disparaging or profane language or gestures, or other inappropriate behaviour</li> <li>○ sound effects or language that conveys a sense of urgency</li> <li>○ 'scare' tactics or any approach or presentation with the capacity to induce fear</li> <li>○ disparaging / misrepresenting remarks or views about competitive products or competitors</li> <li>○ any sexual content, including nudity or blurred nudity</li> <li>○ disrespectful use of flags, national emblems, anthems or monuments</li> <li>○ gender stereotypes that are likely to cause harm, or serious or widespread offence</li> </ul> </li> </ul>
<p>(b) the Ad is accurate, transparent and provides users with information so that they can make informed decisions, including by ensuring that:</p>	<ul style="list-style-type: none"> <li>• statements made in it are truthful (and can be adequately and reliably substantiated, upon request)</li> <li>• relevant product information is not excluded</li> <li>• misleading information about products, services or the advertiser / publisher is not provided</li> <li>• any endorsements and testimonials in it comply with all relevant regulatory guidelines including by:             <ul style="list-style-type: none"> <li>○ reflecting the honest opinions, findings, beliefs or experience of</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>○ the endorser</li> <li>○ clearly and visibly disclosing any connection between the endorser and seller of the product</li> <li>○ illustrating the generally expected performance of the product</li> <li>• a reasonable person can discern that they are watching commercial content (e.g. use of horizontal crawls, and newsroom simulations, orally or visually - such as 'We interrupt this program,' 'This just in,' 'bulletin,' 'news flash' - is not recommended)</li> <li>• products should only be advertised as 'new' when that is accurate (e.g. the product has not been in the market for longer than 6 months)</li> <li>• products depicted are appropriate and safe for the audience and are portrayed in a manner that is consistent with generally recognized safety principles (such as safety gear and/or adult supervision when appropriate)</li> </ul>

(c) data collection and use complies with Discovery's privacy policy:	<ul style="list-style-type: none"> <li>• you must comply with the Third-Party Online Data Collection and Use Policy at Schedule 1 (Data Protection)</li> </ul>
(d) you, as advertiser or publisher, have policies / procedures to ensure compliance with this Policy:	<ul style="list-style-type: none"> <li>• you are responsible for actively monitoring and policing any Ads that you commission, produce or otherwise facilitate the display of on WBD Properties, and must promptly respond to any violations, or potential violations, of this Policy</li> </ul>

### 3. **Restricted Content**

WBD permits Ads promoting the following content, subject to the following limitations (and subject always to compliance with applicable laws of the territory in which the Ad will be displayed, in relation to both the restrictions noted below and all other applicable restrictions as may be established by such applicable laws):

<b>Content</b>	<b>Limitations</b>
Electronic Cigarettes	<ul style="list-style-type: none"> <li>• Ad must comply with laws, regulations, rules and guidance (on the advertising / safety of e-cigarettes) of the territory in which the Ad will be displayed</li> <li>• Ad may not show anyone actually smoking (inhalation or exhalation) the e-cigarette</li> <li>• Ad must not offer free samples</li> <li>• Ad must only be displayed between 22.00 – 06.00 in the territory where it is displayed</li> <li>• Ad must contain the following disclaimers: <ul style="list-style-type: none"> <li>○ 'WARNING: This product contains nicotine. Nicotine is an addictive chemical'</li> <li>○ 'Not for sale to those under 18 / minors'</li> <li>○ 'Not a smoking cessation product'</li> <li>○ 'Will not treat, prevent or cure any disease or condition'</li> </ul> </li> <li>• Ad must be pre-approved by WBD</li> </ul>
Gambling & Fantasy Sports	<p><i>Online gambling advertising</i></p> <ul style="list-style-type: none"> <li>• Ads must: <ul style="list-style-type: none"> <li>○ comply with all applicable laws, regulations codes and rules</li> <li>○ be geo-blocked to a region where gambling is permitted</li> <li>○ have the standard gambling disclaimers</li> <li>○ include a notice that users under 21 (or the age specified by applicable local law) are prohibited from gambling</li> </ul> </li> </ul>
	<p><i>Brick-and-mortar casinos</i></p> <ul style="list-style-type: none"> <li>• Ads must: <ul style="list-style-type: none"> <li>○ be truthful for lawful brick-and-mortar casino gambling</li> <li>○ not be misleading nor exaggerate possible winnings in any way</li> <li>○ not present fictitious winners or winnings nor misrepresent actual winners or winnings</li> <li>○ not state nor imply praise for those who participate in the Advertised activity or denigrate those who abstain</li> <li>○ not include actual gambling components as part of the Ad (i.e. the exchange of money or cash winnings)</li> </ul> </li> </ul> <p>All Ads within this category must be pre-approved by WBD.</p>

Weight Loss Products	All Ads for rapid weight loss pills, supplements or any dietary ingestible must have a visible FDA/DSHEA disclaimer which reads <i>“These statements have not been evaluated by the FDA. This product is not intended to diagnose, treat, cure or prevent any disease.”</i> or such similar disclaimer/language that may be required by local applicable law/regulators.
Additional Ads Requiring Advance WBD Approval	Any advertising that falls within any of the following categories is only permitted with prior WBD written approval of the applicable Ad: <ul style="list-style-type: none"> <li>• advertising of a religious nature or relating to political content or messaging;</li> <li>• advertising of a political nature or relating to political content or messaging, or promoting or endorsing any political party;</li> <li>• advertising for: <ul style="list-style-type: none"> <li>○ CBD/hemp products/marijuana;</li> <li>○ dating services;</li> <li>○ sexual health products; or</li> <li>○ weapons or firearms.</li> </ul> </li> </ul>

#### 4. Additional Requirements

All Ads must comply with the following requirements, where applicable:

(a) Additional requirements for Ads that are placed before, after or otherwise in connection with: (i) any content which is aimed at, or may be viewed by, children (e.g. any person under 18), or (ii) any children’s content on linear channels, together <b>Child Content</b>	
General	<ul style="list-style-type: none"> <li>• Ads must: <ul style="list-style-type: none"> <li>○ adhere to CARU guidelines (or local equivalent)</li> <li>○ not imply that if children get a product they will automatically become popular or obtain peer approval</li> <li>○ must not contain language that minimizes the price of a product (such as ‘only’ or ‘just \$49.99’)</li> <li>○ be clearly recognizable as an advertisement, not to program content</li> <li>○ not contain language that exhorts children to buy, or ask a parent to buy, a product (such as “buy it” or ‘get it’ or ‘bring it home’)</li> <li>○ be pre-approved by WBD</li> </ul> </li> </ul>
Cleaning Products	<ul style="list-style-type: none"> <li>• Ads for cleaning products must not show: <ul style="list-style-type: none"> <li>○ children using or directly interacting with the product</li> <li>○ the product being used in a fantastical, magical way that may be enticing to young viewers</li> </ul> </li> </ul>
Competitive	<ul style="list-style-type: none"> <li>• Ads featuring products (toys, DVDs, etc.) from competitive children’s programs</li> </ul>

Advertising	must not reference the programme from which the product derives nor the network associated with that programme
Direct Response	<ul style="list-style-type: none"> <li>• Direct response Ads for 'child-friendly' products must include the following disclaimers in audio or audio + video: <ul style="list-style-type: none"> <li>○ price and establishing that shipping and handling charges are additional</li> <li>○ Ads that include an 0800 or similar number and/or website as a method to order a product or service must be accompanied by a disclaimer in audio and video advising that consumers must be 18 or older or have a parent's permission to call or order</li> </ul> </li> </ul>
Food and Beverages	<ul style="list-style-type: none"> <li>• Ads: <ul style="list-style-type: none"> <li>○ must whenever appropriate, show foods and eating in accordance with commonly accepted principles of nutrition and health</li> <li>○ must not display indiscriminate or immoderate eating or over-eating</li> <li>○ must show individual or isolated food products in conjunction with the other fundamentals of nutritionally balanced meals, such as a full breakfast, lunch or dinner</li> <li>○ for snack foods must portray children eating these snacks away from a meal setting and not as a meal substitute</li> <li>○ for "high-sugar" candy products must be displayed outside of Child Content</li> <li>○ for sodas or fizzy drinks must be displayed outside of Child Content</li> <li>○ containing incidental shots of alcohol (i.e. adults with wine at a restaurant) must be displayed outside of Child Content</li> </ul> </li> </ul>
Health Related Products	<ul style="list-style-type: none"> <li>• Ads for over-the-counter medication (such as vitamins, aspirin, and cold and flu ingestibles) must be displayed outside of Child Content and must: <ul style="list-style-type: none"> <li>○ be clearly and distinctly adult-directed. If applicable, only an adult may be shown dispensing the medication</li> <li>○ not show children using or directly interacting with the product packaging</li> <li>○ not show the product being used in a playful, fantastical or magical way that may be enticing to young viewers</li> </ul> </li> <li>• Ads for reputable diet meals and meal plans must be displayed outside of Child Content and: <ul style="list-style-type: none"> <li>○ be clearly and distinctly adult directed</li> <li>○ focus on healthy eating and lifestyle rather than an explicit call out to weight loss</li> </ul> </li> <li>• Ads for dietary supplements or catamenial products must be displayed outside of Child Content</li> <li>• Ads for pregnancy test products must be displayed outside of Child Content</li> </ul>
Toys and Games	<ul style="list-style-type: none"> <li>• The product and play environment must be presented accurately, without exaggeration or distortion. The product's method of operation, source of power and assembly requirements should be clearly disclosed</li> <li>• The number of items shown should be reasonable, taking into consideration the number of children shown and the cost of the toys</li> <li>• Ads must imply that additional units or items that are not included with the toy are part of the basic purchase and should clearly disclose what is included in an initial purchase</li> <li>• When applicable, a disclaimer explaining that products are sold [ ] separately should be included</li> <li>• Ads featuring weapons which show toy weapons being fired into the air, at targets, or towards another individual must be displayed outside of Child Content:</li> </ul>

Video Games	<p>Ads showing video game commercial content must include the ESRB rating in audio and video</p> <ul style="list-style-type: none"> <li>• Ads must include video of actual game footage (i.e. minimum of 5 seconds footage in a :30 commercial and 3 seconds of footage in a :15 commercial)</li> <li>• Ads must, when a game system or controller is shown, include a visual disclaimer advising that the game and system are sold separately</li> </ul>
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## 5. Audit

By placing an Ad on a WBD Property (either as publisher or advertiser), you agree:

- that your Ads will be provided and recorded on a transparent basis and, accordingly, shall keep full and accurate copies of all agreements, accounting books, and records in respect of them, including all individual bid logs and records of the date and time of each Ad being displayed to a user, including targeting segments resulting in that Ad being displayed to that user where you are making use of behaviorally targeted advertising, and your policies and procedures (**Records**)
- that we may on reasonable notice during normal business hours inspect the Records to ensure compliance with this Policy
- to provide us with information and assistance as we may reasonably require in connection with any inspection of your Records

## 6. Enforcement and Take Down

If a user has any concern about an Ad on a WBD Property violating this Policy, or otherwise being undesirable or malicious, they can contact us at <https://help.max.com/au>. Once notified we will initiate an investigation into the complaint within 24 hours and - if appropriate - may use commercially reasonable effort to take down the Ad, either by internal actions or by contacting the applicable party, if necessary.

We may take any reasonable action to protect the integrity of any WBD service and the safety of our users to address Ads or practices we reasonably believe do not conform with this Policy or are otherwise undesirable or malicious, including by:

- blocking, disabling or otherwise banning any specific Ad, any Ad campaign or any Ad source (such as a demand-side or supply-side partner) and in some cases suspending or terminating publisher accounts
- requesting improvements to your policies and procedures, including as a requirement for any future Ads, which you are connected with, to be displayed on a WBD Property
- withholding commissions due to supply-side partners for impressions resulting in non-compliant or undesirable Ads being displayed

Repeated or egregious breaches of this Policy may result in your access to WBD inventory being revoked indefinitely.

If you have questions about this Policy, please feel free to contact us at <https://help.max.com/au> or through your usual WBD contact.

## Schedule 1

### WBD Third-Party Online Data Collection and Use Policy

#### 1. Scope

This Third Party Online Data Collection and Use Policy applies to all publishers and advertisers ("**Partners**") collecting or attempting to collect data from digital properties owned or controlled by WBD.

#### 2. Definitions

For the purposes of this policy:

- 2.1. "**Data**" includes (but is not limited to) (1) site or platform usage, behavioural and clickstream data; (2) traffic patterns or analytics relating to WBD's digital properties or users of such; and (3) context, content and identifying marks of WBD and its brands.
- 2.2. "**DCT**" refers to Data Collection Technologies, including any tracking technology that reads or collects information on digital properties such as ad serving tags, rich media tags, associated HTML, javascript or other code, pixels, clear gifs, cookies, iframes, or web beacons.
- 2.3. "**Personal Information**" means any information that identifies, or reasonably could identify, a particular individual and includes unique identifiers, personal profiles and detailed location information in addition to name, address and other personally identifiable information.

#### 3. Approval of Data Collection Technologies

- 3.1. No DCT may be placed on any digital property without the prior written consent of WBD.
- 3.2. When requesting consent from WBD, a Partner must provide the following information:
  - 3.2.1. the DCT or a means of identifying the DCT;
  - 3.2.2. the specific data the DCT will collect or track;
  - 3.2.3. the functionality of the DCT, such as whether the DCT will drop cookies or similar devices; and
  - 3.2.4. the expiration period for any cookies or similar devices.
- 3.3. Partners must not permit any third-party to use DCT on any digital property without the prior written consent of WBD.
- 3.4. Partners must take reasonable precautions to prevent the entry of unauthorised third-party DCT into any Partner application used in connection with any digital properties.
- 3.5. WBD may require that a Partner immediately removes or disables any unauthorised DCT.

#### 4. Use of Data Collection Technologies

- 4.1. Partners **may not**:
  - 4.1.1. associate DCT with Personal Information for any purpose. If Personal Information is inadvertently collected, Partner must immediately discard such data.



- 4.1.2. use any data collected for the purpose of ad targeting, retargeting or any form of syndication;
- 4.1.3. disclose the data to any third party in a manner that identifies WBD users as users of any product or service;
- 4.1.4. sell or make available for resale any data collected;
- 4.1.5. compile or supplement profiles about WBD users (even if profiles were originally created outside of the WBD network), the different WBD sites and content, or the content that a particular WBD user visits;
- 4.1.6. use any technology or device to recreate, modify or re-enable data collection technology that has been deleted or disabled by WBD or its users without explicit consent to the modification from Discovery;
- 4.1.7. use or conduct survey-based research without written consent from WBD;
- 4.1.8. use data collected to market any other service; or
- 4.1.9. use data collected for any unlawful or discriminatory purpose, including but not limited to denial of consumer credit, insurance or employment.

4.2. Partners **must**:

- 4.2.1. ensure that all DCT are disabled or expire when the partnership with WBD ends;
- 4.2.2. ensure that all data collected is destroyed when the partnership with WBD ends;
- 4.2.3. provide users with a clear and meaningful opportunity to opt-out from data collection and a process to ask about what data has been collected about them;
- 4.2.4. comply with all privacy and data security laws, rules, regulations and best practices in connection with the collection and use of data;
- 4.2.5. employ up-to-date, industry recognised “best practices” with respect to technology and procedures to prevent and detect theft, piracy, unauthorised access, copying, duplication or distribution of data collected; and
- 4.2.6. notify WBD immediately if Partner has cause to believe that there has been a data breach incident involving any data collected.

**Schedule 2**  
**Market-Specific Riders**

This Schedule contains market-specific riders that act to amend the terms of this Policy solely in relation to Ads displayed in the applicable market noted below.

**Australia**

In addition to the rules outlined above, the following restrictions will apply for Ads in Australia.

*This list is not exhaustive, and the advertiser should make themselves familiar with the laws of Australia prior to delivery of any advertising material to WBD.*

<b>DO NOT SELL ADVERTISING FOR THE FOLLOWING PRODUCT CATEGORIES</b>
Escort and Sexual Services
Fireworks
Adult Entertainment, Sexual Aids or Adult Novelty Products
Psychic Services and other Pseudo-Sciences (including fortune tellers and the occult)
Herbal supplements
OTC weight loss products
Religious advertisements

<b>POLITICAL AND ADVOCACY</b>
<b>Restrictions</b> <i>The following is never allowed for political or advocacy advertising:</i> <ul style="list-style-type: none"><li>• Sponsorships of content, programming, or features.</li><li>• Pre- or post-roll adjacent to political news content video.</li><li>• Kids content.</li></ul>
<b>Considerations</b> <ul style="list-style-type: none"><li>• <b>Inventory:</b> Mid-roll or mid-break placement only.</li><li>• <b>Frequency:</b> Political and advocacy ads must comply with WBD streaming frequency caps.</li></ul>
<b>Length:</b> Any creative longer than :30 must be pre-approved by your local legal team
<b>Creative Requirements:</b> <ul style="list-style-type: none"><li>• Must have visible advertiser identification on the last frame of creative.</li><li>• Cannot contain firearms, tobacco, blatant attack, or gratuitous imagery (this policy mirrors CNN/WBD portfolio practices).</li></ul>

<b>ADVERTISING FOR COMPETITORS</b>
WBD generally accepts Motion Picture campaigns from Studios.
For Streamers, competitive advertising may be accepted so long as it abides by the reciprocity and creative requirements below.
What is reciprocity and why is it required? Reciprocity is an incentive offered to a competitor in return for something of value to WBD. Reciprocity is a prerequisite for acceptance unless an exception is approved by the Head of Ad Sales, ASM, and network executives.
<u>Additional Competitive Considerations:</u> <ul style="list-style-type: none"><li>• Competitive Advertising will not air during any HBO Original programming.</li><li>• Competitive advertisers cannot use “reward” products (i.e. Brand Block, InFront), it is limited</li></ul>

(currently) to Pre- and Midrolls.

- Competitive Advertising must comply with existing WBD streaming frequency caps.

Competitive Creative Requirements

- Price: Competitive advertising may not mention pricing (i.e., “Stream Amazon Prime for \$9.99 per month”).
- Call to Action: Competitive advertising may not include “Stream Now”. However, “Now Streaming” is accepted and/or other generic tags.
- Day, Date & Time: Day/Date/Time (“DDT”) on competitive advertising will be reviewed on a case-by-case basis.
- Length: Any creative longer than :30 may require additional Commercial Clearance approval.
  - Our restricted competitor list would be any DTC content streaming service, whether distributed on an SVOD, FVOD or BVOD basis, as well as any other network or channel distributed in Australia, unless we provide our prior approval otherwise.
  - This includes any FTA or STV linear network or channel, Netflix, Disney+, Paramount+, Apple TV+, Amazon, Stan, Binge, Kayo, Peacock, ABC iview, ABC Kids, 9Now, 7+, 10Play, SBS On Demand, Optus Sport, Flash, Lifestyle and YouTube, but would also include any other similar services or networks which might launch in the future.
  - Any deal including any of the above must be sent to Annabel Archer and James Hole for approval.

**ADVERTISING FORMATS**

**To the extent any of the following advertising formats is live in your country, the following restrictions apply for the following product / advertiser categories:**

AD FORMATS TO PITCH FOR COMPETITIVE ADVERTISING		
	Approved	Not Approved
<b>Sponsorships</b>		<ul style="list-style-type: none"> <li>• Collection Presenting Sponsorships</li> <li>• Title Sponsorships</li> <li>• HBO Originals</li> </ul>
<b>Ad Formats</b>	<ul style="list-style-type: none"> <li>• Pre-roll, mid-roll</li> </ul>	<ul style="list-style-type: none"> <li>• Brand Block</li> <li>• InFront</li> <li>• QR Code (on any product)</li> <li>• Takeovers</li> <li>• Interactive Ads</li> <li>• Sequential Ads</li> <li>• Pause Ads</li> </ul>
<b>Targeting</b>	<ul style="list-style-type: none"> <li>• Content Targeting</li> <li>• Audience Targeting</li> </ul>	

## Schedule3

### Invalid Traffic and Ad Fraud Policy

#### Introduction

For adverts to work, they need to be seen by real people. Unfortunately, not all traffic represents human traffic or traffic from people that are engaging with websites and apps in a legitimate way (which we refer to as fraudulent or invalid traffic or “**IVT**”). IVT is very common in the online advertising ecosystem. IVT can have negative consequences for us and our suppliers, customers and advertisers, such as loss of advertising revenues, decreased ROI from advertising spend, damage to our reputation, unreliable metrics and poor user experiences.

It is therefore important that we have appropriate policies in place to minimise the levels of IVT across our digital platforms.

- **Section 1** of this policy sets out what we consider to be IVT. This is an exhaustive list which we update periodically to reflect changes in market practice.
- **Section 2** of this policy sets out the actions that we as a company are taking to monitor, respond to and reduce IVT across our digital platforms.
- **Section 3** of this policy sets out the actions that we expect certain commercial partners to take to help us monitor, respond to and reduce IVT across our digital platforms.

#### 1. What is Invalid Traffic?

The definitions used in this section reflect the current guidance published by the US Media Ratings Council (**MRC**). We may update these definitions from time to time to reflect changes to the published guidance and good industry practice.

##### **(a) General Invalid Traffic (GIVT)**

GIVT is traffic that is identified through routine means of filtration executed through application of lists or with other standardized parameter checks. GIVT includes **neutral and fraudulent** activity.

We classify the following activities as GIVT:

- **Known invalid data-center traffic.** This is where the traffic is determined to be a consistent source of invalid traffic; not including routing artifacts of legitimate users or virtual machine legitimate browsing).
- **Bots and spiders or other crawlers** (except those which fall into the SIVT category below).
- **Activity-based filtration** using transaction-level data and parameters from campaign or application data.
- **Non-browser user-agent headers or other forms of unknown browsers.**
- **Pre-fetch or browser pre-rendered traffic.** This is where associated ads are not subsequently accessed by a valid user. Under the current IAB/MRC Measurement Guidelines, an ad must have loaded and begun to render in order to record an impression. As a result, prefetch or pre-rendered traffic will usually not be included in gross impression counts.
- **Invalid placements (specific to display ads).** This refers to small, barely visible or invisible ad delivery or illogical (non-industry standard) ad size of 0x0.
- **Non-rendering capabilities.** This refers to sessions or traffic without the capability to render or display images (other than cases of disabled image rendering) even though rendered impressions or other activity may be associated with them, such as headless browsers or component devices without a display component. This does not relate to and is agnostic of visibility or viewability of an ad.

##### **(b) Sophisticated Invalid Traffic (SIVT)**

SIVT refers to more difficult to detect situations that require advanced analytics, multi-point corroboration/coordination, significant human intervention, etc., to analyse and identify. SIVT represents

activity that is **intentionally fraudulent**, where the aim of the activity is to generate fraudulent revenue by mimicking human traffic in order to evade detection.

We classify the following activities as SIVT:

- **Automated browsing from a dedicated device.** Known automation systems (e.g., monitoring/testing), emulators, custom automation software and tools.
- **Automated browsing from a non-dedicated device.** Infected and hijacked devices (and sessions within) as well as incentivized automated activity.
- **Incentivized human invalid activity.** Self-directed activity to benefit self or harm others and directed activity.
- **Manipulated activity.** Forced new browser window opening, forced tab opening, forced mobile application install (mobile re-direct), forced clicking behaviour, tricking users to click / accidental clicks, clickjacking (UI redress attack) and hijacked measurement events.
- **Falsified measurement events.** Visit, impression, viewability, click, location, referrer, conversion attribution and user attribute spoofing as well as Server Side Ad Insertion (SSAI) spoofing where applicable to a measurement organization.
- **Domain and App misrepresentation.** App ID spoofing, domain laundering and falsified domain / site location.
- **Bots and spiders or other crawlers** masquerading as legitimate users detected via sophisticated means.
- **Hijacked ad tags and creatives** (specific to display ads).
- **Intentionally obfuscated ad serving.** Hidden / stacked / covered / transparent / invisible or otherwise). Z-order stacking, banner stuffing, transparent ads and background cycling and pop-under with auto-close (specific to ads).
- **Invalid proxy traffic.** Traffic originating from an intermediary proxy device that exists to manipulate traffic counts or create/pass-on invalid traffic or otherwise failing to meet protocol validation.
- **Adware and Malware** that conduct deceptive actions including ad injection and unauthorized overlays.
- **Incentivized manipulation of measurement.** Invalid incentivized promotion of an entity, without its knowledge or permission such as shilling or for purposes of manipulating measurement – excludes cases where the entity paying for the incentive is the entity being promoted.
- **Misappropriated (pirated or stolen) content** (where used to purposefully falsify traffic at a material level).
- **Cookie stuffing, recycling or harvesting.** Inserting, deleting or misattributing cookies and thereby manipulating or falsifying prior activity of users.

## 2. Our responsibilities

We use a range of different techniques to detect and prevent IVT across our digital platforms. We update these from time to time to ensure that we stay in line with industry practice.

### (a) Monitoring

In the majority of our markets, we use an MRC-accredited third-party technology solution to monitor traffic across all our proprietary digital platforms. This solution monitors and reports on GIVT and SIVT. In other markets, we undertake such monitoring and reporting internally.

We will investigate any unusually high levels of IVT that are reported to us by our third party solution or otherwise. We will also investigate the cause of any of SIVT.

We also regularly review our own platform usage analytics. If we notice any of the following patterns in our platform usage analytics, we will investigate the cause of them, as these can sometimes be caused by unusually high IVT rates (although they can also be caused by other technical issues that have nothing to

do with IVT):

- **Sudden traffic spikes.** Our traffic usually increases gradually when it arises organically (e.g. from improvements that we are making to our digital platforms or from search optimisation). If our daily traffic suddenly spikes for no obvious reason, then it is possible that the sudden spike was caused by IVT.
- **Very high bounce rates.** If a very high proportion (e.g. close to 100%) of users are exiting our digital platforms without engaging in any meaningful interaction during a particular period of time, there is a possibility that a significant part of traffic during that time was IVT so we will investigate further.
- **Very low session durations.** The average session duration for a digital platform is calculated by dividing the total duration of all sessions (in seconds) by the number of sessions. If the average session duration is close to zero, it suggests that all users exited the platform after less than 1 second during a particular period of time. This can sometimes happen if a large percentage of traffic during that period is IVT.

#### **(b) Responding**

In general, we expect to see around 1-2% IVT across our platforms. For markets with higher rates of IVT, we expect to see up to 5%. If we notice that this benchmark is being exceeded, we will take appropriate steps to respond. For instance, we may:

- Investigate the source of the increased IVT levels.
- Notify our development teams to ensure the issue is not linked to any development work that is being carried out on our digital platforms.
- Report the issue to the relevant partner(s), including SSPs, advertisers, ad networks and ad exchanges.
- Block or disable certain content or certain device IDs to avoid the issue recurring.
- If we are seeing repeated issues in connection with a particular partner, have discussions with that partner about how to reduce IVT originating from their services or platforms or consider terminating our relationship with them.

#### **(c) Preventing**

Our third party solution integrates automated tools to prevent certain types of IVT across our platforms, for instance by filtering GIVT using industry lists.

We also have internal company policies that are designed to help us protect our digital platforms against IVT, such as:

- **Understanding our traffic.** By tracking suspicious traffic patterns, we can take decisions about whether to remove ad codes on high-risk traffic segments, channels, and geos to guard against IVT.
- **Ensuring we are not contributing to IVT.** All our staff are trained not to click ads on our own platforms or to load pages multiple times unless it is unavoidable to do so. If we must click ads (for instance for testing purposes) we try to do so in a controlled environment, such as by right clicking and inspecting it in Google Chrome tools. Our staff are also trained to avoid or limit the use of any exchange ads in development environments to the extent that it is possible to do so.

- **Avoiding bad partners.** We select all our partners carefully and avoid partnering with low-quality ad networks, search engines, or directory listings that do not have appropriate policies in place to prevent IVT.

### **3. What do we expect from our partners?**

While we have strong systems and policies in place to detect IVT, it's equally important that relevant partners have their own systems and policies in place and that they keep us informed of any IVT issues. At a minimum we expect our partners to:

- Monitor for IVT originating from their use of or integration with our digital platforms, in accordance with good industry practice.
- Report IVT issues to us promptly so that we can take appropriate steps to protect against it (including all relevant information with such reports to allow us to effectively investigate, including IP addresses). In particular, if a partner identifies IVT levels of more than 2% (or 5% for markets with higher rates of IVT), they should report this to us immediately. If IVT issues are only reported to us when our partners adjust the fees payable to or by us, we will not be able to take appropriate action to prevent or guard against it.
- Cooperate with us in good faith to help monitor, reduce and prevent IVT.

### **4. Consequences of IVT**

#### ***(a) Effect on payments***

For the purposes of any fees payable in respect of advertising on our digital platforms, our IVT records will always take priority over those of any partner.

No fees shall be payable by us in respect of impressions that are generated by IVT that we identify in accordance with this policy.

Our partners will not be entitled to make adjustments to any sums payable by or to us on the basis of (a) any alleged invalid or fraudulent traffic that does not fall within the definitions of IVT set out in this policy or (b) any IVT recorded by a third party that does not match our own IVT records.

#### ***(b) Disputed IVT***

If based on our records we dispute the amount of any revenue, ad impressions or IVT reported to us by a partner, or any adjustments made to sums payable to us or by us on the basis of IVT on our digital platforms:

- (i) our IVT records will take priority;
- (ii) where applicable, we may withhold payment of the relevant invoice; and / or
- (iii) we may refer the dispute to be settled in accordance with the escalation procedure set out below.

If you dispute the amount of any revenue, ad impressions or IVT as a result of your measurements via a third-party tracker:

- (i) where the difference between our IVT records and your IVT records is within 20%, our IVT records will take priority and there will be no further dispute; and
- (ii) where the difference between our IVT records and your IVT records exceeds 20%, our IVT records will take priority but the dispute will be referred for investigation through the escalation procedure set out below.

### ***(c) Escalation Procedure***

Anyone wishing to raise a dispute relating to IVT on our digital platforms (“**Dispute**”) must provide written notice (an “**Escalation Notice**”) by email to the relevant relationship manager(s).

The Escalation Notice must be sent within 10 days of the disputing party becoming aware of the issue giving rise to the Dispute and must include a detailed description of the Dispute and any steps taken by the parties to resolve it.

The relevant relationship manager(s) will attempt in good faith to resolve the Dispute within twenty (20) working days from, and including, the date of the Escalation Notice.

If the relevant relationship manager(s) fail to resolve the Dispute within twenty (20) working days then Dispute must be referred for resolution to an appropriate representative of each of the relevant parties with authority to settle the Dispute on behalf of the relevant party. If, when we issue an invoice or an invoice is issued to us, any line item on that invoice is the subject of an ongoing Dispute, this should always be indicated on the invoice. We may withhold payment of any line item that is the subject of a Dispute until the Dispute has been resolved.

This escalation procedure will not prevent either party from seeking emergency relief from a court or any other relief available under any relevant contract.

### **5. General Queries**

If you have any questions about this policy or IVT generally, please contact your main Warner Bros. Discovery account contact.